

**BOARD OF MAYOR AND ALDERMEN**  
**Special Called Meeting**  
**November 17, 2008**

A special called meeting of the Board of Mayor and Aldermen was held on November 17, 2008, at 5:00 p.m. in the Administrative Conference Room of the Municipal Center.

Mayor Sharon Goldsworthy was present and presiding.

The following Aldermen were present: John Drinnon, Carole Hinely, Mike Palazzolo and Frank Uhlhorn. Alderman Ernest Chism was absent. Staff present: Patrick Lawton, George Brogdon, Kristen Geiger, Michael Saddler, Bo Mills, Butch Eder, and Ralph Gabb.

**Resolution 08R113 – Initial Authorizing Bond Resolution**

City Administrator Patrick Lawton stated this was a special called meeting primarily because of the Initial Bond Resolution and timing. The objective is to try and issue the debt before the end of the year in order to stay under our debt issuance capacity. There is a G.O. Bond issue planned in the spring and it is hoped it will be a citizen bond issue. The FAC had met and gone over the rates, projections, use of the funds and establishment of the utility fund. The FAC endorsed the recommendation to go forward at their meeting on November 11, 2008.

Assistant City Administrator Kristen Geiger asked for the approval of the Board on the Initial Authorizing Bond Resolution of \$5 million. This will be a water and sewer revenue bond and tax bond. It will be supported by the net revenues to the utility fund in the event it should not sustain itself, we carry the bond debt.

In reviewing the financials for the utility fund in this year's budget, we had budgeted \$6.2 million for debt issuance and we are only coming in with \$5 million. This is due in part because the utility fund is very healthy and we decided to use some more of the reserves from the utility fund. The reason we are not using all reserves is because it is a user fund and the projects that have a long life span, we don't want to use all the user fees for today for that which a user down the road would benefit. She stated this was a classic example of why rating agencies look for cities to balance using reserve, pay as you go coupled with debt. We will only use the \$5 million and draw down the \$2 million and not issue the \$7.2 million which was in the budget but issue \$5 million for 10 years. The rate is anticipated to be at or under 4% on the bonds.

Ms. Geiger stated they felt the timing was good right now for the bonds and that Collierville had issued their bonds last week and the tic was 3.7% for the first 10 years on their bond. We got indications from our banks that customers were looking for us to issue the bonds.

Ms. Geiger went over the calendar for the bonds with the sale scheduled for December 8. This is the initial bond resolution with a newspaper ad giving the citizens a 20 day notice. Next Monday night's Board of Mayor and Aldermen meeting will have the final authorizing resolution for the bonds and then the sale is scheduled for Monday, December 8<sup>th</sup>. That night staff will come to the Board of Mayor and Aldermen meeting with the authorization of the bond sale.

A question and answer period followed regarding the bonds and the anticipated work on the water treatment plants and the sewers. One area of concern was the Smart Growth Area and what will be needed in the future. Bo Mills stated the expansion of the Johnson Road Water Treatment Plan would take care of projected build-out but did not take into consideration the Smart Growth Area. The Southern Ave. Water Treatment Plant is being looked at for potential expansion for the Smart Growth Area.

Mr. Lawton stated the Allen Hoshall study that is being done will look at the water and sewer for the entire redevelopment of the downtown area.

Motion by Mr. Palazzolo, seconded by Mr. Uhlhorn, to approve the attached initial resolution authorizing the issuance of approximately \$5,000,000 Water and Sewer System Revenue and Tax Bonds, Series 2008, of the City of Germantown, Tennessee pursuant to state law under Title 9, Chapter 21, Tennessee Code Annotated for the purpose of financing costs of certain public works projects of the City's water and sewage system and to direct staff to publish the prescribed notice about this resolution in a newspaper having general circulation in the City.

ROLL CALL: Drinnon - yes, Hinely - yes, Palazzolo – yes, Uhlhorn - yes. Motion approved.

### **Ordinance 2008 - 11 – Amendment to FY08-09 Budget Ordinance – First Reading/Set Public Hearing**

Mr. Lawton stated the Board was aware of the new recreations program that will be starting this spring which is the soccer program. The program will require a budget adjustment to recognize the revenues and expenditures for this new program. In order for this new program to begin there must be an adjustment to the budget that the Board approved on July 1 of this year.

Pam Beasley stated around the first part of October the Board was notified that the Parks & Recreation Department would be providing recreational soccer to the children of Germantown. The department will staff the program with a seasonal soccer director that will be credentialed and certified. The Youth Soccer will be for ages 7 through 17 and will be using the fields in Germantown. She stated there would be one soccer facility at Johnson Road Park that will be converted into a Lacrosse facility for the season.

Parks & Recreation will also be working with GSA which is the competitive soccer provider in the community and support their program through field rentals. The youth in the area that play competitive soccer will be working through the soccer association to rent fields in Germantown. The fields will be rented on a lottery system in which those teams that have a majority of their players Germantown residents. They will have first choice on the fields and will be done on a ranking system. There will be one fee for field rentals of \$75.00. This is a competitive rate for the field rentals.

In response to a question from Alderman Palazzolo, Ms. Beasley stated there would not be a budget impact because the revenues and expenditures are already in place.

Assistant City Administrator George Brogdon complimented Ms. Beasley and her staff on the wonderful plan they put together and how they were addressing all the sports which included the Lacrosse teams. A majority of the Lacrosse teams were from Germantown.

Ms. Beasley stated that in competitive sports there are tryouts and only the very best make the teams. This will give all the children a chance to play soccer and be on a team.

The Parks & Recreation Commission had given their full support of the program.

Motion by Mr. Uhlhorn, seconded by Mr. Palazzolo, to approve Ordinance 2008-11 amending the FY09 Budget, set Monday, November 24, 2008 for second reading, and set Monday, December 8k 2008 for the public hearing.

ROLL CALL: Drinnon - yes, Hinely - yes, Palazzolo – yes, Uhlhorn - yes. Motion approved.

A discussion followed on the economy and where our revenues would be impacted in the coming year. Mr. Lawton assured the Board that the service levels would not be impacted and the City was taking a hard look at areas where things can be changed.

Having no further business, the meeting was adjourned.