

BOARD OF MAYOR AND ALDERMEN

February 27, 2012

A regular meeting of the Board of Mayor and Aldermen was held on February 27, 2012 at 6:00 p.m. in the Council Chambers of the Municipal Center.

Mayor Sharon Goldsworthy was present and presiding.

The following Aldermen were present: Mark Billingsley, John Drinnon, Greg Marcom, Mike Palazzolo and Ernest Chism. Staff present: Patrick Lawton, Tom Cates, Kristen Geiger, George Brogdon, Bo Mills, Wade Morgan, Chief Richard Hall, Chief John Selberg, Michael Stoll, Ralph Gabb, Melody Pittman, Ernie Moretta, Tony Fisher, Lisa Piefer and Dotty Johnson.

Call to Order

Mayor Goldsworthy called the meeting to order at 6:00 p.m.

Invocation

Community Services Division Director George Brogdon gave the invocation.

Pledge of Allegiance

Boy Scout Troop 270 from Germantown Presbyterian Church posted the colors and led the Pledge of Allegiance.

Approval of Agenda

Mayor Goldsworthy stated the Board had agreed to move the following agenda items to the consent agenda: #13 – Purchase of Six In-car Video Systems, #15 – Resolution 12R01 and #17 – Server for In-car Camera System.

Motion by Mr. Marcom, seconded by Mr. Drinnon, to approve the agenda amended.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Billingsley–yes, Chism–yes. Motion approved.

Approval of Minutes

Mayor Goldsworthy noted there were some corrections to the minutes that were noted during the executive session.

Motion by Mr. Marcom, seconded by Mr. Palazzolo, to approve the minutes of the regular Board of Mayor and Aldermen Meeting held February 13, 2012 as amended.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Billingsley–yes, Chism–yes. Motion approved.

Youth Excellence Award

Mr. Collin Hutsell, a senior at Germantown High School, was presented with the student award.

Teacher of the Month Award

The Teacher of the Month Award was presented to Ms. Rhiannon Harrison, a fifth grade teacher at Our Lady of Perpetual Help Catholic School.

Proclamation – Arbor Day

Mayor Goldsworthy read a proclamation proclaiming March 2, 2012 as Arbor Day. This is the 140th anniversary of the celebration of Arbor Day which is a day set aside to support efforts to protect our trees and woodlands.

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Citizens to be Heard

No citizens came forward to be recognized.

Certificate of Compliance – Forest Hill Wine Merchants

City Administrator Patrick Lawton explained that every two years state law requires the holder of a liquor store permit to receive a Certificate of Compliance issued by the local municipality. Oates Investments, LLC is requesting a Certificate of Compliance from the City of Germantown. The appropriate background checks had been performed and staff recommended approval.

Motion by Mr. Marcom, seconded by Mr. Palazzolo, to issue a certificate of compliance to Oates Investments, LLC, for a retail liquor store located at 9087 Poplar Ave., Ste. 101.

ROLL CALL: Marcom–yes, Drinnon–no, Palazzolo–yes, Billingsley–yes, Chism–yes. Motion approved.

Ordinance 2012–1 - Place on Ballot – Germantown Public School System – Second Reading

Mr. Lawton stated there are certain legal and regulatory requirements to be addressed by the Board regarding this ordinance. The issue of whether or not the City of Germantown will have a municipal school system must be placed before the registered voters within Germantown corporate limits in the form of a referendum.

The only body that can initiate this action is the Board of Mayor and Aldermen through the adoption of an ordinance on three readings and a public hearing authorizing the creation of a municipal school system. Embedded within the ordinance is the referendum question that will be placed before the electorate in a special called election on May 10, 2012. The referendum question is as follows:

“Shall the City of Germantown create a municipal school district that shall meet the standards of adequacy established by applicable State law and regulation, which standards include raising and spending each year the required amount of local funds for the operation of the municipal school district that, for calculation purposes only, would be at least equal to the amount that would be raised through a 15 cent tax levy on each \$100 of taxable property for each year if all such taxes were collected?”

In order to notify the Election Commission in ample time to place the question on the May 10 ballot, the third and final reading and public hearing will be held on Monday, March 5. This is a special called meeting of the Board of Mayor and Aldermen at 6 p.m. in the Council Chambers.

Motion by Mr. Billingsley, seconded by Mr. Chism, to approve Ordinance 2012-1 on second reading, an ordinance establishing a municipal schools system within the City of Germantown. Further, to place before the voters in the City of Germantown the question in the form of a referendum to be held on Thursday, May 10, 2012.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Billingsley–yes, Chism–yes. Motion approved.

Ordinance 2012 – 2 – An Ordinance to Increase Local Option Sales Tax and Place Question on Ballot – Second Reading

Mr. Lawton stated the feasibility study prepared by the City’s consultants, SES, presented the fiscal requirements necessary to establish, fund and sustain a municipal school system. The study demonstrated that the proposed budget for the municipal school system could be funded primarily through the dollars that come from the State of Tennessee under the Basic Education Program (BEP), and county tax dollars paid by all property owners within the county under the established average daily attendance (ADA)

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formula. Those two sources would generate approximately 95% of the funds necessary to operate the Germantown municipal school system on an annual basis.

The remaining funding would come in the form of a proposed increase to the local option sales tax of ½ cent. State law requires that a municipality is required to spend an amount equal to 15-cent levy on the local property tax rate. Based upon Germantown’s assessed value, a 15-cent property tax increase would generate 2.2 million dollars. A ½ cent sales tax to the local option sales tax based on five years’ worth of historical data would generate 2.4 million dollars.

The ordinance before the Board of Mayor and Aldermen proposes to increase the local option sales tax as the method necessary to meet this State requirement and bridge our funding gap. This increase to the local option sales tax would hit the State’s statutory limit of 2.75%.

As with the establishment of a municipal school system, an increase to the local option sales tax must be by an approved referendum of the people. Only the Board can initiate this action and be in compliance with State law. The Ordinance 2012-2, on first reading, is the first step in this process. The three readings will mirror the calendar earlier established for the establishment of a municipal school system with the public hearing scheduled for March 5.

The question that will appear on the ballot is as follows:

“Shall Germantown Ordinance No. 2012-2, which increases the municipality’s sales tax from 2.25% to 2.75%, except where the sales tax is limited or modified by statute, be approved?”

After the adoption of this ordinance and notification of the Election Commission to place this question on the ballot, the election Commission will notify Shelby County Government of our request. Shelby County will have 40 days to decide to enact the ½ cent sales tax county-wide in the form of a referendum among all the registered voters in Shelby County. Pending the outcome of that decision and subsequent action by the County will determine when and if this question is placed on the ballot for Germantown voters.

Motion by Mr. Chism, seconded by Mr. Drinnon, to approve on second reading Ordinance No. 2012-2 increasing the local option sales tax by .5 cents.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Billingsley–yes, Chism–yes. Motion approved.

Purchase of Six (6) In-car Video Systems – MOVED TO CONSENT

Ordinance 2012–3 – Amendment to the Location Requirements for Private Swimming Pool Equipment

Chief Planner Wade Morgan explained this was the first reading of the proposed revisions to the ordinance which will help homeowners by making more area on lots to store pool equipment. Currently, the pool equipment must be stored in the rear yards. The homeowners prefer to locate the equipment on the side yard near the air condition equipment, water and electrical supplies. This ordinance will allow pool equipment to be in the side yard with the provision that: 1) limit the area covered by pool equipment to 70 sq. ft. in total ground coverage within the required side yard setback area; 2) limit the equipment to 4 ft. in height at any point within the required side yard setback area; and 3) require the equipment within the required side yard setback area to be screened from the street by a solid, sight-proof fence of wood, masonry or stone.

Motion by Mr. Palazzolo, seconded by Mr. Chism, to approve Ordinance No. 2012-3, on first reading and set March 26, 2012 as the date of public hearing and second reading.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Billingsley–yes, Chism–yes. Motion approved.

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Resolution 12R01 – Approval of co-location of equipment on the Wireless Transmission Facility in Johnson Road Park – MOVED TO CONSENT

Pharmacy Benefit Management Service

Mr. Lawton explained that the City's existing contract for prescription drug services with MEDCO was about to expire and we have the option to renew this contract for an additional 12 months effective April 1, 2012. MEDCO is one of the country's largest pharmacy benefit managers and under our contract with them, we are able to take advantage of significant discounts for the City and our employees through participating retail establishments within our network and through mail order prescriptions.

Employees participating in our prescription drug program pay a co-pay of \$40 for brand name and \$10 for generic. Over the past two years the City has saved on an annual basis over \$461,000 each year representing discounts on prescription drug costs of over 30%.

Motion by Mr. Marcom, seconded by Mr. Drinnon, to authorize the Board of Mayor and Aldermen to execute a twelve (12) month contract extension with the MEDCO Pharmacy Benefit Management Company beginning on April 1, 2012, to provide pharmacy benefits to the employees of the City of Germantown.

Alderman Billingsley stated he had a friend that works with MEDCO and would recuse himself from voting on this agenda item.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Billingsley–recused, Chism–yes. Motion approved.

Server for In-car Camera System – MOVED TO CONSENT

Network Equipment for Back-up Data Center

IT Director Tony Fisher stated this equipment will create a backup data center network to communicate with the main network system. This backup system would then become the main system in the event there is a catastrophic event or system outage. The system will be located at Fire Station 4 to communicate with the main system at City Hall.

Presidio Networked Solutions, Inc. holds the Tennessee state-wide contract as the certified Cisco product provider. The state contract reflects a 45% savings from list price. The price includes hardware, installation and one-year warranty.

The Cisco Smartnet maintenance agreement will provide coverage to the entire backup network for years two through five. The agreement will provide support in maintaining the system's functionality and integrity should there be a hardware failure.

Motion by Mr. Marcom, seconded by Mr. Drinnon, to request authorization to enter into an agreement with Presidio Networked Solutions, Inc. to install the City's backup network system in the amount of \$101,365.45 and to contract for a 4-year maintenance agreement in the amount of \$13,920.00.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Billingsley–yes, Chism–yes. Motion approved.

New Phone System

Mr. Fisher gave some background on the phone system presently in use. There were two major outages over a period of three years and the last one left us with an outage over a period of a day and a half. In

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April of 2011, the City was notified that the manufacturer had graduated a significant portion of our phone system to End of Life status.

Staff communicated with members of the Telecommunications Commission regarding replacing the phone system. Discussions focused on the City going totally with voice over IP technology.

Presidio is the state-wide contractor for Cisco products. This allows the City to take advantage of the savings already in place through the bid process by State of Tennessee. Pricing on all products and labor are a 45% savings over list price. Included in the project will be the necessary hardware and software to completely replace the existing phone system down to the handsets found on desktops.

The project is expected to require additional cabling and Uninterrupted Power Supply (UPS) systems that will also require Board approval. The current estimate for those services are cabling (\$50,000) and UPS's (\$15,000).

Motion by Mr. Marcom, seconded by Mr. Drinnon, to request authorization for the Mayor to enter into a contract with Presidio Networked Solutions, Inc. in the amount of \$305,882.11 to replace the City's phone and voice mail system, to contract for a 4-year maintenance agreement in the amount of \$80,471.72 and approve Budget Adjustment No. 12-80.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Billingsley–yes, Chism–yes. Motion approved.

CONSENT AGENDA

Reimbursement – Shelby County 911

This is a reimbursement from Shelby County 911 for the change order for the new equipment for the 911 Dispatch Backup Center at the new Fire Station at 3031 Forest Hill-Irene Road in the amount of \$90,254.07.

MOTION: To accept reimbursement in the amount of \$90,254.07 from Shelby county 911 and to approve Budget Adjustment Number 12-72.

Recognition of Donation – Parks and Recreation

Campbell Clinic donated \$3,000.00 to the Parks and Recreation Department for the Small Fry Tri which was a triathlon for preschool children.

MOTION: To recognize a donation made to the Parks and Recreation Department for a special event totaling \$3,000.00.

Purchase of Water Rescue Boat – Fire Department

The Fire Department has a Swiftwater Rescue Team that is available to respond to water rescue situations. This Water Rescue Boat will be helpful during floods and can be used for swiftwater operations as it has inflatable tubes on the exterior to allow it to be more maneuverable and able to float even if submerged. The boat will be bought through funds available through the FY09 Urban Areas Security Initiative homeland security grant.

MOTION: To purchase a Public Safety Water Rescue Boat from Marine Supply, Inc. in the total amount of \$27,390.00 and approve Budget Adjustment No. 12-79.

Recognition of Donation – Heritage Womans Club for John Grey House

This item was presented at the last Board meeting on February 13th but a vote was not taken. A motion and a vote on this item will mark its completion.

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MOTION: To recognize a donation from the Heritage Womans Club in the amount of \$3,000.00.

Purchase of Six (6) In-car Video Systems – Moved from Reg. Agenda

In-car video systems allow the Police Department to use video technology in daily field operations. These six in-car video units are additional units to be installed into six new replacement vehicles.

MOTION: To purchase six (6) Mobile vision Flashback 2 digital in-car video surveillance systems from L3 Communications, Mobile Vision Inc., in the amount of \$29,220.00.

Resolution 12R01 – Approval of co-location of equipment on the Wireless Transmission Facility in Johnson Road Park – Moved from Reg. Agenda

The proposed resolution will grant approval for C-Spire to locate their antennas at the 107 foot elevation and to add equipment within the compound at the base of the tower.

MOTION: To approve Resolution 12R01 for the co-location of C-Spire wireless transmission facility in Johnson Road Park at 2932 Johnson Road.

Server for In-car Camera System – Moved from Reg. Agenda

The 8TB Server storage and distribution system will upgrade the current system that is at full capacity. The server will have enough storage capacity for 37 in-car cameras.

MOTION: To purchase an 8TB Server storage and distribution system from L3 Communications, Mobile Vision Inc., in the amount of \$33,739.00 and to approve Budget Adjustment No. 12-77.

Motion by Mr. Palazzolo, seconded by Mr. Chism to accept the consent agenda as read.

ROLL CALL: Marcom–yes, Drinnon–yes, Palazzolo–yes, Billingsley–yes, Chism–yes. Motion approved.

ADJOURNMENT

There being no further business to be brought before the Board, the meeting was adjourned.

Sharon Goldsworthy, Mayor

Dotty Johnson, City Clerk/Recorder