

**BOARD OF MAYOR AND ALDERMEN**  
**June 8, 2009**

A regular meeting of the Board of Mayor and Aldermen was held on June 8, 2009 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, Ernest Chism, John Drinnon, Carole Hinely, and Mike Palazzolo. Staff present: Patrick Lawton, Andy Pouncey, George Brogdon, Kristen Geiger, Tom Cates, Pam Beasley, Jerry Cook, Inspector Frank Hester, Pat McConnell, Bo Mills, Chief Dennis Wolf, Ralph Gabb, Derek Chaput, Butch Eder, Tim Gwaltney, Lisa Piefer, Josh Whitehead, and Dotty Johnson.

**Invocation**

Assistant City Administrator Andy Pouncey gave the invocation.

**Pledge of Allegiance**

Boy Scout Troop 316 from Germantown Church of Christ presented the colors and led the Pledge.

**Approval of Agenda**

Mayor Goldsworthy announced there would be two add-on's to the agenda and they would be 18b, Certificate of Compliance for The Winery and 18c, Wireless Transmission Facility Settlement.

Motion by Mr. Drinnon, seconded by Ms. Hinely, to approve the agenda as amended.

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

**Approval of Minutes**

Alderman Palazzolo noted on page 4 under Ordinance 2009-4 in the seventh sentence the word four was misspelled.

Alderman Billingsley noted on the first page under the motion for the minutes there were two names by the motion. The motion was made by Alderman Palazzolo.

Motion by Mr. Chism, seconded by Ms. Hinely, to approve the minutes of the meeting held May 11, 2009 as amended.

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

**Proclamation – National Garden Week**

Mayor Goldsworthy read a proclamation acknowledging the importance of gardening. She proclaimed June 7-13, 2009 as National Garden Week.

**Beautification Business Award**

Alderman Palazzolo and Jane Carter from the Beautification Commission presented Mr. Tim Norwood and Ms. Pam Leake from The Village of Germantown with the business award for May. They both thanked the Board for the award.

**Citizens to be Heard**

Jill Anderson, 9068 Cairn Ridge Dr., thanked the Board for funding GPAC and asked the City to fund Tennessee Shakespeare Co.

Steve Bernhardt, 3396 Bedford Lane, asked the Board for continued support of Leadership Germantown and asked for civic support for the funding of \$10,000.

Sandra Abel, 7984 Neshoba, spoke in support of funding for GHS-TV.

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Darrell Hugueley, 8973 Hickory Trail Dr., asked for civic funding for the Tennessee Shakespeare Company.

Carolyn Clements, 8325 Heatherglenn Dr., asked for funding for the Tennessee Shakespeare Company.

Tammi McKelroy, 8037 Cross Pike Dr., came forward and stated she and her husband are president of Poplar Pike Arts Guild and she was speaking in behalf of the organization. She spoke in support of the funding of GHS-TV.

Linda McKinley, 1345 Cattail Cove, asked the Board to not compromise GHS-TV and its multi-million dollar facility because it is so vital to Germantown.

Jerry Hermann, 1561 E. Churchill Downs, thanked the Board for not raising taxes and with the financial conditions to be cautious about funding the grants. He also stated the a place in Municipal Park for plays would be a great thing to have and all the different organizations could use it and the expense of platforms and backdrops would not be necessary for each organization because it would already be there.

Tammye Christian, 8605 Ravencliff Cove, stated she had taken advantage of the free tickets given for Shakespeare and asked for more funding so all children can go.

Bonnie Robinson, 3184 Oak Manor Dr., stated she was President of Board of Directors for Germantown Community Theatre and thanked the Board on behalf of the Board of Directors for the continued support of their outreach program. She explained that four years ago the City asked the Community Theatre to partner with the City in an educational program for children. They took their existing outreach program and developed it. In 2004-05 they had 81 students and last season they had 232 students. Part of the program provides a matinee for the school children during holidays. This past season they had 2,155 children from public and private schools see "Madeline's Christmas".

Carol Ross-Spange, 3028 Towering Pines Cove, stated her children had benefited from the program at GHS-TV and asked for the City's continued support. She also stressed the need for the Tennessee Shakespeare Company and all it brings to the community.

Jack Parnell, 2879 Cordie Lee Lane, praised Frank Bluestein for all he had done and asked for continued funding of GHS-TV. He was surprised at what Mr. Bluestein had done with so little funding. The studio had grown into an internationally known station and he would hate to see the funding stop.

Chris Cotton, 2464 Calkins, spoke in support of the grant for the Tennessee Shakespeare Company.

Peri Beckerman, 2178 Dogwood Oaks Dr., spoke in favor of the Tennessee Shakespeare Company.

David Carlisle, 4812 Onita Drive, principal of Riverdale Elementary, asked the Board to continue to support the schools.

Frank Bluestein, 2147 Sonning Dr., asked the Board to support the current budget.

Dan McCleary, 6996 Stillbrook, spoke in support of the budget, civic support and grants. He stated the Tennessee Shakespeare Company was a service provider and described what contributions the Company would make and give to the City.

Jackie Flaum, 3279 Kinderhill Lane, spoke in favor of the Tennessee Shakespeare Company and asked that perhaps next year the Board could provide money for student tickets at GCT as well.

Dino Palazzolo, 2053 Sunset Road, asked the Board not to stretch the budget too far and to give but watch the spending.

Jean Mathews, 8531 Buckthorn Drive, asked the Board to respect the volunteers and non-profits.

**(Alderman Billingsley on 6/22/09 – requested verbatim sections be added to the minutes on his and Alderman Hinely’s comments after the Citizens to be Heard section of the agenda.)**

Alderman Billingsley: Mayor, Mayor, ah, one, may I make a comment after that please?

Mayor: I am sorry, yes.

Alderman Billingsley: Ah, if you are, (clear throat) excuse me, if you are watching at home, and sometimes it is hard to watch the board meetings, ah from your TV, sometimes the microphones are not working, sometimes its, ah, hard to see who is in the audience but tonight we have literally, ah, a hand full of chairs still available and for the second time the City has had a court room full of citizens supporting civic support. Ah, at our last board meeting when a large group, ah, was here, as Mr. McCleary did a few moments ago, he asked the audience to stand up if you support civic support and again for the second time, three quarters of the room if not more stood up and said, we want civic support. I am hopeful, I will speak for myself, I am hopeful as an elected, we ah, we understand the short and the long term benefits of civic support. I think the citizens that have been here tonight for the second time, and I think many of you unfortunate came back (clear throat) out of fear because of an e-mail that was sent out by one of our board members. Ah, as Ms. Abel said, ah, I have been here before to fight and beg for GHSTV and I am hoping tonight that Ms. Abel would come down here and fight today. I am hopeful that this board on third reading will support our civic and charitable efforts because I believe it’s an investment in our education, our park and our children that makes a huge difference in Germantown, not only for today, but for tomorrow. So, I just, for the second time, want to say too many of you who have come out again with your time after you worked all day, thank you for coming out and sharing with this board, ah, your support, of civic support.

Mayor: Any comment from any of the board members?

Alderman Hinely: Mayor, I would like to say something. I have had to fight for civic, for them, for the last three or four years. Anything that has to do with education, I am for it 100%. I will tell you as a realtor that the first thing that people ask me when they move to Germantown, or move to this area, is, what number one, this is number one, not what the crimes stats, what is the quality of your education. And all of these groups that get money to get these grants through civic support, it all drizzles down to the children in the schools. And without this support, these children would not be getting the special education that they are getting because we give the money, we give the grants to the schools so that the teachers get the tools to give and to teach to these children, and that is what makes our community what it is for and above any other municipality or city around us.

Mayor: Any further comment at this time? We will now proceed to item number 8 which is the second reading on Ordinance 2009-4 to adopt the fiscal year 2010 budget.

**PUBLIC HEARING – Ordinance 2009-4 – An Ordinance to Adopt the Fiscal Year 2010 Budget**

City Administrator Patrick Lawton stated that the adoption of the budget by the Board of Mayor and Aldermen on an annual basis is the most significant action taken by the Board each year. It authorizes the allocation of resources and establishes the direction for programs and services for the City’s triple A rated city for the coming year and during our five-year planning period.

He explained that the preparation of this year's budget was extremely challenging in light of the decline in revenue and scarcity of resources and the continuing recession. The combination of these problems presented challenges to the City administration in matching revenues with expenditures and delivering a budget to the Board and the community that was responsive to the needs of our community yet fiscally responsible. Difficult decisions were made this year in terms of the current year budget and in balancing FY10. The backdrop to these decisions was obviously the length and duration of this global recession and the fiscal and budgetary crises that resulted. Given this reality, the administration still moved forward with the goal of not raising property taxes in FY10. Staff came to the conclusion early on that raising taxes in the middle of a recession, coupled with the impact of property reappraisal was not consistent with good financial stewardship.

Mr. Lawton described again the nature of this year's budget in that it does not include a tax increase, that our triple A bond rating had been reaffirmed by Standard and Poor's and Moody's, and that the budget is balanced in terms of having adequate resources to cover our operations and capital spending for FY10. He then described the challenges facing the staff in the preparation of this year's budget and covered such things as the loss of the retirement fund, the increased funding for the OPEB Trust, property tax reappraisal, the increase in health care costs and covering the subsidy for some of the enterprise funds suffering deficits. He also described the increased request for civic support grants and the challenge of balancing this year's budget without impacting services levels.

Mr. Lawton covered some of the key elements of the budget and described the efforts to not raise property taxes, the development of the Payment In Lieu of Taxes from the utility fund and the salary and wage payments for all full-time employees excluding 17 members of the executive management team. Mr. Lawton went into detail regarding the development of this year's budget based on the key business unit, business plans and the cuts that had to be made in FY09 and going into FY10 in order to have a balanced budget.

Mr. Lawton then described the four major funds of the City for FY10. Those being the general fund at \$36,709,806.00, the special revenue fund at \$3,065,357.00, the enterprise funds at \$15,547,664.00 and the capital improvements plan at \$15,637,000.00. As stated, the City has four major funds that make up the City's budget. Property taxes, sales tax and other forms of income make up the largest share of the funds, that being the general fund, while other funds like our special revenue and enterprise funds have more dedicated sources of income. However, in all cases, expenditure decisions and recommendations are based upon community goals, departmental business plans and funding availability.

Regarding the general fund, Mr. Lawton explained that the programs and activities funded in this area represent the typical services provided by most local governments and include those areas of life safety, infrastructure maintenance, community aesthetics, and financial stewardship and accountability. He described the portion of the budget that is made up of property taxes that represented 61% of the overall general fund revenues at \$20,420,000.00. The other major components of the general fund all experienced a decrease in revenue.

The general fund expenditures are budgeted at \$36,709,806.00 and represent a 3.7% decrease from the FY09 budget. Mr. Lawton explained the efforts of the administration to hold the line on growth and expenditures and still maintain high service levels, despite the rise in costs of doing business and increased costs in healthcare, construction costs, utility and fuel costs, and insurance.

Mr. Lawton then described the \$1.54 property tax allocation and how it supports a majority of the efforts in the general fund. He also emphasized for the Board that as they are asked to consider the property tax rate to keep in mind that staff is working with the State Board of Equalization on establishing the rollback rate for our property tax levy. He explained that it is highly likely that the property tax rate will be lower than the current \$1.54 based upon our 13% increase in overall assessed value. He stated that he

anticipates the new rollback rate being presented to the Board at the third reading and public hearing on the property tax rate scheduled for June 22.

Mr. Lawton went into detail regarding the fund balance as a percentage of our total expenditures. He explained that there are several financial indicators that staff monitors during the year and as we make our long-term financial projections. The fund balance indicator is one of the most telling regarding our financial future. Our fund balance is an outcome of excess revenues over expenditures over the years. He described a graph on the chart and pointed out the difficult revenue enhancement and expenditure decisions that the administration and the Board will need to address as the City moves out of the recession and as we work to maintain community standards and service levels.

Mr. Lawton began his presentation regarding the enterprise funds and stated that enterprise funds are used in governmental accounting where there is a specific fee or charge for a service. Enterprise funds produce separate financial statements than the general fund and all transactions are reported similar to that in the private sector. He also stated that the annual audit completed by the City looks at all the City's funds including the enterprise funds. He stated that the City has four enterprise funds that being the Sanitation Fund, the Germantown Athletic Club fund and the Utility Fund. The newest enterprise fund, the Great Hall, represents the separation of this entity from the Germantown Athletic Club.

Regarding the Sanitation Fund, the operating revenues in FY10 are \$3,942,935.00 and represent a 3.1% increase from the current year budget. The operating revenues for this fund are \$3,951,866.00 and represent a 3.5% increase from the current year's budget. Mr. Lawton described the rate that is charged on a monthly basis to support this fund as \$14.90 for multi-family and \$24.90 for single-family dwelling units. This is the fourth year of the contract with our current provider with an option to renew for a fifth year.

Mr. Lawton described the Germantown Athletic Club fund and stated that we have seen a dramatic improvement in the operation of the Germantown Athletic Club from equipment, service and programming and that the public has responded accordingly with new memberships to the facility and existing members renewing their memberships. The FY10 operating revenues for the Club are \$3,325,000.00 and the operating expenses are \$3,511,789.00. A majority of the revenues that make up the Germantown Athletic Club fund come from membership dues.

The newest enterprise fund, the Germantown Great Hall, has operating revenues in FY10 of \$147,500.00 and operating expenses are \$409,618.00. This deficit for FY10 will be addressed by a transfer prior to the end of this fiscal year. It is anticipated that focused and intense marketing of the Great Hall will help to bridge this deficit gap in FY10.

Regarding the utility fund, Mr. Lawton explained that operating revenues in FY10 are \$7,903,000.00 and this represents an 8.9% increase over FY09. The operating expenses are \$7,271,741.00 and represent a 7.4% increase for FY09. He also described the PILOT expense that will be incorporated this year in the utility fund and explained that Administration and the Financial Advisory Commission will review the health of the fund on an annual basis to determine if the PILOT can continue to be made from the utility fund. This enterprise fund reflects the entire cost of the water distribution and treatment facilities, the cost of capital improvements and the associated debt, the infrastructure and a cost to insure the transportation of sewer and the cost to treat it. Under the current Evergreen Contract with the City of Memphis, we pay Memphis 34% of the monthly volumetric fee Memphis residents pay for household. Mr. Lawton then described the numerous capital improvement and infrastructure replacement costs associated with this enterprise fund.

Mr. Lawton then described the capital improvements plan and reminded the Board that the CIP had been described project by project in an earlier work session with the Board. He explained that the only

addition to the capital improvements plan was the \$250,000.00 identified for the construction of an amphitheater in Morgan Woods/Cloyes Park. He described the funding for the capital improvements plan coming from reserves, the Hall Income Tax and grants. Bond proceeds to support the capital improvements plan in FY10 will come from an issue in FY09.

Mr. Lawton also described the civic support appropriation for this fiscal year and the level of funding going to the various agencies that the City has provided funding for in the past. The overall increase represents a 25% increase over FY09. The total civic support funding is \$643,500.00.

The last fund described in the presentation was the special revenue fund which includes the Pickering Center, Automated Enforcement, State Street Aid, the recreation fund and the drug fund. The revenues associated with these activities go directly to support the related programs and expenditures. The total revenues in the special revenue fund total \$2,860,108.00 and the expenses are at \$3,065,357.00.

This then concluded the power point presentation as part of the public hearing.

Mr. Lawton stated it appeared as though the leading economic consensus suggests that the recession may end sometime this fall. However, it will be some time as we move through FY10 before we begin to pull out of the financial problems that have created volatile markets and fluctuating revenues. To protect our fiscal health as we look forward, we will adhere to the following principles:

1. We will establish early warning systems to quickly discern environmental trends and factors that will have an impact upon the City of Germantown's finances. This means gathering economic data during the year to anticipate financial impacts and economic trends. These warning signs will quickly identify rising commodity costs, slowdown in housing market, crime mapping, deteriorating neighborhoods and the slowdown in sales tax and commercial vacancies.
2. We will react quickly to environmental challenges. In difficult economic times organizations must learn to quickly make decisions in order to survive. As the economic crisis began to unfold in the fall of 2008, the City of Germantown moved quickly to manage revenues, service delivery and personnel challenges. Through the development of our business planning approach this has allowed the departments to quickly fall back on their core services without compromising services to our community.
3. The City's financial security requires that we adhere to strict guidelines and the principles of financial management. We will measure every retrenchment decision against the benchmarks of our financial policies and to ensure that the City maintains its triple A rating. Germantown cannot ignore the financial standards we have set and be able to work its way out of periods of declining revenues. We must also be prepared to address difficult revenue enhancement and expenditure decisions to preserve our financial integrity.
4. Although the FY10 budget does not contain a property tax increase and local sales and investment income have declined, we will continue to make future resource allocations based on the highest priority of our city residents. This priority allocation has been achieved through the goals established in the Germantown Vision 2020 plan.
5. It is important that during the next months that Germantown elected officials and City staff continue to be strong advocates for the City of Germantown and the sovereignty of our city and to look out for the best interest of our residents. We can accomplish this by continuing to instill the community pride that exists in our community, never compromising on service levels, providing outstanding customer service, ensuring that our voices are heard in Nashville and Washington, and being transparent and open in the decisions that affect the welfare of our residents.

Mr. Lawton stated that he was grateful for the support of the Board of Mayor and Aldermen, professional staff and the Financial Advisory Commission in managing the development of the FY10 budget. He felt it was a solid financial tool for our community and one that he was proud of. He stated that working together we can continue to address the challenges that face our community and look for opportunities to excel.

Mr. Julius Moody, Chairman of the Financial Advisory Commission, came forward to offer his support of the budget. He reported there was a diverse group of 20 members on the FAC that met five times. It was a tough year to manage the budget. He read a part of the letter that was written to the Board of Mayor and Aldermen in support of the FY10 Proposed Budget.

The Mayor opened the public hearing.

Forrest Owens, 9180 Forest Estates Cove, asked the Board to consider, in light of the economic crisis, it seemed fiscally irresponsible to increase funding for civic support in light of the fact that there are cuts being made. He stated he supported the civic groups and would like to keep the funding level the same as FY09.

Frank Adams, 2207 Prestwick Dr., spoke in support of the budget and the level of civic support. He felt it would be better to construct a permanent amphitheater in Municipal Park rather than Morgan Woods and then the Community Theatre and other clubs could use it.

Caroline Harrison, 7491 McVay, complimented the Board and staff for all they have done for the City. She delivered a message from Alex Grisanti who could not attend the meeting. He had hosted the Tennessee Shakespeare Company. She read a letter from Mr. Grisanti who asked for continued support of the Company.

Ray Osarogiagbon, 9274 Glenda Road, asked the Board to support the Tennessee Shakespeare Company and stated what a wonderful investment the City would have.

Neil Leonard, 1778 River Park Cove, asked the Board to not lose sight of what we have. He was concerned because there were sewer/drainage problems that had been put on hold for a very long time needed to be tended to. He stated that the City had an infrastructure that needs to be maintained. He asked the Board to maintain what we have.

Jill Crocker, 1805 River Park Drive, stated she was very proud of what we have in Germantown but in 1992 when the street was developed, the City was to put in a lateral. The backyards of some of the neighbors were eroding and so were the property values. The children are afraid to play in the yards because of snakes. The ditch has not been very well maintained and there are a lot of problems.

Having no other citizen come forward, the public hearing was concluded.

Alderman Hinely stated the City was moving forward on the areas of the City that have the drainage problems. She stated there would be a town-hall meeting at the end of July so the City can let the citizens know what the status is on some of the problems.

Alderman Drinnon thanked Mr. Moody and the FAC for all the work done this year and years past.

Alderman Palazzolo thanked the Boy Scouts for their participation in the posting of the Colors. He also thanked the citizens for coming forward and voicing their opinions. He asked some questions of the City

Administrator and Assistant City Administrator Kristen Geiger regarding the budget process and what went into balancing the budget in FY09 and what sacrifices had to be made in order to balance the budget.

Mr. Lawton stated that the administration gave direction to make 3% cuts in November of 2008 and this was based on the shortfall of the overall budget. Adjustments were made across the board in terms of travel, meetings, dues and expenses, and costs that could be deferred into outer years and not affect service levels. These amounts totaled \$1.89 million. There were approximately 12 positions that were eliminated; some were the direct response to the slow-down in the economy. The retirement package was changed to stop health benefits for those who chose early retirement. This added a tremendous savings to the City. Some of the other reductions were in employee education and meetings and travel. The employees had previously received pay increases based on their performance evaluations that are conducted on their anniversary date. Fire and Police are on a step program and can progress in their particular grade from 1 through 5 and there are requirements that must be met along the way. Their salary is adjusted on these steps and they will continue to receive their pay increases. The rest of the work force with the exception of 17 executive employees will receive a 2% lump sum adjustment in FY09 based on their current salary. It will not impact their base salary.

Alderman Chism interrupted and stated these questions had been asked before and the answers had been given to the Board before. He stated that the fact that Alderman Palazzolo did not agree with the funding he was asking questions that had been discussed with the Board in work sessions. He asked Mr. Lawton if he had been asked a question tonight that he had not been asked before.

Mr. Lawton stated the answers had been given either in presentations or general questions from the Board.

Alderman Palazzolo stated that he was going to continue because he was not doing this for Alderman Chism's sake but for the benefit of the citizens.

Alderman Palazzolo continued with the questions.

Alderman Drinnon interrupted and stated he had hoped that the Board would not get to the point that they would demonstrate the infighting among the Board. This serves no useful purpose and the citizens of Germantown do not deserve this. If a Board member has a conviction on something, then vote that conviction and do not sit and posture before the citizens of the City. As far as the fact that employees have to be eliminated, he reminded the Board that about three months ago the Athletic Club was losing about \$80,000.00 per month and since then there had been some turnaround but this is something that could have been eliminated some time back to solve some of the anxieties that are being expressed tonight.

Alderman Palazzolo agreed with Alderman Drinnon and stated that he had asked staff to present some figures with comparisons. What we are investing in civic support this year, \$643,500.00, could fund deficits for the Great Hall and the Athletic Club, 10 new police officers, etc. He stated he was not advocating any of these things but he wanted the analogy to be there where people could draw an inference between the investments we make to civic support. He wholeheartedly supports every endeavor that had come forward. His motivation was not to curtail any of the civic support budgets, but he wanted to leave the funding at the FY09 levels without increase or decrease. All the City departments had reduced their budgets in FY09 and were asked to have zero based funding for FY10. The only area to have an increase is 25% in civic support. He asked if we want to sacrifice what we wish for and what we want or the sacrifices for what we need. He was not in favor of cutting civic support or increasing it.

Motion by Mr. Palazzolo, to adopt Ordinance No. 2009-4 with an amendment to reflect civic support at the same level as in the FY09 Budget. There was not a second on the motion. Motion failed.



Motion by Mr. Dinnon, seconded by Mr. Chism, to approve on second reading Ordinance No. 2009-4 establishing the FY10 Proposed Budget.

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

**Ordinance 2009-5 – Real and Personalty Property Taxes**

Finance Director Ralph Gabb stated the City’s Certified Tax Rate (CTR) is presently \$1.54 or \$100.00 Assessed Value. On May 11<sup>th</sup> the Shelby County Assessor completed a 2009 countywide reappraisal of property. As a result, municipalities are required to calculate a “Certified Tax Rate” or roll back rate that produces a “tax neutral” effect for current taxpayers.

By law, the Certified Tax Rate is the rate applied to the reappraisal tax base (adjusted for new property), that will yield the same revenue as was “levied” the previous year. In addition, an appeals allowance will be calculated and added to the tax rate should it be determined that sufficient appeals will affect the assessed value of property. After calculation of a rate, the City will submit the new rate to the Shelby County Assessor as well as to the State Board of Equalization for certification. Once approved at the State level the rate will be submitted to the Board of Mayor and Aldermen for approval and adoption. The tax rate is tied to operational service levels and needs of the community. Therefore, we have not determined at the present what the Certified Tax Rate (CTR) should be.

There is no property tax increase projected within the property tax revenue budget.

In-depth discussions were held with the Financial Advisory Commission and the Board of Mayor and Aldermen concerning the reappraisal process and our process of calculating the new Certified Tax Rate.

Motion by Mr. Chism, seconded by Mr. Drinnon, to approve Ordinance 2009-5 on second reading.

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

**PUBLIC HEARING - Ordinance 2009-6 – An Ordinance for Year-End Budget Adjustments**

Mr. Gabb explained that many of the budget adjustments had been discussed during the year at work sessions or BMA meetings. The funds involved are general fund, state street aid fund, Great Hall, Other Post Employment Benefits, and the Athletic Club.

At year’s end, budget adjustments are made to various City funds that realign operating expense/expenditure accounts with actual activity. They recognize various overruns, under runs, project acceleration and deferrals that have already been brought to the BMA’s attention and gained their approval.

Accounting transactions may cross separate funds and consequently require approval by ordinance. Mayor Goldsworthy convened the public hearing. Having no one come forward, the public hearing was concluded.

Motion by Mr. Palazzolo, seconded by Mr. Drinnon, to approve Ordinance 2009-6 on second reading.

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

**PUBLIC HEARING – Ordinance 2009-14 – Amendment to Article III, Chapter 3 of the Code of Ordinances – Beer Ordinance – Second Reading**

Mr. Lawton stated this amendment was a housekeeping matter. The current ordinance requires the Design Review Commission approve signage requirements for receiving a permit to sell beer.

The Mayor opened the public hearing. Having no one come forward, the public hearing was concluded.

Motion by Mr. Drinnon, seconded by Mr. Palazzolo, to approve on second reading an amendment to Article 3, Chapter 3, Section 3-81, conditions for receiving a permit of the Code of Ordinances of the City of Germantown.

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

**Ordinance 2009-8 Amendment to Chapter 21, Utilities – Utility Cabinets – Third and Final Reading**

Planning Division Director Josh Whitehead explained that at the May 11 public hearing on this amendment, a motion was made and seconded to table this item for one month to review the ordinance with staff, Telecommunications Commission and AT&T. At the May 13<sup>th</sup> Telecommunication Commission meeting Mr. Laskaris, the representative from AT&T, presented their three points of contention. The differences had been worked out and with our attorney's approval the ordinance has been approved by all parties.

In response to a question from Alderman Hinely, Mr. Whitehead stated that if the property owner wanted to improve the landscaping, they could as long as they did not block the doors. Assistant City Administrator Andy Pouncey stated the landscaping as designed would be sufficient to block the view of the cabinets.

If landscaping is removed in order to make repairs, the company is responsible for replacement.

Motion by Mr. Billingsley, seconded by Ms. Hinely, to approve Ordinance 2009-8 on third and final reading.

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

Alderman Palazzolo stated that the version that was approved by the Telecommunications Commission at the last meeting had significant warranty and he thought there had been some concessions made for corporate America. He wanted the corporation to be required to take care of the landscaping of the boxes, not for just a year.

**Resolution 09R07 – Bond Awarding Resolution**

Michael Stoll, Treasurer/Risk Manager, stated that based on the results of today's competitive bidding process, staff was requesting the Board's adoption of this bond awarding resolution which would allow the City of Germantown to issue \$6 million of new general obligation bonds for various capital projects. This award would allow the City to refund and re-finance about \$3.5 million of existing bonds at lower interest rates.

The proceeds from the new general obligation bonds would help finance various long-life assets such as the new Fire Station No. 4, a portion of the Wolf River Blvd. roadway extension, several neighborhood storm water drainage projects, as well as the purchase of Ocean View Farms for public parkland. This award would also include the issuance of \$3.635 million of refunding bonds to refinance some older, higher-rate bonds from the Series 2000 and 2002 Issues.

Mr. Stoll stated that today's competitive bidding process is the culmination of significant preparation and due diligence work performed by the City staff. Assisted by numerous professionals, including our financial advisors, Public Financial Management (PFM), and our bond counsel, Adams & Reese, staff had prepared the financial analysis, published the public notice, notified the Tennessee Director of Local Finance, prepared and issued the Notice of Sale and Preliminary Offering Statement, and conducted the very competitive bid process through an online website similar to e-Bay.

Based on the results of today's bid process, the financial market has determined that the City of Germantown is an excellent credit risk and much deserving of the Triple A credit rating from both Moody's and Standard & Poor's rating agencies. City staff recommends that the Board award the bond issue to SunTrust Capital Markets, as the underwriter submitting the lowest and best qualified Total Interest Cost from among the very competitive bids received.

Not only does the proposed rate structure provide a favorable debt service cost for the new \$6.0 million issue, but it also provides a very reasonable refunding of the selected Series 2000 and 2002 Bonds. The lower interest rates on this refinancing portion of the debt issue are calculated to save the City about \$179,500 in future debt service costs. This savings represents about 5.1% of the refunded bonds and is calculated on a present value basis. After deducting out-of-pocket costs, the net savings is about \$150,000.

Ms. Geiger advised the Board that due to the interest rate and refunding savings we would likely amend the proposed FY10 Budget as part of the 3<sup>rd</sup> and Final Reading.

Alderman Billingsley thanked Mr. Stoll, Ms. Geiger, and Mr. Gabb for all their hard work.

Motion by Mr. Drinnon, seconded by Ms. Hinely, to approve Resolution 09R07 that awards and sells the general obligation and refunding bonds, Series 2009, in the aggregate principal amount of \$9,635,000 and at the interest rates thereby reflected, to SunTrust Capital Markets, Inc.

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

#### **Roof Top HVAC Replacement – Germantown Athletic Club**

Ms. Geiger stated the three existing HVAC units being replaced were installed during the original construction of the then Germantown Centre. Two of the three units were designed to provide temperature and humidity control to the locker rooms adjacent to the indoor pool. The third unit serves the racquet ball courts.

The existing units have exceeded their life expediency and do not provide the level of humidity control necessary for these environments.

Staff had been attempting to repair these units to keep them performing but the capacity to which they were built is undersized. Staff had been waiting to replace these units knowing that the locker rooms were scheduled for replacement. The new units will double the capacity of the old units. In addition, the new units are "green friendly". The new units will save 20% energy costs at a minimum to operate.

This is a turnkey project. The bid was advertised in the Daily News and 6 contractors attended the mandatory pre-bid meeting. Three bid packets were received and staff recommends CS3 Inc. for this project. CS3 had performed other work for the City including the refurbishment of the indoor pool dehumidifying units and is still contracted to provide for the full maintenance of these units.

The budget adjustment requests the use of \$34,790.00 from the capital contingency account. The budget for this year's planned capital project for the Germantown Athletic Club did not anticipate the higher cost for electrical for the equipment and the design work for various projects.

Motion by Ms. Hinely, seconded by Mr. Drinnon, to approve contract authorization with CS3 in the amount of \$114,790.00, to provide turnkey installation of HVAC equipment as specified in the bid packet and to approve Budget Adjustment No. 09-173.

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

**Forest Hill Water Main Contract**

Bo Mills, the Director of Public Services, came forward and explained that the expansion of the Johnson Road Water Treatment Plant from 6 million gallons to 12 million gallons is scheduled to come on line in October 2009, water modeling revealed the need for larger mains extending north to Wolf River Blvd. This project will greatly enhance the water pressure and fire flows in the north central and northwest areas of the City. He stated a public meeting will be held with the homeowners adjacent to the project and it is anticipated it will take place on June 23 in the Council Chambers at 6:00 p.m.

Twelve qualified bids were received. B & C Construction was the low bid and had performed construction work for the City in the past and had proven to meet the service level requirement of the City.

In response to a question from Aldermen Drinnon, Mr. Mills stated that B & C Construction had done work for the City before and the City was satisfied with the results.

In response to a question from Alderman Billingsley, Mr. Mills stated letters would be sent to about 69 residents to come to the public meeting.

Motion by Mr. Drinnon, seconded by Mr. Chism, to approve construction contract with B & C Construction Company for the installation of a 12-inch water main on Forest Hill-Irene in the amount of \$315,170.00.

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

**Competitive Sealed Proposal Authorization – Skate Park Improvements and Repairs**

Parks and Recreation Director Pam Beasley stated the City’s procurement policies and practices require the use of the competitive sealed bids for the purchase of most goods and services. In some cases, the competitive sealed bid process may not be the most advantageous to the City. In such cases, the Board may authorize the use of the competitive sealed proposal process. This process allows vendors to submit creative proposals for needed repairs to the skate park.

As part of the FY09 CIP budget, \$100,000 was approved to address the deteriorating and unsafe conditions present at the skate park located in Houston Levee Park. After reviewing all options to redesign, staff was recommending that a design bid process be used to implement and select a qualified vendor under this competitive sealed proposal process.

The skate park was constructed in 1997 and over a period of time, it has seen extensive use as it is one of the three outdoor parks in the area. Elements of the park have begun to deteriorate. Grinding rails have broken and been removed, cracks have occurred in the concrete and expansion joints have opened up.

Using the design-build process will insure that a qualified contractor is designing and managing the project from start to finish.

In response to a question from Alderman Chism, Ms. Beasley stated the park has not been closed down as yet.

Motion by Mr. Billingsley, seconded by Mr. Chism, to authorize the City to use the competitive sealed proposal process to identify alternative solutions to repairs and redesign of the skate park.

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

**Lateral E and Lansdowne Lake Improvements**

City Engineer Tim Gwaltney stated the purpose was twofold. One to get approval of a design supplement with Barge Wagner Sumner and Cannon (BWSC) in the amount \$5,100.00 for an added task to their original contract and to award a construction contract to White Contracting, Inc. in the amount of \$527,667.00 for construction and improvements to Lateral E and its grade control structure and improvements to Lansdowne Lake.

Mr. Gwaltney explained that Lateral E is a major tributary to the Wolf River and serves a drainage area of approximately 1,950 acres. During the construction of Wolf River Blvd. in the early 1990's, a sheet pile grade control structure was constructed approximately 200 feet south of the confluence of Lateral E and Wolf River to minimize head cutting of the lateral.

In early 2000's Lansdowne Place was developed immediately east of Lateral E. As required in the development agreement for Lansdowne Place, Lansdowne Lake and a walking trail were constructed by the developer and subsequently dedicated to the City via parkland dedication.

Severe bank erosion is occurring immediately downstream of the sheet pile grade control structure. Without immediate repair and stabilization of the bank, the working trail and lake are in danger of collapse. Also, Lansdowne Lake does not maintain a constant water level as originally designed.

Five qualified bids were received and staff is satisfied that the low bidder, White Contracting, has the necessary means to complete this project in the specified timeframe with quality results.

Mr. Gwaltney explained that the original scope of the agreement with BWSC included a thorough evaluation of the existing weir with the assumption that only minor structural repairs would be needed. However, soon after the evaluation phase of the existing weir began it became apparent that the existing weir could not be salvaged with minor repairs. Staff instructed BWSC to design the new weir.

**(Alderman Billingsley on 6/22/09 – requested verbatim minutes on his and Alderman Hinely's comments during the Lateral E and Lansdowne Lake Improvements section)**

Alderman Billingsley: Mayor, after this, I have a couple.... How do we choose to address the problems at Lateral E, ah, and, and, how many homeowners does Lateral E affect? And, and, the reason I ask that is (inaudible), in comparison to Lateral D for example, how did the City choose to address this issue fairly quickly, ah, versus, (inaudible) Lateral D for example, it looks, quite honestly in comparison with those homeowners, Lateral D almost looks like the Mississippi River, lot flowing behind some people's back yards.

Tim Gwaltney: Lateral D is a good example; Lateral F is another example of some future drainage projects that have to be addressed. Exactly how Lateral E got pushed in front of it, if it was pushed in front of it, I am not sure but, ah, this had to be addressed.

Alderman Billingsley: But how many homeowners are we talking about here?

Tim Gwaltney: There are none. There are no homeowners in the exact vicinity of this project.

Alderman Billingsley: So again, I guess I go back to how did you, I don't think you answered my question. I am not trying to be pushy, but, again, why do you choose to spend half a million dollars on this at no, I am just saying we have, if Alderman Hinely's amendment comes, I think Mr. Palazzolo has seen neighborhoods as well, we have some very, very serious drainage issues even tonight I heard of a citizen whose dog was killed by a water moccasin in Lateral D, ah, so again, this, I mean this, please explain to me how we choose to spend a half million dollars on this when we haven't addressed Lateral D for probably a decade.

TimGwaltney: Again, I am only speaking specifically of Lateral D. There again has been progress for design improvements to Lateral E from the Corps of Engineers. Now, that specifically is going to address the sewer line which was mentioned earlier, that is crossing Lateral D as well as the, ah, box culvert for Farmington Boulevard. Ah, as far as the schedule goes, the Corps, as well as the consultant for Wolf River Blvd. are designing the bridges for Wolf River Blvd., are working together to come up with a proposed fix for the entire length of Lateral D. from the Wolf River Blvd. all the way back to Farmington. Ah, as far as the exact timing, it, as to when it may occur, I would like to say within the next two years.

Alderman Billingsley: I just, I'm just very, very concerned, I am sure the Board and I invite the Board, if you haven't already gone to see Lateral D lately, it is frightening to me as a parent, as a homeowner, neighbors are losing their backyards, ah, some parents are afraid to put their children in their backyards. Some people have lost pets because of the ah, ah, because of ah, venomous snakes, ah, I'm happy that we are addressing this before it gets to a point of like Lateral D. At this point, though, Lateral D scares me, as an Alderman, because it's, it looks very, very, very expensive to repair and I am not an expert like you but, ah, so.....

Patrick Lawton: As, as the City Engineer mentioned there are, there are sections of Lateral D that will be addressed this year with the Corps funding we anticipate the stabilization of the sewer line and the box culvert under Farmington, ah, and we are working with the Corps to try and identify other sources of funding. Every drainage project that we have in the City is extremely expensive. Ah, the conditions of Lateral E and D, it's hard to say that one worse than another because if you saw Lateral E for example, when we had severe flooding, it was backing up into the neighborhood and you couldn't tell the lake from the river so things had to be addressed which I can assure the Board that the staff is working on all these various drainage projects. Ah, I look at the work we did this year on Miller Farms and bringing that forward with the next town hall meeting we are going to have on drainage in general but ah, there are a number of ditches that run through our community, ah, unfortunately, they are running in one direction either to Nonconah or Wolf River but I want to assure the Board that we will address those.

Alderman Billingsley: Thank you.

Mayor: Any other questions?

Motion by Ms. Hinely, seconded by Mr. Drinnon, to approve a construction contract with White Contracting, Inc. in the amount of \$527,667.00 for improvements related to Lateral E – Grade Control Structure and a design supplement to an existing Professional Services Agreement with Barge Wagner Sumner and Cannon in the amount of \$5,100.00.

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

#### **Fire Station #4 Design Supplement**

Fire Chief Dennis Wolf explained the change to the design of the new Fire Station #4. The scope of the project has increased from the original concept that increased the work required of the architect. During the design of this project, issues have arisen that increased the scope of work for the consultant including incorporating an additional 4,000 square feet of building area into the design and construction documents for a third apparatus bay, increased size and storage for the Emergency Operations Center (EOC), future expansion of two bunk rooms and additional storage areas for the training room. A backup dispatch office was expanded, and a backup server room was added to the original design. In addition, design services increased due to the decision to include the demolition of the existing fire station under the new construction contract instead of a separate demolition contract. This work includes coordinating the removal of, temporary provision of during the construction phase, and permanent reinstallation of, all utilities, including electrical, telephone, fiber optic, CATV, water, gas, and sewer.

The demolition phase is very complex because of the need to coordinate this work with the existing cell provider to keep the cell site operational during all phases of the project, and to have utilities in place at both the existing station and the temporary living quarters before the abandonment and demolition of the old station. This decision required extra design and coordination related to the setup and operation of the temporary living quarters and storage needed by the Fire Department during construction.

The cost of the new Fire Station 4 with these additional amenities is estimated at approximately \$2,200,000.00.

Motion by Mr. Billingsley, seconded by Mr. Drinnon, to approve a \$22,000.00 supplement to the Professional Services Agreement with the Renaissance Group for the design of new Fire Station 4 by increasing the amount in the contract from \$185,600.00 to \$207,600.00.

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

**Certificate of Compliance – The Winery of Germantown – 7841 Farmington – ADD-ON**

Mr. Lawton explained that every two years the State Alcohol and Beverage Commission requires Alcohol Package Stores to complete a Certificate of Compliance. Ms. Lacey Dougher, the owner of The Winery located at 7841 Farmington has requested that the Board approve the certificate. The certificate consists of a Police Department background check on the owner of the establishment. The Police Department reported they had found nothing that would discredit Ms. Dougher.

Motion by Mr. Drinnon, seconded by Ms. Hinely, to approve the Certificate of Compliance Retail Package Store from Ms. Lacey Dougher, owner of The Winery of Germantown located at 7841 Farmington.

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

**Wireless Transmission Facility Settlement – New Cingular Wireless – ADD-ON**

City Attorney Tom Cates stated this item seeks permission to cancel a lease presently existing between what is now AT&T and the City. Some years ago a tower site was leased through AT&T on a five-year basis with the operator having the right to cancel the lease every five years or otherwise it would be automatically extended a five year period. The City received a letter canceling the lease that appeared to be in order dated in April of 2006 but AT&T kept paying the rent for two years. Then AT&T saw where they had canceled the lease, the City owes \$14,400.00 back and they owed no more rent.

Thanks to a very smart employee, Catherine Williams, once we were brought into this matter and started checking, the letter that was dated in April that was an appropriate date, 30 days before June 1 of the year in question, but it was postmarked May 7. Ms. Williams had kept the envelope.

Mr. Cates stated a settlement was worked out to avoid any further dispute and litigation where the lease will be canceled upon payment of \$18,000.00 including and allowing the lease to run out in three more years we received \$21,600.00. He thought this was a favorable settlement and recommended Ms. Williams be recognized by Mr. Brogdon.

Motion by Mr. Drinnon, seconded by Ms. Hinely, to approve the signing of the Lease Termination, Surrender and Release Agreement” with New Cingular Wireless PCS, LLC thereby releasing them from the original agreement dated June 1, 2001.

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

In response to a question from Alderman Chism, Mr. Pouncey responded that the name Central Park came about during a work session. He stated that by a signed agreement with the Germantown Civic Club their name was to be on the sign. The point is that the Germantown Civic Club Complex takes a portion of the whole park and the larger umbrella name is Central Park that is the premise for the overall name. There is another sign that is Germantown Civic Club Plaza and that is a part of the agreement with Germantown Civic Club as well that is part B of this application.

Alderman Drinnon asked that this item be moved to the regular agenda. The Board unanimously agreed.

**Exterior Signage – Central Park and Germantown Civic Club- MOVED FROM CONSENT**

Mr. Pouncey stated this was to grant authorization to enter into a contract with Hecht Construction Company, Inc. for the construction of new signs at the main entrance into Central Park and the Germantown Civic Club Plaza.

He explained that currently the signage at the entranceway into Central Park only identifies the location of the Germantown Charity Horse Show and is a line of site hazard exiting Melanie Smith Lane on to Poplar Pike. The installation of the new Central Park sign will indicate that the facilities located within the area are components of Central Park and the Germantown Civic Club Plaza sign will identify a primary focal point with Central Park. The new entranceway sign will be sited to eliminate the line of sight hazard and the existing Germantown Charity Horse Show sign will be relocated closer to the Germantown Charity Horse Show's main arena.

Alderman Billingsley interrupted and stated that Mr. Chism's question was not necessarily about the cost of the structure but he had also been asked by citizens who were not satisfied with the name, Central Park. He asked if he would get to the point and address that.

Mr. Pouncey stated he was making the full presentation as requested and would get to that point. He stated they had looked for the minutes from executive sessions dating back to the former administration. The reason the name, Central Park, was chosen was because it referred to the larger area, the overall park, and when a consensus was reached on this name, it was taken back to the Parks and Recreation Commission for their review and approval, on April 24, 2008. It was brought back to the Board in the Master Plan on June 9, 2008. From that work session and that consensus and the Parks and Recreation approval, the name was taken forward. The Board approved the Park Master Plan that used that name on June 9, 2008. The term was used then and has continued to be used as the area has been discussed.

The Germantown Civic Club made an agreement with the City and we have complied with that agreement with this signage. The whole area contains approximately 100 acres and the Civic Club is 30% to 40% of that total land area.

Alderman Chism stated he understood the Civic Club Plaza part but he did not recall a consensus. He then asked how the City named the parks.

Mr. Pouncey stated the City names parks in different ways. It used to be the person had to be deceased before a park could be named after him/her. Now, there is Lanier Bridge, a marker on the greenway with Dr. Parrish's name and a marker at the Library for former Mayor Salvaggio.

Alderman Chism asked if a meeting had been held and he did not recall voting for the name.

Mr. Lawton stated that the official day the name Central Park was given and probably the date the Board of Mayor and Aldermen approved Central Park Master Plan with that name was June 9, 2008.



Alderman Billingsley asked to defer this item to do more research and discussion with the Parks and Recreation Commission as well as staff. The Alderman could also get from their constituents if Central Park represents what the citizens want the park to be named.

Mr. Pouncey asked if the Board would approve the signs so staff could get it in the FY09 Budget and leave the name off. There is money in the budget for letters.

Alderman Drinnon stated that Tom Cates was the one responsible for the City to have the land owned by the Civic Club and they were the ones that requested the sign and we have waited a year to get the sign.

Mayor Goldsworthy stated her recollection of the discussion was in a work session after viewing the property, in conjunction with the original request from Tennessee Shakespeare Company about having an amphitheater. The Board took a tour and one of the conclusions that came out of it was that we needed a master plan for the whole area. In that discussion, as she recalled, the Board identified that there was a Civic Club Complex, a Charity Horse Show grounds, a future Oak Lawn Gardens, a future function of the recently obtained Ocean View, a lot of pieces to the park, and it would be desirable to have some type of identification that when people were looking for any particular piece of it, it could readily be identified. She did not recall which Board member it came from but that was where the idea Central Park surfaced. The Board took it because everyone seemed to be in agreement as a consensus and proceeded to use it with the Master Plan that was developed. This was her recollection of how the term was used.

Mr. Cates stated the desire tonight was to get the authority to spend the money to hire a sign company when it is determined what is going to be put on the top sign. It could be approved with the understanding that he has that authority once it is determined what goes on top of that sign. Then there would be no further delays.

Motion by Ms. Hinely, seconded by Mr. Drinnon, to authorize the Mayor to enter into a contract with Hecht Construction Company, Inc. for the construction of new signs at the main entrance into Central Park and the Germantown Civic Club Plaza in the amount of \$26,341.00 with the top title to be determined at a later date, and to approve Budget Adjustment No. 09-175.

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

## **CONSENT AGENDA**

### **Recognition of overtime reimbursement – Police Department**

The Germantown Police Department has an officer assigned to the FBI Joint Terrorism Task Force (JTTF). The FBI JTTF reimburses any overtime (\$3,982.00) that the officer receives while carrying out his duties.

The overtime the officer received is deducted from the Police Department Overtime Wages line item throughout the year. The reimbursement will be placed back into the Police Departments Overtime Wages line through the budget adjustment.

MOTION: To recognize overtime reimbursement in the amount of \$3,982.00 from the Federal Department of Justice and to approve Budget Adjustment #09-157.

### **Concrete Mix Purchase**

Concrete mix is used for street, drainage and utility maintenance repairs. The amount of \$81,000.00 represents an annual purchase to be delivered as requested and scheduled by the Street and Drainage Maintenance Divisions.

Four vendors were contacted and three qualified bids were received. The low bid is a 4% increase from the last purchase price.

MOTION: To purchase 1,000 cubic yards of 4000 PSI concrete mix from Choctaw Concrete in the amount of \$81,000.00.

#### **IBM Server Maintenance**

The City currently has two separate agreements in place to cover the two main IBM servers currently in use. The contract expiring covers the server in use in the Police Department. The second IBM server houses the City's financial system and is due to expire August 10, 2010.

MOTION: To authorize a maintenance agreement with Dynamix Group, Inc. in the amount of \$12,455.00.

#### **Recognition of Donations – Germantown Library - DEFERRED**

##### **Annual Maintenance – New World Systems**

The expenditure of \$94,487.00 is for an annual maintenance agreement to cover existing modules in the Police Department system. Renewals include all modules currently owned and any upgrade releases offered throughout the year.

It is anticipated in FY10 an additional \$8,160.00 will be added to the annual amount for the Court modules due to come on-line. This will bring the total annual maintenance agreement funding with New World Systems, for the third year of the agreement, to \$96,608.00.

MOTION: To authorize funding for the second year of the three-year annual maintenance agreement and annual maintenance amounts agreed upon in the Courts software agreements with New World Systems in the amount of \$94,487.00.

##### **Fire Station Alerting System**

The City is required by the Insurance Services Office (ISO), the agency that evaluates and assigns fire protection ratings to a community, to have two different methods for dispatching fire resources to emergencies. One system serves as the primary dispatch system and the other serves as the backup system. The existing backup system has become unreliable, and staff is recommending replacement. The cost of the fire station alerting system is \$26,992.00 and a maintenance contract for year 2 through 5 is \$6,470.00.

MOTION: To purchase a fire station alerting system from Comserv Services, LLC for \$26,992.00 and to contract for maintenance for years 2 through 5 for \$6,470.00, and to declare the current system being replaced as surplus.

##### **Sports Lighting Installation – C.O. Franklin Tennis**

Desoto County Electric, Inc. will install the Structure Green Musco Sports Lighting System as part of the City's ongoing sports lighting improvement program.

MOTION: To authorize the installation of sports lighting equipment at C.O. Franklin Park tennis courts with Desoto County Electric, Inc. in the amount of \$38,100.00, and to declare the old tennis court lighting as surplus.

##### **Germantown Performing Arts Centre Agreement Amendment No. 1**

The current practice regarding rental revenues between GPAC and the City is to have the City receive all of the rental revenues of the facility up to \$120,000.00. Anything in excess of that would be deposited

with the GPAC Foundation. The agreement between the City and the GPAC Board executed in January 2005 does not reflect this current practice therefore the Board of Mayor and Aldermen is asked to approve Amendment No. 1 to said agreement memorializing this change.

MOTION: To authorize the Mayor to execute Amendment No. 1 to the agreement between the Germantown Performing Arts Centre and the City for the operation of GPAC.

**Professional Service Contract – Urban Forestry Grant**

The City has entered into a grant agreement with the State of Tennessee Division of Forestry to conduct a street tree inventory and update the City's existing urban forest management plan. Data collected in the inventory process will be used to more effectively manage tree resources and provide the foundation for scheduling of pruning, planting programs and information resources. The State of Tennessee Division of Forestry will reimburse all expenses incurred.

MOTION: To seek authorization to accept a professional services proposal from Davey Resource Group in the amount of \$14,775.00 to complete work associated with a grant received from the Tennessee Division of Forestry for the 2009 grant cycle, and to approve Budget Adjustment #09-178.

**Resolution 09R08 – Drug Fund Credit Card**

This credit card account is being set up through First Tennessee Bank in order to expedite the need for money when an officer is called upon to perform drug training or go to a meeting. This process allows the officer to respond to out of town drug investigations and meetings quickly and without use of personal funds.

MOTION: To authorize the establishment of a new credit card account with First Tennessee Bank and adopt a corporate resolution authorizing a designated police officer to sign on the account.

**Civic Support Grant – Germantown Arts Alliance**

This \$10,000.00 is the second installment for FY09. The first installment of \$30,000.00 was made on October 13, 2008.

MOTION: To award a Civic Support Grant to the Germantown Arts Alliance in the amount of \$10,000.00.

Motion by Mr. Drinnon, seconded by Mr. Billingsley, to accept the consent agenda as read.

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

**ADJOURNMENT**

There being no further business to be brought before the Board, the meeting was adjourned at 10:10 p.m.