
**MINUTES OF THE WORK SESSION
BOARD OF MAYOR AND ALDERMEN
FRANKLIN, TENNESSEE
CITY HALL BOARDROOM
TUESDAY, FEBRUARY 28, 2012 – 5:00 P.M.**

Board Members

Mayor Ken Moore	P		
Alderman Clyde Barnhill	A	Alderman Margaret Martin	P
Alderman Brandy Blanton	P	Alderman Dana McLendon	A
Alderman Pearl Bransford	P	Alderman Ann Petersen	P
Alderman Beverly Burger	P	Alderman Michael Skinner	P

Department Directors/Staff

Eric Stuckey, City Administrator	P	Kevin Lindsey, Parks Facilities Superintendent	P
Vernon Gerth, ACA Community/Economic Development	P	Katy Daugherty, Planning Intern	P
Russell Truell, ACA Finance & Administration	P	Candace Connell for Shirley Harmon, HR Director	P
David Parker, City Engineer		Mark Hilty, Water Management Director	P
Shauna Billingsley, City Attorney	P	Paul Holzen, Interim Engineering Director	P
Rocky Garzarek, Fire Chief	P	Catherine Powers, Planning & Sustainability Director	P
David Rahinsky, Police Chief	P	Joe York, Streets Director	P
Fred Banner, MIT Director	P	Brad Wilson, Facilities Project Manager	P
Chris Bridgewater, Interim BNS Director	P	Brian Wilcox, Purchasing Manager	P
Becky Caldwell, Solid Waste Director	P	Lanaii Benne, Assistant City Recorder	P
Anna Shuford for Lisa Clayton, Parks Director	P	Linda Fulwider, Board Recording Secretary	P

1. Call to Order

Mayor Ken Moore called the BOMA Work Session to order at 5:00 p.m. on Tuesday, February 28, 2012 in the City Hall Boardroom.

2. Citizen Comments

None

WORK SESSION DISCUSSION ITEMS

3. Consideration of Event Permit Application for Heritage Foundation for the Heritage Ball to be Held at Eastern Flank Battlefield Park on September 22, 2012

Lisa Clayton, Parks Director

No questions or comments

4. Consideration of RESOLUTION 2012-14, A Resolution Allowing the City to Submit a TDOT Safe Routes to School Grant Application for the Fieldstone Tunnel Improvements and School Sponsored, Volunteer Based Walking/Biking Programs

~~Andrew Orr, Sustainability/Grant Coordinator~~

Katy Daugherty, Planning Intern

Kevin Lindsey, Parks Facilities Superintendent

Safe Routes to School Grant - Hunters Bend Elementary School - Due March 30, 2012

Overview of Safe Routes Grant Program

- ♦ Purpose is to bring about quantifiable increases in the number of kids walking/biking to school
- ♦ Funds activities and infrastructure that encourage healthy options for children
- ♦ Grants are federally funded; \$250,000 maximum request
- ♦ No match requirement

What Does the City Propose?

- ♦ City oversees improvements to the Fieldstone Tunnels;
- ♦ Hunter's Bend Elementary & HOA develop walking/biking to school programs

Project Location: Fieldstone Farms

- ♦ 100% of the student body lives within a 2-mile radius of the school

Improvements Proposed:

- ♦ Reduction/Removal of Overgrown Shrubs
- ♦ Addition of Retaining Wall
- ♦ Lights
- ♦ Drainage
- ♦ Security Options

Several pictures were displayed depicting problems and solutions. Large rocks stacked around one opening and used as a wall are a safety hazard. The rocks should be removed and replaced with a concrete wall. Propose tunnel floors be concrete with pool-type lights imbedded in the floor. The tunnels are prone to flooding and there are existing pumps to move water the water. There is no way to keep water out entirely. One tunnel belongs to TDOT and improvements would be per their regulations.

The costs involved are unknown at this point. When that information is available, BOMA will be appraised. The grant, which does not require a match, is more than sufficient to cover the proposed improvements.

5. Consideration of RESOLUTION 2012-15, A Resolution Adopting the Values and Guiding Principles of Public Procurement

Brian Wilcox, Purchasing Manager

Resolution 2012-15 is to adopt the Values and Guiding Principles of Public Procurement as developed by the National Institute of Governmental Purchasing. The values are Accountability, Impartiality, Ethics, Professionalism, Service and Transparency. Staff would like BOMA to consider adopting the resolution at the March 13 meeting to coincide with Purchasing Month in March. Mr. Wilcox stated it would be a source of pride that the City of Franklin put a stamp of approval on these values and guiding principles. Alderman Martin and Eric Stuckey complimented Mr. Wilcox for his work on behalf of the NIGP and the City of Franklin.

6. Consideration of Proposed ORDINANCE 2012-11, To Be Entitled: "An Ordinance to Amend Chapter 4, Section 4.2.2, Section 4.2.4, and Chapter 2, Section 2.4.3 of The City of Franklin Zoning Ordinance Regulating Temporary Uses and Structures"

Alderman Ann Petersen, FMPC Representative

Eric Stuckey noted the temporary structure issue was brought to the Board's attention a month or so ago. Vernon Gerth reported that the Planning Commission unanimously approved the Zoning Ordinance text amendment.

7. Review of Existing Cooperation Agreement with Franklin Housing Authority and Status of Pending Agreement for the 49 Unit Reddick Property Senior Housing Development

Vernon Gerth, ACA Community & Economic Development

Under the State of Tennessee constitution and statutes, federally assisted affordable housing projects may be exempted from all real and personal property taxes and special assessments levied or imposed by any taxing body. The existing Cooperation Agreement was established in 1967. Mr. Gerth related that he and Derwin Jackson of the Franklin Housing Authority discussed Cooperation Agreements for each phase of the development. There is a timing issue involved and the Cooperation Agreement for the proposed Reddick Property Senior Housing Development is expected to be presented for consideration at the March 13, 2012 BOMA meeting.

8. Consideration of Inter-local Agreement with Bi-County Solid Waste Management

Eric Stuckey, City Administrator

Becky Caldwell, Solid Waste Director

During the past several years, the City has seen a considerable increase in landfill tip fees. The most striking example is the 25% increase in landfill tipping fees experienced in January 2010. Because the City does not own and/or operate a landfill, it can expect to continue to see increasing fluctuations in the fees based on its ability to obtain agreements with third parties for extended timeframes. Additionally, the number of landfills and landfill capacity in the middle Tennessee area continues to decrease and directly affects the City's operational expenses.

The City currently disposes of solid waste through a contract with Republic Services, Inc. with the City providing the transportation ("hauling") to the Middlepoint Landfill in Murfreesboro. With this agreement set to expire June 30, 2012, the City has been exploring options to manage costs associated with disposal and secure landfill capacity for an extended period. The City has an opportunity to enter into an inter-local agreement with Bi-County Solid Waste Management to provide both transportation and disposal services for an extended period. Bi-County Solid Waste Management is a Tennessee Solid Waste Authority formed by Montgomery and Stewart Counties in 1974. It is a local government authority.

The proposed inter-local agreement establishes a partnership with Bi-County Solid Waste Management for up to 14 years. The City would save \$542,000 to just under \$1 million per year. The \$32.00 per ton fee charged by Bi-County would escalate only after the 2-year initial term and incrementally after each of the following terms until the end of the 14-year contract.

The transfer station at Century Court would continue to be a City-run operation. Responsibilities would shift for some of the employees. Mr. Stuckey emphasized the reason for the change is not about employee performance, rather about securing landfill capacity for up to 14 years. The City would continue to find positions in the City and potentially within the Solid Waste Department. There is already one position open in waste collection and another for an equipment operator in the Streets Department. Bi-County would hire two drivers as well. He is confident there would be other openings in this budget and/or in the new budget between now and June 30 to keep the four employees on staff. These employees would be retained at the same salary with the same benefits.

Many people worked on this agreement including, Becky Caldwell, Russ Truell, Kristen Corn, Brian Wilcox, and Eric Stuckey. It is a great opportunity for the City to realize significant savings and secure a landfill site for an extended period. The City would see decreases in fuel and mileage costs as well.

Discussion ensued on the fuel prices used to calculate out 14 years, what would be done with some City-owned equipment, and whose trailers would be used. City insurance cost would decrease since there would be less equipment. Bi-County, as the subcontractor, has insurance as well.

Several solid waste employees that would be directly affected by the change were present and were given the opportunity to speak. One employee volunteered to speak for all.

- ◆ George Edwards stated he has been a tractor-trailer driver for the City of Franklin for almost eight years. He enjoys and loves his job and wears the shirt proudly (all were wearing the almost fluorescent shirts that identify Solid Waste workers). They would like to keep the same jobs they have now. He and his fellow employees do a great job and try to act professional when they do it. The change would affect more than nine employees and their families as well. He is one of the four drivers that would be reassigned. He asked that BOMA consider these employees before making a decision. They are very loyal.

Alderman Martin asked Mr. Edwards what would be the objection to changing jobs, as they would get the

same pay, benefits and seniority. Mr. Edwards responded that he would still be loyal and show up every day to do his job. That the City will do what it has to do. Alderman Martin went on to say there have been other employee changes within the City, and that the City has been very careful about employees keeping jobs. She is proud of the City for what Administration is doing to help people keep jobs. The Board is proud of the job the solid waste workers do and hears many compliments from residents as well. The workers are foremost in their minds.

Alderman Blanton asked why the bid process was not employed. Mr. Stuckey responded that since the City is working with another government entity it is allowable not to go to bid. Bidding is an option; however, if this goes to bid Bi-County would not submit a bid. Becky Caldwell noted that the negotiated contracts with landfills have previously been for just one year; a 14-year contract is remarkable. Mr. Stuckey added that to lock in this price is tremendous. A locked-in the price would prevent the yearly escalation of residents' solid waste fees.

Alderman Burger asked if employees were hired by Bi-County would they get the same pay and benefits. Pete Reed, executive director of Bi-County stated they would not participate if this went out to bid. They put their all on the table and the length of the contract is ideal. There are many things they can do to help the City of Franklin. As for the two employees they would hire, they would be delighted to have these City of Franklin drivers on staff. The benefits would be the same or similar.

9. Discussion Regarding CIP Projects

Eric Stuckey, City Administrator
Paul Holzen, Interim Engineering Director

- Carothers Phasing
- McEwen Connector

Due to time constraints, Mayor Moore deferred this item to the next work session. He asked that Board members give some thought to which phase of the road should be done, south to north or north to south. Eric Stuckey distributed a map showing other developments in that area as an aid to decision making.

10. Presentation of Integrated Water Resource Plan

Eric Stuckey, City Administrator
Mark Hilty, Water Management Director
Zack Daniel, CDM Smith
Jim Marshall, Jackson Thornton

Phase 2 is drawing to conclusion. There have been seven successful meetings with stakeholders.

Review of the Original Nine Objectives:

1. Meet current and future demands for water and wastewater reliably
2. Provide safety and security of water resources systems
3. Maximize efficiency of water use and value of water resources
4. Improve water quality and ecological health of Harpeth River
5. Provide improved access and aesthetics of Harpeth River
6. Minimize carbon footprint of water resources operations
7. Achieve sustainable biosolids management
8. Achieve regional acceptance
9. Provide excellent level of water/wastewater utility services at reasonable cost

Reviewed:

- ◆ Objective Weighting of Stakeholders
- ◆ Objective Weighting of Board of Mayor and Aldermen
- ◆ Definition of Alternatives
- ◆ Rankings with Stakeholder Weights
- ◆ Rankings with BOMA Weights
- ◆ Ranking Results - Sensitivity Analysis of Alternatives Results

Preferred Alternative 1:

- ◆ 100% reliable in meeting future water and wastewater demands
- ◆ Greatest control and operational flexibility
- ◆ Addresses City's waste load allocations
- ◆ 30 miles of Harpeth River and tributary restoration and City-wide Stormwater BMPs
- ◆ Sustainable biosolids management program
- ◆ In terms of lifecycle cost, Alternative 1 is approximately 4% greater than the lowest cost alternative (Alternative 3) and over \$85 million (11%) less than the most expensive (Alternative 4)
- ◆ Provides flexibility in project implementation and financing

Water Plan Schedule:

Project	Project Start	Project Finish
WTP to 4 MGD, UV & AOP	11/01/2012	04/01/2015
Distribution WQ Improvements	01/01/2013	01/01/2014
Distribution Model	12/30/2012	
AMI Implementation	12/30/2012	05/30/2014
Distribution Improvements*	01/01/2028	01/01/2030
SCADA	12/30/2013	

*Depending on the Phasing of the Capacity Improvements

Wastewater Plan Schedule:

Project	Project Start	Project Finish
Upgrade Existing WWTP to 16 MGD	07/01/2012	01/01/2015
Phase I Biosolids	07/01/2012	01/01/2015
Sewer Model	01/01/2013	
Sewer Rehabilitation (RDII > 12%)	06/30/2012	06/30/2020
New South WWTP (4 MGD)*	07/01/2024	07/01/2026
Build-out South WWTP (8 MGD)*	07/01/2032	01/01/2034
SCADA	12/30/2013	
Biosolids Phase II*	07/01/2024	07/01/2026
Biosolids Phase III*	07/01/2032	01/01/2034
Add Probable Customers (reclaimed)	01/01/2015	12/30/2040
Upgrade Reclaimed Pump Station	01/01/2014	01/01/2015

*Depending on the Phasing of the Capacity Improvements

Reviewed:

- ◆ Priority Projects
- ◆ Project Priority

Capital Costs and Rate Implications:

- ◆ **Water Rates**
 - Capital Investment - \$19.2 Million (23.5% growth related)
 - Assumptions
 - Funding All Improvements With Debt
 - 4% Interest Amortized Over 30 Years
 - 1% Growth Rate
 - Present Day Dollar Values
- ◆ **Wastewater Rates**
 - Capital Investment - \$206.2 Million (62.2% growth related)
 - Assumptions
 - Funding All Improvements With Debt
 - 4% Interest Amortized Over 30 Years
 - 2.5% Growth
 - Present Day Dollar Values

Reviewed:

- ◆ Franklin Water Demand Projections

Water Option:

Project	Capital Cost	% Growth	Growth	Rehabilitation
Distribution Model	\$200,000	0%	\$0	\$200,000
Meter Replacements	\$3,500,000	0%	\$0	\$3,500,000
Distribution WQ Improvements	\$1,500,000	0%	\$0	\$1,500,000
WTP to 4 MGD, UV & AOP	\$9,134,000	50%	\$4,567,000	\$4,567,000
SCADA	\$830,000	0%	\$0	\$830,000
Distribution Improvements	\$4,000,000	0%	\$0	\$4,000,000
Capital Investment	\$19,164,000		\$4,567,000	\$14,597,000

Reviewed:

- ◆ Impact on Average Residential Inside Rates (30 Year Window)
- ◆ Impact on Average Residential Inside Rates (10 Year Window)

Costs of Water Production:

- ◆ Costs per 1,000 gallons:
 - Wholesale Purchase (2012) \$2.18
 - Franklin (Average Production Cost) \$1.50
 - Franklin (Projected Cost for 4 MGD) \$1.33
- Potential Annual Operations Cost Savings for 4 MGD Plant Expansion \$350,000 - \$450,000

Reviewed:

- ◆ Franklin Wastewater Demand Projection

Wastewater Option A:

Project	Capital Cost	% Growth	Growth	Rehabilitation	Start	Complete
Sewer Model	\$400,000	0%	\$0	\$400,000	01/01/2013	
Sewer Rehab (RDII > 12%)	\$16,430,000	0%	\$0	\$16,430,000	05/30/2012	05/30/2014
Phase I Biosolids	\$42,500,000	25%	\$10,625,000	\$31,875,000	07/01/2013	01/01/2015
Biosolids Dryer	\$23,500,000	25%	\$5,875,000	\$17,625,000	07/01/2013	01/01/2015
Existing WWTP Hydraulic Imprvmts	\$8,100,000	0%	\$0	\$8,100,000	07/01/2013	01/01/2015
Existing WWTP to 16 MGD	\$10,500,000	100%	\$10,500,000	\$0	07/01/2013	01/01/2015
SCADA	\$4,800,000	25%	\$1,200,000	\$3,600,000	12/30/2013	
Phase II Biosolids	\$14,000,000	100%	\$14,000,000	\$0	07/01/2024	07/01/2026
South WWTP (Phase I – 4 MGD)	\$60,000,000	100%	\$60,000,000	\$0	07/01/2024	07/01/2026
Phase III Biosolids	\$8,000,000	100%	\$8,000,000	\$0	07/01/2032	01/01/2034
South WWTP (Phase II – 8 MGD)	\$18,000,000	100%	\$18,000,000	\$0	07/01/2032	01/01/2034
Capital Investment	\$206,230,000		\$128,200,000	\$78,030,000		

Reviewed:

- ◆ Impact on Average Residential Inside Rates (30 Year Window)
- ◆ Impact on Average Residential Inside Rates (10 Year Window)

Wastewater Option B:

Project	Capital Cost	% Growth	Growth	Rehabilitation	Start	Complete
Sewer Model	\$400,000	0%	\$0	\$400,000	01/01/2013	
Sewer Rehab (RDII > 12%)	\$16,430,000	0%	\$0	\$16,430,000	05/30/2012	05/30/2014
Existing WWTP Hydraulic Imprvmts	\$8,100,000	0%	\$0	\$8,100,000	07/01/2013	01/01/2015
South WWTP (Phase I – 4 MGD)	\$60,000,000	100%	\$60,000,000	\$0	07/01/2013	07/01/2015
Phase I Biosolids	\$42,500,000	25%	\$10,625,000	\$31,875,000	07/01/2013	07/01/2015
SCADA	\$4,800,000	25%	\$1,200,000	\$3,600,000	12/30/2013	
Phase II Biosolids	\$14,000,000	100%	\$14,000,000	\$0	01/01/2023	07/01/2024
Biosolids Dryer	\$23,500,000	25%	\$5,875,000	\$17,625,000	01/01/2023	07/01/2024
Existing WWTP to 16 MGD	\$10,500,000	100%	\$10,500,000	\$0	07/01/2024	07/01/2026
Phase III Biosolids	\$8,000,000	100%	\$8,000,000	\$0	07/01/2032	01/01/2034
South WWTP (Phase II – 8 MGD)	\$18,000,000	100%	\$18,000,000	\$0	07/01/2032	01/01/2034
Capital Investment	\$206,230,000		\$128,200,000	\$78,030,000		

Reviewed:

- ◆ Impact on Average Residential Inside Rates (30 Year Window)
- ◆ Impact on Average Residential Inside Rates (10 Year Window)
- ◆ Biosolids O&M Costs – 2012
- ◆ Biosolids O&M Costs – 2040

Summary:

- ◆ Recommend Implementation of Alternative 1
 - Highest Ranked by:
 - BOMA
 - Stakeholders & Steering Committees
- ◆ Cost and Financing of the Plan
 - Multiple Options for Wastewater Implementation
 - City's Preference of Being "Proactive Rather than Reactive"
 - Allows for Addressing of Continued Growth and Regulatory Compliance
- ◆ Permitting Process
 - Start Now & Stay Ahead of the Game
 - Additional Data Collection & Analysis/Application Process
 - Public Education Process
- ◆ Water Quality and Effect on Harpeth River is Key to the Successful Implementation of this IWRP and its Projects

Discussion ensued with many questions asked. The Aldermen were told to email specific questions to Mark Hilty who will forward them to Mr. Stuckey and Mr. Daniel. Questions will be answered during the next discussion of the Integrated Water Resource Plan.

Mr. Stuckey noted this is a long-term roadmap dealing with growth and future growth. The project will be broken out into manageable sections to work through.

ADJOURN

Work Session adjourned @ 6:58 p.m.

Dr. Ken Moore, Mayor

Minutes prepared by: Linda Fulwider, Board Recording Secretary, City Administrator's Office - 4/23/2012 1:14 PM