
MEETING MINUTES
BUDGET & FINANCE COMMITTEE
CITY OF FRANKLIN, TENNESSEE
CITY HALL BOARDROOM
THURSDAY, MARCH 15, 2012 @ 4:00 P.M.

Committee Members

Alderman Ann Petersen, Chair P
Alderman Beverly Burger, Vice Chair P
Alderman Brandy Blanton P
Alderman Michael Skinner P

Other Attendees

Eric Stuckey, City Administrator P
Russell Truell, ACA Finance & Administration P
Vernon Gerth, ACA Community & Economic Development P
Mike Lowe, Controller P
Paul Holzen, Interim Engineering Director P
Chris Bridgewater, Interim BNS Director P
Catherine Powers, Planning/Sustainability Director P
Joe York, Streets Director P
Steve Sims, Assistant City Recorder P
Alderman Margaret Martin P
Lanaii Benne, Assistant City Recorder P
Linda Fulwider, Board Recording Secretary P

1. Call to Order

Alderman Petersen, Chair, called the meeting to order at 4:00 p.m.

2. Approval of the Minutes

Alderman Burger moved to approve the February 16, 2012 minutes as presented. Seconded by Alderman Blanton. Motion carried unanimously.

3. Consideration of SouthernSun as Manager of Small/Mid-Cap Equities (Pension Plan)

Russ Truell related the Pension Committee interviewed three managers to choose a replacement for the manager the committee dismissed. SouthernSun was selected by a 4-0 vote with 1 abstention. They are a Tennessee company that comes highly recommended.

Alderman Burger moved to approve SouthernSun as Manager of Small/Mid-Cap Equities (Pension Plan) and forward recommendation to the Board. Seconded by Alderman Blanton. Motion carried unanimously.

4. Update on Appropriations to Non Profit and Governmental Organizations

A list of allocation requests, as of March 15, and what was allocated in 2011 was reviewed. Included were the names of five agencies that have yet to respond. Eric Stuckey related last year these agencies allocations were not increased. He asked the committee members how they wanted to proceed with funding and what should be done with potential requests from entities not on the list.

Alderman Burger reiterated what she said last year, that it is not the jurisdiction of government to give money to non-profits. They should be supported by private citizens or groups. Her constituents ask why the City gives away tax dollars from individuals and want it

stopped. Alderman Burger doesn't want to add any new agencies; rather her goal is to reduce allocations by 10% every year until phased out. Her recommendation was to reduce allocations by 10%.

Discussion:

- ▲ Alderman Blanton: The City can't be good stewards if not giving back to the community. It is the right thing to do.
- ▲ Alderman Burger: The issue comes back to heartstrings and this is not a heart issue. It is a government issue of taking taxpayer money to give to private non-profit organizations.
- ▲ Alderman Skinner: Recognized Alderman Burger's position, but the policy of the Board has been to contribute to these agencies. The revenue stream may not allow an increase in allocations or the addition of new agencies this year. Encourage other agencies to apply next year.

Alderman Skinner moved to accept the same list as funded in the past and forward recommendation to BOMA. Seconded by Alderman Burger (to keep the list without additions).

Discussion:

- ▲ Eric Stuckey noted Animal Control has escalated because of the inter-governmental contract. It is not the same as the non-profit agencies, but is listed with the agencies because it falls under appropriations.
- ▲ Alderman Martin doesn't want the allocations to stop. Franklin is known to have a heart. Her constituents would agree. She is amazed the non-profits get along with what the little they have.

Motion to accept the same list as funded in the past and forward recommendation to BOMA carried 3-0 with Alderman Blanton abstaining.

Further Discussion:

- ▲ Mr. Stuckey: Sales tax revenue is rising but property tax is not coming in as it has, and that offsets some of the good news of sales tax.
- ▲ Alderman Petersen: Asked if the committee should wait until revenue projections are known before making decisions on allocations.
- ▲ Alderman Burger: Would like to remove Bridges and other reciprocating services and do grant programs instead. She asked for the number of police assists to housing. Mr. Stuckey responded that Bridges is unique because they do get grant money.
- ▲ Russ Truell: The state prescribes how the City addresses these allocations, but he could divide the list as to governmental, civic or other.

Alderman Skinner moved to delay a decision on the exact allocations until the overall budget is submitted in May. There was no second to the motion and no action taken.

Mr. Stuckey said there would be other opportunities to discuss the allocations. Mr. Truell added that there are still some large numbers to reconcile in the budget.

5. **Budget Presentation – Planning/Building & Neighborhood Services**

Planning and Sustainability: Catherine Powers, Director

Basically they are asking for a continuation budget. Last year the engineers that were in Planning moved back to Engineering, so they will be down some staff. They are asking for a part-time Planning Assistant @ approximately \$23,000 per year.

FY 2012-2013 Major Change - Operations

Area	FY 2011-2012 Budget Request	FY 2012-2013 Budget	Change
Public Relations & Education	\$10,000	\$5,000	-\$5,000
Promotions and Special Events	\$1,000	\$ 500	-\$500
Mailing & Outbound Shipping Services	\$2,200	\$4,235	+\$2,035
Printing & Copying Services Outsourced	\$2,700	\$4,900	+\$2,200
TOTAL	\$15,900	\$14,635	-\$1,265

To Do Next Year

- ▲ Land Use Plan Updates
 - ◆ West Harpeth Character Area
- ▲ Planning, Preservation and Sustainability Outreach

FY 2011-2012 Accomplishments

- ▲ Processed 11 Text Amendments to the Zoning Ordinance
- ▲ Updated the Berry’s Chapel Character Area with substantial public input from area residents
- ▲ Processed 57 Certificates of Appropriateness for Historic properties
- ▲ Acquired a \$3,000 grant to obtain National Register status for City and Rest Haven Cemeteries
- ▲ Presented lessons on Planning, Historic Preservation, and Sustainability to classes at Montessori and Liberty Elementary
- ▲ Held a Strategic Planning Session with an outside facilitator for the Battlefield Preservation Commission
- ▲ Completed a Sustainable Features map on the website
- ▲ Solar availability maps finished showing every property in Franklin
- ▲ City celebrates Sustainability and Preservation month in May

FY 2012-2013 Goals

- ▲ Produce a minimum of 12 text amendments to refine and revise the Zoning Ordinance
- ▲ Update the West Harpeth Character Area
- ▲ Continue to research methods to streamline the development process while assuring information is readily available to all parties
- ▲ Complete revised priorities for the Battlefield Preservation Plan
- ▲ Publish the Historic Resources Inventory
- ▲ Conduct two Historic Preservation workshops related to construction or maintenance to historic properties
- ▲ Research new opportunities for the City to utilize solar power
- ▲ Work with the Sustainability Commission to update the Community Action Plan
- ▲ Expand outreach to schools related to Planning, Historic Preservation, and Sustainability

The aldermen asked several questions that were duly answered by Ms. Powers and Mr. Stuckey.

Building and Neighborhood Services – Chris Bridgewater, Interim Director

Vehicle Replacement Plans

- ▲ Recommend replacement of 12.4 mpg trucks with more efficient 32 mpg Chevy Equinox XUVs

- ▲ Fleet age is 7.3 years. Recommended replacement cycle is 8 years/100,000 miles
- ▲ Seven vehicles due for replacement. Our newest vehicle is 4 years old
- ▲ Up to \$150,000 in fuel costs savings over the next 8 years can be realized by programmed replacement
- ▲ Calculated several plans over the next 8 years
- ▲ FY 2011 Fuel Costs - \$24,600 @ average \$2.94 gallon
- ▲ Immediate replacement of 7 vehicles this year is most cost effective (\$157,000 fuel savings)
- ▲ Spaced out replacement plan saves \$153,000
- ▲ Recommended Green Mix saves \$143,000
- ▲ Average fleet fuel economy – 15.8 mpg to 34.2 mpg
- ▲ Fuel costs - \$28,927 to \$9,245 over 8 years
- ▲ Recommended cycle – purchase new vehicles when 8 years is reached
- ▲ Spaced out – fleet purchases are spread over an eight year period equally
- ▲ New purchases will be a fuel efficient XUV type vehicle that has a higher road clearance
- ▲ Green Mix – with significant fuel savings, purchase of 2 Leaf all-electric vehicles recommended to become less dependent on gas over time

Questions raised by the aldermen were duly answered by Mr. Bridgewater and Mr. Stuckey

BNS Add/Subtract

- ▲ Professional Development - \$11,000
 - ◆ Housing Development Coordinator expenses moved from Planning to BNS. Some expenses will be reimbursed from programs - \$5,000
- ▲ Fuel - \$7,000
- ▲ Certification Testing - \$7,000
- ▲ Demolition (\$15,000) – moved to a contingency fund
- ▲ Furniture - \$5,000
- ▲ Computer Replacement - \$3,500
- ▲ Vehicles - \$39,000
- ▲ Capital Vehicles - \$37,600

Current Inspection Staffing Comparison

- ▲ 3 Building Inspectors and 2 Electrical Inspectors @ 21,000 inspections CY2011
- ▲ 2 Part-time Inspectors used a few days a week; Supervisors and Plans Examiners used to manage peak loads
- ▲ Inspections up 16% from preceding year (comparing monthly totals)
- ▲ 7 Building Inspectors and 4 Electrical Inspectors @ 42,000 inspections CY 2006

Mr. Bridgewater explained the proposal would give promotions to those getting additional certifications in different areas of expertise instead of adding positions. These Inspectors could then do any of the inspections. In not requesting additional personnel, additional funds are wanted for training and certifications.

Questions were asked and answered.

6. Budget Presentation – Engineering/Traffic Operations Center/Stormwater Fund, Paul Holzen, Interim Director

Personnel Recommendation for 2012-2013

- ▲ New Position – Assistant Director of Engineering – July 2012
- ▲ 2 Engineers Reclassified from Engineer I to Engineer II – August 2012

- ▲ New Position – TOC Operator – July 2012
- ▲ No changes in Personnel for Stormwater

Engineering Operations

2011-2012 Approved Budget - \$75,527
 2011-2012 Estimated Actual - \$68,688
 2012-2013 Proposed Budget - \$99,375

Operating Services:

- ▲ \$5,000 Increase to Outsource Scanning and Digitizing Construction Drawings Currently Located in the Garage

Operating Supplies:

- ▲ \$1,000 High Visibility Construction Jackets

Total Machinery & Equipment:

- ▲ \$8,000 – New Copy Machine (Current Machine is 7 years old)
- ▲ \$6,000 – High-Res Large Size Monitor for Reviewing Plans Digitally
- ▲ \$5,388 – Additional for Computer Replacements

Engineering Capital:

2011-2012 Approved Budget - \$0.0
 2011-2012 Estimated Actual - \$0.0
 2012-2013 Proposed Budget - \$528,000

Infrastructure

- ▲ \$528,000 – For Construction of a sidewalk along Franklin Road from Downtown to Liberty Pike. Of this amount \$484,200 is anticipated to be taken from the Sidewalk Fund contributed by Jamison Station.

Traffic (TOC) Operations

2011-2012 Approved Budget - \$1,251,763
 2011-2012 Estimated Actual - \$ 498,500
 2012-2013 Proposed Budget - \$ 226,484

Contractual Services:

\$40,000 Increase for Consultant Services

- ▲ \$140,000 for Traffic Signal Timing Optimization and Test for the Cool Springs Area for Signal Optimization and Testing. (Cool Springs \$40,000 more expensive than the downtown completed FY 2011-2012)

Repair & Maintenance Services:

- ▲ \$5,000 Additional for Emergency Maintenance of TOC fiber

Total Machinery & Equipment:

\$21,299 – Increase for the following:

- ▲ \$800 Backup 47" LCD TV
- ▲ \$2,400 Toughbook (Current Toughbook was purchased in 2006)
- ▲ \$18,000 Cisco Video Matrix – Lease payment

Traffic (TOC) Capital

2011-2012 Approved Budget - \$2,525,000
 2011-2012 Estimated Actual - \$730,814
 2012-2013 Proposed Budget - \$2,125,000

Machinery & Equipment (>\$25,000)

- ▲ \$35,000 – SR 96 & Southwinds Intersection (Approved FY 2011/2012)
- ▲ \$210,000 – Mallory Station Road & Mallory Lane and South Springs Project
- ▲ \$290,000 – Phase 3 TOC, Infrastructure & Upgrades with an 80/20 Match (\$232,000/\$58,000) (BOMA Approved 1/24/12 and Approved in FY 2011-2012 Budget)
- ▲ \$90,000 – Traffic Signal Upgrade Program
- ▲ \$1,500,000 – Franklin ITS Extension with an 80/20 Match (\$1,200,000/\$300,000) (Approved in

FY 2011-2012 Budget)

Stormwater Operations:

2011-2012 Approved Budget - \$52,060

2011-2012 Estimated Actual - \$44,598

2012-2013 Proposed Budget - \$360,865

Consultant Services:

- ▲ \$6,000 – Increase for Macron invertebrate Analysis and E Coli Analysis Consultant Services
- ▲ \$85,000 – Impervious Surface Update
- ▲ \$100,000 BMP Manual Update (Last updated in 2002)
- ▲ \$100,000 – Stormwater Management Master Plan Modeling

Machinery & Equipment

- ▲ \$1,025 – Increase for stream sampling equipment
- ▲ \$3,000 – Spectrophotometer used for stream sampling

Repair & Maintenance Supplies

- ▲ \$1,700 Increase for TMDL Maintenance Supplies

Stormwater Capital:

2011-2012 Approved Budget - \$2,959,200

2011-2012 Estimated Actual - \$1,995,896

2012-2013 Proposed Budget - \$1,840,000

Infrastructure

- ▲ \$1,100,000 – Battle Avenue Design and Construction
- ▲ \$65,000 – Parkview Drainage Improvements Design
- ▲ \$500,000 – On Call Stream Restoration Design/Construction
- ▲ \$75,000 – Regional Retention/Detention Basins
- ▲ \$100,000 – Stream & Rainfall Gauging Stations

Eric Stuckey explained the shifts in personnel in the BNS and Engineering budgets reflect the move to consolidate the Engineering group under Mr. Holzen and Dan Allen.

7. Budget Presentation – Street Maintenance/Traffic/Fleet/Street Aid Fund – Joe York, Director

Personnel:

- ▲ No requests for new personnel in Street Maintenance
- ▲ Request 1 new Traffic Technician in Traffic Division
- ▲ Request 1 Senior Fleet Maintenance Technician
- ▲ Eliminate 1 Mechanic in Fleet Maintenance
- ▲ No requests for Stormwater

Maintenance Division:

Operations:

- ▲ 82200 Operating Services – Expenditures appear to be down from an amount of \$21,250 to \$14,500 due in part to monies from uniform services moved to uniforms purchased. However, \$5,000 has been appropriated to the operating budget for public relations pertaining to leaf routes.
- ▲ 82400 Utilities – Expenditures are up from \$823,400 to \$855,710 due in part to the new street lights on McEwen Drive.
- ▲ 82800 Professional Development and Travel – Expenditures are up from \$5,000 to \$12,550 due to goal and objective training, education, and certification.
- ▲ 83200 Operating Supplies – Expenditures appear to be up from \$22,000 to \$35,000 due mostly to uniform services transferred to uniforms purchased.
- ▲ 83500 Machinery & Equipment <\$25,000 – Expenditures are up from \$46,000 to \$72,890 due

in part to:

- ♦ Infrared heater extensions - \$12,000 (Maintenance Division)
 - ♦ Walk-behind Tracked Excavator - \$11,000 (Landscape Division)
 - ♦ Flail Mower head for tractor - \$5,500 (Maintenance Division)
 - ♦ Mid-mount lawn mower - \$10,000 (Landscape Division)
 - ♦ Motorola 800-mhz radio - \$6,800 (Landscape Division)
- ▲ 83600 Repair & Maintenance – Expenditures are down from \$244,500 to \$188,000 due in part to ample supply of road salt.

Capital:

- ▲ 89200 – Building Improvements – Expenditures are required for:
- ♦ Addition to salt storage facility located in Liberty Park - \$38,000
 - ♦ Liberty Park salt storage facility paving - \$9,000
 - ♦ Liberty Park satellite landscape facility (fiber) - \$10,000
 - ♦ Compost facility leach bed construction - \$25,000 (TDEC classifies compost as solid waste; must have permit and leach bed)

- Alderman Blanton left the meeting @ 6:03 p.m.

Traffic Division:

Personnel:

- ▲ Request one (1) new full-time Traffic Signal/Street Light Technician, PG 14, to handle the repair and maintenance of decorative street lights and LED lighting throughout the downtown area, high mast interstate lighting, and all other City owned street lights.

Operations:

- ▲ 82600 Repair & Maintenance Services – Expenditures are up from \$19,500 to \$27,500. Maintenance Division paving operations at major intersections directly affects this budget, due to loop detection repair caused by cold surface planning operations.
- ▲ 83200 Operating Supplies – Expenditures appear to be up in this line item from \$6,000 to \$10,850. However, uniforms serviced have been moved to uniforms purchased.
- ▲ 83600 Repair & Maintenance Supplies – Expenditures are up from \$189,500 to \$245,770 due in part to Thermoplastic material application at the following:
- ♦ Carothers Parkway - \$18,500
 - ♦ Galleria Boulevard - \$8,500
 - ♦ Fieldstone Parkway - \$11,000
 - ♦ Forrest Crossing Boulevard - \$8,500
 - ♦ Natchez Street - \$8,500

Capital:

- ▲ 89400 Infrastructure – Expenditures are up \$30,000 due to LED street lighting within the downtown area. However, Andrew Orr has applied for a grant to recover these costs.
- ▲ 89500 Machinery & Equipment – Expenditures are required for the replacement of a truck mounted paint striping unit in the amount of \$45,000.

Fleet Maintenance:

Personnel:

- ▲ Request one (1) Mechanic and one (1) Preventive Maintenance Technician be promoted to Sr. Fleet Maintenance Technicians. Both meet or exceed all qualifications and continue to work toward more certifications in addition to maintaining re-certifications as needed. In addition, one (1) Preventative Maintenance Technician has enrolled in Nashville Auto Diesel College to improve job skills, at employee's own expense, and will be graduating in October 2012, at which time employee will become ASE Blue Seal Certified on the big truck level. Employee already has the (ASE) automotive certification completed.

- ▲ Request Administrative Assistant position be reclassified as a Sr. Administrative Assistant (as soon as job description and pay grade are determined)
- ▲ Replace Preventive Maintenance Technician. Advertise position as soon as budgets are approved.
- ▲ Overall, these technicians have a greater vested interest than other employees as they will spend \$40,000 to \$60,000 for tools to perform their jobs more efficiently and provide a higher quality of work for the customers we serve.

Operations:

- ▲ 82610 Vehicle Repair & Maintenance Services – Expenditures may be up this year due to increased work load and the aging fleet that may require extended service that fleet is unable to perform at this time. With additional personnel, new facility, and a replacement vehicle policy Fleet Maintenance may be able to keep these expenses the same or lower them in coming year, otherwise, this increase will carry over from year to year.
- ▲ 83610 Vehicle Parts & Supplies – Expenditures for increased repairs due to age of fleet and expired warranties, in addition to the overall increase in the cost of parts to repair vehicles
- ▲ 81480 Tool Allowance – Increase in tool allowance from \$600 per technician to \$1,000 per technician. Tool expenses have increased significantly, in addition to more specialty type tools are needed to perform daily functions than in the past.
- ▲ 82780 Training, Outside – Increase to \$3,000 primarily due to new technology in cars and trucks. Training is needed in order to be more efficient and perform quality work for the City.
- ▲ 89520 Vehicles (>\$5,000) – This is to replace 1997 Ford service truck, which as more than exceeded its life expectancy.

Capital:

- ▲ 89540 Computer Hardware – MIT has suggested that we replace one (1) laptop and three (3) desktops for next year.

Stormwater Division:

Operations:

- ▲ 83300 Fuel and Mileage – Expenditures are up from \$40,000 to \$55,500 due to Street Sweeper operations.
- ▲ 83500 Machinery & Equipment <\$25,000 – Expenditures are up from \$10,000 to \$15,800 due in part to the purchase of a Skid Steer Loader attachment in the amount of \$5,500.

Capital:

- ▲ 89500 Machinery & Equipment – Expenditures are required in the amount of \$145,000 for the purchase of a rubber tired loader to replace the old Komatsu.

State Street Aid:

- ▲ 82600 Paving & Repair Services – Expenditures are up from \$1,650,000 to \$2,979,898. This is due in part to underfunding the 13-14 year resurfacing program cycle in the 2011-2012 budget.
- ▲ 82647 Sidewalk Repair – Annual expenditures of \$100,000 for sidewalk maintenance, repair and replacement throughout the City.

Discussion ensued regarding the 80 streets that need to be resurfaced, how much is funded by Street Aid, designated fuel tax, additional funds, and sidewalk repair.

8. Consideration of Ordinance to Revise Title 18 to Clarify Service Pricing

Changes to Title 18 (Water & Sewer) define Residential customers and Nonresidential customers for the purpose of applying water, sewer, irrigation, and reclaimed water rates consistently. Steve Sims asked the committee to forward this to a Board Work Session.

Alderman Skinner moved to forward this item to a Board Work Session. Seconded by Alderman Burger. Motion carried unanimously.

9. Update on Wastewater Assessment District Connections

Mr. Sims reported approximately 25% of the properties are connected to the City's sanitary sewer within sewer assessment districts. About 42% of the property owners have paid their assessment in full. Periodic updates will be included with the monthly reports.

10. Monthly Reports (Information Only)

- a) Sales Tax Report – January 2012
- b) Property Tax Report – Month of February
- c) Construction Activities Report – Month of January
- d) Transit System Report – Month of February
- e) Conference Center Report – Month of February
- f) Fuel Hedging Report – February 2012
- g) Revenue Forecast for FY 2013 Revised 3/9/12

No revision. Sales tax numbers were received too late for update.

Reports filed with the minutes

11. Discussion Regarding April Budget Meeting Schedule

Mr. Stuckey said it was anticipated this committee would meet on April 19th (regular meeting schedule) and April 26th as an additional meeting to cover other funds and do clean up. Alderman Petersen cannot attend the April 19th meeting and Vice Chair Alderman Burger will conduct the meeting. Committee will meet April 19 @ 4:00 p.m. and April 26 @ 1:00 p.m.

ADJOURN

Alderman Burger moved to adjourn. Seconded by Alderman Skinner. Motion carried unanimously.

Meeting adjourned 6:33 p.m.

Ann Petersen, Chair

Minutes prepared by Linda Fulwider, Board Recording Secretary, City Administrator's Office - 4/23/2012 1:21 PM