

**MINUTES OF THE WORK SESSION
BOARD OF MAYOR AND ALDERMEN
FRANKLIN, TENNESSEE
CITY HALL BOARDROOM
TUESDAY, AUGUST 12, 2014 – 5:00 P.M.**

Board Members

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

Department Directors/Staff

Eric Stuckey, City Administrator	P	Lisa Clayton, Parks Director	P
Vernon Gerth, ACA Community/Economic Dev.	P	Shirley Harmon, Human Resources Director	P
Russell Truell, ACA Finance & Administration	P	Mark Hilty, Water Management Director	P
David Parker, City Engineer/CIP Executive	P	Paul Holzen, Engineering Director	P
Shauna Billingsley, City Attorney	P	Catherine Powers, Planning & Sustainability Director	P
Rocky Garzarek, Fire Chief		Joe York, Streets Director	P
Deb Faulkner, Interim Police Chief	P	Brad Wilson, Facilities Project Manager	
Fred Banner, IT Director	P	Lanaii Benne, Assistant City Recorder	P
Chris Bridgewater, BNS Director	P	Linda Fulwider, Board Recording Secretary	P
Becky Caldwell, SES Director			

1. **Call to Order**
Mayor Ken Moore called the Work Session to order at 5:00 p.m.
2. **Citizen Comments**
None

WORK SESSION DISCUSSION ITEMS

3. **Consideration of Event Permit Application for History of The Battle of Franklin Event at Eastern Flank Battlefield Park on September 13, 2014.**
Lisa Clayton, Parks Director
Alderman Skinner asked where people could park. Lisa Clayton responded that cars will be parked on the portion of land that is State property.
4. **Consideration of Event Permit Application for Franklin High School Homecoming Parade on September 26, 2014 at 10:30 a.m. in Downtown Franklin.**
Deb Faulkner, Interim Police Chief
No questions or comments.
5. **Consideration of Event Permit Application for Jingle Bell Run Benefiting the Arthritis Foundation to be Held December 6, 2014 in Downtown Franklin.**
Deb Faulkner, Interim Police Chief
Item withdrawn from this agenda.
6. **Consideration of Event Permit Application for the Ride to Cure Diabetes Bicycle Ride Benefiting the Juvenile Diabetes Research Foundation to be Held November 1, 2014 in Cool Springs.**
Deb Faulkner, Interim Police Chief
Item withdrawn from this agenda.

7. **Consideration of Renewal of Liquor License Retailer's Certificate for Mallory Lane Wine & Spirits (Robert Scales, Managing Agent), 3070 Mallory Lane, Suite 100, Franklin Tennessee 37067.**

Lanaii Benne, Assistant City Recorder

No questions or comments.

8. **Consideration of Renewal of Liquor License Retailer's Certificate for Franklin Wine & Spirits (James D. Clark, Managing Agent), 1400 Liberty Pike, Suite 300, Franklin, Tennessee 37067.**

Lanaii Benne, Assistant City Recorder

No questions or comments.

9. **Consideration of RESOLUTION 2014-58 Authorizing the Mayor and City Administrator to Execute a Master Lease Agreement with JPMorgan Chase Public Capital Corporation for Items Included in the FY14-15 Operating Budget.**

Russ Truell, ACA Finance & Administration

Eric Stuckey explained an element was built in the budget the last several years to spread the purchase price over a three-year period for various equipment needs in different departments. The interest rate is under 1% for lease-purchase over a three-year period. Approximately \$2.9 million worth of purchases approved in the operating budget.

10. **Consideration of Bid Award to Sutphen Corporation of Dublin, OH in the Total Amount of \$1,581,153.10 (\$790,576.55 each) for Two (2) Fire Pumper Ladder Trucks for the Fire Department (Purchasing Office Procurement Solicitation No. 2015-001; One (1) to be Financed by Means of City's FY2015 Master Lease Arrangement, for which \$800,000 is Budgeted in 130-89520-42200 of the Facilities Tax Fund for Fiscal Year 2015 for the Other; Contract No. 2014-0174)**

Rocky Garzarek, Fire Chief

Eric Stuckey presented the next two items as Chief Garzarek was out-of-town at a professional conference. Mr. Stuckey related this encompasses a replacement vehicle and new equipment for the Westhaven Fire Station; funded through Facilities Tax and General Fund dollars.

- 11.* **Consideration of RESOLUTION 2014-59, a Resolution to Reclassify an Assistant Fire Chief to Deputy Fire Chief and Modify the Organizational Chart.**

Rocky Garzarek, Fire Chief

The adjustment is to reclassify one Assistant Fire Chief to Deputy Fire Chief. Currently, the Fire Department's organizational structure includes two Deputy Chief Positions (Operations, and Administration/Emergency Management, with both positions vacant.) A third division within the department, Inspection Services, is supervised by an Assistant Chief/Fire Marshal. The proposed change is to reclassify an Assistant Fire Chief/Fire Marshal position to Deputy Fire Chief. The change will result in the position's responsibilities being expanded to include key strategic initiatives, such as accreditation and professional standards. These changes will create three Deputy Chief positions in the department: Deputy Chief Administration & Emergency Management, Deputy Chief Fire Marshal & Strategic Initiatives, and Deputy Chief Operations. The unfunded position of Accreditation Manager will be eliminated. When implemented, the reclassification will require a minimum salary adjustment that can be absorbed within the current budget.

- 12.* **Consideration of RESOLUTION 2014-60, a Resolution Authorizing Condemnation for the Acquisition of Property at 719 Murfreesboro Road.**

Paul Holzen, Engineering Director

BOMA approved the construction contract for the Charlton Green Sanitary Sewer Improvements project in May. The project consists of abandonment of the existing Charlton Green sanitary sewer pump and station and force main, gravity sanitary sewer main replacement, pavement patching and curb repair; and, establish permanent vegetative cover to all disturbed areas. Condemnation needed to keep the project moving. The sewer is close to the road and the existing sewer fronts the property in question.

- 13.* **Consideration of an Exclusive Easement Agreement (COF Contract No. 2014-0149) Between the City of Franklin and Mallory Valley Utility District.**

David Parker, City Engineer/CIP Executive

MVUD requested an exclusive easement across a section of Liberty Park to provide water services to the Ovation Development. MVUD will pay the City \$1,063.40 for the exclusive easement.

- 14.* **Consideration of Professional Services Agreement with Barge, Waggoner, Sumner and Cannon, Inc. of Nashville, TN in the Total Amount of \$150,000 for Comprehensive Master Planning Consulting Services for the Parks Department (Purchasing Office Procurement Solicitation No. 2014-019; Funds to be Budgeted in 150-82560-47100 of the Hotel/Motel Tax Fund for Fiscal Year 2015; Contract No. 2014-0140).**

Lisa Clayton, Parks Director

The consultant developed the "Scope of Work and Fee" that includes a project summary schedule with an anticipated project final completion date, including City acceptance of all project deliverables, of June 30, 2015. The proposed fee is \$150,000. This project is budgeted to be allocated to the Hotel/Motel Tax Fund for fiscal year 2015. The \$105,000 currently budgeted will need to be amended. Staff recommends approval contingent upon Law Department and City Administrator approval.

None of the existing plans, such as Harlinsdale, are being eliminated, and the Master Plan will help weave the other plans into it. It allows Franklin to work with surrounding municipalities, groups, such as Franklin Tomorrow and the Heritage Foundation, and to get the community involved.

15. **Consideration of Contract Award to Propertyroom.Com, Inc. of Frederick MD for the Nonexclusive Disposition of Personal Property Seized or Otherwise Held by the Franklin Police Department as a Result of Law Enforcement Proceedings and Not Returnable to its Owner (Contract No. 2014-0142).**

Deb Faulkner, Interim Police Chief

This procurement is to purchase property disposition services for the Police Department for nonexclusive disposition of personal property seized or otherwise held by the department as a result of law enforcement proceedings and not returnable to its owner. It is very labor intensive for the department to do this through GovDeals.com. Propertyroom.Com, Inc. would take over all the work involved and perhaps get better prices. A more effective service that will free significant staff time.

16. **Consideration of RESOLUTION 2014-61, a Resolution Extending the Interim Position of Deputy Police Chief in the Police Department to December 31, 2014.**

Deb Faulkner, Interim Police Chief

In October 2013, Police Lieutenant Kevin Teague was selected to fill a vacancy in the Deputy Police Chief position on a temporary basis. In June 2014, BOMA extended the assignment to September 1, 2014. With the departure of Chief Rahinsky in July and the appointment of Deb Faulkner as Interim Chief, it is proposed the interim assignment be extended through December 31, 2014. Eric Stuckey noted that Deputy Chief Teague has served well in the temporary position. Chief Faulkner added that he is very focused, hard-working, and a real asset to getting her acclimated to the department.

17. **Consideration of RESOLUTION 2014-57, a Resolution of The Board of Mayor and Aldermen for The City of Franklin Adopting a Five Year Rate Plan and Five Year Financial Plan for The Water and Sanitary Sewer Utility Funds, Fiscal Year 2015 through Fiscal Year 2019; Providing an Effective Date.**

Mark Hilty, Water Management Director

Items 17 & 18 taken together.

18. **Consideration of RESOLUTION 2014-53, a Resolution of The Board of Mayor and Aldermen for The City of Franklin Amending the Estimate of Revenues and Expenditures for The Water and Sanitary Sewer Utility Fund for Fiscal Year 2014-2015; Providing an Effective Date.**

Mark Hilty, Water Management Director

These items were presented to the Budget & Finance Committee on July 10, 2014 and they requested input from the full Board.

Water Cost of Service Study, 12 Months ending June 2013

Typical Objectives of Rate Study

1. Revenue Stability and Sufficiency
2. Fairness and Equity
 - Fair is related to cross subsidies
 - Equity is related to Price=Cost
3. Ability to Pay
4. Simplicity (Admin & Customer Understanding)
5. Legally Defendable

Overview of Process

1. Determine Revenue Requirements
 - How much does the system need to recover?
2. Develop Revenue Requirements by Rate Class
 - How much do I need to make by rate class?
3. Develop COS Rates and Design Acceptable Rates
 - How do I best recover the needed revenues?
4. Implement Rate Changes

Water Revenue Requirement - FY2013

<u>Total Revenue Required</u>	
Operations & Maintenance Expense	\$ 8,233,657
Plus: Debt Service	\$ 209,821
Plus: Rate Funded Capital	\$ 1,509,292
Total Revenue Requirement	\$ 9,952,770
Less: Other Revenue	\$ 752,431
Rate Requirement	\$ 9,200,339

Water Recovery by Rate Class - FY2013

	Total	Res-In	Res-Out	C/I-In	C/I-Out	Irr-In	Irr-Out
Percentage	101%	92%	121%	118%	143%	112%	143%
Current Rate Revenue	\$ 9,319,189	\$ 5,549,393	\$ 1,285,611	\$ 1,727,635	\$ 162,920	\$ 453,751	\$ 139,880
Over/(Under) Recovery	\$ 118,850	\$ (536,170)	\$ 236,365	\$ 277,578	\$ 50,063	\$ 47,952	\$ 43,061

Water Projected Revenue Requirement

Revenue Requirement	2013	2015	2016	2017	2018	2019
O & M Expense	\$ 8,233,657	\$ 8,011,457	\$ 8,241,651	\$ 8,399,890	\$ 8,692,562	\$ 8,970,076
Debt Service	\$ 209,821	\$ 209,821	\$ 206,851	\$ 962,238	\$ 1,092,164	\$ 1,092,038
Rate Funded Capital	\$ 1,509,292	\$ 1,491,350	\$ 1,495,918	\$ 1,500,713	\$ 1,505,749	\$ 1,711,036
Total Revenue Rqmt.	\$ 9,952,770	\$ 9,712,628	\$ 9,944,419	\$ 10,862,842	\$ 11,290,475	\$ 11,773,151
Less Other Revenue	\$ 752,431	\$ 752,431	\$ 752,431	\$ 752,431	\$ 752,431	\$ 752,431
Rate Requirement	\$ 9,200,339	\$ 8,960,197	\$ 9,191,988	\$ 10,110,411	\$ 10,538,044	\$ 11,020,720

**2013 from base COSS

***2015-2019 from City Budget

Water - Five Year Approach

	Rate Requirement	% Change	\$ Change	Rate Revenue	Proposed Rate Change	Additional Revenue	Revenue Requirement
Actual 2013	\$ 9,200,339			\$ 9,319,189			
Budget 2015	\$ 8,960,197	-2.6 %	\$ (240,142)	\$ 9,645,361	3.50%	\$ 326,172	\$ 685,164
Budget 2016	\$ 9,191,988	2.6%	\$ 231,791	\$ 9,982,948	3.50%	\$ 337,588	\$ 790,960
Budget 2017	\$ 10,110,411	10.0%	\$ 918,423	\$ 10,332,352	3.50%	\$ 349,403	\$ 221,941
Budget 2018	\$ 10,538,044	4.2%	\$ 427,633	\$ 10,693,984	3.50%	\$ 361,632	\$ 155,940
Budget 2019	\$ 11,020,720	4.6%	\$ 482,676	\$ 11,068,273	3.50%	\$ 374,289	\$ 47,553

Water - Four Year Approach

	Rate Requirement	% Change	\$ Change	Rate Revenue	Proposed Rate Change	Additional Revenue	Revenue Requirement
Actual 2013	\$ 9,200,339			\$ 9,319,189			
Budget 2016	\$ 9,191,988	2.6%	\$ 231,791	\$ 9,715,255	4.25%	\$ 396,066	\$ 523,266
Budget 2017	\$ 10,110,411	10.0%	\$ 918,423	\$ 10,128,153	4.25%	\$ 412,898	\$ 17,742
Budget 2018	\$ 10,538,044	4.2%	\$ 427,633	\$ 10,558,600	4.25%	\$ 430,477	\$ 20,556
Budget 2019	\$ 11,020,720	4.6%	\$ 482,676	\$ 11,007,340	4.25%	\$ 448,740	\$ (13,380)

Water – COS Approach

	Rate Requirement	% Change	\$ Change	Rate Revenue	Proposed Rate Change	Additional Revenue	Revenue Requirement
Actual 2013	\$ 9,200,339			\$ 9,319,189			
Budget 2015	\$ 8,960,197	-2.6 %	\$ (240,142)	\$ 9,319,189	0.00%	\$ --	\$ 358,992
Budget 2016	\$ 9,191,988	2.6%	\$ 231,791	\$ 9,319,189	0.00%	\$ --	\$ 127,201
Budget 2017	\$ 10,110,411	10.0%	\$ 918,423	\$ 10,110,411	8.49%	\$ 791,222	\$ --
Budget 2018	\$ 10,538,044	4.2%	\$ 427,633	\$ 10,538,044	4.23%	\$ 427,633	\$ --
Budget 2019	\$ 11,020,720	4.6%	\$ 482,676	\$ 11,020,720	4.58%	\$ 482,676	\$ --

Sewer Cost of Service Study, 12 Months ending June 2013

Sewer Revenue Requirement – FY2013

Total Revenue Required

Operations & Maintenance Expense	\$ 6,520,832
Plus: Debt Service	\$ 1,315,695
Plus: Rate Funded Capital	\$ 3,750,547
Total Revenue Requirement	\$ 11,587,074
Less: Other Revenue	\$ 386,226
Rate Requirement	\$ 11,200,848

Sewer Recovery by Rate Class – FY2013

	Total	Res-In	Res-Out	C/I-In	C/I-Out
Percentage	120%	115%	151%	131%	185%
Current Rate Revenue	\$ 13,536,361	\$ 9,483,763	\$ 212,748	\$ 3,601,922	\$ 237,928
Over/(Under) Recovery	\$ 2,335,513	\$ 1,291,950	\$ 74,769	\$ 858,823	\$ 109,972

Sewer Projected Revenue Requirement

Revenue Requirement	2013	2015	2016	2017	2018	2019
O&M Expense	\$ 6,520,832	\$ 7,683,591	\$ 7,868,113	\$ 8,086,728	\$ 8,312,371	\$ 8,560,301
Debt Service	\$ 1,315,695	\$ 1,316,395	\$ 1,283,798	\$ 1,268,796	\$ 5,982,295	\$ 5,967,277
Rate Funded Capital	\$ 3,750,547	\$ 3,433,975	\$ 3,640,189	\$ 3,889,385	\$ 4,176,417	\$ 4,441,529
Total Revenue Rqmt.	\$ 11,587,074	\$ 12,433,961	\$ 12,792,100	\$ 13,244,909	\$ 18,471,083	\$ 18,969,107
Less: Other Revenue	\$ 386,226	\$ 386,226	\$ 386,226	\$ 386,226	\$ 386,226	\$ 386,226
Rate Requirement	\$ 11,200,848	\$ 12,047,735	\$ 12,405,874	\$ 12,858,683	\$ 18,084,857	\$ 18,582,881

**2013 from base COSS

***2015-2019 from City Budget

Sewer – Five Year Approach

	Rate Requirement	% Change	\$ Change	Rate Revenue	Proposed Rate Change	Additional Revenue	Revenue Requirement
Actual 2013	\$ 11,200,848			\$ 13,536,361			
Budget 2015	\$ 12,047,735	7.6%	\$ 846,887	\$ 14,450,065	6.75%	\$ 913,704	\$ 2,402,331
Budget 2016	\$ 12,405,874	3.0%	\$ 358,139	\$ 15,425,445	6.75%	\$ 975,379	\$ 3,019,571
Budget 2017	\$ 12,858,683	3.6%	\$ 452,809	\$ 16,466,662	6.75%	\$ 1,041,218	\$ 3,607,980
Budget 2018	\$ 18,084,857	40.6%	\$ 5,226,174	\$ 17,578,162	6.75%	\$ 1,111,500	\$ (506,695)
Budget 2019	\$ 18,582,881	2.8%	\$ 498,024	\$ 18,764,688	6.75%	\$ 1,186,526	\$ 181,807

Sewer – Four Year Approach

	Rate Requirement	% Change	\$ Change	Rate Revenue	Proposed Rate Change	Additional Revenue	Revenue Requirement
Actual 2013	\$ 11,200,848			\$ 13,536,361			
Budget 2016	\$ 12,405,874	3.0%	\$ 358,139	\$ 14,653,111	8.25%	\$ 1,116,750	\$ 2,247,237
Budget 2017	\$ 12,858,683	3.6%	\$ 452,809	\$ 15,861,993	8.25%	\$ 1,208,882	\$ 3,003,310
Budget 2018	\$ 18,084,857	40.6%	\$ 5,226,174	\$ 17,170,607	8.25%	\$ 1,308,614	\$ (914,250)
Budget 2019	\$ 18,582,881	2.8%	\$ 498,024	\$ 18,587,182	8.25%	\$ 1,416,575	\$ 4,301

Sewer – COS Approach

	Rate Requirement	% Change	\$ Change	Rate Revenue	Proposed Rate Change	Additional Revenue	Revenue Requirement
Actual 2013	\$ 11,200,848			\$ 13,536,361			
Budget 2015	\$ 12,047,735	7.6%	\$ 846,887	\$ 13,536,361	0.00%	\$ —	\$ 1,488,626
Budget 2016	\$ 12,405,874	3.0%	\$ 358,139	\$ 13,536,361	0.00%	\$ —	\$ 1,130,487
Budget 2017	\$ 12,858,683	3.6%	\$ 452,809	\$ 13,536,361	0.00%	\$ —	\$ 677,678
Budget 2018	\$ 18,084,857	40.6%	\$ 5,226,174	\$ 18,084,857	33.60%	\$ 4,548,496	\$ —
Budget 2019	\$ 18,582,881	2.8%	\$ 498,024	\$ 18,582,881	2.75%	\$ 498,024	\$ —

Sewer – Residential Inside/Outside Current Rate Comparison

7 kGal Residential Current Rate Comparison

	Inside	Outside	Difference (\$)	Difference (%)
Water	\$ 35.74	\$ 51.26	\$ 15.52	43%
Sewer	\$ 41.57	\$ 60.87	\$ 19.30	46%
	\$ 77.31	\$ 112.13	\$ 34.82	45%

Mr. Hilty noted water recovery is now at 101%, and sewer recovery at 120%. The aldermen asked several questions and all were answered by Mr. Hilty and Mr. Stuckey. January 2018 is the projected start-up for the wastewater plant. These projections are looking 20-30 years in the future. Significant increase comes in 2018 when debt service begins.

Looking at a 20-year loan at a less than 3% interest rate through the TDEC State Revolving Loan Fund.

Following is the amendment to the Biennial Water Management Budget FY 2014 - FY 2015.

It was noted that average consumption and revenues have gone down significantly since 2007 as consumers have become more conservative.

Consumption and Revenues:

Water Accounts and Volumes

Water Accounts and Monthly Averages								
	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14
Customer Accounts	16,194	16,360	16,444	16,426	16,454	16,530	16,711	16,918
Monthly Average – Residential & Commercial (Gallons)	8,553	8,293	7,987	7,321	7,541	7,602	7,475	6,916
Customer Account Growth: Approximately 4.5% since FY 2007								
Average Volume Growth: Approximately -19% since FY 2007								

Consumption Trend

The Consumption Trend graphic presented depicted the different kinds of residential consumers from low volume to high volume during 2012, 2013, and 2014. The trend is that over time all consumers are going into conservation mode. It shows the percentage share of each level of user.

Water Revenues

Revenues through Budget 2015	2013 Actual	2014 Budget	2014 Projected	2015
Available Funds				
Interest Income	26,431	15,600	26,165	26,431
Rental Income	24,000	20,000	24,000	24,000
Sale of Surplus Assets	—	—	25,796	—
Total Use of Money & Property	50,431	35,600	75,961	50,431
Customer Service (Rate)	9,200,339	9,489,546	9,100,100	8,960,197
Penalties	266,000	260,000	266,742	266,000
Service Charges	170,000	95,000	170,131	170,000
Inspection Fees	71,000	60,000	70,858	71,000
Other Service Revenue	95,000	91,800	97,938	95,000
Total Customer Service	9,802,339	9,996,346	9,705,769	9,562,197
Contributions from Developer	—	—	—	—
Installation Fee	100,000	75,000	99,851	100,000
Total Capital Contributions	100,000	75,000	99,851	100,000
Total Available Funds	9,952,770	10,106,946	9,881,580	9,712,628
Projected rate based revenues are approximately 96% of budgeted revenues				

Revenues Forecast 2016 through 2021	2016	2017	2018	2019	2020	2021
Available Funds						
Interest Income	26,431	26,431	26,431	26,431	26,431	26,431
Rental Income	24,000	24,000	24,000	24,000	24,000	24,000
Sale of Surplus Assets	—	—	—	—	—	—
Total Use of Money & Property	50,431	50,431	50,431	50,431	50,431	50,431
Customer Service (Rate)	9,191,988	10,110,411	10,538,044	11,020,720	11,505,632	12,011,879
Penalties	266,000	266,000	266,000	266,000	266,000	266,000
Service Charges	170,000	170,000	170,000	170,000	170,000	170,000
Inspection Fees	71,000	71,000	71,000	71,000	71,000	71,000
Other Service Revenue	95,000	95,000	95,000	95,000	95,000	95,000
Total Customer Service	9,793,988	10,712,411	11,140,044	11,622,720	12,107,632	12,613,879
Contributions from Developer	—	—	—	—	—	—
Installation Fee	100,000	100,000	100,000	100,000	100,000	100,000
Total Capital Contributions	100,000	100,000	100,000	100,000	100,000	100,000
Total Available Funds	9,944,419	10,862,842	11,290,475	11,773,151	12,258,063	12,764,310

Revenue requirements are based on cost of service analyses and are inclusive of additional debt service associated with WTP upgrade and approved water distribution projects.

Consumption and Revenues:

Sanitary Sewer Accounts and Volumes

Sanitary Sewer Accounts and Monthly Averages								
	FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14
Customer Accounts	16,708	16,215	18,617	19,923	20,201	20,646	21,221	21,735
Monthly Average - Residential & Commercial (Gallons)	7,889	8,323	8,504	8,649	9,627	8,898	9,157	8,528

Customer Account Growth: Approximately 30% since FY 2007
Average Volume Growth: Approximately 8% since FY 2007

Sanitary Sewer Revenues

Revenues through Budget 2015	2013 Actual	2014 Budget	2014 Projected	2015
Available Funds				
Interest Income	82,843	16,000	73,754	82,843
Rental Income	1,800	—	2,700	1,800
Sale of Surplus Assets	—	—	—	—
Total Use of Money & Property	84,643	16,000	76,454	84,643
Customer Service	11,200,848	12,858,178	12,782,780	12,047,735
Inspection Fees	75,298	50,000	81,231	75,298
Other Service Revenue	66,115	40,000	44,334	66,115
Total Customer Service	11,342,261	12,948,178	12,908,345	12,189,148
Contributions from Developer	—	—	—	—
Contributions Other	—	—	—	—
Installation Fee	160,170	125,000	165,862	160,170
Total Capital Contributions	160,170	125,000	165,862	160,170
Total Available Funds	11,587,074	13,089,178	13,150,660	12,433,961

Projected rate based revenues are approximately 99% of budgeted revenues

Revenues Forecast 2016 through 2021	2016	2017	2018	2019	2020	2021
Available Funds						
Interest Income	82,843	82,843	82,843	82,843	82,843	82,843
Rental Income	1,800	1,800	1,800	1,800	1,800	1,800
Sale of Surplus Assets	—	—	—	—	—	—
Total Use of Money & Property	84,643	84,643	84,643	84,643	84,643	84,643
Customer Service	12,405,874	12,858,683	18,084,857	18,582,881	19,094,654	19,620,520
Inspection Fees	75,298	75,298	75,298	75,298	75,298	75,298
Other Service Revenue	66,115	66,115	66,115	66,115	66,115	66,115
Total Customer Service	12,547,287	13,000,096	18,226,270	18,724,294	19,236,067	19,761,933
Contributions from Developer	—	—	—	—	—	—
Contributions Other	—	—	—	—	—	—
Installation Fee	160,170	160,170	160,170	160,170	160,170	160,170
Total Capital Contributions	160,170	160,170	160,170	160,170	160,170	160,170
Total Available Funds	12,792,100	13,244,909	18,471,083	18,969,107	19,480,880	20,006,746

Revenue requirements are based on cost of service analyses and are inclusive of additional debt service associated with Water Reclamation Facility Expansion and Upgrade Project

Expenditures:

Personnel

- Water Section (Utility Billing, Water Distribution, Water Treatment):
 - No Changes in Personnel for the Water Section (Utility Billing, Water Distribution, Water Treatment) Operations
- Wastewater Section (Utility Administration, Wastewater Collection, Water Reclamation):
 - Reclassify a vacant Administrative Assistant position to Administrative Secretary.
 - Reclassify two seasonal Grounds Worker positions to full time.
 - Add a Senior Utility Inspector position to provide for adequate staffing with respect to development processes and City projects.
 - Eliminate the Maintenance Division and reclassify Maintenance Superintendent to Maintenance Technician.

Mr. Hilty explained the reasoning behind each request.

Water Operations

Expenditures through Budget 2015

	Actual 2013	Budget 2014	2014 Estimated	Budget 2015	Amended Budget 2015
Total Personnel	\$1,679,618	\$1,887,404	\$1,776,638	\$1,949,829	\$1,881,555
Total Operations	\$6,455,918	\$6,023,338	\$5,943,190	\$6,195,647	\$6,339,723
Total Capital	\$701,126	\$1,487,000	\$552,963	\$1,491,350	\$1,491,350
Total Expenditures	\$8,836,662	\$9,397,742	\$8,272,791	\$9,636,826	\$9,712,628

Proposed amendment is 0.8% higher than original 2015 Budget; primarily in Contractual Services. Absorbed an unexpected 8%-9% HVUD rate increase. The HVUD rate increase has gone up by 33% since 2010. The reduction in consumption demand has helped with the cost.

Wastewater Operations

Expenditures through Budget 2015

	Actual 2013	Budget 2014	2014 Estimated	Budget 2015	Amended Budget 2015
Total Personnel	\$2,990,183	\$3,340,966	\$2,857,549	\$3,446,144	\$3,416,784
Total Operations	\$4,843,889	\$5,332,147	\$5,168,504	\$5,517,073	\$5,583,202
Total Capital	\$904,784	\$3,177,450	\$2,313,100	\$3,407,323	\$3,433,975
Total Expenditures	\$8,738,856	\$11,850,563	\$10,339,153	\$12,370,540	\$12,433,961

Proposed amendment is 0.5% higher than the original 2015 Budget. The primary difference is in Contractual Service. The Department is looking into inspection of the large (36" or greater) interceptor lines. Due to the lack of the right equipment to do this in-house, it will be a contracted service. Capacity Management and Flow Monitoring are included in contracted services as well.

Operations Capital Expenditures

Water	Budget 2014	Estimated 2014	Budget 2015	Estimated 2015
89200 Buildings	\$ 2,000	—	\$ 2,100	\$ 2,100
89300 Improvements	\$ 1,300,000	\$ 552,963	\$1,300,000	\$ 1,300,000
89500 Machinery & Equipment (>\$25,000)	\$ 185,000	—	\$ 189,250	\$ 189,250
TOTAL	\$ 1,487,000	\$ 552,963	\$ 1,491,350	\$ 1,491,350

Wastewater	Budget 2014	Estimated 2014	Budget 2015	Estimated 2015
89100 Land	—	\$ 33,900	—	—
89200 Buildings	\$ 1,500	—	\$ 1,575	\$ 1,575
89300 Improvements	\$ 2,000,000	\$ 1,960,000	\$ 2,500,000	\$ 2,500,000
89500 Machinery & Equipment (>\$25,000)	\$ 1,175,950	\$ 319,200	\$ 905,748	\$ 932,400
TOTAL	\$ 3,177,450	\$ 2,313,100	\$ 3,407,323	\$ 3,433,975

Water - FY 2104 Highlights and FY 2015 Goals

- Energy Management Program
 - Lessons learned from Water Reclamation Facility
- Leak Detection Surveys
 - Completion of system in FY 2014
 - Ongoing systematic surveys
- Water Treatment Plant design and upgrade

Wastewater - FY 2014 Highlights and FY 2015 Goals

- Continued efforts to refine and improve the Energy Management Program
- Refinements to collection system management and operations
- Collection system inspections
 - CCTV work - 200,000 LF
- Water Reclamation Facility Upgrade and Expansion Project

19. **Consideration of Emergency Shelter Grant with the Tennessee Housing Development Authority (COF Contract 2014-0147) for \$54,635.00.**

**Chris Bridgewater, Building & Neighborhood Services Director
Kathleen Sauseda, Housing Development Coordinator**

Items 19 & 20 taken together.

20. **Consideration of Agreement By and Between City of Franklin and Bridges of Williamson County for Administration of Emergency Shelter Programs for the Homeless, COF Contract No. 2014-0130.**

**Chris Bridgewater, Building & Neighborhood Services Director
Kathleen Sauseda, Housing Development Coordinator**

Both items are for 2014-2015, the date was listed incorrectly in the memo for Item 19. The City continues to receive these federal dollars.

21. **Consideration of Annual Housing Consultant Contract Between The City of Franklin and The Housing Fund, Inc. for Consultant Services Associated with Developing and Implementing Affordable Housing Programs in Conjunction with Franklin's Community Development Block Grant (CDBG) Program for Fiscal Year 2014-2015 in the Amount of \$25,000 (COF Contract No. 2014-0145).**

**Chris Bridgewater, Building & Neighborhood Services Director
Kathleen Sauseda, Housing Development Coordinator**

The consultant, in coordination with staff, helps with the plan, regulatory requirements, and documentation requirements. Kathleen Sauseda added there are 11 reports she creates every year for approximately \$200,000 to \$300,000 in funding. Significant dollars have been given for use within the community such as Bridges, domestic violence, the homeless, and other programs. Franklin is an Entitlement Community and federal dollars are being put to good use within the community.

22. Consideration of **ORDINANCE 2014-16, An Ordinance to Annex a Portion of the Ingraham Property, Consisting of 61.01 Acres, Located on the Property at 4101 Clovercroft Road (Tap Root Hills PUD Subdivision).**

Vice Mayor Ann Petersen, FMPC Representative

Items 22, 23, 24, & 25 taken together.

23. Consideration of **ORDINANCE 2014-17, An Ordinance to Zone 61.01 Acres Specific Development-Residential (SD-R 2.28) for a Portion for the Property Located at 4101 Clovercroft Road (Tap Root Hills PUD Subdivision).**

Vice Mayor Ann Petersen, FMPC Representative

24. Consideration of **RESOLUTION 2014-41, a Resolution Approving a Development Plan for Tap Root Hills PUD Subdivision, Located on a Portion of the Property at 4101 Clovercroft Road.**

Vice Mayor Ann Petersen, FMPC Representative

25. Consideration of **RESOLUTION 2014-17, a Resolution, As Amended, Adopting a Plan of Services for the Annexation of Certain Areas (Ingraham Property/Tap Root Hills PUD Subdivision).**

Vice Mayor Ann Petersen, FMPC Representative

Greg Gamble, Gamble Design Collaborative, was present for these items. The items cover annexation for 139 single family units, zoning, Development Plan, and Plan of Services for Tap Root Hills PUD Subdivision. Density, wastewater and streets addressed as well as extending Market Street to the development. They request fire sprinklers for the homes as well.

Alderman Burger thanked the developer for listening to residents in that area about some of the transitional features.

26. Consideration of **Recommendation to Deny ORDINANCE 2014-22, An Ordinance to Rezone 33.25 Acres from Specific Development-Variety District (SD-X) 4/125,178 To Specific Development-Variety District (SD-X) 14/21,503, for the Through The Green PUD Subdivision.**

Vice Mayor Ann Petersen, FMPC Representative

Items 26 and 27 taken together.

27. Consideration of **Recommendation to Deny Resolution 2014-52, a Resolution Approving a Development Plan for Through The Green PUD Subdivision, Located at 1200 and 1300 Shadow Green Drive and 1201 and 1301 Isleworth Drive.**

Vice Mayor Ann Petersen, FMPC Representative

Catherine Powers said the applicant is asking to rezone a particular section that was originally to be 125,000 square feet of commercial space. They want to replace that with residential attached with one commercial building in front. This is a continuation of attached and detached townhomes just south of this site. Neither is supported by the Land Use Plan. Although there was not a lot of discussion when this request went before the Planning Commission, Vice Mayor Petersen said the commission members were concerned about adding more traffic to an already congested area. The recommendation to deny the request was by unanimous vote.

Discussion:

- Alderman Bransford: Additional residential is a positive for that area considering all the retail already in the area. More homes are needed. The people who live there have complained about not having a cut-through to the stores.
- Alderman Skinner: Just north of the location Columbia Avenue is still two-lane, but is being considered for widening (still four to five years out.) Does not support the rezoning at this time.
- Alderman Burger: The sound wall to block noise coming from the industrial area behind the development is amazing. She canvassed residents of the development and there were no complaints about noise. Comments from commercial and residential indicated they want more connectivity and more housing.
- Alderman Martin: Cannot support the request because the infrastructure is not there.
- Alderman Barnhill: Which is the greatest traffic generator, commercial or residential? Why did the Planning Commission deny the change?
- Carl Baughman, Traffic Engineer: Reported on the traffic study that compares the current zoning and the proposed zoning. Looked at 24-hour period, peak morning period, and peak afternoon period.

- 24-hour period: Proposed zoning showed about a 56% reduction of trips. About 2,000 less vehicles per day. (3,500 vs. 1,500 per day)
- Morning peak period: Both scenarios just about even. Equal to additional two cars per minute at the intersection.
- Afternoon peak period: Current zoning would add about 5.5 cars per minute. Proposed rezoning would add about 2.5 cars per minute
- In general, the afternoon peak is the busiest, but can occur at different times in the afternoon.
- Alderman Blanton: Supported the proposed changes because of workforce housing, many restaurants and businesses in the area, connectivity in the plan, and less traffic added with residential development.
- Alderman McLendon: Supported on first reading to get it to the second reading and public hearing. Interested in the different traffic impacts and more affordable housing.
- Eric Stuckey: The items are on tonight's BOMA agenda under "Consent". The Board may wish to pull the items for discussion. The development is in close proximity to the Municipal Complex, transfer station, police firing range, and quarry. All were mentioned multiple times by the Board and Planning Commission during discussions for the first development. The request is not compatible with the Land Use Plan.
- Mayor Moore: Is the development meeting the workforce/affordable housing demand.
- Bryan Echols, representative for the applicant: 54% qualify as affordable housing and 75% qualify as workforce housing.
- Vice Mayor Petersen: The signs advertise luxury townhomes, which usually means expensive and not workforce or affordable housing.

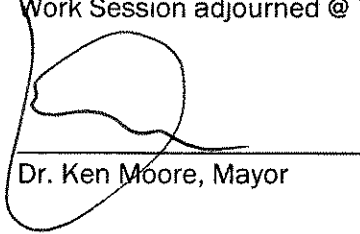
28. Consideration of RESOLUTION 2014-62, a Resolution Awarding the Construction Contract (COF Contract No. 2014-0032) to Southeast Contractors, Inc. in the Amount of \$3,328,226.00 for the Construction of the Westhaven Fire Station 8.

Rocky Garzarek, Fire Chief

Deferred

ADJOURN

Work Session adjourned @ 7:03 p.m.



Dr. Ken Moore, Mayor

Minutes prepared by: Linda Fulwider, Board Recording Secretary, City Administrator's Office - updated 9/4/2014 4:11 PM

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