
**MINUTES OF THE WORK SESSION
BOARD OF MAYOR AND ALDERMEN
FRANKLIN, TENNESSEE
CITY HALL BOARDROOM
TUESDAY, SEPTEMBER 28, 2010 – 5:00 P.M.**

Board Members

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

Department Directors/Staff

Eric Stuckey, City Administrator	P	Eric Gardner, Engineering Director	P
Vernon Gerth, ACA Community/Economic Development		Shirley Harmon, Human Resources Director	P
Russell Truell, ACA Finance & Administration	P	Mark Hilty, Water Management Director	P
David Parker, City Engineer	P	Gary Luffman, BNS Director	P
Shauna Billingsley, City Attorney	P	Catherine Powers, Planning & Sustainability Dir	P
Rocky Garzarek, Fire Chief	P	Joe York, Streets Director	P
Jackie Moore, Police Chief	P	Brad Wilson, Facilities Project Manager	P
Fred Banner, MIT Director	P	Lanaii Benne, Assistant City Recorder	P
Becky Caldwell, Solid Waste Director		Linda Fulwider, Board Recording Secretary	P
Lisa Clayton, Parks Director	P		

1. Call to Order

Mayor John Schroer called the BOMA Work Session to order on Tuesday, September 28, 2010 at 5:00 p.m. in the City Hall Boardroom.

2. Citizen Comments

None

WORK SESSION DISCUSSION ITEMS

3. Flood Mitigation Program Report

Eric Stuckey, City Administrator

A public meeting was held last week for those with significant flood damage to their properties and those that want to participate in the flood mitigation program. There were 28-30 residents present. Of the eight property owners expressing interest, five or six had substantial structure damage (50% or over). The deadline to participate in the program is October 25, 2010. Pertinent forms are on the City website www.franklintn.gov. The primary form is a questionnaire.

4. Presentation from Franklin Police Department – Crime Reports Analysis Tool
David Rahinsky, Assistant Police Chief

Chief Rahinsky demonstrated a new online resource – Crime Reports Analysis Tool. He mentioned it is up and running just in time for National Crime Prevention Month in October.

A portion of the technology is for citizen use while the remainder is strictly for use by the Police Department. The public portion is available on www.crimereports.com, click Tennessee on the map, then on Franklin TN. Initially select ‘crime’ or ‘date’. Other options are crime by type, sex offenders list, details of breaking and entering incidents. All will display how close these crimes are to one’s home. Citizens may sign up for e-mail alerts as well.

Both portions display the same 30-day snippet, crime by type, day of week, hour of day. The Department is able to see the details of all crimes. Quality of life calls for services are shown as well. This tool will allow the department to take resources to where problems are and where they have been. The program divides the City into four zones with four lieutenants in Operations monitoring a designated zone.

Crimes are posted every 24 hours. Maps include all crimes and misdemeanors, and criminal traffic events. The Department can retrieve information, such as domestic disputes, and track the number of incidents per household. This information is invaluable in getting individuals help through social services. The software is compatible with other programs used by the Department. The program will be helpful in allocating resources as well.

5.* Consideration of Software Annual Renewal Agreement with Hewlett Packard in the Amount of \$72,989 for the City’s Wi-Fi Access Points (TROPOS)
Fred Banner, MIT Director

No questions or comments

6.* Consideration of Professional Services Agreement with Clinard Engineering Associates for the Design of the McEwen Drive at Wilson Pike Intersection Improvements Project
Eric Gardner, Engineering Director

Eric Stuckey noted this is follow-up from the last meeting.

Questions and Discussion

- Alderman Petersen asked the rule of thumb for the design fee as a percentage of the project.
- Eric Gardner responded in a range from 5% to 20%. Standard is 10%. For this project, approximately 10%.
- Alderman Petersen asked how long it would take to start construction, and the projected timeline for construction.
- Mr. Gardner replied the exact construction schedule is unknown until the design is complete. The bridge will take a minimum of 12 months. It could take 12-18 months to

construct. Worst case, 24 months after bid notice, about the end of the 2014 school year.

- In answer to Alderman Martin's question about school traffic during construction of the new school: Mr. Gardner said the existing bridge will remain and the new bridge will tie in with the new road. Occasional lane closure or shift in lanes will occur per standard traffic control in all roadway construction projects.

7. Consideration of the Draft 2010 Road Impact Fee Study Update

David Parker, City Engineer/CIP Executive

At the September Capital Investment Committee meeting, the committee asked that a dedicated Work Session be held for discussion of the draft Road Impact Fee Study. To facilitate the Work Session it was suggested the Board identify questions and information needs ahead of time.

Available dates in October; Monday the 11th and Thursday the 14th following the CIC meeting. Although there were conflicts both dates, it was decided to schedule the Work Session following the CIC meeting on October 14.

Mayor Schroer emphasized the importance of focusing only on those questions submitted to the consultant ahead of time. Questions should be submitted to staff by Friday. Alderman Petersen asked, What effect, if any, do major projects in the Major Thoroughfare Plan have on impact fees. Alderman Moore asked about comparisons to other cities. David Parker said a usual comparison could not be done, as most cities in Tennessee do not have impact fees. Once BOMA makes a final decision, a two-reading ordinance with a public hearing will be required.

Mayor Schroer stressed the importance of giving plenty of public notice on the Work Session, as it will be a good time to get input from developers and builders.

8.* Consideration of COF Contract No. 2010-0150, an Annual Agreement with USGS for Harpeth River Gauging Stations Operations & Maintenance

David Parker, City Engineer/CIP Executive

Mr. Parker noted this is an annual contract; the amount changes each year with USGS paying part and the City paying over half the cost. Eric Stuckey noted the cost was lower this year.

9. Consideration of a Request from David Crabtree for a Letter of Recommendation for a Right-In-Right-Out Access to Mack Hatcher Parkway Approximately 900 Feet East of Hillsboro Road Between the Shoppes at Harpeth Village and the Williamson County Parks and Recreation Complex

Eric Gardner, Engineering Director

Carl Baughman, Traffic Engineer

Alan Ramsey, Ragan-Smith Associates, representing Mr. Crabtree, was present. Eric Stuckey advised this is not a BOMA decision. It is a decision to be made by TDOT. A traffic study was submitted and reviewed by staff. Mr. Crabtree requests a letter of support from the City to TDOT for the RIRO access on Mack Hatcher Parkway.

Discussion:

- ◆ Staff recommended endorsement of proposed roadway
- ◆ Proposed roadway 960 LF from the intersection of Mack Hatcher and Hillsboro Road
- ◆ To endorse would encourage other requests
- ◆ Proposed road a public road
- ◆ Fulton Greer only way in and out to Rec Center
- ◆ Many developments and institutions along Mack Hatcher do not have direct access
- ◆ Mack Hatcher intention was limited access
- ◆ Not in favor of right out access, right in okay
- ◆ Consensus BOMA not in favor of endorsement

10. Review and Discussion of FY 2011 Water/Wastewater Rate Study

Mark Hilty, Water Management Director

Eric Stuckey noted the study looks at rate increases over a three year period and a five year period as well as cost of service overall. In addition, rates need to be updated for this second year in a row. Mayor Schroer mentioned an additional Work Session would be needed for further discussion.

Mark Hilty introduced Jim Marshall of Jackson Thornton who gave the presentation on Cost of Service Study

Water Cost of Service

Test Year 12-Months Ending June 2011 ProForma

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 (Administration & Customer Understanding)
5. Legally Defendable

Overview of Process

1. Determine Revenue Requirements
 - How much does the system need to make?
 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
-

Cash Method – Water Revenue Requirement

Total Revenue Required	Total
Operations & Maintenance Expense	\$ 7,561,711
Plus: Taxes & PILOT	\$ 81,403
Plus: Debt Service	\$ 410,587
Plus: Rate Funded Capital	\$ 1,100,000
Total Revenue Requirement	\$ 9,153,701
Less: Other Revenue	\$ 492,172
Rate Requirement	\$ 8,661,529

Components of Revenue Requirement

Revenue Requirement

- Operations & Maintenance Expense 83%
- Rate Funded Capital 12%
- Debt Service 4%
- Taxes & PILOT 1%

Revenue Requirement by Class

- Residential In 70%
- Residential Out 13%
- Commercial In 16%
- Commercial Out 1%

Current Revenue by Class

- Residential In 61%
- Residential Out 16%
- Commercial In 21%
- Commercial Out 2%

Recovery by Rate Class

- Total 90%
 - Residential In 78%
 - Residential Out 110%
 - Commercial In 120%
 - Commercial Out 143%
-

Results & Recommendations – Water

- Based on the 12-months ending June 2011, the City is projected to under-recover by approximately \$954,000
 - Now that the City has addressed the higher user issues on the system, it may be a good time to focus more on better fixed cost recovery through minimum bills/customer charges
-

Wastewater Cost of Service

Test Year 12-Months Ending June 2011 ProForma

<u>Total Revenue Required</u>	Total
Operations & Maintenance Expense	\$ 7,559,163
Plus: Taxes & PILOT	\$ 134,886
Plus: Debt Service	\$ 1,894,551
Plus: Rate Funded Capital	\$ 3,000,000
Total Revenue Requirement	\$ <u>12,588,600</u>
Less: Other Revenue	\$ <u>46,195</u>
Rate Requirement	\$ <u>12,542,405</u>

Revenue Requirement

- Operations & Maintenance Expense 60%
- Rate Funded Capital 24%
- Debt Service 15%
- Taxes & PILOT 1%

Revenue Requirement by Class

- Residential In 75%
- Residential Out 1%
- Commercial In 23%
- Commercial Out 1%

Current Revenue by Class

- Residential In 71%
- Residential Out 1%
- Commercial In 26%
- Commercial Out 2%

Recovery by Rate Class

- Total 76%
- Residential In 72%
- Residential Out 84%
- Commercial In 85%
- Commercial Out 128%

Results & Recommendations – Wastewater

- Based on the 12-months ending June 2011, the City is projected to under-recover by approximately \$3,052,000
- Additional increases are warranted, and we recommend the continued long-term approach to reaching full recovery

Proposed Approaches

Water & Wastewater Department Budgets 2011-2015

Projected System Revenue Requirement

- Bar graph depicting O&M Expense, Debt Service, Rate Funded Capital combined for projected revenue reviewed
 - Bar graph showed Projected Rate Required per Thousand Gallons
-

3 Year Approach - Water

	Rate Requirement	% Change	\$ Change	Rate Revenue	Proposed Rate Change	Additional Revenue	Revenue Requirement
Actual 2009**	\$ 7,657,656			\$7,707,650			
Budget 2011	\$ 8,661,529	13.1%	\$ 1,003,873	\$8,170,109	6.0%	\$ 452,459	\$ (491,420)
Budget 2012	\$ 8,622,370	-0.5%	\$ (39,159)	\$ 8,578,614	5.0%	\$ 408,505	\$ (43,755)
Budget 2013	\$ 8991,583	4.3%	\$ 369,168	\$ 9,007,545	5.0%	\$ 428,931	\$ 16,008

5 Year Approach - Water

	Rate Requirement	% Change	\$ Change	Rate Revenue	Proposed Rate Change	Additional Revenue	Revenue Requirement
Actual 2009**	\$ 7,657,656			\$ 7,707,650			
Budget 2011	\$ 8,661,529	13.1%	\$ 1,003,873	\$ 8,015,956	4%	\$ 308,306	\$ (645,573)
Budget 2012	\$ 8,622,370	-0.5%	\$ (39,159)	\$ 8,336,594	4%	\$ 320,638	\$ (285,776)
Budget 2013	\$ 8,991,538	4.3%	\$ 369,168	\$ 8,670,058	4%	\$ 333,465	\$ (321,480)
Budget 2014	\$ 9,068,808	0.9%	\$ 77,270	\$ 9,016,860	4%	\$ 346,802	\$ (51,948)
Budget 2015	\$ 9,358,125	3.2%	\$ 289,317	\$ 9,377,535	4%	\$ 360,674	\$ 19,410

3 Year Approach - Wastewater

	Rate Requirement	% Change	\$ Change	Rate Revenue	Proposed Rate Change	Additional Revenue	Revenue Requirement
Actual 2009**	\$ 11,415,347			\$ 9,490,715			
Budget 2011	\$ 12,542,405	9.9%	\$ 1,127,058	\$ 10,439,786	10.0%	\$ 949,071	\$ (2,102,619)
Budget 2012	\$ 12,603,321	0.5%	\$ 60,915	\$ 11,483,765	10.0%	\$ 1,043,979	\$ (1,119,556)
Budget 2013	\$ 12,559,619	-0.3%	\$ (43,702)	\$ 12,632,142	10.0%	\$ 1,148,377	\$ 72,523

5 Year Approach - Wastewater

	Rate Requirement	% Change	\$ Change	Rate Revenue	Proposed Rate Change	Additional Revenue	Revenue Requirement
Actual 2009**	\$ 11,415,347			\$ 9,490,715			
Budget 2011	\$ 12,542,405	9.9%	\$ 1,127,058	\$ 10,155,065	7.0%	\$ 664,350	\$ (2,387,340)
Budget 2012	\$ 12,603,321	0.5%	\$ 60,915	\$ 10,865,919	7.0%	\$ 710,855	\$ (1,737,401)
Budget 2013	\$ 12,559,619	-0.3%	\$ (43,702)	\$ 11,626,534	7.0%	\$ 760,614	\$ (933,085)
Budget 2014	\$ 12,883,885	2.6%	\$ 324,266	\$ 12,440,391	7.0%	\$ 813,857	\$ (433,494)
Budget 2015	\$ 13,126,458	1.9%	\$ 242,573	\$ 13,186,815	6.0%	\$ 746,423	\$ 60,357

WATER – RESIDENTIAL INSIDE (Sales Tax applies)

Provider	Cust. Charge	Min Bill	1,000 Gallons		7,000 Gallons		
			Consumption	TOTAL	Consumption	TOTAL	
Brentwood		\$11.62	\$0.00	\$11.62	\$20.35	\$31.97	2000 gallon minimum bill
MUD		\$16.00	\$0.00	\$16.00	\$35.88	\$5188	Reflects Oct 1, 2009 rate
MVUD		\$9.00	\$0.00	\$9.00	\$31.50	\$31.50	Website; 2000 Gallon Minimum
HB&TS		\$15.54	\$0.00	\$15.54	\$36.00	\$51.54	Website
NCGUD				\$12.40		\$37.25	Rates going up 1.5% across board next billing cycle
HVUD	\$7.25		\$1.90	\$9.15	\$17.85	\$25.10	Website; has fixed customer charge plus consumption
COF Current			\$7.22	\$0.00	\$7.22	\$22.32	\$29.54
Average					\$11.56		\$36.97
COF Proposed							

WASTEWATER – RESIDENTIAL INSIDE (Sales Tax Does Not Apply)

Brentwood		\$14.53		\$14.53	\$29.10	\$43.63	2000 gallon min bill; Metro surcharge of \$0.73/1k gallons
HVUD	\$7.90		\$4.25	\$12.15	\$34.75	\$44.65	Website; Cust Charge applies plus consumption
COF Current			\$10.05	\$0.00	\$10.05	\$21.66	\$31.71
Average					\$12.24		\$40.00
COF Proposed							

**Billing data 2009 with rates that went into effect January in this fiscal year expenses

Questions, answers, and discussion transpired during the presentation. Alderman Petersen requested additional reports and those will be provided. Mr. Marshall will bring a model to run different calculations next meeting. The Board favored the 5-year plan. Mayor Schroer asked the Board to direct questions to Mark Hilty prior to scheduling the Special Work Session.

11. Review and Discussion Regarding Eastern Flank Battlefield Access Road
David Parker, City Engineer/CIP Executive

Mayor Schroer reported the City Attorney advised a design build concept could not be done for this project. Other concepts will be brought forward.

12. Consideration of RESOLUTION 2010-73, a Resolution Adopting a Board Room Decorum Policy for the City of Franklin
Shauna Billingsley, City Attorney

Discussion

- ◆ Mayor Schroer does not favor adopting this resolution. He agrees with some of the issues such as banning signs. There is a difference in the way committee meetings, work sessions, BOMA, and FMPC meetings are conducted. Much of this policy is covered under Robert’s Rules of Order.
- ◆ Alderman McLendon said when residents have issues important enough for them to come to BOMA; the elected officials have the responsibility to listen. Attempting to apply a solution where there has been no problem could have unintended

consequences.

- ◆ Eric Stuckey advised the policy is a proactive measure should such problems arise.
- ◆ Shauna Billingsley added that rules made from the podium are not always the same
- ◆ Mayor Schroer countered the situation dictates the rules
- ◆ There was not a consensus to move forward with a written policy

13. Consideration of Contract 2010-0135 to Support the Purchase of a Lot Located at 911 A & B Glass Street for \$59,000 with CDBG-R Stimulus Funds

**Vernon Gerth, ACA Community & Economic Development
Kathleen Sauseda, Interim Housing Development Coordinator**

No questions or comments

14. Consideration of Bid Award to National Data & Surveying Services, Inc. of Beverly Hills, CA, in the Amount of \$14,650 for Purchase of Vehicular Traffic Data Collection Contract Services for the Traffic Operations Center Division of the Engineering Department (Purchasing Office Procurement Solicitation No. 2011-003; \$20,000.00 Budgeted in 110-82560-41610 for Fiscal Year 2011)

Eric Gardner, Engineering Director

No questions or comments

15. Acknowledgment of Amendment Number 2 to the Agreement Between the Franklin Transit Authority and the TMA Group

Kristen Corn, Staff Attorney

Mayor Schroer noted this is required and everything is in order.

16. Consideration of RESOLUTION 2010-74, a Resolution Acknowledging the Franklin Fire Department's Participation in the "Cares Enough to Wear Pink" National Campaign for Cancer Awareness

**Rocky Garzarek, Fire Chief
Sarah Glenn, EMS Officer**

Chief Garzarek reported firefighters will be wearing pink on October 25, 26, and 27, 2010 in support of this cause. The Firefighters Association is picking up the tab for the pink attire.

17. Consideration of Franchise Agreement with TW Telecom of Tennessee

**David Parker, City Engineer/CIP Executive
Shauna Billingsley, City Attorney**

Approximately one month ago, TW Telecom of Tennessee contacted the City requesting approval to install infrastructure within the City's rights-of way. City staff advised a franchise would be required. An example of the City's franchise ordinance was provided to their legal counsel.

Last week the City Attorney received a redlined version of the ordinance from TW Telecom requesting approval be provided as quickly as possible as they need to immediately start work on installation of their infrastructure in Franklin. It was noted the City's standard franchise agreement applies more to video providers. This is an opportunity to work further with them to negotiate an agreement through their legal counsel, Charles Welch of Farris Mathews Branan Bobango Hellen & Dunlap, PLC of Nashville.

Mr. Welch was present along with Carolyn Ridley, Vice President of Regulatory Affairs Southeast Region, TW Telecom. A brief history of the company, based in Littleton, Colorado, was provided.

The company is in 75 markets in 30 states. Their focus is on Internet & Data Products, Switched & Transport Services, and Bundled Solutions. They compete with AT&T and other carriers for business customers.

Mayor Schroer said by law the City cannot charge a franchise fee for this type product. It was suggested a franchise not be used. The return on cost for using City right-of-way has yet to be calculated. Staff will develop a policy for use of City right-of-way. Other municipalities have permitting fees that cover the cost of returning the streets to their original condition.

Mr. Welch and Ms. Ridley asked that this be done expeditiously so they will not lose business. They were satisfied with the timeline of an agreement being brought back to the October 12 Work Session and BOMA meeting.

ADJOURN

Work Session adjourned @ 6:51 p.m.

Mayor John C. Schroer

Minutes prepared by: Linda Fulwider, Board Recording Secretary, City Administrator's Office – 10/1/2010 2:35 PM