
MEETING MINUTES
CAPITAL INVESTMENT COMMITTEE
CITY OF FRANKLIN, TENNESSEE
CITY HALL BOARDROOM
THURSDAY, JULY 14, 2011, 4:00 PM

Committee Members

Alderman Dana McLendon, Chair	A
Alderman Clyde Barnhill, Vice Chair	P
Alderman Pearl Bransford	P
Alderman Margaret Martin	P

Other Attendees

Eric Stuckey, City Administrator	P
Russell Truell, ACA Finance & Administration	P
Vernon Gerth, ACA Community & Economic Development	P
David Parker, City Engineer/CIP Executive	P
Mark Hilty, Water Management	P
Catherine Powers, Planning & Sustainability Director	P
Joe York, Streets Director	P
Mayor Ken Moore	P
Alderman Bev Burger	P
Alderman Ann Petersen	P
Alderman Michael Skinner	P
Lanaii Benne, Assistant City Recorder	P
Sarah Sappington, Administrative Assistant	P
Linda Fulwider, Board Recording Secretary	P

1. Call to Order

Alderman Clyde Barnhill, Vice Chair, called the meeting to order at 4:00 p.m.

2. Approval of Minutes

Alderman Bransford moved to approve the June 9, 2011 minutes as presented. Seconded by Alderman Martin. Motion carried unanimously.

3. Discussion Concerning the Hillsboro Road Property Acquisitions

David Parker and Paul Holzen addressed the issue. Resolution 2009-22, adopted by BOMA on July 14, 2009, designated three properties to acquire in their entirety, 302, 306, and 310 Fifth Avenue North. The property at 306 was approved for purchase on October 26, 2010. Staff met with the owners of 302 and 310. The owner of 310 Fifth Avenue North requested the City acquire the property. The owner of 302 Fifth Avenue North wants to stay at that location.

The property at 331 Fifth Avenue North was brought before the Board previously and the Board declined to purchase the property for \$300,000. The appraised value of the right of way and easements required for the Hillsboro Road Improvements Project is \$50,800. The owner made a counter offer of \$55,800 with an additional 10% for lot improvements that would be needed if just the right of way and easements were purchased.

The owner of 331 Fifth Avenue North was present and wants to settle the matter one way or the other. He is not inclined to drag this out any longer.

Discussion ensued.

Alderman Bransford moved to forward to BOMA recommendation to acquire the entire parcel at 331 Fifth Avenue North for \$245,000. Seconded by Alderman Martin. Motion carried unanimously.

The son of the owner of the concrete business at 310 Fifth Avenue North was present and stated the business would not be able to continue at that address because the display area would be taken with the widening of the road.

4. Consideration of the Final Change Order for the Demolition and Debris Removal of Structure at 306 Fifth Avenue North

David Parker, City Engineer/CIP Executive

Alderman Bransford moved to forward to BOMA recommendation to approve Final Change Order for 306 Fifth Avenue North. Seconded by Alderman Martin. Motion carried unanimously.

5. Consideration of the Final Change Order for the Demolition and Debris Removal of the Rebel Meadows Properties

David Parker, City Engineer/CIP Executive

Alderman Bransford moved to forward to BOMA recommendation to approve Final Change Order for Rebel Meadows properties. Seconded by Alderman Martin. Motion carried unanimously.

6. Consideration of the Agreement (COF Contract No. 2011-0091) Between The City of Franklin and Berry Circle Partners, LLC for Water and Sanitary Sewer Improvements

David Parker, City Engineer/CIP Executive

Vernon Gerth and Micky Dobson addressed this item along with Mr. Parker. Maps were provided. The proposed Agreement is for public sanitary sewer and water infrastructure upgrades in the area of the Berry Circle cul-de-sac in return for a monetary contribution and dedication of a utility easement. Two parties wish to build houses at the end of Berry Circle facing Lewisburg Avenue.

The proposed improvements would benefit both the proposed single-family dwellings and the immediate neighborhood. A water easement would allow the City to complete a water loop extending from Berry Circle to Fourth Avenue in the future. The water loop and improved water and sewer lines will provide for enhanced water quality and redundancy presently not available via the existing dead-end system as well as provide assurance the City's water system would provide sufficient pressure for both potable and fire service. Work can be done in-house.

Item will be on the July 26, 2011 Work Session agenda.

7. Consideration of Amendment No. 2 for the Utility Installation Agreement with Mallory Valley Utility District (COF Contract 2009-0039)

David Parker, City Engineer/CIP Executive

Mr. Holzen and Mr. Parker addressed this item. As part of the original agreement, MVUD was required to overlay approximately 700LF of Nichol Mill Lane. Staff would like this work to be done as part of the Nichol Mill Lane project to avoid construction damage and pavement joints. This work would have cost MVUD \$13,065.00 and they have agreed to compensate the City allowing the work to be done with the Nichol Mill Lane Project.

Alderman Martin moved to forward to BOMA recommendation to approve Amendment No. 2. Seconded by Alderman Bransford. Motion carried unanimously.

8. **Consideration of the Professional Services Agreement (COF Contract No. 2011-0093) with Standifer and Associates for Property Appraisals for the Third Avenue North Improvements in an Amount Not to Exceed \$20,000.00**

David Parker, City Engineer/CIP Executive

The City currently owns all property necessary for this project and recently submitted final construction plans to TDOT and FHWA for review and approval. During the review process it was determined the City did not acquire the ROW per TDOT standard procedures; therefore, the FHWA is requiring the City to conduct appraisal, appraisal review and Title Report per TDOT standards. The properties were purchased prior to the knowledge federal funds were involved with the trail system.

Alderman Bransford moved to forward to BOMA recommendation to approve Agreement for property appraisals. Seconded by Alderman Martin. Motion carried unanimously.

9. **Consideration of the Professional Services Agreement (COF Contract No. 2011-0094) with John M. Hahn, Jr. for Property Review Appraisals for the Third Avenue North Improvements in an Amount Not to Exceed \$2,500.00**

David Parker, City Engineer/CIP Executive

This item goes along with the above item.

Alderman Bransford moved to forward to BOMA recommendation to approve Agreement for property review appraisals. Seconded by Alderman Martin. Motion carried unanimously.

10. **CIP Discussion**

Eric Stuckey, City Administrator

David Parker, City Engineer/CIP Executive

Follow up discussion on the priorities done by staff and the aldermen. All aldermen were present, with the exception of Alderman McLendon.

Alderman Petersen distributed a General Fund History report (2010 Fiscal Year Audit and 2010-2012 Budgets) to show what has happened to general obligation bonds, fund balance, and per capita debt from 2001-2012. Her calculations show:

- General Obligation Bonds rising from \$19,240,000 in 2001 to \$122,295,000 in 2010
- Fund Balance going from \$33,800,000 in 2003 to \$26,000 in 2010, and an estimated \$24,600,000 in 2011, with 2012 budgeted at \$24,000,000. A loss of 20% in four years.
- Per Capita Debt rose from \$459.83 in 2001 to \$2,175.33 in 2010.

The current numbers are not within policy guidelines. The Fund Balance is down more than 20% and drawing \$5 million more from the Fund Balance this year is not a good idea. Based on what is already authorized, not all the money has been borrowed for 2009 projects. Per page one with the rankings, less than half of cost of Hillsboro Road has been borrowed. In her opinion the only thing to add would be the Eastern Flank Battlefield road because it would not cost much. The rest would add too much to General Fund debt and would be beyond the Debt Service Policy.

Eric Stuckey explained the Debt Policy has many facets and a group of benchmarks to look at collectively. AAA benchmarks should be received shortly. There are growth pressures and the City needs to be ready to handle growth and expected growth. He urged the aldermen to take projects that are important for the community and factor in the financial. Make judgment on that.

Alderman Petersen stated she wants a corrected update on debt capacity and wants each scenario. Mr. Stuckey said not all the information is in hand, such as the most current AAA benchmarks, and staff must work with what they have until the data is available.

Alderman Bransford preferred to go with the top 4 (Fire Station 8 Westhaven). Number 1 was looked at as a funded package. Mr. Stuckey noted it would be the design for the fire station since it is being taken a step at a time. Consideration for construction funding would be another year.

Alderman Petersen said South Carothers traffic is less than 3,000 vehicles a day. Alderman Burger responded McEwen IV and South Carothers are needed to allow development in that area. Development would bring in revenue, fees, and taxes that are so important long term to keep the area viable and healthy.

Mayor Moore thought staff should provide funding plans for at least the first five prioritized projects. Franklin is a growing City and projects continue to grow. There are many demands.

Alderman Petersen again voiced concern regarding the debt increasing and the Fund Balance going down.

It was pointed out looking at projects that can be completed is important for a thriving, growing community. Franklin has been reconfirmed as an AAA City. Many things have been done to make things better for citizens.

Alderman Petersen said citizens are concerned about roads and there is much to do for the existing population. The road projects have not added to traffic capacity, Columbia Avenue, Boyd Mill, Del Rio Pike for instance. Third Avenue North Extension is too expensive and it will not add to traffic capacity.

David Parker stated a decision must be made on phasing Carothers and McEwen Phase IV. South Carothers could be phased by initially constructing two-lanes to the connector/collector. The next phase could be to cross the river and connect to Long Lane per agreement with Ladd Park. McEwen Phase IV, get final design first. Improvements can be made at the roundabout for good traffic flow, then the full two-lane over to Wilson Pike. Staff strongly advised doing the design for Wilson Pike when the design of Phase IV is done. The agreement with Brentwood states being design ready when development begins.

Alderman Burger wants the design, right of way, and two lanes done for Carothers. Her constituents want the two lanes rather than wait for four lanes. Request estimated costs for the right of way and construction of two lanes. The design should be done as soon as possible. Those costs are on the priority sheets, cost for four lanes is \$17million.

Alderman Petersen ask if the City plans to pay \$3.5 million for Third Avenue North Extension since it is such a short distance. What is the relative improvement.

Eric Stuckey explained that Third Avenue North is looked at as a funded project for the purposes of the CIP. BOMA would have to vote it out of the funding plan. Staff is planning to move forward with that project. Action was taken to move forward. It is not part of the funding being discussed tonight.

Alderman Martin commented if that were removed it would completely change the downtown traffic pattern. Third Avenue North will divert traffic all the way to Hillsboro Road.

Alderman Petersen asked if she is the only one worried about the bonded debt being 20% more. Mayor Moore stated more debt was incurred; however, the City has a lot to show for it, and has a plan to fund debt along with excellent policies for the Board and PFM to use. He added that he is proud of what has been done. To stop doing these projects in a growing community would mean trouble down the road. Need debt to keep up with growth. Alderman Petersen commented the debt is six times more.

Alderman Skinner remarked the City had a huge fund balance, but with the recession, there was no money to put in. Without knowing when the surplus will return, the Board needs to be cautious.

Alderman Barnhill responded that is why the policies are in place. What would be the scenario if the Board dropped everything? He cannot imagine that is an answer for the per capita. They have an obligation to plan and build. That is what citizens expect. This Board has done things to the citizens' advantage. The capacity model prioritization within projects themselves is good; phase the projects. To say there are no cars on South Carothers, there would be if the road were there. Those cars are on I-65 at a dead stop. Those people live here now, as well as in Thompson's Station and Spring Hill. He likes the direction in which they are going. He is disappointed that it entails so much debt, but they have to plan and use their best judgment. No one knows what is on the horizon.

Mayor Moore said during these times of financial distress, the City has knuckled under and cut back and has done a remarkable job of coping with it. He is pleased with current management.

Alderman Bransford mentioned Beasley Drive. David Parker said Century Court and Beasley Drive are at the forefront because of traffic and safety. To get signalization at Beasley would be relatively inexpensive. Alderman Bransford noted that is one of her top three.

Alderman Barnhill asked the costs to phase McEwen and South Carothers. Mr. Parker said he would get the numbers. They have the design for South Carothers. Phase IV is more problematic. He cautioned the estimated number might not be as close as hoped for two lanes. A lot of blasting and grading must be done when the two lanes are done in preparation for the future four-lane road.

Mr. Stuckey related they would run through funding models on the priorities and for comparison would run scenarios of some components recommended by administrative staff. Staff will run as many as possible until the numbers are too skewed from the policies. Alderman Burger asked for the first five priorities in phases. Mr. Stuckey said they would run as many priorities as possible.

Alderman Petersen related that she appreciates the budgets being lower lately, but is concerned \$60 million was in a bubble and changes had to be made. Another concern was that the projections were made in the atmosphere of the previous Board and administration and not by the current Board and administration. Eric Stuckey responded that these things were based on the policies established two years ago with this Board and administration.

11. **Street Projects Status Reports**

a) **Mack Hatcher Parkway NW Extension**

Staff has completed all work needed to purchase ROW. Of the 41 properties, 4 properties are for condemnation, and 6 have agreements waiting for mortgage companies and lenders.

b) **Hillsboro Road Improvements**

c) **McEwen Drive, Phase III Improvements**

- d) Third Avenue Extension
- e) South Carothers Parkway Extension
- f) Columbia Avenue Streetscape Project
- g) Carlisle Lane/Boyd Mill @ SR 96 West Signalization
- h) Nichol Mill Lane
- i) Mallory Station Signalization at General George Patton & Duke Drive
- j) TOC Phase 3 Software Project
- k) TOC Phase 3 Infrastructure and Upgrades Project
- l) Franklin ITS (ARRA 2009) Project
- m) Bakers Bridge and Carothers Pedestrian Signal Project
- n) McEwen Drive and Wilson Pike Intersection Improvements

Reports filed with minutes

12. Water Management Projects Status Reports

- a) ARRA Green Projects – West Reclaimed Water Line, Downs Boulevard Reclaimed Water Line
- b) ARRA Clean Water Projects – Boyd Mill Low Pressure Sewer, Country Road Low Pressure Sewer, Simmons Ridge Sanitary Sewer
- c) Southeast Water Line
- d) Downs Boulevard Water Line
- e) Franklin Integrated Water Resources Plan
- f) Water, Wastewater and Reclaimed Water Specifications

Reports filed with minutes

13. Stormwater Projects Status Reports

- a) Jackson Lake Dredging Improvements Project
- b) Liberty Creek Watershed Improvements Project
- c) Buckingham Park Stream Restoration Project
- d) Green Branch Stream Restoration Project
- e) North Ewingville Branch Victoria Court Stream Restoration Project

Reports filed with minutes

ADJOURN

Alderman Bransford moved to adjourn and with a second from Alderman Barnhill, the motion carried unanimously.

Meeting adjourned 5:44 PM

Clyde Barnhill, Vice Chair

Minutes prepared by Linda Fulwider, Board Recording Secretary, City Administrator's Office - 11/22/2011 3:32 PM