

**MINUTES OF THE WORK SESSION  
BOARD OF MAYOR AND ALDERMEN  
FRANKLIN, TENNESSEE  
CITY HALL BOARDROOM  
TUESDAY, APRIL 12, 2016 – 5:00 P.M.**

Mayor Ken Moore	P		
Vice Mayor Brandy Blanton	P	Alderman Dana McLendon	P
Alderman Clyde Barnhill	P	Alderman Margaret Martin	P
Alderman Pearl Bransford	P	Alderman Ann Petersen	P
Alderman Beverly Burger	P	Alderman Michael Skinner	P
<b><u>Department Directors/Staff</u></b>			
Eric Stuckey, City Administrator	P	Lisa Clayton, Parks Director	P
Vernon Gerth, ACA Community/Economic Dev.	P	Shirley Harmon-Gower, Human Resources Director	P
Russell Truell, ACA Finance & Administration	P	Mark Hilty, Water Management Director	P
Shauna Billingsley, City Attorney	P	Paul Holzen, Engineering Director	P
Rocky Garzarek, Fire Chief	P	Bob Martin, Interim Planning & Sustainability Director	P
Deb Faulkner, Police Chief		Joe York, Streets Director	P
Fred Banner, IT Director	P	Brad Wilson, Facilities Project Manager	P
Chris Bridgewater, BNS Director	P	Lanaii Benne, Assistant City Recorder	P
Becky Caldwell, SES Director	P	Linda Fulwider, Board Recording Secretary	P

**Call to Order**

Mayor Ken Moore called the Work Session to order at 5:00 p.m.

**Citizen Comments**

Chris Barnhill, Executive Director, Franktown Open Hearts, 100 Spring Street, Franklin: Presented a proposal for a Franklin Community Outreach Center on 'the hill':

- ▲ The City of Franklin owns a 21,000 square foot empty warehouse that would provide an excellent location and facility to house many of the agencies that serve the local community – a Community Outreach Mall. Renting the structure would create income for the City and allow agencies efficiencies in meeting their mission of serving the poor in Williamson County and Franklin.
- ▲ Proposal: The City and Franktown Open Hearts would enter into an agreement for Franktown to build a consortium of community based agencies that commit to space in the warehouse. Franktown would have 12 months to build the consortium, create a facility plan and budget before making a formal proposal to the City.
- ▲ Projected Services: Franktown Automotive-repair and restoration of donated cars for the underserved families; Woodworking; Lawn care/landscaping training; Sewing/alterations; Art classes; Recreational activities; and, job skills/life skills training.
- ▲ Benefits: The needs of thousands of Franklin residents would be met through the Community Outreach Mall; Residents/Volunteers would build community pride by serving their neighbors; Cycle of poverty, illiteracy and addictions could be broken for many, leading to more productive lives and less crime; Make it easier for residents to know where non-profits are located and understand services provided in a safe, centralized and convenient location for residents.

**Discussion Points:**

- ▲ Agencies involved: Some agencies have said they would be willing if a facility is available.
- ▲ As to whether they are looking at other sites; they want to find the perfect location to get people to a building that fits the model of what they are trying to do.
- ▲ Number of children they serve currently is down from over 200 to 125 due to the lack of a facility.
- ▲ Vice Mayor Blanton pointed out that he Board has already been approached by an entity interested in this property (The Hill) for affordable housing. Consideration will be given to both proposals.

- ▲ Last month former alderman Pam Lewis asked the Board to consider raising the Hotel/Motel Tax by 1% and use those funds to replenish the affordable housing fund.
- ▲ Mr. Stuckey suggested staff provide the Board with some basic information on a tax increase, and dollars it would generate. That would bring the Hotel/Motel Tax to the maximum 5%.

**WORK SESSION DISCUSSION ITEMS**

1. **16-0178** ★**Consideration of ORDINANCE 2016-001, “An Ordinance Approving A Special Permit for Cul2vate For The Purpose Of Operating An Agricultural Use On 1.21 Acres, Located at 215 Granbury Street.”; Establishing a Public Hearing for May 10, 2016.**

**Alderman Ann Petersen, FMPC Representative**

Amy Diaz-Barriga, Planning Supervisor, said the request is to place three 100’ x 25’ greenhouses and one 12’ x 20’ outbuilding on the back of this property for a community garden.

2. **16-0273** **Consideration of RESOLUTION 2015-95, a Resolution Declaring the Intent of the City of Franklin to Act as a Governmental Pass-Through for the Tennessee Housing Development Agency as the Funds Relate to Providing Emergency Shelter Grant Funds and Authorizing the City Administrator to Execute the Agreements Necessary to Accomplish Such.**

**Chris Bridgewater, BNS Director**

This Resolution allows the City Administrator to execute agreements to provide emergency shelter to victims of domestic violence.

3. **16-0294** **RESOLUTION 2016-04 to Approve Year 2 Action Plan of the CDBG Consolidated Plan.**

**Chris Bridgewater, BNS Director**

**Kathleen Sauseda, Housing Development Coordinator**

Priorities in the plan:

- ▲ Availability and affordability of housing align
- ▲ Public improvement in low to moderate income areas
- ▲ Rehabilitation of existing housing units
- ▲ Public education and awareness of fair housing

Programmed activities 2016-2017 year:

▲ Emergency Rehab	\$ 0
▲ Community Based Development Organization	\$ 180,000.00
▲ Fair Housing Education & Outreach	\$ 3,000.00
▲ Public Facilities	\$ 41,328.00
▲ Administration	\$ 56,082.00
▲ Total Anticipated Entitlement	\$ 280,410.00

The Housing Development Coordinator of the City shall be responsible for the administration and enforcement of the Annual Action Plan and the Five Year Consolidated Plan.

- ▲ The Emergency Shelter Grant from HUD is not funded this year. Money from prior years is available to be spent down.
- ▲ Money from the federal government must be for non-profit entities
- ▲ A matching dollar amount will be taken from the General Fund and put into the Housing Reserve Fund. These dollars are not taken from the CDBG Entitlement.
- ▲ Kathleen Sauseda was recognized for a job well done in working with the Third Party to administrate this program, and for learning to administrate the program without their assistance. Thus, the reduction in the amount allocated for Administration.
- ▲ Alderman Burger went on record to say she doesn’t have a problem with this, but she is concerned that receiving government funding will come back to bite us, especially if fair housing continues to spread nationwide. She has reservations about HUD.

4. **16-0319** **Consideration of Liquor License Renewal for Holiday Wine and Liquors, (Jigisha S. Patel, Managing Agent), 108 North Royal Oaks Boulevard, Franklin, TN 37054**

**Lanaii Benne, Assistant City Recorder**

Routine renewal.

5. 16-0309 **Consideration of ORDINANCE 2016-03, An Ordinance to be Entitled, “An Ordinance Amending Title 8, Chapter 1 Of The Franklin Municipal Code Relative To Alcohol Other Than Beer To Provide Guidance For Retail Food Stores and Other General Housekeeping.”**

**Kristen Corn, Assistant City Attorney  
Lanaii Benne, Assistant City Recorder**

Title 8, Chapter 1 has been amended to align with Tennessee Code Annotated changes recently made, including Wine in Grocery Stores. Specific changes to the ordinance include the addition of term definitions of certificate, certificate of compliance, Retail Food Store, and Retail Liquor Store, as well as other housekeeping changes. The following updated sections are to clarify the difference between Retail Liquor Licenses and the Certificate of Compliance issued to Retail Food Stores required to qualify for a state issued license. This was discussed at the last meeting when the Board heard concerns from retail liquor license holder Bard Quillman.

Section 8-105 (Certificate of compliance required prior to issuance of license) added to clarify the requirements of the certificates issued by the City as they relate to the liquor licenses provided by the TABC retail liquor stores, and retail food stores.)

- ▲ Section 8-106 (Restrictions as to location of retailers) modified to include the statement that, ‘no certificate of compliance shall be issued for the operation of a retail liquor store or for the sale of wine at a retail food store where such store would be prohibited use under the city’s zoning ordinance’. This aligns with the state’s Wine in Grocery Stores law. The section further defines the restrictions for retail liquor store locations.

The following section was removed after the City Law Department sought an opinion from the Attorney General of Tennessee. Kristen Corn, Assistant City Attorney advised the Attorney General deemed Section 8-109 unconstitutional

- ~~★ Section 8-109 Residency requirement for managing agents and licensees. No license shall be issued to any person who has not been a resident of Williamson County, Tennessee for a period of at least two years prior to the issuance of said license. When a license is applied for in the name of a corporation, the license shall be issued jointly with that corporation’s managing agent, and no license shall be issued to a managing agent unless that managing agent has been a resident of Williamson County, Tennessee, for a period of at least two years prior to the issuance of said license.~~

- ▲ Bard Quillman, 426 Watercress, Franklin, spokesman for the Franklin retail liquor store licensees that were in attendance, said the Section 8-109 residency requirement should remain in the ordinance specifically for Retail Liquor Stores, as it does not pertain to Retail Food Stores. They respectfully request that 8-109 remain in the ordinance.

The opinion of the Attorney General sparked discussion with the liquor retailers questioning the validity of the opinion and did it pertained to state or local regulations. The local liquor retailers were not willing to accept removal of this section based on this one opinion. Ms. Corn and Mr. Stuckey were satisfied with the opinion; however, In the end, it was decided to contact legislators to assist in clarification from the Attorney General regarding the specific elements of Title 8-109.

6. 16-0296 **Consideration of Certificate of Compliance for Wine in Grocery Store for Sam’s East, Inc. d/b/a Sam’s Club #6249, Located at 3070 Mallory Lane, Franklin, TN 37067 (Jason Lyle Dickey, Managing Agent; Don Frieson [President], Cynthia P. Moehring [Senior Vice President]; Steven Zielske [Treasurer]; and, Andrea Lazenby [Assistant Secretary] Executive Officers).**

**Lanaii Benne, Assistant City Recorder**

No questions or comments

7. 16-0297 **Consideration of Certificate of Compliance for Wine in Grocery Store for SFM, LLC d/b/a Sprouts Farmers Market #580, Located at 1010 Murfreesboro Road, Suite 194, Franklin, TN 37064 (Corey McCauley, Managing Agent; Amin N. Maredia [Chief Executive Officer], Brandon F. Lombardi (Chief Legal Officer/Secretary] and James Nielsen [Chief Operating Officer], Executive Officers).**

**Lanaii Benne, Assistant City Recorder**

No questions or comments

8. 16-0298 **Consideration of Certificate of Compliance for Wine in Grocery Stores for Wal-Mart Stores, LP d/b/a Walmart #272, Located at 3600 Mallory Lane, Franklin, TN 37067, (Jason Harnden, Managing Agent; Michael Moore [EVP], Cynthia Moehring [Senior Vice President], Steven Zielske [Treasurer], and Andrea Lazenby [Assistant Secretary], Executive Officers).**

**Lanaii Benne, Assistant City Recorder**

No questions or comments

9. 16-0238 **Consideration of an Interlocal Agreement with Williamson County and the Williamson County Emergency Communication District for Creation of a Consolidated Emergency Communication Center (COF No. 2016-0046).**

**Eric Stuckey, City Administrator**

**Deb Faulkner, Police Chief**

**Rocky Garzarek, Fire Chief**

This Interlocal Agreement contains the following components:

- ▲ An initial term of five years
- ▲ Transfer of 14 positions from the City of Franklin to Williamson County
- ▲ The City will contribute the equivalent of the salary of the 14 positions to the ECD for the operation of the consolidated emergency communications center. The City will contribute the salary amount at the current rate for all filled positions with vacant positions paid at \$16.24 per hour. The City's contribution is based on salary only. The cost of benefits and overtimes are not included in the calculation. The total amount of this contribution is estimated at approximately \$512,000.
- ▲ The City will provide health, dental, and life insurance coverage during the transition to the County benefits program. County benefits should become effective around August 1, 2016.
- ▲ Transferring City employees will maintain their service credit for their time with city for the purposes of scheduling and vacation accrual.
- ▲ Transferring City employees will be placed into the County's TCRS (State retirement system). Employees that are not vested in the City retirement system will receive both their and the City's contributions previously made into the City retirement system. Employees vested in the City retirement system will maintain their pension rights similar to other vested employees who separate from the City's employment.
- ▲ Transferring City employees will be compensated by the City for their current vacation balances and their existing sick leave will be established with the County through a one-time payment by the City to the County.
- ▲ The City will work with the County to establish a user group that will provide feedback regarding the service provided by the consolidated emergency communications center.
- ▲ The consolidated communications center will also provide appropriate data and system access to the City and ensure that service and accreditation standards are met.

Bill Jorgensen, Williamson County Public Safety Director, noted County and City employees will move into the new building as a team. The building is complete, technology issues may delay occupation of the building.

10. 16-0313 **Discussion Regarding Water and Sanitary Sewer Cost of Service Study and Rate Plan.**

**Mark Hilty, Water Management Director**

**Jim Marshall, Jackson Thornton Utilities Consultants**

This Water and Sewer Budgets are now included with all other budgets. In the past, they were reviewed later in the year.

The 5-Year Plan was updated two years ago, so it is time to review the plan for the next two years. Mr. Marshall related that the plan is working; system recovery is where it should be. There are three options A, B, and C:

**Water Rate Option A – Consumption Only Increase**

Years One and Two:

- ▲ \$0.25 Annual increase in Consumption Charge per kGal for Inside Customers
- ▲ \$0.39 Annual increase in Consumption Charge per kGal for Outside Customers

Option A would generate approximately \$712,000 in additional revenue over the two-year period.

**Water Rate Option B – Customer Charge Only Increase**

Years One and Two:

- ▲ \$1.60 Annual increase in Customer Charge per bill for Inside Customers
- ▲ \$248 Annual increase in Customer Charge per bill for Outside Customers

Option B would generate approximately \$718,000 in additional revenue over the two year period.

**Water Rate Option C – Customer Charge and Consumption Increase**

Years One and Two:

- ▲ \$1.00 Annual increase in Customer Charge per Bill for Inside Customers
- ▲ \$0.10 Annual increase in Consumption Charge per kGal for Inside Customers
- ▲ \$1.55 Annual increase in Customer Charge per Bill for Outside Customers
- ▲ \$0.16 Annual increase in Consumption Charge per kGal for Outside Customers

Option C would generate approximately \$732,000 in additional revenue over the two year period.

Proposed Rate Change 3.50% for 2017, 2018, and 2019.

**Sewer Rate Option A – Consumption Only Increase**

Years One and Two:

- ▲ \$0.45 Annual increase in Consumption Charge per kGal for Inside Customers
- ▲ \$0.70 Annual increase in Consumption Charge per kGal for Outside Customers

Option A would generate approximately \$1,883,000 in additional revenue over the two year period

**Sewer Rate Option B – Customer Charge Only Increase**

Years One and Two:

- ▲ \$3.46 Annual increase in Customer Charge per Bill for Inside Customers
- ▲ \$5.36 Annual increase in Customer Charge per Bill for Outside Customers

Option B would generate approximately \$1,880,000 in additional revenue over the two year period

**Sewer Rate Option C – Customer Charge and Consumption Increase**

Years One and Two:

- ▲ \$2.00 Annual increase in Customer Charge per Bill for Inside Customers
- ▲ \$0.19 Annual increase in Consumption Charge per kGal for Inside Customers
- ▲ \$3.10 Annual increase in Customer Charge per Bill for Outside Customers
- ▲ \$0.29 Annual increase in Consumption Charge per kGal for Outside Customers

Option C would generate approximately \$1,882,000 in additional revenue over the two year period

Proposed Rate Change 5.50% for 2017, 2018, and 2019

All options will get the same end result, keeping the plan on track. Eric Stuckey said he prefers Option C.

Mr. Hilty distributed copies of the Cost of Service Study Supplementary Information. Discussion points included: Rate Comparisons; Irrigation, Water Rate Design and Sanitary Sewer Rate Design.

**Water Rate Design**

*Customer Charge*

- ▲ Recovers the fixed costs due to capacity, customer service, billing, metering, etc.
- ▲ Byproduct of capturing fixed costs results in some degree of revenue stabilization

*Inside vs. Outside City Rates*

- ▲ Outside rates are higher in consideration of the value of the City's financial backing received by non-City residents.

*Inclining Rate Structure*

- ▲ Capture costs associated with large demands caused by irrigation and other uses

*Irrigation Meter Water Rates (Potable Water)*

- ▲ Capture costs associated with large demands caused by irrigation and other uses.

**Sanitary Sewer Rate Design**

*Customer Charge*

- ▲ Recovers the fixed costs due to capacity, customer service, billing, etc.
- ▲ Byproduct of capturing fixed costs results in some degree of revenue stabilization

*Inside vs. Outside City Rates*

- ▲ Outside rates are higher in consideration of the value of the City's financial backing received by non-City residents.

*Sewer Revenues Associated with Irrigation*

- ▲ Declining rate structure
  - Acknowledges that increased water consumption can be associated with irrigation and other uses that may not enter the wastewater stream
- ▲ Irrigation season sanitary sewer rates (winter pricing)
- ▲ Incentivize installation of irrigation meters.

Irrigation meters are very expensive. A ¾" meter can cost over \$5,000 to install. The declining rate structure shows it might be due to irrigation.

Mr. Stuckey asked if the Board had any interest in providing irrigation water.

**11. 16-0329 Report on Public Involvement Plan for the Columbia Avenue Widening and Improvements Project.**

**Paul Holzen, Engineering Director**

Two representatives from Barge, Waggoner, Sumner and Cannon, Inc. were present to answer any questions the Board may have about this report. Three public meetings are planned, as well as one-on-one stakeholder meetings. BWSC would like to hold the first meeting in the first two weeks of May. They are ready to send letters to the stakeholders inside the Columbia Avenue Corridor and on the adjacent roadway to keep them well-informed about this project.

**12. 16-0318 Discussion Concerning Prioritization of Projects within the Capital Investment Program for Fiscal Years 2017 through 2026.**

**Paul Holzen, Engineering Director**

Deferred to a Special Work Session.

**Other Business**

None

**Adjournment**

Work Session adjourned @ 6:58 p.m.

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Dr. Ken Moore, Mayor