

**MINUTES OF THE WORK SESSION  
BOARD OF MAYOR AND ALDERMEN  
FRANKLIN, TENNESSEE  
CITY HALL BOARDROOM  
TUESDAY, AUGUST 28, 2018 – 5:00 P.M.**

**Board Members**

Mayor Ken Moore

Vice Mayor Margaret Martin

Alderman Clyde Barnhill

Alderman Brandy Blanton

Alderman Pearl Bransford

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Alderman Beverly Burger

Alderman Dana McLendon

Alderman Ann Petersen

Alderman Scott Speedy

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**Department Directors/Staff**

Eric Stuckey, City Administrator

Vernon Gerth, ACA Community/Economic Dev

Mark Hilty, ACA Public Works

Kristine Tallent, ACA/CFO

Shauna Billingsley, City Attorney

Deb Faulkner, Police Chief

Rocky Garzarek, Fire Chief

Jordon Shaw, IT Director

Chris Bridgewater, BNS Director

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Jack Tucker, SES Director

Lisa Clayton, Parks Director

Michelle Hatcher, Water Management Director

Paul Holzen, Engineering Director

Emily Hunter, Planning & Sustainability Director

Kevin Townsel, HR Director

Joe York, Streets Director

Lanaii Benne, Assistant City Recorder

Linda Fulwider, Board Recording Secretary

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**Call to Order**

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

**Citizen Comments**

- ☛ Doug Jones, attorney representing United Daughters of the Confederacy: Spoke to the issue of *The Fuller Story* as proposed to BOMA by three pastors and one historian at the last meeting. Mr. Jones stated that the Franklin Chapter of the UDC has been in Franklin for 120 years and believe they have delivered the story. He stated the monument should be left alone. The Franklin Chapter of the UDC has a vision to tell the whole story and believe it should be located at the Carter House. They support a wide interpretive view of Franklin Civil War history and want to work with the City and pastors and historian. He said one fact has not been considered: The monument and the land out on the square is owned by the UDC. If the City wants to litigate we can do that. They take the position that they own it, and they own that ground, not just the statue. Also, their group wasn't notified to participate in *The Fuller Story* as were other historic groups. It is a fundamental right of property rights in this country that we be respected, that we be brought into this. We look forward to working with you.

**WORK SESSION DISCUSSION ITEMS**

**1. 18-0693 Review of Six-Month Building Activity**

**Eric Stuckey, City Administrator**

**Vernon Gerth, Assistant City Administrator**

**Lynn Osland, Development Services Analyst**

Review of Fiscal Year 7/1/2017-6/30/2018:

- Total Permits Issued 6,835
- Total Fees Received \$2,848,536
- Total New Dwelling Units 1,866
  - Single Family 495
  - Multi-Family 1,247
  - Townhomes 124

There are quite a few projects underway.

- No questions or comments.

- Eric Stuckey, City Administrator**

To summarize the draft policy:

- ## Discussion

- Michelle Hatcher, Water Management Director**

**Jim Marshall. Jackson Thornton Utilities Consultants**

**Water – Cost of Service Results – Total Recovery 91%**

**Water – Five Year Approach – 2019-2023 2.90% each year**

Water Rate Option A – Customer Charge Increase

Option A

Two Year Rate Plan:

- Increase the monthly Customer Charge by \$1.50 each of the next two years for each rate class

Option A would generate approximately \$654,000 in additional revenue over the two-year period.

Water – Option A Residential Inside

	Cost of Service	Current Rate	Proposed Rate	Difference
Customer Charge (Includes 1,000 Gal)	\$ 15.80	\$ 11.86	\$ 14.86	\$ 3.00
Next 9,000 Gallons	\$ 5.19	\$ 4.96	\$ 4.96	-----
Next 15,000 Gallons		\$ 5.89	\$ 5.89	-----
All Additional Usage		\$ 6.82	\$ 6.82	-----

Water Rate Option B – Customer Charge and Consumption Charge Increase

Option B

Two Year Rate Plan:

- Increase the monthly Customer Charge by \$0.75 each of the next two years for each rate class.
- Increase the Volumetric Charge by \$0.11 each of the next two years for each rate class.

Option B would generate approximately \$644,000 in additional revenue over the two-year period.

Water – Option B Residential Inside

	Cost of Service	Current Rate	Proposed Rate	Difference
Customer Charge (Includes 1,000 Gal)	\$ 15.80	\$ 11.86	\$ 13.36	\$ 1.50
Next 9,000 Gallons	\$ 5.19	\$ 4.96	\$ 5.18	\$ 0.22
Next 15,000 Gallons		\$ 5.89	\$ 6.11	\$ 0.22
All Additional Usage		\$ 6.82	\$ 7.04	\$ 0.22

Water – Summary of Rate Options

Option A					
	Customer Charge Increase	Revenue Generated			Total Revenue Generated
Year 1	\$ 1.50	<u>\$ 326,949</u>			<u>\$ 326,949</u>
Year 2	\$ 1.50	<u>\$ 326,949</u>			<u>\$ 326,949</u>
		<u>\$ 653,898</u>			<u>\$ 653,898</u>
Option B					
	Customer Charge Increase	Revenue Generated	Volumetric Charge Increase	Revenue Generated	Total Revenue Generated
Year 1	\$ 0.75	\$ 163,475	\$ 0.11	\$ 158,518	\$ 321,993
Year 2	\$ 0.75	<u>\$ 163,475</u>	\$ 0.11	<u>\$ 158,518</u>	<u>\$ 321,993</u>
		<u>\$ 326,949</u>		<u>\$ 317,036</u>	<u>\$ 643,985</u>

Sewer – Cost of Service Results – Total Recovery 136%

Sewer– Five Year Approach – 2019-2023 2.90% each year

Sewer Rate Option A – Customer Charge Increase

Option A

Two Year Rate Plan:

- Increase the monthly Customer Charge by \$2.32 each of the next two years for each rate class

Option A would generate approximately \$1,327,000 in additional revenue over the two-year period.

Sewer – Option A Residential Inside

	Cost of Service	Current Rate	Proposed Rate	Difference
Customer Charge (Includes 1,000 Gal)	\$ 15.18	\$ 16.55	\$ 21.19	\$ 4.64
Next 14,000 Gallons	\$ 3.51	\$ 5.99	\$ 5.99	-----
All Additional Usage		\$ 5.20	\$ 5.20	-----

Sewer Rate Option B – Customer Charge and Consumption Charge Increase

Option B

Two Year Rate Plan:

- Increase the monthly Customer Charge by \$1.16 each of the next two years for each rate class.
- Increase the Volumetric Charge by \$0.14 each of the next two years for each rate class.

Option B would generate approximately \$1,300,000 in additional revenue over the two-year period.

Sewer – Option B Residential Inside

	Cost of Service	Current Rate	Proposed Rate	Difference
Customer Charge (Includes 1,000 Gal)	\$ 15.18	\$ 16.55	\$ 18.87	\$ 2.32
Next 14,000 Gallons	\$ 3.51	\$ 5.99	\$ 6.27	\$ 0.28
All Additional Usage		\$ 5.20	\$ 5.48	\$ 0.28

Sewer – Summary of Rate Options

Option A					
	Customer Charge Increase	Revenue Generated			Total Revenue Generated
Year 1		\$ 663,441			\$ 663,441
Year 2	\$ 2.32	\$ 663,341			\$ 663,341
	\$ 2.32	<u>\$1,326,882</u>			<u>\$1,326,882</u>
Option B					
	Customer Charge Increase	Revenue Generated	Volumetric Charge Increase	Revenue Generated	Total Revenue Generated
Year 1		\$ 331,721		\$ 318,123	\$ 649,844
Year 2	\$ 1.16	\$ 331,721	\$ 0.14	\$ 318,123	\$ 649,844
	\$ 1.16	<u>\$ 663,441</u>	\$ 0.14	<u>\$ 636,246</u>	<u>\$ 1,299,687</u>

Staff recommends BOMA act on the Customer Charge since it hasn't been reviewed for 3-4 years. Discussed pros and cons of increasing volume charge and those who use very little water. Revenues do not cover the costs of providing water and sewer. Touched on providing water outside of the City.

The Aldermen asked to see the cost of water from all the surrounding utilities and a comparison of actual water and sewer bills. Some feel they are paying more for water and sewer for four people in the home than when there were seven living in the home.

The Water/Sewer funds are self-supporting independent businesses that are still subsidized with General Fund money. A Resolution identifying the Five-Year Plan, along with individual ordinances will come before the Board soon.

5. 18-0807 **Consideration of DRAFT RESOLUTION 2018-65 to a 401(a) Defined Contribution Retirement Plan in the Form of the ICMA Retirement Corporation Deferred Compensation Plan & Trust and a 457(B) Plan in the Form of the ICMA Retirement Corporation Governmental Profit Sharing Plan & Trust and Engage ICMA Retirement Corporation for Sharing Plan & Trust and Engage ICMA Retirement Corporation for Third Party Administration of Each Plan.**

**Eric Stuckey, City Administrator**

**Kristine Tallent, Assistant City Administrator/CFO**

**Kevin Townsel, Human Resources Director**

Kristine Tallent gave the background on the now closed pension plan being managed by TCRS and the new plan with TCRS. The pension plans were compared as well.

The purpose of the proposed New Defined Contribution Plan is to make the new pension plan comparable to the closed pension plan. It will help the City be more competitive with other employers as well.

6. 18-0677 **Approval to Enter in a Professional Services Agreement with the Architect Workshop for the "City of Franklin City Hall Programming Report" regarding the Development of a New City Hall. (Job Number 2018-0154).**

**Brad Wilson, Facilities Project Manager**

The existing building analysis was removed from the contract as requested by BOMA. The deletion brings the total down to approximately \$140,000. How to use other redevelopment to offset the cost of City Hall is included. They will meet with the directors to get feedback on architecture and design only. The information will be compiled and presented to BOMA.

Alderman Barnhill once again voiced his opinion that the current location is not the best site and thinks there will be input from those who feel the same way.

Mr. Wilson said this is mainly to get components and schematic regarding what is needed for departments. That first step to get to an architect.

Alderman Burger related whether it's this space or elsewhere, they are just doing a needs analysis.

7. 18-0799 **Consideration of COF Contract No. 2018-0085 with Lose and Associates, Inc. for the Franklin Special School District (FSSD) Ballfield Renovation Masterplan in the Amount Not-to-Exceed \$60,000.**

**Lisa Clayton, Parks Director**

No questions or comments.

8. 18-0604 **Discussion on Irrigation Metering Structure.**  
**Michelle Hatcher, Water Management Director**

Water Management is looking for direction on structuring this program.

Irrigation Fees Alternatives:

Winter Pricing Model –

- Potential impact to wastewater revenue between \$2-\$3 per customer per month based on evaluation of residential, inside City Customer
- Encourages increased use of potable water for irrigation
- \*Consider reevaluation including rate structure

Reduction in Irrigation Meter Impact Fee

- Improves the return on investment for customers
- Actual Cost of typical installation is approximately \$1,615 (3/4" residential irrigation)
- \*Complete tap installation fee: \$756 however code allows for recovery of full cost
- Current irrigation impact fee plus installation fee: \$3,3150 + \$756 = \$3,906 (3/4" residential irrigation)
- Current Potable Water impact fee = \$2,089+\$756 = \$ \$2,845 (3/4" Residential Potable)
- Encourages increased use of Potable water for irrigation
- \*Consider evaluating rate structure for irrigation only customers.

Discussion:

- Water Management received three emails from customers and those will be forwarded to the Aldermen. It's a fairness issue, paying for water not going through the treatment system.
- More information will be provided before a decision is made.
- How many customers would be willing to purchase these expensive meters?

9. 18-0539 **Consideration of ORDINANCE 2018-17 to Amend Title 12, Chapter 8 of the Franklin Municipal Code to Adopt the ICC International Existing Building Code, 2018 Edition.**

**Chris Bridgewater, BNS Director**

These codes are not required, but provide excellent guidance. This is referred to as the "swimming pool code".

10. 18-0542 **Consideration of ORDINANCE 2018-20 to Amend Title 12, Chapter 5 of the Franklin Municipal Code to Adopt the ICC International Property Maintenance Code, 2018 Edition.**

**Chris Bridgewater, BNS Director**

This, too, is a basic code BNS uses that is not required.

11. 18-0545 **Consideration of ORDINANCE 2018-23 to Amend Title 12, Chapter 7 of the Franklin Municipal Code to Adopt the ICC International Property Maintenance Code, 2018 Edition.**

**Chris Bridgewater, BNS Director**

This is also a basic code book the department adopts although it is not required.

12. 18-0770 **Consideration of ORDINANCE 2018-25 to Amend Title 7, Chapter 5 of the Franklin Municipal Code to Adopt the NFPA 101 Life Safety Code, 2018 Edition.**

**Chris Bridgewater, BNS Director**

**Andy King, Deputy Chief/Fire Marshal**

Fire Department code specializing in life safety codes, not required but adopted.

These basic code books have been in place many years with periodic adoption of the most current editions.

#### **Other Business**

None

#### **Adjournment**

Work Session adjourned @ 6:53 p.m.

BOMA meeting will convene @ 7:07 p.m.

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Dr. Ken Moore, Mayor

Minutes prepared by: Linda Fulwider, Board Recording Secretary, City Administrator's Office - 9/17/2018