Mayor Graham called the Special Call Meeting to order at 5:30 p.m.

Aldermen Present:
John Canepari, Matt Fitterer, Kevin Cavigan, Hazel Nieves, Mayor Graham, Vincent Fuqua, Dan Allen, Jeff Graves, Amy Wurth.
Also present: Victor Lay, City Administrator; Chuck Downham, Assistant City Administrator; Patrick Carter, City Attorney; April Goad, City Recorder; Patti Amorelo, Finance Director.

General Announcement

Concerned Citizens
Lisa Arrwine - Dogwood Trail. Clarified previous comments made. Friends of the Library want project halted until expressed concerns can be discussed. They want and need a new library either way.

Review and Discussion of Library Construction Contract

Alderman Fitterer made a motion to consider Resolution 17-109, seconded by Alderman Allen.
Mayor Graham discussed the purpose of calling the meeting.
I agreed to calling this Special Called BOMA session to clear the air on a couple of things brought up concerning the library construction at Northfield.
We will address two things tonight and one is a question on the roof and an entire roof replacement estimate that was given to Dakota in November 2017. Two, was a rumor mill concern of Mr. Lay's relationship with the South Central Tennessee Workforce Alliance Board of Directors. We are going to show tonight that there was no conflict of interest involved.
Before we start on those two things, I want to make some general statements about all of this discussion to reconsider the move of our library to Northfield.
October 2, 2017 we started the public discussion of the Northfield property acquisition at our work session. For the BOMA, we had already planned on spending about 18-22 million dollars for the new Library and SHFD headquarters.
Now, we have an opportunity to find a home for both of those needs with renovations, versus finding land and paying much more per square foot for new construction. And, we now pick up 300K square foot of space versus the 60K square foot of what we would have built in new construction.
This additional space would allow additional savings of at least 2 million in not having to expand city hall as we were busting at the seams and could move the codes department there. Plus there was enough space to move other departments there that we have since done, that equates into tax payer savings.
And, the building was at its peak in lease space which would bring in enough revenue to pay for the annual expenses and has made for the majority of the bond payments each month. This makes it almost cost neutral. The South Central TN Workforce Alliance Board of Directors and team worked hard for many years to acquire all of the companies that lease that space and we got it at its peak.
Plus, it freed up over 400K in adequate facilities revenue that we needed badly for roads and infrastructure. In our October 16th, 2017 voting meeting Alderman Wurth mentioned that this purchase sets up our city well because the future growth of our city is moving that direction and that is a good move for taxpayer's money.
The asking price for this property was around 11 million and the appraisal came in over 9M. South Central TN Workforce did purchase the building for 5M, but remember it did not have any leasing companies. They worked hard to get the building with enough companies to lease space that the value of courseSpace. You have to look at the value of the building and property at that time, not what it was years before.
I was out of town, so Vice Mayor Hull went in and negotiated for the city, as authorized by the BOMA and we offered 6.1M with the condition that all the due diligence worked out okay to our close of the sell in December 2017. Which it did.
The South Central board agreed and there is a story here too. When the news hit the media, that we made an offer for Northfield, they received another offer from another organization to write a check immediately for their FULL ASKING PRICE OF 11 MILLION. They stuck with us, and didn't have to.

It is well known that in the real estate business, you have to move and be smart how you do things or tax payer opportunities are lost. We saw win, win, win, win. We knew this was the best use of Taxpayer's money for our needs, if the due diligence played out. And, it all did.
It is a known fact that people in leadership will always second guess those making the decisions. We all do it. Even though we don't have all the facts and full disclosure; we do it. That's okay, as long as the leaders don't start doing the same.
I reflect often on many of my 12 years of voting on this board, and the few votes that I might do different? But, second guessing yourself and reconsidering decisions to a new direction that you are already well into and spent hundreds of thousands of dollars is not productive. It is very much one step forward and six steps back. Working toward a goal is not like a railroad track on the straight and narrow but a zig zag of decisions on the way. We may be zigging and zagging now, but we have to keep moving forward.
To start over on a new building for the library will be very costly and set it back several years. But if that is the will of this board, so be it. But I am holding steadfast myself with moving forward and end this second guessing tonight.

Now, let's start addressing the two things I mentioned with the first being the roof estimate. The roof estimate in question was included in the Northfield Campus evaluation report provided to the BOMA on December 8, 2017; before the close of purchase of the property.
This report from Ferguson Architecture, as part of our due diligence, told us that the building had been well maintained since opening and is in good condition requiring primarily cosmetic repairs.
To address the confusion about Mr. Lays and SCWF Alliance. Victor serves on a Work Force Board and junior advisory board called the Northfield Oversight Advisory Committee. He does not serve on the board of directors.
Mayor Graham read a letter from their attorney, Tim Tisher. Mayor asked City Attorney if he saw any conflict of interest. Mr. Carter said that there was not. He isn't a voting member.
2nd issue - Roof: Baker roofing was an estimate on replacement with roofers, with a warranty. We did not need a new roof. This was an unsolicited bid. Once it was public that the city may buy the facility, it opened up options for lots of vendors and businesses to call on or stop
by to try and get business. Baker Roofing just came by in the hopes of getting business. We did not and do not need a complete roof replacement. We worked with a company out of KY, only the flashing and expansion joints needed work.

Alderman Allen - concerns that in the inspection report it says it needs to be replaced, it should have been looked into.

Alderman Wurth - questions for Dakota.
Alderman Canepari - questioned about any possible mold due to moisture. Dakota said that they had been able to address the water issues in time and hadn't seen mold.

Alderman Nieves - asked about who cooked at the mold. Dakota explained further.
Alderman Fitterer - discussed at the time of purchase and email from Mr. Lay. He said he's thinking of tax payers, but can't know for sure if it is sound. Want's an independent assessment. We should re-visit with the new information. Doesn't feel all the facts are known.

Alderman Nieves - I'm new and trying to understand and make good decisions. I researched and Library folk don't want to be at Northfield. She went over a timeline. Stated she thought documents were missing from the retreat and the packet. The library is crucial to the city. Asked how the decision was made. Why didn't BOMA ask for more information? Called for a time out before moving forward with the project.

Alderman Wurth - discussed the BOMA's action. We only spent money on things that were an absolute necessity and we tried to pay cash for everything keep our borrow low so we could dig ourselves out of the hole. I've been budget chairman since 2009 and I assure everyone I'm very conscious of our budget. We've basically worked the Dave Ramsey program to be very careful with tax payers money and nothing was done behind closed doors.

We looked at the idea of purchasing Northfield with the concept of 332,000 sq feet of space. We were currently looking at needing a new library, needing to expand city hall, our police were in a small, leased, inadequate space. Which we've renewed three times because we have no place to put them. We need fire stations, we need new trucks. How can we accomplish all these and new roads, roads! One mile of road for 6.3 or 6.8 million. Our entire budget is 55 million with all of these facility needs how can we do all of this? Our first estimate for a Library and Police Dept. were $10 million each, then $22 million for the City Hall expansion. That's just for three projects. So how do we spend tax payer money? This opportunity came up and instead of buying land and building from the ground up we could make a campus and put multiple facilities in this campus to save money. So we purchase the property for 8.1 million and took out a $13 million bond to do it. The remaining of the bond was to be for library first then Police. The current estimate for the Library to be built at Northfield is 4-4.5 million each will be about 1.2 million in savings. The Police Dept. is coming in at one million in savings also. We would have two assets freed up, city hall and the library. We all know the fire station here on Beechcroft is tiny and there's lots of growth in this area so we need a bigger station. We could move the station to where the library is and re-purpose the building. City Hall could be re-purposed or sold to pay debt service.

Alderman Wurth stated we wanted to be clear that if we go in a different direction, if it's a priority for this board we would need a budget amendment to fund these items. We are in budget process right now. There is significant tax payer savings in this building. We've already spent $1.3M invested in the architectural design to move to Northfield along with the savings we're projecting.

Mayor - if we sell Northfield we would also have to find a home for several city departments that have already moved there. Mayor asked Alderman Allen how long he was thinking to defer?

Alderman Allen answered about six months.

Mayor added that it will delay the Police Department, Public Works, everything.

Mr. Lay - stated that the Police Dept. lease is expiring.

Alderman Fuqua - thanked Alderman Allen for his change in tone. This discussion has divided the community. There have been attacks to city staff. He requested documentation on what would happen if we abandon Northfield.

Mr. Downham discussed.

Mayor had Chuck prepare a value analysis, which Chuck will send out to the BOMA.

Aldermen Nieves gets where Vice Mayor Wurth is coming from and appreciates that. She is asking for a master plan for Northfield.

Library Director, Dana Juriew - state that she was present in meetings during the early stages of planning. She doesn't think there has been transparency, or that it's cost neutral. She wants a copy of the leases.

City Attorney, Mr. Carter - assured Alderman Nieves that the leases have been on the agenda and voted on in the board meetings over the past two years.

Alderman Nieves stated she wanted a list of the leases.

Discussion regarding having to rebid the project.

Roll call to reconsider Resolution 19-73: John Canepari, aye; Matt Fitterer, aye; Kevin Gavigan, aye; Hazel Nieves, aye; Mayor Graham, aye; Vincent Fuqua, aye; Dan Allen, aye; Jeff Graves, aye; Amy Wurth, aye.

Motion carried, 90.

Alderman Fitterer made a motion to postpone 19-73 until a time an assessment can be completed as Alderman Allen mentioned.

Alderman Fuqua asked about updates to HVAC and other systems. Mr. Downham discussed updates to mechanical systems.

Alderman Wurth asked Alderman Fitterer is he would be willing to keep this on the BFAC agenda every month until we find conclusion.

Alderman Fitterer stated yes.

Roll call to postpone Resolution 19-73: John Canepari, aye; Matt Fitterer, aye; Kevin Gavigan, nay; Hazel Nieves, aye; Mayor, nay; Vincent Fuqua, aye; Dan Allen, aye; Jeff Graves, nay; Amy Wurth, nay.

Motion carried, 63.

Mayor Graham asked April to put this item on each Working Session going forward.

Concerned Citizens
Eric Warner - Arbuckle Lane. Worked in the GM/ Northfield building for many years. Believes it's a wonderful facility and the city is lucky to have it.

Adjourn
Motion to adjourn by Alderman Wurth, seconded by Alderman Graves.
Meeting adjourned 7:20 p.m.

April Goad, City Recorder

Rick Graham, Mayor

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