Budget and Finance Committee
Meeting Minutes
4:30 pm – June 3, 2019 – City Hall

BFAC Alderman Members:
Amy Wurth, Vice Mayor Ward 1
Matt Fitterer, Alderman Ward 2
Hazel Nieves, Alderman Ward 4

Call To Order: 4:37 p.m.

Attendance:
Amy Wurth, Vice Mayor, Matt Fitterer, Alderman, Hazel Nieves, Alderman, Victor Lay, City Administrator, Patti Amorello, Finance Director, Missy Stahl, Senior Project Manager, Chuck Downham, Assistant City Administrator, Shelley Taylor, Human Resource Director

Item #1 - Fiscal Year 2018-2019 update – Patti Amorello
Discussion – Patti presented the fiscal update stating every department got copies of their expenditure report for the month of May, 2019 to be sure they are tracking to not exceed their budgets for the year. Water and sewer are on target with where they are supposed to be.

Patti indicated she expected everyone should stay on target. Alderman Fitterer asked if there were any possible changes we should know about and she stated no. Alderman Fitterer also inquired about the large difference in the Northfield fund. She said there are about four million nine hundred and twenty thousand dollars budgeted for the library project coming from the Tennessee municipal bond and it has not been drawn nor expended.

Item #2 - Healthcare options and considerations related to TCRS Bridge – Victor Lay & Shelly Taylor
Discussion – Alderman Fitterer stated the BFAC had asked for this information last meeting...Shelly was to bring considerations and options we needed so to be thinking about TCRS Bridge healthcare goes forward and if the BOMA wants to consider healthcare components with that. Victor stated if the BOMA wants to add a healthcare component, costs for retirees is going to be the same as for any employee. The BOMA has the flexibility to construct the plan pretty much any way they would want. Alderman Fitterer wanted to know if we had any other municipalities data or options that were made available to us from the Drury group and Victor said no not at this time. Alderman Nieves indicated with this being a very significant decision, she would feel more comfortable to slow this decision process down and give more time to look at more details and what the best option would be if any. Victor stated that he had reached out to MTAS on this matter is contact had done some more research reaching out to 10 or more cities and Victor is going to send that email the BFAC committee to share the results of his findings. More discussion continued on the various rates and how that might affect Spring Hill. Victor shared different options and analysis and scenarios for considerations. Victor ended with stating that this was a very serious consideration and if the BOMA intends to move forward he wanted us to take some time to really look at the details to know exactly what we’re getting into. Alderman Fitterer stated, he did not anticipate the BOMA making a decision either way in two
weeks. This should be something we should continue to study and maybe consider a decision in September or October this year.

Item #3 -

CIP Planning Sheet and Ord 19-15 Disconnect – Victor Lay and Patti Amorello

Discussion – Alderman Fitterer stated that the most recent worksheet is dated March 15th. There's a disconnect between Impact fees and Adequate facility fees expenditures compared to ordinance 19-15 from the first reading. We need to make sure that the workbook is up-to-date to reflect what's in the second reading to be adopted.

Item #4 -

Discussion on Water and Sewer rates – Victor Lay

Discussion – Discussion on water and sewer rates. Victor stated it will be a full presentation later at the BOMA meeting to explain how they came up with their calculations for the rates and their recommendations. Vice Mayor Wurth asked Victor is the increase in rates also included the new treatment plant and sewer plant for the city? Victor confirmed that it does.

Vice Mayor had discussion around being provided staff summaries and more information about options. She asked for the list of the capital projects we provided to them for this study and included in that potential increase. Victor's recommendations were regarding options. Victor shared conversations he has had recently with CPWS regarding possible coordination with them for grants that are regional that could be helpful. Alderman Nieves stated that she agreed with Vice Mayor Wurth on having pros and cons summaries from staff since they are looking at the details on the options that will be presented to us regarding water and sewer rates and how this would be very helpful to the BOMA.

Item #5 -

Discussion on Res 19-79, Duplex Road widening Project Water Line Butterfly Valve Repairs – Victor Lay

Discussion – Duplex Road widening project water line butterfly valve repair. Victor stated when they prepared to bid the project, they had specs they could bid against. When they sent to the contractors it was not conveyed that particular parts ordered could require specific connection parts that could only be used together in order for it to function properly as in this particular case. We have 25 valves on Duplex Road that are correct valves and we have the correct pipe but properly jointed together. So other parts are going to need to be added in order for it to work correctly. We receive credits from the original bid estimate we sent to TDOT. Alderman Fitterer interjected that if it had been done correctly the first time we still would have incurred the same $59,000. Victor said yes. Alderman Fitterer asked what other credits are cut there and does this affect the project timeline? Missy said this would not hinder the project timeline.

Item #6 -

Rippavilla Capital Requests – Roundtable

Discussion – Alderman Fitterer stated he does not think there has not been enough discussion at the BOMA level of the Rippavilla capital request. Their top project, brick and masonry repair is about $39,000. We have $20,000 already allocated for Capital Improvement and they're showing $26,000 of profit so we can address needs with the $26,000 they have the $20,000 already allocated and that should take care of their top project. Vice Mayor Wurth stated she agreed. The whole goal was for Rippavilla to get to the place that it is sustainable. The city agreed to pay $100,000 to match what GM gave them every year to see them become profitable. Alderman Nieves said what's that where's the situation from a business standpoint so the $26,000 is not truly profit in that sense because they have received $100,000 from the city. She is concerned with their being profitable because of the disjointed way their marketing strategy and operations information has been presented and was lacking at that. This was the consensus. Alderman Fitterer posed the question do we want to provide any direction to the BOMA related to the capital request and not the operations? There was more discussion on fund requests for Rippavilla. Vice Mayor Wurth made a motion to recommend to BOMA we fund for Rippavilla $39,775 for the replacement of brick mortar, and for interior and exterior walls, exterior painting and replace shutters to be funded through the surplus within their current finances of $27,000 along with a line item for an expenditure of $20,000. Alderman Fitterer seconded it with a vote 3-0.
Item #7 - Items from Floor
Discussion - Alderman Fitterer called for items from the floor or roundtable discussion. Alderman Nieves requested from staff a breakdown of all funds allocated for the Northfield move by departments. A list of line items of funds allocated for things like space, facilities, equipment in the coming year.

Alderman Fitterer stated Mr. Carter and Mr Lay had put together some information around special assessment districts specific to the Shannon Glenn project. It's a CIP item that does not have a funding source at the moment. Alderman Fitterer will forward the information that has been compiled and wants to make this a discussion item for our next meeting so we can decide if we want to make a recommendation to the BOMA for possible funding.

Item #8 - Adjourn
Vice Mayor Wurth made a motion to adjourn, Alderman Fitterer seconded it. Meeting was adjourned.

Patti Amorello, Finance Director

Matt Fitterer, Chairman