

A G E N D A

FARRAGUT BOARD OF MAYOR AND ALDERMEN

October 13, 2011

BMA WORKSHOP

6:15 PM

Commercial Design Standards

BMA MEETING

7:00 PM

- I. Silent Prayer, Pledge of Allegiance, Roll Call**
- II. Approval of Agenda**
- III. Mayor's Report**
- IV. Citizens Forum**
- V. Approval of Minutes**
 - A. September 22, 2011
- VI. Ordinances**
- VII. Business Items**
 - A. Consider Appointment to the Farragut Folklife Museum Committee
 - B. Approval of Resolution 2011-09 Supporting Recreation Trails Program Grant
 - C. Approval of Lease Agreement with Knox County Clerk
 - D. Consideration of Social Security Buy-Back program for the Town of Farragut
 - E. Approval of Settlement Agreement
- VIII. Town Administrator's Report**
- IX. Attorney's Report**

MINUTES OF REGULAR MEETING OF BOARD OF MAYOR AND ALDERMEN

**FARRAGUT, TN
September 22, 2011**

The Farragut Board of Mayor and Aldermen met in regular session on Thursday, September 8, 2011 at 7:00 p.m.

Present were Mayor McGill, Aldermen Elliott, Honken, LaMarche and Markli.

Approval of Agenda

Motion was made to approve the agenda as presented. Moved by Alderman Markli, seconded by Alderman Elliott; voting yes, Mayor McGill, Aldermen Elliott, Honken, LaMarche and Markli; no nays; motion passed.

Mayor's Report

Alderman LaMarche expressed her gratitude to the Town for her attendance at the National League of Cities Human Development Committee meeting.

Citizens Forum

Mayor McGill read a statement from Carl Weiser concerning the entrances to Weigel's at Smith Road and Kingston Pike.

Approval of Minutes

Motion was made to approve the minutes of September 8, 2011 as presented. Moved by Alderman LaMarche, seconded by Alderman Honken; voting yes, Mayor McGill, Aldermen Elliott, Honken, LaMarche and Markli; no nays; motion passed.

Ordinances

Public Notice & Second Reading

Ordinance 11-14, Ordinance to amend Title 7, Fire Protection and Fireworks, Chapter 1. Fire code, of the Farragut Municipal Code

Ordinance 11-15, Ordinance to amend Title 12, Building, Utility, Etc. Codes, Chapter 1. International Building Code, Of The Farragut Municipal Code

Ordinance 11-16, Ordinance to amend Title 12, Building, Utility, Etc. Codes, Chapter 2. International Plumbing Code, Of The Farragut Municipal Code

Ordinance 11-17, Ordinance to amend Title 12, Building, Utility, Etc. Codes, Chapter 4. International Fuel Gas Code, Of The Farragut Municipal Code

Ordinance 11-18, Ordinance to amend Title 12, Building, Utility, Etc. Codes, Chapter 8. Swimming Pool Code, Of The Farragut Municipal Code

Ordinance 11-19, Ordinance to amend Title 12, Building, Utility, Etc. Codes, Chapter 10. 2006 International Mechanical Code, Of The Farragut Municipal Code

Ordinance 11-20, Ordinance to amend Title 12, Building, Utility, Etc. Codes, Chapter 11. International Residential Code For One- And Two-Family Dwellings, Of The Farragut Municipal Code

Motion was made to approve Ordinances 11-14, 11-15, 11-16, 11-17, 11-18, 11-19 and 11-20 on second and final reading. Moved by Alderman Markli, seconded by Alderman Honken; voting yes, Mayor McGill, Aldermen Elliott, Honken, LaMarche and Markli; no nays; motion passed.

Business Items

Approval of Contract for 2012 Farragut Annual Report

Motion was made to approve Contract 2012-08 with K. Kimmey Design in the amount of \$12,490. Moved by Alderman LaMarche, seconded by Alderman Elliott; voting yes, Mayor McGill, Aldermen Elliott, Honken, LaMarche and Markli; no nays; motion passed.

Town Administrator's Report

David Smoak, Town Administrator, announced that the Taste of Farragut would be Friday September 23 and Picnic on the Pike would be Sunday September 25, 2011.

Meeting adjourned at 7:20 PM.

Approved

Ralph McGill, Mayor

Allison Myers, Town Recorder



TOWN OF FARRAGUT CITIZEN BOARD/COMMITTEE APPLICATION

Name Carolyn Sinclair

Address 1501 Lewisbrooke Ln Zip 37922

Home Phone 865-675-2467 Business Phone _____

Fax _____ E-mail capsinclair@hotmail.com

Occupation Retired

Education 14 yrs Accounting Cleveland Business College

Why would you like to serve on a Town of Farragut committee (attach resume or additional information if desired):

I have always enjoyed history and love working the museum. Now that I have accepted Volunteer Gift Shop manager, would like to be on committee.

Indicate which Committee you are interested in serving:

- ☐ Arts Council
- ☐ Board of Plumbing & Gas/Mechanical Examiners
- ☐ Board of Zoning Appeals (BZA)
- ☐ Beautification Committee
- ☐ Economic Development Committee
- ☒ Folklife Museum Committee
- ☐ Knox County Schools Education Relations Committee
- ☐ Parks & Athletics Council
- ☐ Personnel Committee
- ☐ Stormwater Advisory Committee
- ☐ Visual Resources Review Board (VRRB)

I give my permission to the Town of Farragut to use my likeness on the web and/or Town publications. I have read and understand the Code of Ethics Ordinance and the applicable committee charter, ordinance or and/or by-laws.

Signature Carolyn Sinclair Date 9/28/11

Please sign, date and return to:
Farragut Town Hall, 11408 Municipal Center Drive, Farragut, TN 37934
Fax: 675-2096 or scan/e-mail to pam.hall@townoffarragut.org

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: Sue Stuhl, Parks and Leisure Services Director

SUBJECT: Approval of Resolution 2011-09 Supporting Recreation Trails Program Grant

INTRODUCTION: The purpose of this agenda item is to approve a resolution to match funds as part of the 2011-12 Recreation Trails Program (RTP) grant for the development of the Virtue Road Greenway and Trailhead.

BACKGROUND: According to local historians, the creek and ridge property along Virtue Road between the Harville property and the lake was the site of a pivotal (and the bloodiest) point of the Battle of Campbell Station fought on November 16, 1963. While the battle continued for several miles from Loudon County past the land on which the Town Hall sits, this was the location where Major Frederick Swift of the 17th Michigan Infantry assumed responsibility in moving Union troops across the creek and to the top of the ridge, uttering the words "form on me." Major Swift was later awarded the Medal of Honor.

This project will add a small trailhead that can serve those using the Town's greenway system and will also serve as an observation/educational area for visitors interested in the Civil War history of the area. The short attached greenway will add one more section in the overall Town system and access to the bridge with a better view of the creek and ridge.

The Town has been successful in obtaining seven grants for funding of greenway trail development since 1993. This is through the Recreation Trails Program as funded through the federal Safe, Accountable, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA-LU), which is the re-authorized Transportation Equity Act for the 21st Century (TEA-21).

It is expected that notification about the grants will be sometime in the spring of 2012 but this may vary due to federal funding issues.

DISCUSSION: Staff is requesting that the Board of Mayor and Aldermen commit to funding this greenway with a projected total cost of \$70,500. Due to limitations on spending for A & E, the total cost of the project request for this RTP grant will be \$63,750 with \$51,000 (80%) requested as part of the grant and \$12,750 (20%) plus \$6,675 that is not eligible (for a total of \$19,425) to be funded from the Town of Farragut's Capital Investment Program. The details of this project include:

- The majority of the property is owned by the Town of Farragut and includes the section to the east of Virtue Road along both sides of the creek. A small segment of the greenway area is owned by Vista Subdivision as part of their open space. There is a note on the final plat for Vista Subdivision that indicates Lot 44 is designated as a greenway easement for future development by the Town of Farragut and becomes effective upon the Board of Mayor and Aldermen officially declaring this area a greenway (which will be part of this approval). The Town will then be responsible for the maintenance

and the liability for this easement. Knick Myers, Vista developer and homeowner's president, has been notified of this grant application and expressed excitement over the project.

- Construction of a 3 or 4 car trailhead in an area along Virtue Road that formerly housed a cold storage building.
- Construction of a greenway between Virtue Road and the creek starting at the trailhead and ending at the current greenway by the bridge into Sheffield Subdivision. A barrier, typical of use between driving and bike lanes, will be used to delineate the greenway area from the road.
- Installation of amenities including signage about the history of this area at both the trailhead and on the bridge and a Town bench near the bridge.

FINANCIAL SECTION: Capital Investment Program (FY2013)

Account Number: 310-43910-280		
<u>Total Budget</u>	<u>Contract Amount</u>	<u>Remaining Amount</u>
\$100,000	\$70,500	\$29,500
Approved By: _____		

RECOMMENDATION BY: Parks and Leisure Services Director Sue Stuhl for approval.

PROPOSED MOTION: Approval of Resolution 2011-09 and the declaration of Lot 44 of Vista Subdivision as a greenway easement.

BOARD ACTION:

MOTION BY: _____ **SECONDED BY:** _____

TOWN OF FARRAGUT

RESOLUTION 2011-09

RECREATION TRAILS PROGRAM MATCHING GRANT

WHEREAS, the Board of Mayor and Aldermen of the Town of Farragut wishes to apply for a 2011-12 Recreation Trails Program matching grant from the State of Tennessee, and

WHEREAS, the Town of Farragut wishes to request a \$63,750 matching grant, \$51,000 to be provided by the State of Tennessee through the federal Safe, Accountable, Efficient Transportation Equity Act – A Legacy for Users (SAFETEA – LU) and \$12,750 to be provided by the Town of Farragut Capital Investment Plan Budget, and

WHEREAS, the Town of Farragut will use this grant money for the construction of the Virtue Road Greenway and Trailhead, and

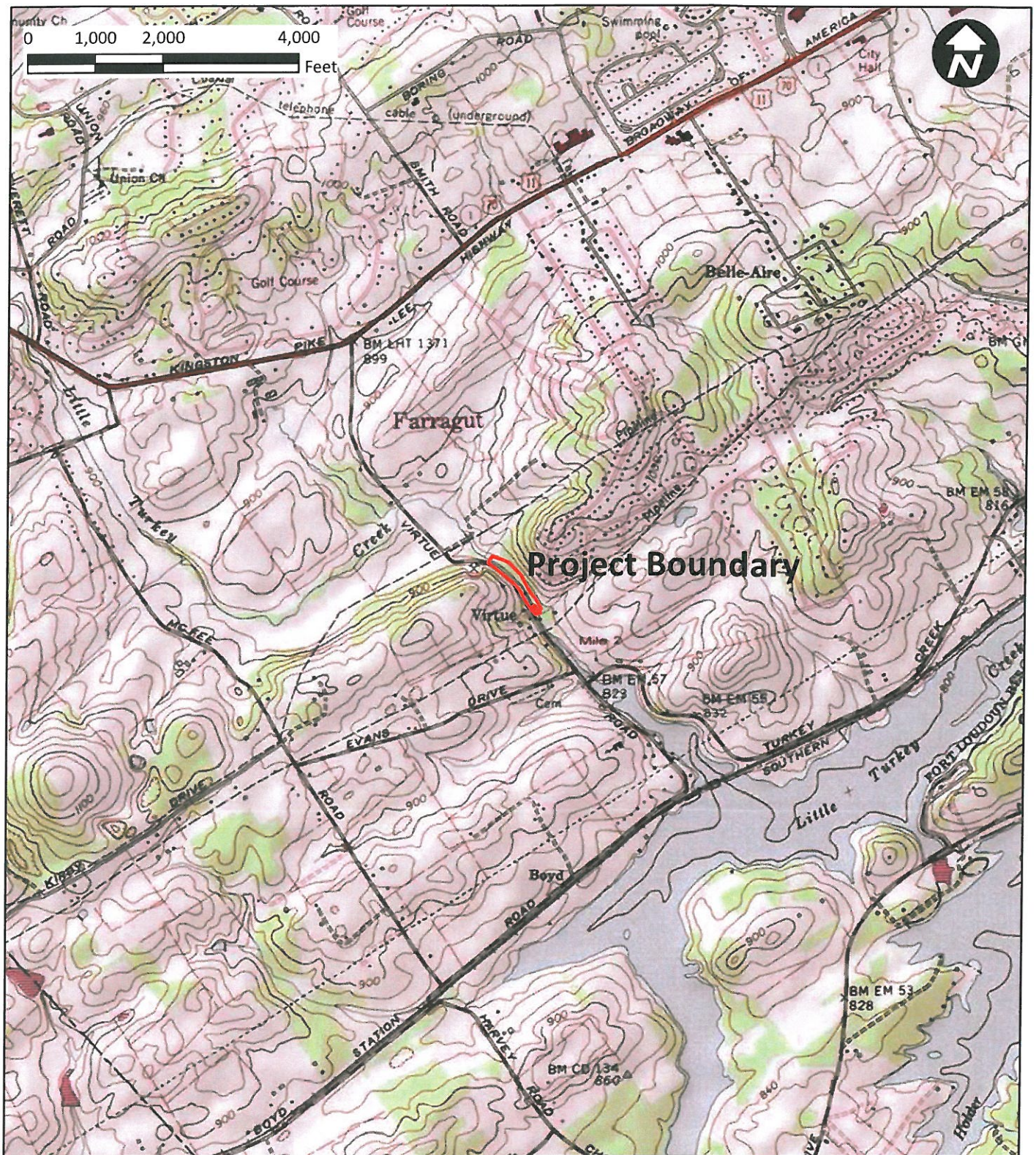
WHEREAS, this property may not be converted to other than public recreation uses, whether by transfer or by other means, without the express written approval of the Commissioner of the Tennessee Department of Environment and Conservation,

NOW, THEREFORE, BE IT RESOLVED by the Board of Mayor and Aldermen of the Town of Farragut to budget matching funds in the FY2012 budget for this project and to conform to all regulations regarding this grant.

This Resolution is duly adopted this 13th day of October 2011.

Dr. Ralph McGill, Mayor

Allison Myers, Town Recorder



Legend

Greenway Parcel

NOTES:

Basemap: Accessed from USA Topographic Map layers from ArcGIS online via ArcMap 10.

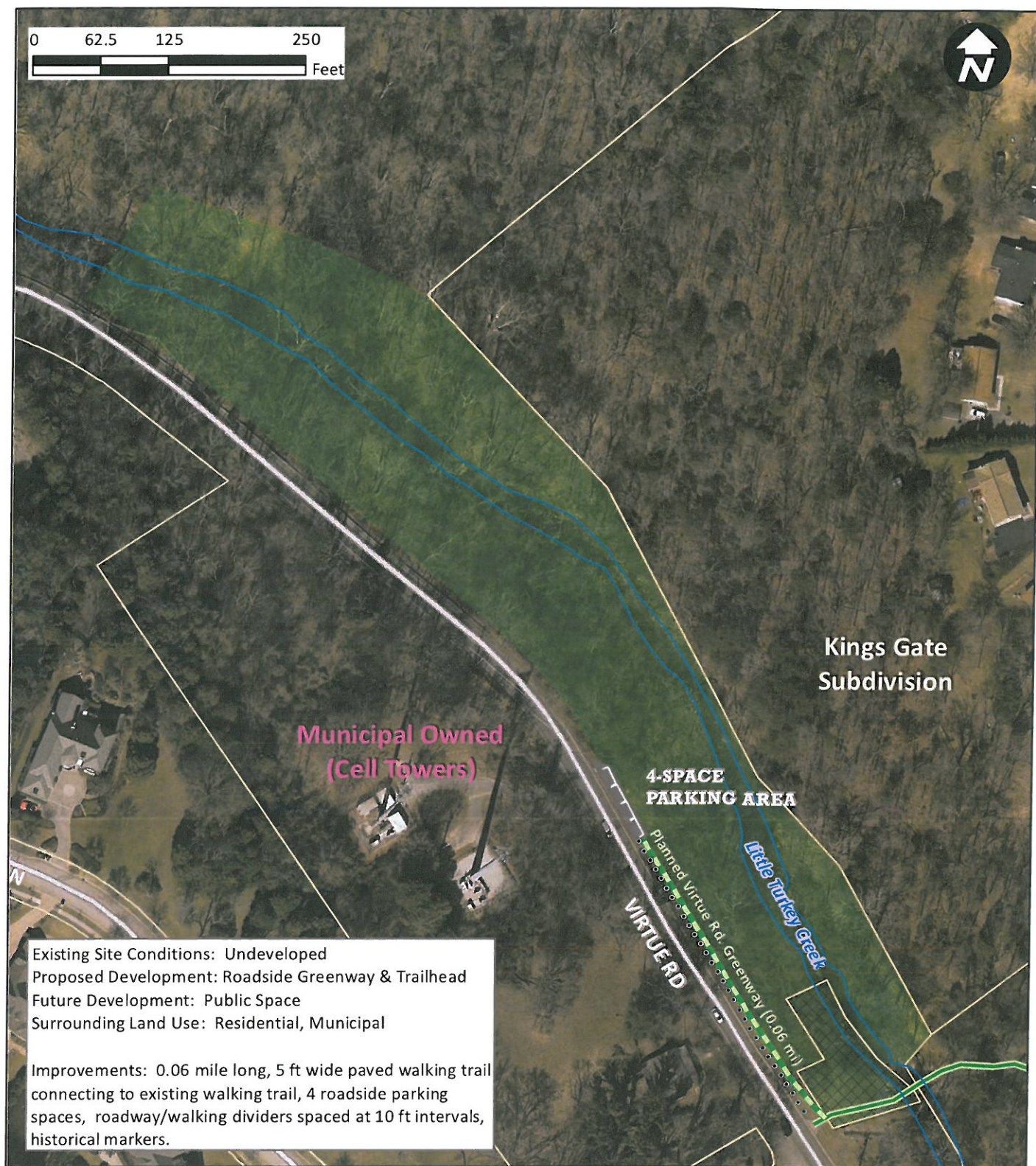
Located on the 7.5 minute (Topographic) Series
 Concord, Tennessee Quadrangle - 138-SW
 Elevation - 860 ft-amsl; Center Coordinate - 35°51'28.44", -84°10'45.098"
 Coordinate System: NAD 1983 HARN State Plane Tennessee FIPS 4100 Feet

Exhibit 3

Topographic Map

**Project Title: Virtue Road Greenway & Trailhead
 Town of Farragut, TN**

Path: L:\FarragutMapDocuments\2011\2011 Virtue Road Greenway Exh 3 Topo Map.mxd
 Date Prepared: 9/29/2011 10:22:22 AM



Legend

- | | |
|-----------------------------|----------------------------|
| ● Road/Trail Divider | Subdivision |
| — Little Turkey Creek Banks | Parking Area |
| — Planned Greenway | Vista Subdivision Easement |
| — Existing Greenway | Greenway Parcel |

NOTES:

Aerial imagery: 2010, provided by Sanborn via Knoxville Geographic Information Systems (KGIS)
 Coordinate System: NAD 1983 HARN State Plane Tennessee FIPS 4100 Feet

Exhibit 4

Preliminary Site Plan

**Project Title: Virtue Road Greenway & Trailhead
 Town of Farragut, TN**

Path: L:\Farragut\MapDocuments\2011\2011 Virtue Road Greenway Exh 4 Site Plan.mxd
 Date Prepared: 9/29/2011 10:35:49 AM

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: David Smoak, Town Administrator 

SUBJECT: Approval of Lease Agreement with Knox County Clerk

INTRODUCTION: Currently Knox County has an office lease agreement with the Town for 1,200 s.f. of space on the second floor of Town Hall. The current lease was approved November 7, 2007 and will expire in November 2011.

DISCUSSION: The terms of the new lease will remain the same as the current lease. The term will extend from November 1, 2011 to October 31, 2012, with automatic renewals for up to three, one year terms. The only update to the lease is the rent payment Knox County will pay the Town over the life of the term, which will increase slightly each year the lease is in effect.

Having Knox County offices in town hall provides convenience to our citizens and consolidates several government services into one building so that citizens can easily identify where to come for assistance.

FINANCIAL SECTION:

Current and New Lease Rates		
Year	Current Rate per Month	New Rate per Month
1	\$800	\$900
2	\$825	\$950
3	\$850	\$1,000
4	\$875	\$1,050

RECOMMENDATION BY: Town Administrator David Smoak for approval.

PROPOSED MOTION: To approve the Lease Agreement with the Knox County Clerk.

BOARD ACTION:

MOTION BY: _____ SECONDED BY: _____

<u>VOTE/TOTAL</u>	<u>MCGILL</u>	<u>ELLIOTT</u>	<u>HONKEN</u>	<u>LAMARCHE</u>	<u>MARKLI</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____

AGREEMENT BETWEEN THE TOWN OF FARRAGUT AND KNOX COUNTY FOR
THE LEASE OF OFFICE SPACE IN THE FARRAGUT TOWN HALL

THIS AGREEMENT, made and entered as of the ____ day of _____, 2011, by and between the TOWN OF FARRAGUT, TENNESSEE, hereinafter called "Landlord" and KNOX COUNTY, TENNESSEE, hereinafter called "Tenant."

WHEREAS, Tenant, acting through the offices of the Knox County Clerk and Knox County Trustee, desires to make more convenient and accessible services to Knox County residents utilizing the services of those offices by maintaining the current office space within the Farragut Town Hall, located at 11408 Municipal Center Drive, Farragut, Tennessee, that has been utilized under a lease agreement entered into November 8, 2007, and

WHEREAS, Landlord agrees to permit such location of said offices, all subject to the terms and conditions hereinafter set forth.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and agreements provided for hereinafter, and as provided for in the Agreement, the Landlord and Tenant hereby agree as follows:

1. Landlord shall lease approximately one thousand two hundred square feet (1,200 s.f.) of space on the second floor of Town Hall, together with ingress and egress thereto, for the sole and exclusive purpose of maintaining satellite offices of the Knox County Clerk and the Knox County Trustee.
2. Tenant shall continue to provide the services carried out in the offices of the Knox County Clerk and Trustee prior to this new lease agreement. The office space shall be available on a twenty-four hour basis, but ingress and egress during other than normal business hours shall be via the outside stairway only. The Tenant shall be responsible for its own internal office security of confidential records and shall be solely responsible for any costs incurred in connection therewith. Nothing contained herein shall limit Landlord in its access to the entirety of the first floor and the remainder of the second floor, including access to and use of the common areas, mechanical room and restrooms at all times. Access to the office space of the Tenant shall be limited to those designated by the Tenant, the general public to the extent appropriate and during the time designated by Tenant, personnel of Landlord during normal business hours, janitorial and maintenance personnel selected, controlled and paid by Tenant, and personnel acting for Landlord in an emergency situation.
3. Landlord shall provide building standard finished space, unfurnished, and shall likewise provide building standard heating, cooling, lighting, electrical connections and electricity. Each party shall be responsible for providing its own janitorial services so as to be able to provide for and control security in the space utilized by each. Landlord will afford access to public facilities and restrooms to employee of Tenant, but public facilities and

Restrooms shall only be available to the general public on the first floor. Employees of Landlord shall have access to second floor restrooms.

4. Tenant shall be responsible for all furnishings, equipment and supplies necessary and appropriate to the operation of a full-service, satellite office of the Knox County Clerk, including the operation of a business/marriage license office. Tenant shall be responsible for its own telephone, computer lines and equipment, any physical requirements for heating, cooling, electrical supply, communications capability in excess of building standard, and shall be responsible for all charges, costs, and expense in connection with the installation and utilization of such, either by separate billing, separate metering, or reimbursement to Landlord as appropriate and applicable.
5. Tenant shall be solely responsible for the hiring, firing, payment, and any and all related matters pertaining to its employees, including the employees of the Knox County Clerk and the Knox County Trustee, which employees are to be located in the facilities of the Landlord. Any and all insurance, benefits, workmen's compensation insurance, if any, and terms and conditions of employment of personnel of the office of the Knox County Clerk and the Knox County Trustee shall be solely and exclusively within the purview and province of and the duty and responsibility of Tenant and Landlord shall have no responsibility, obligation or liability whatsoever in connection therewith. Tenant shall appoint and furnish to Landlord the names of appointees who shall be responsible as to each separate office located in the leased space to act as liaison with the Town Administrator of Landlord to resolve on-site matters with the Town.
6. Each Landlord and Tenant shall be responsible for the security of the space in the Farragut Town Hall allocated to each.
7. The initial term of the Agreement shall extend from November 1, 2011 to and including October 31, 2012. Unless terminated by either party as hereinafter provided, this Agreement will automatically renew for up to three (3) additional lease terms of one (1) year each. Either party may opt to terminate this Agreement by giving written notice of its intent to not renew to the other party at least ninety (90) days prior to the expiration of the then-current lease term. Further, tenant may terminate this lease at any time prior to the expiration of any term, without penalty, but no refund of any portion of a monthly payment will be made. Upon termination of the Agreement, Tenant will remove at its sole cost and expense, during normal business hours, all of the furnishings, equipment, supplies and other personal property from the space, leaving the same broom-clean and surrender the space to Landlord in as good condition as received, normal wear and tear accepted.
8. As rent for the entire term of this lease and for the fulfillment of the conditions contained in this agreement, Landlord agrees to charge and accept, and Tenant agrees to pay rent in

the following amounts, payable on the first of the month for each month, beginning November 1, 2011:

<u>Year</u>	<u>Rental per month</u>
1	\$900
2	\$950
3	\$1,000
4	\$1,050

Landlord shall make no other charge or access any other fee to Tenant for the occupancy of space by Tenant in the Town Hall building, provided however Tenant shall be responsible for costs of utilities, communications, heating and cooling, lighting, electrical connections and electrical requirements in excess of building standard, and Tenant shall be responsible for costs incident to its own janitorial service. Landlord shall furnish at no expense to Tenant and pay all costs associated with common area maintenance, parking and normal maintenance upkeep and repair, except for items in excess of building standard installed at the expense of Tenant as to which obligations of repair, maintenance and upkeep shall be the sole duty, responsibility and obligation of Tenant.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed as of the day and year first above written.

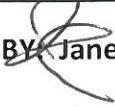
LANDLORD:

By: _____
Ralph McGill, Mayor

TENANT:

By: _____
Tim Burchett, Mayor

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY  Janet Curry, Human Resources Manager

SUBJECT: Consideration of Social Security Buy Back program for the Town of Farragut

INTRODUCTION: A Section 218 agreement includes the option to buy-back years of service for employees. Under the federal statute, only entire calendar years are available to buy back. The statute allows the Town to buy-back up to three (3) years of service time. The Internal Revenue Service (IRS) may agree for an additional two (2) years of buy-back service time under a separate agreement.

BACKGROUND: In April, 2011, the Board voted to change the employee retirement plan from a social security exempt plan with 8 % of gross wages going into a 401(a) to a social security plan with a match of up to 4% into a 401 type plan. In order to implement the Board's vote, a Section 218 Agreement must be signed with the State of Tennessee. The resolution to adopt a Section 218 Agreement and election into Social Security coverage for eligible employees was passed by the Board of Mayor and Aldermen in August. The Board opted for the divided vote type of referendum. Another part of a Section 218 Agreement is the Town buying back employees previous years of service to the Town. At the referendum vote, employees who vote for Social Security would be the sole recipients of any buy-back. A buy-back means that the Town of Farragut would purchase employee's previous service time in calendar year increments at a rate of 12.4% of gross wages. Employees are not allowed to buy-back or purchase service time for themselves individually. According to IRS regulations, employees must pay taxes on the buy-back amount within the calendar year that the Town pays the buy-back to social security. The tax rate will be whatever the employee's personal tax rate is under the current regulations.

In order to proceed with the next step in joining social security, the Board must decide whether to buy-back employee service time or not. Should the Board agree to buy-back some employee service time, the Board must vote on how many calendar years that it wishes to purchase or buy-back. With a decision on this issue, the State Social Security Administrator can set the date of the employee referendum in which each employee will elect whether to begin contributing to Social Security. The referendum cannot take place until a minimum of 90-days has elapsed from the notice of when the vote is to occur.

DISCUSSION: As stated at each juncture of this retirement discussion, this is a complex issue. A staff analysis of employee's age, service time, available years to work until age 67, and an assumption that employees began working at age 20, found that eight (8) employees most likely would be affected by the Windfall Elimination Provision (WEP) or the Government Pension Offset (GPO) penalties and would not have enough time to eliminate these penalties if they entered Social Security. An additional seven (7) employees may also be affected by the WEP and GPO based on their current service time with the Town and their individual situations. Finally, the analysis found that employees with 12 or less years of service with the Town will have time to acquire 30 years of credible service prior to normal retirement age. This means they will have the required 30 years of service at the time of normal retirement which eliminates the WEP and GPO.

FINANCIAL SECTION: The retirement plan approved by the Board in April 2011 is fully funded in the FY 11-12 budget. A buy-back would require additional monies and the Town would be required to purchase that time for all employees that voted to enter Social Security. The following chart shows the additional cost of buying back time in Social Security if all employees elected to enter the system:

2011	\$251,287 (estimated)
2010	\$247,674
2009	\$215,539
2008	\$184,892

PROPOSED MOTION:

To approve and adopt buying back ____ years of service time to be included in the Section 218 Agreement and election into Social Security coverage for eligible employees who vote to join social security.

Note: if the BMA elects not to buy back service time a vote of "NO" would need to be given on the above motion.

BOARD ACTION:

MOTION BY: _____ SECONDED BY: _____

<u>VOTE/TOTAL</u>	<u>ELLIOTT</u>	<u>LAMARCHE</u>	<u>MARKLI</u>	<u>HONKEN</u>	<u>MCGILL</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____