

FARRAGUT BOARD OF MAYOR AND ALDERMEN MINUTES October 24, 2019

Mayor Williams called the meeting to order at 7:00 PM. Members present were Mayor Williams, Aldermen Burnette, Meyer, Pinchok and Povlin.

Approval of Agenda

Motion was made to approve the agenda as presented. Moved by Alderman Povlin, seconded by Alderman Pinchok, voting yes, Mayor Williams, Aldermen Burnette, Meyer, Pinchok and Povlin; no nays, motion passed.

Mayor's Report

Alderman Meyer announced that the Farragut High School volleyball team won the regional tournament and Concord Christian volleyball team are the runners-up in the state volleyball tournament.

Approval of Minutes

Motion was made to approve the minutes of October 10, 2019 as presented. Moved by Alderman Pinchok, seconded by Alderman Povlin, voting yes, Mayor Williams, Aldermen Burnette, Meyer, Pinchok and Povlin; no nays, motion passed.

Business Items

Approval of professional services agreement for construction oversight of Anchor Park Improvements with Lose Design.

Motion was made to approve the agreement for construction oversight of Anchor Park Improvements with Lose Design for \$25,000. Moved by Alderman Povlin, seconded by Alderman Pinchok, voting yes, Mayor Williams, Aldermen Burnette, Meyer, Pinchok and Povlin; no nays, motion passed.

Approval of Resolution R-2019-07, authorizing the town to participate in the Public Entity Partners Property Conservation Matching Grant Program.

Motion was made to approve Resolution R-2019-07, authorizing the town to participate in the Public Entity Partners Property Conservation Matching Grant Program. Moved by Alderman Povlin, seconded by Alderman Meyer, voting yes, Mayor Williams, Aldermen Burnette, Meyer, Pinchok and Povlin; no nays, motion passed.

Approval of Resolution R-2019-08, Farragut Community Center Fees

Motion was made to approve Resolution R-2019-08, Farragut Community Center Fees. Moved by Alderman Pinchok, seconded by Alderman Povlin, voting yes, Mayor Williams, Aldermen Burnette, Meyer, Pinchok and Povlin; no nays, motion passed.

Approval of Memorandum of Understanding between the Town of Farragut and the Farragut Business Alliance

Motion was made to approve the Memorandum of Understanding between the Town of Farragut and the Farragut Business Alliance. Moved by Alderman Pinchok, seconded by Alderman Povlin; roll call vote, Alderman Burnette, yes; Alderman Meyer, yes; Alderman Pinchok, yes; Alderman Povlin, yes; Mayor Williams, yes; motion passed.

Ordinance

First Reading

Ordinance 19-27, Ordinance on first reading amending the Capital Investment Program and State Street Aid Fund budget of the Fiscal Year 2019-2020 budget, passed by Ordinance 19-22

Motion was made to approve Ordinance 19-27 on first reading. Moved by Alderman Pinchok, seconded by Alderman Povlin; roll call vote, Alderman Meyer, yes; Alderman Pinchok, yes; Alderman Povlin, yes; Alderman Burnette, yes; Mayor Williams, yes; motion passed.

Ordinance 19-28, an ordinance to amend Chapter 4 of the Farragut Municipal Code to permit the sale and distribution of alcoholic beverages in town-owned rental properties.

Motion was made to approve Ordinance 19-28 on first reading. Moved by Alderman Pinchok, seconded by Alderman Povlin; roll call vote, Alderman Pinchok, yes; Alderman Povlin, yes; Alderman Burnette, yes; Alderman Meyer, yes; Mayor Williams, yes; motion passed.

Town Administrator's Report

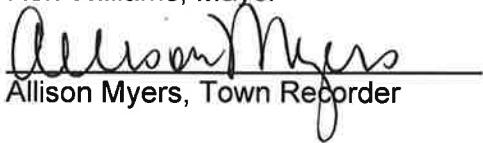
David Smoak, Town Administrator, announced the following events:

- Freak Friday, Friday October 25 from 5-7 PM at Mayor Bob Leonard Park
- Intro to Farragut Class, October 30 at 6:00 PM
- Intro to Farragut graduation, November 6
- Veterans Day 5K/10K, November 9

Meeting adjourned at 7:50PM.



Ron Williams, Mayor



Allison Myers, Town Recorder



**FARRAGUT BOARD OF MAYOR AND ALDERMEN
AGENDA**

October 24, 2019

**WORKSHOP
5:00 PM**

COMMERCIAL BUILDING CODE CONSTRUCTION DISCUSSION
Review Farragut Municipal Code, Chapter 105, Article 2., Section 105-20

**TOURISM PRESENTATION
BY THE TENNESSEE HOSPITALITY ASSOCIATION**

**BMA MEETING
7:00 PM**

- I. Silent Prayer, Pledge of Allegiance, Roll Call**
- II. Approval of Agenda**
- III. Mayor's Report**
- IV. Approval of Minutes**
 - A. October 10, 2019
- V. Business Items**
 - A. Approval of professional services agreement for construction oversight of Anchor Park Improvements with Lose Design.
 - B. Approval of Resolution R-2019-07, authorizing the town to participate in the Public Entity Partners Property Conservation Matching Grant Program.
 - C. Approval of Resolution R-2019-08, Farragut Community Center Fees
 - D. Approval of Memorandum of Understanding between the Town of Farragut and the Farragut Business Alliance

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It is the policy of the Town of Farragut not to discriminate on the basis of race, color, national origin, age, sex, or disability pursuant to Title VI of the civil Rights Act of 1964, Public Law 93-112 and 101-336 in its hiring, employment practices and programs. To request accommodations due to disabilities, please contact the ADA Coordinator at jcurry@townoffarragut.org or 865-966-7057 in advance of the meeting.

VI. Ordinance

A. First Reading

1. Ordinance 19-27, Ordinance on first reading amending the Capital Investment Program and State Street Aid Fund budget of the Fiscal Year 2019-2020 budget, passed by Ordinance 19-22
2. Ordinance 19-28, an ordinance to amend Chapter 4 of the Farragut Municipal Code to permit the sale and distribution of alcoholic beverages in town-owned rental properties.

VII. Town Administrator's Report

VIII. Town Attorney's Report

IX. Citizens Forum

Board of Mayor and Aldermen Meeting Public Comment Protocol

The Board of Mayor and Aldermen welcomes and invites citizens to participate in public meetings.

At the beginning of each meeting, there will be time reserved for public comment under the Citizen Forum agenda item. If you are interested in speaking, please fill out a blue comment card and turn it in to the Town Clerk or staff member. This time is set aside specifically for comments on items that are not on the Board of Mayor and Aldermen regular agenda for the meeting. Each speaker will be given five (5) minutes to speak on his/her topic.

During the regular agenda portion of the meeting there may be an allowance for public comment for each agenda item. The Mayor may recognize individuals for public comment based on the following guidelines:

1. The Mayor shall maintain and control the meeting to provide a professional and objective environment conducive to presentation and discussion of the agenda items;
2. Anyone interested in speaking should fill out a blue comment card stating which agenda item they would like to comment on and turn in to the Town Clerk or a staff member;
3. Speakers shall come to the podium and identify themselves by name and address;
4. Public comment shall be limited to five (5) minutes per individual, time may be extended at the discretion of the Mayor; time is not transferable to other speakers;
5. Speakers should strive to avoid redundancy;
6. Comments shall address issues, not individuals or personalities;
7. Comments may support or oppose particular issues or measures, but the motives of those with differing views shall not be questioned or attacked;
8. Personal attacks and malicious comments shall not be tolerated;
9. An applicant, and/or their representative(s), for an item on the regular agenda shall be afforded the time necessary to present their request and respond to questions. The five (5) minute limitation shall not apply. However, the Mayor may ask an applicant to stay on point in order to facilitate the efficiency of the meeting.

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: Mark Shipley, Community Development Director

SUBJECT: Workshop discussion on a request to amend the Farragut Municipal Code, Chapter 105, Article 2., Section 105-20 e. concerning construction types for certain size/story structures

BACKGROUND: As part of the Town's adoption process related to the 2018 International Building Code (IBC), the Board of Mayor and Aldermen of the Town of Farragut unanimously adopted in April of 2019 certain modifications that would provide for standards of construction that would be in excess of the minimum standards provided in the IBC. One aspect of the modifications dealt with certain buildings in excess of 7,000 gross square feet that would be required to be constructed of Type I, II, III, or IV Construction. The 7,000 square foot provision and the construction types are provided for in the IBC and are industry recognized applications.

This construction type limitation would also apply to buildings of a certain height. However, in reviewing this matter in preparation for the workshop discussion, it was discovered that there is an error in the adopted language as it applies to buildings that are more than two stories. The current language includes, in error, the word "not" that is outlined in the following adopted provisions:

(e) The International Building Code is amended by adding the following: Any structure in excess of 7,000 gross square feet per story and not more than two stories shall be of Type I, II, III or IV construction; and

(f) The International Building Code is amended by adding the following: Any structure in excess of 7,000 gross square feet per story and not more than two stories shall be sprinklered per Section 903.3 of the International Building Code.

To be clear, the language should be stated as the following (which was the original intent):

(e) The International Building Code is amended by adding the following: Any structure in excess of 7,000 gross square feet per story or more than two stories shall be of Type I, II, III or IV construction.

(f) The International Building Code is amended by adding the following: Any structure in excess of 7,000 gross square feet per story or more than two stories shall be sprinklered per Section 903.3 of the International Building Code.

The intent of the modifications in this case is to provide for a higher level of protection for larger and taller buildings. The adopted language in error will need to be amended to be consistent with the intent of the modifications. In general, the lower the number, in terms of construction type, the greater the level of protection: Types I and II are those types of construction in which the building elements are constructed of noncombustible materials; Type III is the type of construction in which the exterior walls are of noncombustible materials and the interior building elements are of any material permitted in the code, ex., fire-retardant-treated wood; Type IV is a unique construction type that utilizes oversized wood members to provide fire protection; Type V is the type of construction in which the structural elements, exterior walls and interior walls are of any materials permitted by the Code. Thus, a building with a Type I Construction has the highest level of protection and would be the likely construction type for most hospitals. The Code, without a locally tailored modification, would allow for certain buildings in excess of 7,000 gross square feet or more than two stories to be built with a Type V Construction which is basically a wood framed building.

The Town's intent to provide for an enhanced construction type for certain buildings that would otherwise be permitted for Type V Construction is based on a number of objectives, including the following:

- a) To ensure that larger and taller buildings are constructed with materials that would provide for greater protection of the occupants, the structures, and adjacent structures. Essentially, requiring materials that would better enhance the life/safety characteristics of these larger buildings. Type I through IV structures have less combustible material and thus create a lower fuel source compared to a Type V Construction (irrespective of the sprinkler system used);
- b) The Town wanted to improve its Insurance Service Office (ISO) rating so that the businesses in the Town would have the lowest possible insurance premiums. Requiring buildings to be constructed to a higher standard, as reflected in a recognized improved construction type, is something that an ISO audit reviewer looks at when considering a community's rating. In part, due to its efforts to go above the minimum code requirements, the Town of Farragut is one of only 11 communities in the state with an ISO rating of 3. This is an excellent rating and greatly benefits the residents and businesses of the Town. Without this modification, the rating could be compromised (www.isomitigation.com/about-us/about-iso.html);
- c) To provide for buildings that would have more longevity and flexibility. The higher the construction standard the more adaptable a building is to changing conditions and uses. This is one of the reasons the 4-story SouthEast Bank building in front of the Renaissance Farragut was constructed with a Type II all noncombustible construction. The owners wanted to construct something that would have lasting value and that could be used a number of ways should conditions change in the future. This would be particularly important if a building were to be considered for mixed use occupancy which is becoming a desirable land use practice in many communities;
- d) To simplify the construction requirements for larger and taller buildings and avoid the creation of the much more complicated fire district that many communities, such as Knoxville and Oak Ridge, have adopted. These fire districts essentially require Construction Type's I-IV but with much more complexity. The Marble Alley apartment buildings that have recently been constructed behind the General Mast Store building in Knoxville are in a fire district and were constructed with a construction type that would comply with the Town's adopted modification. The Town's current provisions would provide for the same quality but with a simpler application;
- e) To be consistent with the Town's long-standing objectives of promoting high standards. The Town is known for its high standards in zoning, signage, landscaping, parks, greenways, and architectural design. These in turn help protect property values and market the community as a great place to live, work, and recreate. The application of the building and fire code was seen as equally important and should also reflect these higher standards. Consequently, the Town is known in the area as a leader in building and fire codes. This, in turn, is a major reason it has a low ISO rating;

DISCUSSION: In addition to addressing the error in the current adopted modifications, a request has been submitted for the Town to consider permitting an alternate design that would allow a qualifying building in excess of 7,000 gross square feet per story or more than two stories to be constructed with a Type V Construction that is modified with enhanced fire resistant ratings that would be equivalent to or greater than that of a Type III Construction.

This is a similar request to what was ultimately permitted for the Overlook apartment development off N. Campbell Station Road. In that case, an approved Fire Protection Engineer provided an alternative design that was then approved by a third-party Fire Protection Engineer that was representing the Town. At that time, there was not an adopted process for how this would take place. This was worked out with the Town's Codes staff and the Fire Protection Engineers so that the ultimate approved design was at least equivalent to or greater than the protections afforded by a Type III Construction regime. This design was then reflected in the approved building plans and is being verified as part of the inspection process.

In relation to the specific request at this time, some questions for the Board are as follows:

- 1) Does the Board wish to provide for an opportunity for an alternative design that would permit certain buildings to be constructed with a modified Type V Construction? and
- 2) If the Board is open to allowing for an alternative design, how should this process be enumerated in the Municipal Code so that the process and expectations are clear?

Staff would note that the modified construction type that was applied in the case of the Overlook project did increase the staff review time during the plans review stage. The additional measures that were provided to make the building at least equivalent to a Type III Construction also has added time to the inspection process. Though these increases are manageable, they do add to the staffs' work load and create a situation where an applicant would need to consider hiring a qualified third-party inspection service in order to maintain a desired schedule.

Should the Board be open to considering an alternative design option, some language for consideration, as it applies to the section in question, would be as follows:

(e) The International Building Code is amended by adding the following: Any structure in excess of 7,000 gross square feet per story or more than two stories shall be constructed of Type I, II, III or IV Construction. An alternative design using a Type V Construction may be considered, as provided for by the IBC, where enhanced fire-resistant ratings are demonstrated that are equivalent to or greater than that of Type III Construction. In such cases, the alternative design must be detailed in writing and with exhibits and shall be prepared and signed and sealed by a Town-*approved* and recognized State of Tennessee registered Fire Protection Engineer. The approved measures outlined by the Fire Protection Engineer shall then be incorporated in the construction plans prepared by a State of Tennessee registered Design Professional. All designs, evaluations, verifications, and tests shall be provided without expense to the Town.

- (a) The International Building Code, is amended by establishing the permit fees in the general fee schedule resolution adopted by the Farragut Board of Mayor and Aldermen.
- (b) The International Building Code, is amended by adding the following:

"No building permit shall be issued unless and until an access permit as otherwise required by ordinance of the Town of Farragut has been issued."

"No permit shall be issued to an applicant, or any shareholder of the entity serving as the applicant, if the matter for which application has been filed, if completed, would be in violation of any ordinance of the Town of Farragut. No permit shall be issued to an applicant, or any shareholder of the entity serving as the applicant, who, prior to the issuance of the permit, is in violation of any other sections of the Farragut Municipal Code or ordinance of the Town of Farragut, nor shall any permit be issued for a premise that, prior to the issuance of the permit, is in violation of any other sections of the Farragut Municipal Code or ordinance of the Town of Farragut."

"A certificate of occupancy shall not be issued until all required building, electrical, gas, mechanical, plumbing, and fire protection systems have been inspected for compliance with the technical codes and all other applicable laws and ordinances of the Town of Farragut are met."

- (c) The International Building Code is amended by adding the following: Permit drawings shall be no larger than twenty-four (24) x thirty-six (36) inches.
- (d) The International Building Code, is amended by adding the following:
 - (1) *Design professional.* The design professional shall be an architect or engineer legally registered under the laws of this state regulating the practice of architecture or engineering and shall affix his/her official seal to said drawings, specifications and accompanying data, for the following:
 - a. All Group A, E and I occupancies.
 - b. Buildings and structures three stories or higher.
 - c. Buildings and structures 5,000 square feet (465 square meters) or more in area.For all other buildings and structure, the submittal shall bear the certification of the applicant that some specific state law exception permits its preparation by a person not so registered.
 - (2) *Exception.* Group R3 buildings, regardless of size, shall require neither a registered architect or engineer unless required by the building official.



- (e) The International Building Code is amended by adding the following: Any structure in excess of 7,000 gross square feet per story and not more than two stories shall be of Type I, II, III or IV construction.
- (f) The International Building Code is amended by adding the following: Any structure in excess of 7,000 gross square feet per story and not more than two stories shall be sprinklered per Section 903.3 of the International Building Code.
- (g) The International Building Code is amended by adding the following: Fire walls shall be of noncombustible construction and shall have no penetrations or openings in Type V construction.
- (h) Section 101.1 Title, of the International Building Code, is amended by inserting the phrase "Town of Farragut" for NAME OF JURISDICTION.
- (i) The International Building Code is amended by adding the following:

"All building permits shall expire according to the following completion schedule from the date the permit is issued"

New construction	16 months
Additions	180 days
Accessory structures	180 days
Decks/porches	60 days
Swimming pools	60 days
New gas/mechanical	60 days
Moving structures	30 days
Demolition	30 days
Mechanical changeouts	30 days

- (j) Section [A] 107.3.4 Design professional in responsible charge, of the International Building Code, is amended by adding the following:

[A] 107.3.4.2 *Construction documents*. The building official may require details, computations, stress diagrams, and other data necessary to describe the construction or installation and the basis of calculations. All drawings, specifications and accompanying data required by the building official to be prepared by a Tennessee registered architect or engineer shall be affixed with their official seal.

- (k) Section 113 Board of Appeals, of the International Building Code, is amended by adding the following:

- [A] 113.4 *Membership*. The Farragut Board of Plumbing and Gas/Mechanical Examiners shall serve as the board of appeals.
- [A] 113.5 *Application*. Application to board of appeals shall be made prior to commencement of construction.
- [A] 113.6 *Notice of meeting*. The board shall meet upon notice from the chairman, within twenty (20) days of the filing of an appeal, or at stated periodic meetings.
- [A] 113.7 *Open hearing*. All hearings before the board shall be open to the public. The appellant, the appellant's representative, the code official, and any person whose interests are affected shall be given an opportunity to be heard.
- [A] 113.7.1 *Procedure*. The board shall adopt and make available to the public through the secretary procedures under which a hearing will be conducted. The procedures shall not require compliance with strict rules of evidence but shall mandate that only relevant information be received.
- [A] 113.8 *Board decision*. The board shall modify or reverse the decision of the code official by a concurring vote of the majority of membership.

[A] 113.8.1 *Administration*. The code official shall take immediate action in accordance with the decision of the board

[A] 113.9 *Court review*. Any person, whether or not a previous party of the appeal, shall have the right to apply to the appropriate court for a writ of certiorari to correct errors of law. Application for review shall be made in the manner and time required by law following the filing of the decision in the office of the chief administrative officer.

(l) Section 114 Violations, of the International Building Code, is amended by adding the following:

[A] 114.5 *Revocation*. The building official may also revoke a permit or approval if a permit holder shall, subsequent to the issuance of such permit or approval, violate the terms of the International Building Code or the provisions of any other pertinent sections of the Farragut Municipal Code or other ordinances of the Town of Farragut."

(m) Section [F] 502 Building Address, of the International Building Code, is amended by deleting it in its entirety and substituting in lieu thereof the following:

[F] 502 Posting of designated street address.

- a. All buildings (excluding accessory buildings) shall display the number assigned by the Knox County Addressing Division to the frontage on which the building's front entrance is located. If a building is occupied by more than one unit, each separate outside entrance shall display a separate number.
- b. Numerals indicating the official numbers for each building or each entrance to such building shall be placed either over or at the side of the main entrance of said building or upon the front of any porch or stoop thereof or over or at the side of any gateway leading thereto, or upon the steps thereof in such manner that the same may be plainly seen and distinguishable from the street on which the property is located and in such manner that the same shall not be hidden from view by any trees or shrubs or other obstruction.
- c. If a unit does not allow ready or easy visibility of its address numerals from the street due to excessive setback, shrubbery or color, an address identification marker shall be placed near the entrance or driveway to the parcel. Such identification marker shall not exceed a total area of two (2) square feet.
- d. All building numbers displayed shall be permanent, legible figures not less than four (4) inches nor more than six (6) inches high and of a color contrasting to the building background.
- e. In addition to the required assigned numerals on all buildings and the required address identification markers for units with excessive setbacks and/or visibility problems it shall also be permissible to have property address numerals painted on the curb in front of a lot. Such curbside designation shall be positioned in front of the unit or between the driveway and half the distance of the frontage along the public street. All painted numerals displayed on curbs shall be permanent, legible black colored numerals, which are no more nor less than four (4) inches high, on a white contrasting background. All paint used shall be of alkyd resin, Type F traffic paint, or an equal approved by the Town's engineering department. Numerals shall have glass beads or similar materials for reflective purposes.
- f. A proper address shall be required for any permit issuance. Final approval of a certificate of occupancy of a building erected or repaired shall be withheld until permanent and proper numbers have been displayed in accordance with this section.

(n) Section 708.1 General, of the International Building Code, is amended by deleting it in its entirety and substituting in lieu thereof the following:

708.1 *General*. The following wall, ceiling, and floor assemblies shall comply with this section.

- a. Walls, ceilings, and floors separating dwelling units in the same building as required by Section 420.2.
 - b. Walls, ceilings, and floors separating sleeping units in the same building as required by Section 420.2.
- c. Walls, ceilings, and floors separating tenant spaces in covered and open mall buildings as required by Section 402.4.2.1.
- d. Corridor walls, ceilings, and floors are required by Section 1020.1.
- e. Elevator lobby separation as required by Section 713.14.

(o) Section 708 Fire Partitions, of the International Building Code, is amended by adding the following:

708.10. *Tenant Separations.* All tenants shall be separated by a minimum of a one-hour fire rated envelope. This shall include but not be limited to floors, walls, and ceilings.

(p) Section [F] 907.2.1.1 System initiation in Group A occupancies with an occupant load of 1,000 or more, of the International Building Code, is amended by deleting it in its entirety and substituting in lieu thereof the following:

[F] 907.2.1.1 System initiation in Group A occupancies with an occupant load of three hundred (300) or more. Activation of the fire alarm in Group A occupancies with an occupant load of three hundred (300) or more shall initiate a signal using an emergency voice/alarm communications system in accordance with NFPA 72.

(q) Section [F] 907.2.10.2 Groups R-2, R-3, R-4 and I-1, of the International Building Code, is amended by adding the following:

4. In each private garage attached to and serving a dwelling unit.

(r) Section 1010.1.9.4 Locks and latches, of the International Building Code, is amended by deleting item 2. in its entirety.

(s) Section 1013.2 Where required., of the International Building Code, is amended by deleting the first sentence and substituting in lieu thereof the following:

"Guards shall be located along open-sided walking surfaces or ground surfaces, mezzanine, equipment platforms, retaining walls, stairways, ramps, landings and any other locations that are located more than 30 (thirty) inches (762 mm) above the floor or grade below."

(Code 2007, § 12-102; Ord. No. 13-03, § 1, 4-25-2013; Ord. No. 19-07, § 1, 4-11-2019)



FARRAGUT TOURISM ADVISORY COMMITTEE CHARTER (TAC)

ARTICLE I: NAME

The name of this body shall be the **Farragut Tourism Advisory Committee** (hereafter called the “committee”).

ARTICLE II: PURPOSE

The purpose of the committee is to advise and assist the Town of Farragut, its elected officials, citizens and staff, and serve as an advocate in the Town’s decision-making process for promoting the tourism initiative known as Visit Farragut. Committee members will act as ambassadors for the Town and work to identify tourism opportunities which will have a positive economic impact in our community.

ARTICLE III: COMMITTEE

Section I. Number, Terms, Qualifications

The committee shall consist of eleven (11) voting members; five (5) of these voting members shall be composed of the following:

At least one (1) member shall be a representative of the Farragut Board of Alderman appointed annually on or around July 01 by the Board of Mayor and Alderman; at least one (1) member shall be a representative of a Farragut lodging business; at least one (1) member shall be a representative of a Farragut attraction; at least one (1) member shall be representatives of a Farragut dining establishment; at least one (1) shall be representatives of a Farragut sales-tax producing retail establishment. The remaining six (6) at-large voting members will be representatives of our diverse community. Two-thirds (2/3) of the committee shall be Farragut residents and/or registered Farragut business owners with the remaining one-third (1/3) of the members representing community stakeholders from the East Tennessee region. The Committee shall have one non-voting youth member that will be selected and appointed by the majority of the committee.

- Tourism Coordinator shall serve as an ex-officio member of this committee and be responsible for providing Town staff support to the committee as she/he deems appropriate.
- The members of the committee shall be appointed for a term of two (2) years. Committee members shall be limited to two (2) terms on this committee. Terms shall be staggered.
- The non-voting youth member's term may be for one school-year term or less depending on the youth member's availability. The non-voting youth member may be removed from the committee at any time by majority vote of the committee.

Section II. Appointment

- Except for the Tourism Coordinator and the non-voting youth member, all members of the committee shall be appointed by majority vote of the Board of Mayor and Aldermen.

Section III. Committee Responsibilities:

- a) Be subordinate to the Board of Mayor and Aldermen.
- b) Annually establish committee goals and objectives and make funding recommendations to the Board of Mayor and Aldermen, through the Town Administrator, for inclusion into the annual budget.
- c) Provide a written annual report to the Board of Mayor and Aldermen at the end of the fiscal year.
- d) Assist in identifying grant opportunities and preparing grant proposals to help fund the Town's tourism objectives.
- e) Assist in the conceptualization, development and prioritization of economic development projects specific to tourism.

Section IV. Attendance at Meetings

Committee members serve at the pleasure of the Board of Mayor and Aldermen. The term of any member shall expire on the third absence from committee meetings during the fiscal year. Members may seek reappointment by the Board of Mayor and Aldermen.

Section V. Disclosure of Interests

A committee member who has any interest in any matter before the committee, shall disclose said interest in accordance with the adopted Town Ethics Ordinance. The chairman shall make the determination on whether that member shall have a vote in said matter.

ARTICLE IV. OFFICERS

Section I. Officers

The officers of the committee shall be a chairman, vice-chairman, and secretary.

Section II. Nomination and Election of Officers

Any member may nominate any other member of the committee (other than the Board of Mayor and Aldermen committee member and Tourism Coordinator) to serve as an officer of the committee. Officers of the committee shall be elected by majority vote of the committee. Officers shall be elected upon inception of the committee (at the 1st official meeting).

Section III. Terms of Officers

Officers of the committee shall be for a term of one year commencing after election. These positions shall be elected by a majority vote of the committee. These positions can be renewed for one additional year (two-year maximum) if elected by a majority of the committee but cannot serve more than two consecutive years in the same position.

Section IV. Vacancies

A vacancy in an officer position due to resignation, removal, or otherwise may be filled by majority vote of the committee for the unexpired portion of the term.

Section V. Chairman

The chairman shall prepare agendas in collaboration with the Tourism Coordinator or his/her designee, preside at all meetings of the committee in accordance with Roberts Rules of Order, call special meetings of the committee, have the authority to cancel called meetings of the committee, provide the annual goals and year-end report to the Board of Mayor and Aldermen, and appoint a subcommittee of the committee as needed.

Section VI. Vice Chairman

In the absence of the chairman, the vice chairman shall perform the duties of the chairman.

Section VII. Secretary

The Secretary shall record and maintain accurate records and minutes of the proceedings of the committee.

ARTICLE V. MEETINGS

Section I. Regular Meetings

The committee may meet six (6) times a year at Town Hall with the time and date to be determined by the committee. The committee will determine and publish the upcoming year's schedule at the first official meeting of the fiscal year.

Section II. Quorum

A quorum shall consist of a majority of the committee members upon calling of the roll at any meeting.

Section III. Special Meetings

Special meetings may be called by the Chairman or by simple majority of the committee. Notice of a special meeting may be served by delivering it to the committee

Current Annual Expenditures		Current Annual	Visit Farragut - Current	Additional Annual	Visit Farragut - Moderate Program Growth	Capital Expenses	Visit Farragut - Long Term Growth
Personnel							
	Coordinator - 29 hrs/wk	\$35,000	29 hrs/wk	\$10,000	coordinator 40hrs/wk		
	Media Assistant - 20 hrw/wk	\$30,000	20 hrs/wk (includes benefits)	\$10,000	additional part time/contract worker		
	Park & Rec Assistant - 40 hrs/annual	\$500	40hrs/annual				
	Visitor Center Staff/Volunteer Expense			\$50,000	staff visitors center 50 hrs/wk		
	TOTAL	\$65,500		\$70,000			
Advertising/Marketing							
	TN State Guide	\$10,000	1/3 page ad & event listings on TN website	\$5,000	1/2 page ad & Digital Ads on TN website		
	Museum - Interstate Sign	\$1,650	Farragut Museum sign on I40/I75				
	Targeted Museum Marketing	\$3,000	Museum advertising loop and print ads	\$5,000	additional print advertising for Museum		
	Civil War Marker	\$250	required to remain on Civil War Trail Map				
	Visit Knoxville Guide	\$1,650	1/3 page co-op ad	\$4,000	1/2 page independent ad		
	Destination Travel Network	\$1,200	monthly banner advertising on VK				
	Social Media Advertising (Targeted Markets)	\$2,400	targeted advertising \$200/month	\$6,000	increase targeted advertising to \$500/month		
	Rack Card Design/Printing			\$5,000	rack card development/print /distribution		
	Farragut Map			\$7,500			
	Field Guide			\$15,000	field guide for hotel lobbies/travel shows		
	Regional Advertising McGhee Tyson			\$20,000	airport Marketing		
	Regional Advertising Magazine			\$20,000	Southern Living or regional travel publication		
	Regional Billboard I40 West/Crossville Market			\$14,400	annual \$1200/month		
	Regional Billboard I75 North/Chattanooga Market			\$30,000	annual \$2500/month		
	Visitor Video			\$25,000	includes segments for various uses		
	TOTAL	\$20,150		\$156,900			
IT							
	Website Support/Enhancement	\$1,500	wix website designed as microsite	\$5,000	enhancements to website to make responsive and mobile friendly		
	Photo/Video Edit Software			\$1,000	add a second Adobe account user		
	Social Media Management Platform			\$7,500	management platforms based on advertising analytics		
	App Development			\$40,000	mobile friendly with geo-fencing capability		
	TOTAL	\$1,500		\$53,500			
Professional Support							
	Asset Library - Photography/Aerial	\$6,000	contract drone photography and in house	\$15,000	seasonal professional photography needed		
	STR (Hotel)	\$2,400	monthly reports	\$2,000	pipeline reporting, annual industry and regional reports		
	Research - Mosaic			\$5,000	Mosaic/other research to identify our markets		
	Tourism Branding			\$20,000	creating the Farragut story	\$10,000	branding should refresh every 3-5 years
	TOTAL	\$8,400		\$42,000		\$10,000	
Memberships - DMO							
	STS	\$300	SouthEast Tourism Society				
	US Travel	\$1,200	U.S. Travel; required to receive reports				
	GKHA	\$500	Greater Knoxville Hospitality Association				
	METTC	\$150	Middle/East TN Tourism Council				
	TN Hospitality & Tourism Assoc	\$750	TN Hospitality & Tourism Assoc				
	TOTAL	\$2,900					
Events							
	Songwriters	\$2,000	one day event with 4 performers	\$3,000	increase event to performers can compete at state level		
	Hotel Socials/Interceptions	\$500	lobby meet & greet; guest intercepts	\$3,600	\$300 X 12 events; hosting 1 each month for visitors		
	Veterans Salute 5K/10K	\$500	first year event	\$2,500	grow from 10K to half marathon with post race event		
	New Events/Programs	\$2,500	new programs/events	\$15,000	program/event growth		
	TOTAL	\$5,500		\$24,100			

Trainings/Travel						
Tourism College Certification	\$2,000	3rd year of TMP certification	\$1,500	STS Connections/TMP Continuing Ed		
Governors Conference	\$1,500	annual conference				
Regional Training	\$1,000	continuing ed				
TOTAL	\$4,500		\$1,500			
Promotional						
Giveaways	\$3,000	branded items for events/contests/groups bookings	\$5,000	branded items for events/contests		
Ambassador Program			\$7,500	training local ambassadors to support events/visitor center		
Recruitment			\$10,000	travel & trade shows site visits/METTC partners		
FAM Tours/Local Business Trainings			\$1,200	host one per month to educate local businesses		
TOTAL	\$3,000		\$23,700			
Visitors Center						
Mobile Center					\$25,000	branded outreach vehicle
Utilities/Maintenance - Visitor Center					\$50,000	building maintenance
Visitor Center Build Out/Furnishings					\$300,000	build out of possible visitor center space
Events & Programs			\$7,500	work with local business to establish rack card display area		
TOTAL			\$7,500		\$375,000	
Misc						
Signage	\$400	event signage				
Historic Walk Trail					\$500,000	wayfinding plan & signage
Gas/Mileage	\$500	meetings; media events; ribbon cuttings	\$2,000	marketing shows	\$50,000	signage; map
Supplies	\$1,000	misc	\$1,500	tent, tablecloths, banners, etc.		
TOTAL	\$1,900		\$3,500		\$550,000	
TOTAL	\$113,350		\$382,700		\$935,000	
50% Occupancy		69% Occupancy	Proposed Tax Rate			
	\$113,270		\$156,313	1%		
	\$169,905		\$234,469	1.50%		
	\$226,540		\$312,625	2%		
	\$283,175		\$415,782	2.50%		
	\$339,810		\$468,938	3%		
	\$396,445		\$547,094	3.50%		
	\$453,080		\$625,251	4%		

MEMORANDUM IN SUPPORT OF HOTEL TAX PROPOSAL

STATEMENT OF FACTS

Tennessee State House Bill 1492 and Tennessee Senate Bill 1503, collectively allowing Farragut to levy a Hotel Tax, was passed by the Tennessee General Assembly in 2018.¹ Governor Haslam signed the Bill into law on April 18th, 2018.² If approved by the Farragut Board of Mayor and Alderman, the bill would allow a tax to be levied on hotel/motel patrons not to exceed four (4) percent.³ Mayor Ron Williams, Vice Mayor Louise Povlin, and Alderman Ron Pinchok have all supported approving the tax.⁴ Louise Povlin summarized the bill in 2018 by stating,

“One area we have not capitalized on in the past is with regard to the nine hotels in our Town. Hotel visitors produce secondary economic effects on the broader economy. We have started a tourism program and have hired a coordinator to work directly with the hotels. The intention is to gain a better understanding of the reasons visitors stay in Farragut and put into place programs and infrastructure to support attracting visitors to our hotels. Traditionally, a hotel/motel tax is used to fund that effort. The option to adopt a hotel/motel tax in the Town of Farragut is now available to us.”⁵

In recent years, the General Assembly has reduced Farragut’s revenue stream by phasing out the Hall Tax and reducing the tax on food.⁶ Town Administrator David Smoak has also suggested a hotel tax as an avenue for closing this gap.⁷ The hotel tax has a long history with the Farragut Board of Mayor and Alderman. An ordinance to add a three (3) percent hotel/motel tax passed first reading with the Board in a 4 to 1 vote on April 25, 2013.⁸ The second reading resulted in tabling of the ordinance until more discussion about how the tax revenue would be used.⁹ Jill Thomas, executive director of the Greater Knoxville Hospitality Association at that time, stated the real issue with implementing a hotel tax should *not* be based on how the revenue is used, but rather, if the tax will result in a net gain for the town or result in a net loss to local restaurants and shops.¹⁰

¹ <https://www.farragutpress.com/articles/2018/04/7246>

² Report to the Board of Mayor and Alderman, May 10, 2018 (by David Smoak)

³ <https://www.farragutpress.com/articles/2018/04/7246>

⁴ <https://www.farragutpress.com/articles/2018/04/7246>

⁵ <https://www.farragutpress.com/articles/2018/04/7246>

⁶ <https://www.farragutpress.com/articles/2017/08/6513>

⁷ <https://www.farragutpress.com/articles/2017/08/6513>

⁸ <http://archive.knoxnews.com/business/vote-on-farragut-hotel-tax-canceled-ep-358228624-355822311.html/>

⁹ <http://archive.knoxnews.com/business/vote-on-farragut-hotel-tax-canceled-ep-358228624-355822311.html/>

¹⁰ <http://archive.knoxnews.com/business/vote-on-farragut-hotel-tax-canceled-ep-358228624-355822311.html/>

(emphasis added)

The hotel tax was revisited again on April 26, 2018. At first reading, Louise Povlin motioned for the Board to approve Ordinance 2018-04 setting a hotel tax rate of 2.5%, the motion was seconded by Ron Williams and passed with a 4 to 1 margin.¹¹ The published Agenda for the Board of Mayor and Alderman meeting on May 10, 2018 stated a second reading and vote on 18-04 was set to take place. Ordinance 18-04 ultimately failed passage by the Board.

ISSUES PRESENTED

- **Expenditures increasing with a budget that is decreasing.** In recent years Farragut has experienced decreasing revenue from legislative acts of the General Assembly. In 2019, this revenue reduction has been exacerbated by the acute diversion of budget money to make emergency storm water drain repairs. Given the decreasing budget, can Farragut provide its vision of growth without additional revenue?
- **Reaping the rewards.** The Township provides many amenities that entice patrons to stay at Farragut hotels. In addition, Farragut provides a tourism coordinator, tourism marketing, and a tourism committee dedicated to increasing tourism and the occupancy rate of local hotels. Is it reasonable for hotel owners to argue against a nominal tax that would fund programs and infrastructure to support attracting visitors to Farragut hotels?

DISCUSSION

1. Expenditures increasing with a budget that is decreasing

The Board of Mayor and Alderman is now in a position of making very difficult decisions between growth and budgeting for unknown emergency storm water repairs.¹² Amenities desired by Farragut residents are being placed on hold or downsized due to unknown future budget demands. In addition, the General Assembly recently passed legislation to phase out the Hall Tax which is a large part of Farragut's budget.¹³

Farragut recently hired Karen Tindal as a part time tourism coordinator to increase tourism and ultimately revenue to Farragut. This demonstrates the current Board's leadership by anticipating and finding new revenue sources before considering alternatives such as a property

¹¹ Farragut Board of Mayor and Alderman Minutes, April 26, 2018

¹² <https://www.farragutpress.com/articles/2019/04/8322>

¹³ <https://www.farragutpress.com/articles/2017/08/6513>

tax. Mrs. Tindal has already increased tourism in Farragut by focusing on music and song writing venues. All of her accomplishments, however, have occurred with a very small budget and part time hours. Farragut's current tourism efforts do not include many common marketing strategies due to being cost prohibitive. A hotel tax would allow tourism advertising about Farragut venues that may increase overnight stays in our local hotels. Former Visit Knoxville Vice President and Design Sensory representative Mary Blair strongly supports a Farragut Hotel Tax giving Farragut the ability to invest in tourism.¹⁴

2. Reaping the rewards

Recent data shows a portion of local hotel occupancy comes from corporate customers working or visiting Oak Ridge Laboratory. The amenities offered by Farragut such as Turkey Creek shopping, restaurants and parks are "asset drivers" corporate visitors prefer.¹⁵ This closely correlates with data obtained by Ron Pinchok in 2017 suggesting Farragut hotels actually enjoy a premium daily rate 15% to 18% higher than surrounding hotels due to location.¹⁶ It also demonstrates how strong patron demand accommodates nine hotels in Farragut.

CONCLUSION

The Tourism and Visitor Committee should support a hotel tax proposal to the Board of Mayor and Alderman that would enable funding for Farragut to study and market tourism. It is illogical for hotel owners to argue against a small tax that may increase occupancy rates that more than offset an increase in average daily rates. Especially if Farragut's hotel tax is kept lower than hotel taxes at Cedar Bluff road and Lenoir City hotels.

Respectfully submitted,

Michael Bellamy, Tourism and Visitor Committee Chair

¹⁴ Design Sensory Presentation 7/16/2019

¹⁵ Design Sensory Presentation 7/16/2019

¹⁶ <https://www.farragutpress.com/articles/2017/08/6513>



Farragut Hotel Tax Information Sheet

2018 Average Occupancy = 69.86%

2018 Average Daily Rate = \$100.92

ADR X 365 days per year = \$36,835 X 615 hotel rooms reported above =
\$22,654,017 X Average Occupancy of 69% = \$15,631,271

ADR X 365 days per year = \$36,835 X 615 hotel rooms reported above =
\$22,654,017 X Average Occupancy of 50% = \$11,327,008

If a hotel tax was implemented by Town of Farragut hotel tax revenue could be:

What does this look like to the hotel visitor?

Proposed Tax Rate	69% Occupancy (\$15,631,271)	50% Occupancy (\$11,327,008)
1%	\$156,312.71	\$113,270.08
1.5%	\$234,469.06	\$169,905.12
2%	\$312,625.42	\$226,540.16
2.5%	\$415,781.78	\$283,175.20
3%	\$468,938.13	\$339,810.24
3.5%	\$547,094.49	\$396,445.28
4%	\$625,250.84	\$453,080.32

Proposed Tax Rate	@ADR \$100.92	@ADR \$89 (lowest ADR in 2018)
1%	\$1 added to their bill per room/per day	\$0.89 added to their bill per room/per day
1.5%	\$1.50 added to their bill per room/per day	\$1.33 added to their bill per room/per day
2%	\$2 added to their bill per room/per day	\$1.78 added to their bill per room/per day
2.5%	\$2.50 added to their bill per room/per day	\$2.25 added to their bill per room/per day
3%	\$3 added to their bill per room/per day	\$2.67 added to their bill per room/per day
3.5%	\$3.50 added to their bill per room/per day	\$3.12 added to their bill per room/per day
4%	\$4 added to their bill per room/per day	\$3.56 added to their bill per room/per day

*based on monthly STR Destination reports for Farragut, TN 2018



Surrounding Area Combined Lodging Tax Rates

County	City	Sales Tax	County Tax	City Rate	Lodging Tax	City Rate	Total Tax Rate
Anderson	(except Clinton, Oak Ridge, Oliver Springs, Rocky Top)	7%	2.75%		5%		14.75%
Anderson	Clinton	7%	2.75%		5%	3%	17.75%
Anderson	Oak Ridge	7%	2.75%			5%	14.75%
Blount	(except Alcoa, Maryville)	7%	2.75%		5%		14.75%
Blount	Alcoa	7%	2.75%		5%	1%	15.75%
Blount	Maryville	7%	2.75%		5%	1%	15.75%
Hamilton	Chattanooga	7%	2.25%		4%	4%	17.25%
Knox	(Except Knoxville)	7%	2.25%		5%		14.25%
Knox	Knoxville	7%	2.25%		5%	3%	17.25%
Loudon	(Except Lenoir City, Loudon)	7%	2.00%		5%		14.00%
Loudon	Lenoir City	7%	2.00%		5%	5%	19.00%
Loudon	Loudon	7%	2.00%	0.50%	5%		14.50%
Roane	(except Kingston, Oak Ridge, Oliver Springs)	7%	2.50%		5%		14.50%
Roane	Kingston	7%	2.50%		5%	5%	19.50%
Roane	Oak Ridge	7%	2.50%	0.25%	5%		14.75%
Roane	Oliver Springs	7%	2.50%	0.25%		5%	14.75%
Roane	Harriman	7%	2.00%	0.50%		7%	16.50%

*source: <https://www.tn.gov/content/dam/tn/tacir/commission-meetings/2015-october/2015OctoberTab6HotelMotelTaxAppC.pdf>



Tax Rate Considerations for Farragut

Tax rate considered	Resulting Total Tax Rate
1%	15.25%
1.5%	15.75%
2%	16.25%
2.5%	16.75%
3%	17.25%
3.5%	17.75%
4%	18.25%

City of Knoxville Tax Rate 17.25%

Lenoir City Tax Rate 19%



Surrounding State Tax Rates

City or County	Lodging Tax Rate
AL-Montgomery	14.00%
AL-Mobile	14.00%
AL-Birmingham	17.50%
AL-Huntsville	13.00%
AL-Tuscaloosa	15.00%
GA - Atlanta	16.00%
GA - Savannah	13.00%
GA-Gwinnett County	13.00%
KY - Lexington/Fayette County	13.00%
KY - Louisville-Jefferson County	15.50%
NC - Charlotte	15.25%
NC-Asheville	13.00%
NC-Raleigh	12.75%
NC-Greensboro	12.75%
VA-Virginia Beach	14.00%
VA-Chesapeake	14.00%
VA-Newport News	13.50%
VA-Arlington	13.00%
VA-Norfolk	14.00%

FARRAGUT BOARD OF MAYOR AND ALDERMEN MINUTES

Mayor Williams called the meeting to order at 7:00 PM. Members present were Mayor Williams, Aldermen Meyer, Pinchok and Povlin; Alderman Burnette was absent.

Approval of Agenda

Motion was made to approve the agenda as presented. Moved by Alderman Povlin, seconded by Alderman Meyer, voting yes, Mayor Williams, Aldermen Meyer, Pinchok and Povlin; Alderman Burnette was absent; no nays, motion passed.

Mayor's Report

Mayor Williams thanked those who attended the Mayor's Night Out at Sam and Andy's.

Approval of Minutes

Motion was made to approve the minutes of September 26, 2019 as presented. Moved by Alderman Povlin, seconded by Alderman Pinchok, voting yes, Mayor Williams, Aldermen Meyer, Pinchok and Povlin; Alderman Burnette was absent; no nays, motion passed.

Business Items

Rejections of Bids for the Campbell Station Wall

Motion was made to reject the bids that were received for the Campbell Station Wall project. Moved by Alderman Povlin, seconded by Alderman Pinchok, roll call vote; Aldermen Meyer, yes; Alderman Pinchok, yes; Alderman Povlin, yes; Mayor Williams, yes; Alderman Burnette was absent; no nays, motion passed.

Town Administrator's Report

David Smoak, Town Administrator, announced that Freaky Friday is October 25 from 5-7 PM.

Citizens Forum

Michael Wilson, 412 Eisenhower Street, requested that the town hold evening workshops to get ideas from citizens about land use issue. Mr. Wilson also addressed the board concerning the Open Meeting Act.

Meeting adjourned at 7:18PM.

Ron Williams, Mayor

Allison Myers, Town Recorder

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: Sue Stuhl, Parks & Recreation Director

SUBJECT: Approval of Construction Oversight Contract with Lose Design

INTRODUCTION: The purpose of this item is to consider a construction oversight contract with Lose Design.

BACKGROUND: This project includes a reconstructed and expanded restroom with a family restroom and covered picnic area along with a new entrance plaza, ADA access to the diamond and recreational fields (spectator and player areas) plus new landscaping, benches and signage. Lose Design was the firm that prepared the design and construction documents.

DISCUSSION: Attached is the professional services agreement/scope of services for construction oversight of the Anchor Park renovation. These services were not included in the original design contract. With past park projects, construction oversight was handled in house, generally by the Engineering Department. We have learned that there are many areas in a project like this that Town staff are not equipped to oversee – we do not have enough knowledge of specific items (i.e. plumbing fixtures, etc.) to be able to adequately approve submittals. These items are better monitored by the design professionals that are involved in the project. For example, a typical submittal may include 4 or more rejections until a specific item is approved for construction. And there are many submittals in this project. In addition, the large number of projects that are currently under design or construction have stretched the staff to the point that we do not have adequate hours in the day to review all the submittals in this project.

This agreement will be billed on an hourly basis which the Town staff will closely monitor – the agreement is for services up to an amount of \$25,000 based on work/hours submitted. This includes \$5,000 in project contingency dollars for change orders or other unexpected changes that need to be reviewed.

FINANCIAL SECTION:

Project: Anchor Park Renovations – Construction Oversight

<u>Original Budget</u>	<u>Budget Amendment</u>	<u>Requested Amount</u>	<u>Contracted Amount</u>	<u>*Remaining Amount</u>
\$735,000	\$30,000	\$25,000	728,000	\$12,000

*The remaining amount will be used for benches and other equipment needed for the new building

Approved By: A. Myers

RECOMMENDATION BY: Sue Stuhl, Parks & Recreation Director

PROPOSED MOTION: Approval of professional services agreement for construction oversight of Anchor Park up to \$25,000 by Lose Design.

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

<u>VOTE/TOTAL</u>	<u>WILLIAMS</u>	<u>MEYER</u>	<u>PINCHOK</u>	<u>POVLIN</u>	<u>BURNETTE</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____



October 11, 2019

Sue Stuhl, Parks and Recreation Director
Town of Farragut
11408 Municipal Center Drive
Farragut, TN 37934

RE: 18027- Town of Farragut – Construction Administration

Dear Sue

Lose Design, provider of architecture, landscape architecture, land planning, and civil engineering services, is pleased to offer its professional services for your project in Farragut Tennessee. Services required include Construction Administration for the Anchor Park ADA Restroom and Site Improvements.

If this proposal is acceptable, please provide your authorization on the space provided on the attached Professional Services Agreement and return one signed copy to our office. Once the agreement is received, a fully executed contract will be forwarded for your files.

Sincerely,

LOSE DESIGN

A handwritten signature in black ink, appearing to read "Richard Calise", is written over a faint, circular, light-gray watermark. The signature is fluid and cursive.

Richard Calise
Project Manager

Attachments:
Professional Services Agreement
--Scope of Services/Fees

PROFESSIONAL SERVICES AGREEMENT

SCOPE OF SERVICES/FEEES

*Town of Farragut
Construction Administration
Farragut, Tennessee*

Project Description

Lose Design understands that the Town of Farragut (Client) desires to have Lose Design provide Construction Administration on the Anchor Park ADA Restroom Building and Site Improvements.

Task 1 – Construction Administration Services

This task will consist of the following:

- Provide general project administration and coordination
- Provide submittal and shop drawing review
- Answer (RFI) request for questions from contractor
- (4) Site meetings with Contractor / Town
- Substantial Completion / Punch Walk

Fees

The services described herein will be provided on an hourly basis up to and not exceed fee basis for the remainder of the project as follows:

<u>Description of Services</u>	<u>Fee Amount ⁽¹⁾</u>
1 – Construction Administration	\$20,000.00
2- Project Contingency	\$5,000.00

Notes:

(1) Expense amounts are **not** included in these fees, and are inclusive of reasonable out-of-pocket expenses incurred on behalf of the client and shall include travel and subsistence, plotting and reproduction, telephone/communications, deliveries, agency fees, and mileage. Expenses and hourly rates shall be billed in accordance with Attachment A in original contract signed on 9-27-18

Agreed to:

Agreed to:

Town of Farragut

Lose Design

Client Name

Lose & Associates, Inc., dba Lose Design

Signer's Name (Typed or Printed)

Signer's Name (Typed or Printed)

BY:

BY:

Authorized Signature

Authorized Signature

Date: _____

Date: _____

Title: _____

Title: _____

REPORT TO THE BOARD OF MAYOR AND ALDERMEN**PREPARED BY:** Trevor Hobbs, Assistant to the Town Administrator**SUBJECT:** Resolution R-2019-07, authorizing the town to participate in the Public Entity Partners Property Conservation Matching Grant Program.

INTRODUCTION: The Town's worker's compensation coverage provider, Public Entity Partners, offers an annual matching grant in the amount of \$4,000 for security equipment and devices.

The objective of the grant program is to help members purchase items designed to protect insured property from damage and loss.

BACKGROUND: The Town plans to install security cameras, burglar alarms, and access control systems at various town properties and facilities. The Town Hall, Community Center, Dimmick House, Campbell Station Inn, and Public Works Headquarters will be equipped with varying combinations of these security devices.

DISCUSSION: Proper security equipment can prevent harm to town employees and damage to town property. Damage to town facilities can be expensive to repair and some assets cannot always be repaired or replaced. Security systems, burglar alarms, and access control systems will help keep our employees, facilities, and assets safe. When damage does occur, these devices will aid the town in identifying the individuals responsible for breeches and damage to town property.

This grant will help purchase needed security devices and equipment that will help protect town property from damage and other threats.

Public Entity Partners will match up to a maximum of \$4,000 that the town spends on approved security devices and equipment with the maximum reimbursement based on a Property Coverage Classification matrix. Additionally, the grant requires that the attached Resolution be passed by the governing body to authorize participation in the grant program and for the expenditure of funds for safety equipment. Expenditures for safety equipment are already included in the Town's annual budget.

FINANCIAL SECTION: No funds requested. Funding is already included in the approved 2019-2020 budget.

PROPOSED MOTION: Approval of Resolution R-2019-07.

BOARD ACTION:

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

<u>VOTE/TOTAL</u>	<u>WILLIAMS</u>	<u>POVLIN</u>	<u>BURNETTE</u>	<u>PINCHOK</u>	<u>MEYER</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____



Town of Farragut, Tennessee

RESOLUTION: R-2019-07

**A RESOLUTION BY THE BOARD OF MAYOR AND ALDERMEN OF THE
TOWN OF FARRAGUT AUTHORIZING THE TOWN TO PARTICIPATE IN
THE PUBLIC ENTITY PARTNERS'S PROPERTY CONSERVATION
MATCHING GRANT PROGRAM**

WHEREAS, the citizens of the Town of Farragut entrusted this administration with the care and custody of city-owned property; and

WHEREAS, all efforts shall be made to protect town-owned property from various perils that may arise for the Town of Farragut; and

WHEREAS, Public Entity Partners seeks to encourage members with property coverage to develop and implement a property conservation program by offering the PROPERTY CONSERVATION MATCHING GRANT PROGRAM; and

WHEREAS, the Town of Farragut now seeks to participate in this important program.

NOW, THEREFORE, be it resolved by the Board of Mayor and Aldermen of Farragut, Tennessee the following:

SECTION 1. That the Town of Farragut is hereby authorized to submit application for the PROPERTY CONSERVATION MATCHING GRANT PROGRAM through the Loss Control Department of Public Entity Partners.

SECTION 2. That the Town of Farragut is further authorized to provide a matching sum for any monies provided by this grant.

Resolved this 24th day of October in the year 2019.

Ron Williams, Mayor

Allison Myers, Town Recorder

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: Sue Stuhl, Parks & Recreation Director

SUBJECT: Community Center Rental Fees

INTRODUCTION: The purpose of this item is to consider rental fees for the Community Center

BACKGROUND: The attached fee schedule was discussed at the BMA workshop on Oct. 10.

DISCUSSION: The fee schedule has been slightly modified from the workshop to reflect the following:

- Eliminated the setup fee for Assembly Hall and added that cost to the basic rental fee.
- Used hard numbers instead of percentage for holiday rental fees. In doing this the holiday fee for camp or tournament rental was changed (lowered) slightly – to keep it the same percentage upcharge.
- Clarified that the alcohol fee for when the renter is selling alcohol - \$100 fee for non-profit or social functions and \$500 fee for for-profit entities.

RECOMMENDATION BY: Sue Stuhl, Parks & Recreation Director

PROPOSED MOTION: Approval of Community Center rental fees.

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

<u>VOTE/TOTAL</u>	<u>WILLIAMS</u>	<u>MEYER</u>	<u>PINCHOK</u>	<u>POVLIN</u>	<u>BURNETTE</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____



TOWN OF FARRAGUT

RESOLUTION R-2019-08

WHEREAS, the Board of Mayor and Aldermen desires to establish a general fee schedule for the Farragut Community Center, setting the necessary fees for the community center services, including but not limited to application, filing, license and permit fees; and

WHEREAS, it is the desire of the Board of Mayor and Aldermen to consolidate the fees and adopt them by resolution;

NOW, THEREFORE BE IT RESOLVED by the Town of Farragut Board of Mayor and Aldermen, that all community center fees are hereby adopted as listed on the attached schedule.

This Resolution is duly adopted by the Board of Mayor and Aldermen of the Town of Farragut on this 24th day of October 2019.

Ron Williams, Mayor

Allison Myers, Town Recorder

Community Center Fees				
Classrooms	Non Profit - Reg Hours	Non-Profit - After Hours	For Profit/Social - Reg Hours	For Profit/Social - After Hours
Small (1 - 1/2 hour block)	\$15	\$40	\$15	\$40
Small (1 - 1/2 hour block) - Holiday Fee		\$50		\$50
Medium	\$20	\$45	\$20	\$45
Medium (1 - 1/2 hour block) - Holiday Fee		\$55		\$55
Large	\$25	\$50	\$25	\$50
Large Classroom (1 - 1/2 hour block) - Holiday Fee		\$60		\$60
Gym				
Sports/Fitness (1 hour block)	\$30	\$55	\$30	\$55
Sports/Fitness (1 hour block) - Holiday Fee		\$75		\$75
Sports/Fitness - Setup Fee	\$15	\$15	\$15	\$15
Camp/Tournament (Half Day - 6 hours)	\$150	\$275	\$150	\$275
CampTournament (Whole Day)	\$325	\$600	\$325	\$600
Camp/Tournament (Half Day - 6 hours) - Holiday Fee (20%)		\$330		\$375
Camp/Tournament (Whole Day) - Holiday Fee (20%)		\$720		\$800
Special Event (8 hours)*	\$450	\$650	\$750	\$950
Special Event (8 hours)* - Holiday Fee (20%)		\$780		\$1,140
Special Event Additional Hours (Per Hour)	\$125	\$125	\$125	\$125
Special Event Additional Hours (Per Hour) Holiday Fee (20%)	\$150	\$150	\$150	\$150
Refundable Damage Deposit	\$250	\$250	\$250	\$250
Assembly Hall				
8 Hour Rental**	\$400	\$650	\$650	\$850
Additional Hours (Per Hour)	\$100	\$100	\$100	\$100
Additional Hours (Per Hour) Holiday Fee (20%)	\$120	\$120	\$120	\$120
Alcohol Fee (No Sales)	\$100	\$100	\$100	\$100
Alcohol Fee (Sales) - For Profit Business Only (Not social)			\$500	\$500
Refundable Damage Deposit	\$250	\$250	\$250	\$250

*Includes commercial kitchen

**Includes pre-function room and catering kitchen

AGENDA NUMBER V.D.

MEETING DATE OCTOBER 24, 2019

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: David Smoak, Town Administrator 

SUBJECT: Approval of Memorandum of Understanding between the Town of Farragut and the Farragut Business Alliance

INTRODUCTION: The purpose of this agenda item is to consider approval of a memorandum of understanding (MOU) between the Town of Farragut and the Farragut Business Alliance (FBA).

DISCUSSION: The FBA was formed in 2009 as a non-profit 501(c)6 organization whose primary mission is to help promote businesses in the Town of Farragut. Since that time, the FBA has held several community events, such as the Musicfest at West End, the Taste of Farragut, Light the Park and Dog Daze at Village Green. The FBA also has been leading the marketing of the Shop Farragut campaign during the holiday shopping season.

The Board of Mayor and Aldermen (BMA) approved a one-year MOU with the FBA in June 2018. The attached MOU would be for a one-year term and may be renewed annually unless the agreement is terminated by either party at any time during the agreement. The MOU outlines the economic development initiatives the FBA will be responsible to provide for the Town of Farragut and the businesses located within the Town (see Exhibit A – Program of Work). The FBA's program of work will include helping to increase sales tax revenues and maintaining the positive values and progress of the Town of Farragut.

The FBA is requesting \$70,000 from the Town, which is the same level of funding as the current agreement. The FBA has given a proposed budget and how they would utilize these funds in the attachment to this report. Additional attachments to the report include: Proposed MOU and the FBA's current financials.

FINANCIAL SECTION:

Account Number: 110-47200-254

Total Budget

\$88,000

Contracted Amount

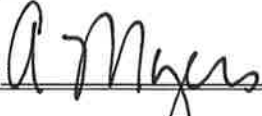
\$70,000

Expenditures YTD

\$0

Remaining Amount

\$18,000

Approved By: 

FARRAGUT STRATEGIC PLAN: Approval of this MOU will help facilitate the Town's goal of Promoting a Convenient Retail and Services Destination

RECOMMENDATION BY: Town Administrator David Smoak for approval.

PROPOSED MOTION: To approve a Memorandum of Understanding between the Town of Farragut and the Farragut Business Alliance as attached.

BOARD ACTION:

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

<u>VOTE/TOTAL</u>	<u>MEYER</u>	<u>POVLIN</u>	<u>WILLIAMS</u>	<u>PINCHOK</u>	<u>BURNETTE</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") entered into as of the _____ day of _____, 2019 by and between Farragut Business Alliance, a 501(c)6 corporation filed under the laws of the State of Tennessee ("FBA") and The Town of Farragut, a municipal corporation created under the laws of the state of Tennessee (the "Town").

WHEREAS, the Town has secured the efforts of the FBA in the past to assist it in the development and implementation of a strategic action plan designed to enhance awareness of local businesses and increase marketing through the use of various marketing avenues and special events for the overall benefit of the Town's citizens and businesses; and

WHEREAS, the Town desires to continue a relationship with FBA to further its economic development objectives of promoting local business through the coordination of the Town's business community to better serve the needs of the business community, to increase retail revenues by attracting the citizens of the greater Knoxville area to shop at the Town's businesses and to support the Town's efforts to retain existing businesses and recruit new ones; and

WHEREAS, FBA possesses the qualifications and desire to develop and implement a Program of Work consisting of a series of defined steps all designed to bolster economic development efforts of the Town to improve the level of business conducted within the Town; and

WHEREAS, the parties desire to memorialize herein the terms and conditions of an agreement whereby the Town commissions the FBA to undertake the process of developing and implementing the Program of Work for the Town.

NOW, THEREFORE, in consideration for the terms, conditions and agreements provided for hereinafter, the sufficiency of which are hereby acknowledged by the parties, the parties do hereby agree as follows:

1. Engagement. The Town hereby engages the FBA to perform the following services and to provide the following support to the Town and its businesses located within the Town's boundaries by implementing the steps and accomplishing the goals set out in the attached Exhibit A entitled "Farragut Business Alliance-Program of Work" (the "Program of Work"). The FBA accepts such engagement and will provide services necessary to accomplish the Program of Work with reasonable assistance of representatives of the Town in providing the FBA with relevant information possessed by the Town.
2. Term. FBA shall commence work hereunder effective July 1, 2019, and shall devote the time and attention it deems appropriate and required in order to accomplish the goals outlined within the Program of Work. The term of this agreement shall be one year from July 1, 2019 through June 30, 2020, at which time and on each anniversary date thereafter it shall renew automatically for additional one-year terms ("Renewal Terms") unless this Agreement is terminated as provided in paragraph 8 hereinafter.
3. Compensation. In full compensation for the FBA's work hereunder, conditioned on approval and adoption of the Town's budget by the Board of Mayor and Alderman during the

applicable fiscal year, the FBA shall receive the sum of \$70,000 for the term of this MOU paid by the Town, to be paid to the FBA in the manner provided in paragraph 4.

4. Manner of Payment. Subject to the provisions of this Agreement, the compensation payable hereunder shall be paid to the FBA in the sum of \$70,000 for the Term and for each Renewal Term payable each year in four equal quarterly installments commencing on October 1, ____ and continuing for the following three, three (3) month intervals ("Quarter" or "Quarters") during the Term and any Renewal Terms conditioned upon the due submission of the progress reports referred to in paragraph 5 below and pending the approval and adoption of the Town's budget by the Board of Mayor and Alderman in the fiscal years encompassing the Term and any Renewal Terms.

5. Progress Reports. FBA shall furnish Town with written progress reports at the end of each Quarter from and after July 1 of the Term and any Renewal Term (i.e., September 30, ____, December 31, ____, March 30, ____, June 30, ____, etc.). The content of the Progress Report should include a summary of the actions taken by the FBA, during the subject Quarter, in furtherance of the Program of Work. If FBA fails to furnish a Progress Report, or if it appears from the report that no progress has been made in the advancement and achievements of the Program of Work since the last Progress Report, the Town shall have the right to withhold the quarterly payment until FBA resumes progress on the work. In addition, the FBA shall, if the Town so requests, confer with representatives of the Town from time to time on matters of substance concerning the efforts that have been and will be taken to advance the goals of the Program of Work.

6. Delays in Completion. In the event contingencies arise that hinder the ability of the FBA from moving forward with the Program of Work through no fault of the FBA, the FBA shall inform the Town Administrator of such circumstances as soon as possible. The Town will take steps within its control to assist the FBA with overcoming said contingencies.

7. Independent Contractor. It is the mutual understanding of the parties that the members of the FBA are undertaking the Program of Work as independent contractors, not as employees of the Town. The FBA shall be solely responsible for reporting for tax purposes the amount received hereunder and for the payment of any taxes of every kind that may be payable on account of the payments provided for herein. The FBA specifically agrees to indemnify, defend and hold the Town harmless from any such taxes and related penalties, and other costs incurred by the Town including, but not limited to, attorneys' fees and costs incurred thereby.

8. Termination on Convenience of Municipality. For any reason the sufficiency of which the Town shall be the sole judge, the Town may terminate this Agreement, including, but not limited to, the non-approval of the Town's budget by the Board of Mayor and Alderman in the applicable fiscal year, refusal of the FBA to comply with any of the provisions of this Agreement or for the convenience of the Town. In such event, the payments FBA has theretofore received, plus a pro rata amount of payment as compensation for the work performed during the Quarter in which the determination to terminate is made, shall constitute the FBA's full and final compensation, and FBA shall have no further claim with respect thereto.

9. Waiver. The failure of any party hereto at any time to require performance of any of the provisions hereof shall in no manner affect the right to enforce same.

10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee, without regard to rules concerning conflicts of law.

11. Further Assurances. The provisions of this Agreement are intended to be self-operative and shall not require further agreement by the parties except as otherwise specifically provided herein. Nevertheless, all parties agree to cooperate fully to execute any and all supplementary documents, and to take all additional actions that are consistent with and which may be necessary or appropriate to give full force and effect to the basic terms and intentions of this Agreement.

12. Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

13. Assignment. FBA shall not assign, transfer or otherwise dispose of any of its rights, duties or obligations hereunder without the prior written consent of the Town. Any attempted assignment without such prior written consent shall be void *ab initio*.

14. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective personal representatives, successors and assigns.

15. Entire Agreement. This Agreement constitutes the entire agreement of the parties hereto with respect to the transaction contemplated, and supersedes all prior agreements, understandings, negotiations, both written and oral, among the parties with respect thereto.

16. Amendments. This Agreement may be amended only by a written instrument duly executed by all parties or their respective successors, assigns or legal representatives.

This Agreement entered into as of the day and year first above written.

Farragut Business Alliance:

TOWN:

Ron Williams, Mayor

As to form:

Thomas M. Hale
Town Attorney

Shop Farragut

Mission: Positively impact Farragut's economic growth by assisting new businesses, supporting and promoting existing businesses and, in coordination with the Town of Farragut, aiding in the economic development and promotion of the community.

Vision: An inviting lifestyle supported by a seamless transition between local residency and conducting business in the Farragut, Tennessee Community.

Business Promotion, Retention and Support

Goal: Positively impact the amount of sales tax dollars collected in the Town of Farragut. This will be accomplished through efforts performed towards these three objectives:

1. Mounting annual and one-time community-wide public events showcasing Farragut merchants and services;
2. Utilization of online, digital and direct promotional opportunities to drive shopping and store visitation;
3. Strategic placement of paid advertising and use of public service opportunities to spread the reach of Farragut business activity.

Strategy for conducting public events that showcase shopping centers and highlight individual retail and service providers during the 2019-20 year include;

1. Reorganizing and expanding the RED WHITE & BLUES FESTIVAL.
 - a. Rebranding the event as MUSICFEST at WEST END and adding 4 more hours of entertainment on the previous Friday evening.
 - b. This is the 3rd year for the event at West End Shopping Center scheduled July 12 & 13.
 - c. Allowing more booth and sponsor participation with expanded hours.
2. Produce DOG DAZE III at Village Green Shopping Center scheduled August 16, 17 and 18.
 - a. Attract at least a half dozen new vendors.
 - b. Continue to search for additional sponsors.
3. Present the 9th COUNTDOWN TO LIGHT THE PARK at Founder's Park at Campbell Station Road on Monday November 25th, 5-7:30pm.
4. Create a new event for late winter/early spring to utilize the Town's new Community Center and its resources. The working title is FARRAGUT HEALTH & WELLNESS EXPO and scheduled for Saturday March 28, 2020, 10am – 4pm.
 - a. Assume that this event will be an ongoing annual attraction.
 - b. Begin solicitation of Sponsors and Vendors.
5. Produce and host the 11th Annual TASTE OF FARRAGUT one-day festival on Friday May 1, 2020.
 - a. Identify and confirm location, (as previous locations have issues to address.)
 - b. Continue momentum from last year's vendor expansion.

Strategy to utilize online, digital and direct promotional opportunities to drive shopping and store visitation.

1. Continue to actively maintain the FBA website and its Social Media presence.
 - a. Website <http://www.farragutbusiness.com> = www.shopfarragut.com
 - b. FACEBOOK – posts and shares
 - i. <http://www.facebook/shopfarragut>
 - ii. <http://www.facebook/thetasteoffarragut>
 - c. TWITTER – posts and retweets
 - i. @farragutbiz
 - ii. @shopfarragut
 - d. INSTAGRAM – “Business of the Month” features
 - i. @shopfarragut
 - ii. @thetasteoffarragut
 - e. Maintain and grow email list through MAILCHIMP service.
2. Maintain and continually promote the TOWN SAMPLER monthly online contest.
 - a. Solicit multiple businesses for merchandise and gift cards in the range of \$150-500/month to create prize packages.
 - b. Use FBA social media to promote contest online and through arrangements with the Farragut Press Newspaper.
 - c. Acknowledge participating businesses through all appropriate avenues.
3. Partner with Town of Farragut Marketing to conduct the 3rd FARRAGUT TREASURE HUNT the week of July 29 – August 5.
 - a. Confirm four (4) businesses to be hunt locations.
 - b. Identify additional Farragut businesses and gather their contributions to assemble 3 major prize packages.
 - c. Utilize FBA social media, email lists and public service avenues to promote all participating businesses and encourage customer engagement.
4. Mount the 2019 SHOP FARRAGUT FOR THE HOLIDAYS program running November 15, through January 2, 2020.
 - a. Place branded signage at the 6 previously denoted entry locations.
 - b. Encourage business participation in the temporary sign program.
 - c. Underwrite the “HOME FOR THE HOLIDAYS” tabloid insert of the December 12, edition of the Farragut Press.
 - i. Discounted advertising for local businesses to utilize.
 - ii. Publication to include holiday coloring book, Letters to Santa and human-interest stories.
 - d. Develop generic “SHOP FARRAGUT for the HOLIDAYS” cable tv commercials that brand Farragut for destination shopping.
5. Distribute SHOP FARRAGUT branded swag at Chamber networking events, ribbon cuttings and other community activities.

Strategy for placement of paid advertising and use of public service opportunities to spread the reach of Farragut business activity.

1. Budget event advertising to include newspaper, radio, cable and Facebook for activities.
2. Leverage contacts and paid broadcast advertising of events to open opportunities to appear as “guests” on radio and television.
 - a. Lock in WVLT Television as media sponsor for COUNTDOWN TO LIGHT THE PARK.
 - b. Lock in Farragut Press and WFIV FM at favorable annual rates.
3. Place generic SHOP FARRAGUT ads in local playbills and event programs.
4. Renew SHOP FARRAGUT header page in FARRAGUT LIFE Magazine.

Goal: Assist the Town in shaping positive public opinion regarding conducting business in Farragut and help position it as the premiere business-friendly community.

1. Conduct operations through sound business practices to insure the Town's investment in the FBA is a model for economic development.
 - a. Hold regular FBA board meetings, as outlined in bylaws.
 - b. Maintain a strong Board of Directors engaged and attending meetings.
 - c. Maintain 501(c)6 status with annual reporting and timely filings.
 - d. Engage an accounting firm.
2. Serve on Town's ad hoc committees as requested.
3. Rotate with FBA board members to ensure attendance and representation at as many BOMA meetings as possible.
4. Monitor Municipal Planning Commission and the Visitor/Tourism Advisory Committee agendas and provide input/updates as needed.
5. Provide annual progress updates to Town during budgeting process.
6. Work closely with Town administration to ensure ongoing communications and facilitate brainstorming and planning for projects and initiatives.
 - a. Assist Town Officials in business retention and/or recruitment.
 - b. Maintain a close working relationship with the Town Department of Leisure Services and their programming.
 - c. Present an FBA Program to the annual *Intro To Farragut Class*.
7. Be open to and develop strategic partnerships, especially ~~as they relate~~ to advertising, promotion and recruiting (i.e. Farragut/West Knox Chamber, Greater Knoxville Hospitality Association, etc.); to increase exposure and identify potential opportunities for retail, restaurant and tourism growth.
8. Attend, fraternize and support Farragut business events and activities.
 - a. Maintain membership in Farragut West Knox Chamber of Commerce.
 - i. Represent the FBA at ribbon cuttings and networking events.
 - ii. Present an FBA Program at FWKCC Orientations.
 - b. Maintain membership and attendance of the Executive Director in the Rotary Club of Farragut.
9. Continue to engage in one-to-one meetings with community and business leaders to build participation, engagement and support.

**Farragut Business Alliance
Proposed Budget
Town of Farragut
July 1, 2019 - June 30, 2020
Fiscal Year**

Income:

Sponsorships	\$27,500	
Booth/vendor fee	\$ 5,000	
Town of Farragut Grant	\$70,000	
Events	\$12,500*	
 Total Income		\$115,000

Expenses:

Accounting	\$1,800	
Advertising/PR	\$35,000	
Bank/Credit Card Fees	\$150	
Cell Phone/MIFI	\$1,320	
Contract Labor		
Executive Director	\$43,260	
Contract Labor	\$12,000	
Economic Dev/Travel & meetings	\$5,000	
Insurance	\$2,000	
Legal	\$250	
Memberships	\$1,250	
Office Supplies	\$800	
Postage/P.O. Box	\$250	
Printing	\$250	
Storage	\$1,750	
Website/Social Media	\$2,500	
 Total Expenses		\$108,580

*Please note, event income is considered net of all expenses, each event is maintained on a separate event profit & loss spreadsheet so that individual event performance can be tracked. Event expense is not included in the above expense totals.

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07/11/19
Cash Basis

Farragut Business Alliance
Balance Sheet - Cash Basis
As of June 30, 2019

	<u>Jun 30, 19</u>
ASSETS	
Current Assets	
Checking/Savings	
Southeast Bank - Operating 7221	<u>47,335.79</u>
Total Checking/Savings	<u>47,335.79</u>
Total Current Assets	<u>47,335.79</u>
TOTAL ASSETS	<u>47,335.79</u>
LIABILITIES & EQUITY	
Equity	
Unrestrict (retained earnings)	<u>26,470.92</u>
Net Income	<u>20,864.87</u>
Total Equity	<u>47,335.79</u>
TOTAL LIABILITIES & EQUITY	<u>47,335.79</u>

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Cash Basis

Farragut Business Alliance
Profit & Loss Prev Year Comparison - Cash Basis
July 2018 through June 2019

	<u>Jul '18 - Jun 19</u>	<u>Jul '17 - Jun 18</u>	<u>\$ Change</u>	<u>% Change</u>
Ordinary Income/Expense				
Income				
Booth Fee	5,632.02	698.72	4,933.30	706.1%
Community Sponsor	0.00	11,295.00	-11,295.00	-100.0%
Gold Sponsorship	0.00	750.00	-750.00	-100.0%
Platinum Sponsor	0.00	5,000.00	-5,000.00	-100.0%
Presenting Sponsor	0.00	5,000.00	-5,000.00	-100.0%
Silver Sponsor	500.00	4,250.00	-3,750.00	-88.2%
Sponsorship	33,451.01	11,700.00	21,751.01	185.9%
Taste of Farragut	1,430.00	0.00	1,430.00	100.0%
Ticket & Concessions	16,160.45	15,895.73	264.72	1.7%
Town of Farragut - Grant	70,000.00	70,000.00	0.00	0.0%
Total Income	127,173.48	124,589.45	2,584.03	2.1%
Expense				
ABC Fees	0.00	200.00	-200.00	-100.0%
Accounting	759.00	300.00	459.00	153.0%
Advertising	18,440.37	8,947.17	9,493.20	106.1%
Band	2,000.00	0.00	2,000.00	100.0%
Bank Service Charge	-0.97	24.00	-24.97	-104.0%
Beer	0.00	76.00	-76.00	-100.0%
Cell Phone	931.97	947.40	-15.43	-1.6%
Conference Fee	17.55	166.61	-149.06	-89.5%
Contract Labor	41,833.33	39,999.96	1,833.37	4.6%
Decorating	419.35	0.00	419.35	100.0%
Entertainment	750.00	500.00	250.00	50.0%
Equipment	184.72	166.01	18.71	11.3%
Equipment Rent	50.34	0.00	50.34	100.0%
Event Fee	8,669.92	12,360.00	-3,690.08	-29.9%
Filing Fees	660.00	221.41	438.59	198.1%
Food	249.95	352.54	-102.59	-29.1%
Ice	410.00	410.00	0.00	0.0%
ICSC Reception	0.00	537.20	-537.20	-100.0%
Insurance	1,525.00	585.00	940.00	160.7%
Membership	1,151.00	1,856.77	-705.77	-38.0%
Office Supplies	425.74	0.00	425.74	100.0%
PO Box Rental	134.00	0.00	134.00	100.0%
Porta Potty	958.02	2,586.19	-1,628.17	-63.0%
Postage	0.00	243.43	-243.43	-100.0%
Printing & Mailing	201.60	1,576.54	-1,374.94	-87.2%
Security	2,803.50	3,390.00	-586.50	-17.3%
Signage	1,666.20	2,800.95	-1,134.75	-40.5%
Sound	0.00	550.00	-550.00	-100.0%
Storage	1,701.46	1,668.00	33.46	2.0%

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07/11/19

Cash Basis

Farragut Business Alliance
Profit & Loss Prev Year Comparison - Cash Basis
July 2018 through June 2019

	<u>Jul '18 - Jun 19</u>	<u>Jul '17 - Jun 18</u>	<u>\$ Change</u>	<u>% Change</u>
Supplies	3,585.33	2,419.46	1,165.87	48.2%
T-Shirts	1,518.03	0.00	1,518.03	100.0%
Taste of Farragut Expenses	905.80	0.00	905.80	100.0%
Tents	18,363.00	17,544.00	819.00	4.7%
Travel	0.00	2,180.50	-2,180.50	-100.0%
Website	478.65	300.00	178.65	59.6%
Total Expense	<u>110,792.86</u>	<u>102,909.14</u>	<u>7,883.72</u>	<u>7.7%</u>
Net Ordinary Income	<u>16,380.62</u>	<u>21,680.31</u>	<u>-5,299.69</u>	<u>-24.4%</u>
Net Income	<u><u>16,380.62</u></u>	<u><u>21,680.31</u></u>	<u><u>-5,299.69</u></u>	<u><u>-24.4%</u></u>

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07/11/19

Cash Basis

Farragut Business Alliance
Profit & Loss Prev Year Comparison - Cash Basis
 January through June 2019

	<u>Jan - Jun 19</u>	<u>Jan - Jun 18</u>	<u>\$ Change</u>	<u>% Change</u>
Ordinary Income/Expense				
Income				
Booth Fee	1,931.57	50.00	1,881.57	3,763.1%
Community Sponsor	0.00	650.00	-650.00	-100.0%
Platinum Sponsor	0.00	5,000.00	-5,000.00	-100.0%
Silver Sponsor	0.00	1,500.00	-1,500.00	-100.0%
Sponsorship	21,741.11	11,700.00	10,041.11	85.8%
Taste of Farragut	1,430.00	0.00	1,430.00	100.0%
Ticket & Concessions	16,160.45	15,686.98	473.47	3.0%
Town of Farragut - Grant	35,000.00	35,000.00	0.00	0.0%
Total Income	76,263.13	69,586.98	6,676.15	9.6%
Expense				
ABC Fees	0.00	200.00	-200.00	-100.0%
Accounting	759.00	300.00	459.00	153.0%
Advertising	11,781.39	3,097.17	8,684.22	280.4%
Bank Service Charge	-0.97	0.00	-0.97	-100.0%
Cell Phone	458.45	473.79	-15.34	-3.2%
Conference Fee	17.55	77.89	-60.34	-77.5%
Contract Labor	21,000.00	19,999.98	1,000.02	5.0%
Decorating	419.35	0.00	419.35	100.0%
Entertainment	750.00	500.00	250.00	50.0%
Equipment Rent	50.34	0.00	50.34	100.0%
Event Fee	2,000.00	2,030.00	-30.00	-1.5%
Filing Fees	660.00	221.41	438.59	198.1%
Food	55.64	308.37	-252.73	-82.0%
Ice	410.00	410.00	0.00	0.0%
ICSC Reception	0.00	537.20	-537.20	-100.0%
Insurance	595.00	0.00	595.00	100.0%
Membership	459.00	1,176.00	-717.00	-61.0%
Office Supplies	425.74	0.00	425.74	100.0%
PO Box Rental	134.00	0.00	134.00	100.0%
Porta Potty	0.00	677.35	-677.35	-100.0%
Postage	0.00	121.21	-121.21	-100.0%
Printing & Mailing	201.60	289.51	-87.91	-30.4%
Security	616.50	360.00	256.50	71.3%
Signage	306.99	1,281.30	-974.31	-76.0%
Storage	867.46	834.00	33.46	4.0%
Supplies	1,466.22	1,880.26	-414.04	-22.0%
T-Shirts	1,518.03	0.00	1,518.03	100.0%
Taste of Farragut Expenses	905.80	0.00	905.80	100.0%

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Cash Basis

Farragut Business Alliance
Profit & Loss Prev Year Comparison - Cash Basis
January through June 2019

	<u>Jan - Jun 19</u>	<u>Jan - Jun 18</u>	<u>\$ Change</u>	<u>% Change</u>
Tents	9,286.00	8,998.00	288.00	3.2%
Travel	0.00	2,180.50	-2,180.50	-100.0%
Website	255.17	60.00	195.17	325.3%
Total Expense	<u>55,398.26</u>	<u>46,013.94</u>	<u>9,384.32</u>	<u>20.4%</u>
Net Ordinary Income	<u>20,864.87</u>	<u>23,573.04</u>	<u>-2,708.17</u>	<u>-11.5%</u>
Net Income	<u>20,864.87</u>	<u>23,573.04</u>	<u>-2,708.17</u>	<u>-11.5%</u>

Farragut Business Alliance
Profit & Loss by Class - Cash Basis
January through June 2019

	Farragut Business Alliance	13k Race (Shop Farragut)	Dock Dogs (Shop Farragut)	Farragut F & W Festival (Shop Farragut)	Light the Park (Shop Farragut)	Music Fest (Shop Farragut)	Red, White & Blues (Shop Farragut)	Shop Farragut - Other (Shop Farragut)	Total Shop Farragut	TOTAL
Ordinary Income/Expense										
Income										
Booth Fee	0.00	100.00	392.85	945.87	0.00	292.85	200.00	0.00	1,931.57	1,931.57
Sponsorship	0.00	0.00	2,950.00	13,254.86	1,000.00	4,536.25	0.00	0.00	21,741.11	21,741.11
Taste of Farragut	0.00	0.00	0.00	1,430.00	0.00	0.00	0.00	0.00	1,430.00	1,430.00
Ticket & Concessions	0.00	0.00	0.00	16,160.45	0.00	0.00	0.00	0.00	16,160.45	16,160.45
Town of Farragut - Grant	35,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	35,000.00
Total Income	35,000.00	100.00	3,342.85	31,791.18	1,000.00	4,829.10	200.00	0.00	41,263.13	76,283.13
Expense										
Accounting	759.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	759.00
Advertising	0.00	0.00	0.00	3,791.75	0.00	1,804.34	0.00	6,185.30	11,781.39	11,781.39
Bank Service Charge	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.97	-0.97	-0.97
Cell Phone	0.00	0.00	0.00	0.00	0.00	0.00	0.00	458.45	458.45	458.45
Conference Fee	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17.55	17.55	17.55
Contract Labor	21,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21,000.00
Decorating	0.00	0.00	0.00	419.35	0.00	0.00	0.00	0.00	419.35	419.35
Entertainment	0.00	0.00	0.00	750.00	0.00	0.00	0.00	0.00	750.00	750.00
Equipment Rent	0.00	0.00	0.00	50.34	0.00	0.00	0.00	0.00	50.34	50.34
Event Fee	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	2,000.00	2,000.00
Filing Fees	200.00	0.00	0.00	100.00	0.00	200.00	0.00	160.00	460.00	660.00
Food	0.00	0.00	0.00	0.00	0.00	0.00	0.00	55.64	55.64	55.64
Ice	0.00	0.00	0.00	410.00	0.00	0.00	0.00	0.00	410.00	410.00
Insurance	595.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	595.00
Membership	0.00	0.00	0.00	0.00	0.00	0.00	0.00	459.00	459.00	459.00
Office Supplies	29.00	0.00	0.00	0.00	0.00	0.00	0.00	398.74	398.74	425.74
PO Box Rental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	134.00	134.00	134.00
Printing & Mailing	0.00	0.00	0.00	146.60	0.00	55.00	0.00	0.00	201.60	201.60
Security	0.00	0.00	0.00	616.50	0.00	0.00	0.00	0.00	616.50	616.50
Signage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	306.99	306.99	306.99
Storage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	867.46	867.46	867.46
Supplies	13.75	0.00	0.00	1,458.22	0.00	0.00	0.00	900.05	2,358.27	2,372.02
T-Shirts	0.00	0.00	0.00	1,518.03	0.00	0.00	0.00	0.00	1,518.03	1,518.03
Tents	0.00	0.00	0.00	9,286.00	0.00	0.00	0.00	0.00	9,286.00	9,286.00
Website	0.00	0.00	0.00	0.00	0.00	0.00	0.00	255.17	255.17	255.17
Total Expense	22,596.75	0.00	2,000.00	18,546.79	0.00	2,059.34	0.00	10,195.38	32,801.51	55,398.26
Net Ordinary Income	12,403.25	100.00	1,342.85	13,244.39	1,000.00	2,769.76	200.00	-10,195.38	8,461.62	20,864.87
Net Income	12,403.25	100.00	1,342.85	13,244.39	1,000.00	2,769.76	200.00	-10,195.38	8,461.62	20,864.87

REPORT TO THE BOARD OF MAYOR AND ALDERMEN

PREPARED BY: Allison Myers, Town Recorder/Treasurer

SUBJECT: Ordinance 19-27, Ordinance on first reading amending the Capital Investment Program and State Street Aid Fund budget of the Fiscal Year 2019-2020 budget, passed by Ordinance 19-22

INTRODUCTION:

The purpose of this agenda item is to amend the Fiscal Year 2020 Capital Investment Program and State Street Aid Fund Budget.

DISCUSSION:

The **Capital Investment Program** will be amended by increasing the appropriated expenditures from \$21,345,000 to \$21,410,000, an increase of \$65,000.

- **Watt Road/Kingston Pike Intersection project**
 - **\$15,000**-As the Watt Road/Kingston Pike project design has proceeded, estimates for construction costs have increased substantially above the original \$500,000 estimate. In order to fully fund the project, an additional amount of \$370,000 was requested in Surface Transportation Block Grant (STBG) funding through the TPO last year, based upon a projected cost of \$870,000. STBG funding is provided on an 80/20 cost share of federal/local funds, so the additional \$370,000 is to be shared as \$296,000 federal/\$74,000 local funds. Staff is requesting an additional \$15,000 for the project due to the increased cost of construction.
- **CMAQ**
 - **\$20,000**-The Town requested additional CMAQ funding for additional equipment. The request was approved, and additional engineering design services were needed, with a fee of \$20,000. This project is 100% funded but the funds do need to be allocated.
- **Anchor Park**
 - **\$30,000**-Professional services agreement/scope of services with Lose Design for construction oversight of the Anchor Park renovation, \$25,000. These services were not included in the original design contract. An additional \$5,000 for benches and equipment needed for the new building.

FINANCIAL SECTION:

The additional \$65,000 in expenditures will be pulled from the CIP fund balance. With the adjustment, the amended fund balance for the Capital Investment Program is \$877,419.

Account Number: Capital Investment Program

Original FY2020 Budget

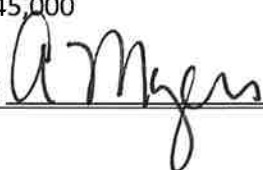
Requested Amendment

FY2020 Amended Budget

\$21,345,000

\$65,000

\$21,410,000

Approved By: 

The **State Street Aid Fund** will be amended by increasing the appropriated expenditures from \$865,000 to \$1,502,859, an increase of \$637,859.

○ **Resurfacing Program**

- For the past few years, in hopes of receiving better bids, the resurfacing contract has provided for a more flexible and longer construction season. Due to this change, the resurfacing of the Town's streets typically spans multiple fiscal years. The resurfacing balance for FY19 was \$637,859. The resurfacing budget for FY20 will be amended from \$650,000 to \$1,287,859, an increase of \$637,859. The remaining invoices for the previous year's contract will be paid in the current fiscal year so the balance will be transferred from FY2019 to FY2020.

FINANCIAL SECTION:

Account Number: State Street Aid Budget		
<u>Original FY2020 Budget</u>	<u>Requested Amendment</u>	<u>FY2020 Amended Budget</u>
\$865,000	\$637,859	\$1,502,859
Approved By: 		

RECOMMENDATION BY: Allison Myers, Town Recorder/Treasurer, for approval.

PROPOSED MOTION: Motion to approve Ordinance 19-27 on first reading.

BOARD ACTION:

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

<u>VOTE/TOTAL</u>	<u>BURNETTE</u>	<u>MEYER</u>	<u>PINCHOK</u>	<u>POVLIN</u>	<u>WILLIAMS</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____

ORDINANCE	19-27
PREPARED BY	Myers
1 ST READING	October 24, 2019
2 nd READING	November 14, 2019
PUBLISHED IN	Shopper News Farragut
DATE	

**AN ORDINANCE OF THE TOWN OF FARRAGUT, TENNESSEE
AMENDING THE FISCAL YEAR 2019-2020 BUDGET, PASSED BY ORDINANCE 19-22**

WHEREAS, the Town of Farragut adopted the fiscal year 2019-20 budget by passage of Ordinance Number 19-22 on June 13, 2019; and

WHEREAS, pursuant to the Tennessee State Constitution, Section 24 of Article II, no public money shall be expended except pursuant to appropriations made by law; and

WHEREAS, expenses for the Capital Investment Program and State Street Aid Fund will be greater than budgeted; and

NOW THEREFORE BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF FARRAGUT, TENNESSEE THAT CHANGES BE MADE TO THE FISCAL YEAR 2019-2020 BUDGET AS FOLLOWS:

SECTION 1. Ordinance 19-22 is hereby amended by:

- The **Capital Investment Program** will be amended by increasing the appropriated expenditures from \$21,345,000 to \$21,410,000, an increase of \$65,000.
- The **State Street Aid** will be amended by increasing the appropriated expenditures from \$865,000 to \$1,502,859 an increase of \$637,859.

SECTION 2. The Board of Mayor and Aldermen authorizes the Town Recorder to make said changes in the accounting system.

SECTION 3. This ordinance shall take effect after its final passage and publication, the public welfare requiring it.

Ron Williams, Mayor

Allison Myers, Town Recorder

REPORT TO THE BOARD OF MAYOR AND ALDERMEN**PREPARED BY:** Trevor Hobbs**SUBJECT:** Ordinance 19-28**AN ORDINANCE TO AMEND CHAPTER 4 OF THE FARRAGUT MUNICIPAL CODE TO PERMIT THE SALE AND DISTRIBUTION OF ALCOHOLIC BEVERAGES IN TOWN-OWNED RENTAL PROPERTIES.**

INTRODUCTION: The opening of the Farragut Community Center and expansion of related rental venues have prompted the need to modify and adopt additional policies in order to regulate the sale and serving of beer and alcoholic beverages at the Farragut Community Center, Campbell Station Inn, and Town Hall.

BACKGROUND: The Town has historically prohibited selling or distributing alcoholic beverages of any kind on town-owned property including rental spaces at Town Hall and the town's parks. The only indoor facility available for rental is currently the Community Room at Town Hall.

However, with the opening of the town's community center and the expansion of rental opportunities on town-owned property, market and benchmarking research conducted by staff indicates that use of town facilities will be maximized by permitting the sale and distribution of alcoholic beverages.

In terms of regulatory authority, the Tennessee Alcoholic Beverage Commission regulates the sale and distribution of alcoholic beverages having greater than eight percent alcohol content by volume, leaving the regulation of alcoholic beverages having eight percent or less alcohol content by volume to municipalities. Currently, the Town's Beer Board has sole authority to grant permits related to the sale and distribution of beer within the town.

In order to reduce the burden on individuals and groups who rent town-owned property, staff have drafted amendments to the Town's Alcoholic Beverage Ordinance to create a new permit specifically for selling and serving alcohol in designated rental areas of town-owned property. The proposed amendments would allow these permits to be issued as part of the rental process rather than through the Beer Board.

DISCUSSION: The proposed ordinance has four elements:

The first element of the ordinance amends Article 3- Beer, by adding a definition for the newly created Temporary Alcohol Permit. This permit authorizes renters to sell or serve beer and alcoholic beverages during their events held on town-owned property.

The second element of the ordinance amends language related to the authority and powers of the town's Beer Board, to exempt the Temporary Alcohol Permit from the Beer Board's regulatory authority and application process.

The third element of the ordinance amends language related to the town's Class 6 Special Occasion Beer Permit to exempt the Temporary Alcohol Permit from the regulations of that section.

The fourth element of the ordinance creates a new Article IV- Town-owned Properties.

The newly formed Article IV includes the following elements:

- A section for definitions
- Authorizes the Town Administrator or his designee to administer the Temporary Alcohol Permit process
- Clarifies that other regulations of the chapter still apply to rental situations
- Specifies the town-owned properties governed by the new article
- Introduces the Temporary Alcohol Permit, its purpose, and content
- Requires the sale or distribution of alcohol to be exclusively through a state-licensed caterer whose staff are state-licensed servers.
- Authorizes the Town Administrator or his designee to terminate the sale or distribution of alcohol at events held on town-owned property in the event of inappropriate behavior.
- Specifies the terms and conditions for a violation of the article and its penalty.

The key feature of the policies that will regulate alcohol on town-owned properties is the requirement for renters to hire caterers who have a Catering License from the Tennessee Alcoholic Beverages Commission and for them to utilize staff who have a Server Permit from the Tennessee Alcoholic Beverages Commission.

Together with the Temporary Alcohol Permit, the aggregate regulation will comply with the State’s permit and license requirements and will fulfill the regulatory intent of the Town’s Beer Board.

The intent of these amendments is to reduce the number of regulatory agencies with which renters must interact when planning events that will be held on town-owned property, keep rental lead time low, and prevent overburdening the Beer Board with applications that relate to rentals at town-owned properties. These amendments would also facilitate the Town’s planning of special events on its own property and allow for the sale or distribution of alcohol.

In summary, the article transfers the regulatory burden of alcohol permits related to events held on town-owned property from the Beer Board to the administrative rental process. It is anticipated that The Parks & Recreation Department will operate the rental process for all town-owned properties and that applications for this permit will be frequent.

RECOMMENDATION BY: Trevor Hobbs & Sue Stuhl

PROPOSED MOTION: To approve Ordinance 19-28 on first reading.

BOARD ACTION:

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

<u>VOTE/TOTAL</u>	<u>WILLIAMS</u>	<u>POVLIN</u>	<u>BURNETTE</u>	<u>PINCHOCK</u>	<u>MEYER</u>
YES	_____	_____	_____	_____	_____
NO	_____	_____	_____	_____	_____
ABSTAIN	_____	_____	_____	_____	_____

ORDINANCE:	19-28
PREPARED BY:	Hobbs
REQUESTED BY:	BMA
1ST READING:	October 24, 2019
2ND READING:	
PUBLISHED IN:	
DATE:	

ORDINANCE 19-28, AN ORDINANCE TO AMEND CHAPTER 4 OF THE FARRAGUT MUNICIPAL CODE TO PERMIT THE SALE AND DISTRIBUTION OF ALCOHOLIC BEVERAGES IN TOWN-OWNED RENTAL PROPERTIES.

WHEREAS, the Board of Mayor and Aldermen intend to regulate the sale and distribution of alcoholic beverages according to the dictates of the law; and

WHEREAS, the health, safety, and welfare of the community are of the utmost importance; and

WHEREAS, in order to permit the sale and distribution of alcoholic beverages in town-owned rental properties, it is necessary to amend the town's existing regulations regarding alcoholic beverages;

NOW, THEREFORE, BE IT ORDAINED by the Board of Mayor and Aldermen of the Town of Farragut, Tennessee, that the Farragut Municipal Code is hereby amended as follows:

SECTION 1.

The Farragut Municipal Code, Chapter. 4 Article 3, Division 1, Section 4-93 is amended by adding the following definition:

Temporary Alcohol Permit means the permit and letter of permission provided to a renter of a property owned by the Town of Farragut granting the temporary privilege of storing, serving, distributing or selling beer and alcoholic beverages on town-owned property for a specified period of time.

SECTION 2.

The Farragut Municipal Code, Chapter. 4 Article 3, Division 2, Section 4-125 as follows:

With the exception of town-owned properties as identified in Sec. 4-166(a), the beer board shall have the power and is hereby directed to regulate the selling, storing for sale, distributing for sale, and manufacturing of beer within this municipality in accordance with the provisions of this division.

The selling, storing for sale, and distributing of beer on town-owned properties shall be governed by the provisions of Article IV of this chapter.

SECTION 3.

The Farragut Municipal Code, Chapter. 4 Article 3, Division 3, Section 4-149(a)(1)(f) is amended by adding item 7 as follows:

Temporary Alcohol Permits shall be exempt from the provisions of this section and division and shall instead be governed by the provisions of Article IV of this chapter.

SECTION 4.

The Farragut Municipal Code, Chapter. 4 by creating Article IV- Town-owned Properties:

ARTICLE IV. Town-owned Properties

Section 4-163. – Definitions

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Alcoholic Beverage means and includes alcohol, spirits, liquor, wine, high gravity beer and every liquid containing alcohol, spirits and wine, and capable of being consumed by human beings, where the alcoholic content is greater than eight percent by weight.

Applicant means the person or organization on whose behalf an application for a Temporary Alcohol Permit is filed.

Bartender means an individual who is directly engaged in the distribution, serving, or sale of beer and alcoholic beverages for on-premise consumption.

Beer means beer, ale or other malt beverages, having an alcoholic content of not more than eight percent by weight, provided, however, that no more than forty-nine percent of the overall alcoholic content of such beverage may be derived from the addition of flavors and other non-beverage ingredients containing alcohol.

Bona Fide Charitable, Non-profit Organization means any corporation which has been recognized as exempt from federal taxes under § 501(c) of the Internal Revenue Code (26 U.S.C § 501(c) or any organization recognized as exempt from sales tax by The State of Tennessee.

Bona Fide Political Organization means any political campaign committee as defined in TCA § 2-10-102 or any political party as defined in TCA § 2-13-101.

Caterer means a business engaged in the offering of food and beverage service for a fee at various locations, which:

- (a) Operates a permanent catering hall on an exclusive basis or restaurant;
- (b) Has a complete and adequate commercial kitchen facility; and
- (c) Is licensed as a caterer by the Tennessee Department of Health

High Gravity Beer means an alcoholic beverage which is beer, ale or other malt beverage having an alcoholic content of more than eight percent by weight and not more than twenty percent by weight, provided that no more than forty-nine percent of the overall alcoholic content of such beverage may be derived from the addition of flavors and other non-beverage ingredients containing alcohol.

Temporary Alcohol Permit means a permit and letter of permission issued by the Town Administrator or his designee, provided to a renter of a property owned by the Town of Farragut, granting the privilege of storing, serving, distributing or selling beer and/or alcoholic beverages on town-owned property.

Section 4-164. – Administration

The Town Administrator or his designee shall have authority to administer the provisions of this article.

Section 4-165. – Supremacy

- (a) The provisions of this article shall not be interpreted to supersede other provisions of this chapter as related to the consumption, serving, distribution, and sale of beer and alcoholic beverages.
- (b) Nothing in this article shall be interpreted to replace or supersede any provision or law of The United States of America, The State of Tennessee, or regulation of the Tennessee Alcoholic Beverages Commission.

Section 4-166. – Town-owned Properties

- (a) Subject to the provisions of this article, beer and alcoholic beverages may be sold, served, and consumed only on the premises of the Farragut Town Hall and grounds, Campbell Station Inn and grounds, and the Farragut Community Center and grounds.
- (b) Subject to the provisions of this article, beer and alcoholic beverages may be sold, served, or consumed only in a specified rental area of a town-owned property.
- (c) Only beer and/or alcoholic beverages provided by the renter or a licensed caterer contracted by the renter may be consumed within a specified rental area of a town-owned property.
- (c) Nothing in this article shall be interpreted to permit the sale, serving, distribution, possession, or consumption of beer or alcoholic beverages outside of a specified rental area or on the premises of any other property owned by The Town of Farragut.
- (d) Nothing in this article shall be interpreted to alter Sec. 4-95 of this chapter.

Section 4-167. – Permits

- (a) For the purposes of this article, in addition to permits and licenses required by the State of Tennessee, the Town Administrator or his designee may authorize the issuance of municipal permits for the sale and/or serving of beer and alcoholic beverages at town-owned properties to individuals or groups renting town-owned property.
- (b) No individual, group, or entity shall transport to, serve, distribute, possess, or consume beer or alcoholic beverages of any kind on the premises of town-owned property unless approved for a Temporary Alcohol Permit.
- (c) A Temporary Alcohol Permit shall:
 - (1) State the name of applicant to whom the permit is granted
 - (2) Specify the designated rental area for which the permit is granted
 - (3) State the dates and times during which the permit is valid

Section 4-168. – Service and Sale of Beer & Alcoholic Beverages

- (a) Beer and alcoholic beverages may be served at an event held on town-owned property for on-premise consumption only if the renter is approved for a Temporary Alcohol Permit.
- (b) Beer and alcoholic beverages may only be sold and/or served by a licensed caterer who holds a Caterer License from the Tennessee Alcoholic Beverage Commission by a bartender who holds a Server Permit from The Tennessee Alcoholic Beverage Commission.
- (c) The sale of beer or alcoholic beverages on town-owned property for off-premise consumption is prohibited.

Section 4-170. – Inappropriate Behavior

The serving, possession or consumption of beer and alcoholic beverages on town-owned property, may be ordered discontinued at any time at the discretion of The Town Administrator or his designee. Inappropriate behavior, exposure to liability due to excessive drinking, intoxication of individuals, damage to property or injury to individuals, and other such activities will result in the discontinuance of the serving, possession or consumption of beer and alcoholic beverages.

Section 4-171. – Violation

Any violation of the terms of this article shall constitute a civil offence, and upon conviction, shall be punishable by a fine not to exceed \$50 per violation. Each separate occurrence shall be considered a separate violation.

SECTION 5.

This ordinance shall take effect from and after its final passage and publication, the public welfare requiring it.

Ron Williams, Mayor

Allison Myers, Town Recorder