

AGENDA

SPECIAL CALLED – Budget Hearing

JACKSON CITY COUNCIL MEETING

JUNE 16, 2020 – 8:00 A.M.

GEORGE A. SMITH MEETING ROOM

- I. CALL TO ORDER.**
- II. INVOCATION AND PLEDGE OF ALLEGIANCE TO THE FLAG.**
(MAYOR Scott Conger)
- III. ROLL CALL.**
- IV. APPROVAL OF MINUTES OF JUNE 9, 2020, SPECIAL CALL MEETING.**
- V. PROCLAMATIONS.**
- VI. INVITATION FOR PUBLIC COMMENT.**
- VII. FIRST READINGS:**
 1. An Ordinance to establish the FY (i.e., July 1, 2020, through June 30, 2021) Operating and Capital Budget and FY 21 Property Tax Rate for the City of Jackson, TN.
- VIII. SECOND READINGS:**
 1. Consideration of a budget amendment to move \$750,000 from Debt Service fund balance to Debt Service revenue and expense.
- IX. NEW BUSINESS:**
 1. Recommendation of award to Delta Contracting for the material and labor to construct the project named Exit 85 Storm Drainage Collapse.
- X. ADJOURN.**

MINUTES

JACKSON CITY SPECIAL CALL COUNCIL MEETING

June 9, 2020 – 9:00 A.M.

GEORGE A. SMITH MEETING ROOM

Call to Order, Invocation, Pledge of Allegiance, and Roll Call:

The Council of the City of Jackson met in a special call session on **Tuesday, June 9, 2020**, at 9:00 A.M. Mayor Scott Conger gave the invocation and led the audience in the Pledge of Allegiance. The mayor then called the roll. Councilmembers Ernest Brooks II, David Cisco, Johnny Dodd, Russ McKelvey, Ross Priddy, Paul Taylor, and Marda Wallace were present. Absent were Gary Pickens and Harvey Buchanan. For the City of Jackson, Mr. Bobby Arnold, Finance, Mr. Stan Pilant, Planning, Ms. Susan White, Purchasing, and Ben Smith, Building. Guests also in attendance were Jeff Watlington from Watlington Construction. Also present was Sandy Maxwell recorder of the minutes.

Approval of Minutes:

The minutes for June 2, 2020, meeting were approved and signed.

Proclamations:

1. None

INVITATION FOR PUBLIC COMMENT:

Mayor Scott Conger reminded the audience this is a public hearing, and open to public comment for opposition to or in favor of items on the first readings. Anyone is allowed to speak when the appropriate items are up for discussion.

FIRST READINGS:

1. **Consideration of a budget amendment to move \$750,000 from Debt Service fund balance to Debt Service revenue and expense.**

Mr. Bobby Arnold from the Finance Department stated that this amendment would provide a budget for the estimated amount that we've talked about in the previous meeting that the debt service expenditures are going to exceed, which projected June 30, 2020, available budget.

Mayor Conger then asked if there was anyone present who wished to speak in favor of or opposition to the ordinance. There being no one present to speak in opposition to or in support of the ordinance, Mayor Conger declared the public hearing closed.

Councilmember Taylor said, to clarify, this is moving \$750,000, which has accumulated from previous or ongoing budget ordinances to move over into the debt service to pay for that overage. Per Mr. Arnold, that's correct. Councilmember Taylor asked if Mr. Arnold knew the total general fund balance draw this year? Mr. Arnold said he believed it was about 1.1 million.

Councilmember Cisco made a motion, seconded by Johnny Dodd, to approve the agenda item as submitted. Upon a call for a vote, all 7 voted aye, 2 being absent, motion passed.

SECOND READINGS:

1. Consideration of a Budget Amendment to transfer an amount not to exceed \$500,000 from the General Fund to the Debt Service Fund.

Councilmember Brooks made a motion, seconded by Councilmember Cisco, to approve the agenda item as submitted. Upon a call for a vote, all 7 voted aye, 2 being absent, motion passed.

2. Consideration of a Budget Amendment to approve Dog Park funded by a grant from Boyd Foundation.

Councilmember Dodd made a motion, seconded by Councilmember McKelvey, to approve the agenda item as submitted. Upon a call for a vote, all 7 voted aye, 2 being absent, motion passed.

NEW BUSINESS:

1. Update re: Vacant Property Ordinance

Stan Pilant from the Planning Department reported, beginning in September of 2019, they developed an inventory of vacant buildings in the way of identifying which ones were genuinely vacant and needed to pay the registration fee. Those that were actually occupied or they were in the middle of a rehab, or those being actively marketed. Starting with over 140 properties, a few of those properties were automatically removed because they were government-owned, 55 of those were truly vacant, 50 of them were partially vacant, 16 properties were available for rent, or actively marketed, eight properties were in rehab. Five are multi-tenant vacant properties. They processed 134 properties, still having to turn 13 properties over to our city attorney, who will be handling through a summons to environmental court. We have contacted our building officials and inspectors to begin the rotation again, even though it has not been a full 12 months. To determine if any additional vacant properties were missed the first time, or have become vacant. Our goal is to identify other properties and process the last group through the environmental court, which has been slow due to COVID-19 interruptions. The same is true for the inspectors who have also had their hands full with essential businesses and non-essential businesses, so they have not been able to start over again but are hopeful to start soon.

Councilmembers had a few questions is there a spreadsheet and a map for the properties and could the council get an update about every six months, so the council could see how well this ordinance is or is not working. Could the council get a copy of the numbers that were presented today and if the ordinance will put us (City) in a better position to collect the property taxes on these properties. Mr. Pilant said, ye to all questions and explained the properties come from our tax roll, so the collection of taxes is already a part of the equation but may not always to possible to other reasons.

2. Consideration of a contract for Madison Academic

Councilmember Marda Wallace presented a summary of the two options or hiring an owner representative, Watlington Construction, for the Madison Academic building project. This amendment was attached by the council when the motion passed at the February 25, 2020 meeting. Ms. Wallace explained that Watlington Construction, the company to represent the city (as the owner of the project), gave the city two options with some potential savings to the city. Option 1) a representative would be overseeing the Madison project daily basis (40 hours a week). Option 2) there would be project management checks (approximately 13 hours a week), and City employees would be there in some capacity daily checking on the project. She called on Ben Smith from the City of Jackson Building Dept. and Jeff Watlington from Watlington Construction to further explain the roles of the owner representative and how city employees could be used.

Several Councilmember asked questions, like how many employees and from which Dept. would be a part of the check-in and what their role would be. After several questions were asked and answers were given between the council and the presenters, Councilmember Dodd suggested that we (the council) amend our amendment. Councilmember Paul Taylor reminded the council that the reason they sought representation of the job site was that past projects were not appropriately managed, and they came in over budget.

Councilmember Dodd made a motion, seconded by Councilmember Brooks, to rescind the agenda item for the previous meeting. Before voting, the mayor reminded council that aye vote would be a vote to take this contract off the table altogether, and nay vote would be to keep our agreement with Watlington Construction for owner representation on the Madison Academic High School. Upon a call for a vote, Councilmembers Brooks, Dodd, Cisco, McKelvey, and Wallace voted (5) aye, Councilmembers Taylor, and Priddy voted (2) nay, and 2 being absent, motion passed.

For the full details, listen to the June 9, 2020 video at <https://www.youtube.com/c/CityofJacksonTN731>, from time marker 13:20 – 59:30.

3. Revision to Debt Management Policy

Mr. Bobby Arnold from the Finance Department stated that our existing policy limits our annual debt service as a percentage of our total tax property tax revenue, which includes PILOT & IDB. The current amount is set at 26.6%, and Mr. Arnold recommends an increase to 28%.

Councilmember Priddy asked since this pertains to FY21, should we wait until after the budget hearings are finished, so we have a better understanding of the budget numbers.

Councilmember Taylor made a motion, seconded by Councilmember Brooks, to table the agenda item until after the budget hearings. Upon a call for a vote, Councilmembers Brooks,

McKelvey, Priddy, Taylor, Wallace voted (5) aye, Councilmembers Dodd and Cisco abstaining (2), and 2 being absent, motion passed.

4. Consideration of a resolution to support an application to the Economic Development Administration for a Public Works and Economic Adjustment Assistance CARES ACT grant for F.E. Wright access road.

Lauren Kirk, from the Mayor's Office, stated we are applying for the cost of the access road at Tiger Jones Industrial Park, which, if you recall this is part of the Great Wolf Lodge project, the city owns that property and responsible for putting in the access road. Southwest Tennessee Development is applying on our behalf to help with the cost as well. We are asking now because of the special CARES Act funding from the FDA and also because if we don't get the funding now, we can reapply in October for regular public funding.

We are applying for about 50% of the cost, which is at or slightly above their average award. We're also going to be applying for a Delta Regional Authority for \$1 million. Since this project does have a regional economic impact, so that would take the cost from 6.4 million. It would go down to 2.4 million, and we would, of course, look for other local assistance to make this road happen. This particular project is a few years out, so we have some options; decline the grant if Great Wolf Lodge decides not to come, asking Madison County to help fund the road, adding it to the city budget in a few years, when the project is firmer, on how to handle this grant if awarded.

Questions asked by Councilmember included: confirming the money was part of the CARES Act through the FDA. Have other grants been sought, and was there an update about the Great Wolf Lodge's decision to still come to Jackson? Has our Planning Department put any numbers together to confirm the cost of the road, and have we (City of Jackson) already committed to building the road.

After additional questions were asked and answered given between the council and the presenters, Councilmember Taylor made a motion, seconded by Councilmember Wallace, to approve the agenda item as submitted. Upon a call for a vote, Councilmember Brooks, Cisco, McKelvey, Priddy, Taylor, and Wallace voted (6) aye, Councilmember Dodd abstaining, 2 being absent, motion passed.

For the full details, listen to the June 9, 2020 video at <https://www.youtube.com/c/CityofJacksonTN731>, from time marker 01:02:00 to 01:13:00.

ADJOURN.

ORDINANCE No. _____

AN ORDINANCE OF THE
CITY OF JACKSON, TENNESSEE
ADOPTING THE ANNUAL BUDGET AND TAX RATE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021

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**This is a place marker page
ONLY. It is for the actual budget
items that were emailed to you
directly from Bobby Arnold.**

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FOLLOWS

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SECTION 1:

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**Sandy will have a bound report
copy for each couincImember at
their desk on Tuesday.**

City of Jackson
FY 21 Budget
General Fund Revenue
Material Variances

Total Variance
FY 20 From FY 19

Taxes

Local Sales Tax - Combined	\$	(1,100,110)
Business Tax	\$	(339,904)
Hotel Tax	\$	(142,243)
Beer & Liquor Tax - Combined	\$	(136,499)

Licenses And Permits

City Stickers	\$	(46,244)
Building Permits	\$	(74,588)
Property Liens	\$	(43,448)
Plans Review	\$	(40,365)

Grants

Toyota	\$	(695,000)
Black & Decker	\$	(356,239)
Fire Protection Education	\$	(75,975)
MPO Planning	\$	(62,265)
TDOT Planning	\$	(34,993)

Intergovernmental

Hall Income Tax	\$	(547,440)
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Use Of Money And Property

Interest Earned	\$	(161,143)
Public Facilities - Combined	\$	(73,946)

City of Jackson
FY 21 Budget
General Fund Revenue
Material Variances

Total Variance
FY 21 From FY 20

Taxes

Property Tax - Combined	\$	557,131
Beer & Liquor Tax - Combined	\$	258,286
Business Tax	\$	174,453
Local Sales Tax - Combined	\$	(1,717,740)
Hotel Tax	\$	(74,944)

Grants

Site Development	\$	329,097
Black & Decker	\$	296,411
TVA Invest Prep	\$	250,000

Intergovernmental

State Sales Tax	\$	(401,400)
State Gas Tax - Combined	\$	(277,391)
State Excise Tax	\$	(19,935)
TVA Gross Receipts Tax	\$	(10,800)

Fines And Penalties

City Court Revenue - Combined	\$	(45,764)
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Use of Money and Property

Sports Plex Revenue	\$	1,105,000 *
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* Consolidation of Sports Plex and General Fund

City of Jackson
FY 21 Budget
General Fund Expense
Material Variances **

	Total Variance FY 20 From FY 19
<u>General Government</u>	
Election Expense	\$ (60,349)
Community Relations	\$ (121,003)
Marketing	\$ (341,185)
Reappraisal Cost	\$ (429,032)
One Jackson - Civic Master	\$ (10,466)
Municipal Development	\$ (12,765)
Grant Black & Decker	\$ (356,239)
Grant Toyota	\$ (695,000)
Fees & Commissions - Combined	\$ (42,664)
Grants & Donations	\$ (174,034)
Tax Sale Expense	\$ (225,621)
Recoverable Damages	\$ (100,967)
<u>Public Safety</u>	
Police And Grants - Combined	\$ (368,595)
Fire - Combined	\$ (515,717)
<u>Public Works</u>	
Planning - Combined	\$ (97,449)
Planning TDOT	\$ (34,993)
Public Services Complex - Combined	\$ (30,802)
Street Lighting - Combined	\$ (247,535)
Garage - Combined	\$ (86,190)
Traffic Sign - Combined	\$ (43,368)
Traffic Signalization - Combined	\$ (18,596)
Engineering - Combined	\$ (22,109)
Stormwater Operations - Combined	\$ (356,581)
Animal Care - Combined	\$ 161,033 *
Street Maintenance - Combined	\$ 151,347 *
ADA	\$ 65,803
<u>Public Facilities</u>	
Civic Center	\$ (46,800)
Ms. TN Pagent	\$ (45,279)
Oman Arena	\$ (42,326)
Carnegie	\$ (35,390)
Fairgrounds	\$ (92,860)
<u>Parks & Reccreation</u>	
Groundskeeping - Combined	\$ 657,261 *
<u>Transfers To Other Funds</u>	
To Debt Service - Short Street Building	\$ (710,200)
To Solid Waste - Write Off Receivable	\$ 500,702
To Sports Plex - Write Off Receivable	\$ 400,000
To Debt Service - Fund FY 20 Expense	\$ 101,362

* Includes Expense Moved From Solid Waste Fund.

** Material variances to facilitate understanding, not intended as a reconciliation between years.

City of Jackson
FY 21 Budget
General Fund Expense
Material Variances **

Total Variance
FY 21 From FY 20

General Government

Municipal Court - Combined	\$	82,582
Public Buildings - Municipal	\$	62,207
OJI Expense	\$	75,765
Salary Progression	\$	296,688
Employee Health Insurance	\$	584,135
One Jackson - Civic Master	\$	167,692
Grant - Black & Decker	\$	296,411
Grant - Invest Prep	\$	414,166
Grant - Site Development	\$	371,050
Terminal Leave	\$	(325,995)
LIFT Health	\$	(238,785)

Public Safety

Police And Grants - Combined	\$	483,320
Fire - Combined	\$	421,755
Central Dispatch - Combined	\$	(110,438)

Public Works

Planning Professional Services	\$	50,000
Planning TDOT	\$	38,631
Planning MPO	\$	47,500
Street Lighting	\$	194,338
Street Maintenance	\$	123,721
Street Administration	\$	65,553
State Street Maintenance	\$	23,865
Garage	\$	33,754
Traffic Signalization	\$	18,596
Stormwater Operations	\$	358,910
ADA	\$	(53,096)

Public Facilities

Jackson Ballpark	\$	272,845
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Park & Recreation

Recreation Administration - Combined	\$	123,187
Athletics - Combined	\$	31,832
Parks Maintenance - Combined	\$	32,331
T. R. White	\$	60,525
Westwood	\$	25,313
Sports Plex	\$	1,758,514 *
Groundskeeping	\$	(148,458)

Transfers To Other Funds

To Solid Waste	\$	(500,702)
To Sports Plex	\$	(400,000)
To Debt Service	\$	(101,362)

* Consolidation of Sports Plex And General Fund

** Material variances to facilitate understanding, not intended as a reconciliation between years.

CITY OF JACKSON
FY20 Budget Amendment
BUDGET ORDINANCE/AMENDMENTS

Amendment #: 19

MAYOR APPROVAL DATE: _____

COUNCIL APPROVAL DATE: _____

Account/Description		APPROVED FY20 BUDGET	BUDGET AMENDMENT	TOTAL AMENDED FY20 BUDGET
Debt Service Fund				
Unreserved Fund Balance (Debit)	211-27150	-	(750,000.00)	(750,000.00)
Transfer From Fund Balance (Credit)	211-37900	-	750,000.00	750,000.00
TOTAL GRANT REVENUE		-	-	-
EXPENDITURE				
Account/Description		APPROVED FY20 BUDGET	BUDGET AMENDMENT	TOTAL AMENDED FY20 BUDGET
Debt Service Expense	211-49111-611	-	750,000.00	750,000.00
TOTAL EXPENDITURE		-	750,000.00	750,000.00

NOTES

Transfer \$750,00 from Debt Service Fund Balance to Debt Service Revenue and Expense to fund FY 20 estimated expenditures.

AMENDMENTS ENTERED BY: _____

AMENDMENTS ENTERED DATE: _____

Created Date:

6/3/2020 By:

Cathy Keck

Susan White, CPPB, Director
115 E. Main St.
Suite 202
P.O. Box 2508
Jackson, Tennessee 38302



Telephone: 731-425-8245
Fax: 731-265-1869
Email: swhite@cityofjackson.net

To: Mayor and City Council
Date: June 10, 2020
From: Susan White
Subject: Agenda item for June 16, 2020

For the June 16, 2020 Council meeting, please consider the following item:

1. Recommendation of award to Delta Contracting for the material and labor to construct the project named Exit 85 Storm Drainage Collapse, only bid received.

Scott Conger, Mayor

BID TABULATION

For
Exit 85 Storm Drainage Collapse
TLM Project No.: J-6374
June 8, 2020 at 10:30 AM

BIDDER	BID BOND	ADDENDA ACKNOWLEDGED	BASE BID
DELTA CONTRACTING P.O. Box 427 Humboldt, TN 38343	✓	✓	\$308,946.00
MARTIN PAVING CO. P.O. Box 548 Medina, TN 38355			—
ENSCOR 5566 Commander Drive Arlington, TN 38002			—
Thomson & Thomson P.O. Box 10037 Jackson, TN 38308			—

Bids were received for the material and labor to construct the project named Exit 85 Storm Drainage Collapse. Bid advertisements were sent out to the Jackson Sun, Builder's Exchange, 30 contractors, posted on the City's website, TLM, and the city's bid list. Four sets of specifications were given out by TLM Associates and only one company replied, Delta Contracting in Humboldt, Tennessee.

Both Lewis Cobb and Scott Chandler will be in attendance to answer any questions you may have.