

OAK RIDGE CITY COUNCIL MEETING
Municipal Building Courtroom

November 13, 2017 - 7:00 p.m.

AGENDA

I. INVOCATION

Pastor Mark Walton, Glenwood Baptist Church

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

IV. PROCLAMATIONS AND PUBLIC RECOGNITIONS

Public Recognitions

- a. Recognition and presentation of plaques for Pat and Susan Fallon upon their retirement and twenty years of service

Proclamations

- a. A proclamation recognizing Thomas Row for his receipt of the Bill Wilcox Bow Tie Award from Aid to Distressed Families of the Appalachian Counties (ADFAC)

V. SPECIAL REPORTS

- a. City Attorney Evaluation Committee Report – Mayor Warren Gooch, Chair
b. City Manager Evaluation Committee Report – Councilmember Ellen Smith, Chair

VI. CONSENT AGENDA

- a. Approval of the October 9, 2017 City Council regular meeting minutes
b. A RESOLUTION WAIVING COMPETITIVE BIDS AND MAKING AN AWARD TO MOTOROLA COMMUNICATIONS AND ELECTRONICS, INC., FOR FURNISHING OF MAINTENANCE OF THE 800 MHZ TRUNKED COMMUNICATIONS SYSTEM'S INFRASTRUCTURE IN AN AMOUNT NOT TO EXCEED \$36,663.00.

VII. PUBLIC HEARINGS AND FIRST READING OF ORDINANCES

Public Hearing

- a. AN ORDINANCE TO AMEND ORDINANCE NO. 2, TITLED "THE ZONING ORDINANCE OF THE CITY OF OAK RIDGE, TENNESSEE," BY AMENDING THE ZONING MAP WHICH IS MADE A PART OF THE ORDINANCE BY CHANGING THE ZONING DISTRICT OF FORMER PARCEL 003.00, ANDERSON COUNTY TAX MAP 099N, GROUP B, FROM RG-1, RESIDENTIAL, OPEN SPACE AND RESERVED DISTRICT, TO UB-2/PUD, UNIFIED GENERAL BUSINESS DISTRICT WITH A PLANNED UNIT DEVELOPMENT OVERLAY, AND CHANGING THE ZONING DISTRICT OF A PORTION OF FORMER PARCEL 002.00, ANDERSON COUNTY TAX MAP 099N, GROUP B, FROM 0-2, OFFICE DISTRICT, TO UB-2/PUD, UNIFIED GENERAL BUSINESS DISTRICT WITH A PLANNED UNIT DEVELOPMENT OVERLAY, WITH BOTH PARCELS BEING LOCATED ON SOUTH TULANE AVENUE AND

NOW COLLECTIVELY REFERRED TO AS LOT 483R CONTAINING APPROXIMATELY 7.436 ACRES; AND APPROVING THE ASSOCIATED PLANNED UNIT DEVELOPMENT PRELIMINARY MASTER PLAN.

First Reading

- a. AN ORDINANCE TO AMEND ORDINANCE NO. 27-85, TITLED "A PERSONNEL PLAN FOR EMPLOYEES OF THE CITY OF OAK RIDGE, TENNESSEE," AS AMENDED, BY CHANGING THE TITLE OF SECTION 6.1, TITLED "HOURS OF WORK," TO "WORK PERIOD"; BY DELETING SECTION 6.1, TITLED "WORK PERIOD," SUBSECTIONS C AND D, AND SUBSTITUTING THEREFOR NEW SUBSECTIONS C AND D; BY DELETING SUBSECTION 6.2.B, TITLED "OVERTIME COMPENSATION," AND SUBSTITUTING THEREFOR A NEW SUBSECTION 6.2.B WITH THE SAME TITLE; AND BY DELETING SECTION 6.4, TITLED "STAND-BY PAY," AND SUBSTITUTING THEREFOR A NEW SECTION 6.4 WITH THE SAME TITLE; ALL FOR THE PURPOSE OF UPDATING THE PERSONNEL PLAN WITH RESPECT TO SECTION 207(K) EMPLOYEES AND TO CHANGE THE STAND-BY CALCULATION WHEN AN EMPLOYEE IS ON STAND-BY FOR LESS THAN SEVEN CONSECUTIVE DAYS.

VIII. FINAL ADOPTION OF ORDINANCES

Public Hearing

- a. AN ORDINANCE TO AMEND ORDINANCE NO. 2, TITLED "THE ZONING ORDINANCE OF THE CITY OF OAK RIDGE, TENNESSEE, BY DELETING SUBPARTS (D)(3) AND (D)(4) OF SECTION 11.01, TITLED "VEHICLE ACCESS CONTROL," AND SUBSTITUTING THEREFOR NEW SUBPARTS (D)(3) AND (D)(4) RELATIVE TO DRIVEWAY LOCATIONS AND SPACING.
- b. AN ORDINANCE TO AMEND ORDINANCE NO. 2, TITLED "THE ZONING ORDINANCE OF THE CITY OF OAK RIDGE, TENNESSEE," BY AMENDING THE ZONING MAP WHICH IS MADE A PART OF THE ORDINANCE BY CHANGING THE ZONING DISTRICT OF PARCEL 047.00, ANDERSON COUNTY TAX MAP 094J, GROUP D, (APPROXIMATELY 0.45 ACRES) FROM B-3, ROADSIDE BUSINESS DISTRICT, TO B-2, GENERAL BUSINESS DISTRICT, SAID PARCEL BEING LOCATED AT 500 OAK RIDGE TURNPIKE.

IX. RESOLUTIONS

- a. A RESOLUTION ADOPTING THE 2017 PILOT REAUTHORIZATION DOCUMENTS FOR USE BY THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF OAK RIDGE (IDB) AS A GUIDELINE FOR TAX ABATEMENTS AND PAYMENTS IN LIEU OF TAXES FOR QUALIFYING ENTITIES IN OAK RIDGE FOR THE PERIOD OF JANUARY 1, 2018 THROUGH DECEMBER 31, 2020.
- b. A RESOLUTION APPROVING AN AMENDMENT TO THE OPERATIONAL AGREEMENT BETWEEN THE CITY AND THE SCHOOLS WITH RESPECT TO FACILITY MAINTENANCE AND SCHEDULING FOR BLANKENSHIP FIELD.
- c. A RESOLUTION ACCEPTING CERTAIN STREETS (MAIN STREET EAST, MAIN STREET WEST, AND WILSON STREET), SIDEWALKS, AND UNDERLYING UTILITY INFRASTRUCTURE FOR PERPETUAL MAINTENANCE AT MAIN STREET OAK RIDGE.

X. APPEARANCE OF CITIZENS

- XI. ELECTIONS/APPOINTMENTS, ANNOUNCEMENTS AND SCHEDULING
 - a. Elections/Appointments
 - b. Announcements
 - c. Scheduling
- XII. COUNCIL REQUESTS FOR NEW BUSINESS ITEMS OR FUTURE BRIEFINGS
- XIII. SUMMARY OF CURRENT EVENTS
 - a. CITY MANAGER'S REPORT
 - i. Farmers Market and Grants
 - ii. Transmittal of Letter Regarding Y-12 Electrical Substation Project
 - b. CITY ATTORNEY'S REPORT
- XIV. ADJOURNMENT

PROCLAMATIONS

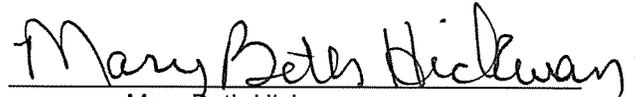
CITY CLERK MEMORANDUM
17-29

DATE: November 2, 2017
TO: Honorable Mayor and Members of City Council
FROM: Mary Beth Hickman, City Clerk
SUBJECT: PROCLAMATION FOR THE NOVEMBER 13, 2017 CITY COUNCIL MEETING AGENDA

The following proclamation is presented for the November 13, 2017 City Council meeting for the City Council's consideration:

A proclamation honoring Thomas Row for receipt of the Bill Wilcox Bow Tie Award from Aid to Distressed Families of Appalachian Counties

This proclamation was requested by Annie Cacheiro, Executive Director of Aid to Distressed Families of Appalachian Counties, through Councilmember Hans Vogel to honor Mr. Row, who will receive the award on November 11, 2017 at ADFAC's 5th Annual Bill Wilcox Bow Tie event.


Mary Beth Hickman

Attachment:
Proclamation honoring Thomas Row for receipt of the Bill Wilcox Bow Tie Award from Aid to Distressed Families of Appalachian Counties.

PROCLAMATION

WHEREAS, Thomas Row graduated from Roanoke College in 1957 with a Bachelor's degree in Physics and was awarded a Master's degree in Nuclear Engineering from Virginia Polytechnic Institute and State University in 1959; and

WHEREAS, Mr. Row joined the staff of Oak Ridge National Laboratory in July, 1959, where he worked as a nuclear physicist until 1999 and managed a number of major research and operational programs and received the Martin Marietta Jefferson Cup Award for Management Achievement; and

WHEREAS, Mr. Row has volunteered with and served as an officer in more than forty non-profit and professional organizations throughout his life, including several with significant impact on Oak Ridge and Anderson County, such as the Aid to Distressed Families of Appalachian Counties Board of Directors; Chairman of the Board and Treasurer of the American Museum of Science and Energy Foundation; Girls Incorporated Board of Directors; President of Habitat for Humanity; the Oak Ridge Convention and Visitors Bureau Board of Directors; Oak Ridge Schools Personnel Advisory Board; United Way of Anderson County Board of Directors; and the YWCA Domestic Violence Advisory Committee; and

WHEREAS, Mr. Row has served in various capacities in the Rotary Club of Oak Ridge, the Oak Ridge Sister Cities Organization and served as President of the University of Tennessee Arboretum Board from 2008 to 2011; and

WHEREAS, Mr. Row has received numerous awards for his community service, including the Sertoma Man of the Year Award in 1998, the Covenant Health Platinum Award for Outstanding Seniors in 2003, Oak Ridge Rotary Club's Vocational Service Award in 2005, Tennessee Governor's Volunteers Stars Award in 2008, and First Christian Church's Elder Emeritus designation for his service to the church and community in May, 2013; and

WHEREAS, on November 11, 2017, Thomas Row was honored by the Aid to Distressed Families of Appalachian Counties (ADFAC) with the 5th Annual Bill Wilcox Bow Tie Award in recognition for his tireless volunteer spirit and contribution to the Oak Ridge community; and

WHEREAS, the Bill Wilcox Bow Tie Award is given to someone who has similar values to Bill Wilcox, who has been or is currently involved with ADFAC, who lives a meaningful life by working to do good for others in unique selfless ways, who has been or is currently active in our community, and whose actions have created positive local impact throughout the East Tennessee region.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:

That in recognition of his distinguished service and contributions to the Oak Ridge community, the City of Oak Ridge pays tribute to

THOMAS H. ROW

as we celebrate his receipt of the Bill Wilcox Bow Tie Award from Aid to Distressed Families of Appalachian Counties.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the City of Oak Ridge to be affixed, this the 13th day of November in the year 2017.

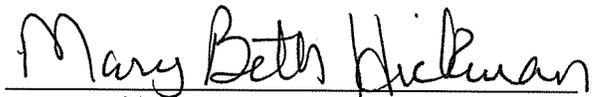
WARREN L. GOOCH, MAYOR

SPECIAL REPORTS

CITY CLERK MEMORANDUM
17-30

DATE: November 9, 2017
TO: Honorable Mayor and Members of City Council
FROM: Mary Beth Hickman, City Clerk
SUBJECT: CITY ATTORNEY EVALUATION COMMITTEE REPORT

At the time of the posting of the agenda for the November 13, 2017 City Council meeting, Mayor Warren Gooch was out of town and unable to sign the City Attorney Evaluation Committee Report. He has reviewed and approved the report and asked that it be included in the agenda packet without his signature. Once the report is signed, a copy of the report with Mayor Gooch's signature will be on file in the City Clerk's office.



Mary Beth Hickman

**CITY ATTORNEY EVALUATION COMMITTEE
MEMORANDUM**

DATE: November 1, 2017

TO: Fellow Members of City Council

FROM: City Attorney Evaluation Committee
Mayor Warren Gooch, Chair
Councilmember Jim Dodson
Councilmember Chuck Hope

SUBJECT: CITY ATTORNEY EVALUATION COMMITTEE REPORT AND RECOMMENDATIONS FOR FY2017

The City Attorney Evaluation Committee met on October 4, 2017 to discuss and determine the process and schedule for the FY2017 evaluation of the City Attorney. Committee members Councilmember Jim Dodson, Councilmember Jim Dodson and I were present along with the City Attorney Kenneth R. Krushenski and City Clerk Mary Beth Hickman.

There was discussion among committee members regarding the McGrath Classification and Compensation Study, which indicated that the salary amount required to bring the City Attorney's pay onto Step 1 of the classification scale would need to be \$120,339.

The Committee unanimously agreed to utilize the same evaluation form as used last year and that the Committee would meet again on Wednesday, November 1, 2017 to review the evaluations and make a recommendation.

The Committee met again on Wednesday, November 1, 2017 and reviewed the evaluation forms. No significant issues or areas for improvement were identified. Councilmember Hope stated that the issues that require the most attention from the City Attorney relate to ongoing discussions with the Department of Energy in various areas and that these should be viewed as the City Attorney's top priority in the coming year.

Councilmember Hope moved that the City Attorney's salary be raised to bring him in line with Step 1 of the McGrath classification scale and that his contract be extended one year to March 1, 2020. Councilmember Dodson seconded, and the motion passed unanimously

The attached resolution amends the City Attorney's Employment agreement to provide for the recommended salary increase and contract extension.

The Committee recommends its adoption as a measure of compensation for the City Attorney's performance as indicated by the evaluations completed by the councilmembers and in line with the McGrath Classification and Compensation study.

Respectfully submitted,

Mayor Warren L. Gooch, Chair
City Attorney Evaluation Committee, 2017

Attachments:
City Attorney Employment Agreement
Resolution

CITY ATTORNEY EVALUATION SUMMARY

COURTESY AND COMMUNICATION SKILLS

Is accessible, responsive, considerate and courteous in interactions with Council

Exceeds Expectations – 3

Fully Meets Expectations – 4

Needs Improvement – 0

No Observation – 0

Comments:

Is always welcoming when I stop by.

The City Attorney is always accessible to me as a Council member and is consistently pleasant and responsive in our interactions.

Ken is always accessible and courteous.

The City Attorney is accessible, responsive, and always professional in his interactions with Council.

Provides legal opinions and/or advice in a timely manner

Exceeds Expectations – 2

Fully Meets Expectations – 5

Needs Improvement – 0

No Observation – 0

Comments:

Readily provides his opinion on issues.

Ken responds quickly to requests for advice.

He is very diligent.

Always ready to provide his legal opinion and timely advice.

Sometimes Ken's desire to be thorough may slow down his response time.

Creates a sense of trustworthiness

Exceeds Expectations - 6

Fully Meets Expectations – 1

Needs Improvement – 0

No Observation – 0

Comments:

Actually he is sometimes too careful, but I guess that is his job.

The City Attorney has demonstrated trustworthiness.

Keeps the Council informed about current issues, legal activities, decisions, and goals

Exceeds Expectations – 4

Fully Meets Expectations – 3

Needs Improvement – 0

No Observation – 0

Comments:

Provides constant stream of information about the status of City cases.

In general, we are well informed, but at times during the past year, I would have liked to have more real-time information about the status of City legal actions related to the Applewood Apartments.

He provides substantive updates and memos on all issues affecting the city.

The City Attorney provides concise, and frequent updates on specific legal issues, case status, and potential issues with decisions that are in front of Council.

Communicates well with a wide range of persons, including Councilmembers, citizens, staff, and other attorneys

Exceeds Expectations – 3

Fully Meets Expectations – 4

Needs Improvement – 0

No Observation – 0

Comments:

I have never had a constituent that has complained about the information he provides.

I have not observed a time that the City Attorney has not been able to engage with and provide appropriate feedback to Council, citizens, or staff.

List notes or comments that support the overall rating on courtesy and communication skills

As a veteran attorney, I would fully expect the level of professionalism and communications he demonstrates.

Ken is very well spoken and does a fine job representing the City.

KNOWLEDGE AND ADAPTABILITY

Demonstrates a thorough knowledge and understanding of municipal law

Exceeds Expectations – 4

Fully Meets Expectations – 3

Needs Improvement – 0

No Observation – 0

Comments:

He is very experienced and maintains his expertise through his interaction with MTAS and the state Comptroller's office.

This objective is fully demonstrated and met.

Is knowledgeable about City issues and about legal trends that may impact the City

Exceeds Expectations – 5

Fully Meets Expectations - 2

Needs Improvement – 0

No Observation – 0

Comments:

This objective is fully demonstrated and met.

Provides advice on ordinance changes, drafting of new ordinances and amendments

Exceeds Expectations – 3

Fully Meets Expectations – 4

Needs Improvement – 0

No Observation – 0

Comments:

The City Attorney's review and consultation on ordinance changes and amendments, as well as new ordinances, is appropriate and timely.

Provides concise, understandable, and helpful legal options and/or advice

Exceeds Expectations – 3

Fully Meets Expectations – 4

Needs Improvement – 0

No Observation – 0

Comments:

Ken is effective in explaining legal challenges and options in an understandable fashion.

This objective is fully demonstrated and met.

Demonstrates openness to alternative approaches

Exceeds Expectations – 3

Fully Meets Expectations – 3

Needs Improvement – 1

No Observation – 0

Comments:

He has demonstrated that he thoughtfully considers various courses of action.

This objective is fully demonstrated and met.

Adjusts rapidly to changes in plans or procedures

Exceeds Expectations – 0

Fully Meets Expectations – 7

Needs Improvement – 0

No Observation – 0

Comments:

I appreciated Ken's thoughtful and effective work this year in crafting ordinance revisions that expunged two outdated provisions from the city codes respecting alcoholic beverages other than beer.

When Council is debating or considering alternatives to a previously screened action, he is ready to jump in and provide advice and counsel as appropriate.

Ken could be better in shifting gears when circumstances change. But this does not reduce his effectiveness.

List notes or comments that support the overall rating on courtesy and communication skills

This level of performance fully meets expectations based on his level of experience.

ADMINISTRATIVE SKILLS AND EFFECTIVENESS

Functions effectively under pressure

Exceeds Expectations – 1

Fully Meets Expectations – 6

Needs Improvement – 0

No Observation – 0

Comments:

Demonstrates leadership that contributes to achieving the City's goals and objectives

Exceeds Expectations – 1

Fully Meets Expectations – 6

Needs Improvement – 0

No Observation – 0

Comments:

As an advisor to the City Manager and Council, the contribution to the overall objectives that have been defined fully meets expectations.

Ken is very cautious when sometimes outside the box thinking could be beneficial.

Effectively evaluates legal problems and alternatives

Exceeds Expectations – 3

Fully Meets Expectations – 4

Needs Improvement – 0

No Observation – 0

Comments:

He provides thoughtful and substantive advice on legal issues.

This objective has been fully demonstrated and met.

Demonstrates effectiveness in avoiding unnecessary legal controversy

Exceeds Expectations – 3

Fully Meets Expectations – 4

Needs Improvement – 0

No Observation – 0

Comments:

This is one of his best qualities.

This objective has been fully demonstrated and met.

List notes or comments that support the overall rating on courtesy and communication skills

Overall, the City Attorney is performing in a fully effective and supportive manner.

PERSONAL AND PROFESSIONAL QUALITIES

Maintains high standards of ethics, honesty, and integrity in all personal and professional relationships

Exceeds Expectations – 6

Fully Meets Expectations – 1

Needs Improvement – 0

No Observation – 0

Comments:

I continue to have full confidence in Ken's personal and professional integrity.

He is a person who always demonstrates the highest professional and personal standards of ethics. He enjoys a reputation of highest integrity in the legal community.

This objective is demonstrated and met.

Retains your confidence when informing you of risks associated with proposed actions or decisions

Exceeds Expectations – 3

Fully Meets Expectations – 4

Needs Improvement – 0

No Observation – 0

Comments:

As a first year Council member, I have come to have confidence in the City Attorney's expressions of risk and support in the decision making process.

Works toward gaining and maintaining the respect and support of staff

Exceeds Expectations – 3

Fully Meets Expectations – 4

Needs Improvement – 0

No Observation – 0

Comments:

Ken's ever-present sense of humor wins the support from his staff and colleagues. His work ethic, which was particularly evident this year in his eagerness to return to work after a bout with illness, is another asset for gaining and maintaining the support of staff.

I have no indication that the staff does not respect and support the City Attorney, fully meeting expectations.

List notes or comments that support the overall rating on courtesy and communication skills

The City Attorney has demonstrated the personal and professional qualities that would be expected of an experienced professional, fully meeting expectations.

ADDITIONAL NARRATIVE – LOOKING AHEAD

What would you identify as the City Attorney's strength(s), expressed in terms of the principal results achieved during the rating period?

Ken has been our city attorney for over sixteen years and continues to hold the city in very high regards. I believe he keeps the city council well informed on all subject matter in which we need advice.

His long history with the city allows him to provide an excellent historical perspective on all issues.

During the past year, I believe that the City Attorney and the legal department he oversees dealt with an unusual number of contractual documents (with the U.S. Department of Energy and other entities) requiring careful review, analysis, and sometimes negotiation. This work, which is less visible to Council and the community than some of the other work the City Attorney performs, has benefited from his attention to detail, thorough knowledge of the relevant law, and insight regarding possible unforeseen circumstances that need to be provided for in the contract language.

The city attorney is very accessible and presents sometimes complex legal matters in an understandable manner. The city attorney also displays good judgement and professional decorum at all times.

The City Attorney's demonstrated strength is his ability to provide timely, complete, and risk informed opinions that keep the Council and the City in proper order with regard to legal matters.

Ken is very honest and capable.

What performance area(s) would you identify as most critical for improvement?

None that I can think of at this time that would add to his performance of his duties.

None.

None.

Ken could benefit in some outside the box thinking.

What constructive suggestions or assistance can you offer the City Attorney to enhance performance?

None.

Continue his improvement in concisely and effectively advising Council on the latest issues facing the city. This is an area of emphasis for all attorneys because many legal issues are complicated and do not lend themselves to a quick briefing for decisionmakers and clients.

Continue to keep council informed as to all legal matters related to decisions required from council members.

None at this time.

A slow methodical track is good for most City issues, but sometimes taking a calculated risk is necessary to achieve success.

What other comments do you have for the City Attorney, e.g. priorities, expectations, goals, or objectives for the new rating period?

None.

The city needs to be able to assume a position of greater strength for effectiveness in our ongoing and future interactions with the U.S. Department of Energy. Development of a legal basis for assuming such a position of strength and effectively explaining and defending it to City Council and staff should be a major goal for the City Attorney during the coming year. The City Attorney and his staff need to finish the task of reviewing the city ordinances on alcoholic beverages and provide proposals to remove any additional outdated provisions that are left over from 1960s state law.

Continue to stay abreast of legal trials and issues facing municipalities

Possible future goals or objectives would be to ensure City staff and management are maintaining appropriate written and audible records of correspondence and feedback, both internally and externally as they perform the functions of the City.

Keep up the good work.

Please provide recommendations and comments on a possible change in compensation (currently \$114,878.40) and a contract extension beyond the current expiration date of March 1, 2019.

I would recommend the same raise as city staff, and a one year extension to his contract.

I would strongly support a cost of living increase.

The City's new compensation schedule specifies a base salary of \$120,339 for the City Attorney. An increase to that amount would be appropriate to bring the City Attorney up to the minimum in the new schedule. A contract extension of one to two years would be appropriate to help ensure continuity in this important position.

One year extension of his contract and 3% salary increase.

Based on my observation of the city attorney in performance of his duties and my interaction with Mr. Krushenski, I would suggest an increase in compensation to at least the base salary level identified in the McGrath Human Resources Group study to step 1. The annual salary would be \$120,339. At present my recommendation would be to keep contract expiration date of March 1, 2019.

According to the McGrath Classification and Compensation Study, the City Attorney appears to be low relative to the Step 1 of the "AA" pay grade for his position. The change to meet the Step 1 band would be approximately 4.5%. Consistent with the City Manager's and Personnel Director's feedback on staff compensation adjustments, I believe an adjustment to reach the band minimum is expected, with appropriate further adjustment as budget allows to advance toward the midpoint over the next two annual cycles, consistent with how the Fire Department is being adjusted. This in turn would require a one year contract extension, which I support.

Bringing Ken's salary to the average of others in similar positions would be great if we have the money in the budget.

EMPLOYMENT AGREEMENT
City Attorney

This is an agreement entered into this 22 day of Feb., 2001, between the City of Oak Ridge (the City) by the City Council and Kenneth R. Krushenski (City Attorney) to provide for the employment of Kenneth R. Krushenski as City Attorney of the City of Oak Ridge and to set forth the terms and conditions of his employment and the mutual obligations, rights and duties of each party.

Now, therefore, in consideration of the mutual promises as set forth in this Agreement, the City of Oak Ridge and Kenneth R. Krushenski agree as follows:

Section 1. Duties

City Council agrees to employ Kenneth R. Krushenski as City Attorney of the City of Oak Ridge to perform the functions and duties as specified in the City Charter and the City Code, and to perform such other legally permissible and proper duties and functions as the City Council shall from time to time assign. Article III, Section 13 of the Charter of the City of Oak Ridge specifies as follows:

The City Attorney shall be responsible for representing and defending the City in all litigation in which the City is a party, shall be the prosecuting officer in the City Court, shall advise the Council, City Manager, and other officers and employees of the City concerning legal aspects of the City's affairs, shall approve as to form and legality all contracts, deeds, bonds, ordinances, resolutions, motions, and other official documents and shall perform such other duties as may be prescribed by the Council or the City Manager.

The City Attorney shall also be responsible for representing all boards and commissions sanctioned by or established by the City Council. The City Attorney shall be responsible for defending all boards and commissions in all litigation in which the respective board or commission is a party and shall attend meetings of the various boards and commissions if in the discretion of the City Attorney his attendance is necessary.

The City Attorney shall also serve as tax attorney for the City of Oak Ridge. All revenue paid to the City Attorney in his capacity as tax attorney shall be paid into the general fund of the City of Oak Ridge, Tennessee.

Section 2. Term

A. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of the City Council to terminate the services of the City Attorney at any time, subject only to the provisions set forth in Section 5, Paragraphs A and B of this Agreement.

B. Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of the City Attorney to resign at any time.

C. Except as otherwise herein stated, this Agreement shall become effective as of March 1, 2001, and shall continue in effect until March 1, 2003, except as provided in Section 2, Paragraph D.

D. In order to extend the term of this Agreement, City Council shall take action by November 18, 2002. However, upon the request of the City Attorney during this same period, City Council shall make a decision as to whether it desires to extend said Agreement.

Section 3. Performance Evaluation

A. No later than June 1, 2001, City Council and the City Attorney shall establish performance criteria and goals and objectives which shall provide the basis for the evaluation of the City Attorney. The performance criteria and the goals and objectives will be those that are necessary for the proper operation of the City and the attainment of City Council's policy objectives. The performance criteria and the goals and objectives shall be assigned a relative priority, and shall generally be attainable within the time limitations established and within the annual operating and capital budgets and the appropriations provided. Thereafter, City Council and the City Attorney may modify the performance criteria and the goals and objectives during the annual evaluation process.

B. The first formal evaluation of the City Attorney's performance shall be completed by May 30, 2002. Thereafter, evaluations shall be conducted on an annual basis by May 30th of each year.

Section 4. Code of Ethics

The City Attorney agrees to adhere to the standards of the American Bar Association Code of Professional Responsibility and to conduct himself accordingly.

Section 5. Termination and Severance Pay

A. In the event the City Attorney's employment is terminated by the Council at its will and pleasure during such time that the City Attorney is willing and able to perform his duties under this Agreement, then in that event the City agrees to pay the City Attorney a lump sum cash payment equal to six (6) months' aggregate salary plus any accrued leave and benefits less applicable deductions as required by agreement, law, ordinance or policy for other employees and/or the City Attorney's matching portion of benefits provided for and during said six (6) months' severance period. At City Council's option, the actual resignation date may be extended through earned and accrued leave balances due the City Attorney then in effect. Provided, however, that in the event the City Attorney is terminated "for just cause," then in such event, the City shall have no obligation to pay the aggregate severance sum designated in this paragraph. "Just cause" is defined and limited for the purposes of this Agreement to the following reasons: (1) willful neglect of duty; (2) felony or misdemeanor conviction of any crime involving moral turpitude; (3) violation of duties by the City Attorney of honesty and sobriety; (4) any other act of a similar nature of the same or greater seriousness.

B. In the event the City at any time reduces the salary or other financial benefits of the City Attorney in a greater percentage than an applicable across-the-board reduction for all City employees, then the City Attorney may at his option be deemed to be "terminated" at the date of such reduction under the terms of Section 5A, with the City Attorney being entitled to the lump sum cash payment as described.

Section 6. Disability

If the City Attorney becomes permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health for a period of six (6) successive weeks beyond any accrued leave, the City shall have the option to terminate this Agreement.

Section 7. Salary

A. City agrees to pay the City Attorney for his services rendered pursuant hereto an annual base salary of \$80,017.60, payable in installments at the same time as other City employees are paid.

B. In addition, City agrees to increase said base salary and/or other benefits of the City Attorney in such amounts and to such an extent as the City Council may determine desirable on the basis of the performance evaluation developed as required by Section 3 of this Agreement. Nothing in this paragraph shall require the City to increase the base salary or other benefits of the City Attorney.

Section 8. Hours of Work

A. The City of Oak Ridge requires the full-time service of its City Attorney and, therefore, in the event the City Attorney is not available for his duties, he shall designate an Assistant City Attorney as his representative to be responsible in his place, and so inform members of City Council when appropriate.

B. The City Attorney is leaving an active private law practice to undertake this position with the City of Oak Ridge. Both parties to this agreement recognize that it will take the City Attorney some time to close his existing practice and in that regard the parties agree that the City Attorney will have three (3) months from the effective day of this agreement to terminate all attorney-client relationships with persons and entities other than the City of Oak Ridge. During this three (3) month period, the City Attorney agrees to avoid using regular office hours to conduct business with other clients and will make every effort to close out his attorney-client relationships with all such clients as soon as possible, but in no event will he represent persons or entities other than the City of Oak Ridge after May 30, 2001 without the express consent of the City (through the City Manager).

Section 9. Communications Equipment

The City agrees to reimburse the City Attorney up to Thirty Dollars (\$30) per month to maintain a cellular or digital telephone. Except for this reimbursement, the cellular or digital telephone service shall be maintained by the City Attorney at his cost. The City shall be provided the number for this telephone to allow ease of communication with the City Attorney.

Section 10. Dues and Subscriptions

A. The City agrees to budget and pay the professional dues and subscriptions of the City Attorney for his continuance and full participation in national, regional, state and local

associations and organizations as necessary and desirable for his continued professional participation, growth and advancement, and for the good of the City.

B. The City agrees to budget and pay the Tennessee Professional Privilege Tax and Tennessee Board of Professional Responsibility fees on behalf of the City Attorney.

Section 11. Professional Development

A. The City agrees to budget and to pay the travel and subsistence expenses of the City Attorney for professional and official travel, meetings, and occasions adequate to continue the professional development of the City Attorney and to adequately pursue necessary official and other functions for the City, including but not limited to the Annual Conference of the Tennessee Bar Association, the Tennessee Municipal League, and such other national, regional, state, and local governmental groups and committees thereof which the City Attorney serves as a member.

B. The City also agrees to budget and pay for the travel and subsistence expenses of the City Attorney for short courses, institutes, and seminars that are necessary for his professional development and for the good of the City.

Section 12. Annual and Sick Leave

A. The City Attorney shall accrue annual and sick leave in the same manner as other City employees and as specified in Article 11 of the Personnel Ordinance.

B. As of the date of commencement of the term of employment, the City Attorney shall have credited to his account ten (10) days of sick leave and one hundred twenty (120) hours of annual leave. Thereafter, the City Attorney shall accrue, and have credited to his personal account annual leave and sick leave at the same rate as other employees of the City. The City Attorney shall be entitled to all leave and employee benefit programs granted to all general employees of the City.

Section 13. Health, Dental, Disability and Life Insurance Benefits

The City agrees to provide health, dental, disability, long-term care and life insurance benefits to the City Attorney and to pay the premiums thereon equal to that which is provided all other general employees of the City.

Section 14. Retirement

The City Attorney shall be immediately covered by the Tennessee Consolidated Retirement System in the same manner as is provided all other general employees of the City.

Section 15. Liability Protection

The City shall provide the same liability protection for the City Attorney as provided for all general employees of the City, as specified in Section 13.4 of the Personnel Ordinance.

Section 16. Bonding

The City agrees to bear the full cost of any fidelity or other bonds required of the City Attorney under any law, ordinance or regulation.

Section 17. Residence

The City requires and the City Attorney agrees to maintain his principal residence inside the corporate limits of the City during the term of this Agreement, including any renewals and extensions.

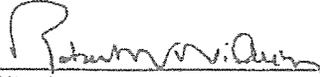
Section 18. General Provisions

A. The text herein shall constitute the entire agreement between the parties.

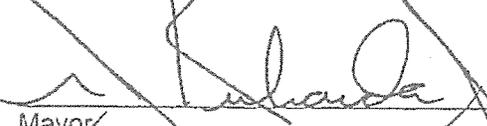
B. If any provisions contained in this Agreement, or portion thereof, are held to be unconstitutional, invalid, or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

APPROVED AS TO FORM AND LEGALITY:

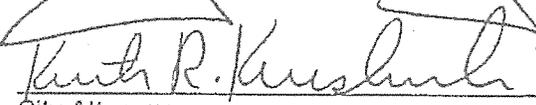
CITY OF OAK RIDGE, TENNESSEE



City Attorney

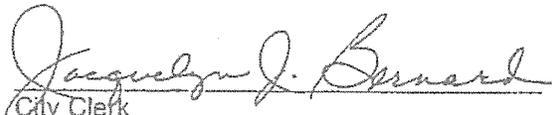


Mayor



City Attorney

ATTEST:



City Clerk

AMENDMENT NO. 15
(Employment Agreement – Kenneth R. Krushenski, City Attorney)

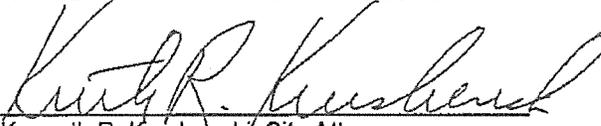
This Amendment No. 15 entered into this the 10th day of October, 2016, amends the Employment Agreement dated February 22, 2001, between the City of Oak Ridge, Tennessee, hereinafter referred to as the "City," and Kenneth R. Krushenski, hereinafter referred to as the "City Attorney."

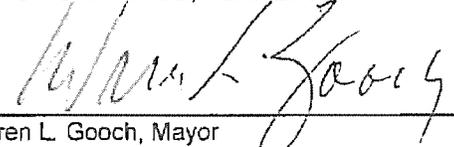
NOW, THEREFORE, the parties hereto agree as follows:

1. Section 2, Term, Subsection C, of the Employment Agreement is hereby amended by extending the term of the agreement by one year, which changes the effective ending date of the agreement to March 1, 2019; and
2. Section 7, Salary, Subsection A, of the Employment Agreement is hereby amended by increasing the City Attorney's base salary to \$114,878.40 effective March 1, 2016, which is the equivalent of a three percent (3%) salary increase.
3. All other terms, conditions and provisions of the Employment Agreement, dated February 22, 2011, as amended, not in conflict with this Amendment No. 15 shall remain in full force and effect.

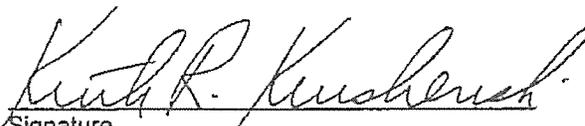
APPROVED AS TO FORM AND LEGALITY:

CITY OF OAK RIDGE, TENNESSEE


Kenneth R. Krushenski, City Attorney


Warren L. Gooch, Mayor

KENNETH R. KRUSHENSKI


Signature

RESOLUTION

A RESOLUTION TO AMEND THE CITY ATTORNEY'S EMPLOYMENT AGREEMENT TO EXTEND THE TERM BY ONE YEAR AND TO PROVIDE FOR A NEW ANNUAL BASE SALARY AMOUNT OF \$120,348.80.

WHEREAS, Article III, Section 13, of the City Charter provides that City Council shall appoint a City Attorney; and

WHEREAS, on February 22, 2001, City Council entered into an employment agreement in which City Council agreed to employ Kenneth R. Krushenski as the City Attorney; and

WHEREAS, said employment agreement provides that formal evaluations of the City Attorney shall be conducted on an annual basis by May 30th of each year, and to this end City Council appointed a City Attorney Evaluation Committee (the Committee) to develop an evaluation procedure; and

WHEREAS, the Committee has completed its work and based upon the evaluation results recommends that the City Attorney's employment agreement be extended by one year and that the City Attorney receive a raise to place his salary on the newly adopted compensation/classification plan.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:

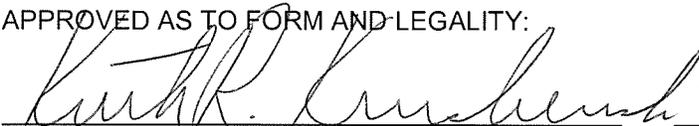
That the Employment Agreement between the City of Oak Ridge and Kenneth R. Krushenski as City Attorney is hereby amended as follows:

- Section 2, Term, Subsection C, be amended to provide that the Employment Agreement shall continue in effect until March 1, 2020; and
- Section 7, Salary, Subsection A, be amended to provide for a new annual base salary amount of \$120,348.80, which shall become effective retroactive to the pay period beginning October 8, 2017.

BE IT FURTHER RESOLVED that the Mayor is hereby authorized to execute all necessary legal documents to accomplish the same.

This the 13th day of November 2017.

APPROVED AS TO FORM AND LEGALITY:



Kenneth R. Krushenski, City Attorney

Warren L. Gooch, Mayor

Mary Beth Hickman, City Clerk

**CITY ATTORNEY EVALUATION COMMITTEE
MEMORANDUM**

DATE: November 8, 2017

TO: Fellow Members of City Council

FROM: City Manager Evaluation Committee
Council Member Ellen Smith, Chair
Mayor Pro Tem Rick Chinn
Council Member Hans Vogel

SUBJECT: CITY MANAGER EVALUATION COMMITTEE REPORT AND RECOMMENDATIONS
FOR FY2017

The City Manager Evaluation Committee met on November 6, 2017 to review the Council's completed performance evaluations of the City Manager and develop its recommendations to the Council regarding a possible change in compensation and contract extension. The three committee members were present along with City Manager Mark Watson and City Clerk Mary Beth Hickman.

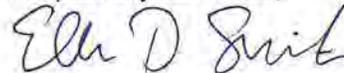
The Committee reviewed the evaluation forms and discussed the Council's ratings and comments with the City Manager. A summary of the evaluations is attached. The Committee noted that the overall ratings were very positive and that the areas of relative strength and opportunities for improvement were very similar to those identified in the previous year's evaluations. Topics of discussion included a need for Council to engage in more explicit goal-setting, Council members' perspectives on communications and potential strategies for improvement in this area, and the increased importance of staff mentoring due to transition in some key positions in the City organization. The City Manager noted that he will soon be seeking a 360-degree evaluation of his performance to fulfill a requirement of his professional certification from the International City/County Management Association (ICMA).

The Committee voted unanimously to recommend that the City Manager's salary be increased by 3 percent, retroactive to October 8, 2017, to be consistent with the compensation increases authorized for other City personnel. This would increase his annual salary to approximately \$165,950, which is within the range for this position identified in the new City personnel compensation schedule that City Council adopted in September. Additionally, the Committee agreed by unanimous consent to recommend that the Manager's employment agreement be extended by one year, to August 8, 2020.

The attached resolution amends the City Manager's Employment agreement to provide for the recommended salary increase and contract extension.

The Committee recommends its adoption as consistent with the evaluations completed by the Council Members and consistent with the compensation schedule that was recommended by the McGrath Classification and Compensation study and adopted by City Council.

Respectfully submitted,



Ellen D. Smith, Chair
City Manager Evaluation Committee, 2017

Attachments:
City Manager Employment Agreement
Resolution
City Manager Evaluation Summary

CITY MANAGER EVALUATION SUMMARY

LEADERSHIP

Takes a proactive approach to issues

Exceeds Expectations – 5

Fully Meets Expectations – 1

Needs Improvement – 1

No Observation – 0

Comments:

This area, under “Leadership,” asks for feedback regarding inspiration and encouragement of subordinates and peers. In my interactions with most of your subordinates, the feeling is that there is little “encouragement,” and that there have not been clear goals defined. Communication, both vertically and horizontally, appears to be lacking such that it does not inspire confidence or builds support” across your management team. This makes it more difficult, as a member of Council, to evaluate fully, understand and support certain requests or actions, as the tie to longer term strategies or goal achievement are not clear.

Offers new motivation, ideas, processes, and procedure to council, staff and the public

Exceeds Expectations – 2

Fully Meets Expectations – 4

Needs Improvement – 1

No Observation – 0

Comments:

Not clear as to what new ideas, motivation, or processes have been suggested in the past year. “New motivation” related to interfaces with the public, the Council, or other Boards and Commissions have not been aggressively pursued, such as the request to have more “workshops” with groups such as the Board of Education. One workshop with the Planning Commission was recently held.

Provides mentoring and coaching to key staff

Exceeds Expectations - 1

Fully Meets Expectations – 3

Needs Improvement – 1

No Observation – 2

Comments:

There are now a few department heads who are relatively young and relatively new to their leadership/management roles, and I have heard expressions of concern from people who perceive that specific individuals in this group would benefit from additional training or focused mentoring to enhance their effectiveness in their positions. Please provide more attention to this area.

Other than the apparent mentoring and recent promotion of the Assistant to the Manager to the Personnel Director role, coaching and mentoring of others has not been recognized or called out to Council's attention.

Understands his staff's strengths and shapes programs around those.

Exceeds Expectations – 2

Fully Meets Expectations – 4

Needs Improvement – 0

No Observation – 1

Comments:

I am not aware of evidence of coaching/mentoring of subordinates. Recognition of staff strengths and shaping of programs to enhance, exploit, or otherwise take advantage of said strengths are not readily apparent or been separately highlighted. It is clear that the Department Directors are working to be effective in their respective areas.

FISCAL MANAGEMENT AND BUDGETING

Ensures purchasing policies are followed and informs council when revisions are needed

Exceeds Expectations – 4

Fully Meets Expectations – 3

Needs Improvement – 0

No Observation – 0

Comments:

As demonstrated by audit or reports from the Finance Committee and City staff.

Prepares realistic and understandable budget documents

Exceeds Expectations – 2

Fully Meets Expectations - 4

Needs Improvement – 0

No Observation – 1

Comments:

Without a clearly defined set of goals, objectives, or priorities for the budget, it appears that the Council has been presented an operating and capital budget (this being my first year on Council) that is within the current tax base, and simply sustains the City's financial position with bonds and loans with levels of service being met. Debt appears to be refinanced to extend payback but allow for additional obligations within current expenses/revenue/(tax) base. Sustainability of implementation of the new Classification and Compensation report (McGrath study) is to be determined, especially in light of the two additional years of implementation for the Fire Department, as a plan for the next two years (budget needs) has yet to be presented.

We have a complicated budget but it could be explained a little better. I'm hoping my time on the finance committee will improve this perception.

Operates the City's finances in compliance with generally accepted accounting principles

Exceeds Expectations – 5

Fully Meets Expectations – 2

Needs Improvement – 0

No Observation – 0

Comments:

As demonstrated by audit or reports from the Finance Committee and City staff.

Maximizes all efforts to collect taxes and other revenues and seeks new revenue sources

Exceeds Expectations – 5

Fully Meets Expectations – 1

Needs Improvement – 0

No Observation – 1

Comments:

Lacking any new data on retail revenue (growth therein), or other areas where new revenue sources have been pursued/realized, it is not clear how to rate this objective.

Manages the budget within the confines of what the council adopted

Exceeds Expectations – 3

Fully Meets Expectations – 4

Needs Improvement – 0

No Observation – 0

Comments:

As demonstrated by audit or reports from the Finance Committee and City staff.

Makes the best use of available funds, conscious of the need to operate the city efficiently and effectively

Exceeds Expectations – 4

Fully Meets Expectations – 3

Needs Improvement – 0

No Observation – 0

Comments:

As demonstrated by audit or reports from the Finance Committee and City staff

I feel there have been efforts to do things better, faster, cheaper, but there is still room for improvement.

SERVICE DELIVERY AND ADMINISTRATION

Ensures the public receives city services efficiently and effectively

Exceeds Expectations – 5

Fully Meets Expectations – 2

Needs Improvement – 0

No Observation – 0

Comments:

While I marked this as “Fully Meets Expectations,” I hope that in the coming year the city will do a more consistent job of timely response to code enforcement requests, ensuring that the painted lines on pavements are clearly visible, ensuring that every household that receives refuse services and wants to take advantage of “backyard” trash pickup receives that service, and the similar “little things” that can be so important to citizen satisfaction.

I generally believe that the public receives city services effectively and efficiently.

Enforces laws and policies adopted by the council and the state

Exceeds Expectations – 4

Fully Meets Expectations – 3

Needs Improvement – 0

No Observation – 0

Comments:

No comments

As demonstrated by audit and as supported by the City Attorney.

Manages resources appropriately to assist staff in performing their duties

Exceeds Expectations – 2

Fully Meets Expectations – 4

Needs Improvement – 0

No Observation – 1

Comments:

Lacking any additional formal or submitted feedback from the Department Managers, it is difficult to fully evaluate this objective. It appears that staff are able to perform their duties, and services are being provided to City residents.

The new accounting system will significantly improve the resources available to help staff do their jobs.

Responds appropriately to citizen and employee suggestions and/or concerns

Exceeds Expectations – 2

Fully Meets Expectations – 4

Needs Improvement – 1

No Observation – 0

Comments:

While Mark usually response appropriately to the public, he needs to fight the temptation to occasionally become defensive (or otherwise over-react) in response to public suggestions and concerns.

With a few specific cases I am aware of, this performance objective could use some improvement. Overall, the City Manager is responsive; it is the manner that responses are made (tone and tenor) that could use improvement.

Could possibly use staff better to help respond to some citizen concerns.

CITIZEN AND COMMUNITY RELATIONS

Responsive in completion of duties

Exceeds Expectations – 4

Fully Meets Expectations – 3

Needs Improvement – 0

No Observation – 0

Comments:

In general, I believe this objective is met.

Gives attention to concerns and opinions of community groups and individuals

Exceeds Expectations – 3

Fully Meets Expectations – 2

Needs Improvement – 2

No Observation – 0

Comments:

Mark gives attention to expressions of concern by community groups and individuals. However, new strategies may be needed to enhance interactions, so as to avoid the unfortunate situation where a group with a strong interest in a city initiative doesn't believe their concerns are recognized or being addressed. Thinking back on some public meetings held in the past year, I perceive that the city manager and other staff were not prepared for some of the concerns the public expressed, with the result that staff may have made statements that were misunderstood by the audience, or staff may have focused on (and responded to) details of the comments without also perceiving the bigger-picture issues behind the comments. There may be several ways to improve interactions. One thought I've had is that greater use of the same kind of approach that is effective in interacting with business groups and other governmental entities might be beneficial in gaining trust from local citizens. That is, in addition to public meetings in the community, be sure to interact privately with key individuals to help anticipate the groups' concerns, clarify the issues expressed in public meetings, and craft effective public communications.

As stated earlier, in a few specific cases I am aware of, this performance objective could use some improvement. Overall, the City Manager is responsive, it is in the manner that responses are made (tone and tenor) that could use improvement.

Uses sensitivity, diplomacy, and empathy when dealing with the public

Exceeds Expectations – 0

Fully Meets Expectations – 6

Needs Improvement – 1

No Observation – 0

Comments:

Tone and tenor of responses needs improvement.

The Preschool placement and communicating with Scarboro could have been done better.

Interacts effectively with federal, state, and other local government representatives to achieve potential benefit for the city

Exceeds Expectations – 5

Fully Meets Expectations – 1

Needs Improvement – 0

No Observation – 1

Comments:

Mark's diligent attendance in regular meetings with other governmental representatives and his initiative in areas such as his leadership in the alliance of Tennessee cities with city school systems should be very beneficial to Oak Ridge. I particularly appreciate his continuing attention to the need to protect the interests of the city and its citizens in interactions with the U.S. Department of Energy.

Using the AMSE transition as an example, I believe this objective is difficult to fully evaluate as to the overall effectiveness (or leadership) that the City Manager has demonstrated in dealings with regard to achieving benefit for the City.

Demonstrates openness, receptiveness, and approachability in both formal and informal situations

Exceeds Expectations – 4

Fully Meets Expectations – 2

Needs Improvement – 1

No Observation – 0

Comments:

As stated earlier, in a few specific cases, I am aware of, this performance objective could use some improvement. Overall, the City Manager is responsive, it is in the manner that responses are made (tone and tenor) that could use improvement.

Deals effectively with the media

Exceeds Expectations – 2

Fully Meets Expectations – 5

Needs Improvement – 0

No Observation – 0

Comments:

PERSONAL AND PROFESSIONAL

Projects a positive personal and professional image

Exceeds Expectations – 4

Fully Meets Expectations – 3

Needs Improvement – 0

No Observation – 0

Comments:

The City Manager projects a positive public image.

Has complete professional integrity and adheres by the ICMA Code of Ethics

Exceeds Expectations – 4

Fully Meets Expectations – 3

Needs Improvement – 0

No Observation – 0

Comments:

Having reviewed the ICMA Code of Ethics:

(<https://icma.org/sites/default/files/ICMA%20Code%20of%20Ethics%20%28Amended%20June%202017%29%20.pdf>), I believe the City Manager performs his duties in alignment with the Tenets and Guidelines of the stated code.

Demonstrates continued professional development

Exceeds Expectations – 6

Fully Meets Expectations – 0

Needs Improvement – 0

No Observation – 1

Comments:

I am not fully aware of the professional development activities of the City Manager.

Works toward gaining and maintaining the respect and support of staff.

Exceeds Expectations – 2

Fully Meets Expectations – 4

Needs Improvement – 1

Comments:

With the activities surrounding the Classification and Compensation Study, it is difficult to express the level of support the City Manager has with the staff.

CITY COUNCIL RELATIONS

Progress toward accomplishing established goals set by the City Manager and the City Council

Exceeds Expectations – 3

Fully Meets Expectations – 3

Needs Improvement – 0

No Observation – 1

Comments:

I'm excited that the city is making progress toward major goals in several areas, but I'm also getting impatient. Projects such as energy-saving capital improvements to city and school facilities have been taking a lot longer to implement than we were led to expect. Have we taken on too many major initiatives at the same time?

As stated previously, the goals of the City Manager and those endorsed by the Council need to be better defined. In general, the goals of maintaining excellence in the schools, improving retail (growth of revenues), and improvements in the housing situation are being worked. Accomplishment is difficult to measure or express at this time.

Assists by facilitating decision making without overstepping authority

Exceeds Expectations – 3

Fully Meets Expectations – 4

Needs Improvement – 0

No Observation – 0

Comments:

In general, I believe the City Manager facilitates the decision making of the Council without overstepping his authority.

Disseminates complete and accurate information equally to all members in a timely manner.

Exceeds Expectations – 3

Fully Meets Expectations - 3

Needs Improvement – 1

Comments:

I appreciate that the manager takes advantage of both planned and unplanned encounters with individual Council members to update us on various topics. The process is generally effective, but it can be a bit haphazard. Maybe we need a formal arrangement to help avoid situations where one Council member fails to get the same background information about an item of city business that the others received.

As the Council cannot confer outside of a public forum, and therefore cannot check each other on information disseminated by the City Manager to measure how equally or timely information is presented, this objective is difficult to measure. In general, I believe the City Manager provides information to Council members in a timely and complete a fashion as he is able to do so.

Appropriately responds to requests, advice, and constructive criticism

Exceeds Expectations – 2

Fully Meets Expectations – 5

Needs Improvement – 0

No Observation – 0

Comments:

I believe this objective is being met.

Presents multiple options for Council to consider

Exceeds Expectations – 1

Fully Meets Expectations – 6

Needs Improvement – 0

No Observation – 0

Comments:

In general, I believe this objective is being met.

Keeps the council informed of administrative developments

Exceeds Expectations – 3

Fully Meets Expectations – 4

Needs Improvement – 0

No Observation – 0

Comments:

In general, I believe this objective is being met.

ADDITIONAL NARRATIVE

What would you identify as the manager's strength(s), expressed in terms of the principal results achieved during the rating period?

Having worked in a number of cities, I believe he brings realistic approaches to problems the city may face. We now have the mall after 20 years; our schools are thriving. I believe we will start fixing housing this year.

I believe Mark has performed well over the last several years and has demonstrated a professional relationship with all of City Council, his staff, and the public.

We are in the midst of a great deal of positive changes in the city – new retail development, the 8th lane for the rowing course, planning for significant investments for our future benefit (e.g., preschool, senior center, water plant, new sidewalks for Oak Ridge Turnpike, a roundabout on Pennsylvania Avenue, rails to trails project), a new improved AMSE in a new location, new accounting system and compensation plan to enhance the effectiveness of city government, and (we hope) new vigor in our local housing market. Mark's vision, initiative, and hard work have had a lot to do with making this progress happen.

The city manager's strengths are very prevalent in his knowledge and administration of the many city departments under his purview. I have been impressed by Mr. Watson's leadership of the city of Oak Ridge and his response to questions or concerns directed to council members and brought to his attention.

I continue to be impressed with Mark's ability to deal with multiple, significant issues at one time. This is extremely important because this is a very dynamic time in the history of our city.

As highlighted in the memo to Council from the City Manager (17-32, dated October 2, 2017,) the work on the on the Main Street project is the most visible change in Oak Ridge, and a "strength" or results of efforts in the past year.

Mark is an expert in city management. He knows how to get things done.

What performance area(s) would you identify as most critical for improvement?

I really find very few areas that would need improvement.

Can't think of any at this time.

I would like to have a little more comprehensive and complete understanding of new developments in our town with regards to retail and commercial development, but feel that I have been kept up to speed pretty well through attending several city boards.

I expect Mark to continue his efforts to improve in all aspects of his management responsibilities, just as I expect Council to continue its efforts in promoting and governing the city.

Communication: this is the foundation for a positive and constructive relationship, and is something that is a critical need for Council and the City Manager. I have reviewed information related to the Council/City Manager retreats of 2012 (Work session agenda and accompanying information, January 28, 2013). Many of the issues related to communication are still needing more work.

Mark could do a better job forming community coalitions to help make his job easier. Sometimes he tries to do it all alone.

What constructive suggestions or assistance can you offer the City Manager to enhance performance?

Continue driving the housing initiatives.

Continue doing the job that he has for the past several years.

I would encourage our city manager to continue to be responsive to city staff, council, and the citizens of Oak Ridge. I have been very impressed with the positive direction that our community is moving, but feel that we must be ever vigilant to keep those lines of communication open for better understanding from all stake holders.

I suggest Mark increase his mentoring of city staff as we continue staff transition and development.

I believe we should continue to support/review the feedback provided from 2016 that included "gaining and maintaining the respect and support of staff," "using sensitivity, diplomacy, and empathy when dealing with the public," and "disseminates complete and accurate information equally to all members in a timely manner."

Working through the changes in the way we compensate our employees will be difficult. Open communication will be key to successful transition.

What other comments do you have for the City Manager, e.g. priorities, expectations, goals, or objectives for the new rating period?

Fix housing.

Continue to improve city services, and adjust city staff to make this possible.

In the coming year, I hope we can depend on the city manager to (1) hold the line on costs for golf course maintenance and improvements by city crews, (2) avoid scope creep and resulting project costs increases in planning for the preschool and senior center, and (3) oversee smooth transition to the new compensation plan and new accounting system. And please don't let these initiatives (and others I haven't mentioned) distract the city organization from the importance of street maintenance, public safety, and the other functions that it carries out every day.

As the City Manager and council move into the new rating period, I would like to compliment our manager on the effectiveness he has demonstrated as a leader in our town. Mr. Watson has done an excellent job responding to many of my questions and to promoting several important initiatives this year. I look forward to continued teamwork with our city manager, council and city employees to grow retail, new housing, and to expand the services we offer to our residents and visitors.

Increase communication with city employees as the new compensation system is implemented.

I would appreciate setting aside a workshop on City goals and prioritization, as well as more time to work collaboratively with the Board of Education ahead of the budget cycle.

Housing, especially single family rentals in our historic neighborhoods needs to be our next big task.

Please provide recommendations and comments on a possible change in compensation and a contract extension beyond the current expiration date of August 8, 2019.

I support a cost of living of approximately 3%.

I would suggest the same pay raise that all of city staff has gotten this year, with a one-year extension of his contract.

The 3% compensation increase provided to other city employees would be appropriate. I believe the contract should be extended by two years as an indication of our continuing confidence in the manager.

I approve the current contract amount of compensation level \$161,116.80 and expiration date of August 8, 2019.

1 year extension of his contract and a 3% increase in salary.

No changes recommended, as current compensation is above the mid-point of the ICMA provided information and therefore consistent with the implementation of the compensation study for all other City staff. A minimal cost of living adjustment may be in order (+/- 1.0%). Additionally, the benefits package could be reviewed consistent with the changes that City staff are undergoing in their benefits with respect to "out of pocket" costs.

A pay increase equal to the rest of the staff is in line.



CITY COUNCIL MEMORANDUM
17-32

DATE: October 2, 2017
TO: Honorable Mayor and Members of City Council
FROM: Mark S. Watson, City Manager
SUBJECT: ANNUAL REVIEW

At the request of the City Manager's Evaluation Committee, I have been asked to prepare a short summary of the various activities that I have been involved with this past evaluation year. This document can be referred to by City Council during your completion of the annual evaluation form. As we all recognize, the Office of the City Manager has been extremely busy on numerous fronts in the community as we develop new projects, new internal policies and programs, and major capital financing programs for future projects.

In the proposed budget, City departments provided updates on various projects that they have internally identified or have been identified by the City Manager as priorities for the organization. As I have reviewed these City-wide Goals (VI-1) in your budget document, I have identified a number of projects that I have been actively involved and I wish to make the City Council aware of.

Initially, I would indicate that I have taken an active lead in working with the DOE on the development of the new AMSE facility in the Main Street Oak Ridge Project. In the initial part of 2017, I facilitated a design process between RealtyLink and DOE in the design development of the facility structure. Through coordination with Ray Evans on-the-ground, critical decision points were made through June, when the initial construction design was complete. Subsequent to that, the DOE regrouped their approach and provided further input and delay on construction. To date, final inputs are now received and awaiting DOE approvals and concurrence to accept costs associated with these final changes per our contractual agreement. A new construction schedule is also being coordinated with DOE and RealtyLink for AMSE opening in the spring of 2018.

For the past year, Main Street has been a continuous process of demolition and redevelopment. During the course of the year, facilitation with the City Manager's office has involved departmental coordination, approvals for changes, commitment for funding of new water infrastructure, recruitment contacts, utility alignment and re-mapping facilities. I have also been involved with RealtyLink in looking ahead for site review and planning of Tract A (Illinois side) of the AMSE tract. Activity will occur on this by the end of 2017.

As City Manager, I have pushed two joint projects with the Oak Ridge Schools, which have involved various public meetings, establishment of financing mechanisms, and soon-to-be implementation of the projects for Energy Savings Groups (\$8.8M) and the Pre-K School project (est. \$12M). The coordination and selection of architects and long-term financing plans for these two projects are complete, and we are moving into the next phases. During this time, I have worked with Dr. Borchers and the Board of Education in establishing a path forward. Studies are completed providing plans forward to invest in

energy infrastructure of City and School buildings. We also have gone through a site selection process for the new Pre-K in the Scarboro neighborhood. I would point to my involvement on many of the details and preparation for those decisions this past year.

Housing is a high priority for the community. In my role as City Manager, I have coordinated staff response to various programs throughout the year. Providing guidance to the Community Development Department, we continue to see progress with the Oak Ridge Land Bank and support of their initiatives. The State of Tennessee now allows our participation in the Blight Elimination Program where Anderson County was added as a new Tennessee county this year. More importantly, we are now seeing the beginning changes and departmental support emerge from a number of internal planning efforts on several defunct subdivisions including the Preserve at Clinch River. The market is changing and encouraging. We are supporting our business processes and work with developers to activate construction in the mid-range as an identified need within the recent Chamber of Commerce Housing report and other housing analyses. We are now seeing improved relations with Oak Ridge Housing Authority, where I have taken personal interest and now participate and attend their Board meetings.

On the internal front, the biggest activity that has occurred this year has been the completion and initial implementation of the classification and compensation study. This involved intense organizational change and involved a review that has been put off for many years for various reasons. A number of recommendations have been received that will require change and further discussion at the City Council level. Our findings of being below pay markets has been identified and a new structure is adopted and now in place. Proposals can have the effect of creating a sustainable financial path that is competitive within the region and creates a desirable place to work, thus reducing turnover.

A sizeable amount of my time this year has been spent on financial coordination with the Finance Director. Recognizing the need for sizeable capital expenditures and associated debt, I have worked with Ms. McGinnis on developing plans for incorporating a number of expenses including new public safety radio systems, computer software, refinancing to lower interest rates, while planning for the major future costs of Pre-K and Senior Center construction. We have approached this effort to minimize rate impact and coordinate with existing debt. In the near future, most of our debt will be school related. On the bright side, we have noted the selection of the City for the \$22M EPA-WIFIA loan, allowing us to seriously move forward on the development of a new water plant serving both the City of Oak Ridge and the DOE facilities. This will be a continuing process through this year with the preliminary engineering report occurring at this fall and submittal to EPA in the spring.

On another financial note, I have significantly been engaged with Jon Hetrick and Janice McGinnis on the directions of our golf course, which once again is seeing a slide in revenue and participation after improvements in the previous season. I have conducted study through the UT Business School in spring 2017 for options to incorporate on the course and then working with our contract manager. Significant opportunities have been given to the managers to overcome shortfall to no avail. I will be significantly engaged as we are move into the new year with major changes and decisions on the horizon.

Several other projects to which I have been engaged this past year:

- Completion of the TVA Extreme Energy Makeover Project.
- Internal coordination with the City Attorney on Applewood Apartments.
- Internally, I have selected two new senior leaders with Bruce Applegate as the Director of Administrative Services and Wayne Blasius as new Community Development Director. I have internally spent time with our new Public Works Director this past year in adjusting to her new organization. A number of our positions are changing due to retirements at the sub-director level and I am providing input and potential organizational changes during those transitions.
- Have maintained regular weekly communications with the School Superintendent during the course of this past year.

- Continue to lead efforts of the "Diamond Team" in industrial recruitment, commercial development implementation and retail diversification.
- Provided input to Amy Fitzgerald along her responsibility to select replacement computer software for the City.
- Have also provided input to Amy Fitzgerald for better internal information direction through social media outlets for the City of Oak Ridge, highlighting not only "good events" but using the social media as access for improving community engagement such as the Planning Commission "blueprint" project and monthly newsletters.

For the past year, I can claim this is one of my personal busiest in seven years with the City. I will say that we continue to make change and advancement of the Oak Ridge community. I like where we are heading and the working relationship of the City Council. I look forward to continuing to forge ahead and accomplishing a significant new attitude and positive outlook that I am seeing within the community and region. If I can answer any question you may have on the above or any other matters, please do not hesitate to call and I will make time to discuss.

Respectfully,



Mark S. Watson
City Manager

EMPLOYMENT AGREEMENT

Mark S. Watson, City Manager

This is an agreement entered into this 15th day of July, 2010 between the City of Oak Ridge (the City) by the City Council and Mark S. Watson (City Manager) to provide for the employment of Mark S. Watson as City Manager of the City of Oak Ridge and to set forth the terms and conditions of his employment and the mutual obligations, rights and duties of each party.

Now, therefore, in consideration of the mutual promises as set forth in this agreement, the City of Oak Ridge and Mark S. Watson agree as follows:

Section 1. Duties

City Council agrees to employ Mark S. Watson as City Manager of the City of Oak Ridge to perform the functions and duties as specified in the City Charter and the City Code, and to perform such other legally permissible and proper duties and functions as the City Council shall from time to time assign.

Section 2. Term

A. Nothing in this agreement shall prevent, limit, or otherwise interfere with the right of the City Council to terminate the services of the City Manager at any time, subject only to the provisions set forth in Section 5, Paragraphs A and B, of this agreement.

B. Nothing in this agreement shall prevent, limit, or otherwise interfere with the right of the City Manager to resign at any time.

C. Except as otherwise herein stated, this agreement shall become effective as of August 9, 2010 and shall continue in effect until August 8, 2013, except as provided in Section 2, Paragraph D.

D. In order to extend the term of this agreement, City Council shall take action by February 1, 2013. However, upon the request of the City Manager during this same period, City Council shall make a decision as to whether it desires to extend said agreement.

Section 3. Performance Evaluation

A. No later than the last business day of June of each year, City Council and the City Manager shall establish performance criteria and goals and objectives which shall provide the basis for the evaluation of the City Manager for the following fiscal year. The performance criteria and the goals and objectives will be those that are necessary for the proper operation of the City and the attainment of City Council's policy objectives. The performance criteria and the goals and objectives shall be assigned a relative priority, and shall generally be attainable within the time limitations established and within the annual operating and capital budgets and the appropriations provided.

B. The first formal evaluation of the City Manager's performance shall be completed by July 31, 2011. Thereafter, evaluations shall be conducted on an annual basis by July 31 of each year for the previous fiscal year.

Section 4. Code of Ethics

Inasmuch as the City Manager is an active member of ICMA, the "Code of Ethics" promulgated by ICMA is incorporated herein and attached hereto, and by this reference made a part hereof. Said Code of Ethics shall furnish principles to govern the City Manager's conduct and actions as the City Manager of the City.

Section 5. Termination and Severance Pay

A. In the event the City Manager is terminated by the Council at its will and pleasure, during such time that the City Manager is willing and able to perform his duties under this agreement, then in that event the City agrees to pay the City Manager a lump sum cash payment equal to six (6) months' aggregate salary plus one (1) additional month's aggregate salary for each year of service for the first six years, not to exceed a total of 12 months, plus any accrued general leave and benefits less applicable deductions as required by agreement, law, ordinance or policy for other employees and/or the City Manager's matching portion of benefits provided for and during said severance period. At City Council's option, the actual resignation date may be extended through earned and accrued leave balances due the City Manager then in effect. Provided, however, that in the event the City Manager is terminated "for just cause," then in such event, the City shall have no obligation to pay the aggregate severance sum designated in this paragraph. "Just cause" is defined and limited for the purposes of this Agreement to the following reasons: (1) willful neglect of duty; (2) felony or misdemeanor conviction of any crime involving moral turpitude; (3) violation of duties by the City Manager of honesty and sobriety; (4) any other act of a similar nature of the same or greater seriousness.

B. In the event the City at any time reduces the salary or other financial benefits of the City Manager in a greater percentage than an applicable across-the-board reduction for all City employees, then the City Manager may at his option be deemed to be "terminated" at the date of such reduction within the meaning and context of the herein severance pay provision.

Section 6. Disability

If the City Manager becomes permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health for a period of four successive weeks beyond any accrued leave, the City shall have the option to terminate this agreement, subject to the severance pay requirements of Section 5, Paragraphs A and B.

Section 7. Salary

A. City agrees to pay the City Manager for his services rendered pursuant hereto an annual base salary of \$131,996.80, payable in installments at the same time as other City employees are paid.

B. In addition, City agrees to increase said base salary and/or other benefits of the City Manager in such amounts and to such an extent as the City Council may determine desirable on the basis of the performance evaluation developed as required by Section 3 of this agreement. Nothing in this paragraph shall require the City to increase the base salary or other benefits of the City Manager.

Section 8. Hours of Work

The City of Oak Ridge requires the full-time service of its City Manager and, therefore, in the event the City Manager is not available for his duties, he shall designate a City employee as his representative to be responsible in his place, and so inform members of City Council when appropriate.

Section 9. Automobile and Communications Equipment

A. The City Manager requires that he shall have for business and personal use during his employment with the City an automobile provided to him by the City. City shall be responsible for paying liability, property damage, and comprehensive insurance and for the purchase, operation, maintenance, repair, and regular replacement of said automobile.

B. The City agrees to provide a mobile or portable radio compatible with the City's radio system for the City Manager's exclusive use.

C. The City agrees to provide a cellular or digital telephone for the exclusive business and personal use of the City Manager.

Section 10. Dues and Subscriptions

The City agrees to budget and to pay the professional dues and subscriptions of the City Manager for his continuation and full participation in national, regional, state, and local associations, organizations, and service clubs as necessary and desirable for his continued professional participation, growth, and advancement, and for the good of the City.

Section 11. Professional Development

A. The City agrees to budget and to pay the travel and subsistence expenses of the City Manager for professional and official travel, meetings, and occasions adequate to continue the professional development of the City Manager and to adequately pursue necessary official and other functions for the City, including but not limited to the Annual Conference of the International City Management Association, the Tennessee Municipal League, and such other national, regional, state, and local governmental groups and committees thereof which the City Manager serves as a member.

B. The City also agrees to budget and to pay for the travel and subsistence expenses of the City Manager for short courses, institutes, and seminars that are necessary for his professional development and for the good of the City.

Section 12. Retirement

A. The City Manager shall be immediately covered by the Tennessee Consolidated Retirement System in the same manner as is provided all other general employees of the City.

B. The City may contribute to the City Manager's Deferred Compensation Plan with the International City Management Association Retirement Corporation, on behalf of the City Manager, a sum equal to the annual contribution to such plan by the City Manager. Such annual contribution by the City shall not exceed three (3) percent of the City Manager's annual salary.

Section 13. Community Involvement

The City recognizes the desirability of representation in and before local civic and other organizations, and the City Manager is encouraged to participate in these organizations in order to maintain a continuing awareness of our community attitudes and ideas.

Section 14. Leave

The City Manager shall be credited 120 hours of general leave and 140 hours of emergency leave upon the effective date of his employment with the City and shall thereafter accrue leave in the same manner as other City employees and as specified in Article 11 of the City of Oak Ridge Personnel Plan.

Section 15. Medical, Dental, Disability, Long-Term Care, and Life Insurance Benefits

The City agrees to provide medical, dental, disability, long-term care and life insurance benefits to the City Manager, and to pay the premiums thereon equal to that which is provided all other general employees of the City.

Section 16. Liability Protection

The City shall provide the same liability protection for the City Manager as provided for all general employees of the City, as specified in Section 13.4 of the Personnel Ordinance.

Section 17. Bonding

The City agrees to bear the full cost of any fidelity or other bonds required of the City Manager under any law, ordinance or regulation.

Section 18. Residence

The City requires and the City Manager agrees to maintain his principal residence inside the corporate limits of the City during the term of this agreement including any renewals and extensions.

Section 19. Moving and Relocation Expenses

A. The City agrees to pay for the expenses of moving the City Manager, his family and personal property from Yuma, Arizona, to the City of Oak Ridge, with said moving expenses to include packing, moving, storage costs, unpacking, and insurance charges. The City Manager agrees to secure at least three bids from reputable moving companies for such services, and shall use the lowest responsible bidder.

B. The City shall assume the reasonable costs for one visit to Oak Ridge by the City Manager and his wife which shall be for the purpose of locating a principal residence within the City limits.

C. The City shall pay for up to one month's temporary housing costs if necessary.

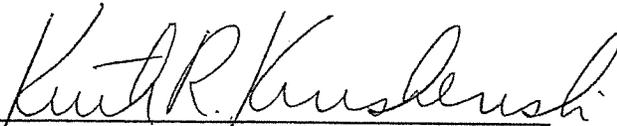
Section 20. General Provisions

A. The text herein shall constitute the entire agreement between the parties.

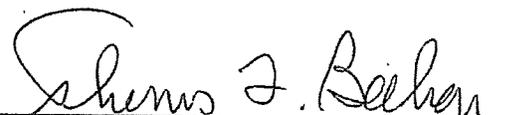
B. If any provisions contained in this agreement, or portion thereof, are held to be unconstitutional, invalid, or unenforceable, the remainder of this agreement, or portion thereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

APPROVED AS TO FORM AND LEGALITY:

CITY OF OAK RIDGE, TENNESSEE



City Attorney

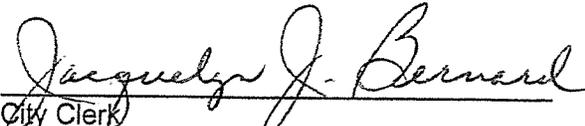


Mayor



City Manager

ATTEST:



City Clerk

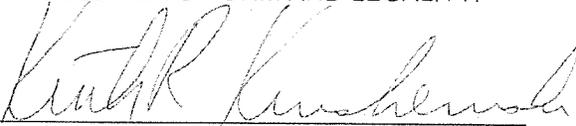
AMENDMENT NO. 6
(Employment Agreement – Mark S. Watson, City Manager)

This Amendment No. 6 entered into this the 10th day of October, 2016, amends the Employment Agreement dated July 15, 2010, as amended, between the City of Oak Ridge, Tennessee, hereinafter referred to as the "City," and Mark S. Watson, hereinafter referred to as the "City Manager."

NOW, THEREFORE, the parties hereto agree as follows:

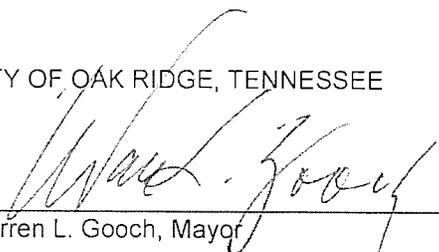
1. Section 2, Term, Subsection C, of the Employment Agreement is hereby amended by extending the term of the agreement by one year, which changes the effective ending date of the agreement to August 8, 2019.
2. Section 7, Salary, Subsection A, of the Employment Agreement is hereby amended by increasing the City Manager's base salary to \$161,116.80 effective August 2, 2016, which is the equivalent of a three percent (3%) salary increase.
3. All other terms, conditions and provisions of the Employment Agreement, dated July 15, 2010, as amended, not in conflict with this Amendment No. 6 shall remain in full force and effect.

APPROVED AS TO FORM AND LEGALITY:



Kenneth R. Krushenski, City Attorney

CITY OF OAK RIDGE, TENNESSEE



Warren L. Gooch, Mayor

MARK S. WATSON



Signature

Approved by Resolution 10-73-2016

RESOLUTION

A RESOLUTION TO AMEND THE CITY MANAGER'S EMPLOYMENT AGREEMENT TO EXTEND THE TERM BY ONE YEAR AND TO PROVIDE FOR A NEW ANNUAL BASE SALARY AMOUNT OF \$165,963.20.

WHEREAS, Article V, Section 1, of the City Charter provides that City Council shall appoint a chief administrative officer of the City who shall be entitled City Manager and who shall serve at the pleasure of City Council; and

WHEREAS, on July 15, 2010, City Council entered into an employment agreement in which City Council agreed to employ Mark S. Watson as the City Manager; and

WHEREAS, said employment agreement provides that formal evaluations of the City Manager shall be conducted on an annual basis by July 31st of each year, and to this end City Council appointed a City Manager Evaluation Committee (the Committee) to develop an evaluation procedure; and

WHEREAS, the Committee has completed its work and based upon the evaluation results recommends that the City Manager's term of office be extended by one year and that he receive a three percent (3%) salary increase in accordance with the newly adopted compensation/classification plan.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:

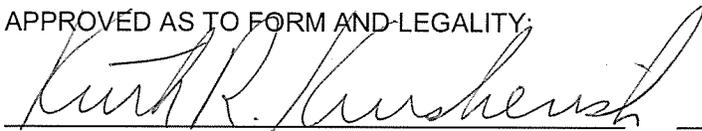
That the Employment Agreement between the City of Oak Ridge and Mark S. Watson as City Manager is hereby amended as follows:

- Section 2, Term, Subsection C, be amended to provide that the Employment Agreement shall continue in effect until August 8, 2020; and
- Section 7, Salary, Subsection A, be amended to provide for a new base salary amount of \$165,963.20, which is the equivalent of a three percent (3%) salary increase, which shall become effective retroactive to the pay period beginning October 8, 2017.

BE IT FURTHER RESOLVED that the Mayor is hereby authorized to execute all necessary legal documents to accomplish the same.

This the 13th day of November 2017.

APPROVED AS TO FORM AND LEGALITY:


Kenneth R. Krushenski, City Attorney

Warren L. Gooch, Mayor

Mary Beth Hickman, City Clerk

CONSENT AGENDA

OAK RIDGE CITY COUNCIL MEETING
Municipal Building Courtroom

October 9, 2017

Minutes

The regular meeting of the City Council of the City of Oak Ridge, Tennessee convened at 7:00 p.m. on October 9, 2017 in the Courtroom of the Municipal Building with Mayor Warren L. Gooch presiding.

INVOCATION

The invocation was given by Barbara McCord, Chairperson of the Spiritual Assembly of the Baha'is of Oak Ridge.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Jefferson Middle School student Ben Dallas.

ROLL CALL

Upon roll call, the following councilmembers were present: Councilmember Jim Dodson; Mayor Warren L. Gooch; Councilmember Charles J. Hope, Jr.; Councilmember Ellen D. Smith; and Councilmember Hans Vogel. Councilmember Kelly Callison and Mayor Pro Tem Rick Chinn were absent.

Also present were Mark S. Watson, City Manager; Ken Krushenski, City Attorney; Janice McGinnis, Finance Director and Mary Beth Hickman, City Clerk.

PROCLAMATIONS AND PUBLIC RECOGNITIONS

Proclamations

A proclamation designating October, 2017 as Domestic Violence Awareness Month

Councilmember Smith moved for approval, and Councilmember Hope seconded. The proclamation was approved unanimously by voice vote with Councilmembers Dodson, Hope, Smith, Vogel and Mayor Gooch voting "Aye." Councilmember Callison and Mayor Pro Tem Chinn were absent.

A proclamation designating October, 2017 as Fire Prevention Awareness Month

Councilmember Dodson moved for approval, and Councilmember Vogel seconded. The proclamation was approved unanimously by voice vote with Councilmembers Dodson, Hope, Smith, Vogel and Mayor Gooch voting "Aye." Councilmember Callison and Mayor Pro Tem Chinn were absent.

A proclamation designating October 23-31 as Red Ribbon Week

Councilmember Smith moved for approval, and Councilmember Dodson seconded. The proclamation was approved unanimously by voice vote with Councilmembers Dodson, Hope, Smith, Vogel and Mayor Gooch voting "Aye." Councilmember Callison and Mayor Pro Tem Chinn were absent.

CONSENT AGENDA

Councilmember Dodson moved for adoption of the Consent Agenda, and Councilmember Hope seconded.

The Consent Agenda was adopted unanimously by voice vote with Councilmembers Dodson, Hope, Smith, Vogel and Mayor Gooch voting "Aye." Councilmember Callison and Mayor Pro Tem Chinn were absent.

Approval of the September 11, 2017 City Council regular meeting minutes and the September 19, 2017 City Council special meeting minutes.

A RESOLUTION AUTHORIZING THE TRANSFER OF A SURPLUS ANIMAL CONTROL VEHICLE TO THE TOWN OF OLIVER SPRINGS, TENNESSEE, AT NO COST FOR THEIR USE.

A RESOLUTION AUTHORIZING THE TRANSFER OF A SURPLUS 1992 FIRE TRUCK (#353) TO BRICEVILLE VOLUNTEER FIRE DEPARTMENT, BRICEVILLE, TENNESSEE, AT NO COST FOR THEIR USE.

A RESOLUTION AUTHORIZING THE PURCHASE AND INSTALLATION OF SIX (6) LARGE CEILING FANS FROM DELTA T CORPORATION DBA BIG ASS SOLUTIONS, LEXINGTON, KENTUCKY, FOR USE AT THE CENTRAL SERVICES COMPLEX IN THE ESTIMATED AMOUNT OF \$63,738.00.

Councilmember Smith moved to amend the agenda order to add the following resolution to the agenda as item (d) under "Resolutions:"

A RESOLUTION CONSENTING TO THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF OAK RIDGE, TENNESSEE NEGOTIATING AND ACCEPTING PAYMENTS IN LIEU OF AD VALOREM TAX WITH RESPECT TO PROPERTY KNOWN AS HERITAGE PARK, AND FINDING THAT SUCH PAYMENTS ARE DEEMED TO BE IN FURTHERANCE OF THE PUBLIC PURPOSES OF THE BOARD AS DEFINED IN TENNESSEE CODE ANNOTATED SECTION 7-53-305.

Councilmember Hope seconded the motion to amend the agenda. Councilmember Vogel asked if it was possible to postpone consideration of this item. City Attorney Ken Krushenski stated that this resolution moves the City into compliance with a law that was passed by the Tennessee General Assembly.

The motion to amend the agenda was approved by voice vote with Councilmembers Dodson, Hope, Smith and Mayor Gooch voting "Aye," and Councilmember Vogel voting "No." Councilmember Callison and Mayor Pro Tem Chinn were absent.

PUBLIC HEARINGS AND FIRST READING OF ORDINANCES

First Reading of Ordinances

AN ORDINANCE TO AMEND ORDINANCE NO. 2, TITLED "THE ZONING ORDINANCE OF THE CITY OF OAK RIDGE, TENNESSEE, BY DELETING SUBPARTS (D)(3) AND (D)(4) OF SECTION 11.01, TITLED "VEHICLE ACCESS CONTROL," AND SUBSTITUTING THEREFOR NEW SUBPARTS (D)(3) AND (D)(4) RELATIVE TO DRIVEWAY LOCATIONS AND SPACING.

Councilmember Vogel moved to approve the ordinance, and Councilmember Smith seconded. Community Development Director Wayne Blasius answered questions from Council regarding the ordinance.

The ordinance was approved unanimously by board vote with Councilmembers Dodson, Hope, Smith, Vogel and Mayor Gooch voting "Aye." Councilmember Callison and Mayor Pro Tem Chinn were absent.

AN ORDINANCE TO AMEND ORDINANCE NO. 2, TITLED "THE ZONING ORDINANCE OF THE CITY OF OAK RIDGE, TENNESSEE," BY AMENDING THE ZONING MAP WHICH IS MADE A PART OF THE ORDINANCE BY CHANGING THE ZONING DISTRICT OF PARCEL 047.00, ANDERSON COUNTY TAX MAP 094J, GROUP D, (APPROXIMATELY 0.45 ACRES) FROM B-3, ROADSIDE BUSINESS DISTRICT, TO B-2, GENERAL BUSINESS DISTRICT, SAID PARCEL BEING LOCATED AT 500 OAK RIDGE TURNPIKE.

Councilmember Dodson moved for approval of the ordinance, and Councilmember Vogel seconded. Community Development Director Wayne Blasius provided an overview of the ordinance.

The ordinance was approved unanimously by board vote with Councilmembers Dodson, Hope, Smith, Vogel and Mayor Gooch voting "Aye." Councilmember Callison and Mayor Pro Tem Chinn were absent.

AN ORDINANCE TO AMEND TITLE 15, TITLED "MOTOR VEHICLES, TRAFFIC AND PARKING," CHAPTER 5, TITLED "SPEED REGULATIONS," OF THE CODE OF ORDINANCES, CITY OF OAK RIDGE, TENNESSEE, TO LOWER THE SPEED LIMIT ON STATE ROUTE 95 (SR-95)(OAK RIDGE TURNPIKE) BETWEEN THE SR-95/SR-58 INTERCHANGE TO THE OAK RIDGE CITY LIMITS.

Councilmember Vogel moved for approval of the ordinance, and Mayor Gooch seconded. City Manager Mark Watson provided an overview of the ordinance and answered questions from Council.

After some discussion, Mayor Gooch moved to defer the ordinance until the November meeting, and Councilmember Hope seconded. The motion to defer passed unanimously on voice vote with Councilmembers Dodson, Hope, Smith, Vogel and Mayor Gooch voting "Aye." Councilmember Callison and Mayor Pro Tem Chinn were absent.

FINAL ADOPTION OF ORDINANCES

AN ORDINANCE TO AMEND ORDINANCE NO. 2, TITLED "THE ZONING ORDINANCE OF THE CITY OF OAK RIDGE, TENNESSEE," BY AMENDING SECTION 8.03, TITLED "IND-3, INDUSTRIAL DISTRICTS," TO ADD AIRPORTS AS A PERMITTED PRINCIPAL USE AND TO DELETE AIRPORTS AS A USE REQUIRING BOARD OF ZONING APPEALS APPROVAL.

Councilmember Dodson moved for adoption of the ordinance, and Councilmember Smith seconded.

Councilmember Vogel moved to open the public hearing, and Councilmember Hope seconded. The motion was approved unanimously by voice vote with Councilmember Callison and Mayor Pro Tem Chinn being absent.

Mayor Gooch asked that comments sent to Councilmembers via email by Mr. John Gunning, 107 Greywood Place, Oak Ridge, be included as part of the record. His comments are as follows:

I observed in the Oak Ridger today that lowering the speed limit on 95 south of the 58 interchange is on the agenda. The Oak Ridger indicated that this was in response to a request that an individual submitted to the TDOT, which was in turn forwarded to the OR City Engineer. First, I encourage you to leave the speed limit as it is. It has been at its current value for years and there is no significant reason to change it. Second, I encourage the City Council NOT be in the process of initiating changes such as this in response to ONE citizen's request. Third, if a request such as this is under consideration, it should first be properly vetted and have a survey made of community opinion. I recall that in the past there was a significant controversy regarding the speed limit on the South Illinois divided highway prior to the Solway Bridge, including lawsuits, etc. I am not in the business of lawsuits, but just wanted to remind folks of previous excursions into this area.

Fred Bertrand, 116 Newell Lane, Oak Ridge, addressed Council in opposition to the ordinance and asked Council to hold a community meeting regarding the airport. Mayor Gooch requested that Mr. Bertrand's comments be included as part of the record. They are attached at the back of these minutes.

Councilmember Vogel moved to close the public hearing, and Councilmember Smith seconded. The motion to close the public hearing was approved unanimously by voice vote with Councilmember Callison and Mayor Pro Tem Chinn absent.

Councilmember Vogel stated that there have been public meetings held regarding the airport, such as at the Office of Science and Technical Information, and the Blueprint meeting also provided opportunity for feedback. There have also been discussions with the homeowners associations, and the issue has been discussed by the Planning Commission.

Councilmember Smith stated that she supports the ordinance but shares concerns that many Oak Ridge residents are not aware of the airport. She advocated for more public engagement going forward.

The ordinance was adopted unanimously by board vote with Councilmembers Dodson, Hope, Smith, Vogel, and Mayor Gooch voting "Aye." Councilmember Callison and Mayor Pro Tem Chinn were absent.

AN ORDINANCE TO AMEND SECTION 3-601, TITLED "ADMINISTRATIVE HEARING OFFICER," OF THE CODE OF ORDINANCES, CITY OF OAK RIDGE, TENNESSEE, BY DELETING SUBSECTION (1) IN ITS ENTIRETY AND SUBSTITUTING THEREFOR A NEW SUBSECTION (1) TO EXPAND THE JURISDICTION OF THE ADMINISTRATIVE HEARING OFFICER FOR COMPLIANCE WITH STATE LAW. (No public hearing required.)

Councilmember Hope moved for adoption of the ordinance, and Councilmember Smith seconded. City Attorney Ken Krushenski provided an overview of the ordinance.

The ordinance was approved unanimously by board vote with Councilmembers Dodson, Hope, Smith, Vogel and Mayor Gooch voting "Aye." Councilmember Callison and Mayor Pro Tem Chinn were absent.

RESOLUTIONS

A RESOLUTION APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH WACHSWATER SERVICES, BUFFALO GROVE, ILLINOIS, FOR A SYSTEM-WIDE WATER LEAK DETECTION SURVEY IN THE ESTIMATED AMOUNT OF \$103,429.00.

Councilmember Dodson moved for approval of the resolution, and Councilmember Smith seconded. City Manager Mark Watson provided an overview of the resolution, and Public Works Director Shira McWaters answered questions from Council.

The resolution was approved unanimously by board vote with Councilmembers Dodson, Hope, Smith, Vogel and Mayor Gooch voting "Aye." Councilmember Callison and Mayor Pro Tem Chinn were absent.

A RESOLUTION TO AUTHORIZE AGREEMENTS WITH STUDIO FOUR DESIGN, INC., KNOXVILLE, TENNESSEE, FOR ARCHITECTURAL, INTERIOR DESIGN, AND CONSULTING ENGINEERING SERVICES FOR (1) THE NEW PRESCHOOL BUILDING IN THE ESTIMATED AMOUNT OF \$574,700.00 AND (2) THE NEW SENIOR CENTER BUILDING IN THE ESTIMATED AMOUNT OF \$196,630.00.

Councilmember Smith moved for approval of the resolution, and Councilmember Hope seconded. City Manager Mark Watson provided an overview of the resolution and answered questions from Council.

The resolution was approved unanimously by board vote with Councilmembers Dodson, Hope, Smith, Vogel and Mayor Gooch "Aye." Councilmember Callison and Mayor Pro Tem Chinn were absent.

A RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF OAK RIDGE, TENNESSEE IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$21,350,000, IN ONE OR MORE SERIES; MAKING PROVISION FOR THE ISSUANCE, SALE, AND PAYMENT OF SAID BONDS, ESTABLISHING THE TERMS THEREOF AND THE DISPOSITION OF PROCEEDS THEREFROM; AND PROVIDING FOR THE LEVY OF TAXES FOR THE PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE BONDS.

Councilmember Smith moved for approval of the resolution, and Councilmember Hope seconded.

City Manager Mark Watson provided an overview of the resolution and Finance Director Janice McGinnis answered questions from Council. Chris Bessler from Cumberland Securities was also in attendance to answer questions from Council.

Councilmember Smith moved to amend the resolution to include a letter from the Comptroller's Office as Exhibit B of the resolution, and Councilmember Hope seconded. The motion was approved unanimously by voice vote with Councilmember Callison and Mayor Pro Tem Chinn absent.

Mayor Gooch asked Oak Ridge Police Chief James Akagi to discuss the radios that would be funded by a portion of the bonds referenced in the resolution. Chief Akagi stated that multiple City departments as well as the school system would benefit from these radios.

The resolution was unanimously approved as amended by board vote with Councilmembers Dodson, Hope, Smith, Vogel and Mayor Gooch voting "Aye." Councilmember Callison and Mayor Pro Tem Chinn were absent.

A RESOLUTION CONSENTING TO THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF OAK RIDGE, TENNESSEE NEGOTIATING AND ACCEPTING PAYMENTS IN LIEU OF AD VALOREM TAX WITH RESPECT TO PROPERTY KNOWN AS HERITAGE PARK, AND FINDING THAT SUCH PAYMENTS ARE DEEMED TO BE IN FURTHERANCE OF THE PUBLIC PURPOSES OF THE BOARD AS DEFINED IN TENNESSEE CODE ANNOTATED SECTION 7-53-305.

Councilmember Hope moved for approval of the resolution, and Councilmember Smith seconded. City Attorney Ken Krushenski provided an overview of the resolution and answered questions from Council.

Councilmember Vogel stated that taking \$200,000 off of the tax rolls is not something that has been discussed a great deal.

Lawrence Young, Chief Manager at the Heritage Center, answered questions from Council and explained why the resolution was needed.

The resolution was approved unanimously by board vote with Councilmembers Dodson, Hope, Smith, Vogel and Mayor Gooch voting "Aye." Councilmember Callison and Mayor Pro Tem Chinn were absent.

APPEARANCE OF CITIZENS

Martin McBride, 954 W. Outer Drive, Oak Ridge, addressed Council regarding residual housing discrimination by the Department of Energy. Mr. McBride requested that the following two quotes be submitted for the record:

"Man must evolve for all human conflict a method which rejects revenge, aggression and retaliation. The foundation of such a method is love." – Martin Luther King, Jr.

"Discrimination is a hellhound that gnaws at Negroes in every waking moment of their lives to remind them that the lie of their inferiority is accepted as truth in the society dominating them." - Martin Luther King, Jr.

ELECTIONS/APPOINTMENTS, ANNOUNCEMENTS AND SCHEDULING

Elections/Appointments

Announcements

Councilman Vogel reminded Council about the upcoming Blueprint meeting for the Midtown residential area at Robertsville Middle School on October 26th from 5:30 to 7:30.

Councilman Vogel stated that he had driven by the new AMSE site and thanked the developer for solving the runoff issues there.

Scheduling

City Manager Mark Watson discussed the City Council calendar for the remainder of the year and stated that November 7th would probably be the best time for a work session since several Council members are gone on November 14th to various meetings and November 21st is during the Thanksgiving holiday. This work session will be held at an alternate location yet to be determined.

COUNCIL REQUESTS FOR NEW BUSINESS ITEMS OR FUTURE BRIEFINGS

Councilmember Hope asked if it would be possible to schedule a meeting with the Knoxville Airport Authority in a town hall format to discuss developments with the proposed airport.

SUMMARY OF CURRENT EVENTS

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

ADJOURNMENT: 8:51 p.m.

Comments on Ordinance No.2

My name is Fred Bertrand and I speak for myself and for my wife Jeanne. We have lived in Oak Ridge since 1965.

Thank you very much for the opportunity to speak about the proposed changes to Section 8.03 of the City of Oak Ridge Zoning Ordinance. The proposed change would include airports as an allowed principal use on land zoned as an Industrial District. While the proposed change refers to generic airports, it is clear that the suggested change is driven by the proposal to build a general-purpose airport within the Oak Ridge City limits. For that reason it is appropriate to make our comments in the context of the Oak Ridge Airport project. The airport project, while sited wholly within the Oak Ridge city boundaries, is a project being directed by the Metropolitan Knoxville Airport Authority (MKAA), without input from the Oak Ridge public.

The land that has been transferred to the MKAA is currently zoned Federal Industrial or Research (FIR). In order to be used for the proposed airport the land must be rezoned as IND-3, Industrial Districts. That rezoning is the responsibility of the Oak Ridge City Council and if the change to the Ordinance is adopted and "airport" is added to the IND-3 zone description, the land rezoning would be automatic for airport use. This rezoning decision would not require a detailed review of the airport project by City Council.

Under the current ordinance, after the land rezoning by City Council, the MKAA would have to make a request to the Oak Ridge Board of Zoning Appeals (BZA) for a "special exception" to the IND-3 in order to include the airport. The BZA would carry out an extensive site and project evaluation that would involve public hearings. The change in the Ordinance before the Council tonight would entirely eliminate Board of Zoning Appeals (BZA) approval and thus eliminate another avenue for public comment on the airport project.

It is our opinion that the entire airport project has been carried out with little or no input from the Oak Ridge public. This is shameful, and the

Ordinance change before you tonight would clearly continue that trend. The proposed Ordinance change will lead to less input rather than more. The airport project will impact a very large number of Oak Ridge citizens, yet our citizens know essentially nothing about the full extent of the airport project.

We ask the City Council to establish a town meeting and forum where both proponents and opponents of the airport project may be heard. We further ask City Council to deny the Ordinance change at this time or at least to table any action on changes to the Ordinance until a town meeting/forum has been held.

It is time for Oak Ridge citizens to know the full scope of what the KMAA wants to build in Oak Ridge and not build in Knoxville. Oak Ridgers need to know the full scope of the airport project, who will benefit, who will cover the operating costs, and what is the cost/benefit analysis for the public. The airport project will have major impacts on the safety, environment, and pleasure of living in Oak Ridge. We ask the Council to take the leadership in involving our citizens in establishing the future of Oak Ridge and not leave our future in the hands of those who do not reside in our city or have no interest in our quality of life. We ask that you do not use this Ordinance change to take away another avenue of public input.

Thank you for your time.

Fred and Jeanne Bertrand
116 Newell Lane
Oak Ridge

OAK RIDGE POLICE DEPARTMENT MEMORANDUM
17-35

DATE: November 11, 2017

TO: Mark S. Watson, City Manager

FROM: James T. Akagi, Chief of Police

SUBJECT: Motorola Systems Annual Maintenance Agreement

Introduction

An item for City Council's consideration is a resolution authorizing the payment of the Motorola Systems annual maintenance agreement of the 800 MHz trunked communications system in the amount no more than \$36,663.00.

Funding

This agreement is funded as part of the Emergency Communications District Fund.

Background

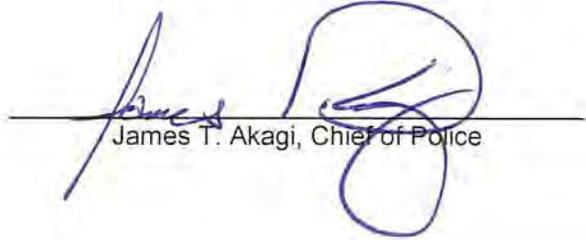
The City has held an agreement with Motorola for a number of years to provide maintenance to a communications system that is critical to providing 911 services to the citizens of Oak Ridge. Based on the critical nature of this communications system, it is imperative that the maintenance contract does not lapse as costs would be significant if a failure were to occur with no contract in place. Advantageously, customers who are on a maintenance agreement plan receive service before non-contractual customers.

Also, City employees rely on the communication system to perform their daily tasks and it would create a crisis situation if the Emergency Communications Center was unable to communicate with Public Safety and other departments. Another advantage to this agreement with Motorola is the familiarity and reliability of having a single consistent vender. City staff has been pleased with agreement that remained in place, as well as the services that have been provided by this company.

Due to the city currently in the process of joining the Tennessee Valley Regional Communications System (TVRCS), this annual maintenance agreement will only cover the City's existing infrastructure. This year's agreement excludes the maintenance of all end user radios that are out of warranty. The existing radios will be replaced in the near future upon joining the TVRCS. This will be a \$53,763.96 cost savings from the previous year. This agreement will be paid on a monthly basis at a cost of \$3055.25. The agreement will be canceled when the new system is in place

Recommendation

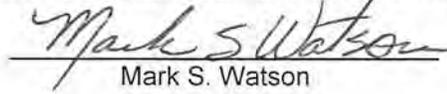
Staff recommends the approval of the accompanying resolution. As the recommendation is that competitive bids be waived, Council is reminded that a unanimous vote is required for approval.


James T. Akagi, Chief of Police

Attachment(s): Resolution

City Manager's Comments:

I have reviewed the above issue and recommend Council action as outlined in this document.


Mark S. Watson

11-9-17
Date

RESOLUTION

A RESOLUTION WAIVING COMPETITIVE BIDS AND MAKING AN AWARD TO MOTOROLA COMMUNICATIONS AND ELECTRONICS, INC., FOR FURNISHING OF MAINTENANCE OF THE 800 MHZ TRUNKED COMMUNICATIONS SYSTEM'S INFRASTRUCTURE IN AN AMOUNT NOT TO EXCEED \$36,663.00.

WHEREAS, the City of Oak Ridge has a need for certain routine materials, equipment and services that do not lend themselves to the normal competitive bidding procedure; and

WHEREAS, Motorola is the current supplier of and provides maintenance for all infrastructure, including the tower site, and all individual radios and equipment for Police, Fire, and other City departments; and

WHEREAS, it is critical that maintenance of the 800 MHz Trunked Communications System's infrastructure remain with Motorola for compatibility purposes, local 24/7 service, and it is critical to not have a lapse in service due to higher costs if an incident were to occur outside of a maintenance contract; and

WHEREAS, the City Manager recommends that competitive bids be waived and award be made to Motorola Communications and Electronics, Inc., for maintenance of the 800 MHz Trunked Communication System's infrastructure.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:

That the recommendation of the City Manager that competitive bids be waived is approved and award is hereby made to Motorola Communications and Electronics, Inc., for the furnishing of maintenance of the 800 MHz Trunked Communications System's infrastructure through September 30, 2018, unless cancelled sooner and in an amount not to exceed \$36,663.00.

BE IT FURTHER RESOLVED that the City is in the process of joining the Tennessee Valley Regional Communications System which will result in replacement of radios, and that the agreement with Motorola will be cancelled when the new system is in place.

BE IT FURTHER RESOLVED that the Mayor is hereby authorized to execute the appropriate legal instruments to accomplish the same.

This the 13th day of November 2017.

APPROVED AS TO FORM AND LEGALITY:



Kenneth R. Krushenski, City Attorney

Warren L. Gooch, Mayor

Mary Beth Hickman, City Clerk

PUBLIC HEARINGS
AND
FIRST READING OF
ORDINANCES

COMMUNITY DEVELOPMENT MEMORANDUM
PLANNING DIVISION
17-53

DATE: October 20, 2017

TO: Mark Watson, City Manager

FROM: Kelly Duggan, Senior Planner 

THROUGH: Wayne Blasius, Community Development Director 

SUBJECT: REZONE MAP 099N, GROUP B, PARCEL 003.00 FROM RG-1 AND O-2 TO UB-2 PLANNED UNIT DEVELOPMENT (PUD) OVERLAY

Introduction

An item for City Council's consideration is a request for a Preliminary Planned Unit Development (PUD) Master Plan and a proposed rezoning from RG-1 and O-2 to UB-2 PUD Overlay. The subject property currently consists of one existing parcel identified as Tax Map 099N, Group B, Parcel 003.00 located at the corner of three public streets – Badger Avenue to the west, S. Illinois Avenue to the south and S. Tulane Ave. to the east.

Funding

No funding is necessary to approve this request.

Analysis

The property is located within the city's central commercial core. On the opposite side of S. Tulane are commercial properties including the Main Street Oak Ridge redevelopment. Commercial development is also present on the opposite side of S. Illinois Avenue. Development activity in the area has increased in the last several years. Up until this year, the subject property had been a part of the American Museum of Science and Energy (AMSE) site and unavailable for development. With the transfer of the property to private ownership, transition to a commercial use is expected and appropriate.

Development of the property may result in additional impervious surface area with a corresponding increase in stormwater runoff. The site will be required to meet the city's MS4 stormwater management ordinance. Compliance will be addressed during the site review process. The city's landscaping and design standards as well as all other city regulations are also required.

The staff believes that the proposed development will enhance the use and enjoyment of other land in close proximity. As noted above, the predominant land use in the area is commercial. Patrons of the hotel development to the west would likely enjoy access to the retail and restaurant uses the site will offer. Further, the proposed development will tie into the existing Main Street development to the east, in terms of scale, uses and design. Given this scenario as well as adherence to landscape buffering requirements, the proposal is not expected to significantly interfere with the use and enjoyment of other land in close proximity.

Recommendation

The staff recommended approval of the zoning change and Preliminary PUD Master Plan. With the proposed movement of the AMSE and subsequent property transfers, a commercial zoning designation for this property is to be expected. The property is located within the city's commercial core and the nearby properties are already commercial in their use and zoning. Given the significance of this property within the city center, its high visibility and location along two arterial Streets (S. Illinois and S. Tulane), specific attention should be dedicated to the quality and character of future development at the site. The staff also believes that the PUD is compatible with development permitted under the provisions of the Zoning Ordinance as well as general development patterns in the area.

The Oak Ridge Municipal Planning Commission reviewed the request at its October 19, 2017 meeting. The action of the Planning Commission was conditional approval, with the following conditions:

- The developer shall obtain the approval of the City Engineer for a Traffic Impact Study for the site and its vicinity. The developer shall implement all mitigation measures deemed necessary by the City Engineer. All expenses relating to study preparation and implementation will be borne by the developer.
- The developer shall provide a pedestrian connection to the Main Street development across Tulane Avenue and to the hotel development across Badger Avenue. The developer shall provide sidewalks along Badger Avenue.
- The developer shall provide nuisance screening deemed appropriate by the staff and the Planning Commission along the rear of the large grocery/retail building to create a buffer between the service area and adjacent uses.

Attachments:

Aerial Map

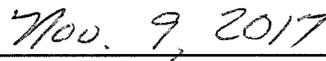
Zoning Map

City Manager's Comments:

I have reviewed the above issue and recommend Council action as outlined in this document.



Mark S. Watson



Date

TN Oak Ridge Illinois LLC - Rezoning - Aerial Map



Legend

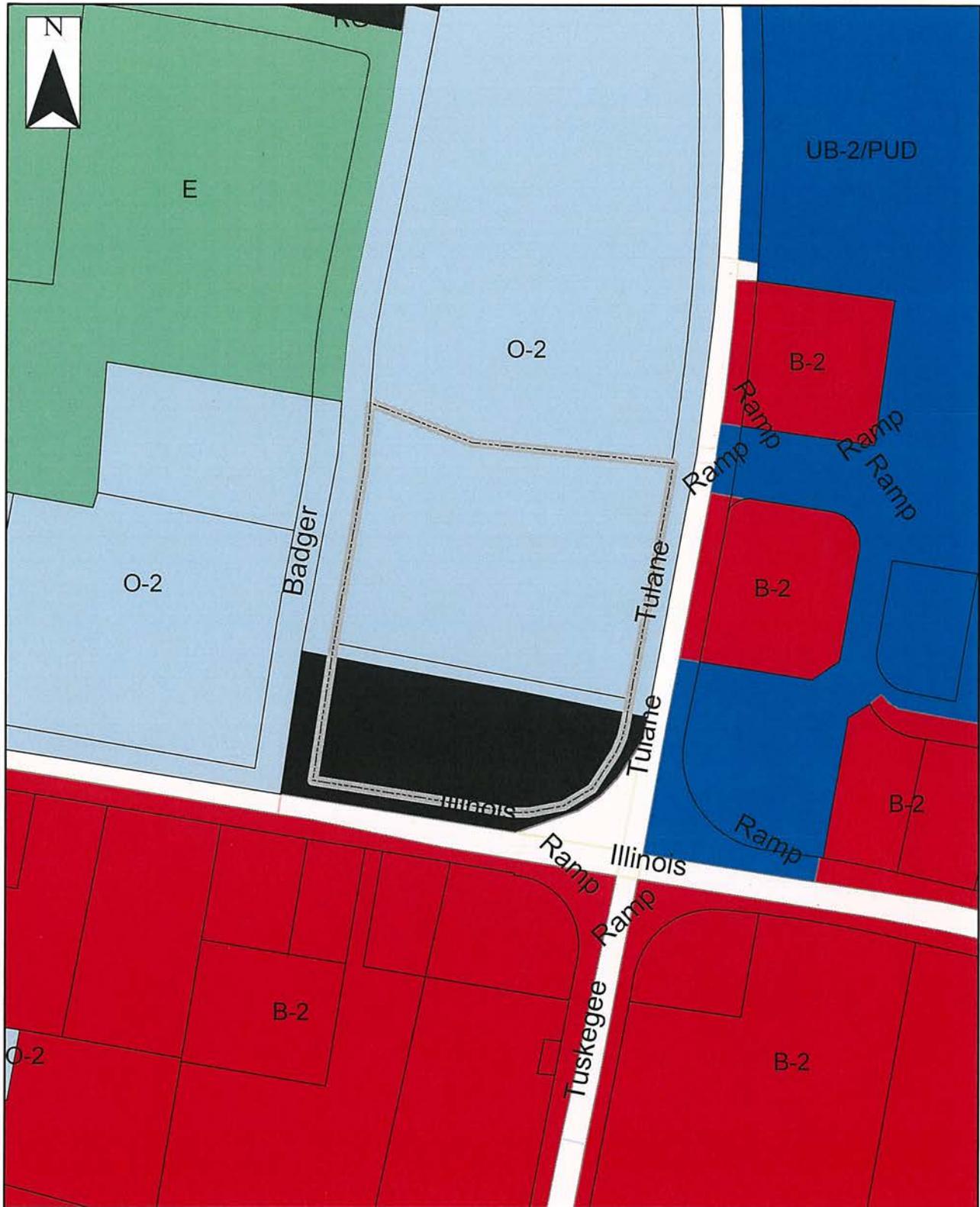
 Subject Property

This map was prepared by the Oak Ridge Community Development Department. The map is for illustrative purposes only. It is not an engineering or survey map

Date: 8/10/2017

Author: Jordan Clark

TN Oak Ridge Illinois LLC - Rezoning - Current Zoning



Legend	
	Subject Property
	B-2
	E
	O-2
	RG-1
	UB-2

This map was prepared by the Oak Ridge Community Development Department. The map is for illustrative purposes only. It is not an engineering or survey map

Date: 8/10/2017

Author: Jordan Clark

TITLE

AN ORDINANCE TO AMEND ORDINANCE NO. 2, TITLED "THE ZONING ORDINANCE OF THE CITY OF OAK RIDGE, TENNESSEE," BY AMENDING THE ZONING MAP WHICH IS MADE A PART OF THE ORDINANCE BY CHANGING THE ZONING DISTRICT OF FORMER PARCEL 003.00, ANDERSON COUNTY TAX MAP 099N, GROUP B, FROM RG-1, RESIDENTIAL, OPEN SPACE AND RESERVED DISTRICT, TO UB-2/PUD, UNIFIED GENERAL BUSINESS DISTRICT WITH A PLANNED UNIT DEVELOPMENT OVERLAY, AND CHANGING THE ZONING DISTRICT OF A PORTION OF FORMER PARCEL 002.00, ANDERSON COUNTY TAX MAP 099N, GROUP B, FROM O-2, OFFICE DISTRICT, TO UB-2/PUD, UNIFIED GENERAL BUSINESS DISTRICT WITH A PLANNED UNIT DEVELOPMENT OVERLAY, WITH BOTH PARCELS BEING LOCATED ON SOUTH TULANE AVENUE AND NOW COLLECTIVELY REFERRED TO AS LOT 483R CONTAINING APPROXIMATELY 7.436 ACRES; AND APPROVING THE ASSOCIATED PLANNED UNIT DEVELOPMENT PRELIMINARY MASTER PLAN.

WHEREAS, the following change has been submitted for approval or disapproval to the Oak Ridge Municipal Planning Commission and the Commission has approved the same subject to certain conditions; and

WHEREAS, a public hearing thereon has been held as required by law.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF OAK RIDGE TENNESSEE:

Section 1. The district boundaries of the zoning map attached to and made a part of Ordinance No. 2, as amended, are revised in the following particulars:

<u>Property Description</u>	<u>Location</u>	<u>Present Zoning District</u>	<u>New Zoning District</u>
Former Parcel 003.00 Map 099N, Group B (Now Part of Lot 483R) (± 1.99 Acres)	S. Tulane Avenue	RG-1, Residential, Open Space and Reserved	UB-2/PUD, General Business District with a Planned Unit Development Overlay
A portion of former Parcel 002.00 Map 099N, Group B (Now Part of Lot 483R) (± 5.446 Acres)	S. Tulane Avenue	O-2, Office	UB-2/PUD, General Business District with a Planned Unit Development Overlay

Section 2. The change shall be imposed upon said map and shall be as much a part of Ordinance No. 2 as if fully described therein.

Section 3. The Planned Unit Development Preliminary Master Plan for the development as shown on the drawing prepared by Arnold Consulting Engineering Services, Inc., dated September 12, 2017, is hereby approved subject to the conditions set forth by the Oak Ridge Municipal Planning Commission at its October 19, 2017 meeting.

Section 4. This ordinance shall become effective ten (10) days after adoption on second reading, the welfare of the City of Oak Ridge requiring it.

APPROVED AS TO FORM AND LEGALITY:



Kenneth R. Krushenski, City Attorney

Warren L. Gooch, Mayor

Mary Beth Hickman, City Clerk

Public Hearing: _____
Publication Date: _____
First Reading: _____
Publication Date: _____
Second Reading: _____
Publication Date: _____
Effective Date: _____

PERSONNEL DEPARTMENT MEMORANDUM
17-150

DATE: November 6, 2017

TO: Mark S. Watson, City Manager

FROM: Bruce M. Applegate, Director of Administrative Services

SUBJECT: AMENDMENTS TO THE PERSONNEL PLAN/ORDINANCE ASSOCIATED WITH THE NEW CLASSIFICATION/COMPENSATION STUDY

Introduction

An item for City Council's consideration is an ordinance to amend provisions of the Personnel Plan Ordinance (Ordinance No. 27-85): Hours of Work (§6.1), Overtime Calculation (§6.2. B.), and Stand-By Pay (§6.4.).

Funding

No funding is necessary for this item.

Background

By Resolution 12-87-2016, the City entered into an agreement with McGrath Human Resources Group (McGrath) to perform a compensation analysis and review of the City's compensation plan structure and related policies. McGrath completed their analysis and submitted their Classification and Compensation Report to the City, which was received September 11, 2017. City Council approved the recommended Phase 1 ordinance changes September 19, 2017.

On November 8, 2017, staff met with the Personnel Advisory Board (PAB) to provide an overview of the recommended Phase 2 ordinance changes and to answer any questions. At this meeting PAB reviewed and voted to recommend amendment of Personnel Ordinances pursuant to the reports suggestions and forward those suggestions to City Council.

It is the City's intent to continue implementation of the report through a phased approach. Phase 2 will adopt the recommended 207(k) exemption changes necessary to transition the Fire Department from the Fair Labor Standards Act (FLSA) defined 9-day cycle to the 27-day cycle, define the proportionate allocation of stand-by compensation, and address two housekeeping changes.

A bold strike-through of the proposed changes to the Personnel Plan/Ordinance is attached and includes a change to the Stand-By section of the Personnel Plan/Ordinance as well as the Phase 2 changes required for implementation of the 2017 McGrath Human Resources Group Classification and Compensation study recommendations. The remaining ordinance changes required to implement the upcoming phases of the McGrath Classification and Compensation Study are under continued review, and are expected to be implemented on a quarterly basis to ensure adequate time for evaluation and employee outreach.

Analysis

A review of the Personnel Plan/Ordinance regarding Hours of Work (§6.1), and Overtime Calculation (§6.2. B.) identified inconsistencies with the newly proposed 2017 Classification and Compensation Plan recommendations. An additional adjustment to section 6.4 "Stand-By Pay" was drafted to define the proportionate basis for Stand-By pay. Changes to the above Ordinance sections are elaborated on below:

6.1 Hours of Work

Section 6.1 has been retitled "Work Period" as the subsections cover the FLSA defined work periods for City staff.

6.1(c) and 6.1(d) Hours of Work

Section 6.1(c) and 6.1(d) have been amended to reflect the appropriate FLSA work period language required by law.

6.2(b) Overtime Compensation

Section 6.2(b) was amended to include the twenty-seven (27) day work period for Fire Department employees, meeting the requirements of Section 207(k) of the Fair Labor Standards Act (FLSA). This change amends the current Ordinance to incorporate the FLSA 27-day (216 hour) work period language.

6.4 Stand-By Pay

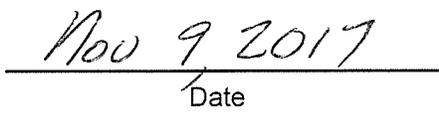
Section 6.4 was amended to designate the proportionate basis for crediting Stand-By time for a period of less than 7 days. Monday through Friday of a Stand-By period will be credited as 1 hour pay at the employee's base rate. Saturday and Sunday will be credited as 1.5 hours pay at the employee's base rate.

Recommendation

Approval of the proposed ordinance is recommended.

Attachments: Bold-Strikethrough of Proposed Ordinance Changes
Proposed Ordinance


Bruce M. Applegate Jr.
Director of Administrative Services

<p>City Manager's Comments:</p> <p>I have reviewed the above issue and recommend Council action as outlined in this document.</p> <p> Mark S. Watson</p> <p> Date</p>

**PROPOSED CHANGES – PHASE II
PERSONNEL PLAN ORDINANCE**

6.1 ~~HOURS OF WORK~~ **WORK PERIOD**

- c. In accordance with Section 207(k), as amended, of the Fair Labor Standards Act, employees' time will be computed on the basis of a twenty-eight (28) day work period for ~~Police Department patrol-shift employees~~ **engaged in law enforcement activities** with ~~these individuals scheduled for 160 hours of work in each work period.~~
- d. In accordance with Section 207(k), as amended, of the Fair Labor Standards Act, employees' time will be computed on the basis of a ~~nine (9)~~ **twenty-seven (27)** day work period for ~~Fire Department station-based shift employees~~ **engaged in fire protection activities** with ~~these individuals scheduled for 72 hours of work in each work period.~~

6.2. OVERTIME

- b. Overtime Compensation. When a non-exempt full-time employee is required by their supervisor or another person in the employee's line of supervision to work in excess of the normal schedule in a work period, the employee is entitled to overtime compensation. Employees may not elect on their own to work in excess of their normal schedule in a work period. Holiday leave will be considered as hours worked in calculating overtime compensation. All other types of leave (ex. General, Emergency, Injury, Leave Without Pay, Military, Civil, Administrative Emergency, etc.) will not be considered as hours worked in calculating overtime compensation. In the event of an emergency as determined by the City Manager or the City Manager's designee, the City Manager or the City Manager's designee may include other types of leave as hours worked for the purposes of calculating overtime compensation. An emergency is defined as an unforeseen circumstance beyond the control of the City which presents a real, immediate, and material threat to the public interests or property of the City.

The formula for calculating the hourly rate is shown below:

$$\frac{(\text{Regular Pay Rate} + \text{Supplemental Pay}) \times \text{Regular Hours Worked} + \text{Stand-by Pay}}{\text{Regular Hours Worked}}$$

Overtime will be paid for any hours worked over the regularly scheduled hours in a defined twenty-eight (28) work day period after 171 hours for Police Department employees and in a defined ~~nine (9)~~ **twenty-seven (27)** day work period after ~~68~~ **204** hours for Fire Department employees meeting the requirements of Section 207(k) of the Fair Labor Standards Act (FLSA). All other employees must work forty (40) hours during a workweek prior to receiving overtime payments. The Police Department and Fire Department work day period schedule is adopted pursuant to Section 207(k) of the FLSA and 29 CFR Part 553.

All overtime compensation will be at the rate of one and one-half times the hourly rate. The City may offer an employee compensatory time off equivalent to one and one-half times the number of extra hours worked. It is the employee's decision whether to accept compensatory time off instead of overtime, however, that decision must be made at the time the offer of compensatory time is made. Said compensatory time may be accrued up to a maximum of forty (40) hours.

Exempt employees are not eligible for overtime compensation.

6.4. STAND-BY PAY

Non-exempt employees who are required to be immediately available to answer emergency service requests, shall be assigned on stand-by for one defined seven (7) day period and shall be entitled to eight (8) hours pay at the base rate in the salary schedule. Stand-by time of less than seven days shall be credited ~~on a proportionate basis~~ **as follows: one (1) hour pay at the base rate in the salary schedule for Monday through Friday, and one and one-half (1.5) hours pay at the base rate in the salary schedule for Saturday and Sunday.** Employees who are on stand-by and fail to respond to a call shall forfeit the above allowance and shall be subject to disciplinary action.

In unusual circumstances, the City Manager may require that employees shall remain available to be called in without compensation for the stand-by status.

TITLE

AN ORDINANCE TO AMEND ORDINANCE NO. 27-85, TITLED "A PERSONNEL PLAN FOR EMPLOYEES OF THE CITY OF OAK RIDGE, TENNESSEE," AS AMENDED, BY CHANGING THE TITLE OF SECTION 6.1, TITLED "HOURS OF WORK," TO "WORK PERIOD"; BY DELETING SECTION 6.1, TITLED "WORK PERIOD," SUBSECTIONS C AND D, AND SUBSTITUTING THEREFOR NEW SUBSECTIONS C AND D; BY DELETING SUBSECTION 6.2.B, TITLED "OVERTIME COMPENSATION," AND SUBSTITUTING THEREFOR A NEW SUBSECTION 6.2.B WITH THE SAME TITLE; AND BY DELETING SECTION 6.4, TITLED "STAND-BY PAY," AND SUBSTITUTING THEREFOR A NEW SECTION 6.4 WITH THE SAME TITLE; ALL FOR THE PURPOSE OF UPDATING THE PERSONNEL PLAN WITH RESPECT TO SECTION 207(K) EMPLOYEES AND TO CHANGE THE STAND-BY CALCULATION WHEN AN EMPLOYEE IS ON STAND-BY FOR LESS THAN SEVEN CONSECUTIVE DAYS.

WHEREAS, by Resolution 12-87-2016, the City entered into an agreement with McGrath Human Resources Group to perform a compensation analysis and review of the City's compensation plan structure and related policies; and

WHEREAS, the analysis and review conducted by McGrath Human Resources Group is complete; and the City intends a phased approach to implement the recommendations; and

WHEREAS, the initial adoption of the recommendations (Phase I) was adopted by City Council through Ordinance 12-2017; and

WHEREAS, the City is ready to move forward with Phase II pertaining to Fair Labor Standards Act Section 207(k) employees (those engaged in fire protection and law enforcement activities) regarding the work period and overtime calculations, as well as changing the stand-by calculation for an employee who is on stand-by for less than seven consecutive days; and

WHEREAS, the Personnel Advisory Board at its November 8, 2017 meeting recommended the proposed amendments to the Personnel Plan for Council's approval; and

WHEREAS, the City Manager recommends that the Personnel Plan be amended as set forth below.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:

Section 1. Ordinance No. 27-85, titled "A Personnel Plan for Employees of the City of Oak Ridge, Tennessee," Article 6, titled "Hours of Work, Overtime and Premium Compensation," Section 6.1, titled "Hours of Work," is hereby amended by changing the title to "Work Period."

Section 2. Ordinance No. 27-85, titled "A Personnel Plan for Employees of the City of Oak Ridge, Tennessee," Article 6, titled "Hours of Work, Overtime and Premium Compensation," Section 6.1, titled "Work Period," is hereby amended by deleting Subsections 6.1.c and 6.1.d in their entirety, and substituting therefor new Subsections 6.1.c and 6.1.d, which new subsections shall read as follows:

6.1 WORK PERIOD

- c. In accordance with Section 207(k), as amended, of the Fair Labor Standards Act, employees' time will be computed on the basis of a twenty-eight (28) day work period for employees engaged in law enforcement activities.

- d. In accordance with Section 207(k), as amended, of the Fair Labor Standards Act, employees' time will be computed on the basis of a twenty-seven (27) day work period for engaged in fire protection activities.

Section 3. Ordinance No. 27-85, titled "A Personnel Plan for Employees of the City of Oak Ridge, Tennessee," Article 6, titled "Hours of Work, Overtime and Premium Compensation," Section 6.2, titled "Overtime," is hereby amended by deleting Subsection 6.2.b, titled "Overtime Compensation," in its entirety, and substituting therefor a new Subsection 6.2.b, titled "Overtime Compensation," which new subsection shall read as follows:

6.2 OVERTIME

- b. Overtime Compensation. When a non-exempt full-time employee is required by their supervisor or another person in the employee's line of supervision to work in excess of the normal schedule in a work period, the employee is entitled to overtime compensation. Employees may not elect on their own to work in excess of their normal schedule in a work period. Holiday leave will be considered as hours worked in calculating overtime compensation. All other types of leave (ex. General, Emergency, Injury, Leave Without Pay, Military, Civil, Administrative Emergency, etc.) will not be considered as hours worked in calculating overtime compensation. In the event of an emergency as determined by the City Manager or the City Manager's designee, the City Manager or the City Manager's designee may include other types of leave as hours worked for the purposes of calculating overtime compensation. An emergency is defined as an unforeseen circumstance beyond the control of the City which presents a real, immediate, and material threat to the public interests or property of the City.

The formula for calculating the hourly rate is shown below:

$$\frac{(\text{Regular Pay Rate} + \text{Supplemental Pay}) \times \text{Regular Hours Worked} + \text{Stand-by Pay}}{\text{Regular Hours Worked}}$$

Overtime will be paid for any hours worked over the regularly scheduled hours in a defined twenty-eight (28) work day period after 171 hours for Police Department employees and in a defined twenty-seven (27) day work period after 204 hours for Fire Department employees meeting the requirements of Section 207(k) of the Fair Labor Standards Act (FLSA). All other employees must work forty (40) hours during a workweek prior to receiving overtime payments. The Police Department and Fire Department work day period schedule is adopted pursuant to Section 207(k) of the FLSA and 29 CFR Part 553.

All overtime compensation will be at the rate of one and one-half times the hourly rate. The City may offer an employee compensatory time off equivalent to one and one-half times the number of extra hours worked. It is the employee's decision whether to accept compensatory time off instead of overtime, however, that decision must be made at the time the offer of compensatory time is made. Said compensatory time may be accrued up to a maximum of forty (40) hours.

Exempt employees are not eligible for overtime compensation.

Section 4. Ordinance No. 27-85, titled "A Personnel Plan for Employees of the City of Oak Ridge, Tennessee," Article 6, titled "Hours of Work, Overtime and Premium Compensation," is hereby amended by deleting Section 6.4, titled "Stand-by Pay," in its entirety and substituting therefor a new Section 6.4, titled "Stand-by Pay," which new section shall read as follows:

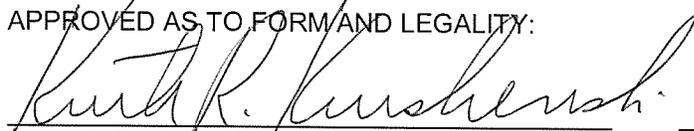
6.4. STAND-BY PAY

Non-exempt employees who are required to be immediately available to answer emergency service requests, shall be assigned on stand-by for one defined seven (7) day period and shall be entitled to eight (8) hours pay at the base rate in the salary schedule. Stand-by time of less than seven days shall be credited as follows: one (1) hour pay at the base rate in the salary schedule for Monday through Friday, and one and one-half (1.5) hours pay at the base rate in the salary schedule for Saturday and Sunday. Employees who are on stand-by and fail to respond to a call shall forfeit the above allowance and shall be subject to disciplinary action.

In unusual circumstances, the City Manager may require that employees shall remain available to be called in without compensation for the stand-by status.

Section 5. This ordinance shall become effective ten (10) days after adoption on second reading, the welfare of the City of Oak Ridge requiring it.

APPROVED AS TO FORM AND LEGALITY:



Kenneth R. Krushenski, City Attorney

Warren L. Gooch, Mayor

Mary Beth Hickman, City Clerk

First Reading: _____
Publication Date: _____
Second Reading: _____
Publication Date: _____
Effective Date: _____

**PUBLIC HEARING
AND
FINAL ADOPTION
OF ORDINANCES**

**COMMUNITY DEVELOPMENT MEMORANDUM
PLANNING DIVISION
17-45**

DATE: 9/26/2017

TO: Mark Watson, City Manager

FROM: Kelly Duggan, Senior Planner 

THROUGH: Wayne Blasius, Community Development Director 

SUBJECT: Zoning Ordinance Text Amendment – Driveway location and spacing

Introduction

Currently, the Zoning Ordinance dictates several spacing requirements for the location of driveways, including minimum distances between driveways on separate lots and from property lines. Driveways must be a minimum of 10' at the radius return from all side and rear lot lines. This typically results in a total of 15', since the return usually adds an additional 5'. With regard to distances between driveways on separate lots, it requires 20' separation between the radius return from one driveway to the next. There is also language that allows reductions for residentially-zoned lots in some cases.

Funding

No funding is necessary to approve this request.

Analysis

In reviewing requests for new driveway installations in residential areas, Community Development staff has found that the existing regulations are inconsistent with the existing development pattern of our neighborhoods, particularly in the Manhattan District Overlay. This district encompasses housing stock constructed between 1942 and 1945. Narrow lot frontages combine with relatively wide houses, making it challenging to comply with the 10' requirement. Similarly, the typical development pattern in the city's original neighborhoods often precludes properties from complying with the requirement that driveways on separate lots be at least 20' apart.

Amending the Zoning Ordinance to reduce the distance from property line requirement and remove the 20' spacing requirement for residential uses would accomplish two things. First, it would create regulations that are more consistent with the existing development pattern of the older parts of the city. It is best practice for regulations to be responsive to the surrounding built environment, as this establishes a sense of continuity within communities. Second, it would facilitate getting more cars off the streets and onto approved parking spaces, which would enhance the character of the city's oldest neighborhoods.

The staff also recognizes that while a 5' distance from property line requirement will be sufficient in the majority of the city's newer neighborhoods, greater reductions may be necessary in the Manhattan District Overlay. The staff has consulted with the Department of Public Works to establish criteria wherein greater reductions may be authorized by the City Manager's designee for properties, specifically in that district.

Recommendation:

Staff recommends amending the Zoning Ordinance to reduce the distance from property line requirement from 10' to 5' on all properties developed with single- and two-family residential uses, removing the 20' spacing requirement from all residential zoning districts, and to establish criteria wherein greater reductions may be authorized by the City Manager's designee for properties with the Manhattan District Overlay. The amendment would establish regulations that are responsive to the existing development pattern of the city's historic neighborhoods, creating a more harmonious environment. It would also facilitate getting more cars off the streets and onto approved parking spaces, which would make the streets safer to travel and enhance the character of the neighborhood. The proposed amendment is to Article XI Section 11.01(d) 3 & 11.01(d) 4 of the Zoning Ordinance and is shown below.

The rezoning request was reviewed and discussed by the Oak Ridge Planning Commission and recommended for approval to City Council by a vote of 9 – 0 (1 absent) during the regularly scheduled meeting on September 21, 2017.

New Language is highlighted, old language is stricken:

Section 11.01(d) *Design Criteria*

3. Minimum Distance Between Driveways on Separate Lots

On secondary and minor roads and in all ~~zoning districts except one-family residential and R-2, two-, three-, four-family Residential~~ **non-residential zoning districts**, no two driveways serving separate lots shall be less than twenty (20) feet apart. The distance between driveways shall be measured from the nearest point of the radius return of the two driveways.

4. Minimum Distance from Property Line

No driveway, other than a shared driveway as authorized under Subsection 8., Shared Access Easements, below, shall be allowed within ~~ten (10)~~ **five (5)** feet of the intersection of a straight line projection of any side or rear lot line. ~~and the nearest point of radius return of the driveway, except for single or double parking spaces for use in R-1 and R-2 residential zoning districts.~~

The minimum distance from a property line may be reduced further for residential properties in the Manhattan District Overlay provided that, in the opinion of the City

Manager or the City Manager's designee, using commonly accepted and applied traffic engineering principles, the following conditions exist:

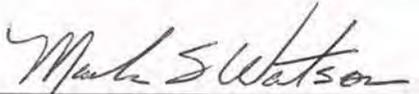
- a. Where the use of marginal frontage roads or shared access easements are not feasible or possible;
- b. Where exceptional topographic constraints or unusual site conditions at the driveway location (such as in-place utility or drainage features) would make application of the standard exceptionally and/or practically difficult or unduly harsh;
- c. Where application of this article would conflict with other sections of this article;
- d. Where such reduction would not constitute a threat or danger to the safe and efficient flow of traffic.

Attachments:

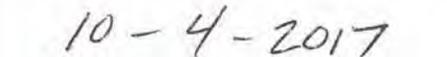
Driveway Design Criteria Drawing
Ordinance

City Manager's Comments:

I have reviewed the above issue and recommend Council action as outlined in this document.



Mark S. Watson



Date

TITLE

AN ORDINANCE TO AMEND ORDINANCE NO. 2, TITLED "THE ZONING ORDINANCE OF THE CITY OF OAK RIDGE, TENNESSEE, BY DELETING SUBPARTS (D)(3) AND (D)(4) OF SECTION 11.01, TITLED "VEHICLE ACCESS CONTROL," AND SUBSTITUTING THEREFOR NEW SUBPARTS (D)(3) AND (D)(4) RELATIVE TO DRIVEWAY LOCATIONS AND SPACING.

WHEREAS, the City of Oak Ridge is continually reviewing the Zoning Ordinance to update provisions and make it more understandable to the general public; and

WHEREAS, the following amendments will update the Zoning Ordinance to reduce the driveway distance-from-property-line requirement and remove the 20 foot spacing requirement for residential uses, which will create regulations that are more consistent with the existing development pattern in the older parts of the City and will facilitate getting more cars off the streets and onto approved driveways/parking spaces thereby enhancing the character of the older communities; and

WHEREAS, the following changes have been submitted for approval or disapproval to the Oak Ridge Municipal Planning Commission and the Commission has approved the same; and

WHEREAS, a public hearing thereon has been held as required by law.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:

Section 1. Ordinance No. 2, titled "The Zoning Ordinance of the City of Oak Ridge, Tennessee," Section 11.01(d), titled "Design Criteria," is hereby amended by deleting Subpart 3, titled "Minimum Distance Between Driveways on Separate Lots," and replacing it with a new Subpart 3, titled "Minimum Distance Between Driveways on Separate Lots," which new subpart shall read as follows:

Section 11.01. Vehicle Access Control.

(d) Design Criteria.

3. Minimum Distance Between Driveways on Separate Lots

No two driveways serving separate lots on an arterial road shall be less than two hundred and fifty (250) feet apart.

On secondary and minor roads and in all non-residential zoning districts, no two driveways serving separate lots shall be less than twenty (20) feet apart. The distance between driveways shall be measured from the nearest point of the radius return of the two driveways.

The minimum separation distance may be reduced provided that, in the opinion of the City Manager or the City Manager's designee, using commonly accepted and applied traffic engineering principles, the following conditions exist:

- a. Where the use of marginal frontage roads or shared access easements are not feasible or possible;
- b. Where exceptional topographic constraints or unusual site conditions at the driveway location (such as in-place

utility or drainage features) would make application of the standard exceptionally and/or practically difficult or unduly harsh;

- c. Where application of this article would conflict with other sections of this article; or
- d. Where such reduction would not constitute a threat or danger to the safe and efficient flow of traffic.

Section 2. Ordinance No. 2, titled "The Zoning Ordinance of the City of Oak Ridge, Tennessee," Section 11.01(d), titled "Design Criteria," is hereby amended by deleting Subpart 4, titled "Minimum Distance from Property Line," and replacing it with a new Subpart 4, titled "Minimum Distance from Property Line," which new subpart shall read as follows:

Section 11.01. Vehicle Access Control.

(d) Design Criteria.

4. Minimum Distance from Property Line

No driveway, other than a shared driveway as authorized under Subsection 8., Shared Access Easements, below, shall be allowed within five (5) feet of the intersection of a straight line projection of any side or rear lot line.

The minimum distance from a property line may be reduced further for residential properties in the Manhattan District Overlay provided that, in the opinion of the City Manager or the City Manager's designee, using commonly accepted and applied traffic engineering principles, the following conditions exist:

- a. Where the use of marginal frontage roads or shared access easements are not feasible or possible;
- b. Where exceptional topographic constraints or unusual site conditions at the driveway location (such as in-place utility or drainage features) would make application of the standard exceptionally and/or practically difficult or unduly harsh;
- c. Where application of this article would conflict with other sections of this article; or
- d. Where such reduction would not constitute a threat or danger to the safe and efficient flow of traffic.

Section 3. Ordinance No. 2, titled "The Zoning Ordinance of the City of Oak Ridge, Tennessee," Section 11.01(d), titled "Design Criteria," is hereby amended by replacing the existing Design Criteria Minimum Distance From Intersection drawing with the attached new drawing.

Section 4. This ordinance shall become effective ten (10) days after adoption on second reading, the welfare of the City of Oak Ridge requiring it.

APPROVED AS TO FORM AND LEGALITY:



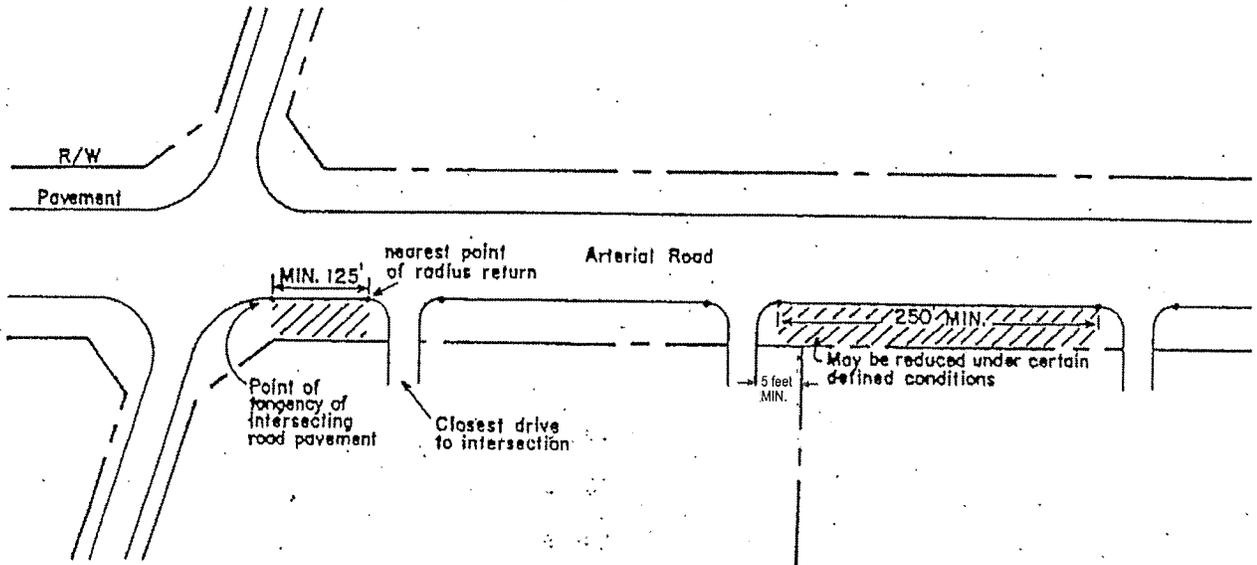
Kenneth R. Krushenski, City Attorney

Warren L. Gooch, Mayor

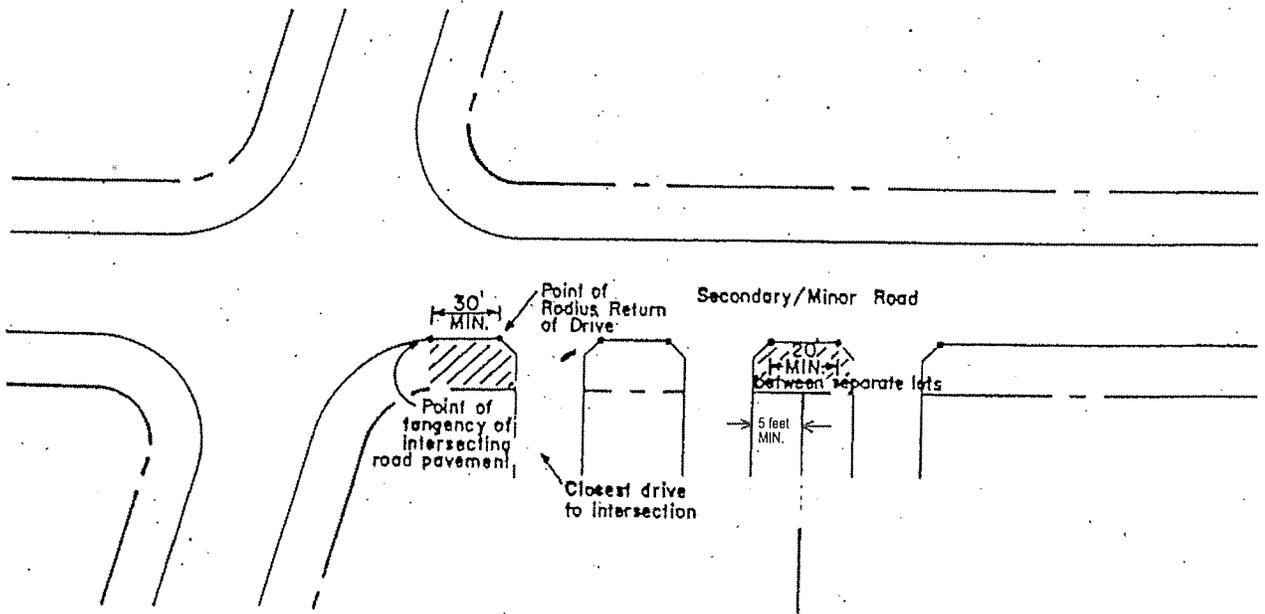
Mary Beth Hickman, City Clerk

First Reading: 10/09/2017
Publication Date: 10/12/2017
Second Reading: _____
Public Hearing: _____
Publication Date: _____
Effective Date: _____

DESIGN CRITERIA
 MINIMUM DISTANCE FROM INTERSECTION
 11.01(d) (2)
 MINIMUM DISTANCE BETWEEN DRIVEWAYS ON SEPARATE LOTS
 11.01(d) (3)
 MINIMUM DISTANCE FROM PROPERTY LINE
 11.01(d) (4)



ARTERIAL ROADS



SECONDARY & MINOR ROADS

**COMMUNITY DEVELOPMENT MEMORANDUM
PLANNING DIVISION
17-49**

DATE: September 26, 2017
TO: Mark Watson, City Manager
FROM: Jordan Clark, Senior Planner JC
THROUGH: Wayne Blasius, Community Development Director WB
SUBJECT: REZONING OF PARCEL 047.00, GROUP D, TAX MAP 094J – 500 OAK RIDGE
TURNPIKE FROM B-3 TO B-2

Introduction

An item for City Council's consideration is a request to approve rezoning of a 0.45 acre parcel from B-3 Roadside Business District to B-2 General Business District. The property is currently owned by B&H Partnership. The applicant, Garry Phillips, has an option to purchase the property. In his application, the applicant states that he intends to establish a dental office on the property.

Funding

No funding is necessary to approve this request.

Analysis

The property is a 0.45 acre lot. The most recent land use was a mattress store which ceased operations several years ago. Currently, the property is vacant but does contain an existing building and parking areas.

The property is a corner lot with direct access onto Oak Ridge Turnpike through an existing curb cut. The lot also borders on California Avenue and an existing access point exists onto that road as well.

The existing zoning is B-3 Roadside Business District. The proposed rezoning is for the B-2 General Business District. Both zoning districts are for commercial properties. The B-3 zone district allows intensive uses but is limited in the number of those uses. As stated in the district's description, the B-3 is for businesses which "generally require a considerable ground area" and are not of a "neighborhood or community service type." Consequently, the property's size and zoning designation meet neither of those categories and is inaccurately zoned.

The proposed rezoning is for the B-2 General Business District. A B-2 zoning for the property is consistent with the area. B-2 zoning is present on the opposite side of Oak Ridge Turnpike and prevalent for other commercial properties on Oak Ridge Turnpike.

Recommendation

Staff recommends approval of this rezoning request. The B-3 zoning district is an intensive commercial zoning designation but limited in the number of uses it allows. Consequently, the property is constrained in the types of redevelopment opportunities available to it despite being similar in nature to nearby properties on the Oak Ridge Turnpike which have the B-2 zoning designation. Given the property's location along a commercial corridor and existing intensive commercial designation, staff recommends rezoning of the property to the more appropriate B-2 zoning district.

The rezoning request was reviewed and discussed by the Oak Ridge Planning Commission and recommended for approval to City Council by a vote of 9 – 0 (1 absent) during the regularly scheduled meeting on September 21, 2017.

Attachments:

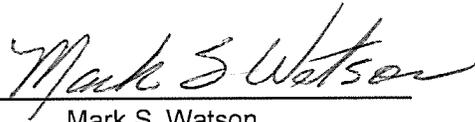
500 Oak Ridge Turnpike Current Zoning Map

500 Oak Ridge Turnpike Aerial Map

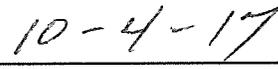
Ordinance

City Manager's Comments:

I have reviewed the above issue and recommend Council action as outlined in this document.

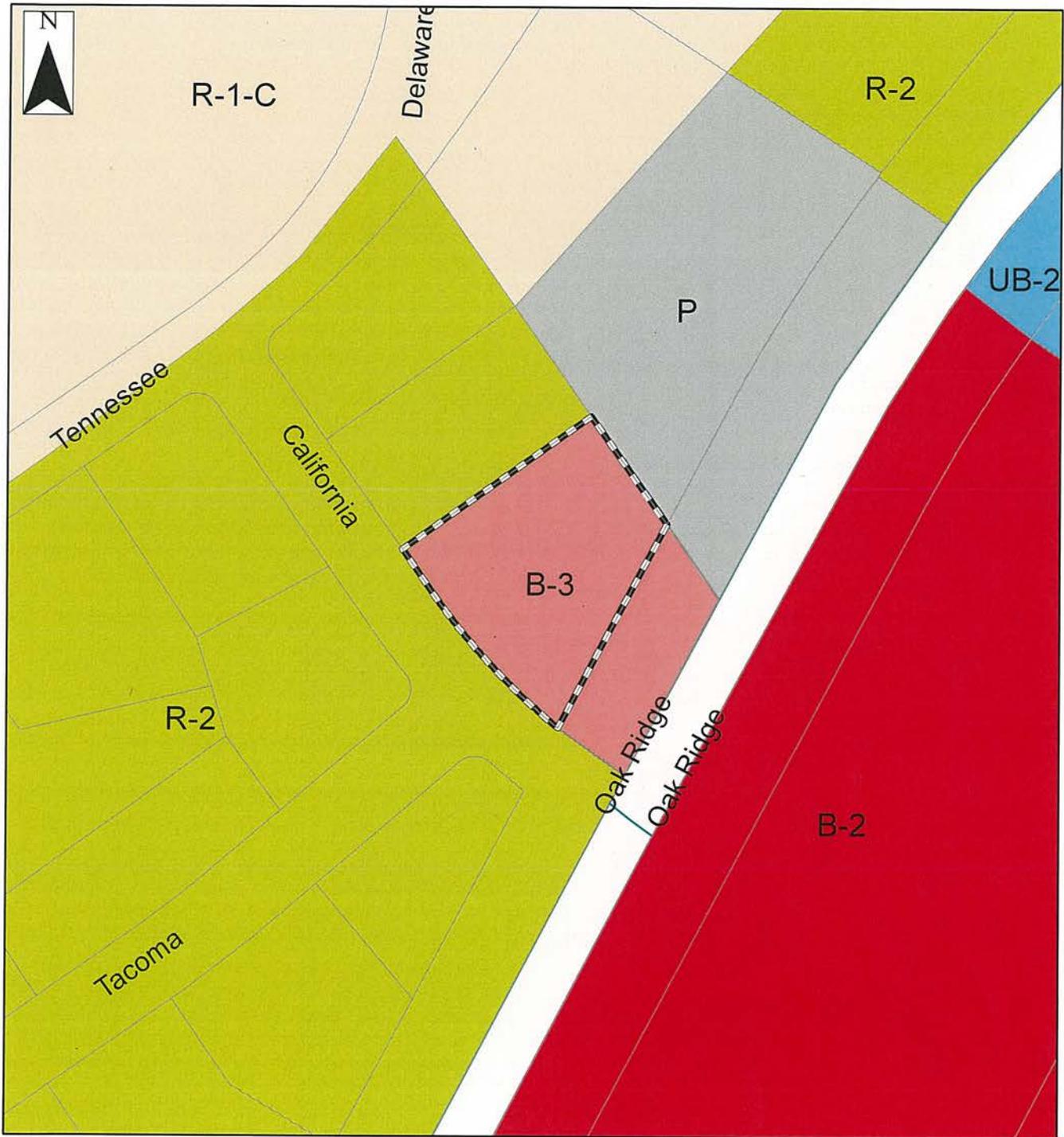


Mark S. Watson



Date

500 Oak Ridge Turnpike Rezoning - Current Zoning



0 62.5 125 250 Feet

This map was prepared by the City of Oak Ridge Community Development Department. The map is for illustrative purposes only and is not an engineering map or survey.

Date: 9/14/2017

Author: Jordan Clark

Legend

-  500 Oak Ridge Turnpike
-  B-3 Roadside Business District
-  B-2 General Business District
-  Parking District
-  R-1-C Single Family Residential
-  R-2 Low Density Residential
-  RG-1 Residential, Open Space and Reserved District
-  UB-2 Unified General Business District

500 Oak Ridge Turnpike Rezoning - Aerial



0 62.5 125 250 Feet

This map was prepared by the City of Oak Ridge Community Development Department. The map is for illustrative purposes only and is not an engineering map or survey.

Legend

 500 Oak Ridge Turnpike

Date: 9/14/2017

Author: Jordan Clark

TITLE

AN ORDINANCE TO AMEND ORDINANCE NO. 2, TITLED "THE ZONING ORDINANCE OF THE CITY OF OAK RIDGE, TENNESSEE," BY AMENDING THE ZONING MAP WHICH IS MADE A PART OF THE ORDINANCE BY CHANGING THE ZONING DISTRICT OF PARCEL 047.00, ANDERSON COUNTY TAX MAP 094J, GROUP D, (APPROXIMATELY 0.45 ACRES) FROM B-3, ROADSIDE BUSINESS DISTRICT, TO B-2, GENERAL BUSINESS DISTRICT, SAID PARCEL BEING LOCATED AT 500 OAK RIDGE TURNPIKE.

WHEREAS, the following change has been submitted for approval or disapproval to the Oak Ridge Municipal Planning Commission and the Commission has approved the same; and

WHEREAS, a public hearing thereon has been held as required by law.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF OAK RIDGE TENNESSEE:

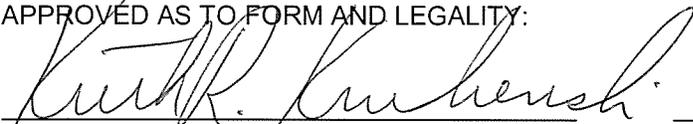
Section 1. The district boundaries of the zoning map attached to and made a part of Ordinance No. 2, as amended, are revised in the following particulars:

<u>Property Description</u>	<u>Location</u>	<u>Present Zoning District</u>	<u>New Zoning District</u>
Parcel 047.00 Map 094J, Group D (± 0.45 Acres)	500 Oak Ridge Turnpike	B-3, Roadside Business District	B-2, General Business District

Section 2. The change shall be imposed upon said map and shall be as much a part of Ordinance No. 2 as if fully described therein.

Section 3. This ordinance shall become effective ten (10) days after adoption on second reading, the welfare of the City of Oak Ridge requiring it.

APPROVED AS TO FORM AND LEGALITY:



Kenneth R. Krushenski, City Attorney

Warren L. Gooch, Mayor

Mary Beth Hickman, City Clerk

First Reading: 10/09/2017
Publication Date: 10/12/2017
Second Reading: _____
Public Hearing: _____
Publication Date: _____
Effective Date: _____

RESOLUTIONS

CITY COUNCIL MEMORANDUM
17-37

DATE: November 8, 2017
TO: Honorable Mayor and Members of City Council
FROM: Mark S. Watson, City Manager
SUBJECT: PILOT POLICY ADOPTION

Introduction:

An item for City Council's consideration is a resolution adopting the 2017 Payment in Lieu of Taxes (PILOT) Reauthorization documents for use by the Industrial Development Board of the City of Oak Ridge (IDB) as a guideline for tax abatements and payments in lieu of taxes for qualifying entities in Oak Ridge for the period January 1, 2018 through December 31, 2020.

Finance:

Depending upon activity, the Industrial Development Board of the City of Oak Ridge (IDB) is authorized to utilize the proposed policy and incentive matrix for the next three years. The PILOT incentive policy is coordinated with The Roane Alliance and the Anderson County Economic Development Association (ACEDA) and is subject to approval by the IDB governing body, while excesses recommended above the matrix shall require City Council approval. Approved incentives are coordinated between the Finance Department of the City of Oak Ridge and the Property Tax assessors in Roane and Anderson counties in each year.

Background:

Last year, the Oak Ridge City Council voted to extend the PILOT agreement policy for a one year period to allow further discussion with regional economic development partners. The purpose was to provide an opportunity to review incentives offered by the regional and city entities, coordinating what was offered financially and the required private investment to garner said incentive.

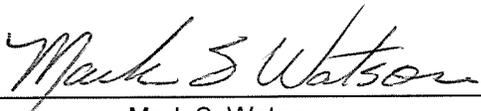
The PILOT policy was approved on November 6, 2017 by the Oak Ridge IDB as attached. As required, the City Manager has reviewed the policy and concurs with its recommendation to the City Council. Attached is a copy of the revised procedures, which includes modifications from the previous policy.

Findings of any reviewing IDB must identify (1) public interest and (2) be a qualifying project (the new project adds manufacturing equipment). Seven criteria are established to be considered by the IDB including new jobs, wages, capital investment, location, and residency of new employees, residency of the Chief Executive Officer and qualifications as a High Technology startup. The policy also clarifies the sharing of applicable fees to the non-processing party in the amount of 30%.

For the past six (6) months, the Oak Ridge IDB, Special Projects Committee; staff of the City of Oak Ridge; ACEDA; The Roane Alliance; and contractor Steve Jones have met to review this document and forward it to you for consideration. Similar approval processes will occur in Roane County and Anderson County using the same procedure and matrix.

Recommendation:

Approval of the attached resolution is recommended.



Mark S. Watson

Attachments

NUMBER _____

RESOLUTION

A RESOLUTION ADOPTING THE 2017 PILOT REAUTHORIZATION DOCUMENTS FOR USE BY THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF OAK RIDGE (IDB) AS A GUIDELINE FOR TAX ABATEMENTS AND PAYMENTS IN LIEU OF TAXES FOR QUALIFYING ENTITIES IN OAK RIDGE FOR THE PERIOD OF JANUARY 1, 2018 THROUGH DECEMBER 31, 2020.

WHEREAS, in an effort to generate economic growth within Oak Ridge, the City developed economic incentives for use by the Industrial Development Board of the City of Oak Ridge (IDB) as a guideline for tax abatements for qualifying entities; and

WHEREAS, by Resolution 11-107-2013, City Council approved the 2013 PILOT (Payment in Lieu of Tax) Reauthorization documents for use by the IDB as a guideline for tax abatements and payments in lieu of taxes for qualifying entities in Oak Ridge for the period of January 1, 2014 through December 31, 2016; and

WHEREAS, by Resolution 12-89-2016, City Council approved a one-year extension to the 2013 PILOT Reauthorization documents, which document is set to expire on December 31, 2017; and

WHEREAS, on November 6, 2017, the IDB unanimously approved the 2017 PILOT Reauthorization documents to allow for the continued use of economic incentives, which documents the City Manager recommends be approved as a guideline for the IDB.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:

That the recommendation of the City Manager is approved and the attached 2017 PILOT Reauthorization documents are hereby approved for use by the Industrial Development Board of the City of Oak Ridge (IDB) as a guideline for tax abatements and payments in lieu of taxes for qualifying entities in Oak Ridge for the period of January 1, 2018 through December 31, 2020.

This the 13th day of November 2017.

APPROVED AS TO FORM AND LEGALITY:



Kenneth R. Krushenski, City Attorney

Warren L. Gooch, Mayor

Mary Beth Hickman, City Clerk



**Industrial Development Board
of the City of Oak Ridge**
1400 Oak Ridge Turnpike
Oak Ridge, TN 37830

ph (865) 362-0002
oridb01@gmail.com
www.oridb.net

Board of Directors

David E. Wilson
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Buzz Patrick
Vice Chairman

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Richard G. Chinn

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Harold Trapp

Samantha W. Royster
Executive Assistant

RECEIVED

2017 NOV -7 PM 2:15

CITY MANAGER'S OFFICE

November 7, 2016

Mark Watson, City Manager
City of Oak Ridge
P.O. Box 1
Oak Ridge, TN 37831-0001

Re: PILOT Reauthorization Policy

Dear Mr. Watson:

At its regular meeting held on November 6, 2017, the Industrial Development Board of the City of Oak Ridge (IDB) unanimously passed a resolution adopting changes to the City's PILOT Reauthorization policy that expires December 31, 2017. The changes to the PILOT policy resulted from several meetings between representatives from the City of Oak Ridge and the Roane, Anderson, and Oak Ridge Industrial Development Boards.

The IDB respectfully recommends the adoption of the enclosed 2017 PILOT Reauthorization.

Thank you for your assistance in this matter.

Sincerely,

David E. Wilson
Chairman

Enclosure

**Industrial Development Board
of the
City of Oak Ridge**

2017 PILOT Reauthorization

Approved _____
by

**Oak Ridge City Council
for the period of**

January 1, 2018 through December 31, 2020

CITY OF OAK RIDGE, TENNESSEE PROPERTY TAX INCENTIVE PROGRAM POLICIES AND PROCEDURES

Section I. General Purpose and Objectives*

The City of Oak Ridge, Tennessee (the "City") and Roane County, Tennessee (the "County" and together with the City, the "Local Governments") are committed to improving their local business environment and economy. In furtherance of this objective, the Local Governments have established, in cooperation with The Industrial Development Board of the City of Oak Ridge, Tennessee (the "Oak Ridge Board") and The Industrial Development Board of Roane County, Tennessee (the "Roane County Board," and together with the Oak Ridge Board, the "Boards"), a program to provide economic incentives to qualifying entities based on payments in lieu of taxes ("PILOT"). This program is intended to attract and retain, on a basis competitive with other local governments, businesses that provide the types of employment, capital investment, community involvement and financial impact sought by the Local Governments for their citizens.

The Local Governments have adopted these Policies and Procedures to guide the Boards in considering and evaluating on a case-by-case basis whether particular projects in the Local Governments will be eligible for a PILOT incentive. These Policies and Procedures should not be construed to require the Local Governments or the Boards to approve a PILOT incentive for any Person. Granting a PILOT incentive is solely within the discretion of the Boards acting within the parameters of these Policies and Procedures. In order, however, to inform potential applicants for PILOT incentives of the specific criteria that the Boards will consider in evaluating applications for PILOT incentives, the Local Governments and the Boards have adopted these Policies and Procedures to provide guidelines for evaluating requests for PILOT incentives.

The Boards administer the PILOT for the Local Governments. Each Board is a public nonprofit corporation that was established pursuant to the Tennessee Industrial Development Corporation Act ("Act"), Tenn. Code Ann. §§7-53-101 *et seq.* The Boards' statutory purposes include financing, owning and leasing certain real and personal properties, which will have the effect of maintaining and increasing employment and otherwise promoting new industry, commerce and trade in Tennessee and in particular, the Local Governments. The Boards will conduct their activities consistent with the provisions of the Act and the intent of the Local Governments as set forth in these Policies and Procedures.

Originally, these Policies and Procedures were intended to apply only to Projects that are within the County. Since the City of Oak Ridge is located in two counties, Roane and Anderson, the City utilizes these Policies and Procedures for all Projects presented to the Oak Ridge Board. These Policies and Procedures will be applied by the County and the Roane County Board to Projects that are located within the County but outside the boundaries of the City, except all references to the City in these Policies and Procedures will not be applicable in those cases. Moreover, the County reserves the right to modify these Policies and Procedures as to Projects outside the boundaries of the City.

*** Capitalized terms used in these Policies and Procedures that are not otherwise defined shall have the meanings given to such terms in Section III.**

2017 PILOT Reauthorization
Oak Ridge City Council Resolution _____
Approved _____

Any Applicant for a PILOT shall only be required to submit an Application attached hereto as Appendix D to one of the Boards, and only one of the Boards shall be required to consider and/or approve an Application. Any reference in these Policies and Procedures to a Board shall be deemed to refer to the Board to which an Application has been submitted. Only one Board shall consider an Application at one time, and if one Board takes action on an Application, the other board shall not consider an Application for the same or substantially similar Project for a period of one year. An Applicant should submit its Application to the Board that is affiliated with the Chamber of Commerce or Economic Development Organization with which the Applicant has had the primary contact in connection with its Project.

In evaluating Applications to participate in the Local Governments' PILOT program, each Board will apply the following general guidelines:

1. **Public Interest/Increased Employment** In accordance with the objectives of the Act, the Board must find that each proposed Project will be in the public interest and will increase employment within the Local Governments.
2. **Eligible Projects** The Board will only approve PILOT incentives for the following Project types:
 - a. Commercial businesses that the Board determines will materially increase sales taxes for the Local Governments
 - b. Distribution facilities that receive and distribute goods
 - c. Office buildings and service facilities. New speculative office buildings are not eligible
 - d. Industrial facilities that manufacture, assemble, process or fabricate other products
 - e. Renovation and/or utilization of existing facilities as part of a new or expanding industry
 - f. Manufacturing Equipment

If a proposed Project would otherwise not be eligible for a PILOT incentive because it does not meet these guidelines but the Board determines that, based upon unique factors in the particular case, a PILOT incentive would be appropriate for the Project, the Board shall not approve such PILOT incentive without obtaining the prior approval of the Local Governments.

3. **Evaluation Matrices** Provided a Project satisfies the first two guidelines stipulated above, the Board shall determine the term, if any, of the PILOT incentive by applying the Evaluation Matrices attached hereto as Appendices A and B. The implementation of the Evaluation Matrices is described in more detail in Section IV. The term of any PILOT incentive shall be the same with respect to payments to both the City and County.

If a proposed Project would be eligible for a certain PILOT Term under the Evaluation Matrices but the Board determines that, based upon unique factors in the particular case, a longer PILOT Term would be appropriate for such Project, the Board shall not approve a longer PILOT Term without obtaining the prior approval of the Local Governments.

Section II. Conflicts of Interest

Each Board member shall be responsible for disclosing any material interest that he or she may have in or with a Project or an Applicant or any financing source for a Project. Any Board member having any material interest in or with a Project or an Applicant or financing source for a Project shall submit to the Board's counsel an explanation of that interest, and the Board's counsel shall advise both the Board and Board member whether the member should recuse himself or herself from consideration of the Application. Such recommendation of the Board's counsel shall be conclusive. If recusal is recommended, the Board will then consider the Application without participation from the member or members who recuse themselves.

To avoid conflicts of interests, the Board's counsel will disclose to the Board if he has a professional legal relationship with or material interest in a Project or an Applicant or any financing source for the Project, and in the event of such a conflict involving the Board's counsel, the Board will retain special counsel to represent it in connection with the particular Project being considered. The Board, however, may waive any such conflict in appropriate circumstances.

Section III. Definitions

For purposes of these Policies and Procedures, the following terms shall have the following meanings:

"Applicant" means the Person, with the authority to legally represent the entity, applying to the Board for a PILOT incentive with respect to a Project.

"Application" means the application submitted to the Board by an Applicant to receive a PILOT incentive.

"Board" means the Industrial Development Board (IDB).

"Brownfield Site" means a parcel of property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.

"Economic Development Organization" means the Oak Ridge Economic Development Initiative (EDI), the Roane Alliance or the Anderson County Economic Development Association.

"Economic Leakage" means the loss of sales and sales tax revenue from one community to a neighboring community.

"Energy Efficiency Building" is a building that meets or exceeds certified energy efficiency standards such as LEED®, Leadership in Energy and Environmental Design.

"Expansion" means the addition of buildings, structures, machinery and/or equipment for the purpose of expanding a Project.

"FTZ" means Foreign Trade Zone #148.

"Governmental Authority" means the United States, the State of Tennessee, any political subdivision of either, and any agency, department, commission, board, bureau or instrumentality of any of them.

"Greyfield" means any previously developed property that does not have known environmental contaminants but is economically nonviable in its current state and has conditions that significantly complicate its redevelopment or reuse, as determined by the Board.

"Lease Agreement" means the lease agreement between the Applicant and the Board pursuant to which the Board leases a Project to the Applicant and agrees upon the terms of a PILOT incentive.

"Leasehold Tax" is a tax levied by the State of Tennessee and administered by the County Tax Assessor. No abatement prescribed herein affects the State leasehold tax.

"Local Company" is a company that (i) has its principal office within the Local Governments, (ii) operates one of its principal facilities in the Local Governments, or (iii) has a significant executive and management presence in the Local Governments.

"MOU" (Memorandum of Understanding) means the signed document that outlines all the pertinent terms and conditions required to develop the lease agreement of the PILOT incentive

"National Corporate Headquarters" means a Project that meets the following criteria as determined by the Board:

- i. The entity occupying the Project must be a business of regional or national significance;
- ii. A significant percentage, as determined by the Board, of the decision-making officers or employees of such entity must work and maintain their primary offices at the proposed Project;
- iii. The Project will be the office location of a majority of the management employees of such entity; and
- iv. The entity must make a significant financial commitment, as determined by the Board, to construct or improve the Project.

"Payment-in-Lieu-of Taxes" or "PILOT" means payments established by a Board to be made in lieu of ad valorem (land, building or equipment) taxes with respect to a Project.

"Person" means any individual, sole proprietorship, corporation, limited liability company (LLC), association, partnership (general, limited, or limited liability partnership), organization, business, trustee, individual or government or political subdivision thereof or any governmental agency, with the legal authority to submit an application for a PILOT incentive.

"PILOT Term" means the period of time, in years, during which a PILOT incentive is in effect pursuant to a Lease Agreement.

"Project" means the acquisition, construction and/or improvement of land, buildings, structures, machinery, equipment and related improvements as described in an Application. A Project may include any Expansion that an Applicant commits to commence within three (3) years of the execution of the Applicant's Lease Agreement. Any Expansion undertaken after such date will require a new Application to be filed with the Board with respect to the Expansion. A Project must be located on a single tract of property or contiguous tracts of property.

"Speculative Buildings" means construction of a building with no formal commitment from an end user for the finished building.

Section IV. PILOT Amount, Application of Evaluation Matrices and Alternative Calculation

PILOT Amount

If an Applicant is approved for a PILOT incentive, the amount of the PILOT for the PILOT Term shall be equal to the taxes imposed by all taxing authorities on the property and capital improvements that are the subject of the PILOT. If the property and/or capital improvements were previously exempt from taxation, it will then be an amount equal to the taxes that would have been imposed on the property and capital improvements if the property had not been so exempt.

Application of Evaluation Matrices

The Evaluation Matrices attached as Appendix A and Appendix B are intended to provide objective criteria for the Boards to assist in determining the length of the PILOT Term, if any, with respect to a Project. The Boards may consider other special circumstances as it deems relevant in determining a PILOT Term with respect to a particular Project, provided, however, in no event shall the Board award more than 30 points in the aggregate under the Evaluation Matrix for special circumstances without the consent of the Local Governments.

Industrial/Office Matrix (Appendix A)

The Industrial/Office Matrix is intended to provide objective criteria for the Boards to assist in determining the amount and length of the PILOT Term, if any, specific to each Project. All approved incentives are based on the Industrial/Office Matrix. The Oak Ridge Board only authorizes incentives within the parameters of the Matrix with the maximum PILOT Term being 14 years. The Oak Ridge Board may elect to recommend to the Oak Ridge City Council for consideration incentives outside the parameters of the Matrix. The Industrial/Office Matrix contains seven (7) criteria to be considered by a Board in establishing a PILOT Term. The following is a brief discussion of each criterion, which discussion is intended to provide guidance as to how each criterion will be applied by the Boards:

1. **New Jobs** – The number of new jobs will be based upon estimates to be provided by the Applicant and the Boards may obtain other information as required. The estimate of new jobs will be based upon the number of new jobs that are anticipated to exist at the Project site three years after completion of the Project. Permanent full-time, full-time equivalent, seasonal, and contract jobs will be considered by the Board, but part-time employment will be appropriately weighted by the Board.
2. **Wages** – The average annualized wage that is to be paid by an Applicant, as compared to the most recent per capita income for the applicable County as published by the United States Census Bureau <https://www.census.gov/>, will be a relevant factor in the Board's consideration of an Application. An Applicant who pays an average annualized wage that surpasses 170% of the per capita income for the Local Governments may be given special consideration points. All special consideration points will be awarded at the Board's discretion.
3. **Capital Investment** – The Board will consider any Capital expenditure made by the Applicant in a Project. Special consideration on a case-by-case basis will be used to increase points to Applicants who are making more than \$30 million in capital expenditures. The Matrix utilized by the Oak Ridge Board includes points for buildings certified as energy efficient, such as LEED®. To be eligible for a PILOT incentive, an Applicant must agree to make a minimum of \$1,000,000 in capital expenditures.

Capital expenditures for specific items, such as land, building and equipment, must be made by an Applicant in substantially the manner represented to the Board in the Applicant's Application unless the Board otherwise consents.

4. **Location** – The location of a Project within any of the following areas will be a favorable factor:
 - Designated Brownfield
 - The FTZ
 - Any vacant existing business facility
5. **Residency of new employees** -The matrix permits 20 bonus points (see footnote in Appendix A) if at least 50% of the employees reside within the City of Oak Ridge and the Company must include information substantiating employee residency with the application and in the annual report as described in Section V. Post-Closing Monitoring.
6. **Residency of Chief Executive Officer** – The matrix permits 10 bonus points (see footnote in Appendix A) if the Chief Executive Officer resides within the City of Oak Ridge or Roane County depending on the Board with jurisdiction, and the Company must include information substantiating the residency with the application and in the annual report as described in Section V. Post-Closing Monitoring.
7. **High Technology Start Up**- Companies using new technology and/or new processes are eligible for 100% tax abatement for the first 3 years if approved by the Board. However, the total tax bill for the entire period of abatement would be due in the remaining years. For example, using Appendix A, a project would be eligible for a 10 year /50% abatement. The total tax bill for the entire 10 years would be \$1,000,000 with \$500,000 being abated. Thus, beginning in year 4, the project would pay an annual tax of \$71,428 for the remaining 7 years.

Commercial Matrix (Appendix B)

The Boards use the Commercial Matrix as a guide along with other criteria in determining the feasibility of incentive requests. The Matrix utilized by the Oak Ridge Board includes consideration for buildings certified as energy efficient, such as LEED®. The Matrix is separated into the following three (3) commercial components:

- Commercial Housing
- Commercial Office
- Renovated Areas

In addition to the Commercial Matrix, consideration for the Commercial incentives may include the following:

- Economic Leakage
- Return on Investment
- Enhancement of Quality of Life
- Economic Analysis

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Alternative Calculation (Anderson County Portion Only)

The Oak Ridge Board has the flexibility to grant PILOT incentives utilizing an Alternative Calculation, in the Anderson County portion of the City, of the PILOT amount in place of the standard calculation provided by the two matrices described above. The Alternative Calculation allows for a declining basis tax abatement, based on the Prime Rate plus 1% (the borrowing cost for most companies) on the day of closing of the PILOT lease agreement.

As demonstrated in the table below, the Alternative Calculation provides for a smaller overall tax abatement than the standard calculation of the matrices. The Alternative Calculation provides for a larger amount of abated funds in the early years of the PILOT Term, whereas the standard calculation provides for an equal amount of abated funds throughout the PILOT Term.

The PILOT calculation example below includes the following criteria:

- Within the Anderson County portion of the City of Oak Ridge
- Project valued at \$5,000,000;
- Matrix provides for 50% abatement for 6 years;
- City tax rate of \$2.39 and County tax rate of \$2.26, for a total of \$4.65, assume no increase in tax rate;
- Prime rate plus 1% at date of closing is 4.25%.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Total
Standard Calculation	50%	50%	50%	50%	50%	50%	\$279,000
	\$46,500	\$46,500	\$46,500	\$46,500	\$46,500	\$46,500	
Declining Basis %	100%	66.7%	53.3%	40%	26.7%	13.3%	\$279,000
	\$93,000	\$62,031	\$49,569	\$37,200	\$24,831	\$12,369	
Alternative Calculation	100%	63.9%	49.1%	35.3%	22.6%	10.8%	\$262,010
	\$93,000	\$59,472	\$45,638	\$32,834	\$20,996	\$10,070	

Section V. Post-Closing Monitoring

Through the implementation of the PILOT program, the Boards intend to produce substantial and measurable changes and improvements to and for the economic and commercial environment of the Local Governments. Accordingly, each Lease Agreement with an Applicant will contain, in the manner determined by the respective Board, certain commitments relating to job creation, wage levels, and capital expenditures. The Boards will annually (or at such other times as it deems appropriate) evaluate each Project receiving a PILOT incentive to ensure compliance with the Lease Agreement applicable to the Project.

In order to assist the Boards in determining compliance with the Lease Agreements and in gathering information to help the Boards evaluate the effectiveness of its PILOT program, each Person who is a party to a Lease Agreement with the respective Board shall provide to the Board certain information in the manner described in the Lease Agreement, which information shall include, but not be limited to, the following:

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1. **Capital Expenditures** – A list of all capital expenditures made with respect to the Project during the prior year.
2. **Employee Report** – To include at least the following:
 - a. Total number of employees
 - b. Total salaries
 - c. List of jobs with job classifications in such form as is required by the Board
3. **Vendor Support Report** – The gross dollars spent locally on supplier and professional service contracts during the prior year.
4. **Comparison Criteria Report** – A comparison of the Applicant's actual job creation, wages and capital expenditures with the Applicant's initial projections for job creation, wages and capital expenditures as shown in the Applicant's Application.
If any such report or other information obtained by the Boards reveal that the Applicant has not complied with the Lease Agreement with respect to its employment, wage or capital expenditure commitments, the Board will have such remedies as are provided in the Lease Agreement. The specific remedies will be set out in the Lease Agreement, but, generally, if an Applicant fails in any year to meet the employment, wage or capital expenditure estimates provided in its Application and upon which the Evaluation Matrix was applied, the Applicant should expect that the Applicant's PILOT incentive would be proportionately reduced in that year in addition to a shortening of the PILOT term and any other remedies that may be available under the Lease Agreement.

For example, if an Applicant was awarded 100 points based upon the application of the Evaluation Matrix, and the report filed by an Applicant in any year shows that the Applicant would only have been awarded 80 points for the relevant year based upon the actual facts, the Applicant would not receive 20% of its PILOT incentive for such year.

On an annual basis, each respective Board will prepare a compilation of the information received from these reports. This annual compilation will be provided, within thirty (30) days of its completion, to the County Mayor and County Trustee of the County and the Mayor and City Manager of the City. The County Mayor will make such compilation available to the County Commission of the County, and the City Manager will make such compilation available to the City Council of the City. For the Oak Ridge Board, the compilation and distribution of the annual reports are the responsibility of the IDB Executive Assistant or City Staff.

Section VI. Fees

Any Person desiring that a Board consider providing a PILOT incentive shall submit an Application to the appropriate Board in a form approved by the Boards. Any Applicant shall also follow the procedures set forth in Appendix C in applying for a PILOT incentive.

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1. Application Fees

An Application fee must be submitted with each completed Application. The Application Fee shall be calculated using the following chart:

<u>Estimated Project Capital Expenditures At the Time of Application</u>	<u>Application Fee</u>
\$ 1,000,000 - \$ 2,500,000	\$ 2,000
\$ 2,500,001 - \$ 5,000,000	\$ 3,000
\$ 5,000,001 - \$10,000,000	\$ 4,000
\$10,000,001 - \$25,000,000	\$ 8,000
Greater than \$25,000,000	\$15,000

2. Closing Fees

A closing fee computed by City Staff as described in this paragraph will be paid to the respective Board prior to or at the execution of the Lease Agreement. Closing fees for PILOT incentives are based on the benefits that an Applicant will receive (i.e. value of the tax savings over the applicable PILOT Term) rather than on the total Project investment. The closing fee for a PILOT incentive transaction with the Board will be 5% of the expected tax savings for the Applicant, as estimated by City Staff, with a minimum closing fee of \$1,500 and a maximum fee of \$300,000. The Applicant receiving the PILOT incentive will also be responsible for paying expenses of the Board relating to the transaction (i.e. attorney's fees, copies, postage, long distance telephone calls, etc.).

3. Lease Amendments

If an Applicant requests an amendment to an existing Lease Agreement, the Applicant will pay a fee of \$1,000 at the time of the request.

4. Assignment Fee

If the Board approves the assignment of a Lease Agreement, the Applicant shall pay an assignment fee of 1% of the tax savings for the assignee following such assignment, as estimated by the Board, up to \$1,000,000 with a minimum fee of \$4,000 and 1/2% of such savings over \$1,000,000 with a maximum fee of \$25,000. The Applicant shall also be responsible for all expenses, including attorney's fees incurred by the Board, in connection with such assignment.

5. Reciprocal Fee Payment and Notification

An amount representing 30% of the applicable fees received by the Roane County or Oak Ridge Board pursuant to this Section shall be paid to the other board promptly upon receipt. Each Board will notify the County Mayor and County Trustee of the County and the Mayor and City Manager of the City of any Lease Agreement that provides for a PILOT within fourteen (14) days of entering into such Lease Agreement. The IDB Executive Assistant or City Staff will provide the written notification for the Oak Ridge Board.

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Section VII. Memorandum of Understanding

When the Oak Ridge Board approves a PILOT incentive, a Memorandum of Understanding (MOU) will be developed by the City Manager or City Attorney that outlines all pertinent terms and conditions of the incentive, hereto attached as Appendix E. The MOU will specify a date by which both the Board and the Applicant may anticipate an appropriate Lease Agreement to be executed. Signed by both the Chairman of the Board and the Applicant, the MOU will serve as the foundation upon which a formal lease document will be built. The following items may be included in the MOU, length of the PILOT incentive, percentage of tax abatement, performance standards, reporting dates and recovery provisions.

Section VIII. Assignment of Lease Agreement

Lease Agreements will not be assignable without the prior consent of the applicable Board. An Applicant seeking an assignment of an Agreement shall confer with the Board to determine the proper procedure in the specific transaction. The Board will then determine whether the assignment will be approved or whether a new Application should be filed by the assignee.

Section IX. City of Oak Ridge – Application Administrative Process (See Appendix C)

Section X. Oak Ridge Board Decision Process

Following receipt of the City Manager's recommendation, the Oak Ridge Board will vote on the Applicant's request for an incentive. Should the Oak Ridge Board vote concur with the City Manager's recommendation, the decision is final. Should the Oak Ridge Board vote differ with the City Manager's recommendation, the City Manager may reevaluate his recommendation in light of the Board vote and resubmit. Should the Board and City staff not reach agreement, the matter is referred to the Oak Ridge City Council for final resolution.

Section XI. Environmental Report Requirements

Each Applicant shall submit with its Application, the most recent Phase I Environmental Site Assessment Report (unless the Project consists only of new equipment) with respect to the proposed Project site. All such reports must grant to the Board the right to rely on such reports. All Phase I Environmental Site Assessments submitted to the Board should substantially conform to the ASTM standards. An Environmental Assessment or Environmental Impact Statement performed by or on behalf of the U.S. Department of Energy may substitute for an Environmental Site Assessment. The environmental contamination of a Project site may be a basis for rejecting an Application if the Board's counsel advises the Board that the respective Board or the Local Governments would have any obligation to remediate the contamination if the Board acquires the Project site.

Section XII. Miscellaneous

These Policies and Procedures shall not be construed to create any type of contract or agreement between the Board or the Local Governments and any third party, including any Applicant. Notwithstanding any provision of these Policies and Procedures to the contrary, the Boards retain the right, in their sole discretion, not to enter into any Lease Agreement with any Applicant and not to approve any Application for a PILOT incentive. If any Applicant does not enter into a Lease Agreement with respect to a proposed Project within one year of the initial approval by the Board of the Applicant's Application for a PILOT incentive, that Applicant's Application shall be deemed to be withdrawn, and the Applicant shall be required to resubmit a new Application if the Applicant wants the Board to continue to consider the Applicant's Project for a PILOT incentive.

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Section XIII. Program Term

Each Board is authorized to negotiate PILOT incentives pursuant to these Policies and Procedures for a period of three years from the date these Policies and Procedures are approved by the County Commission or City Council of the Local Governments. After such date, the Boards shall not be authorized to negotiate PILOT incentives pursuant to these Policies and Procedures unless the County Commission of the County and the City Council of the City have reviewed these Policies and Procedures.

Section XIV. Modifications

Boards and Local Governments must approve any modification of these Policies and Procedures except as provided in Section I.

APPENDIX A INDUSTRIAL/OFFICE EVALUATION MATRIX

Job Creation		Wages		Investment			Abatement			
Maximum 30 Points		Maximum 30 Points		Maximum 90 Points			Refer to Notes 1 & 2			
Points will be awarded for each new job to be created due to the project		Firms are encouraged to pay wages that raise the Per Capita Income of the County as defined by the United States Census Bureau		Capital expenditures to be made by Applicant at Project Site						
Criteria		Criteria		Criteria						
Jobs Created										
Number of Employees	Points	Wages	Points	Amount		Points	Total Score		Years	
1	15	2	120%	5	\$1,000,000	\$3,000,000	2	21	30	2
16	30	4	130%	10	\$3,000,001	\$6,000,000	4	31	40	3
31	45	6	140%	15	\$6,000,001	\$10,000,000	6	41	50	4
46	60	8	150%	20	\$10,000,001	\$15,000,000	8	51	60	5
61	75	10	160%	25	\$15,000,001	\$20,000,000	10	61	70	6
76	90	12	170%+	30	\$20,000,001	\$25,000,000	15	71	80	7
91	105	14			\$25,000,001	\$30,000,000	20	81	90	8
106	120	16			\$30,000,001	\$35,000,000	25	91	100	9
121	135	18			\$35,000,001	\$40,000,000	30	101	110	10
136	150	20			\$40,000,001	\$45,000,000	35	111	120	11
151	165	22			\$45,000,001	\$50,000,000	40	121	130	12
166	180	24			\$50,000,001	\$55,000,000	45	131	140	13
181	195	26			\$55,000,001	\$60,000,000	50	141	150	14
196	210	28			\$60,000,001	\$65,000,000+	55	150+	150	15
211	225+	30			\$65,000,001	\$70,000,000	60			
					\$70,000,001	\$75,000,000	65			
					\$75,000,001	\$80,000,000	70			
					\$80,000,001	\$85,000,000	75			
					\$85,000,001	\$90,000,000	80			
					\$90,000,001	\$95,000,000	85			
					\$95,000,001	\$100,000,000	90			

AVAILABLE BONUS POINTS

- 10 Points if project is a corporate headquarters
- 10 Points if project is on a Brownfield
- 10 Points if building is certified for energy efficiency, such as LEED®.
- 10 Points if chief executive resides within the City of Oak Ridge or Roane County depending on IDB with jurisdiction
- 20 Points if 50% of employees reside within the City of Oak Ridge or Roane County depending on IDB with jurisdiction

Notes:

- 1 The maximum abatement in the City of Oak Ridge, Anderson County, and Roane County is 50%
- 2 Investments greater than \$200 million will be separately evaluated for abatements of up to 100% if approved by the local IDB

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APPENDIX B COMMERCIAL EVALUATION MATRIX

Investment	Commercial Housing	Commercial Office	Renovated Areas
	>1,000,000	>1,000,000 and	
		New tenants from outside Anderson County	5 additional years
		No new speculative office	
< \$5,000,000	25% 10 years	25% 5 years	
> \$5,000,000	33% 10 years	33% 5 years	
> \$15,000,000	33% 15 years	33% 10 years	

Examples for Illustration Purposes only

ID	Description	New Investment	New Tenants (Number of Employees on Site)	Eligible Tax Reduction Terms Based on New Investment and/or Tenants	Estimated Annual Property Tax Discount to Developer (City & County) Based on 70 Percent of Investment	Estimated Property Tax Discount to Developer Over Reduction Period (City & County)	Estimated City & County Property Tax Collections Over Reduction Period
3	office - speculative	28,000,000		NONE			
6	Commercial housing	12,000,000		33% 10 years	84,427	844,272	1,714,128
13	office - renovated	2,000,000	350	25% 10 years	7,462	74,620	223,860

Requests for Infrastructure Improvements and/or other considerations must be approved by City Council on an individual basis

Calculations will fluctuate with tax rate changes

NOTE: Consideration given for certified energy efficiency construction, such as LEED®.
Consideration given for construction/renovation on a greyfield property.

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**APPENDIX C
PILOT INCENTIVE PROGRAM PROCEDURES
INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF OAK RIDGE (IDB)**

1. An Applicant should request the scheduling of a pre-application meeting with the City Manager to discuss the PILOT incentive procedure as it relates to the Applicant's Project. The following representatives should participate in the pre-application meeting:
 - a. City Manager, or designee
 - b. Potential Applicant with supporting staff, if applicable
 - c. IDB Chairman
 - d. IDB Executive Assistant
 - e. Others, if applicable (i.e. chamber of commerce, economic development organization, or recruiting organization representative working with the Applicant)
2. The Applicant shall submit its Application (which shall be in the form of Appendix D) prior to receiving a building permit with all documentation pertaining to the Application by scheduling an appointment with and submitting it to the City Manager no less than 14 days prior to a scheduled meeting of the IDB. The following Information must accompany the Application unless waived by the IDB:
 - a. Financial Statements – preferably audited statements, at least statements reviewed by a CPA;
 - b. Phase 1 Environmental Audit addressed to the Board;
 - c. Application Fee.
3. The City Manager, or designee, will ensure that the Application is complete and that appropriate fees have been paid. The Oak Ridge City Manager and staff will review all applications and make a written recommendation (including an approved Matrix) to the IDB based on their analysis of the Application. Prior to issuing a written recommendation to the IDB, the City Manager/staff may consult the following parties:
 - a. Applicant, or its representative
 - b. IDB Chairman
 - c. IDB Executive Assistant
 - d. City Staff
 - e. Others, as needed (i.e. chamber of commerce, economic development organization, or recruiting organization representative working with the Applicant)
4. Following the receipt of the City Manager's written recommendation, the IDB will vote on the Applicant's request for an incentive. Should the IDB vote concur with the City Manager's recommendation, the decision is final. Should the IDB vote differ with the City Manager's recommendation, the City Manager may reevaluate his recommendation in light of the IDB vote and resubmit. Should the IDB and City staff not reach agreement, the matter is referred to the Oak Ridge City Council for final resolution.
5. Based upon the Application, the IDB will determine whether to give preliminary approval for a PILOT incentive. If preliminary approval is given, a memorandum of understanding (MOU), attached as Appendix E, outlining all pertinent terms and conditions of the incentive will be developed by City Staff.

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**DRAFT- Policy Revision Accepted by
Oak Ridge IDB 11/6/2017**

The MOU serves as the foundation upon which a formal Lease Document is built. Upon execution of the MOU, the IDB's counsel will prepare the form of Lease Agreement and negotiate the form of such Lease Agreement with the Applicant's designated representative.

6. Once the Applicant and the IDBs' counsel agree on the proposed form of a Lease Agreement, such Lease Agreement shall be submitted to the IDB for its approval. When the Applicant's matter is to be considered at an IDB meeting, a representative of the Applicant should attend such meeting.
7. Upon IDB approval of the Lease Agreement, a date for the closing can be scheduled immediately. The following documents are needed at closing:
 - a. Lease Agreement
 - b. Special Warranty Deed (if real property is involved)
 - c. List of Encumbrances on the Property
 - d. Bill of Sale (if personal property is involved and has been acquired)
 - e. Closing fees certified or cashier's check or other collected funds
 - f. Such others as may be referred to in the Lease Agreement
8. Upon closing, appropriate documentation will be filed with the County Register's Office. Originals of all documents will be held by the IDB or its counsel. The IDB counsel will file a copy of the Lease Agreement with the appropriate County Mayor, the Mayor of the City of Oak Ridge and with the State Comptroller's office at the following address:

The Office of the Comptroller
Division of Property Assessment
501 Deaderick Street
Suite 1400 (EDA Compliance)
Nashville, Tennessee 37243-0277

9. In accordance with these Policies and Procedures, Applicants will be required to file annual compliance reports with the IDB.
10. Tenn. Code Ann. §7-53-305 requires the lessee under each Lease Agreement to file with the State Board of Equalization before October 1st of each year an annual report containing a list of all the real and tangible personal property owned by the Board subject to the Lease Agreement; the value of each listed property as estimated by the lessee of property; the date and term of the lease for each listed property; the amount of payment made in lieu of property taxes for each listed property; the date each listed property is scheduled to return to the regular tax rolls; and a calculation of the taxes, which would have been due for each listed property if the properties were privately owned or otherwise subject to taxation. Each Applicant will be responsible for the timely completion and filing of such reports with respect to its Project, and failure to timely complete and file the report may subject such Applicant to the penalties set forth in the "Act". The Applicant is require to submit a copy of each such report to City Staff for inclusion in the Project file. The copy should be sent to:

Industrial Development Board
of the City of Oak Ridge
1400 Oak Ridge Turnpike
Oak Ridge, TN 37830

2017 PILOT Reauthorization
Appendix C
Oak Ridge City Council Resolution _____
Approved _____

**APPENDIX D
PILOT INCENTIVE PROGRAM
INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF OAK RIDGE (IDB)
APPLICATION FOR PILOT (PAYMENT IN LIEU OF TAXES) / GRANT ASSISTANCE**

I. Applicant:

Company Name: _____
Mailing Address: _____
City: _____ State: _____ Zip: _____
Telephone: _____ Fax: _____
Federal Employer Identification Number: _____
Company Representative to be contacted:
Name: _____ Title: _____
Mailing Address: _____
City: _____ State: _____ Zip: _____
Telephone: _____ Fax: _____
E-mail address: _____
Description _____ of _____ Principal _____ Business: _____

SIC/NAICS (if known): _____ Legal Structure: _____
If a corporation, state of incorporation: _____
If foreign corporation, is it registered to do business in Tennessee? _____ Yes _____ No

Principal Owner (if applicable):

Company Name: _____
Mailing Address: _____
City: _____ State: _____ Zip: _____
Telephone: _____ Fax: _____
Federal Employer Identification Number: _____
Company Representative to be contacted:
Name: _____ Title: _____
Mailing Address: _____
City: _____ State: _____ Zip: _____
Telephone: _____ Fax: _____
E-mail address: _____
Description _____ of _____ Principal _____ Business: _____

SIC/NAICS (if known): _____ Legal Structure: _____
If a corporation, state of incorporation: _____
If foreign corporation, is it registered to do business in Tennessee? _____ Yes _____ No

II. Name and address of any of the following involved in the project:

Legal Counsel

Name: _____ Title: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____

E-mail address: _____

Name: _____ Title: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____

E-mail address: _____

Project Engineer(s)

Name: _____ Title: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____

E-mail address: _____

Name: _____ Title: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____

E-mail address: _____

Project Architect(s)

Name: _____ Title: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____

E-mail address: _____

Name: _____ Title: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____

E-mail address: _____

General Contractor(s)

Name: _____ Title: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____

Email address: _____

Name: _____ Title: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____ Fax: _____

Email address: _____

Does applicant or sponsor of the project have an application pending or intend to apply for industrial revenue bond financing for this or a similar project with any other board in the City of Oak Ridge?

Yes No **If yes, please attach a detailed explanation.**

Does applicant or sponsor have present plans to incur indebtedness or other financial obligations, which would materially affect its financial condition other than the financing applied hereby?

Yes No **If yes, please attach a detailed explanation.**

Does applicant or sponsor of the project know of any proposed or pending tender offers, mergers, or acquisitions by or affecting applicant or sponsor of the project or any other materially significant corporate event in any way affecting application or sponsor of the project?

Yes No **If yes, please attach a detailed explanation.**

III. Project Location/Ownership:

Street address: _____

City: _____ County: _____ State: _____

Vicinity Map: *Please attach with general location of site shown.*

Attach a copy of deed (or surveyor's description) detailing property's metes and bounds description or other legal description.

Who owns the property at this time? _____

Does applicant have an option to purchase the property if not already owned by applicant?

Yes No

Are there presently outstanding any options or liens with regard to the property?

Yes No

Give a brief description of the activities to be performed at this location, including a description of products to be produced and/or services to be provided:

Current Zoning:

Is the property zoned appropriately for intended use by this project? Yes No

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Appendix D
Oak Ridge City Council Resolution _____
Approved _____

IV. Tax Information:

Obtain the latest property tax statement from the Anderson or Roane County Assessor's Office (include both real and any existing tangible personal property).

Real Property

Tax parcel ID number (s): _____
Current assessment: _____
Current tax: _____
Will this project result in the subdivision of any current tax parcel? ____ Yes ____ No

Tangible Personal Property

Tax parcel ID number (s): _____
Current assessment: _____
Current tax: _____

Are there any assessments under appeal? ____ Yes ____ No
If yes, please describe:

V. Capital Investment:

Land: Acreage: _____ Cost: \$ _____
Site Preparation Cost: \$ _____
Real Property (Building): Square Footage _____ Cost: \$ _____
Personal Property Cost: \$ _____

Indicate total capital investment forecast by year:
Year 1: \$ _____
Year 2: \$ _____
Year 3: \$ _____

Briefly describe these investments (types of tangible personal property, type of site development planned for this location and other improvements):

VI. Construction Estimate:

Start Date: Month: _____ Year: _____
Completion Date: Month: _____ Year: _____

2017 PILOT Reauthorization
Appendix D
Oak Ridge City Council Resolution _____
Approved _____

Describe any off-site infrastructure proposed for new public investments:

Describe below construction estimates and anticipated infrastructure requirements:

Water:

Sanitary

Sewer:

Electric:

Streets:

Storm Sewer:

Other:

Have project utility requirements been reviewed by the appropriate local utility providers?

_____ Yes _____ No

2017 PILOT Reauthorization
Appendix D
Oak Ridge City Council Resolution _____
Approved _____

Certified Energy Efficiency construction, such as LEED@:

Will project be Certified Energy Efficiency construction? _____ Yes _____ No

If yes, Certification information shall be provided with your application.

All properties subject to this PILOT application will meet the Federal and State of Tennessee ADA (American with Disabilities Act) regulations at the time of construction. _____ Yes

VII. Wages/Jobs/ Residency:

Attach number of jobs listing by year, as formatted below, and the average per capita wages by major employment type category (Officials and Administrators, Professionals, Technicians, Protective Service Workers, Paraprofessionals, Administrative Support, Skilled Craft Workers, Service-Maintenance, Others).

<u>Year #1</u>	<u>Year #2</u>	<u>Year #3</u>
<u>Jobs # /Category/Salary</u>	<u>Jobs # /Category/Salary</u>	<u>Jobs# / Category/ Salary</u>

Additionally indicate number of employees living within the City of Oak Ridge by job category per years 1-3 including salary as formatted above.

Wages, jobs and residency requirements shall be achieved as set out in the PILOT agreement between the applicant and the Industrial Development Board. An annual report of achievement is required by December 31 each year for the term of the PILOT agreement.

VIII. Environmental Impacts:

Attach a Phase I Environmental Audit or equivalent addressed to the Industrial Development Board. Discuss any environmental impacts created by the project.

IX. Type of Assistance Requested

PILOT (fully describe PILOT requested): _____

Grant (fully describe grant requested): _____

Justification for PILOT/Grant request: (substantiate and fully describe the justification for this request): _____

X. Financial Information:

Attach copies of the most recent, preferably audited financial statements. If publicly held corporation, attach a certified statement of the corporation's net worth with corresponding disclosure notes as provided in the applicant's latest approved/audited financial statement.

XI. Certifications:

This application is made in order to induce the City of Oak Ridge, Tennessee and the Industrial Development Board of the City of Oak Ridge to grant financial incentives to applicant and sponsor. Applicant and sponsor represent and warrant that the statements contained herein or attached hereto are true and correct to the best of their knowledge and include all information materially significant to the board and its consideration of this application.

Applicant and sponsor have read and agree to comply with all requirements of the application procedures and policies of the City of Oak Ridge, Tennessee and the Industrial Development Board of the City of Oak Ridge. Applicant specifically agrees to pay all reasonable costs, fees and expenses incurred by the Board in connection with this application, whether or not the financial incentives are granted or this project built.

Applicant

Date

Owner

Date

2017 PILOT Reauthorization
Appendix D
Oak Ridge City Council Resolution _____
Approved _____

APPENDIX E
PILOT INCENTIVE PROGRAM
INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF OAK RIDGE (IDB)
MEMORANDUM OF UNDERSTANDING
(template)

THIS MEMORANDUM OF UNDERSTANDING, entered into on this the _____ day of _____, _____, will confirm the understanding and agreement between (**company name**) and the INDUSTRIAL DEVELOPMENT BOARD of the City of Oak Ridge, Tennessee (IDB) with respect to the proposed acquisition and transfer of certain real and/or personal property (the "Property"). The Property (sometimes referred to herein or in other PILOT Documents as the "Property" or the "Equipment") is to be located within the City of Oak Ridge, Tennessee, (**county name**) County.

WITNESSETH:

This Memorandum of Understanding is intended to set forth the mutual understandings between (**company name**) and the IDB in regards to (i) the acquisition of the Property by the IDB for and on behalf of (**company name**) and (ii) the leasing of the Property pursuant to that certain PILOT Lease (the "Lease") by and between the IDB and (**company name**).

I. VALUE TO CITY OF OAK RIDGE

(**company name**) proposes to construct and/or operate a (**project description**) facility in the city limits of Oak Ridge. The Real Property on which the facility is situated, and the building and related improvements are owned by (**company name**). The cost of the Real Property, Land, Building and Related Improvements to (**company name**) is \$(amount of total investment).

The parties recognize that the location of the Project being defined as (**project name**) the buildings and related items, and the investment of such funds in City of Oak Ridge by (**company name**) will create economic benefits for the City of Oak Ridge. Further, the IDB has made a determination that the investment made by (**company name**), the opening of the facility, the opportunities brought about and to be derived by such investment in the Project, and the payments to be received in lieu of taxes as described herein, are in furtherance of the public purposes of the IDB.

II. PAYMENT IN LIEU OF TAXES

Approximately one year from the date of the approval of the (**company name**) incentive application (date of application approval date by the IDB or City Council), the IDB will enter into a Payment in Lieu of Tax Agreement ("PILOT Lease") with (**company name**). The PILOT Lease will be subject to the following terms and conditions:

A. The PILOT Lease shall be for a term of (lease terms per matrix or City Council approval reference resolution #) with payment from (**company name**) to the IDB, upon signing the lease agreement, in the amount of \$ (PILOT fee determined by City staff).

B. The amount of taxes abated under the terms of the Lease shall be set according to the following schedule:

2017 PILOT Reauthorization
Appendix E
Oak Ridge City Council Resolution _____
Approved _____

Estimated Real Property Tax savings over term of Lease (city) \$
(fees determined by City staff) (county) \$
Estimated Personal Property Tax savings over term of Lease – not applicable

- C. Yearly Performance Standards shall be required of (company name) in accordance with item 3 below (Real Property Investment), as allowed by this MOU and (matrix or Oak Ridge City Council Resolution #), which provides for a % tax abatement over a term of # years.
1. Jobs Creation – (from application)
 - a. Year 1
 - b. Year 2
 - c. Year 3
 - d. Year 4
 - e. Year 5
 - f. Additional as applicable
 2. Wages Percentage – (from application)
 - a. Year 1
 - b. Year 2
 - c. Year 3
 - d. Year 4
 - e. Year 5
 - f. Additional as applicable
 3. Real Property Investment – \$(from application)
 - a. Year 1
 - b. Year 2
 - c. Year 3
 - d. Year 4
 - e. Year 5
 - f. Additional as applicable
 4. Personal Property Investment – (from application)
 - a. Year 1
 - b. Year 2
 - c. Year 3
 - d. Year 4
 - e. Year 5
 - f. Additional as applicable
 5. Location: Brownfield Y___ N___ FTZ Y___ N___ – (from application)
 6. Oak Ridge Residency – (from application)
 - a. Year 1
 - b. Year 2
 - c. Year 3
 - d. Year 4
 - e. Year 5
 - f. Additional as applicable

- D. Annual progress/status reports shall be filed by (company name) during the term of the Lease no later than January 31st each year and shall contain:
1. Jobs Created per Evaluation Matrix and Actual jobs created
 2. Wage Plan per Evaluation Matrix and Actual Wage performance
 3. Capital Expenditure in real property per Matrix and Actual Expenditure
 4. Capital Expenditure in personal property per Matrix and Actual Expenditure
 5. Confirmation of FTZ or Brownfield project site as applicable
 6. Oak Ridge residency per Matrix and actual Oak Ridge residency
- E. Recovery Provisions:

If any such report as is required by Item D set out above, or other information obtained by the IDB, reveals that (company name) has not complied with the Lease Agreement with respect to its capital expenditure commitments, the IDB will have such remedies as are provided in the Lease Agreement. The specific remedies will be set out in the Lease Agreement, but, generally, if (company name) fails in any year to meet the capital expenditure estimates provided in this MOU, (company name) should expect that (company name) PILOT incentive would be proportionately reduced in that year in addition to shortening of PILOT term and any other remedies that may be available under the Lease Agreement.

The IDB reserves the right to reduce or discontinue said abatement if progress benchmarks are not met as proposed in the application.

III. FORM OF AGREEMENTS

The PILOT Lease and any other agreements referred to herein or pertaining to the Project, shall be in a form satisfactory to the IDB and (company name).

IV. FEDERAL INCOME TAX

It is understood by the parties hereto that (company name) will remain the owners of the Real Property, the Personal Property, and the Project for Federal Income Tax purposes.

V. AUTHORIZATIONS AND APPROVALS; ACQUISITION OF PROPERTY

(company name) agrees to use all reasonable efforts, including, without limitation:

- obtaining all approvals and consents of legislative or other appropriate bodies of City of Oak Ridge;
- obtaining all approvals and consents of applicable departments and agencies of City of Oak Ridge ;
- obtaining all approvals and consents of the utility companies, authorities and districts referred to herein;
- the execution, delivery and filing of such further applications, agreements, instruments or other documents as are required by applicable law or necessary to acquire any and all property which will be included in the PILOT Lease and cause the agreements set forth herein to become binding obligations of (company name) .

2017 PILOT Reauthorization
Appendix E
Oak Ridge City Council Resolution _____
Approved _____

VI. COSTS, EXPENSES AND ATTORNEYS FEES.

(company name) shall be responsible for the payment of all costs and expenses incurred by the IDB, including reasonable attorneys' fees, in connection with the preparation of documents for the Project.

VII. ASSIGNMENT.

(company name), as applicable, shall have the right to assign any or all of its rights under this Memorandum of Understanding to any of its affiliates.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Understanding to be executed by their duly authorized officers or representatives on and as of the date indicated herein.

**INDUSTRIAL DEVELOPMENT BOARD OF
THE CITY OF OAK RIDGE:**

By: _____
(name)

Title: Chairman

COMPANY NAME

By: _____

Title: _____

CITY COUNCIL MEMORANDUM
17-40

DATE: November 9, 2017

TO: Honorable Mayor and Members of City Council

FROM: Mark S. Watson, City Manager

SUBJECT: AMENDMENT TO BLANKENSHIP FIELD OPERATIONAL AGREEMENT

Introduction:

An item for City Council's consideration is a resolution approving an amendment to the Operational Agreement between the City and the Schools with respect to facility maintenance and scheduling for Blankenship Field.

Funding:

No financial impacts are required for adopting the resolution as it establishes procedures for usage and access to grant improved public parks and facilities.

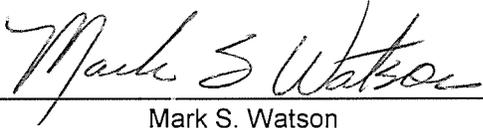
Background:

The City Council and the Board of Education have previously adopted a joint resolution (No. 1-3-2017) establishing how operations will be conducted at Blankenship Field once improvements are made to the field. The City has received a \$480,000 TDEC grant to supplement private donations. In agreeing to accept the grant, the City has had to indicate willingness to comply with grant provisions as required by TDEC and ultimately the federal grant programs funding this project.

A recent meeting that was held with TDEC indicated uncertainty about the system to be used for the facility and access to the public. TDEC was assured of the openness as required by the grant. However, after discussion with the City Attorney and the School Superintendent, the City Manager has recommended the amendatory language that identifies that the Blankenship Field Facilities associated with the TDEC grant will be open to the public barring prior scheduled events as coordinated with the Oak Ridge school system.

Recommendation:

Approval of the attached resolution is recommended.



Mark S. Watson

Attachments

RESOLUTION

A RESOLUTION APPROVING AN AMENDMENT TO THE OPERATIONAL AGREEMENT BETWEEN THE CITY AND THE SCHOOLS WITH RESPECT TO FACILITY MAINTENANCE AND SCHEDULING FOR BLANKENSHIP FIELD.

WHEREAS, by Resolution 11-77-2016, City Council authorized the City to enter into operational agreements with the Oak Ridge Board of Education for certain facilities, including Blankenship Field; and

WHEREAS, by Resolution 1-3-2017, City Council approved an operational agreement between the City and the Schools with respect to facility maintenance and scheduling for Blankenship Field; and

WHEREAS, for clarification purposes, the City desires to amend the operational agreement to specifically state that the City and Schools will comply with all grant provisions on facilities including but not limited to the requirement that facilities be open to the public; and

WHEREAS, the City Manager recommends approval of the attached amendment to the operational agreement between the City and Schools.

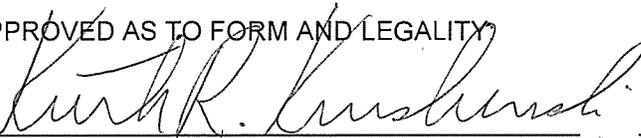
NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:

The recommendation of the City Manager is approved and the attached amendment to the operational agreement (Facility Maintenance and Scheduling Agreement for Blankenship Field) is hereby approved.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to execute the appropriate legal instruments to accomplish the same.

This the 13th day of November 2017.

APPROVED AS TO FORM AND LEGALITY



Kenneth R. Krushenski, City Attorney

Warren L. Gooch, Mayor

Mary Beth Hickman, City Clerk

AMENDMENT NO. 1 TO THE OPERATIONAL AGREEMENT
(FACILITY MAINTENANCE AND SCHEDULING AGREEMENT FOR BLANKENSHIP FIELD)

This Amendment No. 1, between the City of Oak Ridge and the Oak Ridge Board of Education, amends the Operational Agreement (FY2017-196) between the parties pertaining to Blankenship Field approved in January 2017.

WITNESSETH:

WHEREAS, on January 2, 2017 and January 9, 2017, the Oak Ridge Board of Education and the Oak Ridge City Council, respectively, approved an Operational Agreement pertaining to facility maintenance and scheduling for Blankenship Field; and

WHEREAS, the parties desire to amend the agreement to provide for an additional joint responsibility of the parties with respect to grant requirements.

NOW, THEREFORE, the parties do hereby agree as follows:

1. Section 6, Joint Responsibilities, is hereby amended to add a new paragraph at the end of the section which paragraph shall read as follows:

The City and Schools will comply with all grant provisions on facilities including but not limited to the requirement that facilities be open to the public.

2. All other terms and conditions not in conflict with this Amendment No. 1 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed on their behalf as of the date and year written below.

ADOPTED AND APPROVED BY THE OAK RIDGE CITY COUNCIL ON NOVEMBER 13, 2017 BY
RESOLUTION _____.

APPROVED AS TO FORM AND LEGALITY:



Kenneth R. Krushenski, City Attorney

CITY OF OAK RIDGE, TENNESSEE:

Mark S. Watson, City Manager

Date

ADOPTED AND APPROVED BY THE OAK RIDGE BOARD OF EDUCATION ON _____.

OAK RIDGE BOARD OF EDUCATION

Keys Fillauer, Chairman of the Board

Date

CITY COUNCIL MEMORANDUM
17-39

DATE: November 9, 2017
TO: Honorable Mayor and Members of City Council
FROM: Mark S. Watson, City Manager
SUBJECT: ACCEPTANCE OF MAIN STREET/WILSON ROADS

Introduction:

An item for City Council's consideration is a resolution accepting certain streets (Main Street East, Main Street West, and Wilson Street), sidewalks, and underlying utility infrastructure for perpetual maintenance at Main Street Oak Ridge.

Funding:

The City of Oak Ridge by contract has participated in this construction with a public/private partnership with RealtyLink of Greenville, South Carolina. The City is providing \$1M in capital funding for the project. The Industrial Development Board of the City of Oak Ridge (IDB) is providing \$500,000 in funding as part of this project. Acceptance of the infrastructure authorizes the transfer of funding to the IDB for a single check to be issued.

Background:

The City of Oak Ridge has entered into a tax increment financing agreement with RealtyLink of Greenville, South Carolina for the redevelopment of the former Oak Ridge mall. The reconstruction has allowed for the construction of new retail storefronts and new street infrastructure on the 65-acre site. As an incentive to the developer, the City and its IDB agreed to provide \$1.5 million in incentive funding for the improvements to infrastructure used by the public including streets, utilities and electric services. These improvements would be transferred to the City as part of its public infrastructure.

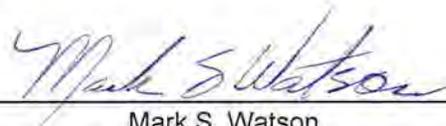
The City departments have continuously conducted inspections, monitored construction and located infrastructure with proper spacing as required by code. The project is 100% completed and ready for the transfer to occur, excepting some minor cleanup and administrative details. Department directors have identified that it is sufficient for the transfer to be completed.

At their special meeting on November 9, 2017, the Planning Commission voted unanimously to approve this request.

Upon approval, the IDB will provide payment to RealtyLink for the completion of the project. The company has provided the attached letter that indicates approximately \$1.8M in improvements.

Recommendation:

Approval of the attached resolution is recommended.



Mark S. Watson

Attachments

TN OAK RIDGE TULANE, INC.
TN OAK RIDGE RUTGERS, LLC

RECEIVED
2017 NOV -3 AM 7:55
CITY MANAGER'S OFFICE

October 31, 2017

Mr. Mark Watson
City Manager
City of Oak Ridge
PO Box 1
Oak Ridge, TN 37831

Re: Certification of Costs on Wilson Street Improvements

Dear Mr. Watson,

As pursuant with the development agreement dated August 30th, 2016 Section 5 below we are certifying that the costs for the Wilson Street, Main Street East and West that are being dedicated to the City of Oak Ridge per the agreement "no less than \$1,500,000 to construct the Public Improvements". Those costs are as follows:

• General Conditions	\$11,970.45
• Asphalt, Base, C&G, Earthwork, Demo, Storm and Wet Utilities	\$1,278,884.98
• Electrical	\$321,519.26
• OH&P	\$48,371.24
• Land Costs	\$179,000.00
• Survey	\$3,500.00
Total	\$1,843,245.93

Please accept this letter as our request for these funds to be released pursuant with Section 5 of the agreement.

Should you have any questions please don't hesitate to contact myself at 864-263-5413 or Colby Price at 864-263-5439.

Thank you,



Philip J. Wilson
Manager

RESOLUTION

A RESOLUTION ACCEPTING CERTAIN STREETS (MAIN STREET EAST, MAIN STREET WEST, AND WILSON STREET), SIDEWALKS, AND UNDERLYING UTILITY INFRASTRUCTURE FOR PERPETUAL MAINTENANCE AT MAIN STREET OAK RIDGE.

WHEREAS, TN Oak Ridge Rutgers, LLC, is constructing a retail development in Oak Ridge known as Main Street Oak Ridge, located on the site formerly known as Oak Ridge City Center Subdivision; and

WHEREAS, TN Oak Ridge Rutgers, LLC, is now ready to deliver over to the City for perpetual maintenance certain streets and sidewalks, together with all water, sanitary sewer, storm drainage infrastructure and electrical utilities as are constructed thereon and easements for the same, all of which will be identified on the final plat; and

WHEREAS, the Oak Ridge Municipal Planning Commission, at its special meeting on November 9, 2017, approved the final plat for recording subject to certain conditions and recommended to City Council that the infrastructure improvements on the referenced plat be accepted for perpetual maintenance provided the conditions are met for recording of the final plat; and

WHEREAS, the plat will be recorded in the Register's Office of Anderson County, Tennessee, when all conditions have been met.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF OAK RIDGE, TENNESSEE:

That the City of Oak Ridge hereby accepts the dedication of certain streets (Main Street East, Main Street West, and Wilson Street) and sidewalks, together with all water, sanitary sewer, storm drainage infrastructure and electric utilities with easements for the same to use for public purposes, all as identified on the Final Plat to be recorded in the Anderson County Register of Deeds Office, subject to the conditions as set forth by the Oak Ridge Municipal Planning Commission at the November 9, 2017, special meeting, regarding staff comments and punch list deficiencies.

BE IT FURTHER RESOLVED that, upon satisfaction of the above-listed conditions, City Council's approval will take effect which will start the three-year warranty bond for materials and workmanship within the rights-of-way shown on the Final Plat.

This the 13th day of November 2017.

APPROVED AS TO FORM AND LEGALITY:



Kenneth R. Krushenski, City Attorney

Warren L. Gooch, Mayor

Mary Beth Hickman, City Clerk

**CITY
MANAGER'S
REPORT**

CITY COUNCIL MEMORANDUM
17-38

DATE: November 9, 2017
TO: Honorable Mayor and Members of City Council
FROM: Mark S. Watson, City Manager
SUBJECT: CITY MANAGER'S REPORT

I. Grants to Promote the Oak Ridge Farmers Markets

Council Action Recommended: None, for information only.

The East Tennessee Farmers Association for Retail Marketing (East Tennessee FARM) recently received notification that its 2018 grant application to the Tennessee Department of Agriculture was approved for \$1,000 to promote the Oak Ridge Farmers Market adjacent to Jackson Square. The East Tennessee FARM is a non-profit organization that works with area farmers markets to promote their local markets. The grant will help pay for advertisements for the Oak Ridge Farmers Market, which is open mid-April through late November. (November 18th is the last date for the 2017 season). Additional information about the Oak Ridge Farmers Market is available at <http://www.easttnfarmmarkets.org/>.

In addition, City Staff has worked with the director of the Oak Ridge Winter Farmers Market to secure an additional \$1000 from the Tennessee Department of Agriculture to promote the Winter Market. The Winter Market is located at St. Mary's School Gym, 323 Vermont Avenue, and will be open from 10:00 a.m. to 1:00 p.m. most Saturdays from December 2, 2017 through February 24, 2018. Additional information, including the entire market calendar is available on the website: <http://growoakridge.org/calendar/> and on <https://www.facebook.com/GrowOakRidge/>.

A requirement of the program is that the local government in the jurisdiction of the farmers market serve as the official Grantee. City staff has worked with the East Tennessee FARM since 2006 to help secure funding. We are pleased to work with the organization again this year, and with the Winter Market to increase the public's awareness of both Oak Ridge Farmers Markets. Strict reporting requirements ensure that funds are used for activities approved in the application. Both grants are the maximum awarded under this year's program.

II. Transmittal of Letter Regarding Y-12 Electrical Substation Project

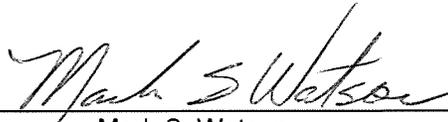
Council Action Recommended: Approval of staff's recommendation.

This past week, the City Council received a report from Dale Christenson, Federal Project Director, UPF Project Office, on the establishment of a new route for a 161 KV electrical line serving the Uranium Processing Facility under construction. As proposed, the electrical line will be located on an east/west alignment on the ridge located north of Bear Creek Road and south of the Scarboro neighborhood and Groves Park Commons Subdivision.

The City Council has expressed concern on the quickness of the intent to begin clearing land for the proposed route without further local communication and public meetings. Although contacts have now been made, there has not been time to absorb the information associated with this change.

The attached letter has been prepared awaiting the signature of the Mayor. Due to the urgency of the anticipated startup date of November 15, 2017 for construction, we ask the City Council to take a voting action to support the conveyance of this letter to Mr. Christenson.

Staff recommends Council transmittal of the attached letter as presented.


Mark S. Watson

Attachments

November 13, 2017

Mr. Dale Christenson
Federal Project Director
UPF Project Office
1060 Commerce Park A-19
Oak Ridge, TN 37830

Dear Mr. Christenson:

Y-12 Electrical Substation Project

On behalf of the City of Oak Ridge, I hereby request the postponement of the projected November 16, 2017 start date for the removal of trees and other vegetation from the top of the ridge between Y-12 and nearby residential neighborhoods.

This request is made for several reasons. First, the City's leadership was only recently briefed on the proposed project, and we believe additional time is needed for your team to provide and distribute substantive information to City residents and businesses about the project.

Second, City Councilmembers at their meeting on November 7, 2017 voiced strong concerns about the adverse impacts of the project on the City's ridgeline and view shed. The removal of mature trees on the top ridgeline and installation of more than thirty (30) 79-foot transmission towers along a 2.1-mile corridor in the heart of the City will permanently alter the fabric of our community. This iconic view shed represents one of the most attractive features for residents and visitors to our City. It is our understanding that three options were provided by TVA, and our community should be fully informed about the option which was chosen.

Third, the rapidly approaching start date comes at a time when the Oak Ridge community is finalizing design for a \$10 million dollar pre-school in the Scarboro neighborhood adjacent to the proposed project route.

Be assured that the Oak Ridge community is strongly supportive of the ongoing modernization of the Y-12 National Security Complex and the Uranium Processing Facility. However, we are requesting that your project team review the feasibility of alternate routes for the electrical substation project that would reduce or eliminate the anticipated environmental and community impact. The additional time is needed to demonstrate that all feasible alternatives have been fully explored.

Please contact City Manager Mark Watson at (865) 425-3550 to discuss a timetable for this request, and for providing community engagement on the UPF project.

Sincerely yours,

Warren L. Gooch
Mayor

cc: Lt. General Frank Klotz (Ret.), Under Secretary for Nuclear Security and Administrator, NNSA
Bill Johnson, TVA President and CEO
Governor Bill Haslam
United States Senator Lamar Alexander
United States Senator Bob Corker
Congressman Chuck Fleischmann
Deputy Governor Jim Henry
Lieutenant Governor Randy McNally
State Senator Ken Yager
State Representative John Ragan
State Representative Kent Calfee
Commissioner Robert Martineau, TDEC

FOR YOUR INFORMATION

Dear Neighbor:

This letter is to inform you of some upcoming work that will occur near your neighborhood.

The U.S. Department of Energy (DOE) is building an electrical substation at the Y-12 National Security Complex. As part of that work, trees and other vegetation will be removed from the top of the ridge between your neighborhood and Y-12. The area to be cleared is approximately 2.1 miles long and supports the approximately 100 foot right-of-way, which is shown on the map below.

Beginning November 16, crews will work from approximately 7 a.m. to 7 p.m. Monday through Friday. The work will begin near the City of Oak Ridge Central Services Complex at 100 Woodbury Lane and move west.

The biggest impact to your neighborhood most likely will be the sounds of chainsaws and other equipment. All work will be performed on DOE property, and there will be no construction traffic in your neighborhood. Tree and vegetation removal should be complete by March 31, at which time work will begin to install poles and a transmission line. The substation replaces an existing substation at Y-12 that is nearing the end of its service life and will be built to modern safety standards.

If you have questions or comments, please send an e-mail message to substation@cns.doe.gov or call 865-227-1414.

Thank you for your patience as we complete this important project.

Y-12 Electrical Substation Team

