

From: Bernard, Jacquelyn

Sent: Friday, April 09, 2010 4:31 PM

To: Anne Garcia Garland; D. Jane Miller; D. Jane Miller; David Mosby; David Mosby; Ellen D. Smith; Ellen D. Smith; L. Charles Hensley; Tom Beehan; Tom Hayes

Cc: Cinder, Gary; Krushenski, Ken; Jenkins, Steve; 'john.huotari@oakridger.com'; 'smitchell@oakridgeobserver.com'; 'Fowler, Bob'; McGinnis, Janice; Byrd, Steve

Subject: ADDITIONS TO 4/12/10 COUNCIL MEETING AGENDA

Attachments: 4-12-10-Award to B&D-Slope Stability Park Meade .pdf; 4-12-10-Property Tax Code changes.doc

Attached are two proposed additions to the agenda for the April 12, 2010 City Council meeting. They are:

1. For insertion under First Reading of New Ordinances:

- An ordinance to amend the property tax code to delete the requirement to fix the current property tax rate by May 1 of each year, and to change the penalty percentage on delinquent property taxes from 5% for the first month and 1% per month thereafter to 1.5% per month.

This ordinance is being presented as an addition to ensure its adoption in time to affect the FY 2011 budget and tax proceedings.

2. For insertion under Resolutions – Bids and Contracts:

- A resolution to award a contract to B & D Equipment Company, Inc., for slope stabilization work on the landslide on Park Meade Drive.

This resolution is being presented as an addition to allow the work on the Park Meade Drive slope stabilization to move forward expeditiously.

The original copies of the attached have been placed in your mailboxes in the Municipal Building.

Jacquelyn J. Bernard, City Clerk
CITY OF OAK RIDGE, TENNESSEE

**FINANCE DEPARTMENT MEMORANDUM
10-03**


DATE: April 9, 2010
TO: Gary M. Cinder, Interim City Manager
THROUGH: Steven W. Jenkins, Deputy City Manager
FROM: Janice E. McGinnis, Finance Director
SUBJECT: Property Tax Code Changes



Attached is the ordinance to amend Title 5, Chapter 1, of the City Code of Ordinances as related to property taxes. The amendment to Section 5-101 is a housekeeping item to delete the requirement to fix the current property tax rate by May 1 of each year. For fiscal 2006, the month of adoption of the property tax rate was moved up by one month to May to allow the City and Schools to have as current as possible revenue and expenditure information which is used to base the property tax rate projected requirements for the upcoming fiscal year. The operations of the Oak Ridge Schools are heavily dependent on state and federal funding and this additional month allows them to have more relevant information on those funding sources for the next fiscal year, particularly from the State BEP program.

The recommended amendment to Section 5-103 is to change the penalty percentage on delinquent property taxes from 5% for the first month and 1% per month thereafter to 1.5% per month. This change will make the early months of property tax payment delinquency, in particular the first month, less punitive to taxpayers. Specifically, this will relieve some of the burden on taxpayers who have had a long history of timely payments to the City, but failed to make a timely payment in one particular year. On the 8th month of tax payment delinquency, the cumulative penalty amount would be the same under both penalty rate structures. After the 8th month, the cumulative penalty amount would be higher under the recommended 1.5% per month penalty rate. This structure is also more in line with other Tennessee governments, particularly Tennessee Counties which use a 1.5% per month penalty and interest rate on delinquent property taxes.

Staff recommends approval of the attached ordinance.



Janice McGinnis

City Manager's Comments:

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



Gary M. Cinder

4/9/10

Date

TITLE

AN ORDINANCE TO AMEND TITLE 5, TITLED "MUNICIPAL FINANCE AND TAXATION," CHAPTER 1, TITLED "MISCELLANEOUS," OF THE CODE OF ORDINANCES, CITY OF OAK RIDGE, TENNESSEE, BY DELETING SECTION 5-101, TITLED "TAXES IMPOSED; DATE FIXED," IN ITS ENTIRETY AND SUBSTITUTING THEREFOR A NEW SECTION 5-101, TITLED "TAXES IMPOSED," IN ORDER TO DELETE THE MAY 1 DUE DATE FOR FIXING THE TAX RATE; AND BY DELETING SECTION 5-103, TITLED "DELINQUENCY PENALTIES," IN ITS ENTIRETY AND SUBSTITUTING THEREFOR A NEW SECTION 5-103, TITLED "DELINQUENCY PENALTIES," IN ORDER TO ESTABLISH A UNIFORM PENALTY FOR FAILURE TO PAY TAXES BY THE DUE DATE.

WHEREAS, City Code §5-101 establishes the imposition of taxes and requires the tax rate to be fixed by May 1 of each year; and

WHEREAS, as a housekeeping measure, the City desires to delete the May 1 date since it is not in line with the City's current tax rate adoption schedule; and

WHEREAS, City Code §5-103 establishes a penalty of five percent (5%) if taxes are not paid by the due date, and a penalty of one percent (1%) for each additional month taxes are late after September; and

WHEREAS, the City desires to establish a new consistent penalty amount if taxes are not paid by the due date equal to one and one half percent (1½%) per month; and

WHEREAS, this penalty amount is more in line with neighboring communities and will no longer penalize taxpayers who are slightly late on their tax payment with a higher initial penalty.

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

Section 1. Title 5, titled "Municipal Finance and Taxation," Chapter 1, titled "Miscellaneous," of the Code of Ordinances, City of Oak Ridge, Tennessee, is hereby amended by deleting Section 5-101, titled "Taxes imposed; date fixed," and substituting therefor a new Section 5-101, titled "Taxes imposed," which new section shall read as follows:

Sec. 5-101. Taxes imposed.

In order to provide revenue for municipal purposes, the City of Oak Ridge, Tennessee, shall impose taxes for such purposes.

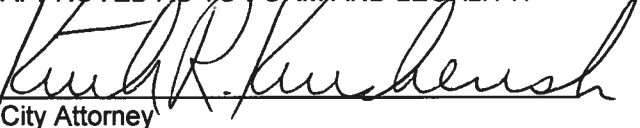
Section 2. Title 5, titled "Municipal Finance and Taxation," Chapter 1, titled "Miscellaneous," of the Code of Ordinances, City of Oak Ridge, Tennessee, is hereby amended by deleting Section 5-103, titled "Delinquency penalties," and substituting therefor a new Section 5-103, titled "Delinquency penalties," which new section shall read as follows:

Sec. 5-103. Delinquency penalties.

If such taxes are not paid on or before the date fixed for delinquency thereof, then a penalty of one and one half percent (1½%) per month thereon shall accrue.

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:


City Attorney

Mayor

City Clerk

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

PUBLIC WORKS MEMORANDUM
10-05

DATE: April 9, 2010
TO: Gary M. Cinder, P.E., Interim City Manager
FROM: Steven R. Byrd, P.E., Acting Public Works Director
SUBJECT: **Park Meade Drive Slope Stabilization**

The accompanying resolution authorizes the award of a bid to B&D Equipment Company, Inc., Clinton, Tennessee in the estimated amount of \$107,793 for slope stabilization work on a landslide located on the north side of Park Meade Drive. The size of the landslide is approximately 200 feet by 80 feet. A picture and a slope stabilization site plan are enclosed.

In early February 2010, a property owner informed the City of developing ground tension cracks and an escarpment across the face of a cut-slope at the rear of their property on Park Meade Drive. The City immediately installed construction safety fence at the top of the slide and placed barrier walls at the bottom of the slope adjacent to Park Meade Drive. Following a couple of rainy weeks, the escarpment worsened and the landslide began to move toward the street. Since the significant initial slide movement, probably due to much dryer weather during March and April, the slide movement has slowed down.

The slope was excavated to finish design grade in 2002 by the Park Meade subdivision developer. Some shallow sloughing/sliding at the slope surface occurred subsequent to slope construction, and in 2003 the developer made repairs based on a professional engineer's recommendation. These repairs included removing the loose material and the placement of rip rap at the base of the slope. The City accepted Park Meade Drive in March 2004 for perpetual maintenance purposes. Until the most recent occurrence, the slope has not shown any failure. Staff recommends remediation of the slope failure to prevent the slide from ultimately reaching Park Meade Drive, the only access to the residential subdivision.

Due to the severity of the slide and rate of movement, city staff authorized Foundation Systems Engineering, Inc. (FSE), a geotechnical engineering and consultant firm, to complete a subsurface exploration report and slope stability analysis. The scope of services included soil borings above and below the slide to monitor groundwater, moisture content and to determine subsurface stratification and other soil property data at each boring location. Laboratory testing was performed on soil samples to determine soil characteristics. Based on the geotechnical data gathered during the subsurface exploration, a slope stability analysis was completed by FSE. Based on their observations at the site, the slope movement is a progressive rotational failure that is much deeper, as evidenced by the escarpment, than the sloughing and sliding that occurred in 2003.

FSE's recommendation for slope stability includes removing all failed soil material and cutting the slope back to a slope geometry of $\frac{3}{4}$ H:1V, removing an existing sewer line, placing geotextile drainage fabric and a significant amount of rip rap on a 1 $\frac{3}{4}$ H :1V slope. Under drains will be installed above and below the slope to keep ground water away from the slope. The City has completed the relocation of the sanitary sewer line. The slope analysis report, detailed drawings and specifications are available for review in the Public Works engineering office.

Based on FSE experience and data from published engineering text, the guidelines for their evaluation of slope stability is in terms of factor of safety values. At a factor of safety of less than 1, a slope failure can be expected. Between 1.1 and 1.25 slope failures do occur and at a factor

of safety of greater than 1.25, slope failures almost never occur. The greater the factor of safety, the less likely that a failure will occur. The FSE slope stability analysis indicated that the slope factor of safety value ranged between 1.1 and 1.2 prior to the recent landslide and as a result of the high volume of recent rainfall in December and January and water introduced to the slope, the factor of safety fell below 1.1 at the time of the initial landslide. In the opinion of FSE, with the proposed remediation of the slope, the factor of safety will be increased to greater than 1.3, a level where slope failures almost never occur.

The City received two bids at the April 9, 2010 bid opening. B&D Equipment Company, Inc. was the low bidder. The contractor will perform all work with the City purchasing the rip rap from Rogers Group, Inc. as allowed by the City's annual purchasing agreement. The cost of the rip rap is estimated to be \$165,000. The low bid was evaluated by city staff and is felt to be reasonable for a project of this size, which is estimated to take approximate 60 days to complete. The contractor is required to begin work within seven days from Notice to Proceed.

Funding for this project will be available from previous years encumbered funds. Staff recommends approval of the accompanying resolution.



Steven R. Byrd

ks

Enclosures

Interim City Manager's Comments:

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

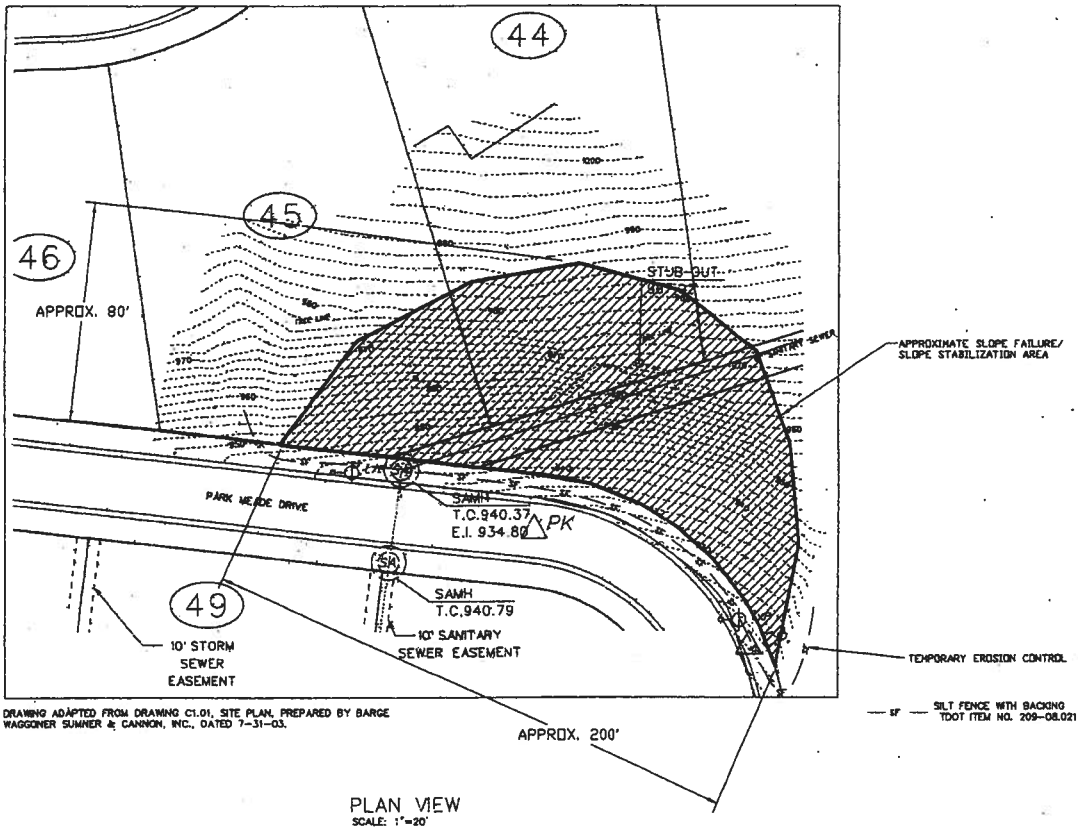


Gary M. Cinder

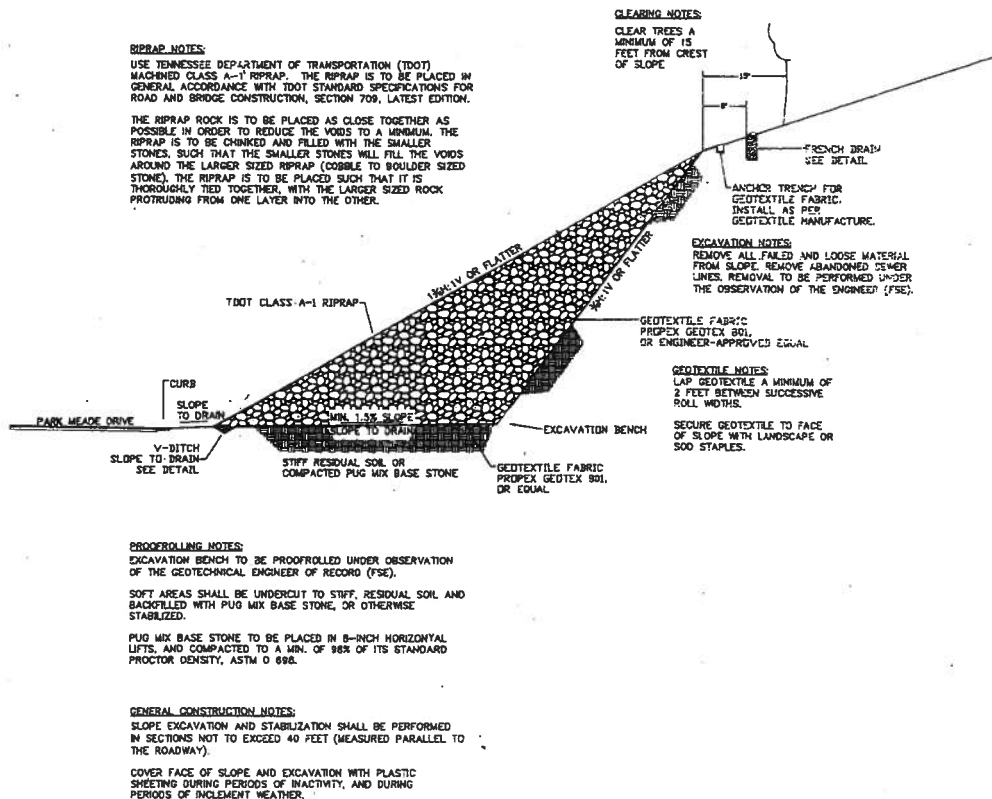
4/9/10

Date





PLAN VIEW
SCALE: 1"=20'



TYPICAL CROSS SECTION
SCALE: 1"=10'

**CITY OF OAK RIDGE, TENNESSEE
Abstract of Bids**

COR # 10-07
OPENING DATE: APRIL 9, 2010 9:00 A.M.

FOR --- EMERGENCY SLOPE STABILITY PROJECT - PARK MEADE DRIVE	BIDDER: B & D Equipment Co., Inc. P. O. Box 989 Clinton, TN 37717		BIDDER: Rogers Group, Inc. 250 Union Valley Road Oak Ridge, TN 37830		BIDDER:	
	OPTION	UNIT	UNIT COST	TOTAL	UNIT COST	TOTAL
FURNISH ALL LABOR, TOOLS, AND EQUIPMENT NECESSARY TO PERFORM ALL WORK AND SERVICES REQUIRED FOR THE EMERGENCY SLOPE STABILITY PROJECT - PARK MEADE DRIVE PER THE SPECIFICATIONS PROVIDED BY THE CITY OF OAK RIDGE PUBLIC WORKS DEPARTMENT *			\$ 107,793.00	\$ 129,572.00		\$ -
* The City of Oak Ridge will purchase Graded Rip Rap from Rogers Group, Inc. at \$16.50/ton including delivery as allowed by the City's annual purchasing agreement.						
TOTAL PRICE			\$ 107,793.00	\$ 129,572.00		\$ -
TERMS			Net 30	Net 30		
DELIVERY			per Contract	per Contract		
F.O.B.			Oak Ridge	Oak Ridge		
VIA			Best Way	Best Way		
OTHER BIDDERS CONTACTED: Bill Connor Excavating, LLC - Knoxville, TN Sharp Contracting, Inc. - Maryville, TN Volunteer Erosion Control, LLC - Knoxville, TN						
BIDS OPENED AND RECORDED BY--- <i>Lyn Doyle</i> Lyn Doyle Accounting Division Manager						
BIDS REVIEWED BY--- <i>Janice McGinnis</i> Janice McGinnis Finance Director						
REASON FOR AWARD			RECOMMEND AWARD BE MADE TO:			
ONLY BID RECEIVED			B & D Equipment			
LOW PRICE			P.O. Box 989			
BETTER OR REQUIRED DESIGN			Clinton, TN 37717			
EARLY DELIVERY						
LOWEST TOTAL COST			X			

RESOLUTION

WHEREAS, in February 2010, a landslide occurred on the north side of Park Meade Drive that without remediation could slide onto the roadway; and

WHEREAS, due to the severity of the slide and the rate of movement, the City hired a consultant to complete a subsurface exploration report and remediation plan for the slide; and

WHEREAS, the City of Oak Ridge has issued invitations to bid for the construction of slope stabilization work on the north side of Park Meade Drive; and

WHEREAS, bids were received and publicly opened on April 9, 2010, with B & D Equipment Company, Inc., Clinton, submitting the lowest and best bid, which bid the Interim City Manager recommends be accepted.

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

That the recommendation of the Interim City Manager is approved and award is hereby made to B & D Equipment Company, Inc., P.O. Box 989, Clinton, Tennessee 37717, for the construction of slope stabilization work on the north side of Park Meade Drive; said award in strict accordance with COR 10-07, the required specifications, and the bid as publicly opened on April 9, 2010, and in the estimated amount of \$107,793.00.

This the 12th day of April 2010.

APPROVED AS TO FORM AND LEGALITY:



City Attorney

Mayor

City Clerk