



Resolution to: Reduce the City of Memphis healthcare cost and revise

healthcare premiums with the following actions: Introduce spousal carve-out and increase in tobacco surcharge, eliminate medical premium subsidy to Post-65 Medicare retirees and replace with city-sponsored Medigap, Medicare Advantage and Part D coverage; eliminate medical premium subsidy for pre-65 retirees(the subsidy for post-65 retirees with partial or no Medicare will continue);and adjust total premium rates by group and by plan to ensure the HCF fund revenues cover projected expenses for CY15.

WHEREAS, the Human Resources Division is responsible for administering and monitoring the results of the city's Healthcare and OPEB funds to ensure financial stability and completeness; and

WHEREAS, the premiums for the Basic and Premier PPO plans have not been increased since FY 2011 and for the past few years the healthcare fund's fund balance (equity) has been negative due to **Plan** revenues not being increased to match **Plan** expenses; and

WHEREAS, in FY 2013 the healthcare fund ended the year with a negative fund balance of \$2.685M; and

WHEREAS, the administration forecasted a deficit of \$11.5M for the FY 2014 budget; however, Council approved additional funding of only \$4.2M; and

WHEREAS, the Healthcare Fund, in accordance with the administration's original projections, is expected to have a deficit for FY14 of approximately \$11.4M for a combined fund deficit of approximately \$14M; and

WHEREAS, in order to comply with the State of Tennessee Comptroller's mandates to the City to ensure that none of the City's funds operate at a net deficit the Council approved a mid-year clean up, allocation of an additional \$7.4M to cover the projected FY 2014 Healthcare Fund expenses; and

WHEREAS, the fund still needed an additional transfer of \$3M to ensure that the cumulative deficit in the fund's balance would end the year at a zero or positive balance, the Council approved funding during the third quarter clean-up; and

WHEREAS, to ensure that no projected deficit will exist in FY 2015 and to recover the employee and retiree share of prior year deficits, the Human Resources Division is recommending a spousal carve-out and an increase to the tobacco surcharge; and

WHEREAS, the City has actuarially determined that the unfunded OPEB liability is \$1.3B; and

WHEREAS, in order to substantially reduce the OPEB liability and generate savings on retiree medical to help fully fund retirees' Pension Plan, the medical premium subsidy to Post-65 Medicare retirees would be eliminated and replaced by a city-sponsored Medigap plan, Medicare Advantage option, and Medicare Part D coverage; and

WHEREAS, in addition, medical premium subsidy for Pre-65 Medicare eligible retirees would be eliminated, and

WHEREAS, medical premium subsidy for Post-65 retirees with partial or no Medicare coverage would continue, and premium rates by group and by plan would be increased effective January 1, 2015; to break-even with expenses, and

NOW, THEREFORE, BE IT RESOLVED that City Council adopts the recommendations of the Human Resources Division and directs plan design changes as follows:

- Spouses of plan participants shall be excluded (carved out) of coverage from any family plan coverage if the Plan participant's spouse has access to any other health insurance coverage from his/her employer, prior employer;
- The smoker surcharge shall be increased from \$50 per month to \$120 per month per family;
- The 70% premium subsidy shall continue for the approximately 1110 Post-65 retirees with partial or no Medicare coverage;
- Elimination of the medical premium subsidy to Post-65 Medicare retirees and offer city-sponsored Medigap, Medicare Advantage and Part D coverage (with a subsidy of up to 25% of the total monthly premium cost for the additional Medicare coverage except any such subsidy shall not exceed an amount equal to the monthly medical premium paid by a Post-65 Medicare retiree as of June 30, 2014).
- Elimination of the medical premium subsidy for Pre-65 retirees; and,
- Adjust total premium rates by group and by plan as set forth on Schedule A.

ORDINANCE NO.: _____

AN ORDINANCE TO AMEND CHAPTER 25, CODE OF ORDINANCES, CITY OF
MEMPHIS SO AS TO ADOPT A DEFINED CONTRIBUTION PLAN

The City of Memphis, Tennessee hereby adopts a Defined Contribution Plan with the following terms and provisions, such terms and provisions to be incorporated by adoption of a Participation Adoption Agreement into a complete Volume Submitter or adoption of an individually designed plan provided by a commercial provider, with in substance the provisions below plus such other provisions as required by applicable law and necessary to effectuate the below Plan provisions, as approved by City Council, obtained through a Request for Proposal procedure conducted by the Division of Finance:

1. *Name:* The name of the Defined Contribution Plan shall be The City of Memphis, Tennessee Contributory Employees Retirement Plan.
2. *Exclusive Benefit:* The Plan shall be maintained for the exclusive benefit of the Participants and their beneficiaries and is intended to qualify as a defined contribution plan under the Internal Revenue Code.
3. *Social Security Replacement Plan:* It is intended that this Plan qualify as a Social Security Replacement Plan under Internal Revenue Code §3121(b)(7)(F).
4. *Effective Date:* The Effective Date of the Plan shall be July 1, 2015.
5. *Plan Year:* The Plan Year shall be the calendar year: January 1 to December 31 .
6. *Eligibility and Participation:*
 - a. *Eligible Employees:* Employees eligible to participate in the Plan shall be those employees:
 - i. Hired on or after July 1, 2015, or
 - ii. Actively in the employ of the City on June 30, 2015 who were hired on or before June 30, 2015 but who as of July 1, 2015 have less than ten (10) years of service with the City and who were on June 30, 2015 a Participant in the City of Memphis Retirement System for General Employees under City Ordinance Chapter 25, Articles I through VII,

who are in the regular, full-time employment of the City to the extent that the City contributes to the salary of such employee in a job classification or title that the City administration shall designate as eligible for participation in the Plan, including any person who is elected to his/her office by the people, but not including the light, gas and water division of the City, temporary employees as classified by the City, part-time employees, or any employee mandated by law to contribute to the federal Social Security system and not eligible to be a Participant by his/her job classification.

b. *Participation:*

i. Each Eligible Employee shall become a Participant as of his/her Employment Creditable Service Date without any further action on the employee's part. The Eligible Employee shall remain a Participant until he/she terminates employment with the City.

ii. Any Eligible Employee who is elected to his/her position, including the Mayor or any member of the City Council, may elect to participate in this Plan as of the date he/she begins his/her elected duties, provided:

1. Such elected employee makes a written election to the Board within ninety (90) days of such date; and

2. If such elected Eligible Employee elects to begin participation after the date he/she begins his elected duties, he/she

a. Enters this Plan before the expiration of his/her then current term of office; and

b. Upon such entry, pays into the Trust Fund the Employee Contributions payable for the period since such date he/she began his/her elected duties, with compounded interest at the rate established by the Board.

c. *Employment Creditable Service Date:* Employment Creditable Service Date shall be the date on which the Eligible Employee is deemed to have first

performed an hour of service as an employee.

7. *Contribution and Allocation:*

a. *Contributions:*

- i. *Employee Contributions:* Each participating Eligible Employee shall make a mandatory employee contribution of eight percent (8%) of the Participant's Compensation, which shall be designated pursuant to Code Section 414(h) as contributions made by the City, made through payroll deduction pursuant to rules and regulations adopted by the Board governing the making of employee contributions by payroll deduction. The head of each City department shall apply the rate of contribution to the Compensation of each Participant, and shall certify to the comptroller on each payroll the amount to be contributed, and shall promptly furnish to the Board a copy of each payroll; and such amounts shall be deducted by the Comptroller and shall be paid into the Trust Fund and credited by the Board as Employee Contributions of the Participant for whom the contributions were made. Every Participant shall be deemed to have consented and agreed to the Employee Contributions provided and made hereunder. Payment of salary, less such contributions, shall be a full and complete discharge of all claims and demands whatsoever for the service rendered by such person to the City during the period covered by such payment, except his/her claim to the benefits to which he/she may be entitled under the terms and provisions of this Plan.

At the end of each pay period, the comptroller shall determine the aggregate amount of the Employee Contributions of the Participants who are employees of the general City government for such period, and shall be supplied with the aggregate amount of the Employee Contributions of the Participants of the various other City agencies, in the proper amount, and shall then transfer to the Trust Fund an amount equal to the aggregate Employee Contributions for all Participants for such pay period.

- ii. *Employer Contributions:* For each Participant who makes the required Employee Contributions hereunder, the City shall make an employer

contribution of eight percent (8%) of each Participant's Compensation. The initial City contribution for such Participant shall be made as soon as administratively feasible following the pay period in which the Eligible Employee becomes vested in the City contribution. Thereafter, the City shall make such City contribution to the Plan for a particular Plan Year contemporaneous with its deposit to the Plan of Employee Contribution.

- iii. *Transferred Accrued Benefit from the City of Memphis Retirement System for General Employees under City Ordinance Chapter 25, Articles I through VII:* For each Participant who is actively employed as of June 30, 2015 but who as of July 1, 2015 has less than ten (10) years of service with the City and who was on June 30, 2015 a Participant in City of Memphis Retirement System for General Employees under City Ordinance Chapter 25, Articles I through VII (the "City of Memphis Pension System") with an accrued benefit consisting of his/her employee contributions to the City of Memphis Pension System plus the multiple as provided in City Ordinance Ch 25 -1(b), the City shall transfer from the City of Memphis Pension System to this Plan the Participant's accrued benefit as defined above. Such contribution shall be referred to herein as the "Transferred Benefit."

- b. *Compensation:* For purposes of the above, compensation for each Plan Year means the amount of pay, not in excess of two hundred thousand dollars (\$200,000.00)(as such amount may be adjusted for inflation from time to time by the Secretary of the Treasury under Internal Code Section 401(a)(17) and 415(d)), received by the Participant for services rendered to the City, including shift premium pay, hazardous pay, longevity pay and incentive pay, but excluding overtime pay or any double-time compensation for holidays.

- c. *Allocation:*
 - i. *Separate Accounting:* The Board shall establish and maintain an account in the name of each Participant to which the Board shall credit as of each Anniversary Date, or other Valuation Date, all amounts allocated to each such Participant as set forth herein.

 - ii. *Allocation of Contributions:* The City shall provide the Board with all information required by the Board to make a proper allocation of the City's contribution, if any, for each Plan Year. Within a reasonable

period of time after the date of receipt by the Board of such information, the Board shall allocate any Employer Contributions proportionately among the Participants of the Plan as provided in this Plan.

- iii. *Forfeitures:* Any forfeitures (1) first, shall be made available to reinstate previously forfeited account balances, if any, of any re-employed Participant as provided in the Plan; (2) second, shall be applied to pay Plan expenses; and (3) third, shall be applied to reduce the Employer Contributions due under the Plan.

8. *Participant Accounts and Participant Directed Investments:*

- a. *Participant Accounts:* The Board shall create and maintain adequate records to disclose the interest in the Trust Funds of each Participant, former Participant and beneficiary. Such records shall be in the form of individual accounts to which shall be credited the Participant's Employee Contributions, the Employer Contributions allocable to the Participant as provided herein, any Transferred Benefit of the Participant as provided herein, and the aggregate of all earnings and losses on such account.
- b. *Participant Directed Investments:* Each Participant may designate, in accordance with the procedures established from time to time by the Board, the manner in which the amounts allocated to each of his or her account shall be invested from among the investment funds made available from time to time by the Board. If a Participant fails to make a designation, then his or her account shall be invested in the investment fund or funds designated by the Board from time to time in a uniform manner. A Participant may change his or her investment designation for future contributions to be allocated to his or her account. Any such change shall be made in accordance with procedures established by the Board and the frequency of such change may be limited by such procedures. A Participant may elect to convert his or her investment designation with respect to the amounts already allocated to his or her account. Any such conversion shall be made in accordance with the procedures established by the Board, and the frequency of such conversions may be limited by such procedures.

9. *Vesting:*

- a. Participants are 100% vested in their Employee Contributions.

- b. Participants are 100% vested in their Transferred Benefit, as defined herein.
- c. Participants are 100% vested in Employer Contributions due and attributable to the Participant after the Participant has been continuously employed from his/her date of hire for a period of no less than one Hundred Eighty (180) days.
- d. Participants are 100% vested upon attaining Normal Retirement Age. Normal Retirement Age shall be age sixty-five (65).

10. *Retirement Benefits:*

- a. A Participant who terminates his or her employment on or after his or her Normal Retirement Age shall be entitled to a retirement benefit equal to the amount in his or her account as of the Valuation Date next preceding his/her date of retirement. For this purpose "Valuation Date(s)" shall be each and every business date during the Plan Year. Distributions may be made as soon as administratively feasible after the Valuation Date coincident with or next following the date of such Participant's termination of employment.

11. *Termination of Employment Other than After Attainment of Normal Retirement Age:*

- a. A Participant who terminates his/her employment prior to attaining his/her Normal Retirement Age shall be entitled to a termination benefit equal to the amount in his or her account in which he/she is vested as of the Valuation Date next preceding his/her date of retirement. For this purpose "Valuation Date(s)" shall be each and every business date during the Plan Year. Distributions may be made as soon as administratively feasible after the Valuation Date coincident with or next following the date of such Participant's termination of employment.

12. *Forms of Benefits:*

- a. A Participant shall be paid in one of the following alternative forms to be selected by the Participant, or in the absence of such an election then in a lump sum:
 - i. A lump sum

- ii. Periodic installment payments over a period to be determined by such Participant or his or her beneficiary. After periodic payments commence, the Participant or beneficiary shall have the right to direct the Board to reduce the period over which such periodic installments shall be made and the Board shall adjust the cash amount of such periodic installments accordingly. Upon the death of a beneficiary who is receiving installment payments, the remaining balance in the Participant's account shall be paid as soon as administratively feasible in one lump sum cash payment to the beneficiary's executor or administrator or to his or her heirs at laws if there is no court administration of such beneficiary's estate.
- b. Any distribution to a Participant who has a benefit which exceeds, or has ever exceeded, \$1,000 shall require such Participant's consent if such distribution commences prior to the his/her Normal Retirement Age.
- c. If a Participant terminates his or her employment and his or her vested interest in his or her account is not in excess of \$1,000 and has never exceeded \$1,000 at the time of any prior distribution, such Participant's benefit shall be paid in one lump sum payment in lieu of any other form of benefit.
- d. A Participant may elect, in lieu of a lump sum distribution, at the time and in the manner prescribed by the Board, to have all or any portion of an "eligible rollover distribution" paid directly to an "eligible retirement plan" specified by the Participant in a direct rollover.

13. *In-Service Distributions:*

- a. *In-Service Distributions:* In-service distributions are not permitted of any portion of a Participant's account, whether vested or not.
- b. *Loans:* Loans are not permitted of any portion of a Participant's account, whether vested or not.
- c. *Hardship Withdrawals:* Hardship withdrawals are not permitted of any portion of a Participant's account, whether vested or not.

14. *Trustee and Retirement Committee:*

- a. A Board of Administration (the “Board”) under the direction of the Mayor shall administer the Plan and the Trust Fund. The Board shall consist of the Mayor, the Comptroller, and five (5) employees with at least ten (10) years of continuous service with the City, and a citizen member of the City. The Director of Personnel shall be an ex officio member without vote. The employees and citizen member shall be appointed on the second Tuesday in December in odd-numbered years by the City Council of the City of Memphis, Tennessee. The employees and citizen member shall be appointed for two-year terms, except for the first term upon the effective date of the Plan. The first term shall terminate on December 31, 2017, and each term thereafter shall begin on the January 1st next following the appointment.
- b. The members of the Board shall serve without compensation, but they shall be reimbursed for necessary expenses incurred by them as members of the Board.
- c. The Mayor shall be ex-officio chairman and the Comptroller ex-officio treasurer of the Board. The Board shall appoint a secretary who may, but need not necessarily, be a member of the Board.
- d. The Board shall meet not less than annually and may meet at any time that the business of the Plan shall require, and the chairman shall have the power to call a meeting at any time that it is necessary in order to carry out the business of the Board.
- e. A majority of the Board shall constitute a quorum to transact any business, but it shall require not less than four(4) affirmative votes to carry out any matter before the Board.
- f. The Board shall supervise the administration and enforcement of this chapter according to the terms and provisions of this chapter and shall have all powers necessary to accomplish these purposes, including, without limitation and in addition to any other implied powers and duties which may be needed to carry out the provisions of the Plan, the following specific powers and duties:
 - i. To make and enforce such rules and regulations as it shall in its discretion deem necessary or proper for the efficient administration of the Plan;
 - ii. To decide all questions relating to the eligibility of employees to participate in the Plan;

- iii. To interpret the Plan, construe all terms, provisions, conditions and limitations of the Plan (in all cases, the construction necessary for the Plan to qualify under the applicable provisions of the Internal Revenue Code shall control), and to decide any and all matters arising hereunder, in its discretion, including the right to resolve ambiguities, inconsistencies and omissions; provided, however, that all such interpretations and decisions shall be applied in a uniform and nondiscriminatory manner to all Participants similarly situated;
- iv. To compute and determine the amount, manner and time of payments of any Plan benefits which shall be payable to any Participant or beneficiary in accordance with the provisions of the Plan, and to prescribe procedures to be followed by distributees in obtaining benefits;
- v. To determine the rights of Participants and beneficiaries to Plan benefits; to determine the existence of any Participant or beneficiary; to take any actions necessary to assure timely payment of benefits to any eligible Participant or beneficiary; and to take any actions necessary to assure a full and fair review for any person who is denied a claim to any benefits under the Plan;
- vi. To authorize disbursements from the Trust Fund;
- vii. To prepare, file and distribute, in such manner as the Board determines to be appropriate, such information and material as may be required by law;
- viii. To establish and maintain records relating to Participants (including former Participants) and beneficiaries and such other records as are necessary for proper operation of the Plan, making such records available to the City or any Participant or beneficiary during the business hours except that a Participant or beneficiary shall examine only such records as pertain exclusively to the examining Participant or beneficiary and the Plan as currently in effect or hereafter amended;
- ix. To prepare and furnish to Participants all information required under federal law or provisions of the Plan;

- x. To prepare and file with all appropriate governmental agencies all reports and other information required by applicable law;
- xi. To receive and review reports from the Comptroller as to the financial condition of the Trust Fund, including its receipts and disbursements;
- xii. To provide procedures for determination of claims for benefits;
- xiii. To create subcommittees, task forces or study groups to make recommendations to the Board concerning the administration and enforcement of the Plan;
- xiv. To employ or retain such persons, including legal counsel (who may be counsel for the City), actuaries, consultants, accountants, and other agents as it shall deem advisable and necessary to administer the Plan, to render advice with respect to any responsibility or authority being carried out by the Board, and to assist in the administration of the Plan;
- xv. To pay the costs and expenses of the Plan, the Board and the fees of legal counsel, actuaries, consultants, accountants, and other agents out of the Trust Fund to the extent any such costs are not paid by the City, and to allocate such expense among Participant accounts;
- xvi. To establish a policy to carry out the objectives of the Trust Fund and a method to determine investment funds to be made available under that policy;
- xvii. To appoint and provide a trustee (which may be the Comptroller) to serve as trustee for the Trust Fund;
- xviii. To take any action necessary or appropriate to assure that the Plan is administered for the exclusive purposes of providing benefits to Participants and their beneficiaries and defraying reasonable expenses of administering the Plan, subject to the requirements of any applicable law; and
- xix. Generally, to operate and administer the Plan in all matters other than those specifically designated to another party under the Plan, all as further set forth herein.

- g. The Board shall in its discretion determine all claims for benefits. Any Participant, beneficiary or legal representative thereof may file a claim for benefits under the Plan by submitting to the Board a written statement describing the nature of the claim and requesting a determination of its validity under the terms of the Plan. The Board, upon its review of the claim and all facts relevant to the claim, shall issue a ruling with respect to the claim. If the claim is wholly or partially denied, written notice shall be furnished to the claimant, which notice shall set forth in a manner calculated to be understood by the claimant:
- i. The specific reason or reasons for denial;
 - ii. Specific reference to pertinent Plan provisions on which the denial is based;
 - iii. A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and
 - iv. An explanation of the claims review procedures.

Any Participant or beneficiary (or his or her authorized representative) whose claim for benefits has been denied, may appeal such denial by resubmitting to the Board a written statement requesting a further review of the decision within sixty (60) days of the date the claimant receives notice of such denial. Such statement shall set forth the reasons supporting the claim, the reasons such claim should not have been denied, and any other issues or comments which the claimant deems appropriate with respect to the claim. If the claimant shall request in writing, the Committee shall make copies of the Plan documents pertinent to his claim available for examination of the claimant.

Within sixty (60) days after the request for further review is received (or if the Board has not met within such sixty (60) days then within sixty (60) days of the first meeting of the Board after receipt of the request), the Board shall review its determination of benefits and the reasons therefor and notify the claimant in writing of its final decision. Such written notice shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, with specific references to the pertinent Plan provisions on which the decision is based. The decision made by the Board shall be final and conclusive on all parties.

- h. The Board will be entitled to rely conclusively upon all tables, valuations, certificates, opinions and reports which will be furnished by an enrolled actuary, accountant, controller, counsel or other person who is employed or engaged for such purposes.
- i. No member of the Board shall be precluded from becoming a Participant under the Plan if he or she is otherwise eligible, but he or she shall not be entitled to act, vote or otherwise influence a decision of the Board specifically relating to his or her own participation under the Plan.
- j. The Committee shall not have any responsibility for the investment of the assets of the Plan, which assets shall be invested by Participant direction as provided in the Plan.
- k. No benefit shall be required to be paid until a properly completed claims form is filed with the Board for such benefit. All claims shall be processed in accordance with the rules and regulations established by the Board. Any payment to a Participant or his/her beneficiary, or to a legal representative or heirs at law of any of them, made in accordance with the Plan shall be to the extent of such payment in full satisfaction of all claims under the Plan against the Plan, the Comptroller, the Board, or the City, any of whom may require such person, his legal representative, or his/her heirs at law, as a condition precedent to such payment, to execute a receipt and release for such payment in such form as shall be determined by the Comptroller, the Board or the City, as the case may be.

15. *General Provisions:*

- a. *Assignment or Alienation:* Except as otherwise provided by law, no benefit, payment or distribution under the Plan shall be subject either to the claim of any creditor of a Participant or beneficiary to attachment, garnishment, levy (other than a federal tax levy under Internal Revenue Code Section 6331), execution or other legal or equitable process, by any creditor of such person, and no such person shall have any right to alienate, commute, anticipate, or assign (either at law or equity) all or any portion of any benefit payment or distribution under the Plan.
- b. *Trust Fund:* Any person who claims any benefit under the Plan shall look solely to the assets of the Trust Fund established hereunder. In no event will the Comptroller, the Board, the City, the City Council, or any employee of the City be liable in its or their individual capacities to any person for the payment of benefits under the Plan.
- c. *Amendment of Plan:* The Employer intends to continue the Plan indefinitely. Nevertheless, the Employer reserves the right to terminate the Plan and to

suspend, or completely discontinue contributions to the Plan, at any time with only such notice as required by law, if any. The Employer may amend or modify the Plan from time to time; provided, however, that no such action shall adversely affect Participants to the extent of their vested benefits. Notwithstanding the foregoing, however, any modification or amendment of the Plan may be made retroactively, if necessary, or appropriate to qualify or maintain the Plan as a Plan meeting the requirements of the Internal Revenue Code to the extent permitted by the Code. Nothing herein shall confer to Participants an implied right to future retirement benefit arrangements or to any indefinite continuation of the retirement formulas, contribution rates, and eligibility in effect at the time of employment; provided, however, the actuarial value of accrued benefits earned by Participants prior to the effective date of any such amendment or repeal shall remain an enforceable right and may not be reduced or otherwise forfeited except by the consent of the Participant.

- d. *Merger:* The Plan shall not be automatically terminated by the Employer's merger into any other municipality, city, county or other governmental body, but the Plan shall be continued after such merger provided the successor has agreed to assume all allocated liabilities, assets and obligations of the Plan. All rights to amend, modify, suspend or terminate the Plan shall be transferred to the successor, effective as of the date of the merger. No assets shall be transferred under this paragraph until the successor has established the existence of a qualified plan and fund as evidenced by the receipt of a determination letter from the Internal Revenue Service approving such qualification. The merger or consolidation with, or transfer of assets and liabilities to, any other qualified retirement plan shall be permitted only if the benefit each Plan Participant would receive if the Plan were terminated immediately after such merger or consolidation or transfer of assets and liabilities, would be at least as great as the benefit he or she would have received had the Plan been terminated immediately before any such transaction.
- e. *Plan Termination:* In the event the Plan shall be terminated, or partially terminated, the accounts of all affected Participants shall immediately become 100% vested.
- f. *No Rights to Continuation of Employment:* The establishment of the Plan shall not be construed as conferring any legal rights in any employee or any person for continuation of employment, nor shall it interfere with the rights of the City to discharge any employee without regard to the effect such discharge might have upon him or her as a Participant in the Plan.
- g. *Determination of Qualification:* This Plan is conditioned upon a determination by the Internal Revenue Service that it is a qualified tax-exempt employee retirement plan pursuant to Section 401(a) of the Code, and

regulations issued thereunder, so that such contributions will not be taxed to the Participants as income at the time of contribution, and so that the Fund hereunder will be exempt from income taxes.

- h. *Applicable Law:* The Plan will be construed, regulated and administered in accordance with the applicable laws of the Internal Revenue Code and the State of Tennessee.

4825-3504-4377, v. 16

ORDINANCE NO.: _____

AN ORDINANCE TO AMEND CHAPTER 25, CODE OF ORDINANCES, CITY OF MEMPHIS, SO AS TO INCREASE THE CITY CONTRIBUTION ALLOWABLE UNDER SECTION 25-71 AND SECTION 25-171, SO AS TO TRANSFER TRANSFERRED PARTICIPANTS IN THE PENSION SYSTEM TO THE DEFINED CONTRIBUTION PLAN

WHEREAS, the City of Memphis, Tennessee (the “Employer”) has adopted a defined benefit retirement plan known as City of Memphis Retirement System for General Employees, as subsequently amended and restated from time to time and consisting of a 1948 plan (that part of the plan benefiting employees participating under the provisions of sections 25-60 through 25-99) and a 1978 plan (that part of the plan benefiting employees participating under the provisions of sections 25-160 through 25-199), currently codified and established under City Ordinance Chapter 25, Articles I through VII (collectively, “the Pension System”); and

WHEREAS, the Employer has amended the Pension System to segregate the accrued benefit of a Transferred Participant in an account in the Pension System for a Transferred Participant; and

WHEREAS, the Employer has adopted The City of Memphis, Tennessee Contributory Employees Retirement Plan (the “Contributory Retirement Plan”) effective July 1, 2015; and

WHEREAS, the Employer desires to transfer the Transferred Benefit for Transferred Participants to the Contributory Employees Retirement Plan effective July 1, 2015, whereupon the Contributory Retirement Plan shall assume sole liability for payment of the Transferred Benefit to the Transferred Participant upon the Transferred Participant’s termination of employment as provided under the Contributory Retirement Plan; and

WHEREAS, immediately after the transfer of the Transferred Benefit to the Contributory Retirement Plan the accrued benefit of a Transferred Participant in the Contributory Retirement Plan shall be no less than the accrued benefit of the Transferred Participant in the Pension Plan immediately prior to the transfer.

NOW, THEREFORE, the Pension System is hereby amended as follows:

1. The Transferred Benefit of each Transferred Participant under the Pension System shall be transferred to the Contributory Retirement Plan as soon as administratively feasible following July 1, 2015.
2. Immediately after the transfer of the Transferred Benefit to the Contributory Retirement Plan, the accrued benefit of the Transferred Participant in the Contributory Retirement Plan shall be no less than the accrued benefit (the Transferred Benefit) of the Transferred Participant in the Pension Plan immediately prior to the transfer.

3. From and after the date of the transfer, the Transferred Participant shall no longer participate in the Pension System but shall look solely and exclusively to the assets of the Contributory Retirement Plan with respect to rights in the Transferred Benefit.

ORDINANCE NO.: _____

AN ORDINANCE TO AMEND CHAPTER 25, CODE OF ORDINANCE, CITY OF MEMPHIS, SO AS TO LIMIT PARTICIPATION IN THE PENSION SYSTEM TO PARTICIPANTS WITH 10 OR MORE YEARS OF SERVICE AND CREATE A SEPARATE ACCOUNT (EQUAL TO THEIR EMPLOYEE CONTRIBUTIONS PLUS THE MULTIPLE EARNED AS OF JUNE 30, 2015) FOR PARTICIPANTS WITH LESS THAN 10 YEARS OF SERVICE

WHEREAS, the City of Memphis, Tennessee (the “Employer”) has adopted a defined benefit retirement plan known as City of Memphis Retirement System for General Employees, as subsequently amended and restated from time to time and consisting of a 1948 plan (that part of the plan benefiting employees participating under the provisions of sections 25-60 through 25-99) and a 1978 plan (that part of the plan benefiting employees participating under the provisions of sections 25-160 through 25-199), currently codified and established under City Ordinance Chapter 25, Articles I through VII (collectively, “the Pension System”); and

WHEREAS, it has been determined that the Pension System should be further amended as set forth herein; and

NOW, THEREFORE, the Pension System is hereby amended as follows:

1. Sec. 25-1(17) *Employee* shall be restated and amended in its entirety to read as follows:

(17) *Employee*: Any person hired on or before June 30, 2015, but who as of July 1, 2015 has ten (10) or more years of service with the City and who was on June 30, 2015 a participant in the City of Memphis Retirement System for General Employees under City Ordinance Chapter 25, Articles I through VII in the regular, full-time employ of the City to the extent that the City contributes to the salary of such employee in a job classification or title that the City administration shall designate as eligible for participation in the Plan, including any person who is elected to his/her office by the people, but not including the light, gas and water division of the City, temporary employees as classified by the City, part-time employees, or any employee mandated by law to contribute to the federal Social Security system and not eligible to be a participant by his/her job classification.

2. Section 25-1(42) *Trust fund* shall be renumbered as Section 25-1(44).

3. Section 25-1(43) *Year of service* shall be renumbered as Section 25-1(45).

4. There shall be added as Section 25-1(42) the following Section 25-1(42) *Transferred Benefit*:

(42) *Transferred Benefit*: The accrued benefit under City of Memphis Retirement System for General Employees under City Ordinance Chapter 25, Articles I through VII of a participant actively employed as of June 30, 2015 but who as of July 1, 2015 has less than ten (10) years of service with the City and who was on June 30, 2015 a participant in City of Memphis Retirement System for General Employees under City Ordinance Chapter 25, Articles I through VII, consisting of his/her employee contributions to the City of Memphis Retirement System plus the multiple as provided in City Ordinance Ch 25 -1(b).

5. There shall be added as Section 25-1(43) the following Section 25-1(43) *Transferred Participant*:

(43) *Transferred Participant*: Each participant who is actively employed as of June 30, 2015 but who as of July 1, 2015 has less than ten (10) years of service with the City and who was on June 30, 2015 a participant in City of Memphis Retirement System for General Employees under City Ordinance Chapter 25, Articles I through VII with an accrued benefit consisting of his/her employee contributions to the City of Memphis Retirement System plus the multiple as provided in City Ordinance Ch 25 -1(b).

6. Sec. 25-160(a) *Participation* shall be restated and amended in its entirety to read as follows:

(a) *General rule*. Subject to section 25-160(b) and (c), and section 25-163(b), each person who shall become an employee on or after July 1, 1978 and prior to July 1, 2015, shall become a participant in this 1978 plan as of his employment creditable service date without any further action on his part, provided, however, if such person on June 30, 2015 has less than ten (10) years of service with the City such person shall be a Transferred Participant.

7. Section 25-160(c) *Elected employee rule* shall be restated and amended in its entirety to read as follows:

Elected employee rule. Any Eligible Employee who is elected to his/her position prior to July 1, 2015, including the Mayor or any member of the City Council, may elect to participate in this Plan as of the date he/she begins his/her elected duties, provided:

1. Such elected employee makes a written election to the Board within ninety (90) days of such date; and
2. If such elected Eligible Employee elects to begin participation after the date he/she begins his elected duties, he/she
 - a. Enters this Plan before the expiration of his/her then current term of office; and
 - b. Upon such entry, pays into the Trust Fund the Employee Contributions payable for the period since such date he/she began his/her elected duties, with compounded interest at the rate established by the Board.

8. There shall be added the following to reserve Secs. 25-201 through 299.

Secs. 25-201—25-299. Reserved.

9. There shall be added as Part 6 *Account for Transferred Participants* the following:

Part 6. Account for Transferred Participants

Sec. 25-300. *Cessation of Accruals for Transferred Participants.* Notwithstanding any other contrary provision of this Pension System, in calculating the accrued benefit (including the right to any optional benefit provided under the Plan) of any Transferred Participant, such Transferred Participant shall accrue no additional benefit under the Plan on or after June 30, 2015, except to the extent a benefit accrual is required to comply with Section 416 of the Code.

Sec. 25-301. *Transferred Benefit.* The Transferred Benefit of a Transferred Participant shall be segregated as a separate account for the Transferred Participant. The Transferred Participant shall be 100% vested in the Transferred Benefit.

4820-6672-6937, v. 10



Memphis City Council Summary Sheet

1. Description of the Item (Resolution, Ordinance, etc.)

This is a Resolution requesting the approval of the sale of City owned surplus vacant parcel as described in and acquired by warranty deed BT3717 in June of 1990 located in the Shelby County Register of Deeds office. The parcel is located at 0 Decatur Street in Memphis, Shelby County, Tennessee also known as Parcel #021029 00028. The proposed sale is to an adjoining property owner and may be conveyed without necessity of competitive bidding, for approval by the City Council with one reading per City Ordinance 2-291.

2. Initiating Party (e.g. Public Works, at request of City Council, etc.)

General Services

3. State whether this is a change to an existing ordinance or resolution, if applicable.

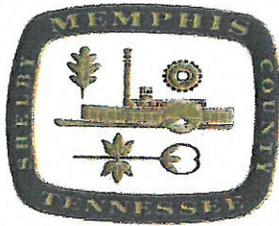
This item does not a change to an existing ordinance.

4. State whether this requires a new contract, or amends an existing contract, if applicable.

This item does not require a new contract or amend an existing contract.

5. State whether this requires an expenditure of funds/requires a budget amendment.

This item does not require and expenditure of funds, or budget amendment.



A Resolution approving the sale of 0 Decatur Street

WHEREAS, the City of Memphis is the owner of vacant parcel acquired by warranty deed BT3717 on June of 1990, located at 0 Decatur Street, and further described as Parcel #021029 00028. The City no longer has a need for the property and has declared it surplus property; and

WHEREAS, Hamadeh A Ali and Farid Akil are adjoining property owners and desirous of purchasing 0 Decatur Street, and has submitted an offer of \$5,000 along with \$500 as earnest money; and

WHEREAS, the sale of 0 Decatur Street will increase the City's General Fund, generate tax revenue, and eliminate blight and maintenance cost for the City of Memphis; and

WHEREAS, it is deemed to be in the best interest of the Citizens of the City of Memphis and County of Shelby that said sale be accepted subject to City Ordinance 2-291 as well as the terms and conditions in the Offer to Purchase.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that the offer made by Hamadeh A Ali and Farid Akil in the above described property be hereby accepted subject to the City Ordinance 2-291 which states in part, "the City Real Estate Manager shall be authorized to convey property to a selected adjacent property owner, without necessity of competitive bidding, for approval by the City Council with one reading under the following circumstances: ... the selected adjacent property owner is willing and capable or paying the value of the adjacent property to be acquired based on valuation determined by the City Real Estate Department." and "properties receiving an initial bid offer of twenty thousand dollars (\$20,000) or less shall be submitted for approval to the City Council for first reading, which is final."

BE IT FURTHER RESOLVED, that subject to the ordinance, the City of Memphis Real Estate Department shall prepare and arrange for the execution of the quit claim deed, and any other documents incidental to the completion of the transfer, and the Mayor of the City of Memphis is hereby authorized to execute said deeds or any other documents necessary to complete the sale and conveyance.

0 Decatur Street Parcel ID# 021029 00028

BARRETT

LAGRANGE

DECATUR

0 Decatur Steet
Parcel ID 021029 00028
0.05 Acre

JACKSON

DECATUR

GREENLAW

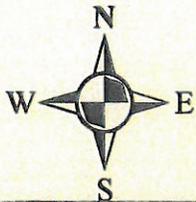
Legend



Subject Parcel

Outline of Memphis Parcels

70 35 0 70 Feet





**Memphis City Council
Summary Sheet
Citywide Manhole Rehab Project Contract 2**

1. This is a construction project for the rehabilitation of 29 existing sanitary sewer manholes located throughout the City.
2. This item is being submitted by Public Works (Environmental Engineering)
3. This item does not change an existing ordinance or resolution.
4. This item does require a new contract.
5. This item requires an expenditure of funds.
6. The MWBE Goal for this project was 10%.

This resolution appropriate Sewer Cash funds necessary for the rehabilitation of (29) existing sanitary sewer manholes

WHEREAS, the Council of the City of Memphis approved Rehab Existing Sewers, project number SW02001 as part of the Public Works Fiscal Year 2014 Capital Improvement Budget; and

WHEREAS, bids were taken on March 14, 2014 for the rehabilitation of (29) existing sanitary sewer manholes with the lowest complying bid of one bid being \$164,152.00 submitted by Proshot Concrete, Inc; and

WHEREAS, it is necessary to transfer an allocation of 180,567.00 funded by Capital Pay Go (Sewer Cash) from Rehab Existing Sewers, project number SW02001 to Citywide Manhole Rehab Project, project number SW02095 to rehab (29) existing sanitary sewer manholes; and

WHEREAS, it is necessary to appropriate \$180,567.00 funded by Capital Pay Go (Sewer Cash) in Citywide Manhole Rehab Project, project number SW02095 as follows:

Contract Amount	\$164,152.00
Project Contingencies	<u>16,415.00</u>
Total	\$180,567.00

NOW, THEREFORE BE IT RESOLVED, by the Council of the City of Memphis that the Fiscal Year 2014 Capital Improvement Budget be and is hereby amended by transferring an allocation of \$180,567.00 funded by Capital Pay Go (Sewer Cash) from Rehab Existing Sewers, project number SW02001 to Citywide Manhole Rehab Project, project number SW02095 to rehab (29) existing sanitary sewer manholes.

BE IT FURTHER RESOLVED, that there be and is hereby appropriated the sum of \$180,567.00 funded by Capital Pay Go (Sewer Cash) chargeable to the Fiscal Year 2014 Capital Improvement Budget and credited as follows:

Project Title:	Citywide Manhole Rehab Project
Project Number	SW02095
Amount:	\$180,567.00



Memphis City Council Summary Sheet

1. Description of the Item (Resolution, Ordinance, etc.)

This item is a Resolution for approval of an Easement Agreement, by and among LAFARGE WEST, INC., the CITY OF MEMPHIS, and the COUNTY OF SHELBY. The easement shall be granted to LaFarge for vehicular access on a gravel road located on the City and County's property which is south of and adjacent to Channel Avenue.

2. Initiating Party (e.g. Public Works, at request of City Council, etc.)

Memphis and Shelby County Port Commission

3. State whether this is a change to an existing ordinance or resolution, if applicable.

This is not a change to an existing ordinance or resolution.

4. State whether this requires a new contract, or amends an existing contract, if applicable.

This is a new Access Easement Agreement with LaFarge West, Inc..

5. State whether this requires an expenditure of funds/requires a budget amendment.

This does not require expenditure of city funds nor a budget amendment.

PORT COMMISSION RESOLUTION

WHEREAS, the City of Memphis, along with the County of Shelby, is the owner of the triangle-shaped parcel of real property, which is located south of and adjacent to Channel Avenue, a public right-of-way (the "City's Property");

WHEREAS, Lafarge West, Inc. ("Lafarge") recently sold a parcel of real property located between its property and Channel Avenue and reserved a vehicular access easement to itself through a portion of such sold parcel to access Channel Avenue (the "Reserved Access Area");

WHEREAS, a gravel road (the "Road") that sits partially on the Reserved Access Area and partially on the City's Property provides direct access between Lafarge's property to Channel Avenue; and

WHEREAS, Lafarge has requested that the City of Memphis and the County of Shelby enter into an Access Easement Agreement providing that Lafarge have a non-exclusive easement for the purpose of providing vehicular access for cars, trucks and equipment between Lafarge's property and Channel Avenue via the Road that sits on the City's Property.

NOW, THEREFORE, BE IT RESOLVED by the Memphis and Shelby County Port Commission that the proposed Access Easement Agreement with Lafarge for the non-exclusive easement for the purpose of providing vehicular access for cars, trucks and equipment between Lafarge's property and Channel Avenue via the Road be and hereby is approved. The appropriate officials are authorized to execute same.

BE IT FURTHER RESOLVED that the City of Memphis and County of Shelby are respectfully requested to approve said Agreement.

I hereby certify that the foregoing is a true copy and said document was adopted/granted by the Memphis and Shelby County Port Commission on the 18th day of September, 2013.


Secretary/Treasurer

**CITY OF MEMPHIS
RESOLUTION APPROVING ACCESS EASEMENT
WITH LAFARGE WEST, INC.**

WHEREAS, the City of Memphis, along with the County of Shelby, is the owner of the triangle-shaped parcel of real property, which is located south of and adjacent to Channel Avenue, a public right-of-way (the "City's Property");

WHEREAS, Lafarge West, Inc. ("Lafarge") recently sold a parcel of real property located between its property and Channel Avenue and reserved a vehicular access easement to itself through a portion of such sold parcel to access Channel Avenue (the "Reserved Access Area");

WHEREAS, a gravel road (the "Road") that sits partially on the Reserved Access Area and partially on the City's Property provides direct access between Lafarge's property to Channel Avenue; and

WHEREAS, Lafarge has requested that the City of Memphis and the County of Shelby enter into an Access Easement Agreement providing that Lafarge have a non-exclusive easement for the purpose of providing vehicular access for cars, trucks and equipment between Lafarge's property and Channel Avenue via the Road that sits on the City's Property.

NOW, THEREFORE, BE IT RESOLVED by the City of Memphis, on recommendation of the Memphis and Shelby County Port Commission, that the proposed Access Easement Agreement with Lafarge for the non-exclusive easement for the purpose of providing vehicular access for cars, trucks and equipment between Lafarge's property and Channel Avenue via the Road be and hereby is approved.

BE IT FURTHER RESOLVED, By the Council of the City of Memphis that the appropriate officials of the City of Memphis be hereby authorized to execute same.

BE IT FURTHER RESOLVED, That this action is subject to concurrence by Shelby County.



Memphis City Council Summary Sheet Instructions

Resolution for City Wide Storm Drainage Infrastructure Rehabilitation, ST03168

1. Project is to repair and maintain all existing drainage facilities.
2. This project is initiated by the Public Works Division in response to the recommendation of the City Engineer.
3. This project is currently in the CIP budget taken from the storm water fund ST03168, and has been approved by the City Council.
4. This project requires a construction contract with Ferrell Paving to perform the required work.
5. This project requires an expenditure of storm water funds as shown in the current CIP 2014 fiscal year budget.

This is a resolution appropriating Construction Funds for ST03168 City Wide Drain Rehab

WHEREAS, the Council of the City of Memphis approved Drainage-ST, project number ST03006, as part of the Public Works Fiscal Year 2014 Capital Improvement Budget; and

WHEREAS, bids were taken on March 7, 2014 for city wide drainage repairs at City Wide Drain Rehab with the lowest complying bid being \$39,640.00 submitted by Ferrell Paving; and

WHEREAS, it is necessary to transfer a construction allocation of \$42,811.00 funded by G O Bonds – General (Storm Water) from Drainage-ST, project number ST03006, to City Wide Drain Rehab, project number ST03168, for city wide drainage repairs; and

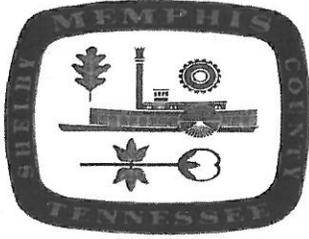
WHEREAS, it is necessary to appropriate \$42,811.00 funded by G O Bonds – General (Storm Water) in City Wide Drain Rehab, project number ST03168 as follows:

Contract Amount	\$39,640.00
Project Contingencies	<u>3,171.00</u>
Total Amount	\$42,811.00

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that the Fiscal Year 2014 Capital Improvement Budget be and is hereby amended by transferring an allocation of \$42,811.00 funded by G O Bonds – General (Storm Water) from Drainage-ST, project number ST03006, to City Wide Drain Rehab, project number ST03168, for city wide drainage repairs.

BE IT FURTHER RESOLVED, that there be and is hereby appropriated the sum of \$42,811.00 funded by G O Bonds – General (Storm Water) chargeable to the FY 2014 Capital Improvement Budget and credited as follows:

Project Title	City Wide Drain Rehab
Project Number	ST03168
Total Amount	\$42,811.00



Memphis City Council Summary Sheet

1. Description of the Item (Resolution, Ordinance, etc.)

This resolution amends the Fiscal Year 2014 Capital Improvement Budget by transferring and appropriating funds to install speed humps in various locations in the city.

2. Initiating Party (e.g. Public Works, at request of City Council, etc.)

The Engineering Division (upon citizens' request) has determined the need for installation of speed humps in various neighborhoods.

3. State whether this is a change to an existing ordinance or resolution, if applicable.

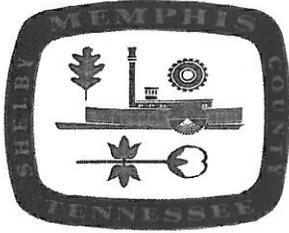
This project does not involve a change to an existing ordinance or resolution.

4. State whether this requires a new contract, or amends an existing contract, if applicable.

This speed hump project will require a new contract.

5. State whether this requires an expenditure of funds/requires a budget amendment.

A new contract and expenditure of funds are required.



*A Resolution appropriating Contract Construction Funds for EN01048 –
Speed Hump Installation-Group 9*

WHEREAS, the Council of the City of Memphis did include Traffic Calming Devices, Project Number EN01007 as part of the Engineering Fiscal Year 2014 Capital Improvement Budget; and

WHEREAS, bids were taken on March 21, 2014 for speed hump installations at various locations with the lowest complying bid being \$450,652.60 submitted by CANTRELL CONSTRUCTION; and

WHEREAS, it is necessary to transfer an allocation of \$450,652.60 funded by G.O. Bonds – from Traffic Calming Devices, Project Number EN01007 to Speed Hump Installation – Group 9, Project Number EN01048; and

WHEREAS, it is necessary to appropriate \$450,652.60 funded by G.O. Bonds in Speed Hump Installation – Group 9, Project Number EN01048 as follows:

Contract Construction \$450,652.60

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that the Fiscal Year 2014 Capital Improvement Budget be and is hereby amended by transferring an allocation of \$450,652.60 funded by G.O. Bonds from Traffic Calming Devices, Project Number EN01007 to Speed Hump Installation – Group 9, Project Number EN01048.

BE IT FURTHER RESOLVED, that there be and is hereby appropriated the sum of \$450,652.60 funded by G.O. Bonds and chargeable to the Fiscal Year 2014 Capital Improvement Budget and credited as follows:

Project Title	Speed Hump Installation – Group 9
Project Number	EN01048
Total Amount	\$450,652.60



Memphis City Council Summary Sheet

Resolution appropriating Construction Funds for PW01259 Resurfacing of Various Streets FY 2014 Group 1.

- This project provides for street repaving funded by CIP GO Bonds.
- This project was initiated by the Public Works Division and is being administered by the Engineering Division.
- This project involves a new construction contract; Lehman Roberts Company is the low bidder and is recommended as the contractor.
- This resolution appropriates funds identified in the FY 2014 CIP Budget as PW01040 Asphalt Paving in order to execute the construction contract.
- The project funds are 100% by the City of Memphis.

This resolution provides funding for repaving of various streets throughout the City of Memphis

WHEREAS, the Council of the City of Memphis approved the Asphalt Paving, project number PW01040 as part of the Fiscal Year 2014 Capital Improvement Budget; and

WHEREAS, bids were taken on April 11, 2014 for Resurfacing Fiscal Year 2014 Group 1, project number PW01259 with the lowest complying bid of two bids being \$1,604,755.70 submitted by Lehman Roberts, Co.; and

WHEREAS, it is necessary to transfer an allocation of 1,733,137.00 funded by G.O. Bonds - General from Asphalt Paving, project number PW01040 to Resurfacing Fiscal Year 2014 Group 1, project number PW01259 for resurfacing various streets in the City; and

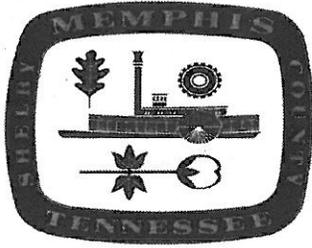
WHEREAS, it is necessary to appropriate \$1,733,137.00 funded by G.O. Bonds - General in Resurfacing Fiscal Year 2014 Group 1, project number PW01175 as follows:

Contract Amount	\$1,604,756.00
Project Contingencies	<u>128,381.00</u>
Total	\$1,733,137.00

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Memphis that the Fiscal Year 2014 Capital Improvement Budget be and is hereby amended by transferring an allocation of \$1,733,137.00 funded by G.O. Bonds - General from Asphalt Paving, project number PW01040 to Resurfacing Fiscal Year 2014 Group 1, project number PW01040 for resurfacing various streets in the City.

BE IT FURTHER RESOLVED, that there be and is hereby appropriated the sum of \$1,733,137.00 in G.O. Bonds - General chargeable to the Fiscal Year 2014 Capital Improvement Budget and credited as follows:

Project Title:	Resurfacing FY14 Group 1
Project Number:	PW01259
Amount:	\$1733,137.00



Memphis City Council Summary Sheet

1. Description of the Item (Resolution, Ordinance, etc.)

This resolution is to provide \$50,000 in grant funds to Clean Memphis for share of the cost to implement a clean water initiative for the Nonconnah and Downtown drainage basins to remove waste and debris that would otherwise enter the storm water system thus negatively impacting a valuable natural resource.

2. Initiating Party (e.g. Public Works, at request of City Council, etc.)

Public Works Division

3. State whether this is a change to an existing ordinance or resolution, if applicable.

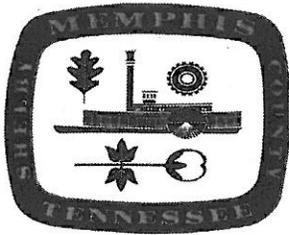
This is not a change to an existing ordinance, however this is a new initiative by Public Works as it works to address storm water pollution.

4. State whether this requires a new contract, or amends an existing contract, if applicable.

A grant agreement between the City and Clean Memphis will be created.

5. State whether this requires an expenditure of funds/requires a budget amendment.

This requires an expenditure of funds from the FY2014 Stormwater Program Operating Budget in the amount of \$50,000.



Resolution providing grant funds from the City of Memphis Stormwater Program to Clean Memphis

WHEREAS, it is vital to the growth and development of the City of Memphis (the "City") that debris, waste, and other contaminants that affect storm water quality be removed in compliance with the City's Storm Water NPDES Permit;

WHEREAS, the City of Memphis is committed to storm water quality and in accordance with the Storm Water NPDES Permit, has an obligation to reduce pollutants and waste from negatively impacting streams and other such natural resources within the City of Memphis limits;

WHEREAS, Clean Memphis, a grassroots 501 (c) (3) organization founded in 2008 by a group of concerned citizens with the belief that a cleaner City reduces crime, promotes a sense of pride in community and cultivates economic prosperity, receives funding from private donations and Shelby County to address litter in high profile areas of the city of Memphis and educate the public on the benefits of a cleaner community;

WHEREAS, Clean Memphis has proposed to share the cost to implement a clean water initiative for the Nonconnah and Downtown drainage basins to remove waste and debris that would otherwise enter the storm water system thus negatively impacting a valuable natural resource;

WHEREAS, the Storm Water Program will make available Fifty Thousand Dollars (\$50,000) on an annual basis to fund such initiatives;

WHEREAS, Clean Memphis proposes to use such grant funding to pay for storm water quality remediation work that shall be performed in the Nonconnah and Downtown drainage basins;

WHEREAS, Clean Memphis will further utilize these funds to perform public outreach and education to children on the impact pollution has to watersheds and the environment;

WHEREAS, it is necessary for the City of Memphis, Stormwater Program to award a grant in the amount of \$50,000 to Clean Memphis for the purpose of funding this storm water quality initiative;

City Council Resolution Template – 8-28-12

NOW, THEREFORE, BE IT RESOLVED *that the Council of the City of Memphis hereby awards a grant to Clean Memphis for \$50,000 from the FY 2014 Stormwater Program Operating Budget for the purpose of funding storm water quality initiative in the Nonconnah and Downtown drainage basins.*