

CITY OF HENDERSONVILLE
BOARD OF MAYOR AND ALDERMEN
January 27, 2026 at 7:00 p.m.
101 Maple Drive North, Hendersonville, TN 37075

Pages

- I. Call to Order by the Mayor
- II. Acceptance of Agenda
- III. Presentations
- IV. Public Hearing
- V. Minutes
 - A. Approval of January 13, 2026 BOMA meeting minutes 3-16
- VI. Citizens' Comments
- VII. Consent Agenda
 - A. Receive and File: FY2025 Annual Comprehensive Financial Report (*to be provided under separate cover*)
- VIII. Ordinances and Resolutions
 - Sasse, Burgdorf, 1. Second reading of Ordinance 2025-24, an ordinance to amend Title 5, Municipal Finance and Taxation, to allow for the acceptance of partial payments for City of Hendersonville real and personal property taxes 17-20
 - Martin 2. Reading of Resolution 2026-01, a resolution approving the TBN Music City (Millenia Cottages) Final Development Plan located at 645 East Main Street, Hendersonville, Tennessee 21-30
 - Collins, Clary 3. Second reading of Ordinance 2025-26, an ordinance amending the Hendersonville Municipal Code, Title 20 establishing credits for assessed impact fees 31-37
 - Collins, Clary 4. Second reading of Ordinance 2025-25, an ordinance amending the Hendersonville Municipal Code, Title 20 establishing impact fees for the City of Hendersonville 38-129
 - Clary 5. First reading of Ordinance 2026-01, an ordinance amending the Hendersonville Municipal Code repealing and replacing Title 4 (Municipal Personnel), amending Section 2-101 (Appointing Members to various Boards and Commissions), and to adopt a revised edition of the Personnel Rules and Regulations 130-292
- IX. Other Agenda Items
- X. Reports
 - 6. Brief Committee Reports:

Anyone needing accommodations due to disabilities, please contact the ADA Coordinator at 615-822-1016 at least 24 hours prior to the meeting.

1. Capital Projects - Roberson
2. Public Works - Skidmore
3. Finance - Sasse

7. BOMA Report

293-303

XI. Adjournment

CITY OF HENDERSONVILLE
BOARD OF MAYOR AND ALDERMEN
MINUTES OF REGULAR MEETING
January 13, 2026 at 7:00 P.M.
101 Maple Drive North, Hendersonville, TN 37075

PRESENT

JAMIE CLARY, MAYOR
MARK SKIDMORE, VICE-MAYOR, ALDERMAN
MARK BURGDORF, ALDERMAN
RACHEL COLLINS, ALDERMAN
KAREN DIXON, ALDERMAN
MARK EVANS, ALDERMAN
JANNA GARTON, ALDERMAN
BOB GARZA, ALDERMAN
TERRI GOODWIN, ALDERMAN
MICHAEL MARTIN, ALDERMAN
EDDIE ROBERSON, ALDERMAN
JEFF SASSE, ALDERMAN
DON WARD, ALDERMAN
LANCE WRAY, CITY ATTORNEY
TAMARA INGERSOLL, CITY RECORDER

The January 13, 2026, BOMA meeting was opened with prayer led by Ryan Flatt, Events Coordinator with Recovery Refuge at Long Hollow Church.

The Pledge of Allegiance was led by Mayor Clary.

AGENDA

Goodwin moved; Skidmore seconded a motion to accept the January 13, 2026, agenda.

Roberson moved; Garton seconded a motion to amend the agenda to group all of the appointments and reappointments to board and committees under #9 on the agenda.

There was a unanimous vote to approve the amendment to the agenda.

Garton moved; Goodwin seconded a motion to amend the agenda by removing item #1 from the consent agenda.

There was a unanimous vote to approve the amendment to the agenda.

Goodwin moved; Garza seconded a motion to amend the agenda by adding the confirmation of the nomination of George Edwards as Fire Chief immediately following citizens' comments.

MINUTES OF REGULAR MEETING

JANUARY 13, 2026

PAGE 2

There was a unanimous vote to approve the amendment to the agenda.

The motion to accept the agenda as thrice amended was approved unanimously.

Clary declared the motion carried.

PRESENTATIONS

There were a presentation of the Festival of Lights awards by Natalie Lankster from the Parks Department and Rachel Ink with Holiday Fest. The winners were as follows:

Best Overall – 99 Blue Ridge Trace

Clark Griswold – 1078 Avery Trace Circle

Most Lit – 1568 Drakes Creek Road

Reason for the Season – 126 Twin Bay Drive

Traditional – 100 Lucinda Lane

Neighborhood Harmony – Santa Claus Lane (Nathan Forest Drive)

PUBLIC HEARING

None.

MINUTES

Dixon moved; Ward seconded a motion to approve the December 9, 2025, minutes.

There was no discussion.

There was a unanimous vote to approve the December 9, 2025, minutes.

Clary declared the motion carried.

CITIZENS' COMMENTS

Cal Gentry indicated that he is the acting project manager for the Grace Place project. He noted that Grace Place appreciates the support of the Board. He noted that several people were in attendance to show support of Grace Place. He spoke in support of the ordinance to waive payment into the Tree Bank for non-profit organizations.

Chris Taylor spoke in support of Grace Place and noted that they do great work for the community. He also spoke regarding impact fees. He suggested that strongarming developers works well. With impact fees, the City would be giving up the ability to negotiate. Impact fees set the minimum and most developers won't pay more than the impact fee amount. He strongly encourages that if impact fees are passed, to approve the version presented by Collins and Clary that does not add impact fees to commercial development. Mr. Taylor also commended the City on the development of the Transportation Plan and spoke about how progressive this is.

David Luckey is a local builder and investor. He also spoke against impact fees,

MINUTES OF REGULAR MEETING

JANUARY 13, 2026

PAGE 3

particularly related to commercial properties. He noted that the study that was done has to be done every five years. He noted that the population of the City has grown 4.6% over the last five years. The Tichler Bise study noted that the population is estimated to grow by 12% over the next five years and Mr. Luckey explained that he does not think this assumption is accurate and that the population numbers in the study are overstated. He noted that over the last five years the City's fund balance has grown from \$18.7m to \$44.7m. During this same time sales tax revenue has gone up 92%. He feels that it would be detrimental to impede commercial growth by establishing impact fees.

CONSENT AGENDA

None.

NOMINATION

Mayor Clary nominated George Edwards as Fire Chief.

There was unanimous vote to approve the Mayor's nomination to appoint George Edwards as Fire Chief.

Clary declared the nomination approved.

ORDINANCES AND RESOLUTIONS

The caption was read for reading of Resolution 2025-43, a resolution to authorize waiver of payment into the tree bank fund for qualifying nonprofit organizations.

Roberson moved; Evans seconded a motion to approve Resolution 2025-43.

Clary explained that he had a discussion with two of the members of the Grace Place board and they mentioned that Grace Place paid \$58,000 into the Tree Bank. The Tree Bank was created a couple decades ago to protect the tree canopy in the city. When trees are removed, we need to make sure that trees are replaced. If they can't be replaced on the same property they were removed from, funds must be paid to the city in order for trees to be planted elsewhere at a later time. Mayor Clary supports the Tree Bank. However, collecting \$58,000 from a non-profit seems like too much as Grace Place already does a lot for the community and provides for the greater good of the city.

Mayor Clary brought this resolution forward in order for non-profit organizations that provide for the greater good of the community beyond what the contribution to the Tree Bank would do would not have to pay into the Tree Bank.

With no objections, Alderman Garza was added as a sponsor.

Alderman Roberson noted that he believes in the Tree Bank and keeping the city green. However, non-profits invest in more than trees; they invest in the lives of individuals. This resolution not only provides relief to Grace Place but will provide an exemption in the future to non-profits.

MINUTES OF REGULAR MEETING

JANUARY 13, 2026

PAGE 4

Alderman Sasse expressed his appreciation for Grace Place and the work they do for the community. He asked about the retro-activeness of this resolution because Grace Place has already paid these fees. He asked what needs to be done to refund these fees to Grace place. Director Ingersoll responded that once this legislation passes, the refund can be incorporated into the mid-year budget amendment that will be coming forward to Finance Committee at the end of January. The authorization to refund them is in this resolution.

Alderman Garton spoke in support of this resolution and believes that the funds will be better used by Grace Place in this instance.

Alderman Evans noted that section six indicates that this resolution is effective upon adoption and is retroactive to January 1, 2025.

There was a unanimous vote to approve Resolution 2025-43.

Clary declared the motion carried.

The caption was read for the reading of Resolution 2025-44, a resolution to authorize a fee waiver for temporary sign permits for signs placed on city property by qualifying nonprofit organizations.

Dixon moved; Goodwin seconded a motion to approve Resolution 2025-44.

Alderman Dixon indicated that this resolution is related to the sign permit required in order to put up a sign and the cost is \$27. This resolution would waive this fee for non-profit organizations.

With no objections, Alderman Burgdorf was added as a sponsor.

Alderman Burgdorf asked what the qualifying factors are for the non-profits. Alderman Dixon noted that it is anyone that is a 501 and subject to approval. Mayor Clary further clarified that the full qualifications are detailed in section one of the resolution.

Alderman Sasse asked for the definition of a temporary sign. Director Free indicated that is 30 days or less. Alderman Sasse also asked if they would still be required to obtain a permit and Director Free confirmed that they would need a permit.

Alderman Collins indicated that in her experience the requestor will get a sticker to put on the back of the sign that has the location of the sign and the dates it is approved for.

There was a unanimous vote to approve Resolution 2025-44.

Clary declared the motion carried.

The caption was read for first reading of Ordinance 2025-23, an ordinance amending the Hendersonville Municipal Code, Title 20 establishing impact fees for the City of Hendersonville.

Burgdorf moved; Sasse seconded a motion to approve Ordinance 2025-23.

Mayor Clary opened the discussion by noting that this ordinance as well as Ordinance 2025-25 and Ordinance 2025-26 could be discussed together as they all address different ideas for the implementation of impact fees. Each would then be voted on separately.

Alderman Sasse asked for a summary of the differences between the ordinances. Director Free went over the basic differences. Ordinance 2025-23 includes both residential and commercial, 2025-25 is residential only. Ordinance 2025-23 sets the amount that can be charged roughly 50% of the maximum. Ordinance 2025-25 sets the amount that can be charged flat amount that increases incrementally through 2030 and is also below the maximum. Most of the remaining items in these ordinances are very similar. Under both, planned developments are exempt from paying impact fees.

Alderman Martin indicated that both ordinances have an administrator and asked if this would be a new employee or fall under an existing employee. Director Free indicated that this is being assigned to the Finance Director.

Alderman Martin also asked how much revenue would have been generated last year if the impact fees had been implemented then. Director Free noted that for Ordinance 2025-23 the estimated commercial impact fees would have been \$424,000 and residential would have been \$1,400,000 for a total of over \$1.8m. However, if you remove the planned developments from this, the total would have been \$75,000 -\$100,000. For ordinance 2025-25 the estimated residential impact fee would have been \$810,000 but by removing planned development the total would have been \$40,000-\$60,000.

Alderman Martin asked for clarification regarding who would pay for the impact fees, the developer or the homeowner. Director Free noted that in both ordinances the developer determines who ends up paying the cost. The developer will pay but may pass this on to the homeowner.

Alderman Martin asked for explanation of the credit system. Director Free explained that if the developer does more than they are required in the plan, the additional items may count towards credit and would reduce or eliminate the impact fees required to be paid. Alderman Martin asked about Costco as an example. Costco did considerably more in improvements than the required impact fees. Director Free noted that the impact fee is set as the expectation of the developer and the City's point of leverage for negotiation is reduced.

Alderman Martin noted that Ordinance 2025-23 is more common and traditional compared to others. Ordinance 2025-25 is more unique. Ordinance 2025-23 is more defensible and hopes others will support it.

Alderman Goodwin noted that she can't support Ordinance 2025-23 because we would not have all the improvements that Costco and others have done. The businesses would pay just the impact fee and nothing more.

Alderman Garza used to work in retail and does not support commercial impact fees. Commercial properties already pay a higher property tax rate at 40% and they general sales tax revenue. They also bring jobs to Hendersonville. We need to keep in mind destination

MINUTES OF REGULAR MEETING

JANUARY 13, 2026

PAGE 6

businesses as people will drive to the next town over to shop there.

Alderman Ward noted that he does not support commercial impact fees. He asked if we do have to complete another study in five years and the cost of the study. Director Free responded that we do have to complete a study every five years and the cost is typically between \$50,000 and \$80,000. Alderman Ward also asked when we anticipate being fully built out residentially which would be the end of impact fee collection. Director Free indicated that the estimate timing is 9-13 years.

Alderman Evans commented on affordability. The cost of new homes is expensive. He asked for clarification on Costco. They paid roughly \$1.7m in improvements and if we had impact fees they would have only paid roughly \$700,000. Director Free noted that it is difficult to determine what would have happened as the market is always changing. Alderman Evans noted that impact fees can limit what the City receives. He also noted that the City has done a good job of negotiating improvements from the developers. He also noted that many residential developments are paying voluntary impact fees.

Alderman Evans noted that he has been fielding comments from constituents regarding impact fees. He indicated that his understanding of impact fees is that the impact fees have to be for new capital projects for parks or transportation. It is not for maintenance. Alderman Evans asked if impact fees could be used for any of the projects on the transportation plan. Mr. Wray indicated that impact fees can be used for these projects as long as it increases capacity and are needed as a result of and needed by the development that paid the impact fees. Alderman Evans notes his concern that projects funded by impact fees might push transportation plan projects down in priority.

Alderman Dixon indicated that she intends to vote for impact fees tonight. She asked the sponsors of 2025-23 what the motivation for commercial impact fees is.

Alderman Burgdorf noted that his ward is the oldest in the city. He noted that impact fees are a one-time charge. His constituents want a level playing field for both residential and commercial. This is a way for the developers to help with infrastructure for roads and parks. Impact fees can be used for a lot of things. He asked if sales tax revenue went up, down or remained flat last year. Director Ingersoll indicated that it went up a little bit. Alderman Burgdorf noted that this board may approve impact fees, but another board may remove them. The board also has the ability to make updates if changes are necessary. He is in support of ordinance 2025-23.

Alderman Sasse noted that the impact fee study was presented months ago and is glad the city is finally moving on them. He wants fairness across residential and commercial. Setting the fees at 50% allows the city to partner with the developers to build infrastructure for the residents. Citizens are paying the sales tax, not the businesses. He noted that with the new development at Maple Row impact fees may have been enough to pay for the traffic signal that is needed.

Alderman Skidmore noted that the discussions on impact fees have been going on a long time and he supports the decisions of previous boards. He noted that consideration needs to be made for the small business developers. He is more concerned about what the constituency wants compared to what the big developer wants. He questioned whether

MINUTES OF REGULAR MEETING

JANUARY 13, 2026

PAGE 7

impact fees are a fee or a tax. He is against taxes. He thinks that the impact fee study is archaic and needs to be completed to be more relevant.

Alderman Martin is in support of this because of the retail component and supports how the fees go to roads and not parks.

Alderman Dixon noted that she is leaning toward supporting residential only impact fees due to the great work the Planning department has done negotiating with developers for improvements.

Alderman Roberson noted that the Tennessee General Assembly answered the question about whether impact fees are a fee or a tax. T.C.A. §6-2-201(15) indicates that it is a fee. Mr. Wray confirmed that it is a fee from a legal perspective.

Alderman Roberson also asked if impact fees were to be waived, if the city would have to pay them for the developer. Director Free confirmed that they would have to be paid. Alderman Roberson then asked if a church or non-profit would be required to pay impact fees. Director Free confirmed that they would be required to pay. Mr. Wray explained that if the board found that the public benefit outweighed the fee, they could incorporate an exemption into the ordinance. Alderman Roberson also noted that they would not be required to pay under 2025-25 as this is only for residential.

Alderman Roberson indicated that the city has several developments that have paid voluntary impact fees. Director Free explained that developers often pay these in order to have a use added, to allow higher density or other factors.

Alderman Roberson wants to make sure he understand the ramifications of both ordinances. He requested that an analysis of the Costco development be passed out. He feels this is important to the financial well-being of the city. Costco spent \$1.7m in offsite improvements. With impact fees they would have needed to spend roughly \$750,000. Alderman Roberson noted that even without impact fees developers are required to do some improvements. Director Free confirmed that they have to do whatever the traffic study indicates is necessary for their development. Costco pays roughly \$52,000 in property taxes, \$14,000 in personal property taxes and generates roughly \$2,000,000 in sales tax annually. They also employ 214 people.

Alderman Roberson indicated that he supports ordinance 2025-25 as it meets the goals and objectives that are important to the city to succeed in the future. This will place the cost of infrastructure on the cost causer, will not impact the city's robust business community, this impact fee is at a reasonable level that won't have significant impact on home affordability, the City already requires extensive improvements be completed by commercial developer without the use of impact fees. He noted that for the Maple Row development the developers paid for the traffic signal.

There was a motion by Dixon, seconded by Garton to take a ten (10) minute recess beginning at 9:07 p. m.

Aye: Burgdorf, Collins, Dixon, Evans, Garton, Garza, Goodwin, Martin, Roberson, Skidmore, and Clary.

MINUTES OF REGULAR MEETING

JANUARY 13, 2026

PAGE 8

Nay: Sasse and Ward

Clary declared the motion carried.

The meeting resumed at 9:18 p.m.

Alderman Collins pointed out that if a traffic study indicates that a traffic signal or turn lane is required, that is separate from any credits. Ward 5 and 6 are most likely to have development with impact fees. She doesn't want to lose good businesses in Hendersonville because of impact fees. She also noted that sales tax revenues are also very important.

Alderman Collins noted that attainability is an issue and the city also needs to pay for the projects included in the transportation plan and impact fees could pay for a portion of it. Alderman Collins also noted that adding an impact fee will increase the cost of a house for the homeowner.

Alderman Collins asked if it is legally required for the work done with impact fee funds be in proximity of the development. Mr. Wray explained that the work done has to be in relation to the new development. If work has to be completed, it must be needed because of the new development.

Alderman Skidmore indicated that he did not believe that it is correct that sales tax increases prevented an increase to property tax.

Alderman Roberson noted that the increase sales tax for PIPP is only part of the sales tax and that sales tax has increased. It has been used to pay for public safety vehicle replacement. Without this new sales tax increase, an increase to property tax would have been likely.

Mayor Clary asked if we have the obligation to seek the opinion of the Planning Commission for impact fees. Director Free indicated that we do not. We did have Planning Commission review the plan for impact fees and they recommended that it move to BOMA. They wanted to make sure that the business community wasn't negatively impacted. Wendy Slatery from the Planning Commission also noted that something could be done to help the budget without having an impact on development.

Alderman Skidmore called to question. No one else was in the queue to speak so no vote was necessary.

Aye: Burgdorf, Martin, Sasse, and Skidmore.

Nay: Collins, Dixon, Evans, Garton, Garza, Goodwin, Roberson, Ward, and Clary.

Clary declared the motion failed.

The caption was read for first reading of Ordinance 2025-25, an ordinance amending the Hendersonville Municipal Code, Title 20 establishing impact fees for the City of Hendersonville.

Collins moved; Roberson seconded a motion to approve Ordinance 2025-25.

MINUTES OF REGULAR MEETING
JANUARY 13, 2026
PAGE 9

Mayor Clary indicated that he sent out an amendment that he would like to have considered. He also clarified that the multifamily, the fee is by unit, not the development as a whole. The base rate of \$3,500 is based on the amount of voluntary impact fees that are being paid by the most recent development.

Clary made a motion to amend, Collins seconded, to replace Section (2) Fee Table with the following:

Residential Development shall be assessed on a per unit basis for Single Family and Multi Family Dwellings with the following rates for calendar years 2026-2030 and beyond:

Residential – Impact Fee by Type					
	<i>2026</i>	<i>2027</i>	<i>2028</i>	<i>2029</i>	<i>2030 - beyond</i>
Single Family	\$3,500	\$4,000	\$4,500	\$5,000	\$5,500
Multi-Family	\$2,500	\$3,000	\$3,500	\$4,000	\$4,500

Single Family – Impact Fee Allocation					
	<i>2026</i>	<i>2027</i>	<i>2028</i>	<i>2029</i>	<i>2030 - beyond</i>
1/3 Parks	\$1,155	\$1,320	\$1,485	\$1,650	\$1,815
2/3 Roads	\$2,345	\$2,680	\$3,015	\$3,350	\$3,685
Total	\$3,500	\$4,000	\$4,500	\$5,000	\$5,500

Multi Family – Impact Fee Allocation					
	<i>2026</i>	<i>2027</i>	<i>2028</i>	<i>2029</i>	<i>2030 - beyond</i>
1/3 Parks	\$825	\$990	\$1,155	\$1,320	\$1,485
2/3 Roads	\$1,675	\$2,010	\$2,345	\$2,680	\$3,015
Total	\$2,500	\$3,000	\$3,500	\$4,000	\$4,500

Vote on Amendment:

Aye: Burgdorf, Collins, Dixon, Evans, Garton, Garza, Goodwin, Martin, Ward and Clary.

Nay: Roberson, Sasse and Skidmore.

Clary declared the motion carried.

Vote on Main Motion:

Aye: Collins, Dixon, Evans, Garton, Garza, Goodwin, Martin, Roberson, Ward and Clary.

Nay: Burgdorf, Sasse and Skidmore.

Clary declared the motion carried.

The caption was read for first reading of Ordinance 2025-26, an ordinance amending the Hendersonville Municipal Code, Title 20 establishing credits for assessed impact fees.

Clary moved, Collins seconded a motion to approve Ordinance 2025-26.

Mayor Clary explained that credits were done in a stand alone ordinance do make this easier to understand.

Mr. Wray explained that there was a clerical error and that sections 20-1408 through 20-1412 that were included in ordinance 2025-23 should have been included in this ordinance.

Clary moved, Collins seconded a motion to amend by adding the following language after section 20-1407, (6):

20-1408. Miscellaneous Provisions

- (1) Developer Exactions. Nothing in this chapter shall restrict the City from requiring the construction of necessary improvements required (e.g. the addition of required open space; or a traffic study show a reduction in level of service to justify the addition of a turn lane) to serve the development project, whether or not such improvements are of a type for which credits are available.
- (2) Use of Impact Fees and Segregation of Funds. Impact fee funds that are distinct from the general fund of the City are hereby created, and the impact fees received will be deposited in each of the interest-bearing accounts of the associated impact fee. Eligible expenditures from the monies in the impact fee accounts shall be used only for following:
 - (a) Impact fee revenues shall be used exclusively for capital improvements or equipment for streets and parks, as applicable, to serve new development and as approved by the Board of Mayor and Aldermen. Funds shall be maintained in separate accounts for roads impact fees and parks impact fees.
 - (b) Qualifying project costs include project engineering costs; the acquisition cost of rights of way and easements, including legal costs; the construction cost of improvements, including, but not limited to, public street travel lanes, public pedestrian and bicycle pathways, turning lanes or the portion thereof located within the right of way of a public street, lighting, signalization, signage, equipment, and landscaping improvements that are required for the road improvement to function effectively or associated with the park improvements; and the principal, interest and other financing costs of bonds, notes or other obligations issued by or on behalf of the City to finance qualified improvements.
- (3) Ineligible expenses. Ongoing operational costs, maintenance of existing facilities. In addition, rehabilitation, reconstruction, replacement or capital equipment, except to the extent that the projects increase the capacity to serve new development.
- (4) Recordkeeping. The impact fee administrator shall maintain accurate records of the impact fees paid, including the name of the person paying such fees, the project for which the fees were paid, the date of payment of each fee, the amounts received in payment for each fee, and any other matters that the City deems appropriate of necessary to the accurate accounting of such fees. Records shall be available for review by the public during normal business hours and with reasonable advance notice pending the availability of the impact fee administrator.

MINUTES OF REGULAR MEETING

JANUARY 13, 2026

PAGE 11

(5) Programming of Funds. The City shall assign monies from the impact fee fund to specific projects and related expenses for eligible improvements of the type for which the fees in that fund were paid. Any monies, including any accrued interest, not assigned to specific projects within such capital improvements program and not expended shall be retained in the same impact fee fund until the next fiscal year.

(6) Underpayment or Overpayment. If an impact fee has not been paid, has been underpaid or overpaid for any reason, the underpayment or overpayment shall be remedied as soon as possible after it is discovered. Any amounts overpaid by an applicant shall be refunded by the impact fee administrator to the applicant within thirty (30) days after the discovery of the overpayment, with interest since the date of such overpayment. Any amounts not paid or underpaid by the applicant shall be paid to the impact fee administrator within thirty (30) days after notice is given to the applicant of the amount due. In the case of a nonpayment or underpayment, the City shall not issue any additional permits or approvals for the project for which the impact fee was previously underpaid until such underpayment is corrected, and if amounts owed to the City are not paid within such thirty (30) day period, the City may also rescind any permits issued in reliance on the previous payment of such impact fee.

(7) Periodic Updates. The study will be revisited from time to time, at approximately five (5) year intervals, for adjustments to the fee schedule, or at the request of the Board of Mayor and Aldermen.

20-1412. Effective Date

This ordinance shall become effective for any submittals received after _____ that do not meet the vesting standards as set forth by the ordinance.

There was unanimous approval of this amendment.

Clary declared the motion carried.

Alderman Sasse asked for an explanation on the expiration of credits. Mayor Clary explained that if a developer doesn't complete the improvements for credit within 10 years, they would have to pay the impact fees.

Aye: Burgdorf, Collins, Dixon, Evans, Garton, Garza, Goodwin, Martin, Roberson, Sasse, Ward and Clary.

Nay: Skidmore.

Clary declared the motion carried.

The caption was read for first reading of Ordinance 2025-24, an ordinance to amend Title 5, Municipal Finance and Taxation, to allow for the acceptance of partial payments for City of Hendersonville real and personal property taxes.

Sasse moved; Burgdorf seconded a motion to approve Ordinance 2025-24.

There was a unanimous vote to approve Ordinance 2025-24.

Clary declared the motion carried.

The caption was read for reading of Resolution 2025-45, a resolution to establish a purchasing card policy for the City of Hendersonville and to replace the existing credit card

MINUTES OF REGULAR MEETING

JANUARY 13, 2026

PAGE 12

policy, dated July 9, 2009, with said purchasing card policy upon implementation of the purchasing card program.

Sasse moved; Garza seconded a motion to approve Resolution 2025-45.

There was a unanimous vote to approve Resolution 2025-45.

Clary declared the motion carried.

OTHER AGENDA ITEMS

Goodwin moved; Garza seconded a motion to approve the following appointments and reappointments:

Vote on the reappointment of Ken Brinkley to the Adjustment and Appeals Board

Vote on the reappointment of Mike McCarroll to the Adjustments and Appeals Board

Vote on the reappointment of Robbie Borghi to Beautiful Hendersonville

Vote on the reappointment of Daryl Spindler to the Personnel Board

Vote on the reappointment of Nancy Golden to the Stormwater Appeals Board

Vote on the reappointment of Steve Gregory to the Stormwater Appeals Board

Vote on the appointment of Andrew Hait to the Stormwater Appeals Board

Vote on the appointment of Sean Campbell to the Industrial Development Board

Vote on the reappointment of John Sheley to the Industrial Development Board

Vote on the appointment of Dan Haskell to the Lakeshore Committee

Vote on the reappointment of Gene Hively to the Arts Council

Vote on the appointment of Michael Krasnow to the Beer Board

There was a unanimous vote to approve these appointments and reappointments.

Clary declared the motion carried.

REPORTS

Brief Committee Reports

General-Garza

- Sent to BOMA with a positive recommendation the final development plan for TBN Music City.
- Update to Municipal Code and Personnel Rules & Regulations to BOMA with a

positive recommendation.

- Discussion on aviation noise.

Public Safety-Goodwin

- Discussed on street parking

Planning – Martin

- Heritage Park Approved
- 1 Twenty Sanders Ferry Approved
- Nashville Tempered Glass Approved

BOMA Report-Eckenroth

- Capital Projects meeting on the 22nd
- Mid-Year budget underway
- Salary study is underway
- Sales tax is up about 3%
- Investment income is above budget
- Public safety calls for service is steady
- Drakes Creek/Stop 30 all property owners have settled and the last payment went out this week

EXECUTIVE SESSION

Executive session regarding Gary Lynn Ealey vs. City of Hendersonville was entered into at 10:08 pm and exited at 10:30 pm.

Evans moved, Garton seconded a motion to approve the proposed settlement agreement, upon the condition that to the fullest extent of the law, the current and proposed restrictions on rentals shall run with the land and shall be permanent, binding, and not subject to amendment, modification, waiver, or termination without consent of the City. This settlement resolves this litigation without any monetary payment by the City and, while it removes the owner-occupancy requirement for this specific development, under these unique circumstances, it preserves specific and strict rental restrictions in favor of the City and is determined to be in the City's best interest. The City Attorney and staff are authorized to execute all documents necessary to finalize and implement the terms of the settlement.

Aye: Evans, Garton, Garza, Goodwin, Martin, Roberson, Sasse, and Ward.

Nay: Burgdorf, Collins, Dixon, Skidmore and Clary.

Clary declared the motion carried.

Upon motion by Garza and second by Goodwin, there was a unanimous vote for approval to adjourn.

Clary declared the meeting adjourned at 10:32 p.m.

Approved: Jamie Clary, Mayor

Attest: Tamara Ingersoll, City Recorder

ORDINANCE 2025-24

Sponsor: Sasse, Burgdorf

AN ORDINANCE TO AMEND TITLE 5, MUNICIPAL FINANCE AND TAXATION, TO ALLOW FOR THE ACCEPTANCE OF PARTIAL PAYMENTS FOR CITY OF HENDERSONVILLE REAL AND PERSONAL PROPERTY TAXES

WHEREAS, T.C.A. § 6-56-109(a) authorizes any municipality that collects its own property taxes to accept partial payments of local property taxes; and

WHEREAS, the Board of Mayor and Aldermen of the City of Hendersonville believe that such a program is in the best interest of the City;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF HENDERSONVILLE, TENNESSEE that Title 5, Municipal Finance and Taxation of the Hendersonville Municipal Code shall be amended to include the following as a new chapter 7:

CHAPTER 7 – PROPERTY TAX PAYMENTS AND REFUNDS

5-701 - Partial Payments of Property Taxes

(1) The City shall accept partial payments of annual real property taxes beginning with the 2026 tax year. Notwithstanding the following schedule, the entire amount of taxes due must be paid in full prior to the first day of March or shall be considered delinquent. Any unpaid amount shall begin accruing interest on March 1st pursuant to T.C.A § 67-5-2010(a)(1).

(2) Partial payments will be accepted according to the following Schedule:

A maximum of five (5) monthly payments may be made between October and February with the final payment due prior to the first day of March.

(3) Partial payment of property taxes may not be made in installments of less than fifty dollars (\$50.00), except for a final payment.

(4) Any voucher issued pursuant to a relief program shall be used as all or a portion of the final payment.

(5) Partial payments will be accepted in the form of cash, check, money order or credit card.

(6) Notwithstanding the schedule in subsection (2), no penalties, fines, interest or other fees shall be assessed against the taxpayer except as provided by T.C.A. § 67-5-2010(a)(1).

(7) Prior to the final reading of this ordinance, the City Recorder shall transmit to the State Comptroller of the Treasury a copy of this ordinance, which shall serve as

the plan required by T.C.A. § 6-56-109 (b). To fulfill the requirements of that Section, the City hereby declares that:

- (a) The City has the appropriate accounting technology to implement this program; and,
- (b) The City can implement this program within existing resources.

This ordinance shall take effect at the earliest date allowed by law.

First Reading: January 13th, 2026, *passed*.

Second Reading: _____

APPROVED:

ATTEST:

JAMIE CLARY, Mayor

TAMARA INGERSOLL, City Recorder

APPROVED AS TO FORM AND LEGALITY:

LANCE A. WRAY, City Attorney

LEGISLATIVE HISTORY

Ordinance 2025-24

Sponsors: Sasse, Burgdorf

Committee: Finance

Date of Committee Meeting: December 9, 2025

Committee Recommendation: Yes

BOMA First Reading: January 13, 2026

Vote: Aye: Burgdorf, Collins, Dixon, Evans, Garton, Garza, Goodwin, Martin, Roberson, Sasse, Skidmore, Ward, Clary. *Motion carried.*

BOMA Second Reading: January 27, 2026

DATE:	January 27, 2026
ORDINANCE/RESOLUTION #	Ordinance 2025-24
SPECIFIC REQUEST/ RECOMMENDATION:	That the Board of Mayor and Alderman consider Ordinance 2025-24, approving an update to the Municipal Code to allow the acceptance of partial payments for property taxes.
REPORT PREPARED BY:	Tamara Ingersoll, Finance Director



BACKGROUND:	1
Historically, due to constraints of the City's financial system, property taxes have only been accepted in the full amount of the bill. No payment plans or partial payments have been accepted. The City recently implemented a new financial system that has functionality to accept partial payments for property tax bills. Each year, there are several citizens that ask about setting up a payment plan. They are typically citizens who qualify for the tax freeze or tax relief programs. Historically, these citizens have been told that we cannot do this for them. Approval of ordinance 2025-24 would allow staff to accommodate the requests of these citizens.	

DISCUSSION:	2
Currently Sumner County and several surrounding cities accept partial payments for property taxes. By approving this ordinance, citizens that currently are able to establish a payment plan with Sumner County, would be able to set up the same type of payment plan with the city. This ordinance would set the parameters for the allowance of partial payments in a manner that will benefit citizens and have minimal impact on staff. The city now has the technology to implement this program and can do so with existing staffing resources.	

FISCAL IMPACT:	3
There is no impact to the budget for the adoption of this ordinance.	

ATTACHMENTS:	4
1. Ordinance 2025-24	

RESOLUTION 2026-01

Sponsor: **Martin**

A RESOLUTION APPROVING THE TBN MUSIC CITY (MILLENNIA COTTAGES) FINAL DEVELOPMENT PLAN LOCATED AT 645 EAST MAIN STREET, HENDERSONVILLE, TENNESSEE

WHEREAS, the rezoning and original Preliminary Development Plan (PDP) for TBN Music City located at 645 East Main Street/0 Music Village Blvd., Hendersonville, Tennessee (Parcel 158A A 008), was approved by the Board of Mayor and Aldermen upon second passing of Ordinance 2024-01 on February 27, 2024, with certain conditional changes; and

WHEREAS, on January 6, 2026, the Hendersonville Planning Commission voted 6 to 3 for approval to the Board of Mayor and Aldermen the TBN Music City Final Development Plan:

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF HENDERSONVILLE, TENNESSEE, that the attached Final Development Plan for TBN Music City located at 645 East Main Street, Hendersonville, Tennessee (Parcel 158A A 008) is hereby approved as recommended by the Hendersonville Planning Commission on January 6, 2026.

Adopted this the ____ day of _____, 2026.

APPROVED:

JAMIE CLARY, Mayor

ATTEST:

TAMARA INGERSOLL, City Recorder

APPROVED AS TO FORM AND LEGALITY:

LANCE A. WRAY, City Attorney

LEGISLATIVE HISTORY

Resolution 2026-01

Sponsor: Martin

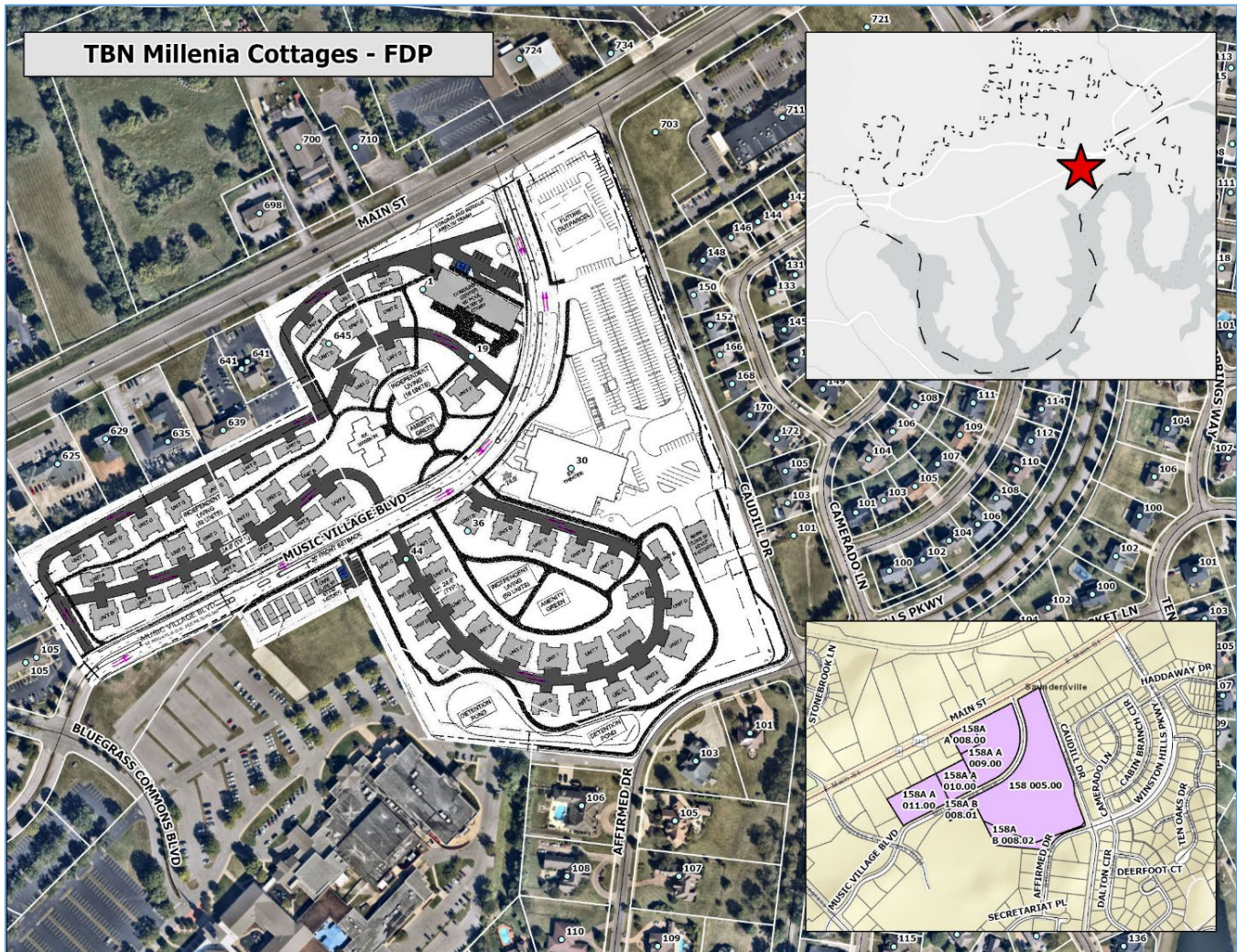
Committee: General

Date of Committee Meeting: January 13, 2026

Committee Recommendation: Yes

BOMA Reading: January 27, 2026

AGENDA DATE:	January 27, 2026
ORDINANCE/RESOLUTION #	Resolution 2026-01
PROJECT NAME:	TBN (Millenia Cottages)
PROJECT TYPE:	Final Development Plan
PROJECT LOCATION:	645 E Main Street, Parcel 158A A 008
WARD:	Ward 5



UPDATE TO STAFF REPORT & COMMENTS:

- At its November 4th meeting, the HPC voted to defer TBN Music City to allow the developer to go back and add parking for the Independent Living cottages. The plan has been revised to meet all parking requirements. This has been done by adding one surface parking space per cottage unit (or two additional spaces per structure). **The applicant is no longer requesting a waiver of any parking requirements.** The plan has also been revised to address previous staff comments. One other minor change that has been made since the last HPC meeting is that one of the cottages that fronted on Music Village Boulevard has been relocated to the first row of units on the north side of the property. The total number of units remains unchanged.

- *Since the definition of Independent Living was a topic of discussion at the last meeting, the full definition from the zoning ordinance has been provided below:*

INDEPENDENT LIVING FACILITY

A residential complex containing dwellings where the occupancy is limited to person who are 55 years of age or older or, if two persons occupy a unit, at least one shall be 55 years or older. Such facilities may include common areas for meals and socializing, offer minimal convenience services, but exclude institutional care such as medical or nursing care. An Independent Living Facility shall not include Assisted Living Facility, Community Residence, Nursing Home, or Home for the Aged.

- *The following staff comments have been added to this revised plan:
All proposed sidewalks are to be constructed in conjunction with the first phase (i.e. the cottages). A three foot grass strip is required between each pair of cottage parking spaces.*

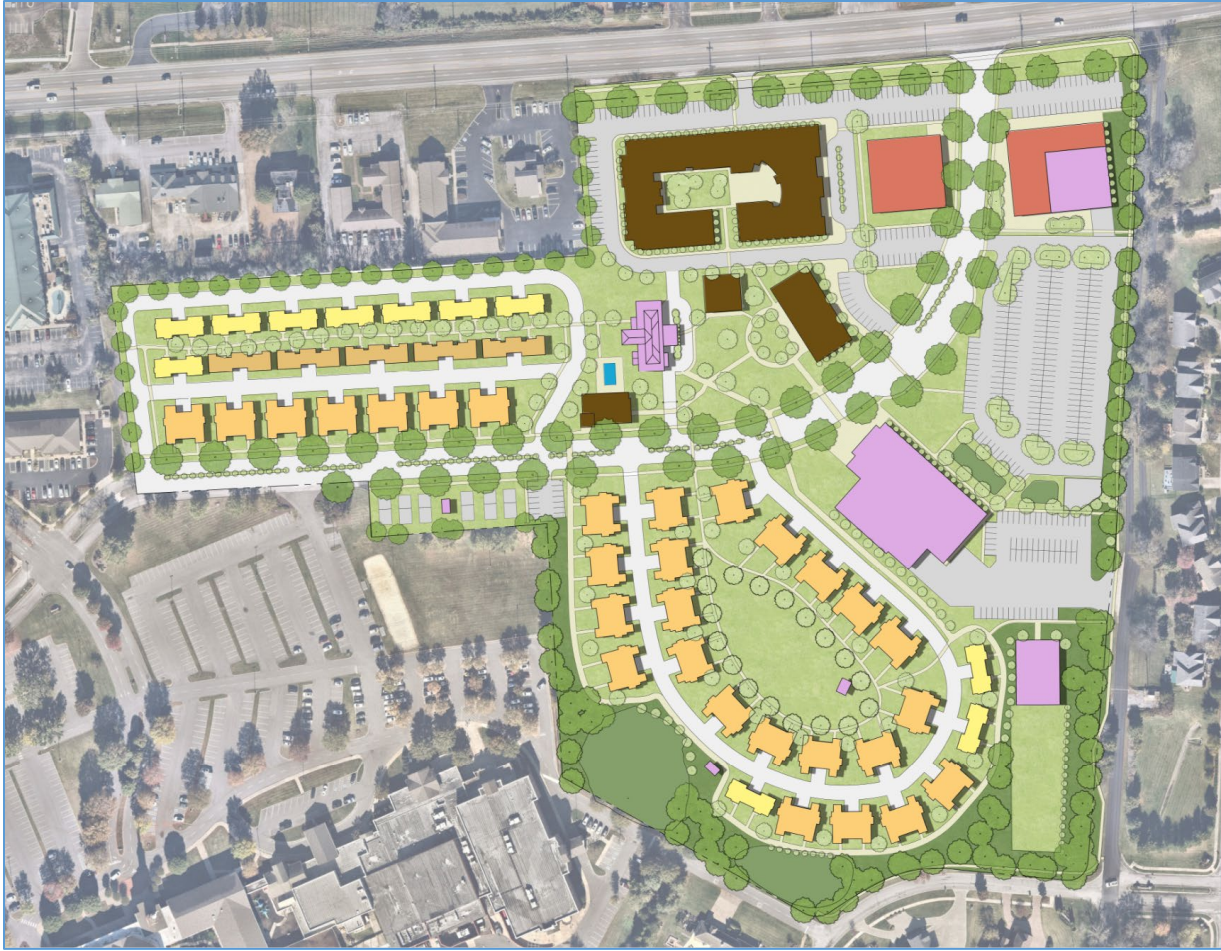


THE UPDATED FDP

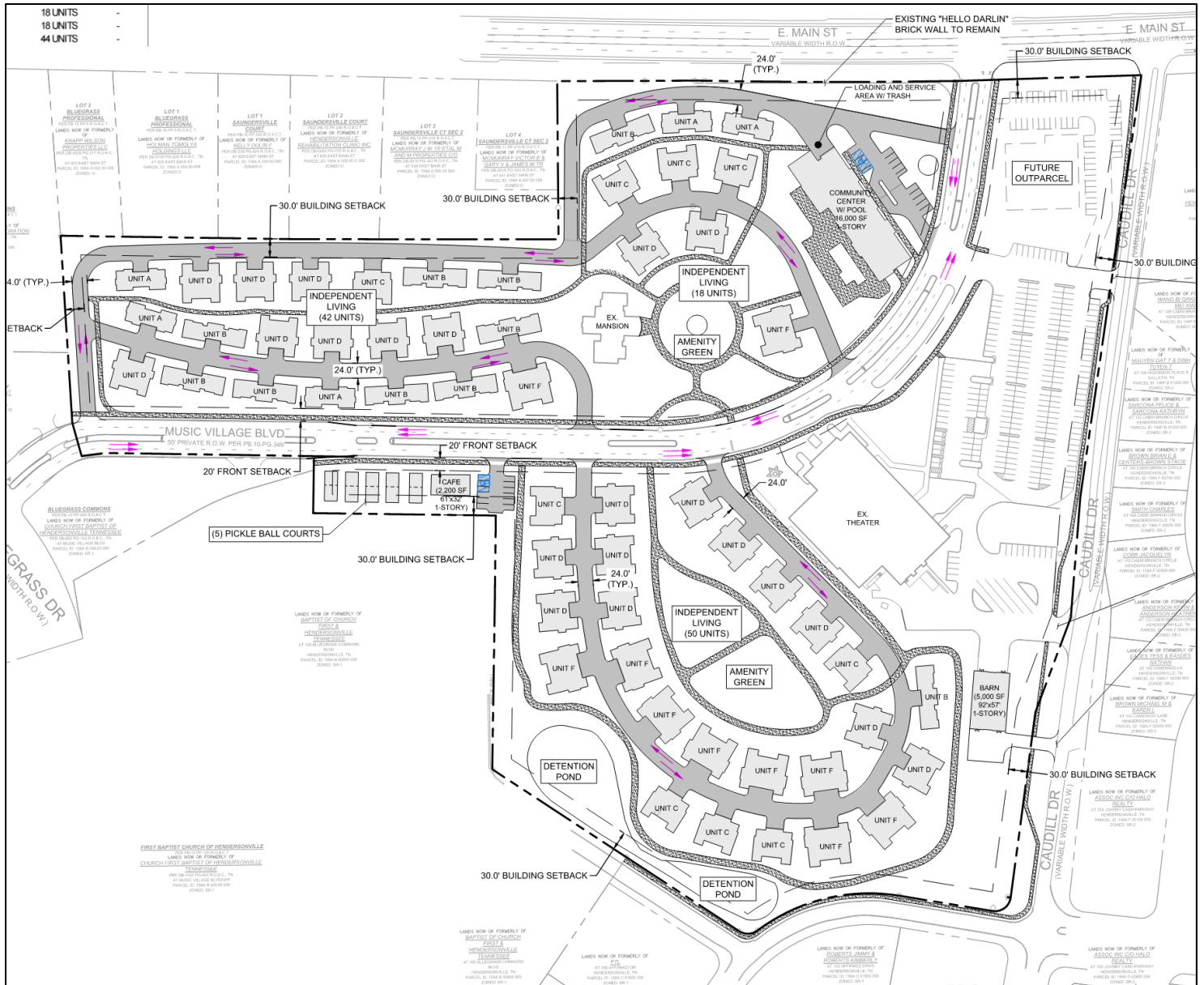
STAFF REPORT:

1

The Preliminary Development Plan for TBN Music City went before the Planning Commission in January of 2024 and received a negative recommendation to the Board of Mayor & Aldermen. BOMA then approved the PDP (see image below) following the applicant's commitment to retain and refurbish the Twitty Mansion. The BOMA plan reduced the number of Independent Living cottages from 96 to 90 due to keeping the Twitty Mansion, and showed retention of the brick wall and entrance along East Main Street.



PDP APPROVED BY BOMA



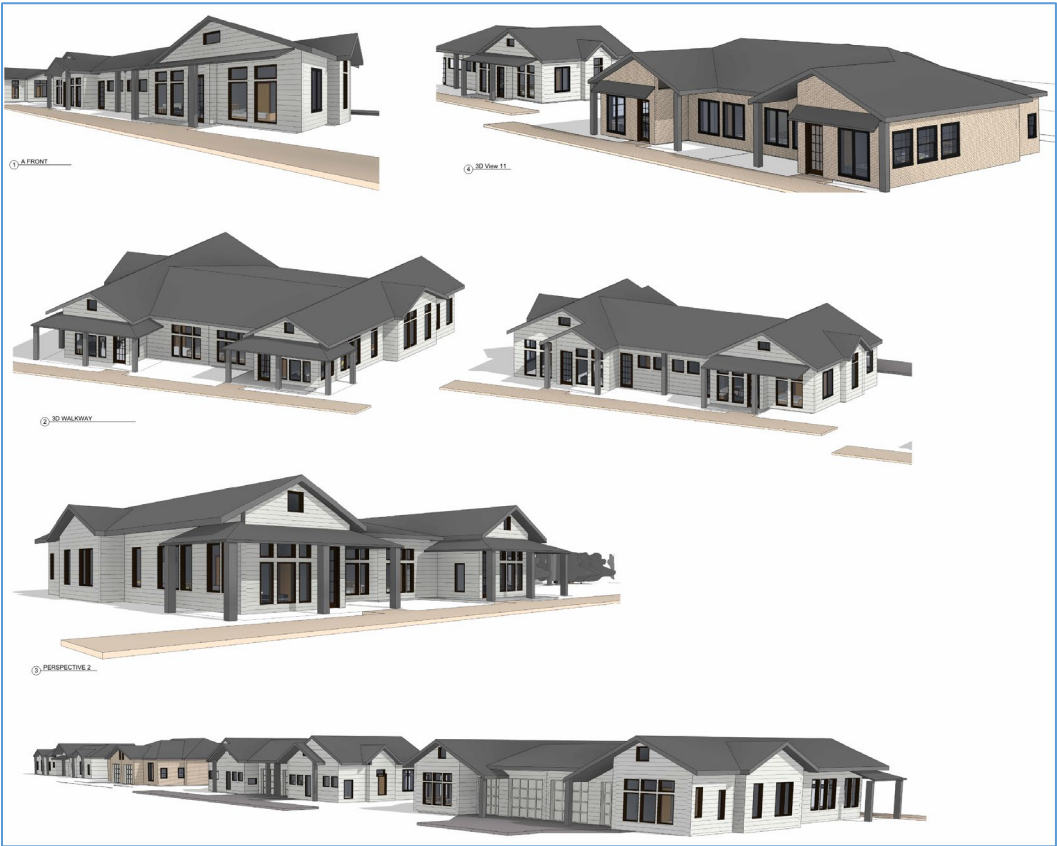
PROPOSED FDP

Now, TBN is moving forward with a request to approve the Final Development Plan (FDP). The PDP that was approved by BOMA proposed 90 Independent Living cottages, 80 Assisted Living units, a clubhouse and pool, a chapel, 39,300sf of Office and supporting retail, and retention of the existing theater, barn, and Twitty Mansion. The proposed FDP removes the Assisted Living facility with its 80 units and expands the Independent Living cottages from 90 to 110 units. Unit density for the cottages is reduced from 5.82 units/ac. to 4.94 units/ac (15 units/ac is the maximum allowed by the zoning ordinance). It retains the Twitty Mansion (now fully renovated) and the theater, but shows the existing barn to be replaced with a new barn/storage facility. The two office outparcels that were proposed on either side of the Main Street entrance have been reduced to one outparcel to the east of the

entrance, for a total of 12,650sf vs the previous 39,300sf. Ingress/egress points on Main Street have been reduced from two to one. Ingress/egress points on Caudill have been increased from 2 to 3. Overall, the revised layout is similar to the PDP, but presents a very different appearance to East Main. Instead of having a large assisted living facility and two office buildings facing Main Street, now the cottages will take the place of all but one of the office buildings and will back up to Main Street and the existing brick wall.

Parking requirements for the Independent Living cottages is 2 spaces per unit, plus one per employee. The zoning ordinance states that garages are not allowed to count towards required parking. TBN is requesting a waiver to allow garages to count towards required parking. The current layout provides one space in the driveway and one in the garage for units types A through E. Unit type F meets the required parking since it has two spaces in each driveway. See the attached waiver request letter from the applicant.

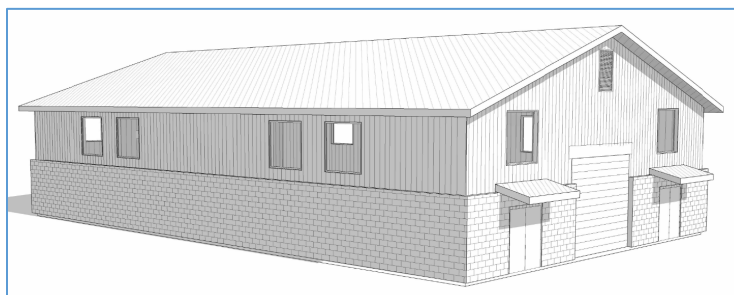
Exterior building elevations of the proposed cottages, clubhouse and barn have been provided. The siding material on the cottage unit types is not defined. Per images that were included with the PDP, staff is requiring that the applicant work with staff through the site plan process to provide a sizeable percentage of brick/stone on each unit and otherwise increase the design quality to be more equivalent to those initial images (see Planning staff comment #5). The clubhouse



PROPOSED COTTAGES



PROPOSED CLUBHOUSE



PROPOSED STORAGE BARN

ESTIMATED NEXT STEPS IN THIS FINAL DEVELOPMENT PLAN APPROVAL PROCESS:

1. BOMA General Committee Meeting (Jan. 13, 2026, estimated)
 2. BOMA Regular Meeting (Jan. 27, 2026, estimated)
-

STAFF COMMENTS – PLANNING DEPARTMENT:

2

1. In the applicant response to staff comments, it is stated that there are no improvements proposed to the existing parking lot north-east of the theater and that therefore no landscaping improvements should be required to it until such time that changes are made. However, the plans show the existing parking lot to be completely reconfigured on multiple sheets. Please resolve the conflict.
2. A 20' Type B buffer is shown along the edge of the parking lot that is north-east of the existing theater. If the existing parking lot is to be retained, the full 20' width may not be able to be obtained without removing some of the pavement width.
3. Amend the Proposed Uses chart as follows to bring it into compliance with the chart approved with the PDP:
 - “General Business” should be “General Business Services”
 - Add “Restaurant Quick Service (limited to coffee shop)”
4. Sheet L1.0 does not show the proposed office outlot as shown on the other sheets – revise.

5. The provided cottage elevations do not match the level of design and quality of materials shown with the PDP. The PDP illustrations showed units with deep porches and eaves, a mixture of brick, stone and fiber cement board, and other architectural features. While the proposed cottages do not have to match the illustrations, the overall quality of design and materials should be at least equivalent. Work with staff through the site plan stage to refine the elevations and bring them more into alignment with what is shown with the PDP.
6. Proposed materials on the barn elevations are not called out, but appear to resemble CMU block. CMU is not a permitted material. Work with staff to meet and exceed City building design requirements
7. Since the cottages are now proposed to back up to East Main Street, preserve all of the existing brick wall to help serve as a screen from the street. In addition, provide evergreen screening between the wall and the units.
8. The chart on sheet C2-00 lists unit types A through D, but the layout plan and elevations show units E and F. Update the chart to reflect counts for all unit types.

Submitted by Timothy Whitten, RLA, AICP, Assistant Planning Director (December 17th, 2025)

STAFF COMMENTS – PUBLIC WORKS:

3

1. No Comments

Submitted by Stephen Winzenread, PE, Assistant Public Works Director/City Engineer (December 17th, 2025)

STAFF COMMENTS – FIRE DEPARTMENT:

4

1. No Comment.

Submitted by Chris Willyard, Deputy Fire Marshal (December 17th, 2025)

STAFF COMMENTS – UTILITY DISTRICT:

5

1. No Comments

Submitted by David Brigance, HUD Construction Supervisor (December 17th, 2025)

ORDINANCE 2025-26

Sponsors: Collins, Clary

AN ORDINANCE AMENDING THE HENDERSONVILLE MUNICIPAL CODE, TITLE 20 ESTABLISHING CREDITS FOR ASSESSED IMPACT FEES

WHEREAS the City of Hendersonville is authorized by Tennessee Code Annotated (TCA) §§ 13-3-401 et seq. and §§ 13-4-301 et seq., and by its general municipal powers under TCA § 6-2-201, to assess and collect development impact fees for roads and parks in order to ensure that new development pays its proportionate share of the cost of public facilities needed to serve it; and

WHEREAS, from time-to-time, developers construct or fund eligible road and park improvements, or dedicate land for parks, that directly offset the need for the City to construct or acquire such facilities with impact fee revenues; and

WHEREAS Tennessee law and sound public policy require that developers who provide such eligible improvements or land receive appropriate credit against applicable impact fees, or reimbursement from impact fee funds; and

WHEREAS the Board of Mayor and Aldermen find that establishing a clear, uniform, and transparent process for the award, valuation, and administration of impact fee credits and reimbursements will promote fairness, encourage voluntary provision of needed public facilities by the development community, and ensure compliance with Tennessee law.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF HENDERSONVILLE, TENNESSEE as follows:

SECTION 1. Enact Title 20, Chapter 14, Section 1407 establishing credits for assessed impact fees to read as follows:

CHAPTER 14

IMPACT FEES

SECTION

20-1407. Credits

20-1407. Credits

Credit against the road and park impact fees shall be provided for contributions toward the major road and park systems included in the calculation of the impact fee.

(1) Reimbursement Credits Available. The City may provide reimbursement from the impact fee account for qualifying contributions toward the road and parks system that are included in the calculation of the impact fee.

(a) Approved reimbursements for construction shall generally become effective when the improvements have been completed and have been accepted by the City under the provision of an agreement approved by the City Board of Mayor and Aldermen.

(b) Approved reimbursements for land dedication shall become effective only upon conveyance of land that the City, in its sole discretion, elects to accept; nothing herein shall obligate the City to accept any proposed dedication.

For the purposes of this section a “Qualifying Contribution” means as follows:

(2) Land Valuation. Credit for dedication of land for park or park improvement shall be assessed on the value of the land to be dedicated. The value of any land required or offered to be dedicated during the subdivision process, Planned Development rezoning, or other approval shall be based upon the fair market value for park and open-space use of the land at the time of agreement, and agreed upon by both the applicant(s) and the City Board of Mayor and Aldermen. The value shall be determined by a certified appraiser who is selected and paid for by the applicant, and who uses generally accepted appraisal techniques. If the City disagrees with the appraised value, the City may engage another appraiser at the City's expense, and the value shall be an amount equal to the average of the two appraisals. If either party rejects the average of the two appraisals, the cost may be negotiated. Approved credits for dedicated land shall become effective when the land has been conveyed to the City and has been accepted by the City.

(3) Construction Cost. In order to receive credit for major parks system improvements, the developer shall submit complete engineering drawings, specifications, and construction cost estimates or property appraisals to the Impact Fee Administrator. The Impact Fee Administrator shall review submittal with Public Works, Planning, and/or Parks Directors or their designee(s) whose departmental responsibility is to work with the specific project to determine the amount of reimbursement credit due based on the information submitted.

(4) Developer Agreement. To qualify for an impact fee credit, the developer must enter into an agreement with the City. At a minimum, the developer agreement shall specify the amount of the credit. If adequate fees are not available in the impact fee account, an agreement for repayment may be negotiated with the City Board of Mayor and Aldermen with the assistance of Finance staff.

(5) Expiration of Credits. Credits provided pursuant to this chapter shall be valid from the effective date of such credits until ten (10) years after such date.

(6) Pre Ordinance Offset Credits. Developers and applicants exempt from impact fees shall not be eligible to obtain reimbursement credits for improvements completed prior to the effective date of this chapter.

First Reading: _____

Second Reading: _____

APPROVED:

JAMIE CLARY, Mayor

ATTEST:

TAMARA INGERSOLL, City Recorder

APPROVED AS TO FORM AND LEGALITY:

LANCE A. WRAY, City Attorney

LEGISLATIVE HISTORY

Ordinance 2025-26

Sponsor: Collins, Clary

Committee: General

Date of Committee Meeting: December 9, 2025

Committee Recommendation: Yes

Committee: Finance

Date of Committee Meeting: December 9, 2025

Committee Recommendation: Yes

First BOMA Reading: January 13, 2026

Amendment: There was an amendment to add the following language after section 20-1407, (6):

20-1408. Miscellaneous Provisions

(1) Developer Exactions. Nothing in this chapter shall restrict the City from requiring the construction of necessary improvements required (e.g. the addition of required open space; or a traffic study show a reduction in level of service to justify the addition of a turn lane) to serve the development project, whether or not such improvements are of a type for which credits are available.

(2) Use of Impact Fees and Segregation of Funds. Impact fee funds that are distinct from the general fund of the City are hereby created, and the impact fees received will be deposited in each of the interest-bearing accounts of the associated impact fee. Eligible expenditures from the monies in the impact fee accounts shall be used only for following:

- (a) Impact fee revenues shall be used exclusively for capital improvements or equipment for streets and parks, as applicable, to serve new development and as approved by the Board of Mayor and Aldermen. Funds shall be maintained in separate accounts for roads impact fees and parks impact fees.
- (b) Qualifying project costs include project engineering costs; the acquisition cost of rights of way and easements, including legal costs; the construction cost of improvements, including, but not limited to, public street travel lanes, public pedestrian and bicycle pathways, turning lanes or the portion thereof located within the right of way of a public street, lighting, signalization, signage, equipment, and landscaping improvements that are required for the road improvement to function effectively or associated with the park improvements; and the principal, interest and other financing costs of bonds, notes or other obligations issued by or on behalf of the City to finance qualified improvements.

(3) Ineligible expenses. Ongoing operational costs, maintenance of existing facilities. In addition, rehabilitation, reconstruction, replacement or capital equipment, except to the extent that the projects increase the capacity to serve new development.

(4) Recordkeeping. The impact fee administrator shall maintain accurate records of the impact fees paid, including the name of the person paying such fees, the project for which the fees were paid, the date of payment of each fee, the amounts received in payment for each fee, and any other matters that the City deems appropriate of necessary to the accurate accounting of such fees. Records shall be available for review by the public during normal business hours and with reasonable advance notice pending the availability of the impact fee administrator.

(5) Programming of Funds. The City shall assign monies from the impact fee fund to specific projects and related expenses for eligible improvements of the type for which the fees in that fund were paid. Any monies, including any accrued interest, not assigned to specific projects within such capital

improvements program and not expended shall be retained in the same impact fee fund until the next fiscal year.

(6) Underpayment or Overpayment. If an impact fee has not been paid, has been underpaid or overpaid for any reason, the underpayment or overpayment shall be remedied as soon as possible after it is discovered. Any amounts overpaid by an applicant shall be refunded by the impact fee administrator to the applicant within thirty (30) days after the discovery of the overpayment, with interest since the date of such overpayment. Any amounts not paid or underpaid by the applicant shall be paid to the impact fee administrator within thirty (30) days after notice is given to the applicant of the amount due. In the case of a nonpayment or underpayment, the City shall not issue any additional permits or approvals for the project for which the impact fee was previously underpaid until such underpayment is corrected, and if amounts owed to the City are not paid within such thirty (30) day period, the City may also rescind any permits issued in reliance on the previous payment of such impact fee.

(7) Periodic Updates. The study will be revisited from time to time, at approximately five (5) year intervals, for adjustments to the fee schedule, or at the request of the Board of Mayor and Aldermen.

20-1412. Effective Date

This ordinance shall become effective for any submittals received after _____ that do not meet the vesting standards as set forth by the ordinance.

Vote on Amendment: Aye: Burgdorf, Collins, Dixon, Evans, Garton, Garza, Goodwin, Martin, Roberson, Sasse, Skidmore, Ward, Clary. *Motion carried.*

Vote on Original Motion as Amended: Aye: Burgdorf, Collins, Dixon, Evans, Garton, Garza, Goodwin, Martin, Roberson, Sasse, Ward, Clary. Nay: Skidmore. *Motion carried.*

Second BOMA Reading: January 27, 2026

DATE:	January 27, 2026
ORDINANCE/RESOLUTION #	Ordinance 2025-26
SPECIFIC REQUEST/ RECOMMENDATION:	That the Board of Mayor and Alderman consider adopting impact fee credits for residential development.
REPORT PREPARED BY:	Zachary Coleman, Senior Planner Keith L. Free, Planning Director Jesse Eckenroth, COO



BACKGROUND:

1

Impact fees are defined as one-time charges levied by local governments on new development. They are charged to developers to help municipalities recover infrastructure and public service costs. These collected fees are often used by agencies to mitigate the impacts that new developments incur with respect to traffic congestion, infrastructure (water, sewer, traffic signals), public parks, public safety and more.

Impact fees are commonly used by cities across the nation. The State of Tennessee allows municipalities to impose impact fees on new development. The City of Hendersonville's charter also establishes the City's authority to enact impact fees, subject to the Board's adoption.

Cities in close proximity to Hendersonville that have implemented impact fees, include but are not limited to: Franklin, Murfreesboro, La Vergne, Smyrna and White House.

The city has discussed impact fees at BOMA meetings, committee meetings and at standalone public workshops. In 2019, BOMA voted not to enact impact fees at that time primarily due to the potential impact on commercial and industrial development in the city limits, as opposed to neighboring cities with no commercial impact fees. As such, at no time has the City ever had a formal impact fee. However, at times some developments have offered the City voluntary fees which were accepted, but no formal fee has ever been required.

DISCUSSION:

2

The ultimate goal of impact fees is to enhance infrastructure to minimize the negative effects of new development, for example, traffic congestion. The sooner the additional infrastructure is built the sooner city residents will experience the benefits of the improvements; therefore, it is beneficial to complete the infrastructure improvements as quickly as possible. If the city adopts a credit system that recognizes and/or incentivizes the developer to build system-wide infrastructure, rather than the city, the project can typically be completed more expediently and at a lower cost. Not all developers/developments will be in a position to build system-wide infrastructure, but those that can and are willing could be eligible for credits against impact fees. Ordinance 2025-26 recognizes that developments may not be subject to all or a part of the impact fees if the development constructs or donates qualifying infrastructure or land.

FISCAL IMPACT:**3**

The Impact Fee Study identified the maximum allowable impact fees for various development types to ensure new development pays its fair share of infrastructure costs. The city may provide reimbursement from the impact fee account for contributions toward the road and parks system that are included in the calculation of the impact fee.

ADDITIONAL INFORMATION / PHOTOS:**4**

Impact studies benefit from scheduled updates to keep current with costs and new developments. If the city implements impact fees an update to the study and credits will be pursued, ideally the time between updates would be five (5) years or less. The cost to update the impact fee study can be calculated into the development fees.

ATTACHMENTS:**5**

1. Ordinance 2025-26

ORDINANCE 2025-25

Sponsors: Collins, Clary

AN ORDINANCE AMENDING THE HENDERSONVILLE MUNICIPAL CODE, TITLE 20 ESTABLISHING IMPACT FEES FOR THE CITY OF HENDERSONVILLE

WHEREAS, the City of Hendersonville recognizes the need to fund capital facilities to support growth and maintain service levels for streets and parks; and

WHEREAS, The City of Hendersonville has the authority to assess development impact fees pursuant to the authority of Mayor-Aldermanic charter cities as set forth in Sec. 6-2-201 (14) and (15), Tennessee Code Annotated; and

WHEREAS, the population within the City has grown and is projected for further growth, and will create additional demand for new residential and nonresidential development; and

WHEREAS, the Board of Mayor and Aldermen wished to examine impact fees and their legal requirements for the City of Hendersonville; and

WHEREAS, the Board of Mayor and Aldermen requested and authorized the Planning Department obtain the services of a consultant; and

WHEREAS, the chosen consultant, Tischler-Bise, obtained information from city departments and utilized a recognized legal method to determine a set of proposed fees for Parks, Roads, Police and Fire in order to assess associated residential and nonresidential impact fees; and

WHEREAS, the Impact Fee Study identifies the maximum allowable impact fees for various development types to ensure new development pays its fair share of infrastructure costs; and

WHEREAS, the City recognizes the additional net-positive tax and other fiscal contributions provided by nonresidential development property owners, including among other things, the contribution made or to be made in the future in cash, higher property tax rates, sales tax, fees or assessments by nonresidential property owner towards the capital costs of the necessary public service covered by these development impact fees, and thus at this time the determination that these long-term year over year contributions are more desirable and significant than the amount of the development impact fees that would otherwise be imposed on new nonresidential development; and

WHEREAS, the City finds that at present, there is both a rational nexus and a rough proportionality between the development impacts created by residential development and the types of impact covered by this section, and

WHEREAS, the City desires to build in an annual adjustment tied to a recognized economic index in order to provide consistency, predictability, and transparency, and to review at no longer than a biennial basis to ensure the ongoing proportionality between the fee amounts, the types of development assessed and the costs of required infrastructure such that the collection of impact fees are done in a reasonable and equitable manner to fund future additional public facilities; and

WHEREAS, the City desires to adopt impact fees for new residential development within the city in order to offset costs associated with the impact the development has on city resources; and

WHEREAS, the protection of the health, safety, and general welfare of the citizens of the City requires that the park and road facilities of the City be expanded and improved to meet the demands of new residential development; and

WHEREAS, it is the desire of this Board to evaluate the fees and projects to be completed that serve as the basis of the fees, identify a strategy to complete projects, and identify personnel to compute and track fee submittals and monetary balances; and

WHEREAS, the Board of Mayor and Aldermen declares it is in the best interest of the City to establish and collect impact fees in a reasonable and equitable manner to fund these future additional public facilities.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF HENDERSONVILLE, TENNESSEE as follows:

SECTION 1. Enact Title 20, Chapter 14 establishing a new Chapter in the City of Hendersonville Municipal Code entitled “Impact Fees”, to read as follows:

CHAPTER 14

IMPACT FEES

SECTION

20-1401.	Applicability
20-1402.	Purpose and Scope
20-1403.	Definitions
20-1404.	Impact Fee Administrator
20-1405.	Fees and Determination
20-1406.	Vesting and Exemptions
20-1407.	Reserved
20-1408.	Miscellaneous Provisions
20-1409.	Appeals
20-1410.	Violation
20-1411.	Severability
20-1412.	Effective Date

20-1401. Applicability

The provisions of this chapter shall apply to all new development within the corporate limits of the City of Hendersonville, unless such development is expressly exempted by means described further in this chapter.

20-1402. Purpose, Intent and Findings

The intent of this chapter is to ensure that new development bears a proportionate share of the cost of capital improvements; to ensure that the proportionate share does not exceed the cost of providing such facilities; and to ensure that funds collected from new development are actually used to construct improvements that serve new development as outlined in the Impact Fee Study. The City of Hendersonville recognizes and finds that:

- 1) At present, the additional net-positive tax and other fiscal contributions provided by nonresidential development property owners, including among other things, the contribution made or to be made in the future in cash or by taxes, fees or assessments by nonresidential property owner towards the capital costs of the necessary public service covered by these development impact fees, outweigh the amount of the development impact fees that would otherwise be imposed on new nonresidential development.
- 2) The transaction privilege tax revenues generated by nonresidential development is a substantial source of revenue justifying non-imposition of development impact fees at this time.
- 3) The City requires nonresidential development, at the time of development, to mitigate traffic and other impacts through the construction of new or improved infrastructure in the public right of way including but not limited to, new turn lanes, new through lanes, road widening, new traffic signals, new stormwater infrastructure and other infrastructure as deemed appropriate by traffic studies and the City Engineer.
- 4) The City has a rational basis for determining that tax revenues and other fiscal contributions fairly and adequately offset foregone development impact fees on nonresidential development while by contrast, the City believes that at present, residential development may approximately generate more expenses than revenue.
- 5) There is both a rational nexus and a rough proportionality between the development impacts created by residential development and the types of impact covered by this section..

20-1403. Definitions

- 1) “Applicant” means the applicant for a building permit for which an impact fee is due pursuant to the provisions of this chapter.
- 2) “Building” means any structure built for the support, shelter, or enclosure of persons, chattels, or movable property of any kind, including a mobile home, but excluding buildings used for agricultural purposes.
- 3) “Building Permit” means a permit issued by the building official authorizing performance of a specified activity in or on a structure or building.
- 4) “Capital Improvement” means any road or park capital improvement, including but not limited to planning, preliminary engineering, engineering design studies, land surveys, right-of-way acquisition, engineering, permitting and construction of all the necessary features for any construction project including, but not limited to:
 - (a) Construction of new through lanes;
 - (b) Construction of new turn lanes;
 - (c) Construction of new bridges;
 - (d) Construction of new drainage facilities in conjunction with new road construction;
 - (e) Purchase and installation of traffic signalization (including new and upgraded signalization);
 - (f) Construction of curbs, medians and shoulders in conjunction with new road construction;
 - (g) Relocating utilities to accommodate new road construction;
 - (i) New parks;

- (j) New park buildings, equipment and amenities; and
- 5) “Developer” means any individual, firm, company partnership, joint venture, association corporation, estate, trust, business trust, receiver, syndicate, or other group, or entity responsible for a new development or a new development project.
 - 6) “Development Project” means an interrelated set of developments, approved by the City pursuant to a subdivision plat, planned development or other development plan.
 - 7) “Dwelling Unit” means a room, or rooms connected together constituting a separate, independent housekeeping establishment for owner occupancy, rental or lease on a daily, weekly, monthly, or longer basis; physically separated from any other room(s) or dwelling units which may be in the same structure; and containing independent cooking and sleeping facilities.
 - 8) “Impact Fee Study” means the most recently prepared Impact Fee Study prepared for the City of Hendersonville by Tischler Bice, Inc, or an updated similar report approved by the Hendersonville Board of Mayor and Aldermen.
 - 9) “Multi-Family” means a building used for three or more dwelling units, excluding townhomes.
 - 10) “Nonresidential” means the development of any property for any use other than residential use, except as may be exempted by this chapter.
 - 11) “Office/Institutional” means buildings housing primarily office or institutional uses, including but not limited to corporate headquarters, medical offices, real estate offices, hospitals government buildings, schools, day care centers, and private lodges.
 - 12) “Residential” means single-family or multi-family dwelling units.
 - 13) “Retail/Commercial” means shopping centers, commercial land uses and other nonresidential land uses not elsewhere classified in the fee schedule.
 - 14) “Roads” means transportation system, including but not limited to streets, traffic signals and signs, bicycle lanes, curb and gutter, medians and sidewalks.
 - 15) “Impact Fee Administrator” means the City of Hendersonville Finance Director, or his or her designee.
 - 16) “Single Family Dwelling” means a dwelling unit on an individual lot principally used, designed, or adapted for use by a single family.
 - 17) “Structure” means anything built, constructed, or erected that is located permanently or semi-permanently on the ground or attached to something having a permanent or semi-permanent location on the ground, but specifically excluding paving or other resurfacing of the ground.
 - 18) “Square Feet” means gross floor area, defined as the total area of all floors of a primary building and all associated accessory buildings, measured from the external surface of the outside walls, but excluding covered walkways, open roofed over areas, porches and similar spaces, exterior terraces or steps, chimneys, roof overhangs, and similar features. Excluded

areas include basements or attic spaces of less than seven feet in height and vehicular parking and maneuvering areas.

- 19) “Warehouse” means a building primarily devoted to the storage of materials or goods, typically for the purposes of distribution.

20-1404. Impact Fee Administrator

Staffing will be provided for an impact fee administrator with experience and/or education in municipal finance. The duties of the impact fee administrator shall include:

- (1) Coordination with Planning, Public Works, Parks, and Codes staff to ensure proper fees are collected.
- (2) Collection of fees from assigned collection department, ensuring fees go to specified accounts.
- (3) Assisting applicants with questions regarding their impact fees and associated inquiries.
- (4) Maintaining records of applicants who have paid impact fees.
- (5) Tracking of project expenditures, including other sources of project funds.
- (6) Coordination with Public Works, Parks, Police, and Fire staff to track projects and completion.
- (7) Staff reviews with Public Works and Parks to review potential credits.
- (8) Coordinate with applicant on results of appraisals, when necessary. Write memo to detail the results of any request for impact fee credits and report results to Board. Hire appraiser and coordinate with applicant and Board for resolution as needed.
- (9) Assisting various departments with programming and budgeting of funds for projects that serve as the nexus for impact fees.
- (10) Tracking and payment of refunds.

20-1405. Determination of Fees and Refunds

- (1) Fee Schedule. Any person who applies for a building permit for an impact—generating development, except those exempted, shall pay an impact fee in accordance with the following fee schedule prior to the issuance of a building permit. If any credit is due pursuant to section 20-1407, the amount of such credit shall be deducted from the amount of the fee to be paid. Fees per 1,000 square feet shall be based on square feet, as herein defined, and shall be prorated to the nearest dollar.
- (2) Fee Table.

Residential Development shall be assessed on a per unit basis for Single Family and Multi Family Dwellings with the following rates for calendar years 2026-2030:

Residential - Impact Fee by Type					
	2026	2027	2028	2029	2030
Single Family	\$ 5,000	\$ 5,000	\$ 5,500	\$ 6,000	\$ 6,500
Multi-Family	\$ 3,498	\$ 3,498	\$ 3,848	\$ 4,198	\$ 4,547

Single Family - Impact Fee Allocation					
	2026	2027	2028	2029	2030
1/3 Parks	\$ 1,667	\$ 1,667	\$ 1,833	\$ 2,000	\$ 2,167
2/3 Roads	\$ 3,333	\$ 3,333	\$ 3,667	\$ 4,000	\$ 4,333
Total	\$ 5,000	\$ 5,000	\$ 5,500	\$ 6,000	\$ 6,500

Multi Family - Impact Fee Allocation					
	2026	2027	2028	2029	2030
1/3 Parks	\$ 1,166	\$ 1,166	\$ 1,283	\$ 1,399	\$ 1,516
2/3 Roads	\$ 2,332	\$ 2,332	\$ 2,565	\$ 2,798	\$ 3,032
Total	\$ 3,498	\$ 3,498	\$ 3,848	\$ 4,198	\$ 4,547

- (3) Collection of Fees. Impact fees shall be collected at the time of building permit issuance or as otherwise determined by the City, unless deferred by agreement with the City, subject to conditions ensuring payment prior to occupancy. All new development in the City shall be subject to the assessment and collection of impact fees unless otherwise expressly provided herein. The City will not issue a certificate of occupancy for any Structure until the required impact fee has been paid in full. For other uses not requiring a Building Permit, the City will not approve a development plan until the requisite impact fee has been paid in full. In addition, the City will issue a stop work order on any development for which the applicable impact fee has not been paid as required.
- (4) If the planned use for any development as stated by the applicant was misrepresented or changes within one (1) year of the building permit, the impact fee administrator and city reserves the right to recoup any difference from the fee collected.
- (5) Impact Fee Calculation Errors. If the impact fee has been calculated and paid based on error or misrepresentation, it shall be recalculated and the difference refunded to the original payer or assignee. If impact fees are owed, no permit of any type may be issued for the building or structure in question, or for any other portion of a development of which the building or structure in question is a part, until impact fees are paid.
- (6) Refund; Permit Expiration. If an applicant has paid an impact fee required by this chapter and the building permit later expires without the possibility of further extension, and the development activity for which the impact fee was imposed did not occur and no impact has

resulted, then the applicant who paid such fee shall be entitled to a refund of the fee paid, without interest. In order to be eligible to receive such refund, the applicant who paid such fee shall be required to submit an application requesting such refund within thirty (30) days after the expiration of the permit or extension for which the fee was paid. The City shall charge an administrative fee for verifying and computing the refund of 3% of the amount of the refund.

20-1406. Vesting and Exemptions

In order to address legal questions of vesting, projects and property with an associated Planned Development, site plan, or preliminary/final subdivision plat approved prior to _____ shall be exempt from impact fees, provided the approval has not expired. Exempt applicants include prior development agreements and per lot fees. Other exemptions include:

- (1) Developments that received a final site plan approval or building permit prior to the effective date of the Ordinance.
- (2) Building permits for Forest Park and Glenbrook Village North, whose development plans were approved with the provision that the developer would not be responsible for future impact fees.
- (3) Residential Alterations. Alterations of an existing dwelling unit where no additional dwelling units are created.
- (4) Residential Replacement. Replacement of a destroyed, partially-destroyed or moved residential building or structure with a new building or structure of the same use, and with the same number of dwelling units.
- (5) Nonresidential Development.
- (6) No Waivers; Payment of Fees by City. Other than exempted development, impact fees shall not be waived. In order to promote the economic development of the City or the public health, safety, and general welfare of its residents, the Board of Mayor and Aldermen may agree to pay some or all of the impact fees imposed on a proposed development or redevelopment from other funds of the City that are not restricted to other uses. Any such decision to pay impact fees on behalf of an applicant shall be at the discretion of the Board of Mayor and Aldermen of the City of Hendersonville and shall be made pursuant to goals and objectives articulated by the Board.

20-1407. Reserved

20-1408. Miscellaneous Provisions

- (1) Developer Exactions. Nothing in this chapter shall restrict the City from requiring the construction of necessary improvements required (e.g. the addition of required open space; or a traffic study show a reduction in level of service to justify the addition of a turn lane) to serve the development project, whether or not such improvements are of a type for which credits are available.

(2) Use of Impact Fees and Segregation of Funds. Impact fee funds that are distinct from the general fund of the City are hereby created, and the impact fees received will be deposited in each of the interest-bearing accounts of the associated impact fee. Eligible expenditures from the monies in the impact fee accounts shall be used only for following:

- (a) Impact fee revenues shall be used exclusively for capital improvements or equipment for streets and parks, as applicable, to serve new development and as approved by the Board of Mayor and Aldermen. Funds shall be maintained in separate accounts, one fund for Parks Development Impact Fees and one fund for Roads Development Impact Fees.
- (b) Qualifying project costs include project engineering costs; the acquisition cost of rights of way and easements, including legal costs; the construction cost of improvements, including, but not limited to, public street travel lanes, public pedestrian and bicycle pathways, turning lanes or the portion thereof located within the right of way of a public street, lighting, signalization, signage, equipment, and landscaping improvements that are required for the road improvement to function effectively or associated with the park improvements; and the principal, interest and other financing costs of bonds, notes or other obligations issued by or on behalf of the City to finance qualified improvements.

(3) Ineligible expenses. Ongoing operational costs and maintenance of existing facilities. Rehabilitation, reconstruction, replacement or capital equipment except to the extent that the projects increase the capacity to serve new development..

(4) Recordkeeping. The impact fee administrator shall maintain accurate records of the impact fees paid, including the name of the person paying such fees, the project for which the fees were paid, the date of payment of each fee, the amounts received in payment for each fee, and any other matters that the City deems appropriate or necessary to the accurate accounting of such fees. Records shall be available for review by the public during normal business hours and with reasonable advance notice pending the availability of the impact fee administrator.

(5) Programming of Funds. The City shall assign monies from the impact fee fund to specific projects and related expenses for eligible improvements of the type for which the fees in that fund were paid. Any monies, including any accrued interest, not assigned to specific projects within such capital improvements program and not expended shall be retained in the same impact fee fund until the next fiscal year.

(6) Underpayment or Overpayment. If an impact fee has not been paid, has been underpaid or overpaid for any reason, the underpayment or overpayment shall be remedied as soon as possible after it is discovered. Any amounts overpaid by an applicant shall be refunded by the impact fee administrator to the applicant within thirty (30) days after the discovery of the overpayment, with interest since the date of such overpayment. Any amounts not paid or underpaid by the applicant shall be paid to the impact fee administrator within thirty (30) days after notice is given to the applicant of the amount due. In the case of a nonpayment or underpayment, the City shall not issue any additional permits or approvals for the project for which the impact fee was previously underpaid until such underpayment is corrected, and if amounts owed to the City are not paid within such thirty (30) day period, the City may also rescind any permits issued in reliance on the previous payment of such impact fee.

(7) Periodic Updates. The study will be revisited from time to time, or at the request of the Board of Mayor and Aldermen, but said review to be no longer than a biennial basis to ensure the ongoing proportionality between the fee amounts, the types of development assessed and the costs of required infrastructure such that the collection of impact fees are done in a reasonable and equitable manner to fund future additional public facilities.

20-1409. Appeals

Any determination made by the impact fee administrator charged with the administration of any part of this chapter may be appealed to the Board of Mayor and Aldermen within thirty (30) days from the date of the decision to be appealed.

20-1410. Violation

Furnishing false information on any matter relating to the administration of this chapter, including without limitation the furnishing of false information regarding the expected size, use, or impacts from a proposed development, shall be a violation of this chapter.

20-1411. Severability

If a provision of this chapter or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the division that can be given effect without the invalid provision or application, and to this end the provisions of this chapter are severable.

20-1412. Effective Date

This ordinance shall become effective for any submittals received after _____ that do not meet the vesting standards as set forth by the ordinance.

First Reading: January 13th, 2026, passed.

Second Reading: _____

APPROVED:

JAMIE CLARY, Mayor

ATTEST:

TAMARA INGERSOLL, City Recorder

APPROVED AS TO FORM AND LEGALITY:

LANCE A. WRAY, City Attorney

LEGISLATIVE HISTORY

Ordinance 2025-25

Sponsor: Collins, Clary

Committee: General

Date of Committee Meeting: December 9, 2025

Committee Recommendation: Yes

Committee: Finance

Date of Committee Meeting: December 9, 2025

Committee Recommendation: Yes

First BOMA Reading: January 13, 2026

Amendment: There was an amendment to replace section (2) Fee Table with the following:

Residential Development shall be assessed on a per unit basis for Single Family and Multi Family Dwellings with the following rates for calendar years 2026-2030 and beyond:

Residential – Impact Fee by Type					
	2026	2027	2028	2029	2030 - beyond
Single Family	\$3,500	\$4,000	\$4,500	\$5,000	\$5,500
Multi-Family	\$2,500	\$3,000	\$3,500	\$4,000	\$4,500

Single Family – Impact Fee Allocation					
	2026	2027	2028	2029	2030 - beyond
1/3 Parks	\$1,155	\$1,320	\$1,485	\$1,650	\$1,815
2/3 Roads	\$2,345	\$2,680	\$3,015	\$3,350	\$3,685
Total	\$3,500	\$4,000	\$4,500	\$5,000	\$5,500

Multi Family – Impact Fee Allocation					
	2026	2027	2028	2029	2030 - beyond
1/3 Parks	\$825	\$990	\$1,155	\$1,320	\$1,485
2/3 Roads	\$1,675	\$2,010	\$2,345	\$2,680	\$3,015
Total	\$2,500	\$3,000	\$3,500	\$4,000	\$4,500

Vote on Amendment: Aye: Burgdorf, Collins, Dixon, Evans, Garton, Garza, Goodwin, Skidmore, Ward, Clary. Nay: Martin, Roberson, Sasse. *Motion carried.*

Vote on Original Motion as Amended: Aye: Collins, Dixon, Evans, Garton, Garza, Goodwin, Martin, Roberson, Ward, Clary. Nay: Burgdorf, Sasse, Skidmore. *Motion carried.*

Second BOMA Reading: January 27, 2026

DATE:	January 27, 2026
ORDINANCE/RESOLUTION #	Ordinance 2025-25
SPECIFIC REQUEST/ RECOMMENDATION:	That the Board of Mayor and Alderman consider adopting impact fees for new residential development (single family and multi-family dwellings).
REPORT PREPARED BY:	Zachary Coleman, Senior Planner Keith L. Free, Planning Director Jesse Eckenroth, COO



BACKGROUND:

1

Impact fees are defined as one-time charges levied by local governments on new development. They are charged to developers to help municipalities recover infrastructure and public service costs. These collected fees are often used by agencies to mitigate the impacts that new developments incur with respect to traffic congestion, infrastructure (water, sewer, traffic signals), public parks, public safety and more.

Impact fees are commonly used by cities across the nation. The state of Tennessee allows municipalities to impose impact fees on new development. The City of Hendersonville's charter also establishes the City's authority to enact impact fees, subject to the Board's adoption.

Cities in close proximity to Hendersonville that have implemented impact fees, include but are not limited to: Franklin, Murfreesboro, La Vergne, Smyrna and White House.

The City has discussed impact fees at BOMA meetings, committee meetings and at standalone public workshops. In 2019, BOMA voted not to enact impact fees at that time primarily due to the potential impact on commercial and industrial development in the city limits, as opposed to neighboring cities with no commercial impact fees. As such, at no time has the City ever had a formal impact fee. However, at times some developments have offered the City voluntary fees which were accepted, but no formal fee has ever been required.

DISCUSSION:

2

Impact fees for residential use include single-family dwellings and multi-family dwellings. The only difference, from an impact study perspective, between single-family and multi-family dwellings is the higher occupancy rate of 2.56 per single-family dwelling versus the occupancy rate of 1.65 per multi-family dwelling. The higher occupancy rate of single-family dwellings equates to more demand (use) on the system and therefore the fee reflects the mathematical equity according to occupancy rate.

The Impact Fee Study identified the maximum allowable impact fees for various development types to ensure new development pays its fair share of infrastructure costs. The proposed ordinance does not impose any impact fees on commercial development and proposes residential fees at less than half of the maximum allowable limit. Residential development shall be assessed on a per unit basis for single-family and multi-family dwellings, with one-third of the revenue generated from impact fees dedicated exclusively to parks and two-thirds dedicated exclusively to roads (transportation infrastructure).

The following table details the total fee per type of dwelling and the amount of the fee dedicated to parks and to roads:

2026 and 2027

	Roads	Parks	Total
Single-Family	\$3,333	\$1,667	\$5,000
Multi-Family	\$2,332	\$1,166	\$3,498

2028

	Roads	Parks	Total
Single-Family	\$3,667	\$1,833	\$5,500
Multi-Family	\$2,565	\$1,283	\$3,848

2029

	Roads	Parks	Total
Single-Family	\$4,000	\$2,000	\$6,000
Multi-Family	\$2,798	\$1,399	\$4,198

2030

	Roads	Parks	Total
Single-Family	\$4,333	\$2,167	\$6,500
Multi-Family	\$3,032	\$1,516	\$4,547

FISCAL IMPACT:**3**

Revenue generated by impact fees is only eligible for use on capital expenditures that mitigate impacts of new developments. Total revenue collections are determined by the level of activity but can be calculated by multiplying the number of residential units built by the amount of the fee. In calendar year 2024 there were 285 single-family dwelling units and zero multi-family units permitted which would have produced a total fee revenue of \$1,425,000 using the 2026 impact fee of \$5,000 for single-family units (\$950,000 for Roads and \$475,000 for Parks). By comparison, in calendar year 2023 there were 264 single-family units and 247 multi-family units permitted, producing a fee revenue of \$2,184,006 (using 2026 impact fees of \$1,320,000 and \$864,006 respectively).

Beginning in 2028, this ordinance proposes a fee increase as noted in the preceding charts for single-family and multi-family dwellings.

ADDITIONAL INFORMATION / PHOTOS:**4**

Impact studies benefit from scheduled updates to keep current with costs and new developments. If the city implements impact fees an update to the study will be pursued, ideally the time between updates would be five (5) years or less. The cost to update the impact fee study can be calculated into the development fees.

ATTACHMENTS:**5**

1. October 29, 2025, Impact Fee Study - Public Safety & Transportation
2. January 26, 2024, Impact Fee Report – Parks
3. Spreadsheet – Impact Fee Study – Comparison to Other Cities with BOMA Options
4. Impact Fee Examples – Based on sample projects

**Items 1-4 for this ordinance are the same as the attachments to ORD2025-23 and can be found on pages xx-xx of the packet.*

5. Ordinance 2025-25

Impact Fee Study

Prepared for:
City of Hendersonville, Tennessee

October 29, 2025



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Suite S240
Bethesda, MD
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TABLE OF CONTENTS

Executive Summary	3
Tennessee Legal Framework	3
General Legal Framework.....	3
General Methodologies.....	5
Cost Recovery (Past Improvements)	5
Incremental Expansion (Concurrent Improvements)	5
Plan-Based (Future Improvements)	6
Conceptual Impact fee Calculation	6
Credits	6
Proposed Impact Fee Components	7
Proposed Impact Fees	8
Fire	9
Methodology	9
Proportionate Share.....	9
Service Units	10
Residential	10
Nonresidential	11
Fire Facilities – Incremental Expansion	12
Existing Standards and Cost Factors	12
Projected Demand.....	13
Fire Apparatus – Incremental Expansion	14
Existing Standards and Cost Factors	14
Projected Demand.....	16
Impact Fee Study – Plan-Based.....	16
Debt Credit	17
Proposed Fire Impact Fees	18
Projected Revenue from Fire Impact Fees	19
Police	20
Methodology	20
Proportionate Share.....	20
Service Units	21
Residential	21
Nonresidential	22
Police Facilities – Incremental Expansion.....	22
Existing Standards and Cost Factors	22
Projected Demand.....	24
Police Vehicles – Incremental Expansion	25
Existing Standards and Cost Factors	25
Projected Demand.....	26
Impact Fee Study – Plan-Based.....	26
Proposed Police Impact Fees	27
Projected Revenue from Police Impact Fees	28
Transportation.....	29

Methodology	29
Proportionate Share.....	29
Vehicle Trip Generation Rates and Adjustments.....	29
Residential Trip Generation Rates.....	29
Nonresidential Trip Generation Rates.....	30
Trip Rate Adjustments.....	30
Commuter Trip Adjustment	31
Adjustment for Pass-By Trips	31
Average Weekday Vehicle Trips	32
Vehicle Miles Traveled (VMT).....	33
National Average Trip Length.....	33
Expected Vehicle Miles Traveled.....	33
Actual Vehicle Miles Traveled	34
Local Adjustment Factor.....	35
Local Trip Lengths.....	35
Local Vehicle Miles Traveled	35
Street Network Capacity and Usage.....	36
Projected VMT	37
Capacity Improvements – Incremental Expansion	38
Development Fee Report – Plan-Based.....	38
Proposed Transportation Impact Fees	39
Projected Revenue from Transportation Impact Fees	40
Appendix A: Land Use Assumptions	41
Residential Development	41
Persons Per Housing Unit	41
Existing Population and Housing Units.....	42
Projected Population and Housing Units.....	42
Nonresidential Development	43
Existing Employment and Floor Area	44
Projected Employment and Floor Area	44
Development Projections.....	46
Appendix B: Land Use Definitions	47
Residential Development	47
Nonresidential Development	48

EXECUTIVE SUMMARY

The City of Hendersonville, Tennessee, retained TischlerBise to prepare this study to analyze the impacts of development on City capital facilities and to calculate impact fees based on that analysis. Through interviews and discussions with City staff, TischlerBise developed the proposed impact fees discussed in this study. Methodologies and calculations are presented in this report as supporting documentation for an update to the Impact Fee program in the City of Hendersonville.

Impact fees are collected from new construction at the time a building permit is issued and used to construct system improvements needed to accommodate new development. An impact fee represents future development's proportionate share of capital facility needs. Impact fees do have limitations and should not be regarded as the total solution for infrastructure funding. Rather, they are one component of a comprehensive funding strategy to ensure provision of adequate public facilities. Impact fees may only be used for capital improvements or debt service for growth-related infrastructure. In contrast to general taxes, impact fees may not be used for operations, maintenance, replacement of infrastructure, or correcting existing deficiencies. This update of Hendersonville's impact fees includes the following components:

1. Fire
2. Police
3. Transportation

Tennessee Legal Framework

While the State of Tennessee does not have specific authorizing legislation for impact fees, the State does grant the power for municipalities with a mayor-aldermanic charter to impose impact fees on new development. As a mayor-aldermanic charter city, the City of Hendersonville may:

"Establish, open, relocate, vacate, alter, widen, extend, grade, improve, repair, construct, reconstruct, maintain, light, sprinkle and clean public highways, streets, boulevards, parkways, sidewalks, alleys, parks, public grounds, public facilities, libraries and squares, wharves, bridges, viaducts, subways, tunnels, sewers and drains within or without the corporate limits, regulate their use within the corporate limits, assess fees for the use of or impact upon such property and facilities, and take and appropriate property therefor under § 7-31-107 -- 7-31-111 and § 29-16-203, or any other manner provided by general laws." (Tenn. Code Ann. § 6-2-201 (15))

General Legal Framework

Both state and federal courts have recognized the imposition of impact fees as a legitimate form of land use regulation, provided the fees meet standards intended to protect against regulatory takings. Land use regulations, development exactions, and impact fees are subject to the Fifth Amendment prohibition on taking of private property for public use without just compensation. To comply with the Fifth Amendment, development regulations must be shown to substantially advance a legitimate governmental interest. In the case of impact fees, that interest is in the protection of public health, safety, and welfare by ensuring development is not detrimental to the quality of essential public services. The means to this end are also important, requiring both procedural and substantive due process. The process followed to receive

community input (i.e., stakeholder meetings, work sessions, and public hearings) provides opportunities for comments and refinements to the impact fees.

There is little federal case law specifically dealing with impact fees, although other rulings on other types of exactions (e.g., land dedication requirements) are relevant. In one of the most important exaction cases, the U. S. Supreme Court found that a government agency imposing exactions on development must demonstrate an “essential nexus” between the exaction and the interest being protected (see *Nollan v. California Coastal Commission*, 1987). In a more recent case (*Dolan v. City of Tigard, OR*, 1994), the Court ruled that an exaction must also be “roughly proportional” to the burden created by development. However, the *Dolan* decision appeared to set a higher standard of review for mandatory dedications of land than for monetary exactions such as impact fees.

There are three reasonable relationship requirements for impact fees that are closely related to “rational nexus”, or “reasonable relationship” requirements enunciated by a number of state courts. Although the term “dual rational nexus” is often used to characterize the standard by which courts evaluate the validity of impact fees under the U.S. Constitution, we prefer a more rigorous formulation that recognizes three elements: “need,” “benefit,” and “proportionality.” The dual rational nexus test explicitly addresses only the first two, although proportionality is reasonably implied, and was specifically mentioned by the U.S. Supreme Court in the *Dolan* case. Individual elements of the nexus standard are discussed further in the following paragraphs.

All new development in a community creates additional demands on some, or all, public facilities provided by local government. If the capacity of facilities is not increased to satisfy that additional demand, the quality or availability of public services for the entire community will deteriorate. Impact fees may be used to recover the cost of development-related facilities, but only to the extent that the need for facilities is a consequence of development that is subject to the fees. The *Nollan* decision reinforced the principle that development exactions may be used only to mitigate conditions created by the developments upon which they are imposed. That principle clearly applies to impact fees. In this study, the impact of development on infrastructure needs is analyzed in terms of quantifiable relationships between various types of development and the demand for specific capital facilities, based on applicable level-of-service standards.

The requirement that exactions be proportional to the impacts of development was clearly stated by the U.S. Supreme Court in the *Dolan* case and is logically necessary to establish a proper nexus. Proportionality is established through the procedures used to identify development-related facility costs, and in the methods used to calculate impact fees for various types of facilities and categories of development. The demand for capital facilities is measured in terms of relevant and measurable attributes of development (e.g., a typical housing unit’s average weekday vehicle trips).

A sufficient benefit relationship requires that impact fee revenues be segregated from other funds and expended only on the facilities for which the fees were charged. Impact fees must be expended in a timely manner and the facilities funded by the fees must serve the development paying the fees. However, nothing in the U.S. Constitution or the state enabling legislation requires that facilities funded with fee revenues be available *exclusively* to development paying the fees. In other words, benefit may extend to a general area including multiple real estate developments. Procedures for the earmarking and

expenditure of fee revenues are discussed near the end of this study. All of these procedural as well as substantive issues are intended to ensure that new development benefits from the impact fees they are required to pay. The authority and procedures to implement impact fees is separate from and complementary to the authority to require improvements as part of subdivision or zoning review.

As documented in this report, the City of Hendersonville has complied with applicable legal precedents. Impact fees are proportionate and reasonably related to the capital improvement demands of new development. Specific costs have been identified using local data and current dollars. With input from City staff, TischlerBise identified demand indicators for each type of infrastructure and calculated proportionate share factors to allocate costs by type of development. This report documents the formulas and input variables used to calculate the impact fees for each type of public facility. Impact fee methodologies also identify the extent to which new development is entitled to various types of credits to avoid potential double payment of growth-related capital costs.

General Methodologies

There are three general methodologies for calculating impact fees. The choice of a particular methodology depends primarily on the timing of infrastructure construction (past, concurrent, or future) and service characteristics of the facility type being addressed. Each methodology has advantages and disadvantages in a particular situation, and can be used simultaneously for different cost components.

Reduced to its simplest terms, the process of calculating impact fees involves two main steps: (1) determining the cost of development-related capital improvements and (2) allocating those costs equitably to various types of development. In practice, though, the calculation of impact fees can become quite complicated because of the many variables involved in defining the relationship between development and the need for facilities within the designated service area. The following paragraphs discuss three basic methodologies for calculating impact fees and how those methodologies can be applied.

Cost Recovery (Past Improvements)

The rationale for recoupment, often called cost recovery, is that future development is paying for its share of the useful life and remaining capacity of facilities already built, or land already purchased, from which future development will benefit. This methodology is often used for utility systems that must provide adequate capacity before future development can take place.

Incremental Expansion (Concurrent Improvements)

The incremental expansion methodology documents current level-of-service (LOS) standards for each type of public facility, using both quantitative and qualitative measures. This approach assumes there are no deficiencies or surplus capacity in existing infrastructure, and future development is paying only its proportionate share for growth-related infrastructure. Revenue will be used to expand or provide additional facilities, as needed, to accommodate future development. An incremental expansion cost methodology is best suited for public facilities that will be expanded in regular increments to keep pace with development.

Plan-Based (Future Improvements)

The plan-based methodology allocates costs for a specified set of improvements to a specified amount of development. Improvements are typically identified in a long-range facility plan and development potential is identified by a land use plan. There are two options for determining the cost per demand unit: (1) total cost of a public facility can be divided by total demand units (average cost), or (2) the growth-share of the public facility cost can be divided by the net increase in demand units over the planning timeframe (marginal cost).

Conceptual Impact fee Calculation

In contrast to project-level improvements, impact fees fund growth-related infrastructure that will benefit multiple development projects, or the entire jurisdiction (referred to as system improvements). The first step is to determine an appropriate demand indicator for the particular type of infrastructure. The demand indicator measures the number of demand units for each unit of development. For example, an appropriate indicator of the demand for park facilities is population growth, and the increase in population can be estimated from the average number of residents per housing unit. The second step in the impact fee formula is to determine infrastructure units per demand unit, typically called level-of-service (LOS) standards. In keeping with the parks example, a common LOS standard is park amenities per resident. The third step in the impact fee formula is the cost of various infrastructure units. To complete the parks example, this part of the formula would establish the cost for purchasing and/or constructing new park amenities.

Credits

Regardless of the methodology, a consideration of credits is integral to the development of a legally defensible impact fee. There are two types of credits that should be addressed in impact fee studies and ordinances. The first is a revenue credit due to possible double payment situations, which could occur when other revenues may contribute to the capital costs of infrastructure covered by the impact fee. This type of credit is integrated into the fee calculation, thus reducing the fee amount. The second is a site-specific credit or developer reimbursement for dedication of land or construction of system improvements. An example would be if a developer builds a park with improvements and dedicates to the City. This type of credit is addressed in the administration and implementation of the development fee program. For ease of administration, TischlerBise normally recommends developer reimbursements for system improvements.

Proposed Impact Fee Components

Figure 1 summarizes service areas, methodologies, and cost components for the proposed fees.

Figure 1: Proposed Service Areas, Methodologies, and Cost Components

Necessary Public Services	Service Area	Cost Recovery	Incremental Expansion	Plan-Based	Cost Allocation
Fire	Citywide	N/A	Fire Facilities, Fire Apparatus	Development Fee Report	Population, Vehicle Trips
Police	Citywide	N/A	Police Facilities, Police Vehicles	Development Fee Report	Population, Vehicle Trips
Transportation	Citywide	N/A	Street Improvements	Development Fee Report	VMT

Calculations throughout this report are based on an analysis conducted using Excel software. Most results are discussed in the report using two, three, and four decimal places, which represent rounded figures. However, the analysis itself uses figures carried to their ultimate decimal places; therefore, the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown in the report (due to the rounding of figures shown, not in the analysis).

Proposed Impact Fees

Proposed impact fees will be assessed per dwelling unit for residential development, and per 1,000 square feet of floor area for nonresidential development. The proposed impact fees represent the maximum allowable amount feasible for each development type, and this represents future development's fair share of the cost for the appropriate capital facilities.

Hendersonville may adopt fees that are less than the amounts shown; however, a reduction in impact fee revenue will necessitate an increase in other revenues, a decrease in planned capital improvements, and/or a decrease in level-of-service standards. All costs in the Impact Fee Study represent current dollars with no assumed inflation over time. If costs change significantly over time, impact fees should be recalculated.

Figure 2: Proposed Impact Fees

Residential Fees per Unit				
Unit Size	Fire	Police	Street	Proposed Fees
Single Family	\$1,198	\$657	\$10,836	\$12,691
Multi-Family	\$772	\$423	\$7,745	\$8,940

Nonresidential Fees per 1,000 Square Feet				
Development Type	Fire	Police	Street	Proposed Fees
Industrial	\$337	\$185	\$2,792	\$3,314
Commercial	\$1,728	\$948	\$9,571	\$12,247
Office & Other Services	\$767	\$421	\$6,371	\$7,559
Institutional	\$1,054	\$579	\$8,763	\$10,396

FIRE

Methodology

The fire impact fee includes components for fire facilities, fire apparatus, the cost of calculating the fire impact fees, and a credit for existing fire debt. Fire impact fees are based on the incremental expansion methodology for facilities and apparatus and the plan-based methodology for the cost of calculating fire impact fees. Costs are allocated to both residential and nonresidential development using different demand indicators for each type of development. Residential impact fees are calculated on a per capita basis, then converted to an appropriate amount for each type of housing unit based on persons per housing unit factors. Nonresidential impact fees are calculated using nonresidential vehicle trips. Trip generation rates are highest for commercial/retail development and lowest for industrial development, whereas trip rates for office/institutional development fall between the other two categories. Using vehicle trip rates ensures that impact fees are consistent with the relative demand for fire services from nonresidential development.

Proportionate Share

TischlerBise recommends functional population to allocate the cost of fire infrastructure to residential and nonresidential development. Functional population is similar to what the U.S. Census Bureau calls "daytime population." This approach accounts for people living and working in a jurisdiction, but it also considers commuting patterns and time spent at home and at nonresidential locations. OnTheMap is a web-based mapping and reporting application that shows where workers are employed and where they live. It describes geographic patterns of jobs by their employment locations and residential locations as well as the connections between the two locations. OnTheMap was developed through a unique partnership between the U.S. Census Bureau and its Local Employment Dynamics (LED) partner states.

Residents that do not work are assigned 20 hours per day to residential development and 4 hours per day to nonresidential development (annualized averages). Residents that work in Hendersonville are assigned 14 hours to residential development and 10 hours to nonresidential development. Residents that work outside Hendersonville are assigned 14 hours to residential development. Inflow commuters are assigned 10 hours to nonresidential development. Based on 2022 functional population data for Hendersonville, the most recent year available, the cost allocation for residential development is 76 percent while nonresidential development accounts for 24 percent of the demand for fire infrastructure.

Figure F1: Functional Population

Demand Units in 2022				
Residential			Demand Hours/Day	Person Hours
Total Population	61,321			
Residents Not Working	31,688		20	633,760
Employed Residents	29,633			
Employed in Hendersonville	3,880	14		54,320
Employed outside Hendersonville	25,753	14		360,542
Residential Subtotal				1,048,622
Residential Share				76%
Nonresidential				
Non-working Residents	31,688	4		126,752
Jobs Located in Hendersonville	20,667			
Residents Employed in Hendersonville	3,880	10		38,800
Non-Resident Workers (inflow commuters)	16,787	10		167,870
Nonresidential Subtotal				333,422
Nonresidential Share				24%
Total				1,382,044

Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics, Version 6.23.4 (employment).

Service Units

Residential

The “service unit” used for residential development is persons per housing unit (PPHU). This is a measure of, on average, the number of persons residing in each housing unit. As shown in Figure F2, there are 2.56 persons per single family unit and 1.65 persons per multifamily unit. Factors have been calculate based on data provided by the U.S. Census Bureau’s 2023 ACS 5-year estimates (further discussed in Appendix A).

Figure F2: Persons Per Housing Unit (PPHU)

Residential Development per Unit	
Development Type	Persons per Housing Unit ¹
Single Family	2.56
Multi-Family	1.65

1. See Land Use Assumptions

Nonresidential

TischlerBise recommends using nonresidential vehicle trips as the nonresidential service unit for fire infrastructure. Average weekday vehicle trip ends for nonresidential development are from the 11th edition of the reference book, *Trip Generation*, published in 2021 by the Institute of Transportation Engineers. A trip end represents a vehicle either entering or exiting a development (as if a traffic counter were placed across a driveway). Trip ends for nonresidential development are calculated per thousand square feet.

The basic trip adjustment factor is 50 percent for all nonresidential development except commercial and institutional. For commercial and institutional development, the trip adjustment factor is less than 50 percent because retail uses attract vehicles as they pass by on arterial and collector roads. For example, when someone stops at a convenience store on the way home from work, the convenience store is not the primary destination. For an average size shopping center, the ITE (2017) indicates that on average 34 percent of the vehicles that enter are passing by on their way to some other primary destination. The remaining 66 percent of attraction trips have the shopping center as their primary destination. Because attraction trips are half of all trips, the trip adjustment factor ($0.66 \times 0.50 = 0.33$) is approximately 33 percent of the trip ends.

Using the current estimates of nonresidential square footage, TischlerBise applies the trip generation rates and adjustment factors to calculate average weekday vehicle trips for nonresidential development in Hendersonville. TischlerBise estimates that there are 69,915 average weekday vehicle trips attributable to existing nonresidential development in Hendersonville.

Figure F3: Current Estimate of Nonresidential Vehicle Trips

Development Type	Dev Unit	ITE Code	Avg Wkday VTE	Trip Adjustment	Adjusted Wkday VTE	2025 Dev Units	2025 Veh Trips
Industrial	KSF	110	4.75	50%	2.38	2,758	6,550
Commercial	KSF	820	37.01	33%	12.21	3,101	37,877
Office & Other Services	KSF	710	10.84	50%	5.42	1,908	10,341
Institutional	KSF	520	22.59	33%	7.45	2,032	15,147
Total Nonresidential Trips							69,915

Fire Facilities – Incremental Expansion

Existing Standards and Cost Factors

Hendersonville currently provides 53,357 square feet of fire facilities to existing development and plans to maintain the existing level of service by constructing additional fire facilities to serve future development. To allocate the proportionate share of demand to residential and nonresidential development, this analysis uses proportionate share factors shown in Figure F1. Hendersonville's existing LOS for residential development is 0.6062 square feet per person (53,357 square feet X 76 percent residential share / 66,898 persons). The nonresidential level of service is 0.1832 square feet per vehicle trip (53,357 square feet X 24 percent nonresidential share / 69,915 vehicle trips). Based on recent fire station construction costs in Tennessee this analysis uses a construction cost estimate of \$450 per square foot. For fire facilities, the cost is \$272.78 per person (0.6062 square feet per person X \$450 per square foot) and \$82.42 per vehicle trip (0.1832 square feet per vehicle trip X \$450 per square foot).

Figure F4: Existing Standards for Fire Facilities

Description	Square Feet
Station 1	4,880
Station 2	14,460
Station 3	8,434
Station 4	3,200
Station 5	7,354
Station 6	6,000
Station 7	9,029
Total	53,357

Cost Factors	
Cost per Square Foot	\$450

Level-of-Service (LOS) Standards	
Existing Square Feet	53,357
Residential	
Residential Share	76%
2025 Population	66,898
Square Feet per Person	0.6062
Cost per Person	\$272.78
Nonresidential	
Nonresidential Share	24%
2025 Vehicle Trips	69,915
Square Feet per Vehicle Trip	0.1832
Cost per Vehicle Trip	\$82.42

Source: Hendersonville Fire Department

Projected Demand

Hendersonville plans to maintain the existing level of service for fire facilities over the next 10 years. Based on a projected population increase of 10,455 persons, future residential development demands approximately 6,338 square feet of fire facilities (10,455 additional persons X 0.6062 square feet per person). With projected nonresidential growth of 9,478 vehicle trips, future nonresidential development demands approximately 1,736 square feet of fire facilities (9,478 additional vehicle trips X 0.1832 square feet per vehicle trip). The growth-related cost of fire facilities is \$3,633,057 (8,073 square feet X \$450 per square foot).

Figure F5: Growth-Related Need for Fire Facilities

Type of Infrastructure	Level of Service	Demand Unit	Cost per Sq Ft
Fire Facilities	0.6062 Square Feet	per Person	\$450
	0.1832 Square Feet	per Vehicle Trip	

Demand for Fire Facilities					
Year	Population	Vehicle Trips	Square Feet		
			Residential	Nonresidential	Total
2025	66,898	69,915	40,551	12,806	53,357
2026	67,943	70,803	41,185	12,968	54,153
2027	68,989	71,703	41,819	13,133	54,952
2028	70,034	72,616	42,453	13,300	55,753
2029	71,080	73,542	43,086	13,470	56,556
2030	72,125	74,482	43,720	13,642	57,362
2031	73,171	75,436	44,354	13,817	58,171
2032	74,216	76,404	44,988	13,994	58,982
2033	75,262	77,386	45,621	14,174	59,795
2034	76,307	78,382	46,255	14,356	60,612
2035	77,353	79,393	46,889	14,542	61,430
Increase	10,455	9,478	6,338	1,736	8,073
Growth-Related Expenditures			\$2,851,877	\$781,180	\$3,633,057

Fire Apparatus – Incremental Expansion

Existing Standards and Cost Factors

Hendersonville currently provides 36 units of fire apparatus to existing development and plans to maintain the existing level of service by acquiring additional apparatus to serve future development. Based on costs provided by staff, the weighted average cost of the existing fleet is \$554,613 per unit. The analysis uses this cost as a proxy for future apparatus costs.

Figure F6: Existing Fire Apparatus Inventory

Description	Units	Unit Cost	Total Cost
1999 American Eagle Pumper	1	\$992,967	\$992,967
Tactical Rescue Trailer	1	\$9,000	\$9,000
Jet Skis	2	\$30,000	\$60,000
2007 E-One Pumper Custom Chassis	1	\$875,000	\$875,000
2011 E-One 100' Platform Ladder Truck	1	\$2,000,000	\$2,000,000
2012 Chevrolet Silverado 2500	1	\$46,703	\$46,703
2012 Chevrolet Tahoe	1	\$46,703	\$46,703
2012 E-One Pumper Custom Chassis	1	\$910,000	\$910,000
CBRNE Fire/Rescue Boat (33-FT)	1	\$400,000	\$400,000
12 Ft. Rigid Hull Inflatable Boat with Motor	2	\$22,000	\$44,000
2013 E-One Typhoon Pumper	1	\$992,967	\$992,967
2013 E-One Cyclone 100' Ladder Truck	1	\$1,999,565	\$1,999,565
2015 Chevrolet Silverado	2	\$95,000	\$190,000
2015 SUTPHEN Engine	1	\$992,967	\$992,967
2015 Spartan	1	\$1,100,000	\$1,100,000
2016 Kawasaki Mule	1	\$16,000	\$16,000
2017 Chevrolet Silverado	2	\$46,703	\$93,406
2018 Chevrolet Silverado 1500	2	\$46,703	\$93,406
2018 Pierce Enforcer Pumper	2	\$1,985,934	\$3,971,868
2019 Chevrolet Tahoe	1	\$46,703	\$46,703
2019 Chevrolet Silverado 1500	1	\$46,703	\$46,703
2021 Chevrolet Silverado 2500	1	\$46,703	\$46,703
2022 Ford PPV Explorer	1	\$46,703	\$46,703
2022 Pierce Enforcer Pumper	1	\$992,967	\$992,967
2023 Chevrolet Tahoe	1	\$46,703	\$46,703
2025 Chevrolet Silverado 2500	2	\$46,703	\$93,406
2023 Pierce Enforcer Pumper	1	\$819,090	\$819,090
2024 Pierce Enforcer Pumper	1	\$992,967	\$992,967
2025 Pierce Enforcer Aerial 107' Ladder Truck	1	\$1,999,565	\$1,999,565
Total	36	\$554,613	\$19,966,062

To allocate the proportionate share of demand to residential and nonresidential development, this analysis uses proportionate share factors shown in Figure F1. Hendersonville's existing LOS for residential development is 0.00041 units per person (36 units X 76 percent residential share / 66,898 persons). The nonresidential level of service is 0.00012 units per vehicle trip (36 units X 24 percent nonresidential share / 69,915 vehicle trips). For fire apparatus, the cost is \$226.83 per person (0.00041 units per person X \$554,613 per unit) and \$68.54 per vehicle trip (0.00012 units per vehicle trip X \$554,613 per unit).

Figure F7: Existing Standards for Fire Apparatus

Cost Factors	
Weighted Average per Unit	\$554,613

Level-of-Service (LOS) Standards	
Existing Units	36
Residential	
Residential Share	76%
2025 Population	66,898
Units per Person	0.00041
Cost per Person	\$226.83
Nonresidential	
Nonresidential Share	24%
2025 Vehicle Trips	69,915
Units per Vehicle Trip	0.00012
Cost per Vehicle Trip	\$68.54

Source: Hendersonville Fire Department

Projected Demand

Hendersonville plans to maintain the existing level of service for fire apparatus over the next 10 years. Based on a projected population increase of 10,455 persons, future residential development demands approximately 4.3 units (10,455 additional persons X 0.00041 units per person). With projected nonresidential growth of 9,478 vehicle trips, future nonresidential development demands approximately 1.2 units (9,478 vehicle trips X 0.00012 units per vehicle trip). The growth-related cost of fire apparatus is \$3,021,069 (5.4 units X \$554,613 per unit).

Figure F8: Growth-Related Need for Fire Apparatus

Type of Infrastructure	Level of Service	Demand Unit	Cost per Unit
Fire Apparatus	0.00041 Units	per Person	\$554,613
	0.00012 Units	per Vehicle Trip	

Demand for Fire Apparatus					
Year	Population	Vehicle Trips	Units		
			Residential	Nonresidential	Total
2025	66,898	69,915	27.4	8.6	36.0
2026	67,943	70,803	27.8	8.7	36.5
2027	68,989	71,703	28.2	8.9	37.1
2028	70,034	72,616	28.6	9.0	37.6
2029	71,080	73,542	29.1	9.1	38.2
2030	72,125	74,482	29.5	9.2	38.7
2031	73,171	75,436	29.9	9.3	39.2
2032	74,216	76,404	30.4	9.4	39.8
2033	75,262	77,386	30.8	9.6	40.3
2034	76,307	78,382	31.2	9.7	40.9
2035	77,353	79,393	31.6	9.8	41.4
Increase	10,455	9,478	4.3	1.2	5.4
Growth-Related Expenditures			\$2,371,479	\$649,590	\$3,021,069

Impact Fee Study – Plan-Based

The cost to prepare the fire impact fee equals \$20,274. TischlerBise recommends that Hendersonville update its report every five years. Based on this cost, proportionate shares, and five-year projections of new development from the Land Use Assumptions detailed in Appendix A, the cost is \$2.95 per person and \$1.07 per vehicle trip.

Figure F9: Impact Fee Study Expense

Necessary Public Service	Cost	Proportionate Share		Service Unit	5-Year Change	Cost per Service Unit
Fire	\$20,274	Residential	76%	Population	5,228	\$2.95
		Nonresidential	24%	Vehicle Trips	4,567	\$1.07

Debt Credit

The fire impact fees include a credit for existing debt service. Hendersonville has bond financed recent fire facilities construction and the purchase of fire apparatus. A credit is necessary since new development will pay the fire impact fee and will also generate property tax revenue used to repay existing debt service. As shown in Figure F10, the principal portion of existing debt service equals \$3,742,747 over the next 9 years. To allocate the proportionate share of demand to residential and nonresidential development, this analysis uses proportionate share factors shown in Figure F1. Annual principal payments are divided by projected population and vehicle trips in each year to estimate the principal payment per person and vehicle trip. To account for the time value of money, annual principal payments per person and trip are discounted using a net present value formula based on an interest rate of 4.0 percent. The total net present value of future principal payments is \$34.46 per person and \$10.49 per vehicle trip.

Figure F10: Fire Debt Credit

Year	Principal ¹	Residential Share (76%)	Population	Per Person	Nonresidential Share (24%)	Vehicle Trips	Per Vehicle Trip
2025	\$593,649	\$451,173	66,898	\$6.74	\$142,476	69,915	\$2.04
2026	\$600,429	\$456,326	67,943	\$6.72	\$144,103	70,803	\$2.04
2027	\$427,381	\$324,810	68,989	\$4.71	\$102,571	71,703	\$1.43
2028	\$429,153	\$326,156	70,034	\$4.66	\$102,997	72,616	\$1.42
2029	\$432,697	\$328,850	71,080	\$4.63	\$103,847	73,542	\$1.41
2030	\$434,469	\$330,197	72,125	\$4.58	\$104,273	74,482	\$1.40
2031	\$274,989	\$208,992	73,171	\$2.86	\$65,997	75,436	\$0.87
2032	\$274,989	\$208,992	74,216	\$2.82	\$65,997	76,404	\$0.86
2033	\$274,989	\$208,992	75,262	\$2.78	\$65,997	77,386	\$0.85
Total	\$3,742,747	\$2,844,487		\$40.48	\$898,259		\$12.33

Discount Rate	4.0%
Net Present Value	\$34.46

Discount Rate	4.0%
Net Present Value	\$10.49

1. Sum of the four current bonds for fire stations and apparatus

Proposed Fire Impact Fees

Infrastructure components and cost factors used to calculate the proposed fire impact fees are summarized in the upper portion of Figure F11. The total capital cost is \$468.10 per person and \$141.54 per vehicle trip.

Fire impact fees for residential development are assessed per housing unit and vary proportionately according to the number of persons per housing unit. For a single-family unit, the fee of \$1,198 is calculated using a cost of \$468.10 per person multiplied by 2.56 persons per housing unit.

Fire impact fees for nonresidential development are assessed per 1,000 square feet and vary proportionately according to the number of average weekday vehicle trips. For industrial development, the fee of \$337 per 1,000 square feet is calculated using a cost of \$141.54 per vehicle trip multiplied by 2.38 AWVT per 1,000 square feet.

Figure F11: Proposed Fire Impact Fees

Fee Component	Cost per Person	Cost per Trip
Fire Facilities	\$272.78	\$82.42
Fire Apparatus	\$226.83	\$68.54
Development Fee Report	\$2.95	\$1.07
Fire Debt Credit	(\$34.46)	(\$10.49)
Total	\$468.10	\$141.54

Residential Fees per Unit		
Unit Type	Persons per Housing Unit ¹	Proposed Fees
Single Family	2.56	\$1,198
Multi-Family	1.65	\$772

Nonresidential Fees per 1,000 Square Feet		
Development Type	AWVT per 1,000 Sq Ft ¹	Proposed Fees
Industrial	2.38	\$337
Commercial	12.21	\$1,728
Office & Other Services	5.42	\$767
Institutional	7.45	\$1,054

1. See Land Use Assumptions

Projected Revenue from Fire Impact Fees

This section summarizes the potential cash flow to Hendersonville based on adoption of the proposed fire impact fees. The cash flow projections are based on the development projections discussed in the Land Use Assumptions section and the proposed fire impact fees. If development occurs at a more rapid rate than projected, the demand for infrastructure and the impact fee revenue will increase at a corresponding rate. If development occurs at a slower rate than projected, the demand for infrastructure and the impact fee revenue will decrease at a corresponding rate. Projected impact fee revenue equals \$6,233,403 over the next 10 years and total projected expenditures equal \$6,674,400.

Figure F12: Projected Revenue from Fire Impact Fees

Fee Component	Growth Share	Existing Share	Total
Fire Facilities	\$3,633,057	\$0	\$3,633,057
Fire Apparatus	\$3,021,069	\$0	\$3,021,069
Development Fee Report	\$20,274	\$0	\$20,274
Total	\$6,674,400	\$0	\$6,674,400

		Single Family \$1,198 per unit	Multi-Family \$772 per unit	Industrial \$337 per KSF	Commercial \$1,728 per KSF	Office & Other \$767 per KSF	Institutional \$1,054 per KSF
Year		Hsg Unit	Hsg Unit	KSF	KSF	KSF	KSF
Base	2025	21,032	6,106	2,758	3,101	1,908	2,032
Year 1	2026	21,388	6,188	2,770	3,133	1,948	2,065
Year 2	2027	21,743	6,270	2,783	3,165	1,990	2,099
Year 3	2028	22,098	6,353	2,795	3,198	2,032	2,134
Year 4	2029	22,454	6,435	2,807	3,231	2,075	2,169
Year 5	2030	22,809	6,517	2,820	3,264	2,119	2,205
Year 6	2031	23,164	6,600	2,833	3,297	2,164	2,241
Year 7	2032	23,520	6,682	2,845	3,331	2,210	2,278
Year 8	2033	23,875	6,764	2,858	3,365	2,256	2,316
Year 9	2034	24,230	6,847	2,871	3,400	2,304	2,354
Year 10	2035	24,586	6,929	2,883	3,435	2,353	2,393
10-Year Increase		3,553	823	126	334	445	361
Projected Revenue		\$4,256,893	\$635,613	\$42,315	\$576,449	\$341,419	\$380,713

Projected Fee Revenue	\$6,233,403
Total Expenditures	\$6,674,400

POLICE

Methodology

The components of Hendersonville's police impact fee include facilities, vehicles, and the cost of calculating the police impact fees. Police impact fees are based on the incremental expansion methodology for facilities and vehicles, and the plan-based methodology for the cost of calculating police impact fees. Costs are allocated to both residential and nonresidential development using different demand indicators for each type of development. Residential impact fees are calculated on a per capita basis, then converted to an appropriate amount for each type of housing unit based on persons per housing unit factors. Nonresidential impact fees are calculated using nonresidential vehicle trips. Trip generation rates are highest for commercial/retail development and lowest for industrial development, whereas trip rates for office/institutional development fall between the other two categories. Using vehicle trip rates ensures that impact fees are consistent with the relative demand for police services from nonresidential development.

Proportionate Share

TischlerBise recommends functional population to allocate the cost of police infrastructure to residential and nonresidential development. Functional population is similar to what the U.S. Census Bureau calls "daytime population." This approach accounts for people living and working in a jurisdiction, but it also considers commuting patterns and time spent at home and at nonresidential locations. OnTheMap is a web-based mapping and reporting application that shows where workers are employed and where they live. It describes geographic patterns of jobs by their employment locations and residential locations as well as the connections between the two locations. OnTheMap was developed through a unique partnership between the U.S. Census Bureau and its Local Employment Dynamics (LED) partner states.

Residents that do not work are assigned 20 hours per day to residential development and 4 hours per day to nonresidential development (annualized averages). Residents that work in Hendersonville are assigned 14 hours to residential development and 10 hours to nonresidential development. Residents that work outside Hendersonville are assigned 14 hours to residential development. Inflow commuters are assigned 10 hours to nonresidential development. Based on 2022 functional population data for Hendersonville, the most recent year available, the cost allocation for residential development is 76 percent while nonresidential development accounts for 24 percent of the demand for police infrastructure.

Figure P1: Functional Population

Demand Units in 2022				
Residential			Demand Hours/Day	Person Hours
Total Population	61,321			
Residents Not Working	31,688		20	633,760
Employed Residents	29,633			
Employed in Hendersonville	3,880		14	54,320
Employed outside Hendersonville	25,753		14	360,542
Residential Subtotal				1,048,622
Residential Share				76%
Nonresidential				
Non-working Residents	31,688		4	126,752
Jobs Located in Hendersonville	20,667			
Residents Employed in Hendersonville	3,880		10	38,800
Non-Resident Workers (inflow commuters)	16,787		10	167,870
Nonresidential Subtotal				333,422
Nonresidential Share				24%
Total				1,382,044

Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics, Version 6.23.4 (employment).

Service Units

Residential

The “service unit” used for residential development is persons per housing unit (PPHU). This is a measure of, on average, the number of persons residing in each housing unit. As shown in Figure P2, there are 2.56 persons per single family unit and 1.65 persons per multifamily unit. Factors have been calculate based on data provided by the U.S. Census Bureau’s 2023 ACS 5-year estimates (further discussed in Appendix A).

Figure P2: Persons Per Housing Unit (PPHU)

Residential Development per Unit	
Development Type	Persons per Housing Unit ¹
Single Family	2.56
Multi-Family	1.65

1. See Land Use Assumptions

Nonresidential

TischlerBise recommends using nonresidential vehicle trips as the nonresidential service unit for police infrastructure. Average weekday vehicle trip ends for nonresidential development are from the 11th edition of the reference book, *Trip Generation*, published in 2021 by the Institute of Transportation Engineers. A trip end represents a vehicle either entering or exiting a development (as if a traffic counter were placed across a driveway). Trip ends for nonresidential development are calculated per thousand square feet.

The basic trip adjustment factor is 50 percent for all nonresidential development except commercial and institutional. For commercial and institutional development, the trip adjustment factor is less than 50 percent because retail uses attract vehicles as they pass by on arterial and collector roads. For example, when someone stops at a convenience store on the way home from work, the convenience store is not the primary destination. For an average size shopping center, the ITE (2017) indicates that on average 34 percent of the vehicles that enter are passing by on their way to some other primary destination. The remaining 66 percent of attraction trips have the shopping center as their primary destination. Because attraction trips are half of all trips, the trip adjustment factor ($0.66 \times 0.50 = 0.33$) is approximately 33 percent of the trip ends.

Using the current estimates of nonresidential square footage, TischlerBise applies the trip generation rates and adjustment factors to calculate average weekday vehicle trips for nonresidential development in Hendersonville. TischlerBise estimates that there are 69,915 average weekday vehicle trips attributable to existing nonresidential development in Hendersonville.

Figure P3: Current Estimate of Nonresidential Vehicle Trips

Development Type	Dev Unit	ITE Code	Avg Wkday VTE	Trip Adjustment	Adjusted Wkday VTE	2025 Dev Units	2025 Veh Trips
Industrial	KSF	110	4.75	50%	2.38	2,758	6,550
Commercial	KSF	820	37.01	33%	12.21	3,101	37,877
Office & Other Services	KSF	710	10.84	50%	5.42	1,908	10,341
Institutional	KSF	520	22.59	33%	7.45	2,032	15,147
Total Nonresidential Trips							69,915

Police Facilities – Incremental Expansion

Existing Standards and Cost Factors

Hendersonville currently provides 29,373 square feet of police facilities to existing development and plans to maintain the existing level of service by constructing additional police facilities to serve future development. To allocate the proportionate share of demand to residential and nonresidential development, this analysis uses proportionate share factors shown in Figure P1. Hendersonville's existing LOS for residential development is 0.3337 square feet per person (29,373 square feet X 76 percent residential share / 66,898 persons). The nonresidential level of service is 0.1008 square feet per vehicle trip (29,373 square feet X 24 percent nonresidential share / 69,915 vehicle trips).

Based on recent police station construction costs in Tennessee this analysis uses a construction cost estimate of \$500 per square foot. For police facilities, the cost is \$166.85 per person (0.3337 square feet per person X \$500 per square foot) and \$50.41 per vehicle trip (0.1008 square feet per trip X \$500 per square foot).

Figure P4: Existing Standards for Police Facilities

Description	Square Feet
Police Department	17,740
Police Annex	11,633
Total	29,373

Cost Factors	
Cost per Square Foot	\$500

Level-of-Service (LOS) Standards	
Existing Square Feet	29,373
Residential	
Residential Share	76%
2025 Population	66,898
Square Feet per Person	0.3337
Cost per Person	\$166.85
Nonresidential	
Nonresidential Share	24%
2025 Vehicle Trips	69,915
Square Feet per Vehicle Trip	0.1008
Cost per Vehicle Trip	\$50.41

Source: Hendersonville Police Department

Projected Demand

Hendersonville plans to maintain the existing level of service for police facilities over the next 10 years. Based on a projected population increase of 10,455 persons, future residential development demands approximately 3,489 square feet of police facilities (10,455 additional persons X 0.3337 square feet per person). With projected nonresidential growth of 9,478 vehicle trips, future nonresidential development demands approximately 956 square feet of police facilities (9,478 additional vehicle trips X 0.1008 square feet per vehicle trip). The growth-related cost of police facilities is \$2,222,217 (4,444 square feet X \$500 per square foot).

Figure P5: Growth-Related Need for Police Facilities

Type of Infrastructure	Level of Service	Demand Unit	Cost per Sq Ft
Police Facilities	0.3337 Square Feet	per Person	\$500
	0.1008 Square Feet	per Vehicle	

Demand for Police Facilities					
Year	Population	Vehicle Trips	Square Feet		
			Residential	Nonresidential	Total
2025	66,898	69,915	22,323	7,050	29,373
2026	67,943	70,803	22,672	7,139	29,811
2027	68,989	71,703	23,021	7,230	30,251
2028	70,034	72,616	23,370	7,322	30,692
2029	71,080	73,542	23,719	7,415	31,134
2030	72,125	74,482	24,068	7,510	31,578
2031	73,171	75,436	24,417	7,606	32,023
2032	74,216	76,404	24,766	7,704	32,469
2033	75,262	77,386	25,115	7,803	32,917
2034	76,307	78,382	25,463	7,903	33,367
2035	77,353	79,393	25,812	8,005	33,817
10-Yr Increase	10,455	9,478	3,489	956	4,444
Growth-Related Expenditures			\$1,744,396	\$477,821	\$2,222,217

Police Vehicles – Incremental Expansion

Existing Standards and Cost Factors

Hendersonville currently provides 171 police vehicles to existing development and plans to maintain the existing level of service by acquiring additional vehicles to serve future development. Based on costs provided by the Hendersonville Police Department, the weighted average cost of the existing fleet is \$44,630 per unit. The analysis uses this cost as a proxy for future vehicle costs. To allocate the proportionate share of demand to residential and nonresidential development, this analysis uses proportionate share factors shown in Figure P1. Hendersonville’s existing LOS for residential development is 0.0019 units per person (171 units X 76 percent residential share / 66,898 persons). The nonresidential level of service is 0.0006 units per vehicle trip (171 units X 24 percent nonresidential share / 69,915 vehicle trips). For police vehicles, the cost is \$86.70 per person (0.0019 units per person X \$44,630 per unit) and \$26.20 per vehicle trip (0.0006 units per vehicle trip X \$44,630 per unit).

Figure P6: Existing Standards for Police Vehicles

Description	Units	Unit Cost	Total Cost
SUVs	143	\$45,101	\$6,449,449
Pickup Trucks	11	\$46,860	\$515,460
Sedans	17	\$39,229	\$666,900
Total	171	\$44,630	\$7,631,809

Cost Factors	
Weighted Average per Unit	\$44,630

Level-of-Service (LOS) Standards	
Existing Units	171
Residential	
Residential Share	76%
2025 Population	66,898
Units per Person	0.0019
Cost per Person	\$86.70
Nonresidential	
Nonresidential Share	24%
2025 Vehicle Trips	69,915
Units per Vehicle Trip	0.0006
Cost per Vehicle Trip	\$26.20

Source: Hendersonville Police Department

Projected Demand

Hendersonville plans to maintain the existing level of service for police vehicles over the next 10 years. Based on a projected population increase of 10,455 persons, future residential development demands approximately 20.3 units (10,455 additional persons X 0.0019 units per person). With projected nonresidential growth of 9,478 vehicle trips, future nonresidential development demands approximately 5.6 units (9,478 additional vehicle trips X 0.0006 units per vehicle trip). The growth-related cost of police vehicles is \$1,154,771 (25.9 units X \$44,630 per unit).

Figure P7: Growth-Related Need for Police Vehicles

Type of Infrastructure	Level of Service	Demand Unit	Cost per Unit
Police Vehicles	0.0019 Units	per Person	\$44,630
	0.0006 Units	per Vehicle	

Demand for Police Vehicles					
Year	Population	Vehicle Trips	Units		
			Residential	Nonresidential	Total
2025	66,898	69,915	130.0	41.0	171.0
2026	67,943	70,803	132.0	41.6	173.6
2027	68,989	71,703	134.0	42.1	176.1
2028	70,034	72,616	136.1	42.6	178.7
2029	71,080	73,542	138.1	43.2	181.3
2030	72,125	74,482	140.1	43.7	183.8
2031	73,171	75,436	142.1	44.3	186.4
2032	74,216	76,404	144.2	44.8	189.0
2033	75,262	77,386	146.2	45.4	191.6
2034	76,307	78,382	148.2	46.0	194.2
2035	77,353	79,393	150.3	46.6	196.9
10-Yr Increase	10,455	9,478	20.3	5.6	25.9
Growth-Related Expenditures			\$906,472	\$248,299	\$1,154,771

Impact Fee Study – Plan-Based

The cost to prepare the police impact fee equals \$20,274. TischlerBise recommends that Hendersonville update its report every five years. Based on this cost, proportionate share, and five-year development projections from the Land Use Assumptions in Appendix A, the cost is \$2.95 per person and \$1.07 per vehicle trip.

Figure P8: Impact Fee Study Expense

Necessary Public Service	Cost	Proportionate Share		Service Unit	5-Year Change	Cost per Service Unit
Police	\$20,274	Residential	76%	Population	5,228	\$2.95
		Nonresidential	24%	Vehicle Trips	4,567	\$1.07

Proposed Police Impact Fees

Infrastructure components and cost factors used to calculate the proposed police impact fees are summarized in the upper portion of Figure P9. The total capital cost is \$256.50 per person and \$77.68 per vehicle trip.

Police impact fees for residential development are assessed per housing unit and vary proportionately according to the number of persons per housing unit. For a single-family unit, the fee of \$657 is calculated using a cost of \$256.50 per person multiplied by 2.56 persons per housing unit.

Police impact fees for nonresidential development are assessed per 1,000 square feet and vary proportionately according to the number of vehicle trips. For industrial development, the fee of \$185 per 1,000 square feet is calculated using a cost of \$77.68 per vehicle trip multiplied by 2.38 vehicle trips per 1,000 square feet.

Figure P9: Proposed Police Impact Fees

Fee Component	Cost per Person	Cost per Trip
Police Facilities	\$166.85	\$50.41
Police Vehicles	\$86.70	\$26.20
Development Fee Report	\$2.95	\$1.07
Total	\$256.50	\$77.68

Residential Fees per Unit		
Unit Type	Persons per Housing Unit ¹	Proposed Fees
Single Family	2.56	\$657
Multi-Family	1.65	\$423

Nonresidential Fees per 1,000 Square Feet		
Development Type	AWVT per 1,000 Sq Ft ¹	Proposed Fees
Industrial	2.38	\$185
Commercial	12.21	\$948
Office & Other Services	5.42	\$421
Institutional	7.45	\$579

1. See Land Use Assumptions

Projected Revenue from Police Impact Fees

This section summarizes the potential cash flow to Hendersonville based on adoption of the proposed police impact fees. The cash flow projections are based on the development projections discussed in the Land Use Assumptions section and the proposed police impact fees. If development occurs at a more rapid rate than projected, the demand for infrastructure and the impact fee revenue will increase at a corresponding rate. If development occurs at a slower rate than projected, the demand for infrastructure and the impact fee revenue will decrease at a corresponding rate. Projected impact fee revenue equals \$3,418,827 over the next 10 years and total projected expenditures equal \$3,397,262.

Figure P10: Projected Revenue from Police Impact Fees

Fee Component	Growth Share	Existing Share	Total
Police Facilities	\$2,222,217	\$0	\$2,222,217
Police Vehicles	\$1,154,771	\$0	\$1,154,771
Development Fee Report	\$20,274	\$0	\$20,274
Total	\$3,397,262	\$0	\$3,397,262

		Single Family \$657 per unit	Multi-Family \$423 per unit	Industrial \$185 per KSF	Commercial \$948 per KSF	Office & Other \$421 per KSF	Institutional \$579 per KSF
Year		Hsg Unit	Hsg Unit	KSF	KSF	KSF	KSF
Base	2025	21,032	6,106	2,758	3,101	1,908	2,032
Year 1	2026	21,388	6,188	2,770	3,133	1,948	2,065
Year 2	2027	21,743	6,270	2,783	3,165	1,990	2,099
Year 3	2028	22,098	6,353	2,795	3,198	2,032	2,134
Year 4	2029	22,454	6,435	2,807	3,231	2,075	2,169
Year 5	2030	22,809	6,517	2,820	3,264	2,119	2,205
Year 6	2031	23,164	6,600	2,833	3,297	2,164	2,241
Year 7	2032	23,520	6,682	2,845	3,331	2,210	2,278
Year 8	2033	23,875	6,764	2,858	3,365	2,256	2,316
Year 9	2034	24,230	6,847	2,871	3,400	2,304	2,354
Year 10	2035	24,586	6,929	2,883	3,435	2,353	2,393
10-Year Increase		3,553	823	126	334	445	361
Projected Revenue		\$2,334,540	\$348,270	\$23,229	\$316,246	\$187,402	\$209,139

Projected Fee Revenue	\$3,418,827
Total Expenditures	\$3,397,262

TRANSPORTATION

Methodology

The transportation impact fee includes components for street improvements, and the cost of calculating the transportation impact fees. The incremental expansion methodology is used for street improvements, and the plan-based methodology is used for the cost of calculating the transportation impact fees.

Proportionate Share

The transportation impact fees will allocate the cost between residential and nonresidential based on trip generation rates, trip adjustment factors, and trip lengths.

Vehicle Trip Generation Rates and Adjustments

Average weekday vehicle trips are used as a measure of demand by land use. Vehicle trips are estimated using average weekday vehicle trip ends from the reference book, *Trip Generation, 11th Edition*, published by the Institute of Transportation Engineers (ITE) in 2021. A vehicle trip end represents a vehicle entering or exiting a development (as if a traffic counter were placed across a driveway). To calculate the impact fees, trip generation rates are adjusted to avoid double counting each trip at both the origin and destination points. The basic trip adjustment factor is 50 percent. As discussed further below, the impact fee methodology includes additional adjustments to make the fees proportionate to the infrastructure demand for particular types of development.

Residential Trip Generation Rates

For residential development, TischlerBise uses trip generation rates published in *Trip Generation*, Institute of Transportation Engineers (ITE), 11th Edition (2021). The prototype for single-family development is Single-Family Detached Housing (ITE 210) which generates 9.43 average weekday vehicle trip ends per dwelling unit. The prototype for multi-family development is Multifamily Housing Low-Rise (ITE 220) which generates 6.74 average weekday vehicle trip ends per dwelling unit.

Nonresidential Trip Generation Rates

For nonresidential development, TischlerBise uses trip generation rates published in Trip Generation, Institute of Transportation Engineers, 11th Edition (2021). The prototype for industrial development is Manufacturing (ITE 140) which generates 4.75 average weekday vehicle trip ends per 1,000 square feet of floor area. For office development, the proxy is General Office (ITE 710), and it generates 10.84 average weekday vehicle trip ends per 1,000 square feet of floor area. The prototype for commercial development is Shopping Center (ITE 820) which generates 37.01 average weekday vehicle trips per 1,000 square feet of floor area. For institutional development, the proxy is Government Office (ITE 730), and it generates 22.59 average weekday vehicle trip ends per 1,000 square feet of floor area.

Figure T1: Average Weekday Vehicle Trip Ends by Land Use

ITE Code	Land Use / Size	Demand Unit	Wkdy Trip Ends Per Dmd Unit ¹	Wkdy Trip Ends Per Employee ¹	Employees Per Demand Unit	Square Feet Per Employee
110	Light Industrial	1,000 Sq Ft	4.87	3.10	1.57	637
130	Industrial Park	1,000 Sq Ft	3.37	2.91	1.16	864
140	Manufacturing	1,000 Sq Ft	4.75	2.51	1.89	528
150	Warehousing	1,000 Sq Ft	1.71	5.05	0.34	2,953
254	Assisted Living	bed	2.60	4.24	0.61	na
254	Assisted Living	1,000 Sq Ft	4.19	4.24	0.99	1,012
310	Hotel	room	7.99	14.34	0.56	na
610	Hospital	1,000 Sq Ft	10.77	3.77	2.86	350
710	General Office (avg size)	1,000 Sq Ft	10.84	3.33	3.26	307
720	Medical-Dental Office	1,000 Sq Ft	36.00	8.71	4.13	242
730	Government Office	1,000 Sq Ft	22.59	7.45	3.03	330
750	Office Park	1,000 Sq Ft	11.07	3.54	3.13	320
760	Research & Dev Center	1,000 Sq Ft	11.08	3.37	3.29	304
770	Business Park	1,000 Sq Ft	12.44	4.04	3.08	325
820	Shopping Center (avg size)	1,000 Sq Ft	37.01	17.42	2.12	471

1. Trip Generation, Institute of Transportation Engineers, 11th Edition (2021).

Trip Rate Adjustments

To calculate transportation impact fees, trip generation rates require an adjustment factor to avoid double counting each trip at both the origin and destination points. Therefore, the basic trip adjustment factor is 50 percent. As discussed further in this section, the development fee methodology includes additional adjustments to make the fees proportionate to the infrastructure demand for particular types of development.

Commuter Trip Adjustment

Residential development has a larger trip adjustment factor of 63 percent to account for commuters leaving Hendersonville for work. According to the 2009 National Household Travel Survey (see Table 30) weekday work trips are typically 31 percent of production trips (i.e., all out-bound trips, which are 50 percent of all trip ends). As shown in Figure T2, the U.S. Census Bureau's OnTheMap web application indicates 87 percent of resident workers traveled outside of Hendersonville for work in 2022. In combination, these factors ($0.31 \times 0.50 \times 0.87 = 0.13$) support the additional 13 percent allocation of trips to residential development.

Figure T2: Commuter Trip Adjustment

Trip Adjustment Factor for Commuters	
Residents Living and Working in Hendersonville	3,880
Residents Commuting Outside Hendersonville for Work	25,753
Employed Residents	29,633
Share of Employed Residents Commuting Outside Hendersonville for Work	87%
Base Production Trips ¹	50%
Additional Production Trips ¹	13%
Residential Trip Adjustment Factor	63%

Source: U.S. Census Bureau, OnTheMap Application (version 6.23.4) and LEHD Origin-Destination Employment Statistics, 2021.

1. According to the National Household Travel Survey (2009)*, published in December 2011 (see Table 30), home-based work trips are typically 30.99 percent of "production" trips, in other words, out-bound trips (which are 50 percent of all trip ends). Also, LED OnTheMap data from 2022 indicate that 87 percent of Hendersonville's workers travel outside the city for work. In combination, these factors ($0.3099 \times 0.50 \times 0.87 = 0.13$) account for 13 percent of additional production trips. The total adjustment factor for residential includes attraction trips (50 percent of trip ends) plus the journey-to-work commuting adjustment (13 percent of production trips) for a total of 63 percent.

*<http://nhts.ornl.gov/publications.shtml> ; Summary of Travel Trends - Table "Daily Travel Statistics by Weekday vs. Weekend"

Adjustment for Pass-By Trips

For commercial and institutional development, the trip adjustment factor is less than 50 percent because this type of development attracts vehicles as they pass by on arterial and collector roads. For example, when someone stops at a convenience store on the way home from work, the convenience store is not the primary destination. For the average shopping center, ITE data indicate 34 percent of the vehicles that enter are passing by on their way to some other primary destination. The remaining 66 percent of attraction trips have the commercial site as their primary destination. Because attraction trips are half of all trips, the trip adjustment factor is 66 percent multiplied by 50 percent, or approximately 33 percent of the trip ends.

Average Weekday Vehicle Trips

Shown below in Figure T3, multiplying average weekday vehicle trip ends and trip adjustment factors by Hendersonville's existing development units provides the average weekday vehicle trips generated by existing development. As shown below, Hendersonville's existing development generates 220,792 vehicle trips on an average weekday.

Figure T3: Average Weekday Vehicle Trips by Land Use

Development Type	Dev Unit	ITE Code	Avg Wkdy VTE	Trip Adj	2025 Dev	2025 AWVT
Single Family	HU	210	9.43	63%	21,032	124,952
Multi-Family	HU	221	6.74	63%	6,106	25,925
Industrial	KSF	110	4.75	50%	2,758	6,550
Commercial	KSF	820	37.01	33%	3,101	37,877
Office & Other Services	KSF	820	10.84	50%	1,908	10,341
Institutional	KSF	710	22.59	33%	2,032	15,147
Total						220,792

Vehicle Miles Traveled (VMT)

The analysis uses vehicle miles traveled (VMT) as a measure of demand by land use. Components used to determine VMT include average weekday vehicle trip generation rates, adjustments for commuting patterns and pass-by trips, and trip length weighting factors.

National Average Trip Length

To calculate transportation impact fees, it is necessary to determine the average trip length on Hendersonville's street network. To do this, the analysis uses national trip generation rates and average trip lengths from the 2022 National Household Travel Survey.

Figure T4: National Average Trip Length

Development Type	National Avg Trip Length
Single Family	13.50
Multi-Family	13.50
Industrial	8.70
Commercial	5.80
Office & Other Services	8.70
Institutional	8.70
Total	

Source: U.S. Department of Transportation,
Federal Highway Administration, 2022
National Household Transportation Survey,
adjusted for land use

Expected Vehicle Miles Traveled

The national average trip length should be adjusted to reflect actual demand on Hendersonville's existing street network. To do this, TischlerBise determines expected demand (VMT) on the existing arterial network by multiplying the national average trip lengths by average weekday vehicle trips. Based on this analysis, existing development in Hendersonville generates an expected 2,535,259 VMT.

Figure T5: Expected Vehicle Miles Traveled

Development Type	Avg Weekday Vehicle Trips ¹	National Avg Trip Length ²	Expected VMT ³
Single Family	124,952	13.50	1,686,846
Multi-Family	25,925	13.50	349,994
Industrial	6,550	8.70	56,986
Commercial	37,877	5.80	219,689
Office & Other Services	10,341	8.70	89,968
Institutional	15,147	8.70	131,777
Total			2,535,259

1. TischlerBise estimate from Figure T3

2. 2022 National Household Transportation Study

3. TischlerBise calculation, Average Weekday Vehicle Trips X National Average Trip Length

Actual Vehicle Miles Traveled

The Hendersonville Public Works Department provided average daily trip counts on the existing street network. Multiplying average daily trips for each segment by the segment length provides vehicle miles traveled (VMT) for each segment. Multiplying the segment length by the vehicle capacity of each segment provides vehicle miles of capacity (VMC). The existing arterial network experiences 607,207 VMT and provides 1,181,204 VMC.

Figure T6: Actual Vehicle Miles Traveled

Road	From - To	Class	Length (miles)	Total Lanes	Lane Miles	Capacity per Lane	Vehicle Miles of Capacity	Avg. Daily Traffic Counts	Actual VMT
West Main Street	Mansker Creek - SR386 Interchange Exit 3	Major A	0.80	6	4.80	9,983	47,920	32,218	25,774
West Main Street	SR386 Interchange Exit 3 - Sanders Ferry	Major A	2.38	4	9.52	9,950	94,724	23,359	55,594
East Main Street	Sanders Ferry - Indian Lake Blvd - SR386 ramp/overpass	Major A	0.65	4	2.61	9,950	25,926	30,540	19,894
East Main Street	Indian Lake Blvd - SR386 ramp/overpass	Major A	2.91	4	11.63	9,950	115,762	24,600	71,552
New Shackle Island Road	West Main - Iris	Minor A	1.30	2	2.60	8,850	23,010	13,576	17,649
New Shackle Island Road	Iris - Glenbrook Way	Minor A	1.09	4	4.36	9,950	43,382	29,527	32,184
New Shackle Island Road	Glenbrook Way - Stop Thirty Road	Minor A	0.41	4	1.64	9,950	16,318	29,527	12,106
Center Point Road	West Main - Hunt Lane	Major C	2.15	2	4.30	8,850	38,055	7,736	16,632
Drakes Creek Road	Indian Lake Blvd - Avant	Major C	2.82	2	5.64	8,850	49,914	8,896	25,087
Indian Lake Blvd	East Main - Drakes Creek Road	Major C	2.05	4	8.20	9,950	81,590	18,178	37,265
Old Shackle Island Road	West Main - NSIR	Major C	1.37	2	2.74	8,850	24,249	11,510	15,769
Sanders Ferry Road	East Main - Curtis Crossroads	Major C	3.40	2	6.80	8,850	60,180	10,364	35,238
Walton Ferry Road	West Main Street - Curtis Crossroads	Major C	2.91	2	5.82	8,850	51,507	13,004	37,842
Curtis Crossroads	Walton Ferry - Sanders Ferry	Major C	1.25	2	2.50	8,850	22,125	3,134	3,918
Indian Lake Road	East Main - Lake Terrace	Major C	2.96	2	5.92	8,850	52,392	10,821	32,030
Saundersville Road	Scotch - Indian Lake Blvd	Major C	0.62	2	1.24	8,850	10,974	1,289	799
Saundersville Road	Indian Lake Blvd - SR386 Interchange Exit 8	Major C	1.80	4	7.20	9,950	71,640	10,328	18,590
Saundersville Road	SR386 Interchange Exit 8 - Innsbrook	Major C	0.70	4	2.80	9,950	27,860	13,870	9,709
Saundersville Road	Innsbrook - Cannon Crossing	Major C	1.60	2	3.20	8,850	28,320	13,870	22,192
Stop Thirty Road	NSIR - Jones Lane	Major C	1.86	2	3.72	8,850	32,922	7,355	13,680
Forest Retreat Road	Alexandrea Pl - NSIR	Major C	0.95	2	1.90	8,850	16,815	7,190	6,831
*Forest Retreat Road	Boone Holman - Limb Dump	Major C	0.90	2	1.80	8,850	15,930	4,000	3,600
Rockland Road	West Main - Imperial	Major C	1.46	2	2.92	8,850	25,842	11,769	17,183
Imperial Blvd	West Main Street - Sanders Ferry Road	Major C	1.10	2	2.20	8,850	19,470	10,675	11,743
Anderson Lane	East Main - Cumberland Hills Dr	Major C	1.12	2	2.24	8,850	19,824	4,436	4,968
Cumberland Hills Dr	Anderson Ln - East Dr	Major C	2.43	2	4.86	8,850	43,011	4,436	10,779
*East Drive	Indian Lake Rd - Indian Lake Rd	Major C	0.65	2	1.30	8,850	11,505	6,000	3,900
Bonita Parkway	East Main - Cumberland Hills DR	Major C	1.52	2	3.04	8,850	26,904	6,195	9,416
Glenbrook Way	Andrews Run - NSIR	Major C	0.51	4	2.04	9,950	20,298	21,742	11,088
*Caldwell Drive	County Line - Center Point Road	Major C	1.09	2	2.18	8,850	19,293	10,153	11,067
Cages Bend Road	Gaston - Douglas Bend	Major C	1.62	2	3.24	8,850	28,674	5,700	9,234
Freehill Road	Rockland Road - Boone Holman	Major C	0.62	2	1.24	8,850	10,974	4,861	3,014
*Boone Holman	Freehill Road - Forest Retreat	Major C	0.22	2	0.44	8,850	3,894	4,000	880
Total			49.22		126.64		1,181,204	414,859	607,207

Source: Hendersonville Public Works

*Counts estimated based on other comparable roadway volumes and/or prior study volumes

Local Adjustment Factor

Expected VMT reflects anticipated travel demand on the entire roadway system; therefore, it is necessary to calibrate demand. To calibrate demand on the street network, actual travel demand of 602,207 VMT, based on local traffic counts provided by Hendersonville Public Works, is compared to expected travel demand of 2,535,259 VMT. The ratio between actual VMT and expected VMT equals 0.240, and this ratio provides the local adjustment factor used to adjust national average trip lengths by type of land use.

Figure T7: Local Adjustment Factor

Local Adjustment Factor	
Actual VMT	607,207
Expected VMT	2,535,259
Actual to Expected VMT	0.240

Local Trip Lengths

Shown below in Figure T8, TischlerBise applies the local adjustment factor to the national average trip lengths to calculate local trip lengths. The analysis uses local trip lengths shown below to calculate VMT.

Figure T8: Local Trip Lengths

Development Type	National Avg Trip Length	Local Adj Factor	Local Trip Length
Single Family	13.50	0.240	3.23
Multi-Family	13.50	0.240	3.23
Industrial	8.70	0.240	2.08
Commercial	5.80	0.240	1.39
Office & Other Services	8.70	0.240	2.08
Institutional	8.70	0.240	2.08

Source: 2022 NHTS and TischlerBise analysis for local adjustment factor

Local Vehicle Miles Traveled

Multiplying average weekday vehicle trips and local trip lengths by existing development units provides VMT generated by existing development. Existing development generates 607,207 VMT.

Figure T9: Existing VMT by Land Use

Development Type	Dev Unit	ITE Code	Avg Wkdy Veh Trips	Local Trip Length	2025 Dev	2025 VMT
Single Family	HU	210	5.94	3.23	21,032	404,008
Multi-Family	HU	221	4.25	3.23	6,106	83,825
Industrial	KSF	110	2.38	2.08	2,758	13,648
Commercial	KSF	820	12.21	1.39	3,101	52,617
Office & Other Services	KSF	820	5.42	2.08	1,908	21,548
Institutional	KSF	710	7.45	2.08	2,032	31,561
Total						607,207

Street Network Capacity and Usage

As shown in Figure T6, Hendersonville provided an inventory of road segments including segment lengths and lane quantities. The analysis uses average daily traffic counts provided by Hendersonville's Public Works Department. Multiplying each segment's length by the number of lanes yields the number of lane miles per segment, and multiplying the traffic counts by the segment lengths provides the average weekday vehicle miles traveled (VMT). Hendersonville's existing arterial network supports 607,207 VMT on 126.64 lane miles.

Shown below, Figure T10 documents the capacity of Hendersonville's street network. Based on a total of 1,181,204 vehicle miles of capacity (VMC), the street network provides a capacity of 9,327 vehicles per lane mile, (126.64 lane miles / 1,181,204 VMC). The current daily volume on Hendersonville's street network is 607,207 VMT. The resulting ratio is 1.95 VMC / VMT (1,181,204 VMC / 607,207 VMT). The baseline VMC / VMT ratio for any incremental expansion method is 1.0 (i.e., VMC = VMT); therefore, the current ratio of 1.95 VMC / VMT exceeds the current LOS ensuring new capacity built with impact fees will not exceed the current LOS.

Figure T10: Arterial Network Capacity and Usage

Arterial Capacity Ratio	
Total Lane Miles	126.64
Vehicle Miles of Capacity	1,181,204
Capacity per Lane Mile	9,327
Vehicle Miles of Travel	607,207
VMT per Lane Mile	4,795
VMC / VMT Ratio	1.95

Projected VMT

Transportation impact fees rely on data pertaining to existing and future average weekday VMT. Multiplying the average weekday VMT rates for new development prototypes by the projection of new residential and nonresidential development provides existing and projected VMT. As shown in Figure T11, existing development generates 602,207 VMT, and projected development generates an additional 96,478 VMT over the next 10 years.

Shown below, Hendersonville currently serves existing development with 126.64 lane miles in its existing street network. To account for excess capacity in the street network, the analysis divides existing arterial lane miles by the VMC / VMT ratio to calculate 65.10 adjusted lane miles (126.64 lane miles / 1.95 VMC per VMT). Hendersonville needs to construct approximately 10.3 lane miles of street improvements over the next 10 years to maintain the existing levels of service.

Figure T11: Projected VMT

Development Type	Dev Unit	ITE Code	Avg Wkdy VTE	Trip Adjustment	Local Trip Length	Avg Wkdy VMT
Single Family	HU	210	9.43	63%	3.23	19.21
Multi-Family	HU	221	6.74	63%	3.23	13.73
Industrial	KSF	110	4.75	50%	2.08	4.95
Commercial	KSF	820	37.01	33%	1.39	16.97
Office & Other Services	KSF	820	10.84	50%	2.08	11.29
Institutional	KSF	710	22.59	33%	2.08	15.53

Hendersonville, Tennessee	Base 2025	1 2026	2 2027	3 2028	4 2029	5 2030	10 2035	10-Year Increase
Single-Family Units	21,032	21,388	21,743	22,098	22,454	22,809	24,586	3,553
Multi-Family Units	6,106	6,188	6,270	6,353	6,435	6,517	6,929	823
Industrial KSF	2,758	2,770	2,783	2,795	2,807	2,820	2,883	126
Commercial KSF	3,101	3,133	3,165	3,198	3,231	3,264	3,435	334
Office & Other Services	1,908	1,948	1,990	2,032	2,075	2,119	2,353	445
Institutional KSF	2,032	2,065	2,099	2,134	2,169	2,205	2,393	361
Single-Family Trips	124,952	127,063	129,174	131,285	133,396	135,507	146,062	21,110
Multi-Family Trips	25,925	26,275	26,625	26,974	27,324	27,673	29,422	3,496
Residential Trips	150,877	153,338	155,798	158,259	160,719	163,180	175,483	24,606
Industrial Trips	6,550	6,579	6,609	6,638	6,668	6,698	6,848	298
Commercial Trips	37,877	38,266	38,659	39,056	39,457	39,862	41,952	4,074
Office & Other Services	10,341	10,560	10,784	11,013	11,246	11,484	12,754	2,413
Institutional Trips	15,147	15,397	15,651	15,909	16,171	16,438	17,839	2,693
Nonresidential Trips	69,915	70,803	71,703	72,616	73,542	74,482	79,393	9,478
Total Vehicle Trips	220,792	224,140	227,501	230,875	234,262	237,662	254,876	34,084
Total VMT	607,207	616,741	626,300	635,883	645,491	655,124	703,685	96,478
Annual Increase		9,534	9,558	9,583	9,608	9,633	9,766	9,766
Actual Lane Miles	126.64	128.6	130.6	132.6	134.6	136.6	146.8	20.1
Annual Increase		2.0	2.0	2.0	2.0	2.0	2.0	2.0
Adjusted Lane Miles	65.10	66.1	67.1	68.2	69.2	70.2	75.4	10.3
Annual Increase		1.0	1.0	1.0	1.0	1.0	1.0	1.0

Capacity Improvements – Incremental Expansion

The transportation impact fee includes a component for construction of additional capacity improvements, and the analysis uses an incremental methodology to maintain the existing level of service for capacity improvements. As shown in Figure T12, the analysis uses VMT to calculate existing level-of-service standards. Hendersonville currently provides 126.6 lane miles of capacity improvements, so the existing level of service is 1.070 lane miles per 10,000 VMT (126.6 lane miles / 1.95 VMC per VMT / (607,207 VMT / 10,000)). As shown in Figure T12, the analysis uses a cost of \$5,269,267 per lane mile, which was provided by Hendersonville's Public Works Department. For capacity improvements, the cost is \$563.57 per VMT (126.6 lane miles / 1.95 VMC per VMT / 607,207 VMT X \$5,269,267 per lane mile).

Figure T12: Existing Standards for Capacity Improvements

Cost Factors	
Cost per Lane Mile	\$5,269,267

Level-of-Service (LOS) Standards	
Existing Lane Miles	126.6
VMC / VMT Ratio	1.95
Adjusted Lane Miles	64.9
2025 VMT	607,207
Lane Miles per 10,000 VMT	1.070
Cost per VMT	\$563.57

Source: Hendersonville Public Works Department

Development Fee Report – Plan-Based

The cost to prepare the transportation impact fee equals \$27,032. TischlerBise recommends that Hendersonville updates its report every five years. Based on the 5-year cost, proportionate share, and 5-year projections of future development from the *Land Use Assumptions* document, the cost is \$0.56 per VMT.

Figure T13: Impact Fee Study Expense

Necessary Public Service	Cost	Proportionate Share		Service Unit	5-Year Change	Cost per Service Unit
Street	\$27,032	All	100%	VMT	47,917	\$0.56

Proposed Transportation Impact Fees

Input variables for the transportation impact fee are shown in the upper section of Figure T14. The total capital cost is \$564.13 per VMT.

Transportation impact fees for residential development are assessed per housing unit and vary proportionately according to the number of VMT per housing unit. For a single-family unit, the fee of \$10,836 is calculated using a cost of \$564.13 per VMT multiplied by 19.21 VMT per housing unit.

Transportation impact fees for nonresidential development are assessed per 1,000 square feet and vary proportionately according to the number of VMT. For industrial development, the fee of \$2,792 per 1,000 square feet is calculated using a cost of \$564.13 per VMT multiplied by 4.95 VMT per 1,000 square feet.

Figure T14: Proposed Transportation Impact Fees

Fee Component	Cost per VMT
Street Improvements	\$563.57
Development Fee Report	\$0.56
Total	\$564.13

Residential Fees per Unit		
Unit Size	Avg Weekday VMT	Proposed Fees
Single Family	19.21	\$10,836
Multi-Family	13.73	\$7,745

Nonresidential Fees per 1,000 Square Feet		
Development Type	Avg Weekday VMT	Proposed Fees
Industrial	4.95	\$2,792
Commercial	16.97	\$9,571
Office & Other Services	11.29	\$6,371
Institutional	15.53	\$8,763

Projected Revenue from Transportation Impact Fees

This section summarizes the potential cash flow to Hendersonville based on adoption of the proposed transportation impact fees. The cash flow projections are based on the development projections discussed in the Land Use Assumptions section and the proposed transportation impact fees. If development occurs at a more rapid rate than projected, the demand for infrastructure and the impact fee revenue will increase at a corresponding rate. If development occurs at a slower rate than projected, the demand for infrastructure and the impact fee revenue will decrease at a corresponding rate. Projected impact fee revenue equals \$54,425,254 over the next 10 years and total projected expenditures equal \$54,503,556.

Figure T15: Projected Revenue from Transportation Impact Fees

Fee Component	Growth Share	Existing Share	Total
Street Improvements	\$54,503,556	\$0	\$54,503,556
Development Fee Report	\$27,032	\$0	\$27,032
Total	\$54,503,556	\$0	\$54,503,556

		Single Family \$10,836 per unit	Multi-Family \$7,745 per unit	Industrial \$2,792 per sq ft	Commercial \$9,571 per sq ft	Office & Other \$6,371 per sq ft	Institutional \$8,763 per sq ft
Year		Hsg Unit	Hsg Unit	KSF	KSF	KSF	KSF
Base	2025	21,032	6,106	2,758	3,101	1,908	2,032
Year 1	2026	21,388	6,188	2,770	3,133	1,948	2,065
Year 2	2027	21,743	6,270	2,783	3,165	1,990	2,099
Year 3	2028	22,098	6,353	2,795	3,198	2,032	2,134
Year 4	2029	22,454	6,435	2,807	3,231	2,075	2,169
Year 5	2030	22,809	6,517	2,820	3,264	2,119	2,205
Year 6	2031	23,164	6,600	2,833	3,297	2,164	2,241
Year 7	2032	23,520	6,682	2,845	3,331	2,210	2,278
Year 8	2033	23,875	6,764	2,858	3,365	2,256	2,316
Year 9	2034	24,230	6,847	2,871	3,400	2,304	2,354
Year 10	2035	24,586	6,929	2,883	3,435	2,353	2,393
10-Year Increase		3,553	823	126	334	445	361
Projected Revenue		#####	\$6,376,717	\$350,571	\$3,192,821	\$2,835,961	\$3,165,263

Projected Fee Revenue	\$54,425,254
Total Expenditures	\$54,503,556

APPENDIX A: LAND USE ASSUMPTIONS

The City of Hendersonville, Tennessee, retained TischlerBise to analyze the impacts of development on its capital facilities and prepare impact fees based on that analysis. The population, housing unit, and job projections contained in this document provide the foundation for the impact fee study. To evaluate demand for growth-related infrastructure from various types of development, TischlerBise prepared documentation on demand indicators by type of housing unit, jobs and floor area by type of nonresidential development, and average weekday vehicle trip generation rates. These are the service units and demand indicators used in the impact fee study.

Impact fees are based on the need for growth-related improvements, and they must be proportionate by type of land use. The demographic data and development projections are used to demonstrate proportionality and to anticipate the need for future infrastructure. These metrics are used to allocate costs of development equitably among various types of development. To calculate base year estimates, the analysis uses data from the U.S. Census Bureau, Esri Business Analyst, and information from Hendersonville staff. Impact fee studies typically consider a ten-year horizon, with the expectation that fees will be updated every three to five years.

Residential Development

Persons Per Housing Unit

According to the U.S. Census Bureau, a household is a housing unit occupied by year-round residents. Development fees often use per capita standards and persons per housing unit (PPHU) or persons per household (PPH) to derive proportionate share fee amounts. When PPHU is used in the fee calculations, infrastructure standards are derived using year-round population. When PPH is used in the fee calculations, the development fee methodology assumes a higher percentage of housing units will be occupied, thus requiring seasonal or peak population to be used when deriving infrastructure standards. TischlerBise recommends that impact fees for residential development in Hendersonville be imposed according to the number of year-round residents per housing unit. This methodology assumes some portion of the housing stock will be vacant during the year.

Persons per housing unit (PPHU) calculations require data on population and the types of units by structure. Since 2010, the census has not obtained detailed information using a “long-form” questionnaire. Instead, the U.S. Census Bureau uses a continuous monthly mailing of surveys, known as the American Community Survey (ACS), which has limitations due to sample-size constraints. For example, data on detached housing units are now combined with attached single units (commonly known as townhouses). For development fees in Hendersonville, single-family units include detached stick-built units, attached units, and mobile homes. Multi-family units include structures with two or more units, and all other housing units.

Figure A1 below shows the 2019-2023 5-year ACS estimates for Hendersonville. Single-family units averaged 2.56 persons per housing unit (52,188 persons / 20,379 housing units) and multi-family units averaged 1.65 persons per housing unit (9,843 persons / 5,949 housing units). In 2023, Hendersonville’s housing stock averaged 2.36 persons per housing unit. Housing unit estimates from ACS will not equal

decennial census counts of units. These data are used only to derive the custom PPHU factors for each type of unit.

Figure A1: Persons per Housing Unit

Housing Type	Persons	Households	Persons per Household	Housing Units	Persons per Housing Unit	Housing Mix	Vacancy Rate
Single-Family ¹	52,188	19,440	2.68	20,379	2.56	77.4%	4.61%
Multi-Family ²	9,843	5,484	1.79	5,949	1.65	22.6%	7.82%
Total	62,031	24,924	2.49	26,328	2.36	100.0%	5.33%

Source: U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates

1. Includes detached, attached (townhouse), and mobile home units.

2. Includes dwellings in structures with two or more units, RVs, and all other units.

Existing Population and Housing Units

The 2020 Census estimates for Hendersonville include 61,753 persons and 24,963 housing units. By applying the building permit data shown below in Figure A2 to 2020 US Census estimates, TischlerBise estimates the 2025 housing stock includes 27,138 housing units – 21,032 single-family units and 6,106 multi-family units. The analysis converts housing units to population using the occupancy factors shown in Figure A1. The 2025 population estimate is 66,898 persons.

Figure A2: Recent Historical Housing Permit Data

Residential Construction Trends			
Year	Single Family	Multifamily	Total Units
2019	422	29	451
2020	321	0	321
2021	456	138	594
2022	384	80	464
2023	264	247	511
2024	285	0	285
Total	2,132	494	2,626
Annual Average	355	82	438

Projected Population and Housing Units

To project future population growth, the analysis uses the residential construction data shown in Figure A2. This results in an estimated total increase of 4,377 housing units by 2035. To project future population, the analysis holds the occupancy rate factors in Figure A1 constant throughout the 10-year time horizon. Applying the PPHU factors to the projected housing unit increase results in an estimated increase of 10,455 persons over the next ten years.

Figure A3: Residential Development Projections

Hendersonville, Tennessee	2025	2026	2027	2028	2029	2030	2035	10-Year Increase
	Base Year	1	2	3	4	5	10	
Population	66,898	67,943	68,989	70,034	71,080	72,125	77,353	10,455
Housing Units								
Single Family	21,032	21,388	21,743	22,098	22,454	22,809	24,586	3,553
Multi-Family	6,106	6,188	6,270	6,353	6,435	6,517	6,929	823
Total	27,138	27,576	28,013	28,451	28,889	29,326	31,515	4,377

Nonresidential Development

In addition to data on residential development, the calculation of development impact fees requires data on nonresidential development. TischlerBise uses the term jobs to refer to employment by place of work. In Figure A4, gray shading indicates the nonresidential development prototypes used by TischlerBise to derive nonresidential floor area and average weekday vehicle trips.

The prototype for industrial development is Manufacturing (ITE 140) with an average of 528 square feet of floor area per employee. For office & other services development, the proxy is General Office (ITE 710) with an average of 307 square feet of floor area per employee. Institutional development uses Government Office (ITE 730) with an average of 350 square feet of floor area per employee. The prototype for commercial development is Shopping Center (ITE 820) with an average of 471 square feet of floor area per employee.

Figure A4: Nonresidential Demand Units

ITE Code	Land Use / Size	Demand Unit	Wkdy Trip Ends Per Dmd Unit ¹	Wkdy Trip Ends Per Employee ¹	Employees Per Demand Unit	Square Feet Per Employee
110	Light Industrial	1,000 Sq Ft	4.87	3.10	1.57	637
130	Industrial Park	1,000 Sq Ft	3.37	2.91	1.16	864
140	Manufacturing	1,000 Sq Ft	4.75	2.51	1.89	528
150	Warehousing	1,000 Sq Ft	1.71	5.05	0.34	2,953
254	Assisted Living	bed	2.60	4.24	0.61	na
254	Assisted Living	1,000 Sq Ft	4.19	4.24	0.99	1,012
310	Hotel	room	7.99	14.34	0.56	na
610	Hospital	1,000 Sq Ft	10.77	3.77	2.86	350
710	General Office (avg size)	1,000 Sq Ft	10.84	3.33	3.26	307
720	Medical-Dental Office	1,000 Sq Ft	36.00	8.71	4.13	242
730	Government Office	1,000 Sq Ft	22.59	7.45	3.03	330
750	Office Park	1,000 Sq Ft	11.07	3.54	3.13	320
760	Research & Dev Center	1,000 Sq Ft	11.08	3.37	3.29	304
770	Business Park	1,000 Sq Ft	12.44	4.04	3.08	325
820	Shopping Center (avg size)	1,000 Sq Ft	37.01	17.42	2.12	471

1. Trip Generation, Institute of Transportation Engineers, 11th Edition (2021).

Existing Employment and Floor Area

TischlerBise obtains 2024 employment estimates for Hendersonville from Esri Business Analyst. To estimate floor area, the analysis multiplies each sector's employment total by the employment density factors shown in Figure A4. For 2024, total employment equals 23,861 jobs and estimated floor area equals 9,682,706 square feet.

Figure A5: Existing Nonresidential Development

Nonresidential Category	2024 Jobs ¹	Percent of Total Jobs	Square Feet per Job ²	2024 Estimated Floor Area ³
Industrial ⁴	5,196	22%	528	2,745,676
Commercial ⁵	6,522	27%	471	3,069,798
Office & Other Services ⁶	6,082	25%	307	1,868,363
Institutional ⁷	6,061	25%	330	1,998,869
Total	23,861	100%		9,682,706

1. Esri Business Analyst Online, Business Summary, 2024.
2. Trip Generation, Institute of Transportation Engineers, 11th Edition (2021).
3. TischlerBise calculation (2024 jobs X square feet per job).
4. Major sectors are Construction; Manufacturing.
5. Major sectors are Retail; Accommodation & Food Services.
6. Major sectors are Other Services; Professional, Scientific & Tech Services.
7. Major sectors are Educational Services; Health Care & Social Assistance.

Projected Employment and Floor Area

The analysis uses employment and floor area projections to illustrate the possible future pace of service demands, revenues, and expenditures. To the extent these factors change, the projected need for infrastructure will also change. If development occurs at a more rapid rate than projected, the demand for infrastructure will increase at a corresponding rate. If development occurs at a slower rate than projected, the demand for infrastructure will also decrease.

The projections are based on compound annual growth rates for Industrial, Commercial and Office & Institutional jobs, which were derived from the Nashville Area Metropolitan Planning Organization's job estimates for Sumner County in 2017 and 2045. The MPO estimates Industrial jobs will grow by 0.45% per year, Commercial jobs by 1.03% per year, Office & Other Services jobs by 2.12% per year, and Institutional Jobs by 1.65% per year. These growth rates were then applied to the 2024 ESRI job figures to produce estimates for 2025 through 2035. Nonresidential floor area growth was calculated by applying the employee density factors shown in Figure A4 to the growth in jobs.

Based on these assumptions, the 10-year projections include an increase of 3,435 jobs and approximately 1.25 million square feet of nonresidential development in Hendersonville.

Figure A6: Nonresidential Development Projections

Hendersonville, Tennessee	2025 Base Year	2026 1	2027 2	2028 3	2029 4	2030 5	2035 10	10-Year Increase
Employment								
Industrial	5,219	5,242	5,266	5,289	5,313	5,337	5,457	237
Commercial	6,589	6,657	6,725	6,794	6,864	6,934	7,298	702
Office & Other Services	6,211	6,343	6,477	6,614	6,754	6,897	7,660	1,419
Institutional	6,161	6,263	6,366	6,471	6,578	6,686	7,256	1,077
Total	24,180	24,504	24,834	25,169	25,509	25,855	27,671	3,435
Nonres. Floor Area								
Industrial	2,757,927	2,770,234	2,782,595	2,795,011	2,807,483	2,820,010	2,883,490	125,005
Commercial	3,101,321	3,133,168	3,165,342	3,197,846	3,230,684	3,263,859	3,434,915	330,202
Office & Other Services	1,907,956	1,948,388	1,989,677	2,031,840	2,074,897	2,118,867	2,353,092	435,899
Institutional	2,031,845	2,065,364	2,099,437	2,134,072	2,169,278	2,205,065	2,393,052	355,346
Total	9,799,050	9,917,154	10,037,050	10,158,769	10,282,342	10,407,801	11,064,549	1,246,452

Development Projections

Provided below is a summary of Citywide development projections used in the impact fee study. Base year estimates for 2025 are used in the impact fee calculations. Development projections are used to illustrate a possible future pace of demand for service units and cash flows resulting from revenues and expenditures associated with those demands.

Figure A7: Development Projections Summary

Hendersonville, Tennessee	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	10-Year Increase
	Base Year	1	2	3	4	5	6	7	8	9	10	
Population	66,898	67,943	68,989	70,034	71,080	72,125	73,171	74,216	75,262	76,307	77,353	10,455
Housing Units												
Single Family	21,032	21,388	21,743	22,098	22,454	22,809	23,164	23,520	23,875	24,230	24,586	3,553
Multi-Family	6,106	6,188	6,270	6,353	6,435	6,517	6,600	6,682	6,764	6,847	6,929	823
Total	27,138	27,576	28,013	28,451	28,889	29,326	29,764	30,202	30,639	31,077	31,515	4,377
Employment												
Industrial	5,219	5,242	5,266	5,289	5,313	5,337	5,360	5,384	5,408	5,433	5,457	238
Commercial	6,589	6,657	6,725	6,794	6,864	6,934	7,006	7,077	7,150	7,224	7,298	709
Office & Other Services	6,211	6,343	6,477	6,614	6,754	6,897	7,044	7,193	7,345	7,501	7,660	1,449
Institutional	6,161	6,263	6,366	6,471	6,578	6,686	6,797	6,909	7,023	7,138	7,256	1,095
Total	24,180	24,504	24,834	25,169	25,509	25,855	26,206	26,563	26,926	27,296	27,671	3,491
Nonres. Sq. Ft. (x1,000)												
Industrial	2,758	2,770	2,783	2,795	2,807	2,820	2,833	2,845	2,858	2,871	2,883	126
Commercial	3,101	3,133	3,165	3,198	3,231	3,264	3,297	3,331	3,365	3,400	3,435	334
Office & Other Services	1,908	1,948	1,990	2,032	2,075	2,119	2,164	2,210	2,256	2,304	2,353	445
Institutional	2,032	2,065	2,099	2,134	2,169	2,205	2,241	2,278	2,316	2,354	2,393	361
Total	9,799	9,917	10,037	10,159	10,282	10,408	10,535	10,665	10,796	10,929	11,065	1,265

APPENDIX B: LAND USE DEFINITIONS

Residential Development

As discussed below, residential development categories are based on data from the U.S. Census Bureau, American Community Survey. Hendersonville will collect impact fees from all new residential units. One-time impact fees are determined by site capacity (i.e., number of residential units).

Single-Family:

1. Single-family detached is a one-unit structure detached from any other house, that is, with open space on all four sides. Such structures are considered detached even if they have an adjoining shed or garage. A one-family house that contains a business is considered detached as long as the building has open space on all four sides.
2. Single-family attached (townhouse) is a one-unit structure that has one or more walls extending from ground to roof separating it from adjoining structures. In row houses (sometimes called townhouses), double houses, or houses attached to nonresidential structures, each house is a separate, attached structure if the dividing or common wall goes from ground to roof.
3. Mobile home includes both occupied and vacant mobile homes, to which no permanent rooms have been added, are counted in this category. Mobile homes used only for business purposes or for extra sleeping space and mobile homes for sale on a dealer's lot, at the factory, or in storage are not counted in the housing inventory.

Multi-Family:

1. 2+ units (duplexes and apartments) are units in structures containing two or more housing units, further categorized as units in structures with "2, 3 or 4, 5 to 9, 10 to 19, 20 to 49, and 50 or more apartments."
2. Boat, RV, Van, etc. includes any living quarters occupied as a housing unit that does not fit the other categories (e.g., houseboats, railroad cars, campers, and vans). Recreational vehicles, boats, vans, railroad cars, and the like are included only if they are occupied as a current place of residence.

Nonresidential Development

The proposed general nonresidential development categories (defined below) can be used for all new construction within Hendersonville. Nonresidential development categories represent general groups of land uses that share similar average weekday vehicle trip generation rates and employment densities (i.e., jobs per thousand square feet of floor area).

Commercial: Establishments primarily selling merchandise, eating/drinking places, and entertainment uses. By way of example, *Commercial* includes shopping centers, supermarkets, pharmacies, restaurants, bars, nightclubs, automobile dealerships, and movie theaters.

Industrial: Establishments primarily engaged in the production, transportation, or storage of goods. By way of example, *Industrial* includes manufacturing plants, distribution warehouses, trucking companies, utility substations, power generation facilities, and telecommunications buildings.

Institutional: Public and quasi-public buildings providing educational, social assistance, or religious services. By way of example, *Institutional* includes schools, universities, churches, daycare facilities, hospitals, and government buildings.

Office: Establishments providing management, administrative, professional, or business services. By way of example, *Office* includes banks, business offices, medical offices, and veterinarian clinics.

Impact fee Report

Prepared for:
Hendersonville, Tennessee

January 26, 2024



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TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
Tennessee Legal Framework.....	1
General Legal Framework.....	1
General Methodologies.....	3
Cost Recovery (Past Improvements).....	3
Incremental Expansion (Concurrent Improvements).....	3
Plan-Based (Future Improvements).....	3
Conceptual Impact fee Calculation.....	4
Credits.....	4
Proposed Fee Methodologies and Cost Components.....	4
Impact fee Schedule.....	5
PARKS IMPACT FEES.....	6
Methodology.....	6
Proportionate Share.....	6
Demand Units.....	6
Park Land – Incremental Expansion.....	6
Park Improvements – Incremental Expansion.....	8
Projected Demand for Growth-Related Parks Infrastructure.....	9
Park Land.....	9
Park Improvements.....	10
Maximum Allowable Parks Impact fees.....	11
Projected Parks Impact fee Revenue.....	12
APPENDIX A: LAND USE ASSUMPTIONS	13
Summary of Growth Indicators.....	14
Residential Development.....	15
Persons Per Housing Unit.....	15
Residential Estimates.....	16
Residential Projections.....	16
APPENDIX B: LAND USE DEFINITIONS.....	17
Residential Development.....	17

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EXECUTIVE SUMMARY

In 2023, the City of Hendersonville retained TischlerBise to analyze the impacts of future development on park facilities and to calculate impact fees based on that analysis. Through interviews and discussions with staff, TischlerBise developed the proposed impact fees discussed in this report. Impact fees are collected from new construction at the time a building permit is issued and used to construct system improvements needed to accommodate future development. An impact fee represents future development's proportionate share of capital facility needs. Impact fees do have limitations and should not be regarded as the total solution for infrastructure funding needs. Rather, they are one component of a comprehensive portfolio to ensure provision of adequate public facilities needed to serve future development. In contrast to general taxes, impact fees may not be used for operations, maintenance, replacement of infrastructure, or correcting existing deficiencies.

The City of Hendersonville has experienced steady residential growth in recent years, and this growth is expected to continue in the future. As a result, Hendersonville must plan for future park improvements if existing levels of service are to be maintained.

TENNESSEE LEGAL FRAMEWORK

While the State of Tennessee does not have specific authorizing legislation for impact fees, the State does grant the power for municipalities with a mayor-aldermanic charter to impose impact fees on new development. As a mayor-aldermanic charter city, the City of Hendersonville may:

"Establish, open, relocate, vacate, alter, widen, extend, grade, improve, repair, construct, reconstruct, maintain, light, sprinkle and clean public highways, streets, boulevards, parkways, sidewalks, alleys, parks, public grounds, public facilities, libraries and squares, wharves, bridges, viaducts, subways, tunnels, sewers and drains within or without the corporate limits, regulate their use within the corporate limits, assess fees for the use of or impact upon such property and facilities, and take and appropriate property therefor under § 7-31-107 -- 7-31-111 and § 29-16-203, or any other manner provided by general laws." (Tenn. Code Ann. § 6-2-201 (15))

GENERAL LEGAL FRAMEWORK

Both state and federal courts have recognized the imposition of impact fees as a legitimate form of land use regulation, provided the fees meet standards intended to protect against regulatory takings. Land use regulations, development exactions, and impact fees are subject to the Fifth Amendment prohibition on taking of private property for public use without just compensation. To comply with the Fifth Amendment, development regulations must be shown to substantially advance a legitimate governmental interest. In the case of impact fees, that interest is in the protection of public health, safety, and welfare by ensuring development is not detrimental to the quality of essential public services. The means to this end are also important, requiring both procedural and substantive due process. The process followed to receive community input (i.e., stakeholder meetings, work sessions, and public hearings) provides opportunities for comments and refinements to the impact fees.

There is little federal case law specifically dealing with impact fees, although other rulings on other types of exactions (e.g., land dedication requirements) are relevant. In one of the most important exaction cases, the U. S. Supreme Court found that a government agency imposing exactions on development must demonstrate an "essential nexus" between the exaction and the interest being protected (see *Nollan v.*

California Coastal Commission, 1987). In a more recent case (*Dolan v. City of Tigard, OR*, 1994), the Court ruled that an exaction must also be “roughly proportional” to the burden created by development. However, the *Dolan* decision appeared to set a higher standard of review for mandatory dedications of land than for monetary exactions such as impact fees.

There are three reasonable relationship requirements for impact fees that are closely related to “rational nexus”, or “reasonable relationship” requirements enunciated by a number of state courts. Although the term “dual rational nexus” is often used to characterize the standard by which courts evaluate the validity of impact fees under the U.S. Constitution, we prefer a more rigorous formulation that recognizes three elements: “need,” “benefit,” and “proportionality.” The dual rational nexus test explicitly addresses only the first two, although proportionality is reasonably implied, and was specifically mentioned by the U.S. Supreme Court in the *Dolan* case. Individual elements of the nexus standard are discussed further in the following paragraphs.

All new development in a community creates additional demands on some, or all, public facilities provided by local government. If the capacity of facilities is not increased to satisfy that additional demand, the quality or availability of public services for the entire community will deteriorate. Impact fees may be used to recover the cost of development-related facilities, but only to the extent that the need for facilities is a consequence of development that is subject to the fees. The *Nollan* decision reinforced the principle that development exactions may be used only to mitigate conditions created by the developments upon which they are imposed. That principle clearly applies to impact fees. In this study, the impact of development on infrastructure needs is analyzed in terms of quantifiable relationships between various types of development and the demand for specific capital facilities, based on applicable level-of-service standards.

The requirement that exactions be proportional to the impacts of development was clearly stated by the U.S. Supreme Court in the *Dolan* case and is logically necessary to establish a proper nexus. Proportionality is established through the procedures used to identify development-related facility costs, and in the methods used to calculate impact fees for various types of facilities and categories of development. The demand for capital facilities is measured in terms of relevant and measurable attributes of development (e.g., a typical housing unit’s average weekday vehicle trips).

A sufficient benefit relationship requires that impact fee revenues be segregated from other funds and expended only on the facilities for which the fees were charged. Impact fees must be expended in a timely manner and the facilities funded by the fees must serve the development paying the fees. However, nothing in the U.S. Constitution or the state enabling legislation requires that facilities funded with fee revenues be available *exclusively* to development paying the fees. In other words, benefit may extend to a general area including multiple real estate developments. Procedures for the earmarking and expenditure of fee revenues are discussed near the end of this study. All of these procedural as well as substantive issues are intended to ensure that new development benefits from the impact fees they are required to pay. The authority and procedures to implement impact fees is separate from and complementary to the authority to require improvements as part of subdivision or zoning review.

As documented in this report, the City of Hendersonville has complied with applicable legal precedents. Impact fees are proportionate and reasonably related to the capital improvement demands of new development. Specific costs have been identified using local data and current dollars. With input from City

staff, TischlerBise identified demand indicators for each type of infrastructure and calculated proportionate share factors to allocate costs by type of development. This report documents the formulas and input variables used to calculate the impact fees for each type of public facility. Impact fee methodologies also identify the extent to which new development is entitled to various types of credits to avoid potential double payment of growth-related capital costs.

GENERAL METHODOLOGIES

There are three general methodologies for calculating impact fees. The choice of a particular methodology depends primarily on the timing of infrastructure construction (past, concurrent, or future) and service characteristics of the facility type being addressed. Each methodology has advantages and disadvantages in a particular situation, and can be used simultaneously for different cost components.

Reduced to its simplest terms, the process of calculating impact fees involves two main steps: (1) determining the cost of development-related capital improvements and (2) allocating those costs equitably to various types of development. In practice, though, the calculation of impact fees can become quite complicated because of the many variables involved in defining the relationship between development and the need for facilities within the designated service area. The following paragraphs discuss three basic methodologies for calculating impact fees and how those methodologies can be applied.

Cost Recovery (Past Improvements)

The rationale for recoupment, often called cost recovery, is that future development is paying for its share of the useful life and remaining capacity of facilities already built, or land already purchased, from which future development will benefit. This methodology is often used for utility systems that must provide adequate capacity before future development can take place.

Incremental Expansion (Concurrent Improvements)

The incremental expansion methodology documents current level-of-service (LOS) standards for each type of public facility, using both quantitative and qualitative measures. This approach assumes there are no deficiencies or surplus capacity in existing infrastructure, and future development is paying only its proportionate share for growth-related infrastructure. Revenue will be used to expand or provide additional facilities, as needed, to accommodate future development. An incremental expansion cost methodology is best suited for public facilities that will be expanded in regular increments to keep pace with development.

Plan-Based (Future Improvements)

The plan-based methodology allocates costs for a specified set of improvements to a specified amount of development. Improvements are typically identified in a long-range facility plan and development potential is identified by a land use plan. There are two options for determining the cost per demand unit: (1) total cost of a public facility can be divided by total demand units (average cost), or (2) the growth-share of the public facility cost can be divided by the net increase in demand units over the planning timeframe (marginal cost).

CONCEPTUAL IMPACT FEE CALCULATION

In contrast to project-level improvements, impact fees fund growth-related infrastructure that will benefit multiple development projects, or the entire jurisdiction (referred to as system improvements). The first step is to determine an appropriate demand indicator for the particular type of infrastructure. The demand indicator measures the number of demand units for each unit of development. For example, an appropriate indicator of the demand for park facilities is population growth, and the increase in population can be estimated from the average number of residents per housing unit. The second step in the impact fee formula is to determine infrastructure units per demand unit, typically called level-of-service (LOS) standards. In keeping with the parks example, a common LOS standard is park amenities per resident. The third step in the impact fee formula is the cost of various infrastructure units. To complete the parks example, this part of the formula would establish the cost for purchasing and/or constructing new park amenities.

CREDITS

Regardless of the methodology, a consideration of credits is integral to the development of a legally defensible impact fee. There are two types of credits that should be addressed in impact fee studies and ordinances. The first is a revenue credit due to possible double payment situations, which could occur when other revenues may contribute to the capital costs of infrastructure covered by the impact fee. This type of credit is integrated into the fee calculation, thus reducing the fee amount. The second is a site-specific credit or developer reimbursement for dedication of land or construction of system improvements. An example would be if a developer builds a park with improvements and dedicates to the City. This type of credit is addressed in the administration and implementation of the development fee program. For ease of administration, TischlerBise normally recommends developer reimbursements for system improvements.

PROPOSED FEE METHODOLOGIES AND COST COMPONENTS

Shown below, Figure 1 summarizes the methodology and cost allocation components used for Hendersonville’s parks impact fee report. Costs were allocated only to residential development, as nonresidential development generated negligible demand for park facilities. Population was used as the cost allocation factor.

Figure 1: Proposed Impact fee Methodologies and Cost Components

Infrastructure Category	Service Area	Cost Recovery	Incremental Expansion	Plan-Based	Cost Allocation
Parks	Citywide	N/A	Park Land, Park Improvements	N/A	Population

IMPACT FEE SCHEDULE

Impact fees for residential development will be assessed per dwelling unit, based on the type of unit. The fees shown in Figures 2 represent the maximum allowable impact fees – the proposed impact fees fund 100 percent of growth-related park infrastructure. Hendersonville may adopt impact fees that are less than the amounts shown; however, a reduction in impact fee revenue will necessitate an increase in other revenues, a decrease in planned capital improvements and/or a decrease in Hendersonville’s LOS standards. All costs in the impact fee study are in current dollars with no assumed inflation rate over time. If cost estimates change significantly over time, impact fees should be recalculated.

Figure 2: Maximum Allowable Impact fees

Residential Development		Fees per Unit	
Development Type		Persons per Housing Unit ¹	Proposed Fees
Single Family		2.63	\$7,197
Multi-Family		1.78	\$4,871

1. See Land Use Assumptions

A note on rounding: Calculations throughout this report are based on an analysis conducted using Excel software. Most results are discussed in the report using one-, two-, and three-digit places, which represent rounded figures. However, the analysis itself uses figures carried to their ultimate decimal places; therefore, the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown in the report (due to the rounding of figures shown, not in the analysis).

PARKS IMPACT FEES

METHODOLOGY

The Parks impact fee includes components for park land and park improvements. Parks impact fees use the incremental expansion methodology. Costs are allocated only to residential development using persons per housing unit to allocate costs.

PROPORTIONATE SHARE

TischlerBise recommends allocating 100 percent of the cost of parks infrastructure to residential development since nonresidential development generates negligible demand for parks infrastructure.

DEMAND UNITS

Residential impact fees are calculated on a per capita basis, then converted to an appropriate amount for each type of housing unit based on the number of persons per housing unit (PPHU). As shown in Figure PR1, the current PPHU factors are 2.63 persons per single-family unit and 1.78 persons per multi-family unit. These factors are based on the U.S. Census Bureau's 2017-2021 American Community Survey 5-year estimates (further discussed in Appendix A).

Figure PR1: Demand Units

Development Type	Persons per Housing Unit ¹
Single Family	2.63
Multi-Family	1.78

Source: U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates

1. Single-Family includes detached, attached (i.e. townhouses)

PARK LAND – INCREMENTAL EXPANSION

As shown below in Figure PR2, the City of Hendersonville has 514 acres of existing park land. In order to maintain existing levels of service the City plans to expand its current inventory of park land to serve future development. To determine the existing level of service, the current land inventory is compared to the current number of residents in the City. This results in a level of service of 0.0079 acres per person (514 acres X 100 percent residential share / 65,059 persons).

The cost of an acre of land is estimated at \$275,000, based on an estimate provided by the City. For park land, the cost per demand unit is \$2,172.65 per person (0.0079 acres per person X \$275,000 per acre).

Figure PR2: Park Land Level of Service

Description	Acres
Batey Farm	75
Drakes Creek Park	135
Mallard Point Boat Launch	4
Memorial Park	44
Rugby Park	13
Sander Ferry Park	70
Veterens Park	28
Volunteer Park	45
Warrior Bike Trail	24
Durham Farm Parkland	76
Total	514

Cost Allocation Factors	
Cost per Acre	\$275,000

Level-of-Service (LOS) Standards	
Existing Acres	514
Residential	
Residential Share	100%
2023 Population	65,059
Acres per Person	0.0079
Cost per Person	\$2,172.65

Source: Hendersonville, Tennessee

PARK IMPROVEMENTS – INCREMENTAL EXPANSION

As shown in Figure PR3 below, City of Hendersonville parks contain 142 improvements. The City plans to expand its current inventory of 142 park improvements to serve future development. The analysis allocates 100 percent of demand for park improvements to residential development. Hendersonville's existing level of service is 0.0022 improvements per person (142 improvements X 100 percent residential share / 65,059 persons).

Based on the total replacement cost of \$36,687,141 for Hendersonville's existing 142 park improvements, the average replacement cost is \$259,273 per improvement. For park improvements, the cost per demand unit is \$563.91 per person (0.0022 improvements per person X \$259,273 per improvement).

Figure PR3: Park Improvements Level of Service

Description	Improvements	Unit Cost	Replacement Cost
Concession Stand	8	\$391,597	\$3,132,773
Boat/Kayak Access	2	\$48,680	\$97,360
Fishing Pier	2	\$53,505	\$107,010
Disc Golf Course	1	\$16,038	\$16,038
Playground	11	\$261,214	\$2,873,359
Football Field	1	\$315,618	\$315,618
Baseball / Softball Field	16	\$237,743	\$3,803,881
Batting Cage	5	\$51,198	\$255,988
Basketball Court	1	\$15,000	\$15,000
Lacrosse Field	2	\$1,286	\$2,572
Soccer Field	24	\$618,529	\$14,535,424
Multi-Purpose Field	3	\$200,000	\$600,000
Tennis / Pickleball	12	\$126,612	\$1,519,339
In-line Hockey Rink	2	\$2,000,000	\$4,000,000
Sand Volleyball	3	\$10,000	\$30,000
Picnic Shelters	21	\$102,384	\$2,150,054
Charcoal Grill	10	\$500	\$5,000
Skate Park	1	\$130,178	\$130,178
Dog Park	1	\$39,097	\$39,097
Model Airplane Field	1	\$28,591	\$28,591
Maintenance Facility	1	\$243,883	\$243,883
Restroom Facility	14	\$198,998	\$2,785,976
Total	142	\$259,273	\$36,687,141

Cost Allocation Factors	
Cost per Improvement	\$259,273

Level-of-Service (LOS) Standards	
Existing Improvements	142
Residential	
Residential Share	100%
2023 Population	65,059
Improvements per Person	0.0022
Cost per Person	\$563.91

Source: Hendersonville, Tennessee

PROJECTED DEMAND FOR GROWTH-RELATED PARKS INFRASTRUCTURE

Park Land

To accommodate projected development over the next ten years, Hendersonville will acquire additional park land as development occurs. Figure PR4 forecasts growth-related demand for park improvements. Hendersonville's population is projected to increase by 11,127 persons by 2033. Using the 2023 LOS, future residential development will demand approximately 88 additional park acres (11,127 additional persons X 0.0079 acres per person). Based on demand for 88 park acres and a cost of \$275,000 per acre, the growth-related expenditure on park improvements is \$24,175,912.

Figure PR4: Growth-Related Demand for Park Land

Type of Infrastructure	Level of Service		Demand Unit	Cost per Acre
Park Land	0.0079	Acres	per Person	\$275,000

Demand for Park Land		
Year	Population	Acres
2023	65,059	514
2024	66,172	523
2025	67,284	532
2026	68,397	540
2027	69,510	549
2028	70,623	558
2029	71,735	567
2030	72,848	576
2031	73,961	584
2032	75,074	593
2033	76,186	602
10-Yr Increase	11,127	88

Growth-Related Expenditures | \$24,175,912

Park Improvements

To accommodate projected development over the next ten years, Hendersonville will construct additional park improvements as development occurs. Figure PR5 forecasts growth-related demand for park improvements. Hendersonville's population is projected to increase by 11,127 persons by 2033. Using the 2023 LOS, future residential development will demand approximately 24.2 additional park improvements (11,127 additional persons X 0.0022 improvements per person). Based on demand for 24.2 park improvements and an average cost of \$259,273 per improvement, the growth-related expenditure on park improvements is \$6,274,815.

Figure PR5: Growth-Related Demand for Park Improvements

Type of Infrastructure	Level of Service		Demand Unit	Cost per Unit
Park Improvements	0.0022	Units	per Person	\$259,273

Demand for Park Amenities		
Year	Population	Units
2023	65,059	141.5
2024	66,172	143.9
2025	67,284	146.3
2026	68,397	148.8
2027	69,510	151.2
2028	70,623	153.6
2029	71,735	156.0
2030	72,848	158.4
2031	73,961	160.9
2032	75,074	163.3
2033	76,186	165.7
10-Yr Increase	11,127	24.2

Growth-Related Expenditures	\$6,274,815
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MAXIMUM ALLOWABLE PARKS IMPACT FEES

Infrastructure components and cost factors used to calculate maximum allowable Parks impact fees are summarized in the upper portion of Figure PR6. Residential impact fees are calculated using a cost of \$2,736.55 per person and the average number of persons per housing unit. For a single-family unit, the fee of \$7,197 is calculated using a cost of \$2,736.55 per person multiplied by 2.63 persons per housing unit.

Figure PR6: Maximum Allowable Parks Impact fees

Fee Component	Cost per Person
Park Land	\$2,172.65
Park Improvements	\$563.91
Total	\$2,736.55

Residential Development	Fees per Unit	
Development Type	Persons per Housing Unit ¹	Proposed Fees
Single Family	2.63	\$7,197
Multi-Family	1.78	\$4,871

1. See Land Use Assumptions

PROJECTED PARKS IMPACT FEE REVENUE

Revenue projections assume implementation of the maximum allowable Parks impact fees and that development over the next ten years is consistent with the development projections in Appendix A. To the extent the rate of development either accelerates or slows down, there will be a corresponding change in the impact fee revenue. As shown in Figure PR7, projected fee revenue equals approximately \$30 million over the next ten years compared to projected expenditures of approximately \$30 million.

Figure PR7: Projected Parks Impact fee Revenue

Fee Component	Growth Share	Existing Share	Total
Park Land	\$24,175,912	\$0	\$24,175,912
Park Improvements	\$6,274,815	\$0	\$6,274,815
Total	\$30,450,726	\$0	\$30,450,726

		Single Family \$7,197 per unit	Multi-Family \$4,871 per unit
Year		Hsg Unit	Hsg Unit
Base	2023	19,799	6,421
Year 1	2024	20,063	6,655
Year 2	2025	20,328	6,889
Year 3	2026	20,593	7,123
Year 4	2027	20,857	7,357
Year 5	2028	21,122	7,592
Year 6	2029	21,387	7,826
Year 7	2030	21,652	8,060
Year 8	2031	21,916	8,294
Year 9	2032	22,181	8,528
Year 10	2033	22,446	8,762
10-Year Increase		2,647	2,340
Projected Revenue		\$19,050,813	\$11,399,913

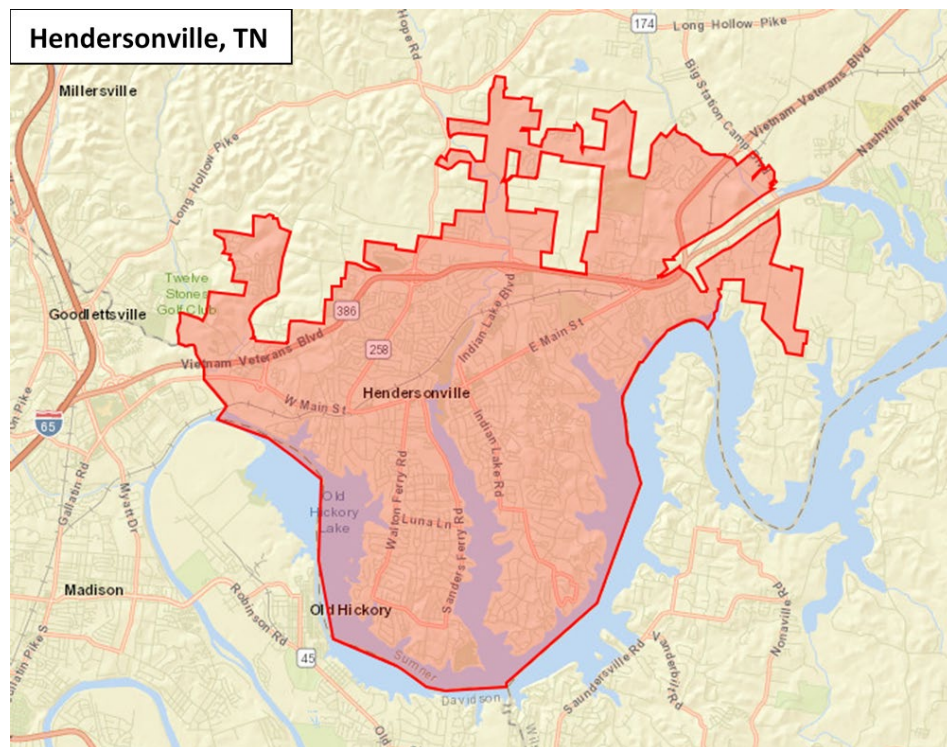
Projected Fee Revenue	\$30,450,726
Existing Development Share	\$0

APPENDIX A: LAND USE ASSUMPTIONS

The City of Hendersonville retained TischlerBise to prepare this study to analyze the impacts of development on the city's capital facilities and to calculate development impact fees based on that analysis. The population and housing unit projections contained in this document provide the foundation for the development impact fee study. To evaluate the demand for growth-related infrastructure from various types of development, TischlerBise prepared documentation on demand indicators by type of housing unit. These metrics are the service units and demand indicators used in the development impact fee study.

Development impact fees are based on the need for growth-related improvements, and they must be proportionate by type of land use. The demographic data and development projections are used to demonstrate proportionality and anticipate the need for future infrastructure. Development impact fee studies typically look out five to ten years, with the expectation that fees will be updated every three to five years. The estimates and projections of residential and nonresidential development in this Land Use Assumptions document are for areas within the boundaries of Hendersonville, Tennessee. The map below illustrates the areas within the Hendersonville Development Impact Fee Service Area.

Figure A1: Development Impact Fee Service Area Map



SUMMARY OF GROWTH INDICATORS

Key development projections for the Hendersonville development impact fee study include housing units and nonresidential floor area. TischlerBise estimates population and housing units using US Census data. The projections contained in this document provide the foundation for the Development Impact Fee Study.

These projections are used to estimate development impact fee revenue and to indicate the anticipated need for growth-related infrastructure. The goal is to have reasonable projections without being overly concerned with precision. Because development impact fee methods are designed to reduce sensitivity to development projections in the determination of the proportionate-share fee amounts, if actual development is slower than projected, fee revenue will decline, but so will the need for growth-related infrastructure. In contrast, if development is faster than anticipated, Hendersonville will receive more fee revenue, but will also need to accelerate infrastructure improvements to keep pace with the actual rate of development.

During the next 10 years, TischlerBise projects an average annual increase of 499 housing units per year.

RESIDENTIAL DEVELOPMENT

Current estimates and future projections of residential development are detailed in this section including population and housing units by type.

Persons Per Housing Unit

According to the U.S. Census Bureau, a household is a housing unit occupied by year-round residents. Development impact fees often use per capita standards and persons per housing unit (PPHU) or persons per household (PPH) to derive proportionate share fee amounts. When PPHU is used in the fee calculations, infrastructure standards are derived using year-round population. When PPH is used in the fee calculations, the development impact fee methodology assumes a higher percentage of housing units will be occupied, thus requiring seasonal or peak population to be used when deriving infrastructure standards. TischlerBise recommends that Hendersonville impose development impact fees for residential development according to the number of persons per housing unit.

Occupancy calculations require data on population and the types of units by structure. The 2020 census did not obtain detailed information using a “long-form” questionnaire. Instead, the U.S. Census Bureau switched to a continuous monthly mailing of surveys, known as the American Community Survey (ACS), which has limitations due to sample-size constraints. For example, data on detached housing units are now combined with attached single units (commonly known as townhouses, which share a common sidewall, but are constructed on an individual parcel of land). For development impact fees in Hendersonville, detached stick-built units, attached units, and mobile home units are included in the “Single-Family” category. The second residential category includes duplexes and all other structures with two or more units on an individual parcel of land. This is referred to as “Multi-Family” category. (Note: housing unit estimates from ACS will not equal decennial census counts of units. These data are used only to derive the custom PPHU factors for each type of unit).

Figure A2 below shows the ACS 2021 5-Year Estimates for Hendersonville. Single-family units averaged 2.63 persons per housing unit (50,101 persons / 19,038 housing units) and multi-family units had an average of 1.78 persons per housing unit (10,350 persons / 5,805 housing units).

Figure A2: Persons per Housing Unit by Type of Housing

Housing Type	Persons	Households	Persons per Household	Housing Units	Persons per Housing Unit	Housing Mix	Vacancy Rate
Single-Family Units ¹	50,101	18,403	2.72	19,038	2.63	76.6%	3.30%
Multi-Family Units ²	10,350	5,162	2.01	5,805	1.78	23.4%	11.10%
Total	60,451	23,565	2.57	24,843	2.43	100.0%	5.10%

Source: U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates

1. Includes detached, attached (i.e. townhouses).

2. Includes dwellings in structures with two or more units, and mobile home units.

Residential Estimates

This analysis projects housing units based on building permit data provided by Hendersonville staff. By applying the building permit data shown below in Figure A3 to 2020 US Census estimates, TischlerBise estimates the 2023 housing stock includes 26,220 housing units – 19,799 single-family units and 6,421 multi-family units. The analysis converts housing units to population using the occupancy factors shown in Figure A2. The 2023 population estimate is 65,059 persons.

Figure A3: Residential Building Permits

Year	Single	Multi	Total
2019	344	97	441
2020	245	137	382
2021	230	328	558
2022	202	115	317
2023*	303	493	796
AVERAGE	265	234	499

*Prorated

Residential Projections

TischlerBise projects future residential development beyond the 2023 base year using the building permit data shown in Figure A3. Over the next 10 years, this results in an increase of 2,647 single-family units and 4,166 multi-family units. To project future population, the analysis converts housing units to population using the occupancy factors shown in Figure A2. For this study, it is assumed that the housing unit size will remain constant. TischlerBise projects a 10-year increase of 4,987 housing units and 11,127 persons (2,647 single-family units X 2.63 persons per housing unit + 4,166 multi-family units X 1.78 persons per housing unit).

Figure A4: Residential Development Projections

Hendersonville	2023 Base Year	2024 1	2025 2	2026 3	2027 4	2028 5	2033 10	10-Year Increase
Population								
Single Family	52,961	53,657	54,353	55,049	55,745	56,441	59,922	6,962
Multi-Family	12,098	12,515	12,931	13,348	13,765	14,181	16,264	4,166
Population	65,059	66,172	67,284	68,397	69,510	70,623	76,186	11,127
Housing Units								
Single Family	19,799	20,063	20,328	20,593	20,857	21,122	22,446	2,647
Multi-Family	6,421	6,655	6,889	7,123	7,357	7,592	8,762	2,340
Total	26,220	26,719	27,217	27,716	28,215	28,714	31,207	4,987

APPENDIX B: LAND USE DEFINITIONS

RESIDENTIAL DEVELOPMENT

As discussed below, residential development categories are based on data from the U.S. Census Bureau, American Community Survey. The City of Hendersonville will collect impact fees from all new residential units. One-time impact fees are determined by site capacity (i.e., number of residential units).

Single-Family Units:

1. Single-family detached is a one-unit structure detached from any other house, that is, with open space on all four sides. Such structures are considered detached even if they have an adjoining shed or garage. A one-family house that contains a business is considered detached as long as the building has open space on all four sides.
2. Single-family attached (townhouse) is a one-unit structure that has one or more walls extending from ground to roof separating it from adjoining structures. In row houses (sometimes called townhouses), double houses, or houses attached to nonresidential structures, each house is a separate, attached structure if the dividing or common wall goes from ground to roof.

Multi-Family Units:

1. 2+ units (duplexes and apartments) are units in structures containing two or more housing units, further categorized as units in structures with “2, 3 or 4, 5 to 9, 10 to 19, 20 to 49, and 50 or more apartments.”
2. Boat, RV, Van, Etc. includes any living quarters occupied as a housing unit that does not fit the other categories (e.g., houseboats, railroad cars, campers, and vans). Recreational vehicles, boats, vans, railroad cars, and the like are included only if they are occupied as a current place of residence.
3. Mobile home includes both occupied and vacant mobile homes, to which no permanent rooms have been added. Mobile homes used only for business purposes or for extra sleeping space and mobile homes for sale on a dealer's lot, at the factory, or in storage are not counted in the housing inventory.

DEVELOPMENT IMPACT FEE COMPARISONS WITH OTHER MID-TN COMMUNITIES

12/3/2025	<u>Single-Family</u>	<u>Multi-Family</u>	<u>Gen. Commercial</u>	<u>Office</u>	<u>Public/Institutional</u>	<u>Industrial</u>
Hendersonville (100% Based on Fee Study) (Parks, Streets, Fire & Police All Uses)	\$19,888	\$13,811	\$12,247/1,000 sf	\$7,559/1,000 sf	\$10,396/1,000 sf	\$3,314/1,000 sf
Hendersonville (Ordinance Proposal #1) (Residential+Comm @50%) (Parks & Streets only)	\$9,016	\$6,308	\$4,786/1,000 sf	\$3,186/1,000 sf	\$4,382/1,000 sf	\$1,396/1,000 sf
Hendersonville (Ordinance Proposal #2 in 3/2026) (Residential Only @50%) (Parks & Streets only)	\$5,000	\$3,498	\$0/1,000 sf	\$0/1,000 sf	\$0/1,000 sf	\$0/1,000 sf
Hendersonville (Ordinance Proposal #2 in 2035) (Residential Only @50%) (Parks & Streets only)	\$6,500	\$4,547	\$0/1,000 sf	\$0/1,000 sf	\$0/1,000 sf	\$0/1,000 sf
Franklin	\$9,537	\$7,416	\$10,878-\$29,304/1,000 sf	\$7,802/1,000 sf	\$2,697-\$9,012/1,000 sf	\$1,487-\$11,132/1,000 sf
Murfreesboro	\$2.00/sf not to exceed \$10,952 per dwelling	\$7624 per dwelling unit	\$5,030/1,000 sf	\$1,932/1,000 sf	\$3,872/1,000 sf	\$984/1,000 sf
La Vergne	\$6,833	\$5,247 per dwelling unit	\$7,806/1,000 sf	\$5,971/1,000 sf	\$1,968-4,846/1,000 sf	\$2,269/1,000 sf
Mt. Juliet	\$0.50/sf	\$0.50/sf	\$0	\$0	\$0	\$0
Smyrna	\$5,786	\$3,359	\$5,879/1,000 sf	\$6,732/1,000 sf	\$1,806/1,000 sf	\$4,076/1,000 sf
Springfield	\$4,555	\$2,551	\$5,935/1,000 sf	\$3,151/1,000 sf	\$2,240/1,000 sf	\$1,015/1,000 sf
White House	\$3,740	\$2,381	\$1,224-\$24,496/1,000 sf	\$3,857-4,659/1,000 sf	\$269-3,409/1,000 sf	\$2,119/1,000 sf
Lebanon	\$1,500/1,000 sf	\$1,000	1/2 building permit fee	1/2 building permit fee	1/2 building permit fee	1/2 building permit fee

Commercial Examples:

New Shackle Island Subway

Building Square Footage: 1,500



Hville DIF Study	\$18,371
Hville Ord 2025-00	\$7,179
Hville Ord 2025-00 2026	\$0
Hville Ord 2025-00 2030	\$0
Franklin	\$16,317 - 43,956
Murfreesboro	\$7,545
La Vergne	\$11,709
Mt. Juliet	\$0.00
Smyrna	\$8,818
Springfield	\$8,903
White House	\$1,836 - 36,744
Lebanon	\$225

Chick-fil-A (Mayfair)

Building Square Footage: 6,108



H DIF Study	\$74,805
H Ord 2025-00	\$29,232
H Ord 2025-00 2026	\$0
H Ord 2025-00 2030	\$0
Franklin	\$66,443 - 178,989
Murfreesboro	\$30,723
La Vergne	\$47,679
Mt. Juliet	\$0
Smyrna	\$35,909
Springfield	\$26,251.00
White House	\$7,476.00 - 149,622.00
Lebanon	\$916.00

Costco

Building Square Footage: 156,309



H DIF Study	\$1,914,316
H Ord 2025-00	\$748,094
H Ord 2025-00 2026	\$0
H Ord 2025-00 2030	\$0
Franklin	\$1,700,329 - 4,580,478
Murfreesboro	\$786,234
La Vergne	\$1,220,148
Mt. Juliet	\$0.00
Smyrna	\$918,941
Springfield	\$927,694
White House	\$191,322 – 3,828,945
Lebanon	\$7,815

Office Example:

ParkView Office/Retail

Building Square Footage: 15,956



H DIF Study	\$120,611
H Ord 2025-00	\$50,836
H Ord 2025-00 2026	\$0
H Ord 2025-00 2030	\$0
Franklin	\$124,488
Murfreesboro	\$30,827
La Vergne	\$95,273
Mt. Juliet	\$0
Smyrna	\$107,416
Springfield	\$50,277
White House	\$45,586 – 74,339
Lebanon	\$1,125

Southview Professional Plaza Ph 1

Building Square Footage: 7,500



H DIF Study	\$56,693
H Ord 2025-00	\$23,895
H Ord 2025-00 2026	\$0
H Ord 2025-00 2030	\$0
Franklin	\$58,515
Murfreesboro	\$14,490
La Vergne	\$44,033
Mt. Juliet	\$0
Smyrna	\$50,490
Springfield	\$23,633
White House	\$28,928 – 34,943
Lebanon	\$1,596

Industrial Example:

230 Innovation Way
Building Square Footage: 107,500



H DIF Study	\$356,255
H Ord 2025-00	\$159,070
H Ord 2025-00 2026	\$0
H Ord 2025-00 2030	\$0
Franklin	\$159,853 – 1,196,690
Murfreesboro	\$105,780
La Vergne	\$243,918
Mt. Juliet	\$0.00
Smyrna	\$438,170
Springfield	\$109,113
White House	\$227,793
Lebanon	\$5,375

Residential Examples:

The Hickory (Multi-Family 212 Units)

Building Square Footage: 285,010



H DIF Study	\$2,927,932
H Ord 2025-00	\$1,337,296
H Ord 2025-00 2026	\$741,576
H Ord 2025-00 2030	\$963,964
Franklin	\$1,572,192
Murfreesboro	\$1,616,288
La Vergne	\$1,112,364
Mt. Juliet	\$142,505
Smyrna	\$712,108
Springfield	\$540,812
White House	\$504,772
Lebanon	\$212,000

822 Nightingale Ave (Durham Farms)

Building Square Footage: 2,972



H DIF Study	\$19,888
H Ord 2025-00	\$9,016
H Ord 2025-00 2026	\$5,000
H Ord 2025-00 2030	\$6,500
Franklin	\$9,537
Murfreesboro	\$5,944
La Vergne	\$6,833
Mt. Juliet	\$1,486
Smyrna	\$5,786
Springfield	\$4,555
White House	\$3,750
Lebanon	\$4,458

ORDINANCE 2026-01

Sponsor: **Clary**

AN ORDINANCE AMENDING THE HENDERSONVILLE MUNICIPAL CODE REPEALING AND REPLACING TITLE 4 (MUNICIPAL PERSONNEL), AMENDING SECTION 2-101 (APPOINTING MEMBERS TO VARIOUS BOARDS AND COMMISSIONS), AND TO ADOPT A REVISED EDITION OF THE PERSONNEL RULES AND REGULATIONS.

WHEREAS, the City has undertaken a comprehensive review of its Personnel Rules and Regulations and, in doing so, has sought and received assistance from outside legal counsel, evaluated applicable state and federal law, solicited input from department heads, the City Attorney and other City employees, conducted multiple work-session workshops, and incorporated substantial input received throughout the process in order to enhance clarity, organization, internal consistency, administrative efficiency, and consistency with applicable law; and

WHEREAS, the current framework governing the City's personnel matters, as reflected in its ordinances, municipal code, Personnel Rules and Regulations and separate policy documents, dates back to 1975 and necessitates updating to better align with current operational practices and applicable law; and

WHEREAS, the City's directives governing municipal employment are dispersed among multiple ordinances, sections of the Municipal Code, the Personnel Rules and Regulations and other separate personnel policy documents which would be more clearly understood, efficiently managed and fairly administered if maintained in one comprehensive document; and

WHEREAS, the City has historically maintained Personnel Rules and Regulations and other policy documents adopted by resolution or administrative action, while the Municipal Code also addresses matters relating to municipal personnel adopted by ordinance and, in certain respects, overlaps with, references, or corresponds to the others which, over time, have created the potential for inconsistency, duplication, and/or ambiguity; and

WHEREAS, the City has determined that it is in the best interest of the City to adopt a revised and improved edition of the Personnel Rules and Regulations as a stand-alone policy document, separate from the Municipal Code, while simultaneously repealing and replacing Title 4 of the Municipal Code to ensure clarity, consistency, and proper separation between codified ordinances and administrative employment policies; and

WHEREAS, this repeal and replacement of Title 4, amendment to Section 2-101, and adoption of a revised edition of the Personnel Rules and Regulations are all intended to eliminate outdated, duplicative, and conflicting provisions in order that they be aligned without codifying voluminous rules which will improve clarity, provide flexibility, reduce legal risk, and allow the City to streamline updated employment practices without repeatedly amending the Municipal Code:

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF HENDERSONVILLE, TENNESSEE, as follows:

Section One: That Title 4, of the Hendersonville Municipal Code is hereby deleted in its entirety and replaced with the following language:

**TITLE 4
MUNICIPAL PERSONNEL**

CHAPTER

- 1 SOCIAL SECURITY**
- 2 PERSONNEL MERIT SYSTEM**
- 3 RESERVED**
- 4 OCCUPATIONAL SAFETY AND HEALTH PROGRAM PLAN**
- 5 INFECTIOUS DISEASE CONTROL POLICY**

**CHAPTER 1
SOCIAL SECURITY**

SECTION

- 4-101. Policy and purpose as to coverage**
- 4-102. Necessary agreements to be executed**
- 4-103. Withholdings from salaries or wages**
- 4-104. Appropriations for employer's contributions**
- 4-105. Records and reports**
- 4-106. Exclusions**

4-101. Policy and purpose as to coverage.

It is hereby declared to be the policy and purpose of the City of Hendersonville, Tennessee, to extend, as of the date hereinafter set forth, to the employees and officials thereof, not excluded by law or this chapter, and whether employed in connection with a governmental or proprietary function, the benefits of the System of Federal Old Age and Survivors Insurance, as authorized by the Federal Social Security Act and Amendments thereto, including Public Law 734-81st Congress. In pursuance of said policy and for that purpose, the said City of Hendersonville shall take such action as may be required by applicable federal or state laws or regulations.

4-102. Necessary agreements to be executed.

The Mayor of the City of Hendersonville, Tennessee, is hereby authorized and directed to execute all necessary agreements and amendments thereto with the Administrator of the Old Age and Survivors Insurance (OASI) Agency, State of Tennessee, as agent or agency, to secure coverage of employees and officials as provided in the preceding section.

4-103. Withholdings from salaries or wages.

Withholdings from salaries or wages of employees and officials for the purpose provided in the first section of this chapter are hereby authorized to be made in the amounts and at such times as may be required by applicable federal or state laws or regulations, and shall be paid over to the state or federal agency designated by said laws or regulations.

4-104. Appropriations for employer's contributions.

There shall be appropriated from available funds such amounts at such times as may be required by applicable state or federal laws or regulations for employer's contributions; which shall be paid over to the state or federal agency designated by said laws or regulations.

4-105. Records and reports.

The City of Hendersonville shall keep such records and make such reports as may be required by applicable state and federal laws or regulations.

4-106. Exclusions.

There is hereby excluded from this chapter any authority to make any agreement with respect to any position or any employee or official now covered or authorized to be covered by any other ordinance creating any retirement system for any employee or official of the said City of Hendersonville or any employee, official or position not authorized to be covered under applicable state or federal laws or regulations.

The Mayor is authorized to execute an amendment to said agreement between the Director of the Department of Old Age and Survivors Insurance Agency of the State of Tennessee and the City of Hendersonville, dated August 15, 1975, to exclude from coverage under the Federal System of Old Age, Survivors, Disability, Health Insurance, the services of an election worker if the remuneration paid for such services in a calendar year is less than One thousand dollars (\$1,000.00) on or after January 1, 1995, ending on or before December 31, 1999, and the adjusted amount determined under Section 218(c)(8)(B) of the Social Security Act for any calendar year, commencing on or after January 1, 2000, with respect to services performed during any such calendar year. This exclusion to be effective in and after a calendar year in which a state's modification is mailed, or delivered by other means, to the appropriate federal official.

CHAPTER 2

PERSONNEL MERIT SYSTEM

SECTION

4-201. Definitions

4-202. Administration

4-203. Personnel rules

4-204. Classification and Compensation

4-201. Definitions.

As used in this chapter, the following quoted words and terms shall have the meanings enumerated hereinafter:

- (1) "Municipality" or "City" shall mean the City of Hendersonville, Tennessee.
- (2) "Mayor" shall mean the duly elected Mayor of the City of Hendersonville, Tennessee.
- (3) "Governing body," shall mean the Board of Mayor And Aldermen vested with power to enact ordinances and resolutions for the City of Hendersonville, Tennessee.
- (4) "City Administrator," shall mean the City Administrator or Chief of Operations for the City of Hendersonville, Tennessee.

- (5) "Human Resources Director," shall mean the Administrative Services Director or Human Resources Director for the City of Hendersonville, Tennessee.
- (6) "Employee" shall mean any individual employed by the City of Hendersonville, except other than such an individual excluding:
 - (a) Elected officials
 - (b) Appointed Committee, Commission, and Board members
 - (c) Policy-making appointees, Legal advisors, and City Judge
 - (d) Volunteers
 - (e) Independent Contractors
 - (f) Inmate Work Crews
- (7) The words, terms and phrases when used shall have the same meanings as the Personnel Rules and Regulations which are on file in the City Recorder's office.

4-202. Administration.

1) The City Administrator shall have the basic responsibility for the personnel program as set forth in this chapter. The City Administrator specifically shall:

- (a) Be responsible for effective personnel administration;
- (b) Appoint a human resources director who shall be responsible for the administration and technical direction of the City's personnel program, with said appointment being subject to the approval of the Board of Mayor and Aldermen;
- (c) Appoint, remove, suspend, and discipline all employees of the City subject to the policies as set forth in this chapter, provisions of the charter, and those in state law; or the City Administrator may, at the City Administrator's discretion, authorize the head of the department or office responsible to the City Administrator to appoint and terminate subordinates in such departments and offices;
- (d) Fix and establish the number of employees in the various city departments and offices and determine the duties, authority, responsibility and compensation in accordance with the policies and provisions set forth in this chapter and the City Charter; and subject to budget limitations;
- (e) Perform such other duties and exercise such other power in personnel administration as may be prescribed by law and this chapter.

2) The City Administrator shall appoint a human resources director as set forth above, which the director shall:

- (a) Administer under the direction of the City Administrator, the personnel program as set forth in this chapter and the personnel rules;
- (b) Perform all necessary duties essential to the effective administration of the personnel;
- (c) Recommend to the City Administrator rules and revisions and amendments thereto;

- (d) Recommend to the City Administrator a position classification plan for approval by the governing body, and install and maintain such a plan;
- (e) Prepare and recommend to the City Administrator a pay plan for all city employees for the governing body approval;
- (f) Establish and maintain a roster of all persons in the municipal service setting forth each employee, class title of their position, salary, and changes in class title, status, and such other data as may be deemed desirable or useful;
- (g) Develop and administer such recruiting and examining programs as deemed necessary by the City Administrator to obtain an adequate supply of competent applicants to meet the needs of the City;
- (h) Be responsible for certification of all payrolls in matters concerning personnel administration;
- (i) Develop and coordinate training, evaluation, and educational programs for city employees;
- (j) Maintain adequate personnel records to include for each employee the class, title, pay and other relevant data;
- (k) Advise the City Administrator on manpower utilization;
- (l) Foster and develop programs for the improvement of personnel effectiveness, including training, safety, health, counseling and welfare;
- (m) Encourage and exercise leadership in the development of an effective personnel system for the City; and
- (n) Perform such other duties as may be assigned by the City Administrator not inconsistent with this chapter.

4-203. Personnel rules.

- 1) The personnel rules shall establish regulations, specific procedures, and policies governing the personnel system including but shall not be limited to the following:
 - (a) Administration of a position classification plan covering all positions, including employment standards and minimum qualifications;
 - (b) Administration of a plan of compensation directly correlated with the position classification plan, providing a rate or range of pay;
 - (c) The acceptance of applications for employment;
 - (d) The preparation, announcement and conduction of examinations, if deemed necessary by the City Administrator;
 - (e) Establishment and use of employment lists containing names of persons eligible for appointment;
 - (f) Certification and appointment of persons from employment lists to fill vacancies, and the making of provisional, temporary, and emergency appointments;
 - (g) Evaluation of the work of employees including those serving a probationary period;
 - (h) Transfer, promotion and reinstatement of employees in the competitive service;
 - (i) Disciplinary action, demotion, suspension, and separation from the service of employees by resignation, layoff, separation, dismissal and for incapacity to perform required duties;

- (j) Standardization of hours of work, attendance and leave regulations, and working conditions;
- (k) Development of employee morale, welfare and training programs;
- (l) A uniform system of procedure for the handling of all grievances and appeals;
- (m) Vacations, holidays, paid and unpaid leaves, and other fringe benefits;
- (n) Promotional policies and procedures.
- (o) Establishment, maintenance, and use of adequate and necessary personnel records and forms; and
- (p) Such other matters as may be necessary and proper to carry out the intent and purpose of this chapter.

2) Due to the bulk of directives governing municipal employment, and to ensure clarity, consistency, flexibility and efficiency, these directives are not codified as a part of this Code and shall remain separately contained in the City's Personnel Rules and Regulations, which may be amended by Resolution and maintained on file in the City Recorder's office.

4-204. Classification & Compensation

1) The Board of Mayor and Aldermen shall adopt a classification plan by ordinance or resolution. The human resources director shall thereafter allocate each position to its appropriate class, subject to the approval of the Board of Mayor and Aldermen. When the duties and responsibilities of a particular position change or when a new position is created, the human resources director shall recommend the appropriate classification for the revised or new position, subject to the approval of the Board of Mayor and Aldermen and subject to the fiscal constraints of amounts budgeted for salaries and benefits in the particular department involved. The human resources director shall consult with the appropriate department head in making all such classifications.

2) The human resources director, under the direction of the City Administrator and in consultation with the Finance Director, shall develop a uniform and equitable pay plan consisting of minimum, intermediate, and maximum rate of pay for each class of positions. Salary ranges for each class shall be coordinated with the position classification plan and shall be based on the ranges of pay for other classes, requisite qualifications, general rates of pay for comparable work in other public and private employment in the area, cost of living data, maintenance or other benefits received by employees, the financial policy of the City, and other economic considerations.

3) Classification and compensation plans are presented as part of the fiscal year budget process. Revisions to the classification and compensation plans done outside the budget process shall be presented to the governing board by resolution and/or ordinance.

4) The governing body shall review the classification and compensation plans and either adopt, amend, or reject the plans.

The existing classification and compensation plans shall remain in effect until a new plan is adopted by the governing body.

CHAPTER 3

RESERVED

CHAPTER 4
OCCUPATIONAL SAFETY AND HEALTH PROGRAM PLAN

PLAN OF OPERATION FOR THE OCCUPATIONAL SAFETY AND HEALTH PROGRAM PLAN
FOR THE EMPLOYEES OF THE CITY OF HENDERSONVILLE, TENNESSEE

APPENDICES – UPDATED AND MAINTAINED IN ADMINISTRATIVE POLICIES

- I. WORK LOCATIONS
- II. NOTICE TO ALL EMPLOYEES
- III. PROGRAM PLAN BUDGET
- IV. ACCIDENT REPORTING PROCEDURES

SECTION

- 4-401. Purpose and coverage**
- 4-402. Definitions**
- 4-403. Personnel rules**
- 4-404. Employee's rights and duties**
- 4-405. Administration**
- 4-406. Standards authorized**
- 4-407. Variance procedure**
- 4-408. Recordkeeping and reporting**
- 4-409. Employee complaint procedure**
- 4-410. Education and training**
- 4-411. General inspection procedures**
- 4-412. Imminent danger procedures**
- 4-413. Abatement orders and hearings**
- 4-414. Penalties**
- 4-415. Confidentiality of privileged information**
- 4-416. Discrimination investigations and sanctions**
- 4-417. Compliance with other laws not excused**

4-401. Purpose and coverage.

The purpose of this plan is to provide guidelines and procedures for implementing the Occupational Safety and Health Program Plan for the employees of the City of Hendersonville, Tennessee.

This plan is applicable to all employees, part-time or full-time, seasonal or permanent. The City of Hendersonville, Tennessee in electing to update and maintain an effective Occupational Safety and Health Program Plan for its employees.

- (1) Provide a safe and healthful place and condition of employment.
- (2) Require the use of safety equipment, personal protective equipment, and other devices where reasonably necessary to protect employees.
- (3) Make, keep, preserve, and make available to the Commissioner of Labor and Workforce Development, his designated representatives, or persons within the Department of Labor

and Workforce Development to whom such responsibilities have been delegated, including the Safety Director of the Division of Occupational Safety and Health, adequate records of all occupational accidents and illnesses and personal injuries for proper evaluation and necessary corrective action as required.

- (4) Consult with the Commissioner of Labor and Workforce Development or his designated representative with regard to the adequacy of the form and content of such records.
- (5) Consult with the Commissioner of Labor and Workforce Development regarding safety and health problems which are considered to be unusual or peculiar and are such that they cannot be resolved under an occupational safety and health standard promulgated by the state.
- (6) Assist the Commissioner of Labor and Workforce Development or his monitoring activities to determine Program Plan effectiveness and compliance with the occupational safety and health standards.
- (7) Make a report to the Commissioner of Labor and Workforce Development annually, or as may otherwise be required, including information on occupational accidents, injuries, and illnesses and accomplishments and progress made toward achieving the goals of the Occupational Safety and Health Program Plan.
- (8) Provide reasonable opportunity for and encourage the participation of employees in the effectuation of the objectives of this program plan, including the opportunity to make anonymous complaints concerning conditions or practices which may be injurious to employees' safety and health.

4-402. Definitions

For the purposes of this Program Plan, the following definitions apply:

- (1) Commissioner Of Labor and Workforce Development means the Chief Executive Officer of the Tennessee Department of Labor and Workforce Development. This includes any person appointed, designated, or deputized to perform the duties or to exercise the powers assigned to the Commissioner of Labor and Workforce Development.
- (2) EMPLOYER means the City of Hendersonville, Tennessee and includes each administrative department, board, commission, division, or other agency of the City of Hendersonville, Tennessee.
- (3) SAFETY DIRECTOR OF OCCUPATIONAL SAFETY AND HEALTH or SAFETY DIRECTOR means the person designated by the establishing ordinance, or executive order to perform duties or to exercise powers assigned so as to plan, develop, and administer the Occupational Safety and Health Program Plan for the employees of the City of Hendersonville, Tennessee.
- (4) INSPECTOR(S) means the individual(s) appointed or designated by the Safety Director of Occupational Safety and Health to conduct inspections provided for herein. If no such compliance inspector(s) is appointed, inspections shall be conducted by the Safety Director of Occupational Safety and Health.
- (5) APPOINTING AUTHORITY means any official or group of officials of the employer having legally designated powers of appointment, employment, or removal there from for a specific department, board, commission, division, or other agency of this employer.

- (6) EMPLOYEE means any person performing services for this employer and listed on the payroll of this employer, either as part-time, full-time, seasonal, or permanent. It also includes any persons normally classified as "volunteers" provided such persons received remuneration of any kind for their services. This definition shall not include independent contractors, their agents, servants, and employees.
- (7) PERSON means one (1) or more individuals, partnerships, associations, corporations, business trusts, or legal representatives of any organized group of persons.
- (8) STANDARD means an occupational safety and health standard promulgated by the Commissioner of Labor and Workforce Development in accordance with Section VI (6) of the Tennessee Occupational Safety and Health Act of 1972 which requires conditions or the adoption or the use of one (1) or more practices, means, methods, operations, or processes or the use of equipment or personal protective equipment necessary or appropriate to provide safe and healthful conditions and places of employment.
- (9) IMMINENT DANGER means any conditions or practices in any place of employment which are such that a hazard exists which could reasonably be expected to cause death or serious physical harm immediately or before the imminence of such hazard can be eliminated through normal compliance enforcement procedures.
- (10) ESTABLISHMENT or WORKSITE means a single physical location under the control of this employer where business is conducted, services are rendered, or industrial type operations are performed.
- (11) SERIOUS INJURY or HARM means that type of harm that would cause permanent or prolonged impairment of the body in that:
 - (a) A part of the body would be permanently removed (e.g., amputation of an arm, leg, finger(s); loss of an eye) or rendered functionally useless or substantially reduced in efficiency on or off the job (e.g., leg shattered so severely that mobility would be permanently reduced), or
 - (b) A part of an internal body system would be inhibited in its normal performance or function to such a degree as to shorten life or cause reduction in physical or mental efficiency (e.g., lung impairment causing shortness of breath).

On the other hand, simple fractures, cuts, bruises, concussions, or similar injuries would not fit either of these categories and would not constitute serious physical harm.
- (12) ACT or TOSH Act shall mean the Tennessee Occupational Safety and Health Act of 1972.
- (13) GOVERNING BODY means the County Quarterly Court, Board of Aldermen, Board of Commissioners, City or Town Council, Board of Governors, etc., whichever may be applicable to the local government, government agency, or utility to which this plan applies.
- (14) CHIEF EXECUTIVE OFFICER means the Chief Administrative Official, County Judge, County Chairman, County Mayor, Mayor, City Manager, General Manager, etc., as may be applicable.

4-403. Employer's rights and duties

Rights and duties of the employer shall include, but are not limited to, the following provisions:

- (1) Employer shall furnish to each employee conditions of employment and a place of employment free from recognized hazards that are causing or are likely to cause death or serious injury or harm to employees.
- (2) Employer shall comply with occupational safety and health standards and regulations promulgated pursuant to Section VI (6) of the Tennessee Occupational Safety and Health Act of 1972.
- (3) Employer shall refrain from an unreasonable restraint on the right of the Commissioner of Labor and Workforce Development to inspect the employer's place(s) of business. Employer shall assist the Commissioner of Labor and Workforce Development in the performance of their monitoring duties by supplying or by making available information, personnel, or aids reasonably necessary to the effective conduct of the monitoring activity.
- (4) Employer is entitled to participate in the development of standards by submission of comments on proposed standards, participation in hearing on proposed standards, or by requesting the development of standards on a given issue under Section 6 of the Tennessee Occupational Safety and Health Act of 1972.
- (5) Employer is entitled to request an order granting a variance from an occupational safety and health standard.
- (6) Employer is entitled to protection of its legally privileged communication.
- (7) Employer shall inspect all worksites to ensure the provisions of this Program Plan are complied with and carried out.
- (8) Employer shall notify and inform any employee who has been or is being exposed in a biologically significant manner to harmful agents or material in excess of the applicable standard and of corrective action being taken.
- (9) Employer shall notify all employees of their rights and duties under this Program Plan. \

4-404. Employee's rights and duties.

Rights and duties of employees shall include, but are not limited to, the following provisions:

- (1) Each employee shall comply with occupational safety and health act standards and all rules, regulations, and orders issued pursuant to this Program Plan and the Tennessee Occupational Safety and Health Act of 1972 which are applicable to his or her own actions and conduct.
- (2) Each employee shall be notified by the placing of a notice upon bulletin boards, or other places of common passage, of any application for a permanent or temporary order granting the employer a variance from any provision of the TOSH Act or any standard or regulation promulgated under the Act.
- (3) Each employee shall be given the opportunity to participate in any hearing which concerns an application by the employer for a variance from a standard or regulation promulgated under the Act.
- (4) Any employee who may be adversely affected by a standard or variance issued pursuant to the Act or this Program Plan may file a petition with the Commissioner of Labor and Workforce Development or whoever is responsible for the promulgation of the standard or the granting of the variance.
- (5) Any employee who has been exposed or is being exposed to toxic materials or harmful physical agents in concentrations or at levels in excess of that provided for by any applicable standard shall be provided by the employer with information on any significant

hazards to which they are or have been exposed, relevant symptoms, and proper conditions for safe use or exposure. Employees shall also be informed of corrective action being taken.

- (6) Subject to regulations issued pursuant to this Program Plan, any employee or authorized representative of employees shall be given the right to request an inspection and to consult with the Safety Director or Inspector at the time of the physical inspection of the worksite.
- (7) Any employee may bring to the attention of the Safety Director any violation or suspected violations of the standards or any other health or safety hazards.
- (8) No employee shall be discharged or discriminated against because such employee has filed any complaint or instituted or caused to be instituted any proceeding or inspection under or relating to this Program Plan.
- (9) Any employee who believes that he or she has been discriminated against or discharged in violation of subsection (h) of this section may file a complaint alleging such discrimination with the Safety Director. Such employee may also, within thirty (30) days after such violation occurs, file a complaint with the Commissioner of Labor and Workforce Development alleging such discrimination.
- (10) Nothing in this or any other provisions of this Program Plan shall be deemed to authorize or require any employee to undergo medical examination, immunization, or treatment for those who object thereto on religious grounds, except where such is necessary for the protection of the health or safety of others or when a medical examination may be reasonably required for performance of a specific job.
- (11) Employees shall report any accident, injury, or illness resulting from their job, however minor it may seem to be, to their supervisor or the Safety Director within twenty-four (24) hours after the occurrence.

4-405. Administration.

1) The Safety Director of Occupational Safety and Health is designated to perform duties or to exercise powers assigned so as to administer this Occupational Safety and Health Program Plan.

- (a) The Safety Director may designate person or persons as he deems necessary to carry out his powers, duties, and responsibilities under this Program Plan.
- (b) The Safety Director may delegate the power to make inspections, provided procedures employed are as effective as those employed by the Safety Director.
- (c) The Safety Director shall employ measures to coordinate, to the extent possible, activities of all departments to promote efficiency and to minimize any inconveniences under this Program Plan.
- (d) The Safety Director may request qualified technical personnel from any department or section of government to assist him in making compliance inspections, accident investigations, or as he may otherwise deem necessary and appropriate in order to carry out his duties under this Program Plan.
- (e) The Safety Director shall prepare the report to the Commissioner of Labor and Workforce Development required by subsection (g) of Section 1 of this plan.
- (f) The Safety Director shall make or cause to be made periodic and follow- up inspections of all facilities and worksites where employees of this employer are employed. He shall make recommendations to correct any hazards or exposures observed. He shall make or cause to be made any inspections required by complaints submitted by employees or inspections requested by employees.

- (g) The Safety Director shall assist any officials of the employer in the investigation of occupational accidents or illnesses.
 - (h) The Safety Director shall maintain or cause to be maintained records required under Section VIII of this plan.
 - (i) The Safety Director shall, in the eventuality that there is a fatality, ensure that the Commissioner of Labor and Workforce Development receives notification of the occurrence within eight (8) hours. All work-related inpatient hospitalizations, amputations, and loss of an eye must be reported to TOSHA within twenty-four (24) hours.
- 2) The administrative or operational head of each department, division, board, or other agency of this employer shall be responsible for the implementation of this Occupational Safety and Health Program Plan within their respective areas.
- (a) The administrative or operational head shall follow the directions of the Safety Director on all issues involving occupational safety and health of employees as set forth in this plan.
 - (b) The administrative or operational head shall comply with all abatement orders issued in accordance with the provisions of this plan or request a review of the order with the Safety Director within the abatement period.
 - (c) The administrative or operational head should make periodic safety surveys of the establishment under his jurisdiction to become aware of hazards or standards violations that may exist and make an attempt to immediately correct such hazards or violations.
 - (d) The administrative or operational head shall investigate all occupational accidents, injuries, or illnesses reported to him. He shall report such accidents, injuries, or illnesses to the Safety Director along with his findings and/or recommendations in accordance with APPENDIX IV of this plan.

4-406. Standards Authorized.

The standards adopted under this Program Plan are the applicable standards developed and promulgated under Section VI (6) of the Tennessee Occupational Safety and Health Act of 1972. Additional standards may be promulgated by the governing body of this employer as that body may deem necessary for the safety and health of employees. Note: 29 CFR 1910 General Industry Regulations; 29 CFR 1926 Construction Industry Regulations; and the Rules of Tennessee Department of Labor and Workforce Development Occupational Safety and Health, CHAPTER 0800-01-1 through CHAPTER 0800-01-11 are the standards and rules invoked.

4-407. Variance Procedure.

The Safety Director may apply for a variance as a result of a complaint from an employee or of his knowledge of certain hazards or exposures. The Safety Director should definitely believe that a variance is needed before the application for a variance is submitted to the Commissioner of Labor and Workforce Development.

The procedure for applying for a variance to the adopted safety and health standards is as follows:

- (1) The application for a variance shall be prepared in writing and shall contain:

- (a) A specification of the standard or portion thereof from which the variance is sought.
 - (b) A detailed statement of the reason(s) why the employer is unable to comply with the standard supported by representations by qualified personnel having first-hand knowledge of the facts represented.
 - (c) A statement of the steps employer has taken and will take (with specific date) to protect employees against the hazard covered by the standard.
 - (d) A statement of when the employer expects to comply and what steps have or will be taken (with dates specified) to come into compliance with the standard.
 - (e) A certification that the employer has informed employees, their authorized representative(s), and/or interested parties by giving them a copy of the request, posting a statement summarizing the application (to include the location of a copy available for examination) at the places where employee notices are normally posted and by other appropriate means. The certification shall contain a description of the means actually used to inform employees and that employees have been informed of their right to petition the Commissioner of Labor and Workforce Development for a hearing.
- (2) The application for a variance should be sent to the Commissioner of Labor and Workforce Development by registered or certified mail.
- (3) The Commissioner of Labor and Workforce Development will review the application for a variance and may deny the request or issue an order granting the variance. An order granting a variance shall be issued only if it has been established that:
- (a) The employer:
 - (i) Is unable to comply with the standard by the effective date because of unavailability of professional or technical personnel or materials and equipment required or necessary construction or alteration of facilities or technology.
 - (ii) Has taken all available steps to safeguard employees against the hazard(s) covered by the standard.
 - (iii) Has as effective Program Plan for coming into compliance with the standard as quickly as possible.
 - (b) The employee is engaged in an experimental Program Plan as described in subsection (b), Section 13 of the Act.
- (4) A variance may be granted for a period of no longer than is required to achieve compliance or one (1) year, whichever is shorter.
- (5) Upon receipt of an application for an order granting a variance, the Commissioner to whom such application is addressed may issue an interim order granting such a variance for the purpose of permitting time for an orderly consideration of such application. No such interim order may be effective for longer than one hundred eighty (180) days.
- (6) The order or interim order granting a variance shall be posted at the worksite and employees notified of such order by the same means used to inform them of the application for said variance (see subsection (a)(5) of this section).

4-408. Recordkeeping and reporting.

Recording and reporting of all occupational accident, injuries, and illnesses shall be in accordance with instructions and on forms prescribed in the booklet. You can get a copy of the forms for recordkeeping from the internet. Go to www.osha.gov and type "recordkeeping forms" in the search box.

The position responsible for recordkeeping is shown on the SAFETY AND HEALTH ORGANIZATIONAL CHART, Appendix IV to this plan.

Details of how reports of occupational accidents, injuries, and illnesses will reach the recordkeeper are specified by ACCIDENT REPORTING PROCEDURES, Appendix IV to this plan. The Rule of Tennessee Department of Labor and Workforce Development Occupational Safety and Health, OCCUPATIONAL SAFETY AND HEALTH RECORD-KEEPING AND REPORTING, CHAPTER 0800-01-03, as authorized by T.C.A., Title 50.

4-409. Employee complaint procedure.

If any employee feels that he is assigned to work in conditions which might affect his health, safety, or general welfare at the present time or at any time in the future, he should report the condition to the Safety Director of Occupational Safety and Health.

- (1) The complaint should be in the form of a letter and give details on the condition(s) and how the employee believes it affects or will affect his health, safety, or general welfare. The employee should sign the letter but need not do so if he wishes to remain anonymous (see subsection (h) of Section 1 of this plan).
- (2) Upon receipt of the complaint letter, the Safety Director will evaluate the condition(s) and institute any corrective action, if warranted. Within ten (10) working days following the receipt of the complaint, the Safety Director will answer the complaint in writing stating whether or not the complaint is deemed to be valid and if not, why not, what action has been or will be taken to correct or abate the condition(s), and giving a designated time period for correction or abatement. Answers to anonymous complaints will be posted upon bulletin boards or other places of common passage where the anonymous complaint may be reasonably expected to be seen by the complainant for a period of three (3) working days.
- (3) If the complainant finds the reply not satisfactory because it was held to be invalid, the corrective action is felt to be insufficient, or the time period for correction is felt to be too long, he may forward a letter to the Chief Executive Officer or to the governing body explaining the condition(s) cited in his original complaint and why he believes the answer to be inappropriate or insufficient.
- (4) The Chief Executive Officer or a representative of the governing body will evaluate the complaint and will begin to take action to correct or abate the condition(s) through arbitration or administrative sanctions or may find the complaint to be invalid. An answer will be sent to the complainant within ten (10) working days following receipt of the complaint or the next regularly scheduled meeting of the governing body following receipt of the complaint explaining decisions made and action taken or to be taken.
- (5) After the above steps have been followed and the complainant is still not satisfied with the results, he may then file a complaint with the Commissioner of Labor and Workforce Development. Any complaint filed with the Commissioner of Labor and Workforce

Development in such cases shall include copies of all related correspondence with the Safety Director and the Chief Executive Officer or the representative of the governing body.

- (6) Copies of all complaint and answers thereto will be filed by the Safety Director who shall make them available to the Commissioner of Labor and Workforce Development or his designated representative upon request.

4-410. Education and training.

- 1) Safety Director and/or Compliance Inspector(s):
 - (a) Arrangements will be made for the Safety Director and/or Compliance Inspector(s) to attend training seminars, workshops, etc., conducted by the State of Tennessee or other agencies. A list of seminars can be obtained.
 - (b) Access will be made to reference materials such as 29 CFR 1910 General Industry Regulations; 29 CFR 1926 Construction Industry Regulations; The Rules of Tennessee Department of Labor and Workforce Development Occupational Safety and Health, and other equipment/supplies, deemed necessary for use in conducting compliance inspections, conducting local training, wiring technical reports, and informing officials, supervisors, and employees of the existence of safety and health hazards will be furnished.

- 2) All Employees (including supervisory personnel):

A suitable safety and health training program for employees will be established. This program will, as a minimum:

- (a) Instruct each employee in the recognition and avoidance of hazards or unsafe conditions and of standards and regulations applicable to the employee's work environment to control or eliminate any hazards, unsafe conditions, or other exposures to occupational illness or injury.
- (b) Instruct employees who are required to handle or use poisons, acids, caustics, toxicants, flammable liquids, or gases including explosives, and other harmful substances in the proper handling procedures and use of such items and make them aware of the personal protective measures, person hygiene, etc., which may be required.
- (c) Instruct employees who may be exposed to environments where harmful plants or animals are present, of the hazards of the environment, how to best avoid injury or exposure, and the first aid procedures to be followed in the event of injury or exposure.
- (d) Instruct all employees of the common deadly hazards and how to avoid them, such as falls; equipment turnover; electrocution; struck by/caught in; trench cave in; heat stress and drowning.
- (e) Instruct employees on hazards and dangers of confined or enclosed spaces.
 - (i) Confined or enclosed space means space having a limited means of egress and which is subject to the accumulation of toxic or flammable contaminants or has an oxygen deficient atmosphere. Confined or enclosed spaces include, but are not limited to, storage tanks, boilers,

ventilation or exhaust ducts, sewers, underground utility accesses, tunnels, pipelines, and open top spaces more than four feet (4') in depth such as pits, tubs, vaults, and vessels.

- (ii) Employees will be given general instruction on hazards involved, precautions to be taken, and on use of personal protective and emergency equipment required. They shall also be instructed on all specific standards or regulations that apply to work in dangerous or potentially dangerous areas.
- (iii) The immediate supervisor of any employee who must perform work in a confined or enclosed space shall be responsible for instructing employees on danger of hazards which may be present, precautions to be taken, and use of personal protective and emergency equipment, immediately prior to their entry into such an area and shall require use of appropriate personal protective equipment.

4-411. General inspection procedures.

It is the intention of the governing body and responsible officials to have an Occupational Safety and Health Program Plan that will ensure the welfare of employees. In order to be aware of hazards, periodic inspections must be performed. These inspections will enable the finding of hazards or unsafe conditions or operations that will need correction in order to maintain safe and healthful worksites. Inspections made on a pre-designated basis may not yield the desired results. Inspections will be conducted, therefore, on a random basis at intervals not to exceed thirty (30) calendar days.

- (1) In order to carry out the purposes of this ordinance, the Safety Director and/or Compliance Inspector(s), if appointed, is authorized:
 - (a) To enter at any reasonable time, any establishment, facility, or worksite where work is being performed by an employee when such establishment, facility, or worksite is under the jurisdiction of the employer and;
 - (b) To inspect and investigate during regular working hours and at other reasonable times, within reasonable limits, and in a reasonable manner, any such place of employment and all pertinent conditions, processes, structures, machines, apparatus, devices, equipment, and materials therein, and to question privately any supervisor, operator, agent, or employee working therein.
- (2) If an imminent danger situation is found, alleged, or otherwise brought to the attention of the Safety Director or Inspector during a routine inspection, he shall immediately inspect the imminent danger situation in accordance with Section XII of this plan before inspecting the remaining portions of the establishment, facility, or worksite.
- (3) An administrative representative of the employer and a representative authorized by the employees shall be given an opportunity to consult with and/or to accompany the Safety Director or Inspector during the physical inspection of any worksite for the purpose of aiding such inspection.
- (4) The right of accompaniment may be denied any person whose conduct interferes with a full and orderly inspection.
- (5) The conduct of the inspection shall be such as to preclude unreasonable disruptions of the operation(s) of the workplace.

- (6) Interviews of employees during the course of the inspection may be made when such interviews are considered essential to investigative techniques.
- (7) Advance Notice of Inspections.
 - (a) Generally, advance notice of inspections will not be given as this precludes the opportunity to make minor or temporary adjustments in an attempt to create misleading impression of conditions in an establishment.
 - (b) There may be occasions when advance notice of inspections will be necessary in order to conduct an effective inspection or investigation. When advance notice of inspection is given, employees or their authorized representative(s) will also be given notice of the inspection.
- (8) The Safety Director need not personally make an inspection of each and every worksite once every thirty (30) days. He may delegate the responsibility for such inspections to supervisors or other personnel provided:
 - (a) Inspections conducted by supervisors or other personnel are at least as effective as those made by the Safety Director.
 - (b) Records are made of the inspections, any discrepancies found and corrective actions taken. This information is forwarded to the Safety Director.
- (9) The Safety Director shall maintain records of inspections to include identification of worksite inspected, date of inspection, description of violations of standards or other unsafe conditions or practices found, and corrective action taken toward abatement. Those inspection records shall be subject to review by the Commissioner of Labor and Workforce Development or his authorized representative.

4-412. Imminent Danger Procedures.

- 1) Any discovery, any allegation, or any report of imminent danger shall be handled in accordance with the following procedures:
 - (a) The Safety Director shall immediately be informed of the alleged imminent danger situation and he shall immediately ascertain whether there is a reasonable basis for the allegation.
 - (b) If the alleged imminent danger situation is determined to have merit by the Safety Director, he shall make or cause to be made an immediate inspection of the alleged imminent danger location.
 - (c) As soon as it is concluded from such inspection that conditions or practices exist which constitutes an imminent danger, the Safety Director or Compliance Inspector shall attempt to have the danger corrected. All employees at the location shall be informed of the danger and the supervisor or person in charge of the worksite shall be requested to remove employees from the area, if deemed necessary.
 - (d) The administrative or operational head of the workplace in which the imminent danger exists, or his authorized representative, shall be responsible for determining the manner in which the imminent danger situation will be abated. This shall be done in cooperation with the Safety Director or Compliance Inspector and to the mutual satisfaction of all parties involved.
 - (e) The imminent danger shall be deemed abated if:

- (i) The imminence of the danger has been eliminated by removal of employees from the area of danger.
 - (ii) Conditions or practices which resulted in the imminent danger have been eliminated or corrected to the point where an unsafe condition or practice no longer exists.
- (f) A written report shall be made by or to the Safety Director describing in detail the imminent danger and its abatement. This report will be maintained by the Safety Director in accordance with subsection (i) of Section XI of this plan.
- 2) Refusal to Abate.
 - (a) Any refusal to abate an imminent danger situation shall be reported to the Safety Director and Chief Executive Officer immediately.
 - (b) The Safety Director and/or Chief Executive Officer shall take whatever action may be necessary to achieve abatement.

4-413. Abatement Orders And Hearings.

1) Whenever, as a result of an inspection or investigation, the Safety Director or Compliance Inspector(s) finds that a worksite is not in compliance with the standards, rules or regulations pursuant to this plan and is unable to negotiate abatement with the administrative or operational head of the worksite within a reasonable period of time, the Safety Director shall:

- (a) Issue an abatement order to the head of the worksite.
 - (b) Post or cause to be posted, a copy of the abatement order at or near each location referred to in the abatement order.
- 2) Abatement orders shall contain the following information:
 - (a) The standard, rule, or regulation which was found to violated.
 - (b) A description of the nature and location of the violation.
 - (c) A description of what is required to abate or correct the violation.
 - (d) A reasonable period of time during which the violation must be abated or corrected.

3) At any time within ten (10) days after receipt of an abatement order, anyone affected by the order may advise the Safety Director in writing of any objections to the terms and conditions of the order. Upon receipt of such objections, the Safety Director shall act promptly to hold a hearing with all interested and/or responsible parties in an effort to resolve any objections. Following such hearing, the Safety Director shall, within three (3) working days, issue an abatement order and such subsequent order shall be binding on all parties and shall be final.

4-414. Penalties.

1) No civil or criminal penalties shall be issued against any official, employee, or any other person for failure to comply with safety and health standards or any rules or regulations issued pursuant to this Program Plan.

2) Any employee, regardless of status, who willfully and/or repeatedly violates, or causes to be violated, any safety and health standard, rule, or regulation or any abatement order shall be subject to

disciplinary action by the appointing authority. It shall be the duty of the appointing authority to administer discipline by taking action in one of the following ways as appropriate and warranted:

- (a) Oral reprimand.
- (b) Written reprimand.
- (c) Suspension for three (3) or more working days.
- (d) Termination of employment.

4-415. Confidentiality Of Privileged Information.

All information obtained by or reported to the Safety Director pursuant to this plan of operation or the legislation (ordinance, or executive order) enabling this Occupational Safety and Health Program Plan which contains or might reveal information which is otherwise privileged shall be considered confidential. Such information may be disclosed to other officials or employees concerned with carrying out this Program Plan or when relevant in any proceeding under this Program Plan. Such information may also be disclosed to the Commissioner of Labor and Workforce Development or their authorized representatives in carrying out their duties under the Tennessee Occupational Safety and Health Act of 1972.

4-416. Discrimination Investigations And Sanctions.

The Rule of Tennessee Department of Labor and Workforce Development Occupational Safety and Health, DISCRIMINATION AGAINST EMPLOYEES EXERCISING RIGHTS UNDER THE OCCUPATIONAL SAFETY AND HEALTH ACT OF 1972 0800-01-08, as authorized by T.C.A., Title 50. The agency agrees that any employee who believes they have been discriminated against or discharged in violation of Tenn. Code Ann Section 50-3-409 can file a complaint with their agency/safety Director within 30 days, after the alleged discrimination occurred. Also, the agency agrees the employee has a right to file their complaint with the Commissioner of Labor and Workforce Development within the same thirty (30) day period. The Commissioner of Labor and Workforce Development may investigate such complaints, make recommendations, and/or issue a written notification of a violation.

4-417. Compliance With Other Laws Not Excused.

1) Compliance with any other law, statute, ordinance, or executive order, which regulates safety and health in employment and places of employment, shall not excuse the employer, the employee, or any other person from compliance with the provisions of this Program Plan.

2) Compliance with any provisions of this Program Plan or any standard, rule, regulation, or order issued pursuant to this Program Plan shall not excuse the employer, the employee, or any other person from compliance with the law, statute, ordinance, or executive order, as applicable, regulating and promoting safety and health unless such law, statute, ordinance, or executive order, as applicable, is specifically repealed.

CHAPTER 5

INFECTIOUS DISEASE CONTROL POLICY

SECTION

4-501. Established.

- 4-502. Training.**
- 4-503. City to pay for protective equipment.**
- 4-504. Hepatitis B vaccines.**
- 4-505. Disposal of contaminated equipment and materials.**
- 4-506. Laundry services.**
- 4-507. Reporting potential exposure.**
- 4-508. Legal rights of victims of communicable diseases.**
- 4-509. Records to be kept confidential.**

4-501. Established.

An exposure control plan shall be established and reviewed and updated annually. The exposure control plan shall include the following:

- (1) Exposure determination with a list of all job classifications by title in which employees and/or volunteers have occupational exposure.
- (2) Schedule and methods of implementation for compliance with OSHA 29 CFR Part 1910.1030 Occupational Exposure to Bloodborne Pathogens, Final Rule.

4-502. Training.

Training mandated by OSHA shall be conducted annually and records of the dates, participants, and instructors shall be made a part of the permanent record.

4-503. City to pay for protective equipment.

All necessary personal protective equipment shall be paid for by the City and provided for all employees and/or volunteers determined to have potential occupational exposure.

4-504. Hepatitis B vaccines.

Hepatitis B vaccines shall be paid for and provided by the City and shall be offered to all employees and/or volunteers determined to have potential occupational exposure.

4-505. Disposal of contaminated equipment and materials.

Disposal of contaminated equipment and materials shall be the responsibility of the City of Hendersonville.

4-506. Laundry services.

Commercial laundry services for contaminated uniforms will be paid for and provided by the City of Hendersonville.

4-507. Reporting potential exposure.

Employee and/or volunteers are required to report any exposure incidents that may place them at risk for HIV or HBV infections in the same manner as Workman's Compensation injuries are presently reported. Post exposure management shall be in accordance with OSHA 29 CFR Part 1910.1030.

4-508. Legal rights of victims of communicable diseases.

Victims of communicable diseases shall be afforded the same level of services provided to any other citizen. Any employee and/or volunteers refusing to take proper action in regard to victims of a communicable disease, when appropriate protective equipment is available, shall be subject to disciplinary measures up to and including dismissal.

4-509. Records to be kept confidential.

Medical records of victims and employees and/or volunteers shall be considered confidential and shall not be made available to anyone other than on a need-to-know basis.

Section Two: Title 2 (Boards and Commissions, Etc.), Chapter 1 (General), Section 2-101 (Appointing members to various board and commissions) of the Hendersonville Municipal Code is hereby amended by deleting subsection 2-101(3)(A)(n) “Personnel Board”; and by deleting the line reading “Personnel Board – 11” from the Table in subsection 2-101(3)(B).

Section Three: The City hereby adopts the updated edition of the Personnel Rules and Regulations, attached hereto as Exhibit A and incorporated herein by reference, which shall repeal, supersede, and replace the City’s existing Personnel Rules and Regulations in their entirety.

Section Four: This Ordinance shall take effect March 1, 2026.

First Reading: _____

Second Reading: _____

APPROVED:

JAMIE CLARY, Mayor

ATTEST:

TAMARA INGERSOLL, City Recorder

APPROVED AS TO FORM AND LEGALITY:

LANCE A. WRAY, City Attorney

LEGISLATIVE HISTORY

Ordinance 2026-01

Sponsor: Clary

Committee: General

Date of Committee Meeting: January 13, 2026

Committee Recommendation: Yes

First BOMA Reading: January 27, 2026

Exhibit A



PERSONNEL RULES AND REGULATIONS (HR POLICIES)

Table of Contents

	Code of Conduct
HR01.....	Introduction
HR02.....	General Provisions
HR03.....	Equal Employment Opportunity
HR04.....	Americans with Disabilities Act
HR05.....	Title VI Compliance of the Civil Rights Act
HR10.....	Drug Free Workplace and Substance Abuse
HR11.....	Harassment, Discrimination, and Violence in the Workplace
HR12.....	Smoking and Vape Free Workplace
HR13.....	Dress Code
HR14.....	Political Activity
HR15.....	Inclement Weather
HR16.....	Solicitations, Accepting Gifts, and Pecuniary Interests
HR17.....	Nepotism and Personal Relationships
HR18.....	Carrying of Firearms
HR19.....	Employee Assistance Program (EAP)
HR30.....	Recruitment and Employment
HR31.....	Barry Brady Act
HR40.....	Classification Plan
HR41.....	Pay Plan
HR42.....	Promotions, Demotions, and Transfers
HR50.....	Time & Attendance
HR51.....	Holidays, Leaves, and Absences
HR52.....	FMLA and TN Maternity/Paternity Leave Act
HR53.....	Military Leave
HR54.....	Workers' Compensation and Light Duty
HR60.....	Employee Evaluations
HR61.....	Employee Development, Training, and Tuition
HR70.....	Disciplinary Actions and Investigations
HR71.....	Grievance Procedure
HR80.....	Separations
HR81.....	Re-employment
HR90.....	HR Records & Reports
HR99.....	Definitions



City of Hendersonville – Code of Conduct

About the Code of Conduct:

Employees have a responsibility to the citizens of the City of Hendersonville to act with integrity and to treat the people we serve, our colleagues, and other parties with dignity and respect. Employees should strive to maintain an ethical and professional environment that will enhance the name, service and general impression of the City in the eyes of the general public. Employees shall also uphold the ethical rules governing their professions as well as comply with departmental and City ethics policies (HMC Title 1, Chapter 10). This Code of Conduct provides general guidelines of employee expectations based on fundamental and ethical principles. No Code of Conduct can provide the absolute last word to address every circumstance. Therefore, employees are expected to use sound judgment in all of their conduct and ask for help when needed.

Each employee has an obligation to perform his or her job in a manner that is consistent with the Code of Conduct. Adherence to the Code of Conduct is mandatory for all employees. Failure to comply with this Code of Conduct and any other policies, which may be specific to the employee's department, may subject the employee to disciplinary action in accordance with Human Resources policies.

This Code of Conduct provides general guidelines to help employees understand how business is expected to be conducted. All employees are required to read and sign this Code of Conduct before assuming their job responsibilities and review annually. If you have questions about the Code of Conduct, you are encouraged to discuss them with your supervisor, your Department Head, and Human Resources.

Standard 1 – Ethical Decision-Making

We shall act with honesty and integrity, and avoid situations that involve conflicts of interests.

A conflict of interest is a situation where your personal interests or activities could influence your judgment or decisions, and therefore, your ability to act in the best interests of the City of Hendersonville. Employees should strive to provide impartial quality service to those with whom they interact, including customers and fellow employees, and avoid preferential treatment to any individual or organization. Employees shall not be involved in dishonesty, fraud or misrepresentation. No false statements or entries may be knowingly made in any type of communication, including telephone or electronic communication.

City employees may not use public employment or access to non-public City information for private gain. City employees may not engage in outside employment activities that conflict with their official City duties and responsibilities. Such outside employment shall not adversely affect the employee's performance with the City, create a conflict of interest between such additional employment, or conflict with the regular employment schedule of the employee. In addition, employees must take appropriate action to identify, disclose, and avoid potential conflicts of interest with the performance of their official duties.

Any employee having knowledge that a theft, forgery, credit card fraud, or any other act of unlawful or unauthorized taking, or abuse of, public money, property, or services, or other shortages of public funds has occurred shall report the information immediately to his or her supervisor, Department Head, or the Finance Director.

Standard 2 – Safe and Professional Work Environment

We are committed to maintaining a safe and professional working environment for all employees and ensuring that all employees are treated with fairness, dignity, and respect.

Employees shall conduct themselves in a manner that creates and maintains respect for their work sites, fellow employees and customers, their respective departments and the City of Hendersonville. All employees are expected to treat others with respect, courtesy and dignity and conduct themselves in a professional manner. Violence, threats or intimidation against others is prohibited. Employees shall comply with the Human Resources policy on Harassment, Discrimination and Violence in the Workplace (Policy HR-17) and any applicable departmental policies.

Employees shall help maintain a healthy, safe and productive work environment which is free from discrimination and harassment, whether based on race, color, national origin, age, sex, pregnancy, religion, creed, disability, veteran's status or any other factors protected under state and/or federal civil rights law. Inappropriate romantic or sexual relationships between supervisors and subordinate staff as well as inappropriate use of supervisory position or influence, are prohibited. This prohibition extends to relationships at any level within the chain of command. Employees shall refer to Human Resources policy on Harassment, Discrimination and Violence in the Workplace (Policy HR-17) and any applicable departmental policies.

The consumption of illegal drugs or narcotics or the abuse of any drug or narcotic is strictly prohibited at all times. Use of alcoholic beverages or being under the influence of alcohol while on duty in any official capacity or immediately prior to reporting for duty is strictly prohibited. Employees shall comply with the City's drug-free workplace and drug testing policies.

Illegal activities on the part of any employee, in addition to being unlawful, reflect on the integrity of the City and betray the trust and confidence placed in City employees by the public. It is expected that employees shall comply with all federal, state, and local laws, rules and other regulations. Should an employee be charged with, arrested for, or convicted of any felony or misdemeanor, the employee shall follow the City's policies and procedures regarding reporting.

Standard 3 – Efficient and Effective Government

Each of us is responsible for ensuring our own compliance with applicable laws and regulations.

Employees should strive to be efficient in the performance of duties. Employees shall accurately report time and attendance. Employees shall not habitually arrive late or fail to complete duties in a timely manner, or have lack of consideration for the time of others. Employees shall not refuse to accept reasonable assignments or intentionally fail to follow lawful instructions. Employees shall conserve and protect City property and equipment and not use it for unauthorized purposes. Employees shall comply with the City's Acceptable Use Policy governing use of computers, email and network resources.

Employees will provide customers with accurate, timely, fair and understandable information and provide the highest level of customer service possible. Employees shall not provide inappropriate responses to customer care needs.

While employees are encouraged to participate actively in the public affairs of their communities, clear distinctions must be made between comments, statements or actions made as a private individual and as a representative of the City. Employees shall not speak on behalf of their department or the City without prior authorization to do so. Employees shall not make unauthorized commitments or promises of any kind purporting to bind the department or City.

Standard 4 – Confidential Information

We have many obligations when handling information in the workplace.

Employees shall respect and protect confidential information and abide by all laws governing the possession and use of such information. Confidential information should only be released when it is legally permitted or required. Employees shall not use confidential work information for personal gain.

Reasonable steps to safeguard confidential information include keeping confidential data in a secured location in your office or work area, and not disclosing confidential information with co-workers in public areas such as break rooms or elevators. Each of us must safeguard confidential information at all times and should not release or discuss confidential information with non-employees.

Standard 5 – Records Management Policies

Each of us must ensure that all business records are retained in accordance with City records management policies.

All business records must be retained in accordance with the law and/or document retention policies. This includes paper records, electronic information such as computer files or electronic mail, or information stored on any other medium. No employee may tamper with business records, or remove or destroy business records, in a manner that is contrary to the City's record management policies. The destruction of records that are part of any ongoing investigation or legal proceeding is expressly prohibited, even if the records retention policies would normally have those records destroyed. Questions concerning the retention of a particular type of record or document should be referred to the City Attorney.

Reporting Violations of the Code of Conduct

If you believe that a violation of the Code of Conduct has been committed, you must report that information. Employees who make complaints under the Code of Conduct will be protected against retaliation.

Employees may report concerns and allegations of retaliation directly to their supervisor, Department Head, or any individual designated by the City to receive such reports. Under no circumstances is the individual alleging a violation of the Code of Conduct required to file a complaint with the alleged violator.

If an employee feels he or she cannot file a complaint with his or her Department Head, that person should contact Human Resources at 615-264-5314.



City of Hendersonville – Code of Conduct

Employee Acknowledgement

I, _____ (*print name*), have read and understand the principles that comprise the City of Hendersonville's Code of Conduct.

I understand that the City of Hendersonville's integrity and reputation rests in the hands of employees.

I understand that my communications and dealings with fellow employees, customers, and the general public can directly affect the City of Hendersonville's reputation and credibility.

I understand that my activities, both on and off the job, can affect the reputation, interests, and relationships of the City of Hendersonville.

I commit to abide by the principles outlined in this Code of Conduct. I understand that failure to abide by these principles may result in disciplinary action, up to and including termination.

Employee's Signature*

Date

*By acknowledging this policy via the electronic system, I agree that my acknowledgement is the equivalent to my handwritten signature.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR01
SUBJECT: INTRODUCTIONS

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 2

Purpose

The main purpose of these policies is to establish a high degree of understanding, cooperation, efficiency, and unity among City employees fostered by a systematic application of good procedures in Human Resources (HR) administration. Another purpose is to provide uniform policies for all employees with all the benefits such a program ensures, without regard to race, color, religion, sex (including sexual orientation), age, national origin, disability, military status, genetic information, communication with an elected public official, free speech, refusing to participate in or remain silent about illegal activities, exercising a statutory constitutional right or any right under clear public policy, political affiliation, or any other basis protected by law.

The City of Hendersonville complies with Title VI of the Civil Rights Act of 1964. Title VI requires that no person shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

The fundamental objectives of these HR administration policies are to:

- Promote and increase efficiency and economy among employees of the City
- Provide fair and equal opportunity to all qualified individuals based on demonstrated merit and fitness as ascertained through fair and practical methods of selection
- Develop a process of recruitment, placement, and advancement that will make employment with the City attractive as a career and encourage each employee to render the best service
- Establish and maintain a uniform plan of evaluation and compensation
- Establish and promote high morale among the employees by providing good working relationships, a uniform HR policy, opportunity for advancement, and consideration for employee needs and desires

Section 1. Amending or Changing Policies

The Board of Mayor and Aldermen (BOMA) may approve policy changes that amend these policies. After approval, the Administrative Services Director shall distribute updates.

For minor items that would benefit from additional definitions, clarification and/or application practices the COO, under advisement from the City Attorney, shall update the policy, and BOMA shall be notified as a discussion item in General Committee. Major changes or revisions to the policy must go through BOMA approval.

Section 2. Availability of Policies

These Policies shall be made available to employees via the City's website and SharePoint site.

Section 3. Policies by Category

Policies are grouped in the following families

00-09 – Introduction & Regulatory

10-29 – Employment Practices

30-39 – Recruitment

40-49 – Compensation & Classification

50-59 – Attendance & Leaves

60-69 – Performance Evaluations & Employee Development

70-79 – Disciplinary Actions, Investigations, & Grievances

80-89 – Separation & Reemployment

90-99 – Miscellaneous & Definitions

Section 4. Effective Date of These Policies

These Policies shall take effect from and after their adoption and as provided for in Section 2 of the Personnel Ordinance.

Section 5. All Prior Rules/Policies Superseded

These Policies shall be the Personnel Policies of the Municipal Government of the City of Hendersonville, Tennessee and shall supersede all prior Personnel Policies.

Section 6. Department Policies

Department Heads may implement additional policies and procedures to govern their departments which would apply to their departments only, but such policies and procedures must not be inconsistent with the Personnel Policies. If discretionary, the Chief of Operations shall review and approve policies and procedures written by Department Heads before they become official. After approval, these Policies must be made available to each employee.

Section 7. Severability

If any chapter or section of these policies is found to conflict with Federal, State or City laws and regulations, or court decision, that chapter or section will continue in effect only to the extent permitted by such law, regulation or court decision. If any chapter or section of these regulations is or becomes invalid or unenforceable, such invalidity or unenforceable nature will not affect or impair any other chapter or section of these policies.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR02
SUBJECT: GENERAL PROVISIONS

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 3

Section 1. Employee Conduct and Working Relationships

Each employee is expected to conduct themselves both on and off the job in such a manner as to reflect credit on both them and the Government.

It shall be the duty of each employee to maintain high standards of cooperation, efficiency, and economy in his/her work for the Municipal Government. Department Heads and supervisors shall organize and direct the work of their units to achieve these objectives. When work habits, attitude, production or personal conduct of an employee fall below a desirable standard, supervisors should point out the deficiency at the time it is observed. Warning in sufficient time for improvement should precede formal disciplinary action but nothing in this section shall prevent immediate formal action whenever the interest of the Municipal Government requires it.

Section 2. Motivation and Knowledge of Employees

Every employee of the City is working for the same public. It must be the aim of all personnel of the City to constantly develop a better Municipal Government. In so doing all will benefit, but much depends upon each individual employee of the service. Each employee should have a thorough knowledge of their own job and should possess a profound respect for their work. He or she should have knowledge of the relation of their job to that of the other employees and to the entire municipal organization. Employment in a position, either regular or temporary, is not recognized as a vested right to be retained primarily because of appointment or possession, but only when the standard of performance justifies the continuance. All employees are considered at-will under Tennessee law.

Section 3. Positions Covered

These Policies shall apply to all employees of the Municipal Government of the City except those employees who are specifically excluded in accordance with the Personnel Ordinance. The Chief of Operations (COO) and Department Heads are subject to the Policies, unless otherwise specified. All employees must adhere to any local, state, and federal laws.

Section 4. Administration

These Policies shall be administered by the Administrative Services Director under the direction of the COO.

Section 5. Outside Employment

No regular, full-time appointed official or employee of the Municipal Government shall accept or engage in additional employment outside the official hours of duty which will cause or can cause a conflict of interest or is incompatible with the employee's position with the City or interferes with the satisfactory performance of the employee duties or reflects discredit upon or creates embarrassment for the Municipal Government.

Prior to engaging in outside employment, any employee must immediately notify their Department Head. The employee shall notify the Department Head of the working hours, duties of such employment, contact and/or other information required by his/her Department Head.

Section 6. Obstruction of Rights

No official or employee of the Municipal Government shall consciously and by overt act deprive any person of any rights to which such person is entitled under any law, ordinance, or policy of the Municipal Government.

Section 7. Impartiality

Each official and employee of the Municipal Government shall discharge his/her duties fairly and impartially and his/her determinations and decisions shall be made without discrimination on account of race, religion, age, sex, disability, political or organizational affiliation or national origin.

Section 8. Misuse of Position

No municipal official or employee shall make or attempt to make private purchases for cash or otherwise, in the name of the municipality, nor shall he or she otherwise use or attempt to use his/her position to secure unwarranted privileges or exemptions for themselves or others. No person shall use or promise to use, directly or indirectly, any official authority or influence whether possessed or anticipated, to secure or to attempt to secure for any person an appointment to a position for the City or any increase in wages or other advantage in employment in such position for the purpose of influencing the vote or political action of any other person, or for any other consideration. Any official or employee who violates the provision of this section shall be guilty of misconduct in his/her service.

Section 9. Place of Residence

Employees shall have no residency restrictions as a condition of employment. However, their place of residence may effect certain benefits or eligibility, including the following:

- Employees of a department where response time or the availability of an employee is a factor affecting public safety or service to the City.
- Certain employees are allowed to take City-owned vehicles to their place of residence. Please refer to the Departmental policy for additional information.
- On call pay

Employees' choice of residence location should not interfere with their ability to report to work in a timely manner or to fulfill the obligations expected of any City employee in the course of his/her employment whether it be after hours meetings, call back, or overtime.

Department Heads may issue their own departmental policies addressing the issues of mandatory response time and the financial issues involved in City vehicles being driven outside the City. These department policies shall apply to all employees uniformly. Copies of department policies and any subsequent revisions must be forwarded to the COO and Administrative Services Director for approval thirty (30) days prior to the proposed effective date.

Section 10. Strikes

No employee shall be a party to, participate in, or instigate any strike against the municipal government.

Section 11. Prohibitions

Prohibitions shall be as follows:

11.1 No person shall be appointed or promoted to, demoted, or dismissed from any position or in any way favored or discriminated against with respect to employment because of race, religion, national origin, political affiliation, sex, age, disability or genetic information.

11.2 No person shall make any false statement, certification, mark rating or report regarding any test, certification or appointment made under any provision of the Charter, Ordinance and these Policies, or in any manner commit any fraud preventing the impartial execution of the provisions of the Charter, Ordinance and these Policies.

11.3 No employee, examiner or any other person shall defeat, deceive, or obstruct any person in his/her right to examination, eligibility, certification or appointment under the Ordinance, the Charter, and these Policies, or furnish to any person any special, secret or confidential information for the purpose of affecting the rights or prospects of any person with respect to employment.

11.4 Any officer, as applicable, or employee who violates any of the provisions of this Section can be subject including up to termination or forfeiture of his/her office or position.

Section 12. Use of Municipal Time and Facilities

No official or employee shall use or authorize the use of municipal time, facilities, equipment or supplies for private gain. Such resources may be utilized only as provided by express authorization by the COO and provided that the Municipality is paid for such utilization at such rate as are normally paid by private sources for comparable services. Any official or employee who violates the provisions of this section shall be guilty of misconduct in his/her service.



OPERATING POLICY AND PROCEDURE

CATEGORY:	PERSONNEL	EFFECTIVE DATE:	03/01/2026
POLICY:	HR03	IMPLEMENTED:	03/01/2026
SUBJECT:	EQUAL EMPLOYMENT OPPORTUNITY	REVIEWED:	03/01/2026
		TOTAL PAGES:	1

It is the obligation and policy of the City to provide equal opportunities for employment to all employees and applicants for employment. No person will be discriminated against in employment because of race, color, religion, sex (including sexual orientation), age, national origin, disability, military status, genetic information, communication with an elected public official, free speech, refusing to participate in or remain silent about illegal activities, exercising a statutory constitutional right or any right under clear public policy, political affiliation, or any other basis protected by law. The City will provide reasonable accommodation to qualified individuals with a disability unless the accommodation poses an “undue hardship” on the City.

This policy applies to all terms, conditions, and privileges of employment and all policies of the City, including hiring, placement, training, employee development, promotion, transfer, compensation, benefits, grievances, educational assistance, layoffs, termination, and retirement.



OPERATING POLICY AND PROCEDURE

CATEGORY:	PERSONNEL	EFFECTIVE DATE:	03/01/2026
POLICY:	HR04	IMPLEMENTED:	03/01/2026
SUBJECT:	AMERICANS WITH DISABILITIES ACT	REVIEWED:	03/01/2026
		TOTAL PAGES:	2

Purpose

The purpose of this policy is to provide a policy in compliance with 42 U.S.C. 12101 et. seq.: The Americans with Disabilities Act (ADA) as amended. The City is committed to the fair and equal employment of individuals with disabilities under the ADA. It is the City's policy to provide reasonable accommodation to individuals with disabilities who are qualified for the job in question unless the accommodation imposes an undue hardship on the City. The City prohibits any harassment of, or discriminatory treatment of, employees on the basis of a disability or because an employee has requested reasonable accommodation.

In accordance with the ADA, reasonable accommodations will be provided to qualified individuals with disabilities to enable them to perform the essential functions of their jobs or to enjoy the equal benefits and privileges of employment. This policy applies to all applicants for employment and all employees.

Eligibility

The ADA policy applies to any qualified individual with a disability who can perform the essential functions of the job with, or without, reasonable accommodation.

Disability

"Disability" refers to a physical or mental impairment that substantially limits one or more major life activities. A "qualified person with a disability" means an individual with a disability who has the requisite skills, experience, and education for the job in question, and who can perform the essential functions of the job with or without reasonable accommodation.

Reasonable Accommodation

The City will seek to provide reasonable accommodation for a known disability or at the request of an individual with a disability. A "reasonable accommodation" is any change or adjustment to the job application process, work environment, or work processes that would make it possible for the individual with a disability to perform the essential functions of the job and does not place undue hardship on the City.

Essential Job Functions

For each position, the job description typically will identify essential job functions. The Administrative Services Director, or designee, generally will review job descriptions on a periodic basis to evaluate job functions designated as essential. An applicant's or employee's questions about a job's requirements should be directed to the Department Head.

Requesting a Reasonable Accommodation

An applicant or employee with a disability is responsible for requesting an accommodation from his or her Department Head, or the Administrative Services Director, or designee, and engaging in an informal process to clarify what the applicant or employee needs and to identify possible accommodations. The City will inform the applicant or employee of his/her rights under the ADA and document the interactive process discussions. An applicant or employee may be required to provide documentation from an appropriate professional, such as a doctor or a rehabilitation counsellor, concerning the applicant's disability and functional limitations. If an applicant or employee disagrees with the result of the medical examination, the applicant or employee may request a second examination performed and paid for by the applicant or employee. In the event of a disagreement in the two previous medical opinions, a third opinion may be obtained with both parties sharing the cost of the examination.

The applicant or employee should describe the problem created by a workplace barrier so that appropriate accommodation may be considered. Typically, the Administrative Services Director, or designee, will work with the applicant or employee to identify possible reasonable accommodations and to assess the effectiveness of each in allowing the applicant or employee to complete the hiring process or perform the essential functions of the job.

Based on this interactive process, reasonable accommodation will be selected that is appropriate for both the City and the individual. While an individual's preference will be considered, the City is free to choose between equally effective accommodations with consideration toward expense and impact on the rest of the organization.

A request for reasonable accommodation may be denied if it would create undue hardship for the City. The Administrative Services Director, or designee, will provide notification in writing of denial based on undue hardship. Factors to be considered when determining whether an undue hardship exists include the cost of the accommodation, the organization's overall financial resources, the financial resources of the particular facility at which the accommodation is to be made, the number of employees at the facility, the total number of employees of the organization, and the type of operation.

Safety

All employees are expected to comply with all safety procedures. The Administrative Services Director, or designee, will not place qualified individuals with disabilities in positions in which they will pose a direct threat to the health or safety of others or themselves. A "direct threat" means a significant risk to the health or safety of oneself or others that cannot be eliminated by reasonable accommodation. The determination that an individual with a disability poses a direct threat typically will be made by the Administrative Services Director, or designee, and will be based on factual, objective evidence. A written copy of the determination will be given to the applicant or employee so that he or she may submit additional information and/or challenge the determination that he or she poses a direct threat.

Confidentiality

All information obtained concerning the medical condition or history of an applicant or employee will be treated as confidential information, maintained in separate medical files, and disclosed only as permitted by law.

Complaint Procedure

It is the policy of the City to prohibit any harassment of, or discriminatory treatment of, applicants or employees on the basis of a disability for requesting reasonable accommodation. If an individual feels he or she has been subject to such treatment or has witnessed such treatment, the situation may be reported to any supervisory employee of the City, including the Department Head, Administrative Services Director, or Chief of Operations (COO).

The City's policy prohibits retaliation against an applicant or employee for exercising his or her rights under the ADA or applicable state fair employment laws. Any employee found to have engaged in retaliation against an applicant or employee for exercising his or her rights or for making a request for reasonable accommodation under this policy will be subject to disciplinary action up to and including discharge. If an applicant or employee feels he or she has been retaliated against, the situation may be reported to any supervisory employee of the City, or any of the following, the Department Head, Administrative Services Director, or COO.



OPERATING POLICY AND PROCEDURE

CATEGORY:	PERSONNEL	EFFECTIVE DATE:	03/01/2026
POLICY:	HR05	IMPLEMENTED:	03/01/2026
SUBJECT:	TITLE VI COMPLIANCE OF THE CIVIL RIGHTS ACT	REVIEWED:	03/01/2026
		TOTAL PAGES:	6

Section 1. Title VI Procedures

Title VI Policy Statement

No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

Applicability

Program or Activity defined: A program or activity implemented by the City to facilitate a scope of work. This policy applies to all activities of any department if any federal assistance is received.

Title VI Coordinator

The Chief of Operations (COO) shall appoint a Title VI Coordinator whose responsibilities shall include training, public information, and compliance with the provisions of Title VI. The Title VI Coordinator shall receive training in Title VI.

Training

It shall be the responsibility of the Title VI Coordinator to ensure that employees have received Title VI training.

Title VI information shall be disseminated to City employees at least once per year. This training reminds employees of the City's policy Statement and of their Title VI responsibilities in their daily work and duties.

During new hire Orientation, new employees shall be informed of the provisions of Title VI, and the City's expectations to perform their duties accordingly.

Record Keeping

The Title VI Coordinator will maintain permanent records, submit required Title VI reports, and complete all Title VI self-surveys. Records may include, but are not limited to, rosters of Non-Elected Boards and Commissions, copies of complaints and related documentation, records of correspondence to and from complainants, and self-surveys requested by a department of the State of Tennessee or any other government entity.

Title VI Information Dissemination

Title VI informational posters in Spanish and English shall be displayed in City facilities frequented by the public. Title VI poster language shall be included on the City's website. These posters, including the name of the Title VI Coordinator and contact information, shall be prominently and publicly displayed in each City facility.

Title VI information shall be disseminated to citizens at least once per year by public service announcements over

local broadcast media.

Whenever possible, the City will take positive and specific actions to advise minorities of program availability by using such means of communication as local news media, mass media, internet messaging and public area postings.

Contracts

Written contracts shall contain non-discrimination language, either directly or through the bid specification package which becomes an associated component of the contract. The City Attorney shall ensure that all City contracts contain the following:

It is the policy of the City of Hendersonville not to discriminate on the basis of race, color, national origin, age, sex or disability in its hiring and employment practices, or in admission to, access to, or operation of its programs, services and activities. With regard to all aspects of this contract, contractor certifies and warrants it will comply with this policy.

Monitor ethnicity and gender on those who are awarded bid contracts

In addition to the above assurance language, all bid documents shall contain the following:

For Title VI compliance, we ask for voluntary disclosure of the following information:

Gender:

☐ Male

☐ Female

Race:

☐ Black/African American

☐ American Indian and Alaskan Native Asian

☐ Caucasian

☐ Hispanic

☐ Native Hawaiian/other Pacific Islander

☐ Other (please specify) _____

This information, if provided, must be given to the Title VI Coordinator, or designee, who shall maintain records of those ethnic and gender groups who are awarded bids on projects.

Subcontracts and Vendors

All subcontractors and vendors who receive payments from the City where funding originates from any federal assistance received by the involved department are subject to the provisions of Title VI of the Civil Rights Act of 1964 as amended. Written contracts shall contain non-discrimination language, either directly or through the bid specification package which becomes an associated component of the contract.

Public Interaction

City facilities (such as restrooms, park facilities, sidewalks, streets, etc.) which are accessible to citizens shall be accessible without regard to race, color, or national origin.

The City employees shall use the individual's name, when possible, to address citizens without regard to race, color, sex, age, disability, or national origin.

Governing Boards and Commissions

To the degree that it is possible, non-elected boards, councils and committees that are an integral part of planning or implementing the programs or activities of the City shall reflect the racial/ethnic composition of the community.

Complaint Management

Any individual, group of individuals, or entity that believes that they have been subjected to discrimination prohibited by Title VI non-discrimination provisions should first make the Department Head aware of the situation and seek resolution. If a resolution cannot be reached, the individual, group of individuals, or entity may file a formal written complaint with the City's Title VI Coordinator. A formal written complaint must be filed within 180 calendar days of the alleged occurrence or when the alleged discrimination became known to the complainant. The complainant must meet the following requirements:

- Complaint shall be in writing, include the name, address, email address, and telephone number of the complainant(s) and must be signed by the complainant(s).
- Include the date of the alleged act of discrimination (date when the complainant(s) became aware of the alleged discrimination or the date on which the conduct was discontinued or the latest instance of the conduct).
- Present a detailed description of the issues including the names and job titles of the individuals perceived as parties in the complaint-of-incident.
- Allegations received via email will be acknowledged and processed, once the identity(ies) of the complaint(s) and the intent to proceed with the complaint have been established. The complainant is required to mail a signed, original copy of the email transmittal to the City to be able to process it.
- Allegations received by telephone will be reduced to writing and provided to the complainant(s) for confirmation or revision before processing.
- Upon receipt of the complaint, the Title VI Coordinator will determine its jurisdiction, acceptability, and needed additional information, as well as investigate the merit of the complaint if appropriate. The complainant will be informed that they have a right to have a witness or representative present during the interview and may submit any relevant documentation. Should the complainant wish to have legal representation during the interview, the City Attorney shall be present. Complaints against the City will be referred to the appropriate State or Federal Agency for proper disposition pursuant to their procedures.

To be accepted, a Title VI complaint must meet the following criteria:

- The complaint must be filed within 180 calendar days of the alleged occurrence or when the alleged discrimination became known to the complainant.
- The allegation(s) must involve a covered basis such as race, color, sex, age, disability, or national origin.
- The allegation(s) must involve a program or activity of a Federal-aid recipient, City, or contractor.

A Title VI complaint may be dismissed for the following reasons:

- The complainant requests the withdrawal of the complaint.
- The complainant fails to respond to repeated questions for additional information needed to process the complaint.
- The complainant cannot be located after reasonable attempts.

Once the City decides to accept, reject, or refer the complaint for investigation, the complainant and the respondent will be notified, in writing, of such determination within seven (7) calendar days. The complainant will receive a case number and will then be logged into the City records identifying its basis and alleged harm.

In cases where the City assumes the investigation of the complaint, the City will provide the respondent (department, entity, or individual(s)) the opportunity to respond to the allegations, in writing. The respondent will have ten (10) calendar days from the date the City issues written notification of acceptance of the complaint to furnish his/her response to the allegation. The investigating officer will determine which witnesses will be contacted and questioned.

Preliminary Report

Within thirty (30) calendar days, a preliminary investigative report shall be prepared and sent to the COO, the City Attorney, the complainant and the department, entity, or individual(s) against whom the complaint has been made, with a copy provided to the TDOT Title VI Compliance Officer. All parties involved will have an opportunity to rebut. This rebuttal shall be made within fifteen (15) calendar days of the issuance of the preliminary report. Failure to submit a rebuttal within the 15-day deadline shall be deemed a waiver of right of future rebuttal.

Final Report

The City's final investigative report and a copy of the complaint will be forwarded to the appropriate State and Federal Agency, TDOT Compliance Officer and affected parties (complainant, COO, City Attorney, the department, entity, or individual(s) against whom the complaint has been made) within sixty (60) calendar days of the acceptance of the complaint.

The City will notify the parties of its final decision. The final report will include a summary of the investigation, the recommended actions if warranted and a time frame for correction.

Appeal

Should the complainant disagree with the findings of the final report, they shall be advised of their right of appeal to the City Board of Mayor and Aldermen.

If the complainant is not satisfied with the results of the investigation of the alleged discrimination and practices nor the appeal decision to the City Board of Mayor and Aldermen, the complainant will be advised of the right to appeal to the appropriate State or Federal Agency.

Log of Complaints

The Title VI Coordinator will maintain a log of all complaints received. The log shall specify the date the complaint was received, name, address, email address, and phone number of complainant, a brief description of the complaint, whether the complaint was deemed to be a 'valid' complaint, date of preliminary report, date of final report, the resolution and deadline for compliance.

Section 2. Public Involvement Plan – Capital Construction Projects

Introduction

This section of the plan lays the foundation for public involvement in planning for the City Capital Construction Projects. Public participation is encouraged throughout the project and will be incorporated into the decision-making process.

Public involvement is critical to the planning process and serves to inform the public as well as solicit public response regarding the community's needs, values, and evaluations of proposed solutions.

There may be many different types of solutions, each having advantages and disadvantages. These alternative solutions can be discussed with the public to receive input and ultimately reach a solution that will best meet the city's needs.

Situation Analysis

The City will carefully identify the needs and interests of the constituency it serves focusing on human health and safety, protection of property values, the economic vitality of the area, and environmental considerations in the process of identifying, prioritizing, designing, and implementing capital construction projects.

Public Involvement Objectives

- To create an open and visible decision-making process to which stakeholders have equal access and input.
- To provide a mechanism by which stakeholders are informed and understand the process, issues, and possible solutions from the perspectives of various interests.
- To incorporate public comments throughout the decision-making process.

Public Involvement Tools and Tactics

The following provides a partial list of community outreach and media relation tools and tactics that may be used to disseminate information about the program and provide an opportunity to solicit and incorporate public input throughout the process. These tools may be used singly or in combination, as each situation merits.

Community Outreach Media Relations

- Broadcast Coverage

- Calendar Releases
- Community Presentations
- Fact Sheets
- News Releases
- Newspaper Articles
- Public Meeting Comment Cards
- Public Meeting Notice Fliers
- Public Meetings
- Public Service Announcements
- Web Site

Example of Process

Public Notification

- Public meeting notice advertisements
- Notice on web site
- Media Coverage: news releases, calendar releases, articles, Radio PSAs Solicitation of Comments from Stakeholders
- Public meetings
- Comment cards
- Web site
- Questionnaires/Surveys
- Incorporate Public Comments and Respond to Inquiries

Limited English Proficiency (LEP) Procedures

A Limited English Proficiency (LEP) person does not speak English as their primary language, and has a limited ability to read, speak, write, or understand English.

In the event a person with LEP initiates any contact with city personnel regarding activities, projects, or communication items, the City strives to provide the best services, information, or response possible, as with persons who have no language barrier.

The sequence of attempts to communicate should be:

- Ask if the person can speak English. In their excitement or confusion, it is not unusual for English as a second language person to revert to their native language when trying to communicate.
- Use 'I Speak' cards to attempt to determine the primary language. Whether this works or not, contact the Language Translation Line to speak to the person either face-to-face or on the phone to communicate with them. 'I Speak' cards are available from internet listings in each department and/or from the Title VI Coordinator.

If the situation is an emergency, contact 911 and language assistance will be provided to the extent available.

Contracting and Small Business Contractor Relationships

The City is subject to Tennessee law governing the awarding of contracts. Most simply stated, contracts are to be let to the 'lowest and best bidder'. Other variables cannot be inserted into non-emergency purchasing decisions.

To ensure that small businesses (including, but not limited to certain minority-owned, veteran owned and women-owned businesses) are afforded opportunity to be considered for contracts, the City has expanded the various means of publicizing bid announcements. While some funding agencies may require specific advertising activities, most procurement activities do not. In those cases, any, or all of the following means of reaching potential vendors may be used:

- Advertising in local/state-wide news media
- Posting on the website and/or social media platforms
- All vendors who have completed a Vendor Application listing the service/commodity are sent a bid notice
- SBA website search may be conducted
- Former contract holders may be contacted
- Internet searches for potential vendors

On occasion, specific contractor participation goals may be set by funding agencies consistent with federal law. Large projects may result in the procurement of a prime contractor. During pre-bid and pre-construction conferences, potential prime contractors are advised of the contractor goals and the efforts required seeking sub-contract opportunities for the small contractor within the overall prime contract scope of work. This communication responsibility lies with the person who has oversight of the specific project.



OPERATING POLICY AND PROCEDURE

CATEGORY:	PERSONNEL	EFFECTIVE DATE:	03/01/2026
POLICY:	HR10	IMPLEMENTED:	03/01/2026
SUBJECT:	DRUG FREE WORKPLACE & SUBSTANCE ABUSE	REVIEWED:	03/01/2026
		TOTAL PAGES:	12

Purpose

It is the policy of the City to maintain a workplace that is free from the effects of substance abuse and to follow the Tennessee Drug Free Workplace Program. Under the Tennessee Drug Free Workplace Program, the City follows the US Department of Transportation guidelines for drug/alcohol testing (Chapter 0800-02-12).

The purpose and goal of this program is to send a clear message that the use of alcohol and drugs in the workplace is prohibited. Also, this program is to encourage our employees to voluntarily seek help with alcohol and drug problems.

The City recognizes that the use and abuse of drugs and alcohol in today's society is a serious problem that may involve the workplace. It is the intent of the City to provide all employees with a safe and secure workplace in which each person can perform his/her duties in an environment that promotes individual health and workplace efficiency. Employees of the City are public employees and must foster public trust by preserving the employee and employer's reputation for integrity, honesty, and responsibility.

To provide a safe, healthy, productive, and drug-free working environment for its employees to properly conduct the public business, the City has adopted this drug and alcohol testing policy that balances our respect for individuals with the need to maintain an alcohol and drug free environment.

This policy complies with the Federal Drug-Free Workplace Act of 1988, which ensures employees the right to work in an alcohol and drug-free environment and to work with persons free from the effects of alcohol and drugs; Federal Highway Administration (FHWA) rules, which require drug and alcohol testing for persons required to have a commercial driver's license (CDL); Division of Transportation (DOT) rules, which include procedures for urine drug testing and breath alcohol testing; and the Omnibus Transportation Employee Testing Act of 1991, which requires alcohol and drug testing of safety-sensitive employees in the aviation, motor carrier, railroad, pipeline, commercial marine, and mass transit industries. In the case of this policy, the Omnibus Transportation Employee Testing Act of 1991 is most significant with its additional requirement of using the "split specimen" approach to alcohol testing, which provides an extra safeguard for employees. The types of tests required are: pre-employment, transfer, reasonable suspicion, post-accident (post-incident), random (for safety-sensitive positions), return-to-duty, and follow-up.

The City has no intention of interfering with the private lives of its employees unless involvement with alcohol or other drugs off the job affects job performance or public safety. This policy does not preclude the appropriate use of legally prescribed medication that does not adversely affect the mental, physical, or emotional ability of the employee to perform his/her duties safely and efficiently. It is the employee's responsibility to inform the proper supervisory personnel of his/her use of any legally prescribed medication that may impair his/her ability to safely perform the job before the employee goes on duty or performs any work. Any information obtained from the employee's disclosure will be maintained and treated in accordance with the ADA and other applicable laws.

It is the policy of the City that the use of alcohol and illegal drugs by its employees, and impairment in the workplace due to the use of drugs and/or alcohol is prohibited and will not be tolerated. Engaging in prohibited and/or illegal conduct may lead to disciplinary action. Prohibited and/or illegal conduct includes, but is not limited to:

1. Being on duty or performing work in or on City property while under the influence of drugs and/or alcohol
2. Engaging in the manufacture, sale, distribution, use, or unauthorized possession of illegal drugs at any time and of alcohol while on duty or while in or on City property
3. Refusing or failing a drug and/or alcohol test administered under this policy
4. Providing an adulterated, altered, or substituted specimen for testing
5. Use of alcohol within four hours prior to reporting for duty on schedule or use of alcohol while on-call for duty
6. Use of alcohol or drugs within eight hours following an accident/incident if the employee's involvement has not been discounted as a contributing factor in the accident/incident or until the employee has successfully completed drug and/or alcohol testing procedures

The Administrative Services Director has been designated as the City official responsible for answering questions regarding this policy and its implementation.

All City property may be subject to inspection at any time without notice. There is no expectation of privacy in such property. Property includes, but is not limited to: vehicles, desks, containers, files, cell phones, computers, and lockers. Employee-assigned lockers that are locked by the employee are also subject to inspection by the employee's supervisor in the presence of the employee after reasonable advance notice to the employee unless such notice is waived by the Chief of Operations (COO).

Section 1. Process

Scope

The provisions of this policy apply to all employees of the City, except for random selection testing, which applies only to safety-sensitive positions. The policy also applies to all applicants who have been given a conditional offer of employment.

Consent Form

Before a drug and/or alcohol test is administered, employees and applicants will be asked to sign a consent form authorizing the test and permitting release of test results to the laboratory, medical review officer (MRO), Human Resources (HR), or his/her designee. The consent form also provides authorization for certified or licensed attending medical personnel to take and have analyzed appropriate specimens to determine if drugs or alcohol were present in the employee's system. If the applicant or employee is a minor, parental consent for drug testing will be required.

Compliance with Substance Abuse Policy

Compliance with the substance abuse policy is a condition of employment. The failure or refusal by an applicant or employee to cooperate fully by signing necessary consent forms or other required documents, or the failure or refusal to submit to any test or any procedure under this policy in a timely manner may be grounds for refusal to hire or for disciplinary action up to and including immediate termination of employment. The submission by an applicant or employee of a urine sample that is not his/her own or is adulterated may be grounds for refusal to hire or for disciplinary action up to and including immediate termination of employment.

Duty to Report Convictions

A court conviction of a City employee for the use, manufacture and/or sale of illegal drugs may constitute grounds for dismissal. Employees are required to notify their Department Head of any criminal charges pending. Failure to do so, regardless of the outcome of the charges, may be grounds for disciplinary action which may include termination.

If appropriate, the City will notify the federal contracting officer pursuant to applicable provisions of the Drug-Free Workplace Act and the Omnibus Transportation Employee Testing Act.

Drug Testing Identification Requirement

When required to appear for drug testing, an applicant or employee must present a valid government issued photo ID to the appropriate collection personnel. Failure to present a valid, government issued photo ID is equivalent to refusing to take the test, resulting in denial of employment or disciplinary action up to and including immediate termination of employment.

Section 2. Drug Testing

An applicant or employee must carry and present a valid government issued photo ID to the appropriate personnel during testing. Failure to present photo identification is equivalent to refusing to take the test.

Under the drug-free workplace policy there are various reasons for the implementation of drug tests and include but are not limited to the following:

- Deter employees from abusing drugs and alcohol
- Prevent the hiring of individuals who use illegal drugs
- Provide early identification and referral of employees who have drug and/or alcohol problems
- Provide a safe workplace for other employees
- Ensure general public safety and instill citizen confidence that employees are working safely

The following are required Drug Testing & Cut-Off Levels outlined in the TN Drug-Free Workplace Program.

Drug/Item Tested	Initial Result	Confirmatory
Cannabinoids/Marijuana/THC	50 ng/ml	15 ng/ml [THCA]
Cocaine	150 ng/ml	100 ng/ml [benzoylecgonine]
Phencyclidine (PCP)	25 ng/ml	25 ng/ml
Amphetamine (Methamphetamines, MDA, and MDMA)	500 ng/ml	250 ng/ml
Codeine / Morphine	2000 ng/ml	2000 ng/ml
6-AM (Heroin)	10 ng/ml	10 ng/ml
Hydrocodone / Hydromorphone	300 ng/ml	100 ng/ml
Oxycodone/Oxymorphone	100 ng/ml	100 ng/ml
Alcohol (Safety Sensitive Position)*	.04	.04
Alcohol (Non-Safety Sensitive Position)	.08	.08

* Please refer to Section 3, Alcohol Testing Procedures for additional information.

The City's drug testing program will follow the Substance Abuse and Mental Health Services Administrations' (SAMHSA) mandatory guidelines for workplace drug testing which include having an MRO review of the test. Testing will be done for those drugs identified in the SAMHSA guidelines (marijuana, cocaine, opiates, amphetamines, and phencyclidine) for which drug laboratories are certified.

Testing may be requested for other illegally controlled substances (i.e. anabolic steroids) and their metabolites if there is reason to believe these are used. Without providing a prescription from a licensed physician, applicants or employees who have a positive test for THC due to the use of CBD (oil(s), Delta 6, etc.) shall be subject to the same standards and disciplinary actions as illegal substances.

Types Of Tests

Pre-employment

All applicants for employment who have received a conditional offer of employment with the City must submit to a drug test before receiving a final offer of employment.

Transfer/Promotion

Employees transferring/being promoted to a safety sensitive position shall undergo drug testing. "Safety sensitive positions" include police officers, firefighters, positions requiring a commercial driver's license, public works positions involving the operation of heavy construction equipment, water/wastewater plant operators, all positions involving the construction and maintenance of electrical lines, teachers and other positions having responsibility for the safety and care of children. If the employee tests positive, the offer of the transfer or promotion will be withdrawn and the employee may be required to participate in rehabilitation as described in this policy.

Post-Accident/Post Incident Testing

Following any workplace accident/incident determined by supervisory personnel of the City to have resulted in property or environmental damage, or personal injury, including but not limited to a fatality or human injury requiring medical treatment, or any employee whose performance either contributed to the accident/incident, or cannot be discounted as a contributing factor to the accident/incident, and who is reasonably suspected of possible drug use as determined during a routine post-accident (post-incident) investigation, or who receives a citation for a moving violation arising from the accident/incident will be required to take a post-accident (post-incident) drug test.

Post-accident (post-incident) testing shall be carried out within two (2) hours following the accident/incident. Urine collection for post-accident (post-incident) testing may be monitored or observed at the established collection site(s).

Alcohol and controlled substance tests will be conducted in the following instances. Emergency medical care shall not be withheld or delayed for drug/alcohol collection.

- After work-related injuries that require medical evaluation and/or treatment by a licensed provider at the time the injury is reported. Judgement decisions shall be made for all non-reportable work-related injuries or situations where the injured employee refuses medical treatment. *
- Vehicle accidents involving a city-vehicle or piece of heavy equipment. The driver of the city-vehicle or heavy equipment shall be required to complete drug and/or alcohol testing as soon as possible following the vehicle accident. *
- Discharge of Firearm - Any employee commissioned to carry a firearm as part of official duties shall be required to submit to drug testing after any discharge of the firearm involving death, personal injury, or near miss and shall be required to report to the collection site as soon as possible following the incident or as directed by his supervisor.
- Use of Force - An employee may be ordered to test any time force is used that is reasonably calculated to produce death or serious bodily injury to someone else.

* It shall be the responsibility of the Department Head (or his/her Designee) to determine, in his/her best judgement, if the involved employee(s) shall immediately be required to take a post-accident/incident drug and/or alcohol test. Questionable circumstances shall be thoroughly considered and treated fairly and consistently throughout the City. It shall be the responsibility of the Administrative Services Director to help Department Heads navigate questionable situations if needed.

Following all workplace accidents (incidents) where drug testing is to be performed, unless otherwise specified by the Department Head, any affected employees who are ambulatory will be taken by a supervisor or designated personnel of the City to the designated urine specimen collection site. In the event of an accident/incident occurring after regular work hours, the employee(s) will be taken to the testing site as soon as is practical within the time limits indicated above. No employee shall consume drugs prior to completing the post-accident (post-incident) testing procedures.

Any affected employee who is seriously injured, non-ambulatory, and/or under professional medical care following an accident/incident shall consent to the obtaining of specimens for drug testing by qualified, licensed attending medical personnel and consent to the testing of the specimens. Consent shall also be given for the attending medical

personnel and/or medical facility (including hospitals) to release to the MRO of the City appropriate and necessary information or records that would indicate only whether specified prohibited drugs (and what amounts) were found in the employee's system. Each employee shall grant consent at the implementation date of the substance abuse policy of the City or upon hiring following the implementation date.

Post-accident (post-incident) urinary testing may be impossible for unconscious, seriously injured, or hospitalized employees. If this is the case, certified or licensed attending medical personnel shall take and have analyzed appropriate specimens to determine if drugs were present in the employee's system. Only an accepted method for collecting specimens will be used. Any failure to do post-accident (post-incident) testing within two (2) hours must be fully documented by the attending medical personnel.

In instances where post-accident (post-incident) testing is to be performed, the City reserves the right to direct the MRO to instruct the designated laboratory to perform additional testing on submitted urine specimens for possible illegal/illegitimate substances. Any testing for additional substances listed under the Tennessee Drug Control Act of 1989 as amended shall be performed at the urinary cutoff level that is normally used for those specific substances by the laboratory selected.

Testing Based on Reasonable Suspicion

Reasonable suspicion testing is also referred to as probable cause testing and is required for any employee where there is reasonable suspicion to believe the employee is using or is under the influence of drugs.

The decision to test for reasonable suspicion must be based on a reasonable and articulate belief that the employee is using or has used drugs. This belief should be based on recent, physical, behavioral or performance indicators of possible drug use. Possible causes requiring a testing of reasonable suspicion include specific observations concerning appearance, behavior, speech, body odors or performance. One supervisor who has received drug detection training that complies with DOT regulations must make the decision to test and must observe the employee's suspicious behavior.

Supervisory personnel of the City making a determination to subject any employee to drug testing based on reasonable suspicion shall document their specific reasons and observations in writing to the Administrative Services Director, or designee, notified as soon as possible, and copies of the documentation provided to him/her. Urine collection for reasonable suspicion testing may be monitored or observed.

No employee shall be allowed to drive or perform any health or safety function when suspected of being impaired until the required follow-up drug and/or alcohol test reports that the employee is qualified to work.

Random Testing

Random testing shall be unannounced. Every employee in the random testing pool has an equal chance of being chosen for testing every time a random selection is drawn. Only employees of the City holding safety sensitive positions are subject to random drug testing. "Safety sensitive positions" include police officers, firefighters, positions requiring a commercial driver's license, public works positions involving the operation of heavy construction equipment, water/wastewater plant operators, all positions involving the construction and maintenance of electrical lines, teachers and other positions having responsibility for the safety and care of children. It is the policy of the City to annually perform random tests for drugs on at least 50% and alcohol on at least 10% (percentages regulated by DOT) of the total number of drivers required to possess or obtain a commercial driver's license (CDL).

A maximum of two (2) hours will be allowed between notification of an employee's selection for random urine drug testing and the actual presentation for specimen collection.

Random donor selection dates will be unannounced and occur with regular frequency. Some employees may be tested more than once each year while others may not be tested at all, depending on the random selection.

If an employee is unavailable to produce a specimen (i.e., vacation, sick day, out of town, work-related causes, etc.) on the date random testing occurs, the City may omit that employee from random testing or await the employee's return to work.

Return-to-Duty and Follow-Up

Any employee of the City who has violated the prohibited drug conduct standards must submit to a return-to-duty test. Follow-up tests, also referred to as post rehabilitation testing, will be unannounced, and at least one (1) test will be conducted in the first twenty-four (24) months after an employee returns to duty. Follow-up testing may be extended for up to twelve (12) months following return to duty.

The employee will be required to pay for his or her return-to-duty and follow-up tests accordingly.

Testing will also be performed on employees returning from leave or special assignment more than twelve (12) months. In this situation, the employee will not be required to pay for the testing.

Prohibited Drugs

The substances for which testing is commonly performed are those that the National Institute for Drug Abuse (NIDA) designated as "illegal" drugs for purposes of the Federal Drug Testing programs. All drug results will be reported to the MRO. If verified by the MRO, they will be reported to the (personnel/HR Director/city recorder/mayor/manager/administrator). The following is a list of drugs for which tests will be routinely conducted:

- Amphetamines
- Marijuana (cannabinoids)
- Cocaine (benzoylecgonine)
- Opiates (codeine, morphine, heroin)
- PCP (phencyclidine)
- 6-Acetylmorphine (heroin)
- MDMA (ecstasy)

The City may test for additional substances listed under the Tennessee Drug Control Act of 1989 (as amended).

Collection Procedures

Testing will be accomplished as non-intrusively as possible. Affected employees, except in cases of random testing, will be taken by a supervisor or designated personnel of the City to a drug test collection facility selected by the City where a urine sample will be taken from the employee in private. The urine sample will be immediately sealed by personnel overseeing the specimen collection after first being examined by these personnel for signs of alteration, adulteration, or substitution. The sample will be placed in a secure mailing container. The employee will be asked to complete the chain-of-custody form to accompany the sample to a laboratory selected by the City to perform the analysis on collected urine samples. The chain-of-custody form is required to prove that a sample that tested positive for drugs or alcohol is the sample from the employee who is being tested.

Drug Testing Laboratory Standards and Procedures

The Department of Health and Human Services (DHHS)/Substance Abuse and Mental Health Services Administration (SAMHSA) has established standardized procedures and cutoff levels that are followed by several federal agencies, DOT, and various private and governmental regulations. All collected urine samples will be sent to an authorized laboratory that is certified and monitored by the federal DHHS.

The Omnibus Act requires that drug testing procedures include split specimen procedures. Each urine specimen is subdivided into two bottles labeled as a "primary" and a "split" specimen. Both bottles are sent to a laboratory. Only the primary specimen is opened and used for the urinalysis. The split specimen bottle remains sealed and is stored at the laboratory. If the analysis of the primary specimen confirms the presence of drugs, the employee has 72 hours to request sending the split specimen to another federal DHHS certified laboratory for analysis. The employee will be required to pay for his or her split specimen test(s).

For the employee's protection, the results of the analysis will be confidential except for the testing laboratory. After the MRO has determined a positive test result, the employee will be notified and the MRO will notify the Administrative Services Director, or designee.

Reporting And Reviewing

The laboratory will designate a MRO. The City will receive, report, and file testing information transmitted by the laboratory. This person shall be a licensed physician with knowledge of substance abuse disorders.

1. The laboratory shall report test results only to the designated MRO, who will review them in accordance with accepted guidelines and the procedures adopted by the City.
2. Reports from the laboratory to the MRO shall be in writing, email, or by fax. The MRO may talk with the employee by telephone upon exchange of acceptable identification.
3. The testing laboratory, collection site personnel, and MRO shall maintain security over the testing data and limit access to such information to the following: the respective Department Head, the Administrative Services Director (or designee), and the employee.
4. Neither the City, the laboratory, nor the MRO shall disclose any drug test results to any other person except under written authorization from the affected employee, unless such results are necessary in the process of resolution of accident/incident investigations, requested by court order, or required to be released to parties (i.e., DOT, the Tennessee Department of Labor, etc.,) having legitimate right-to-know as determined by the City attorney.

Section 3. Alcohol Testing

An applicant or employee must carry and present a valid government issued photo ID to the appropriate personnel during testing. Failure to present photo identification is equivalent to refusing to take the test.

Types Of Tests

Post –Accident/Post Incident Testing

Following any workplace accident/incident determined by supervisory personnel of the City to have resulted in property or environmental damage or in personal injury, including but not limited to a fatality or human injury requiring medical treatment, each employee whose performance either contributed to the accident/incident or cannot be discounted as a contributing factor to the accident/incident and who is reasonably suspected of possible alcohol use as determined during a routine post-accident (post-incident) investigation or who receives a citation for a moving violating arising from the accident will be required to take a post-accident (post-incident) alcohol test.

Post-accident (post-incident) testing shall be carried out within two (2) hours following the accident/incident under the following circumstances.

Following all workplace accidents (incidents) where alcohol testing is to be performed, unless otherwise specified by the Administrative Services Director, or designee, affected employees who are ambulatory will be taken by the supervisor or designated personnel of the City to the designated breath alcohol test site for a breath alcohol test within two hours following the accident. In the event of an accident/incident occurring after regular work hours, the employee(s) will be taken to the testing site within two (2) hours. No employee shall consume alcohol prior to completing the post-accident (post-incident) testing procedures.

No employee shall delay his/her appearance at the designated collection site(s) for post-accident (post-incident) testing. Any unreasonable delay in appearing for alcohol testing shall be considered a refusal to cooperate with the substance abuse program of the City and shall result in disciplinary action.

An affected employee who is seriously injured, non-ambulatory, and/or under professional medical care following a significant accident/incident shall consent to the obtaining of specimens for alcohol testing by qualified, licensed

attending medical personnel and consent to specimen testing. Consent shall also be given for the attending medical personnel and/or medical facility (including hospitals) to release to the MRO of the City appropriate and necessary information or records that would indicate only whether specified prohibited alcohol (and what amount) was found in the employee's system. Consent shall be granted by each employee at the implementation date of the substance abuse policy of the City or upon hiring following the implementation date.

Post-accident (post-incident) breath alcohol testing may be impossible for unconscious, seriously injured, or hospitalized employees. If this is the case, certified or licensed attending medical personnel shall take and have analyzed appropriate specimens to determine if alcohol was present in the employee's system. Only an accepted method for collecting specimens will be used. Any failure to do post-accident (post-incident) testing within two (2) hours must be fully documented by the attending medical personnel.

Testing Based on Reasonable Suspicion

An alcohol test is required for each employee where there is reasonable suspicion to believe the employee is using or is under the influence of alcohol.

The decision to test for reasonable suspicion must be based on a reasonable and articulate belief that the employee is using or has used alcohol. This belief should be based on recent physical, behavioral, or performance indicators of possible alcohol use. One supervisor who has received alcohol detection training that complies with DOT regulations must make the decision to test and must observe the employee's suspicious behavior.

Supervisory personnel of the City deciding to subject any employee to alcohol testing based on reasonable suspicion shall document their specific reasons and observations in writing to the Administrative Services Director, or designee, immediately before the decision to test.

Random Testing

Only employees of the City holding safety sensitive positions are subject to random alcohol testing.

"Safety sensitive positions" include police officers, firefighters, positions requiring a commercial driver's license, public works positions involving the operation of heavy construction equipment, and other positions having responsibility for the safety and care of children. It is the policy of the City to annually random test for alcohol at least 10 percent of the total number of drivers required to possess or obtain a commercial driver's license (CDL).

A maximum of two (2) hours will be allowed between notification of an employee's selection for random alcohol testing and the actual presentation for testing.

Random test dates will be unannounced with regular frequency. Some employees may be tested more than once each year while others may not be tested at all, depending on the random selection.

If an employee is unavailable to produce a specimen (i.e., vacation, sick day, out of town, work-related causes, etc.) on the date random testing occurs, the City may omit that employee from random testing or await the employee's return to work.

Return-to-Duty and Follow-Up

Any employee of the City who has violated the prohibited alcohol conduct standards must submit to a return to duty test. Follow-up tests will be unannounced, and at least one (1) test will be conducted in the first twenty-four (24) months after an employee returns to duty. Follow-up testing may be extended for up to twelve (12) months following return to duty.

Testing will also be performed on any employee returning from leave or special assignment more than twelve (12) months. In this situation, the employee will not be required to pay for the testing.

Alcohol Testing Procedures

All breath alcohol testing conducted for the City will be performed using evidential breath testing (EBT) equipment and personnel approved by the National Highway Traffic Safety Administration (NHTSA).

Alcohol testing is to be performed by a qualified technician as follows:

- **Step One:** An initial breath alcohol test will be performed using a breath alcohol analysis device approved by the National Highway Traffic Safety Administration (NHTSA). If the measured result is less than 0.02 percent breath alcohol level (BAL), the test will be considered negative. If the result is greater than or equal to 0.04 BAL, the result will be recorded and witnessed, and the test shall proceed to Step Two.
- **Step Two:** Fifteen minutes will be allowed to pass following the completion of Step One above. Before the confirmation test or Step Two is administered for each employee, the breath alcohol technician shall insure that the evidential breath testing device registers 0.00 on an air blank. If the reading is greater than 0.00, the breath alcohol technician will conduct one more air blank. If the reading is greater than 0.00, testing shall not proceed using that instrument. However, testing may proceed on another instrument. Then Step One will be repeated using a new mouthpiece and either the same or equivalent but different breath analysis device.

The breath alcohol level detected in Step Two shall be recorded and witnessed.

If the lower of the breath alcohol measurements in Step One and Step Two is 0.04 percent or greater, the employee shall be considered to have failed the breath alcohol test.

Any breath alcohol level found between 0.02 percent BAL and 0.039 percent BAL shall result in the employee's removal from duty without pay for a minimum of 24 hours. In this situation, the employee must be retested by breath analysis and found to have a BAL of up to 0.02 percent before returning to duty with the City.

All breath alcohol test results shall be recorded by the technician and shall be witnessed by the tested employee and by a supervisory employee of the City when possible.

The completed breath alcohol test form shall be submitted to HR.

Section 4. Education And Training

Supervisory personnel who will determine whether an employee must be tested based on reasonable cause will be trained to include at the minimum two 60-minute periods of training on the specific, contemporaneous, physical, behavioral, and performance indicators of both probable drug use and alcohol use. One 60-minute period will be for drugs, and one will be for alcohol.

The City will sponsor a drug-free awareness program for all newly hired employees consisting of 60 minutes of training. Existing employees who have undergone such training at least once previously must at minimum acknowledge in writing the existence of the City's drug-free workplace policy.

Distribution of Information

The minimal distribution of information for all employees will include the display and distribution of:

- informational material on the effects of drug and alcohol abuse
- an existing community services hotline number, available drug counseling, rehabilitation, and employee assistance programs for employee assistance
- the City's policy regarding the use of prohibited drugs and/or alcohol
- the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace

Section 5. Consequences of a Confirmed Positive Drug and/or Alcohol Test Result and/or Verified Positive Drug and/or Alcohol Test Result

One of the goals of the City's drug-free workplace program is to encourage employees to voluntarily seek help with alcohol and/or drug problems. If, however, an employee violates the policy, the consequences may result in disciplinary action up to and including termination of employment. Job applicants will be denied employment with the City if their initial positive pre-employment drug test results have been confirmed and/or verified.

If a current employee's positive drug and alcohol test result has been confirmed, the employee is subject to immediate removal from any safety-sensitive function and may be subject to disciplinary action. No City employee shall be allowed to operate a City-owned vehicle following a positive test in violation of this policy for a minimum period of 90 calendar days after presenting a negative Return-to-Work test as required by a Return-to-Work Agreement.

Any employee whose driver's license is suspended due to a drug, alcohol, or other conviction, even if the employee is granted a restricted license, shall not be allowed to operate a City owned vehicle for a minimum period of 90 calendar days.

Any employee who drives as an essential function of the job should be disciplined up to and including termination for receiving a suspended or revoked license, for any offense, to include an administrative suspension or revocation by the state.

The City reserves the right to allow employees to participate in an education and/or treatment program approved by the City's Employee Assistance Program as an alternative to or in addition to disciplinary action. If such a program is offered and accepted by the employee, then the employee must satisfactorily participate in and complete the program.

No disciplinary action may be taken pursuant to this drug policy against employees who voluntarily identify themselves as drug users, obtain counseling and rehabilitation through the City's Employee Assistance Program or other program sanctioned by the City, and thereafter refrains from violating the City's policy on drug and alcohol abuse. However, voluntary identification will not prevent disciplinary action for the violation of the City's drug and alcohol testing policies and regulations, nor will it relieve the employee of any requirements for return to duty testing. (See Section 7 – Voluntary Disclosure).

Refusing to submit to an alcohol or drug test means that an employee:

- 5.1 Fails to provide adequate breath for testing without a valid medical explanation after he/she has received notice of the requirement for breath testing in accordance with the provisions of this part;
- 5.2 Fails to provide adequate urine for drug testing without a valid medical explanation after he or she has received notice of the requirement for urine testing in accordance with the provisions of this part; or
- 5.3 Engages in conduct that clearly obstructs the testing process. In either case the physician or breath alcohol technician shall provide a written statement to the City indicating a refusal to test.

Section 6. Return-To-Work Agreement

Following a violation of the drug-free workplace policy, an employee may be offered an opportunity to participate in rehabilitation. In such cases, the employee must sign and abide by the terms set forth in a Return-to-work agreement as a condition of continued employment.

A return-to-work agreement (RTWA) is a written document that sets forth the expectations that the City and employee assistance/medical professionals have for an employee who has completed mandated treatment for alcohol and/or drug issues. It also sets forth the consequences if the expectations are not met.

This agreement will be used if an employee has violated the drug-free workplace policy and has been provided the opportunity to participate in rehabilitation as a condition of continued or re-employment, or voluntarily identifies as a

drug user, obtains counseling and rehabilitation through the City's Employee Assistance Program or other program sanctioned by the City.

Section 7. Voluntary Disclosure of Drug and/or Alcohol Use

In the event that an employee of the City is dependent upon or an abuser of drugs and/or alcohol and sincerely wishes to seek professional medical care, that employee should voluntarily discuss his/her problem with the respective supervisor in private.

Such voluntary desire for help with a substance abuse problem may be honored by the City. If substance abuse treatment is required, the employee will be removed from service pending completion of the treatment. Voluntary disclosure must occur before an employee is notified of or otherwise becomes subject to a pending drug and/or alcohol test.

Affected employees of the City are entitled to up to thirty (30) consecutive calendar days for initial substance abuse treatment as follows:

7.1 The employee must use all accrued vacation, sick and compensatory time, subject to the HR51 Policy.

7.2 In the event accumulated vacation, sick, and compensatory time is insufficient to cover the time for the medically prescribed and needed treatment up to a maximum of thirty (30) consecutive calendar days, the employee will be provided unpaid leave for the difference between the amount of accumulated leave and the number of days prescribed and needed for treatment up to the maximum 30-day treatment period.

Prior to any return-to-duty consideration of an employee following voluntary substance abuse treatment, the employee shall obtain a return-to-duty recommendation from the substance abuse professional (SAP) monitoring the employee's treatment. SAP may suggest conditions of reinstatement of the employee that may include after-care and return-to-duty and/or random drug and alcohol testing requirements. The respective Department Head, Administrative Services Director, and COO of the City will consider each case individually and set forth final conditions of reinstatement to duty. These conditions of reinstatement must be met by the employee. Failure of the employee to complete treatment or follow after-care conditions, or subsequent failure of any drug or alcohol test under this policy will result in disciplinary action up to, and including, dismissal.

These provisions apply to voluntary disclosure of a substance abuse problem by an employee of the City. Voluntary disclosure provisions do not apply to applicants. Employees testing positive during drug and/or alcohol testing under this policy are subject to disciplinary action.

Section 8. DOT CDL Substance Abuse

The Federal Motor Carrier Administration (FMCSA) established the Commercial Driver's License (CDL) Drug and Alcohol Clearinghouse which took effect January 6, 2020. The Clearinghouse is a secure online database that will give employers real-time information about CDL driver drug/alcohol program violations.

The Clearinghouse rule requires FMCSA-regulated employers, Medical Review Officers (MROs), Substance Abuse Professionals (SAPs), consortia/third party administrators (C/TPAs), and other service agents to report to the Clearinghouse information related to violations of the drug and alcohol regulations in 49 Code of Federal Regulations, parts 40 and 382 by current and prospective employees.

The Clearinghouse requires the following:

- Employers are required to query the Clearinghouse for current and prospective employees' drug and alcohol violations before permitting those employees to operate a commercial motor vehicle (CMV) on public roads
- Employers are required to annually query the Clearinghouse for each driver they currently employ

The purpose of the Clearinghouse is to provide FMCSA and employers the necessary tools to identify drivers who are prohibited from operating a CMV based on DOT drug and alcohol program violations and ensure that such drivers receive the required evaluation and treatment before operating a CMV on public roads. Specifically, information maintained in the Clearinghouse will enable employers to identify drivers who commit a drug or alcohol program violation while working for one employer, but who fail to subsequently inform another employer (as required by current regulations). Records of drug and alcohol program violations will remain in the Clearinghouse for five (5) years, or until the driver has completed the return-to-duty process, whichever is later.

New Hires

The City will run a 'full' query on all new hires holding and using a CDL as part of their job duties for the City. The City will obtain the CDL driver's electronic consent prior to the release of information from the full query. This means the driver must register with the Clearinghouse in order to grant consent.

Current CDL Holders

Once per year, the City will run a 'limited' query on all CDL drivers employed. The City has the authority to run limited queries more frequently if needed. The City will also report any drug/alcohol violations, as well as any return-to-duty and follow-up testing. The City will obtain a signed Consent Form for each eligible employee prior to running the limited query.

Section 9. Exceptions

This policy does not apply to lawful possession, use or provision of alcohol and/or drugs by employees in the context of authorized work assignments (i.e., undercover police enforcement, intoxilyzer demonstrations). In all cases, it is the individual employee's responsibility to ensure that job performance is not adversely affected by the lawful possession, use, or provision of alcohol and/or drugs.

Section 10. Employee Confidentiality/Protection

The information received by the City through the drug-free workplace program will be maintained as confidential to the extent authorized by law.



OPERATING POLICY AND PROCEDURE

CATEGORY:	PERSONNEL	EFFECTIVE DATE:	03/01/2026
POLICY:	HR11	IMPLEMENTED:	03/01/2026
SUBJECT:	HARASSMENT, DISCRIMINATION, AND VIOLENCE IN THE WORKPLACE	REVIEWED:	03/01/2026
		TOTAL PAGES:	5

Section 1. General Harassment, Discrimination, and Violence

It is the policy of the City to promote a safe, productive, and healthy work environment for all employees, customers, vendors, contractors, and members of the public and to provide for the efficient and effective operation of the City's activities. The City is committed to preventing workplace violence, workplace harassment, discrimination, and to maintaining a safe and productive work environment. Employees and customers are to be always treated with courtesy and respect.

No form of bullying, harassment (including sexual harassment), or discrimination will be tolerated based on race, color, religion, sex (including sexual orientation), age, national origin, disability, military status, genetic information, employee's communication with an elected public official, exercise of free speech, refusing to participate in or remain silent about illegal activities, exercising a statutory constitutional right or any right under clear public policy, political affiliation, or any other basis protected by law. This policy applies to all City employees, elected officials, appointed officials, regular part time/temporary employees, and contractors. The governing body may discipline an elected official in whatever manner it deems appropriate, consistent with its authority under state law, the municipal charter, ordinances, resolutions, policies, or other rules governing discipline of elected officials.

The City will not tolerate bullying, or verbal or physical conduct by an employee which harasses, disrupts, or interferes with another's work performance or which creates an intimidating, offensive or hostile environment.

1. No employee or non-employee shall be allowed to harass any other employee or non-employee by exhibiting behavior including, but not limited to, the following:
 - a. Verbal harassment – Verbal threats toward persons or property; the use of vulgar or profane language directed towards others; disparaging or derogatory comments or slurs; offensive flirtations or propositions; verbal intimidation; exaggerated criticism or name-calling; spreading untrue or malicious gossip about others.
 - b. Physical Harassment – Any physical assault, such as hitting, pushing, kicking, holding, impeding, or blocking the movement of another person.
 - c. Visual Harassment – Displaying derogatory or offensive posters, cartoons, publications, or drawings.
 - d. Bullying – Workplace bullying refers to unwanted aggressive behavior that involves a real or perceived power imbalance. The behavior is repeated, or has the potential to be repeated, over time. The imbalance of power involves the use of physical strength, access to embarrassing information, or popularity, to control or harm others. This behavior may be performed by individuals (or a group) directed towards an individual (or a group of individuals).

2. Under no circumstances are the following items permitted on City property, including City-owned parking areas, except when issued or sanctioned by the City for use in the performance of the employee's job:
 - a. dangerous chemicals
 - b. explosives or blasting caps
 - c. other objects carried for the purposes of injury or intimidation
3. In the event a harassment, discrimination, or workplace violence incident occurs, investigation timelines will comply with those outlined in the HR11 Policy, Section 2, as applicable.
4. Copies of the investigative report, supporting documentation, and recommendations for appropriate action will be turned over to the Department Head, or designee, as appropriate for further action.
5. Anyone determined to be responsible for threats of, or actual violence, or other conduct that is in violation of this policy will be subject to prompt disciplinary action up to and including termination.
6. Employees are encouraged to bring their disputes or differences with other employees to the attention of their supervisors, Department Heads, Human Resources (HR), or the Chief of Operations (COO) before the situation escalates into potential violence. The City is eager to assist in the resolution of employee disputes and will not discipline employees for raising such concerns. Employees have the right to file a police report at their own discretion.
7. Employees are prohibited from interfering or attempting to interfere with any investigation.
8. False allegations will be dealt with on a case-by-case basis, and depending on the outcome, may include disciplinary action, up to and including termination.

Section 2. Harassment and Discrimination

The City will not tolerate harassment or discrimination against its employees. The City will take immediate steps to stop such behavior when it occurs.

The following actions constitute an unlawful employment practice and are absolutely prohibited by the City when they affect employment decisions, create a hostile work environment, cause distractions, or unreasonably interfere with work performance. They are:

1. Any activity, verbal, visual or physical that would create an unwelcome or hostile environment towards any City employee or anyone with whom they come in contact as a result of their employment
2. Verbal, visual, or physical conduct of a harassing nature will constitute harassment when a person involved feels compelled to submit to that misconduct to keep his/her position, to receive appropriate pay, or to benefit from certain employment decisions
3. Sexual harassment (not limited to)
 - a. Unwelcome sexual advances
 - b. Requests for sexual favors
 - c. Verbal or physical conduct of a sexual nature in the form of pinching, grabbing, patting, or propositioning
 - d. Explicit or implied job threats or promises in return for submission to sexual favors
 - e. Inappropriate sexually oriented comments on appearance
 - f. Sexually oriented stories
 - g. Displaying sexually explicit or pornographic material, no matter how the material is displayed; and/or
 - h. Sexual assault on the job by supervisors, fellow employees, or non-employees
 - i. Demeaning insulting, intimidating or sexually suggestive written, recorded or electronically transmitted materials (such as email, instant message, and internet materials)

Sexual harassment includes conduct directed by men toward women, conduct directed by men toward men, conduct

directed by women toward men, and conduct directed by women toward women.

Making harassment or discrimination complaints

An employee who feels he/she is subjected to any form of harassment or discrimination should immediately contact a person (listed below) with whom the employee feels the most comfortable. It is encouraged that employees follow their chain of command as applicable; however, any number of individuals may be chosen. The object is to give several options to a victim. Complaints may be made orally or in writing to:

- The employee's immediate supervisor
- Department Head
- HR
- COO
- City Attorney

The employee should be prepared to provide the following information:

- his/her name, department, and position title
- the name of the person or people allegedly committing the harassment or discrimination, including their title(s), if known
- the specific nature of the harassment or discrimination, how long it has gone on, any employment action (demotion, failure to promote, dismissal, refusal to hire, transfer, etc.) taken against the employee as a result of the harassment or discrimination, or any other threats made against the employee as a result of the harassment, discrimination, or complaint(s) thereof
- witnesses to the harassment or discrimination; and
- whether the employee has previously reported the harassment or discrimination and, if so, when and to whom

Employee Obligation

Employees are obligated to report instances of harassment or discrimination. Employees are also obligated to cooperate in every investigation. The obligation includes, but is not limited to, coming forward with evidence, both favorable and unfavorable, for a person accused of such conduct; fully and truthfully making written reports or verbally answering questions when required to do so by an investigator. Employees are to refrain from making bad faith accusations of harassment or discrimination.

Disciplinary action may be taken against an employee who fails to report instances of harassment or discrimination, or who fails or refuses to cooperate in the investigation of a complaint, or who files a complaint in bad faith. Employees are prohibited from interfering or attempting to interfere with any investigation. False allegations will be dealt with on a case-by-case basis, and depending on the outcome, may include disciplinary action up to and including termination of employment.

Reporting and investigating harassment or discrimination complaints

The Administrative Services Director, or designee as appropriate, is the individual that the City designates as the investigator of harassment or discrimination complaints against employees. In the event the complaint is against the Administrative Services Director, the investigator shall be independent outside counsel, or provided through the City employment practices liability insurer.

When an allegation of harassment or discrimination is made by any employee, the following shall occur:

1. the City will attempt to separate the complainant and accused party of the duration of the investigation upon the approval of the Department Head and Administrative Services Director
2. the investigator will meet with the employees, any witnesses, the supervisor(s), any other members of management considered appropriate and other individuals that may have relevant information
3. the investigator will provide the complaint to the Department Head and COO
4. the investigator will keep a written record of the investigation
5. the investigator will prepare a summary and present the findings to the Department Head and COO
6. If the City suspects a criminal act has occurred, the investigation process may be turned over to the City police

department or an outside agency for review

Actions on complaints of harassment or discrimination

In deciding, the Administrative Services Director and/or COO may look at the record as a whole and at the totality of circumstances, including the nature of the conduct, the context in which the alleged actions occurred, and the behavior of the person complaining. The decision of whether harassment or discrimination took place will be determined on a case-by-case basis.

If the Administrative Services Director determines that the complaint is founded, the Department Head shall take immediate and appropriate disciplinary action against the offending employee, consistent with its authority under the City charter, ordinances, resolutions, policies, or rules governing its authority to discipline employees.

The disciplinary action may include oral counseling, written reprimand, suspension, demotion, mandatory referral to the EAP program, or termination depending upon the severity of the matter and circumstances surrounding the incident(s).

A written record of disciplinary actions shall be maintained in the employee's HR file. Any documentation related to the incident(s) and investigation(s) of the incident(s) are subject to the Tennessee Open Records laws.

Determining the level of disciplinary action shall also be made on a case-by-case basis. The disciplinary action may be consistent with the nature and severity of the offense. This includes, but is not limited to, the effect of the offense on employee morale, public perception of the offense, and the light in which it casts the City. The City will notify the employee who filed a complaint of the outcome of the investigation once determined.

In all events, all parties will be notified of the outcome of the investigation. Any employees involved in the investigation shall be warned not to retaliate in any way against the person making the complaint, witnesses, or any other person connected with the investigation. Any such retaliation or harassment will be dealt with immediately and may include disciplinary action, up to and including termination of employment.

If the employee complaining is not satisfied with the way the City addressed the complaint, the employee shall be given an opportunity to present a request for review of the outcomes in accordance with the Grievance Procedure Policy, HR 71.

In cases where harassment or discrimination is committed by a non-employee against a City employee in the workplace, the City shall take whatever lawful action is necessary against the non-employee to bring the harassment or discrimination to an immediate end.

Section 3. Confidential Threat/Incident Reporting Follow Up, And Evaluation

It is the responsibility of each Department Head and supervisor to ensure that (1) their employees work in a safe and threat free environment, (2) are provided with workplace violence training and (3) understand the reporting procedures if a threat or incident occurs.

It is the responsibility of each employee to endeavor to perform their jobs using acceptable non-violent work methods and to immediately report any incident they are involved in or are witnessed to as noted below.

All employees are required to complete a Confidential Threat Incident Report Form on all occurrences of an internal or external nature within 4 hours of the occurrence, or as soon as possible thereafter. In the event the employee is unable to complete this form, the form shall be completed by the employee's immediate supervisor or Department Head with assistance from any available witnesses if applicable, as soon as possible.

The types of threats/incidents involving reporting are as follows:

- Verbal
- Violent Acts to Property

- Stalking or Harassing Communications
- Simple Assault
- Aggravated Assault
- Death

The completed form shall be submitted to the employee's immediate supervisor or Department Head, unless the supervisor or Department Head is unavailable, with a copy to the Mayor's office. If the supervisor or Department Head is involved or unavailable, the form shall be submitted directly to the Mayor's office.

If the Mayor's office is unavailable, the employee should submit their completed report form to the Police Department via the Chief of Police, Police Lieutenant, or the duty officer in charge. In the event the incident occurs after normal working hours (Monday- Friday from 8:00 am. to 4:30 p.m.), or if the situation is of such a severe nature, the employee is to immediately contact the Police Department.

Employees will have the option to complete a Confidential Threat Incident Report Form involving domestic situations. All reporting procedures must follow TCA §10-7-504 and any subsequent amendments regarding confidentiality of records of domestic violence victims and witnesses with protection orders.

The Threat Incident Assessment Team, comprised of COO, Administrative Services Director, Chief of Police (or designee), and the Department Head or his/her designee of the employee involved, whose purpose shall be to review and evaluate any reports of incidents or threats and make recommendations as needed. The Threat Incident Assessment Team shall notify the Mayor of recommendations for corrective measures which may be taken to alleviate any such reoccurrences and make recommendations for any environmental modifications, additional training etc., if necessary.

Any employee completing a Confidential Threat Incident Report form shall be offered post trauma debriefing, depending on the need of the employee, including but not limited to counseling through the City's EAP provider.

Any employee completing a Confidential Threat Incident Report form shall be given verbal status reports regarding the situation and provided with final disposition/outcome in a timely manner by the Department Head or Mayor's office.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR12
SUBJECT: SMOKING AND VAPE FREE
WORKPLACE

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 1

Purpose

The City is committed to providing a safe and healthy workplace and to promoting the health and well-being of its employees. As such, the following policy has been adopted and applies to all employees, contractors, and visitors.

The Tennessee 'Non-Smoker Protection Act' requires that smoking be prohibited in all enclosed public places. The City encourages all employees to be tobacco-free, and in no way does this policy support the use of smokeless tobacco products. However, employees and Department Heads shall use best judgement practices and professionalism while using tobacco products in city vehicles or buildings, around coworkers, and the public.

Policy

It is the policy of the City to prohibit smoking and vaping in all City-owned or occupied buildings and vehicles to provide a safe and healthy work environment for all employees. The following regulations shall constitute the official policy regarding smoking in all City- owned or occupied buildings and vehicles:

- Smoking is prohibited where employees are required for occupational duties. Those locations may include, but are not limited to, work areas, construction sites, temporary offices, trailers, restrooms, vehicles, and parking lots.
- Smoking shall be in designated outdoor smoking areas at least 25 feet from the worksite entrances and building air intake ducts.
- Any break should be taken by an employee at a time that is least disruptive to the operations of the department. Per the HR50 Policy and the Fair Labor Standards Act (FLSA), two (2) breaks of 15 minutes each may be taken, on a staggered basis, by each employee. One in the morning and one in the afternoon. These breaks shall be paid.
- Any employee in violation of this policy may result in disciplinary action and possibly a monetary fine/penalty from law enforcement and the State of Tennessee.
- Any person wishing to file a complaint against another employee in violation of this policy may do so by contacting the Administrative Services Director by phone or email.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR13
SUBJECT: DRESS CODE

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 2

Personal appearance and manner of dress are important parts of your job responsibilities. Employees are expected to dress and groom in a manner which is appropriate for the type of work performed. Since all employees deal with co-workers and the public daily, acceptable personal hygiene is essential. Employees should ensure their personal hygiene will not be offensive to others around them. This includes but is not limited to – scented body products, perfume/cologne, oral hygiene, and body odor. Specific dress codes vary based on the position held and whether the job requires the use of a uniform. An employee who does not meet the standards of this policy will be required to take corrective action, which may include leaving the premises to correct the issue and returning to work. Any work time missed because of failure to comply with this policy will not be compensated, and repeated violations of this policy may be cause for disciplinary action.

Uniforms

In departments where uniforms are provided, all employees are expected to wear the uniform according to departmental policy. All uniforms are expected to be kept neat and in good repair. Employees should refer to their respective departmental policies for guidance and additional information.

Non-Uniformed Personnel

Non-uniformed personnel are expected to dress in a manner that is professional and that projects a positive image for the City. Professional business attire or business casual is expected of all employees. Basic elements for appropriate attire include clothing that is in neat and clean condition.

Department Heads may make exceptions for special occasions or in the case of inclement weather, at which time employees will be notified in advance. An employee who is unsure of what is appropriate should check with his or her supervisor. The Department Head may choose to authorize a particular day or days of the week during which casual clothing can be worn.

Dress Code Guidelines

The following are the acceptable guidelines:

- Department provided uniforms
- Clothing should be worn and fit in such a manner that it does not expose the abdomen, chest or buttocks areas
- Shirts: All shirts with collars, business casual crewneck or V-neck shirts, blouses, and golf and polo shirts
- Pants: Casual or Dress slacks and jeans (as permitted by the Department Head) without holes, tears, etc.
- Footwear: Casual or Dress slip-on or tie shoes, dress sandals, boots, clean athletic shoes, and any other job-specific footwear

The following are considered unacceptable:

- Clothing should not be worn with a printed message, slogan, political messages, picture or art depicting drugs, alcohol, smoking, sex, weapons, violence, or that is obscene or offensive
- Clothing that is too tight or revealing
- Clothing with rips or tears
- Any extreme style or fashion in dress, footwear, accessories or fragrances
- Employees may not wear halter tops, beachwear, t-shirts (without City logos), shorts (unless authorized), work-out / athletic attire or distracting, offensive or revealing clothes during working hours
- Shirts: Shirts with inappropriate slogans or graphics, tank tops, muscle shirts, and crop tops
- Pants: shorts (unless authorized), yoga pants/leggings, and pants worn below the waist or hip line
- Footwear: flip-flops and slippers

Tattoos & Piercing

Factors to consider when determining whether jewelry or tattoos pose a conflict with the employee's job or work environment include:

- Personal safety of self or others, or damage to City property
- Productivity or performance expectations
- Obscene or offensive to co-workers, customers, vendors or others in the workplace
- Customer complaints

If a supervisor determines an employee's jewelry or tattoos present such a conflict, the employee will be encouraged to identify appropriate options, such as removal of excess or offensive jewelry, covering of tattoos, or other reasonable means to resolve the conflict.

If an employee requires a dress code accommodation, they should first discuss the need and request with their supervisor and Department Head.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR14
SUBJECT: POLITICAL ACTIVITY

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 3

The City encourages all employees to participate in the political process by registering and voting in each election. However, it is necessary to implement some policies to avoid conflict of interest between political activity and public employment in a City position.

The Federal Hatch Act (5 U.S.C. §§ 7321-7326) restricts the political activity of individuals principally employed by local agencies who work in connection with programs financed in whole or in part by federal loans or grants. The Hatch Act applies to any City employee “whose principal employment is in connection with an activity which is financed in whole or in part by loans or grants made by the United States or a Federal agency...” 5 U.S.C.A. § 1501(4)

Permitted and Prohibited Activities of the Hatch Act:

- May be a candidate for public office in a nonpartisan election
- May campaign for and hold elective office in political clubs and organizations
- May actively campaign for candidates for public office in partisan and nonpartisan elections
- May contribute money to political organizations or attend political fundraising functions
- May participate in any activity not specifically prohibited by law or regulation
- May not be a candidate for public office in a partisan election if the employee’s salary is paid for completely by federal loans or grants
- May not use official authority or influence for the purpose of interfering with or affecting the results of an election or a nomination for office
- May not directly or indirectly coerce contributions from subordinates in support of a political party or candidate

An election is partisan if any of the candidates in the election are running as a representative of a political party whose presidential candidate received votes in the preceding election at which Presidential electors were selected.

An employee’s conduct is also subject to the laws of the state and the regulations of the employing agency. Prohibitions of the Hatch Act are not affected by state or local laws.

Full-time City employees, whether on or off duty, whether in or out of uniform, and whether on or off City property, shall not, at any time or any place, become a candidate for an elected City of Hendersonville office. Any employee who wishes to seek election or appointment to municipal political office shall resign from the service upon indicating such intention by formal declaration or other evidence of candidacy.

Any person elected to public office within the City shall not, during the term for which they were elected, be appointed to any other position in the Municipal Government unless otherwise specified in the Charter.

In all other elections, that are not City of Hendersonville elections, for public office, employees may enjoy the rights of any other citizen of the State of Tennessee to be a candidate for any local political office, the right to participate in political activities by supporting or opposing political parties, political candidates, and petitions to governmental entities.

No employee shall engage in political activity, support for or opposition to any candidate, party or measure in any election when on duty or acting in an official capacity. The City will not compensate employees for time when the employee is not performing work for the City. Any time off from work used by the employee for participation in political activities will be limited to earned days off, vacation days, or other paid leave days.

“Acting in an official capacity” may involve the following:

- When an employee is performing duties of their City position, whether or not during regular work hours or while carrying out assigned tasks.
- Use of City resources, such as City email, uniforms, vehicles, equipment, or facilities, in a way connected to the employee’s job.
- When the employee’s role could reasonably be perceived as speaking or acting on behalf of the City, even if off-site or after hours.
- Does not include purely personal activity outside work hours where the employee is not using City resources or authority and not presenting themselves as a City representative.

Participation in public meetings

City identifying clothing and equipment are provided to certain employees associated with specific roles and responsibilities, in order to ensure public recognition, safety, and accountability while performing official duties.

City employees are usually required to attend public meetings to inform the public/officials on official City business as part of their employment duties. Other times City employees may desire to speak or otherwise participate in public meetings to advocate for a particular position or outcome.

To inform is generally understood as sharing factual information without necessarily taking a stance or trying to persuade someone to a particular viewpoint. Advocacy, on the other hand, involves supporting a specific cause, viewpoint, or action, often with the goal of influencing decision-making or action. Advocacy can be viewed as a form of persuasion, while informing is more neutral in its presentation of information.

Key Differences	To Inform	To Advocate
Primary Goal	Share information and knowledge	Support a cause and influence action
Approach	Neutral and unbiased presentation of facts	Persuasive arguments and appeals
Goal Orientation	Education	Persuasion/Action
Ex: Addressing a Board/Commission/Committee	Providing information and/or answering questions concisely and to the point	Proactively offering information and/or extending answers to support a preference

The use of City resources (i.e. on the clock, wearing City-identifying clothing, and/or driving City-owned equipment) while advocating for a particular measure, political candidate, or political cause, may be reasonably interpreted as being made in an official capacity, can be a violation of these laws and ordinances, and is not advisable for the following reasons:

1. Public Perception and Government Neutrality

Such use can convey the authority and endorsement of the government, and may create the appearance that the City officially supports the position, even if the employee is speaking as a private citizen. This can undermine government neutrality, and could further expose the City to reputational harm or legal challenges from individuals or groups claiming unequal access or favoritism.

2. Misuse of Public Resources

Such use could be construed as using government property for a personal or political benefit.

3. Employee Rights vs. Official Capacity

While public employees have the right to advocate for personal or professional measures, that advocacy must be clearly done in a private capacity, not in their official roles. If employees attend a meeting in civilian clothes, and arrive via personal vehicles, the message is more clearly their own and not the City's. If an employee is attending a public meeting in an official capacity and wishes to also speak as a citizen, then the employee must indicate the opinions are their own personal opinions and are not in an official capacity or represents the views of the City.

4. Risk of Disciplinary Action or Legal Challenge

Using City resources in this context could violate internal City policies, City ordinances, or state laws. It may also open the City to legal challenges or grievances from opposing groups claiming unequal treatment or misuse of authority.

Permitted Use: Employees may use such City resources while informing the public on City operations, policies, or projects in the scope of their official duties.

Prohibited Use: Employees should not use such City resources when advocating for political issues - especially during public meetings, on ballots, or in support/opposition to candidates or measures.

Any willful violation, or violation through negligence of any of the above prohibitions, shall be sufficient grounds for internal disciplinary procedures to maintain neutrality and public trust, including and up to the discharge of any employee guilty of such violation.

Nothing in this section is intended to prohibit any City employee from privately expressing his/her political views or from casting his/her vote in all elections.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR15
SUBJECT: INCLEMENT WEATHER

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 2

It shall be the policy of the City to make every effort to maintain normal working hours and keep city facilities open during inclement weather to continue to provide necessary services to the residents of the City unless it is determined that the essential functions of the City cannot safely be administered. This decision will be made by the Chief of Operations (COO). It is the goal of this policy to maintain as much of the city's operations as possible, but also provide "inclement weather leave" to employees if they cannot perform any of their functions due to the closure of city facilities for inclement weather.

Emergency response personnel will continue in their usual operations regardless of weather conditions.

The policy is meant for those who are in danger due to weather conditions only. Should any employee abuse this policy, he/she will be subject to disciplinary action.

Determination to close City Offices and/or Operations

The COO will decide whether a City office or operation will open late, close early, or be closed for the entire business day due to inclement weather. If the COO is unable to make the decision due to unforeseen circumstances, the Public Works Director shall make the necessary decision after consultation with the Mayor.

Communicating to employees and residents

The COO has the responsibility of coordinating the communication of the status of City operations to all departments during inclement weather periods. Closing City Hall due to inclement weather or the legitimate threat of inclement weather shall be communicated as quickly as possible. A determination will be made prior to 06:30 AM CST, if possible, to allow employees time to commute to work, make any necessary personal arrangements, work from home, etc.

Department Heads and supervisors shall be responsible for communicating with each employee as quickly as possible. Employees should check with their Department Head or designee if they are unsure of the status of closure. Employees and supervisors should be prepared to work remotely.

During inclement weather days it is the expectation that staff work remote, if possible. Remote work hours will be counted as regular paid time. If an employee cannot work remotely and city facilities are closed the employee can use inclement weather leave to remain in a paid status.

Employee Absences and Delays

If City offices are open for business and an employee is unable to report to work due to inclement weather conditions, the employee must use any accrued leave or make up the time within the same work week, with the approval of the Department Head. Supervisors must track this time to not create overtime and the following conditions must be met:

1. The employee must inform his/her immediate supervisor of his/her absence and the reason for it as soon as possible; and
2. The employee should report to work immediately if a change in weather conditions allows safe transportation to the work site.

If an employee is unavoidably late due to inclement weather conditions, and the delay is greater than one (1) hour, the employee must use any accrued leave or make up the time within the same work week, with the approval of the Department Head. Supervisors must track this time to not create overtime.

If weather conditions become increasingly worse during any workday, the COO will monitor the conditions as it relates to employee safety. Consideration may be given to those who may have a longer commute, childcare, or other personal issues where weather conditions may be worse than in Hendersonville. All employees will be expected to finish out their work schedule unless other instructions are received from the COO.

Pay and Leave Guidelines

City employees, whose position provide services which are essential for the health, welfare, and safety of the residents of Hendersonville, are expected to work their normal shift assignments or such assignments as are deemed necessary by the Department Head or supervisor. Employees will receive their normal pay for hours worked in inclement weather, unless the number of hours worked in a work period exceeds the maximum authorized hours.

If City offices close after staff have begun their workday, staff are expected to work remotely, if possible, and employees will be compensated for the rest of their respective workday and will not be charged leave. If City offices open late due to inclement weather, employees shall report to work at the specified time for the balance of their respective workday (may be different in each department or divisions within each department) or use their accrued Vacation or Compensatory Leave for the balance of that day.

If an employee was on a scheduled leave during inclement weather, the employee will use their leave as scheduled and they are not eligible for the use of inclement weather hours during that time.

Regular part-time employees who are scheduled to work during the emergency closing period will be affected on a pro rata basis in each of the provisions above.

Temporary and Seasonal employees are only compensated for hours worked. These employees receive no compensation or time off for Inclement Weather unless physically worked.



OPERATING POLICY AND PROCEDURE

CATEGORY:	PERSONNEL	EFFECTIVE DATE:	03/01/2026
POLICY:	HR16	IMPLEMENTED:	03/01/2026
SUBJECT:	SOLICITATION, ACCEPTING GIFTS, AND PECUNIARY INTERESTS	REVIEWED:	03/01/2026
		TOTAL PAGES:	1

Section 1. Solicitation

No employee of the Municipal Government shall directly or indirectly solicit any money, service, favor or other valuable consideration for carrying out his/her duties as an employee of the Municipal Government.

Solicitation of funds of any character or for any purpose whatsoever shall not be permitted by or of employees of the Municipal Government on the job without the express approval of the Chief of Operations (COO).

No person shall, directly or indirectly, give, render, pay, offer, solicit, or accept any money, service or other valuable consideration for or on account of any appointment, proposed appointment, promotion, or proposed promotion to, or any advantage in, a position.

Section 2. Gifts, Pecuniary (Financial) interests, and Gratuities

In accordance with HMC Title 1, Chapter 10, Section 1005, no official or employee shall accept, directly or indirectly any money, gift, gratuity or favor, or preferred services benefits, or concessions or considerations of any kind from any person or company other than the Municipal Government which might reasonably be interpreted as an attempt to influence actions with respect to City business.

Except for the receipt of such compensation as may be lawfully provided for the performance of his/her municipal duties, it shall be unlawful for any official or employee of the City to be privately interested in, have any financial interests in, or to profit, directly or indirectly from any business dealings with the Municipal Government; to have any financial interests in the profits of any contract service or other work performed by the City; or to personally profit directly or indirectly from any contract, purchase sale or service between the City and any person or company; or personally or as an agent provide any surety, bail or bond required by law.

Any official or employee who has violated the provisions of this policy shall be guilty of misconduct in his/her service.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR17
SUBJECT: NEPOTISM AND PERSONAL
RELATIONSHIPS

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
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TOTAL PAGES: 1

It is the policy of the City to not employ more than one member of an immediate family in the same work location or in the same department on the same shift, whichever is less restrictive, or in a situation where a direct or indirect supervisory relationship would exist.

No member of an immediate family, as defined in policy HR99, can supervise members of his/her immediate family. This does not preclude employment of immediate family members under other lines of supervision. If the City cannot reasonably transfer one of the family members to another department, and the family members can't decide which one will leave voluntarily, the employee in the more junior position will be subject to discharge.

If a personal, romantic, or intimate relationship is established between two or more employees in the same department, it is the responsibility and obligation of the employees involved to disclose the existence of the relationship to their immediate supervisor. The immediate supervisor is responsible for notifying the Department Head.

When a conflict or potential conflict arises due to the relationship affecting employment, the impacted employees have a period of sixty (60) days in which to come into compliance with the provisions of this policy. The City reserves the right to make all employment decisions in the best interest of the City.

Employment of more than one member of an immediate family in separate work locations or departments may be approved by the Chief of Operations (COO) only if all the following conditions can be met:

- There are no opportunities in which immediate family members would be involved in any transaction requiring approval or receipts. These transactions include but are not necessarily limited to: permits, cash, receipts for cash, purchase orders, employment transactions.
- Work required contact between the family members would be of an infrequent nature.
- Immediate family members shall not be allowed to serve on any review board, promotion board or any other committee that would hire, promote, or discipline another family member.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR18
SUBJECT: CARRYING OF FIREARMS

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 1

Carrying of Firearms

Employees shall only be allowed to carry firearms in accordance with Federal, State, and local laws and ordinances. The responsibility and liability for carrying firearms rests solely with the employee. The City in no way confers any authority or enforcement powers to the employee. T.C.A § 39-17-1313(a) regulates transportation and storage of firearms and ammunition.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR19
SUBJECT: EMPLOYEE ASSISTANCE
PROGRAM (EAP)

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 2

The City recognizes that a wide range of problems not directly associated with one's job function can affect an employee's job performance. In most instances, such personal problems can be overcome independently and the effect on job performance will be minimal. In other instances, normal supervisory counseling will provide the needed motivation or guidance by which such problems can be resolved so that job performance will return to an acceptable level. In some cases, regardless of the efforts of the employee or supervisor, unsatisfactory job performance persists over a period, either constantly or intermittently.

To support our employees, the City:

- Encourages employees to seek help if they are concerned that they or their family members may have personal issues.
- Encourages employees to utilize the services of qualified professionals to assess issues and identify appropriate sources of help.
- Ensures the availability of a current list of qualified professionals through the EAP.

It is the policy of the City to handle such issues within the following framework:

Voluntary EAP Participation

It is the responsibility of the employee to seek assistance from the EAP before alcohol and/or drug problems lead to disciplinary action. Once a violation of this policy occurs, subsequently seeking treatment through the EAP on a voluntary basis will not necessarily lessen disciplinary action and may, in fact, have no bearing on the determination of appropriate disciplinary action.

The City recognizes that almost any human issue can be successfully treated, provided it is identified in its early stages and appropriate referral is made, whether the issue is one of physical, mental, or emotional illness, finances, marital or family distress, alcoholism, drug abuse, legal issue or other concerns.

When an employee's job performance or attendance is unsatisfactory and the employee is unable or unwilling to correct the situation, either alone or with normal supervisory assistance, a cause outside of the realm of job responsibilities may be the basis of the issue.

The purpose is to assure employees that, if personal issues are a contributing factor to unsatisfactory job performance, the employee will receive careful consideration and an offer of assistance to help resolve these problems in an effective and confidential manner.

If an EAP referral to a treatment provider outside the EAP is necessary, the employee should review their medical insurance to determine if the cost of such outside services is covered.

Management Referral

The EAP is a process used in conjunction with discipline, not a substitute for discipline.

When an employee's work performance or attendance is unsatisfactory, it will be called to his/her attention per the regular procedure by the Department Head.

If performance or attendance problems continue, the Department Head, or designee, will discuss the problem formally with the employee, and the employee may be required to seek assistance through the EAP as a part of corrective action. Both the job-related problem and any requirement to seek assistance through EAP must be documented.

As work-related problems occur, the City will not diagnose employee personal issues to try to find causes. If it appears that the employee cannot, or will not, improve his/her performance or attendance, the employee may be referred to EAP by the Department Head. The Department Head will notify Human Resources (HR) that such a referral has been made and/or request assistance in making the referral.

EAP should be scheduled during regular work time. The employee will be paid for this time away from the department at the regular rate of pay. Counseling time extending past the employee's regular scheduled work shift will not be compensated. If a personal vehicle is used, travel time/mileage to and from the EAP appointment(s) will not be compensated.

If the employee accepts the offer of EAP assistance and the job performance or attendance problems improve to a satisfactory level, no further action will be taken. If the employee's job performance or attendance problems continue, the regular disciplinary procedures will apply.

When the Department Head refers the employee for assistance, further communications will be made to the Department Head by the counselor only if a Release of Information has been signed by the employee. Generally, the only information that is released to the employer is whether the employee made the appointment and is following the treatment plan.

The City's EAP Program is operated by outside providers and available to employees and family members living in the immediate household. Except under the circumstances where an employee has signed a Release of Information, all information is confidential.



OPERATING POLICY AND PROCEDURE

CATEGORY:	PERSONNEL	EFFECTIVE DATE:	03/01/2026
POLICY:	HR30	IMPLEMENTED:	03/01/2026
SUBJECT:	RECRUITMENT AND EMPLOYMENT	REVIEWED:	03/01/2026
		TOTAL PAGES:	8

Section 1. Recruitment

Human Resources (HR) shall make every effort to attract qualified applicants for vacant positions. Hiring managers should indicate any specific platforms that will yield a larger, qualified pool of candidates on the requisition form.

The City strives to provide promotional opportunities whenever possible to qualified and interested employees. All positions (both internal and external) must be posted to the City's website and may be subject to external recruitment.

To initiate the recruitment process, the Hiring Manager must submit a Requisition Form to HR. The form must be signed by the Department Head, Administrative Services Director (or designee), and Chief of Operations (COO) before the recruitment can begin.

There are three recruitment options available to the Department Head.

- DEPARTMENTAL - Department Employees Only
- INTERNAL - All City Employees
- EXTERNAL - Public and all City Employees

The Department Head and the Administrative Services Director (or designee) will determine which recruitment option will yield the best recruitment option for the vacancy. Any internal recruitment can be changed to an external recruitment at any time.

Citizenship and Immigration Status Verification

The City will not discriminate based on a person's national origin or citizenship status regarding recruitment, hiring, or discharge. However, the City will not knowingly employ any person who is or becomes an unauthorized immigrant. In compliance with the Immigration Reform and Control Act, all employees hired after November 6, 1986, regardless of national origin, ancestry, or citizenship, must provide suitable documentation to verify identity and employability. The documentation must be provided within three (3) days of employment, or the individual will be subject to separation.

Minimum Age

The FLSA requires that employees of state and City employers be at least 16 years old for most non-farm jobs and at least 18 years old for non-farm jobs declared hazardous by the Secretary of Labor. Minors 14 and 15 years old may work outside school hours under certain conditions.

The minimum age requirement for Police Officers is at least 21 years old at date of hire.

The minimum age requirement for Firefighters is at least 18 years old at the date of hire.

Minimum Qualifications

The Department Head shall review the existing job description for determination of minimum qualifications and other necessary duties and requirements. The Department Head shall develop and submit an appropriate Personnel Requisition, updated job description, and Recruitment Plan to the Administrative Services Director (or designee).

Notification

The Administrative Services Director (or designee) shall prepare recruiting documents to publicize vacancies and secure applicants for the vacant position(s). All positions must be publicly posted for a minimum of seven (7) calendar days unless the department has a current eligibility list. Once the HR Department posts the recruitment, the Administrative Services Director (or designee) shall post the recruitment to the appropriate websites and organizations as indicated on the Recruitment form.

Police Officer and Firefighter recruitments are subject to different types of recruitment processes.

Rejection of Applicants

The Administrative Services Director and/or Department Head shall propose rejections of any application or applicant for the following reason(s):

- The application was not submitted within the time specified in the announcement.
- The applicant submitted an incomplete application.
- The applicant does not possess the minimum qualifications.
- The applicant has established an unsatisfactory employment record.
- The applicant has made false statement of any material fact or has practiced deception in his/her application.
- The applicant possesses a condition that would prevent satisfactory performance of essential functions of the job description and no reasonable accommodation can be made.
- The applicant has a habitual use of drugs or intoxicants.
- The applicant has been convicted of a misdemeanor involving moral turpitude or of a felony or a misdemeanor that would reflect upon ability to perform public service.
- The applicant does not reply to a telephone or email inquiry within five (5) calendar days or fails to accept an appointment within the time prescribed in the offer.
- The applicant was previously in City service and was removed for cause or resigned employment and considered 'not in good standing'.
- The applicant is no longer interested in being considered for the position.
- For Police, applicants must meet requirements as stated in TCA 38-8-106.

Notification to Applicants

Once a job offer has been accepted by the applicant, the HR Department shall notify all applicants of the vacancy status.

Review of Applicants

The position will remain posted open for the designated amount of time or until the hiring manager feels that they have enough qualified applicants to begin interviewing. Once the deadline for the recruitment has closed, the Administrative Services Director (or designee) and/or hiring manager shall review all application materials and determine which candidates meet the minimum requirements for the position.

Interviews

The Department Head (or designee) shall be responsible for communicating with the HR Department on the Department's availability for interviews and the applicants they wish to interview. The HR staff will coordinate and schedule interviews with applicants. An HR representative should be included in the interview panel for interviews.

Reference Checks

The intent of a reference check is to find out more information related to the candidate's work ethic, character, and any other information the Department Head (or designee) feels necessary for the job. Prior to a job offer being made, the Department Head (or designee) and/or HR office shall make every reasonable effort to contact the professional references submitted by the candidate. The City will not contact current employers without notifying the candidate in advance.

Job Offer

Once references have been contacted and the hiring manager is ready to proceed with offering the position, the hiring manager will contact the Administrative Services Director (or designee) to discuss starting pay, start date, funding, benefits and more. The COO may be consulted on a job offer package as needed. Accrual rates and other benefits may be adjusted during the pre-employment offer, subject to the COO's approval.

Please refer to Policy HR41 about starting salaries.

Once the job offer package has been mutually agreed upon, the hiring manager shall make a job offer to the qualified candidate. The candidate should be notified that the offer is contingent upon successfully completing all new hire testing and a signed PAF. Once the candidate has accepted the position, the hiring manager will submit the signed PAF to the HR Department. The HR Department will contact the candidate to schedule a time and date to begin their pre-employment process and paperwork.

Once a job offer is made and accepted, all job candidates shall successfully complete and pass all mandated pre-employment, post-job offer testing requirements. This may differ depending on the job and any specific requirements of that position.

Hard-to-Fill

A position may be deemed to be hard to fill when, after advertising, less than three (3) qualified applicants come forth.

For the purpose of unique situations of hard-to-fill positions, when an effort has been made to recruit in accordance with the personnel rules and regulations of the City of Hendersonville, and there are only one (1) or two (2) qualified candidates, the Department Head and Administrative Services Director, with the approval of the Chief of Operations, may consider the qualified individuals to fill the position.

Outside Recruiting Agencies

If necessary and determined to be in the best interest of the organization and the citizens, the City, in conjunction with the HR Department, may utilize outside recruiting agencies to help screen and place qualified candidates into vacant positions.

Section 2. Examinations

Recruitment by Examination

All appointments shall be made according to merit and fitness and may be subject to a competitive exam. If conducted, exams shall fairly and impartially test those matters relative to the capacity and fitness of the applicants to discharge efficiently the duties of the position to be filled.

Admission to Examination

Admission to examinations shall be open to all individuals who have completed an application and meet the requirements specified in the public notice. Each applicant whose application has been accepted for any examination shall be notified of the time, date, and place of the examination.

Types of Examinations

The test(s) held to establish a list of eligible candidates for any class may consist of but shall not be limited to one or more of the following parts:

- Written Examination
- Performance Test
- Physical Agility Test
- Oral Interview
- Drug Test
- Medical, psychological, vision, polygraph, functional capacity, and only required of certain candidates

Medical Examinations

The following provisions shall apply to medical examinations:

Following a conditional offer of employment, every prospective regular full-time employee will be given a pre-employment physical examination and a drug screening by a licensed physician designated by the City. The purpose of these examinations is to determine if the employee meets the necessary physical fitness standards for the position for which he/she was selected for. Regular part-time, seasonal, or temporary employees may be subject to medical examination as determined by the Department Head with concurrence from the Administrative Services Director (or designee). The cost of these medical examinations will be paid for by the City.

A medical examination may be required when an employee is exposed to toxic or unhealthful conditions, requests an accommodation for a disability or has a questionable ability to perform current job duties or the duties of the job for which the employee is being considered.

An employee may request that a second opinion be obtained. The employee may have input in the selection of the second physician or appropriate medical provider, but this choice must be approved by the Administrative Services Director. Should there be disagreement between the physicians and /or medical provider, a third physician or medical provider will be selected with input from the employee, but with the approval of the Administrative Services Director. The majority opinion will be final and binding. The City shall pay the reasonable fee or fees levied by the panel.

Employees determined to be physically or mentally unfit to continue in their positions may be demoted, or they may be separated from the City service only after it has been determined that they:

- cannot perform the essential functions due to a disability that cannot reasonably be accommodated
- pose a direct threat to themselves and/or others

The City is committed to providing a work environment free of discrimination and harassment based on genetic information. It is the City's policy to notify employees and health care providers not to provide genetic information when the City requests health related information. Generally, the notice should be included on request forms and/or provided on a separate form when employees or healthcare providers are asked to submit health-related information.

It is the City's policy to comply with Genetic Information Nondiscrimination Act (GINA) confidentiality requirements by treating genetic information in the same way as medical information. It is also the policy of the City not to retaliate against any employee for complaining about discrimination or harassment based on genetic information. If you feel you have been discriminated or retaliated against, or harassed based on genetic information, follow the City complaint procedure.

Section 3. Eligibility Lists

Establishment of Lists

The Administrative Services department shall assist in establishing and maintaining employment lists of the various classes of positions in the City service as are necessary. Qualified applicants shall be placed upon the appropriate eligible list.

Eligibility Lists shall be of two (2) kinds:

- Entrance Lists from which original appointments shall be made
- Promotional Lists from which promotional appointments shall be made

Promotional lists shall be established as needed in consultation with the Administrative Services Director (or designee).

Supplementing Lists

The Administrative Services Director and Department Head shall review existing employment or promotional lists to determine whether there are an adequate number of eligible candidates remaining. When it is determined a list is inadequate, the Administrative Services Director (or designee) may conduct a new recruitment to supplement the current list. In such instances, each eligible applicant shall be notified that the list is to be supplemented.

For supplementing a Police Officer and Firefighter list, once an individual is notified that the current list is to be supplemented, he or she may retain their present score or may take the supplemental examination. An individual who takes the supplemental examination may choose between his/her original score or the supplemental examination score. A list shall only be supplemented once.

Duration of Lists

Eligible lists and the names appearing thereon shall remain in force for not longer than one (1) year from the date of establishment. In some special circumstances, a list may be extended up to one (1) additional year upon approval of the COO, Administrative Services Director, and the Department Head.

- Any such list may be canceled by the Administrative Services Director if fewer than three (3) available eligible candidates remain on the Entrance List or if the list is determined to be inadequate.
- If the Administrative Services Director reduces the life of or cancels a list, he or she shall notify the Department Head, the COO, and each eligible remaining on the list.

Removal from Lists

The Administrative Services Director may at any time remove the name of an eligible applicant from a list for any one or more of the following causes:

- At the request of the eligible candidate.
- Failure to respond to notice to appear for an interview or any other qualifying exam with the time limit specified in such notice.
- Failure to notify the HR Department or hiring manager of a change of address or contact information and the individual cannot be located or communicated. It shall be deemed impossible to locate an individual when communication emailed to the last known email address or a phone call to the last known phone number is not replied to within three (3) business days.
- In the case of promotional lists, upon separation other than lay-off from the City service.
- The individual declines regular appointments when offered to him/her under such conditions as he or she has previously indicated he or she would accept, or the individual fails to accept appointment within the time prescribed in the offer.
- The Administrative Services Director determines that the individual has ceased to have the minimum qualifications for the class of position(s) in which he or she seeks employment.
- The individual has a habitual use of narcotics or intoxicants or has been convicted of a misdemeanor involving moral turpitude or of a felony or a misdemeanor that would reflect upon ability to perform public service or for which a jail sentence is imposed.

- The individual has made a false statement of any material fact or has practiced deception in his/her application.
- The individual has established an unsatisfactory employment or personnel record (as evidenced by reference check) of such nature as to demonstrate unsuitability for employment.
- He or she has used or attempted to use political pressure or bribery to secure an advantage in the examination or appointment.
- The individual has directly or indirectly obtained information regarding examinations to which, as an applicant, he or she was not entitled.
- Any case where the Administrative Services Director (or designee) finds that an individual is or has in any manner become disqualified for the class in accordance with these policies and the Ordinance.

Section 4. Appointments

Procedure

- Appointments of all employees shall be based on merit and fitness for the position to be ascertained as far as practicable by competitive and other evaluations.
- In accordance with the Personnel Ordinance, all vacancies shall be filled by promotional appointment, original appointment, provisional appointment, transfer, or demotion, unless a qualified candidate is not available.
- Whenever the Department Head wishes to fill a vacancy(ies), a requisition for each position shall be submitted to the HR Department on the form prescribed. The requisition shall state the title, pay grade, and location of the position(s) and any other pertinent requirements of the position(s) that may be necessary.
- Upon receipt of a valid requisition(s), the Administrative Services Director (or designee) will begin the recruitment process or authorize some other kind of appointment as provided in these policies. No appointment, except a temporary appointment, shall be made without such certification or prior authorization.
- The appointing authority may select an employee(s) from a list to fill the position(s) in accordance with Section 2 of this policy. The appointing authority shall immediately notify the Administrative Services Director (or designee) of the person(s) appointed to the vacancy or vacancies.
- In the absence of a certified eligibility list, a temporary appointment may be made.
- During the period of suspension of an employee or pending final action on proceedings to review suspension, demotion, or discharge of an employee, such position(s) left vacant by any such action(s) may be filled on a temporary basis only.

Certification

In accordance with the Personnel Ordinance, certification shall be made from existing lists in the following order of preference:

- Promotional lists
- Employment lists

Upon receipt of a valid requisition(s) and the completion of the recruitment process, the Administrative Services Director (or designee) shall share the list of applicants to the Department Head, or their designee, the names of all candidates who applied successfully and within the time period of the recruitment.

In the absence of an appropriate certified employment list of qualified candidates a temporary appointment may be made by the appointing authority.

The appointing authority shall immediately notify the HR Department of the person(s) appointed to the vacancy or vacancies.

Temporary Appointments

When the Administrative Services Director is unable to certify an eligible candidate for a vacancy, a temporary employee may fill the position up to six (6) months in accordance with the policies.

In the event of a vacancy in a position which is anticipated to exceed a month's duration, an employee may temporarily be appointed to that position. Refer to Policy HR41, Section 3, for additional information.

Department Heads may elect to use an outside agency to temporarily fill the vacancy as needed.

A temporary employee hired by the City may serve only until the position is filled, and may be removed at any time without charges, right of appeal and hearing. Temporary employees are not entitled to fringe benefits.

Emergency Appointments

In an emergency, the appointing authority with approval of the COO and Administrative Services Director may appoint any qualified person to a position to prevent stoppage of public business or loss or serious inconvenience to the public. However, a vacancy of which the Department Head has had reasonable notice, or an employment condition of which he or she had, or might with due diligence have had previous knowledge, shall not be considered an emergency under this section. Emergency appointments shall be limited to a period not to exceed thirty (30) days in any twelve (12) month fiscal year.

Student Appointments

Upon the authorization of the COO, students majoring in fields of value to the City, from qualified, accredited, educational institutions, may be appointed on an 'internship' basis for a specified period of time. They shall not be entitled to become members of the retirement fund, or to accumulate seniority, vacation time, sick leave or other benefits that are allowed regular employees.

Paid or unpaid internships will be determined by the Administrative Services Director, in consultation with the COO, Finance Director, and Department Head.

Seasonal, Temporary, and Part-Time Employees

The following provisions shall apply to seasonal, temporary, and/or part-time employment.

- Persons who are employed to do seasonal or occasional work shall be designated seasonal employees only. Seasonal employees with a satisfactory work record may return the following season without having to compete for their position, provided they notify the department of their intent by an announced closing date.
- Part-time employees are not eligible for benefits except for longevity pay which can be paid for a full year's equivalent service (2,080 work hours).
- Temporary employees, such as clerical, are maintained on a roster for use as occasional replacements or assistance as needed. These individuals are not eligible for any benefits. A roster of these employees is maintained in HR. Qualified applicants may be added to the roster as needed.
- All temporary and seasonal employees shall not be entitled to become members of the Retirement Fund or to accumulate vacation time, sick leave, or other benefits.
- Any temporary employees, who pass the appropriate examination, attain a place on the eligibility list, and are subsequently appointed to a full-time position shall be required to satisfactorily complete a probationary period and meet the acceptable work standards for the position during the period as provided. This period shall be computed from the date of appointment to the full-time position.
- All part-time, temporary, and seasonal employees are required to be processed by the HR Department.

Regular Part-Time Employees and School Patrol Officers

Any employee certified and appointed to work in a regular, part-time, budgeted position at less than 2,080 hours per year shall be classified as Regular Part-Time. He or she shall be allowed to accumulate seniority, holiday pay, vacation time, sick leave, and other benefits at a proportionate rate based on the amount of pay and hours worked. Regular Part-Time employees shall be required to satisfactorily complete a probationary period, meet the acceptable work standards for the position during the period, and satisfy all other requirements of employment as is required of all other regular employees. The probationary period shall be computed from date of appointment or employment.

- School Patrol Officers shall be paid for school-scheduled breaks per the Sumner County School calendar. These 'breaks' shall be paid at 4.0 hours per working day. School-scheduled Christmas 'breaks' taken during late December and early January, Spring Break, Fall Break, Snow Days (those are days in which school is scheduled and later canceled due to adverse weather), and parent/teacher conferences will be paid at 4.0 hours per working day. If school is cancelled after a School Patrol employee has started their work shift, the employee shall be paid for the balance of the day to total 4.0 work hours. In order to receive pay for these 'breaks', employees must be in a 'paid status' the working day immediately preceding and following the School-scheduled 'break'.
- Each School Patrol Officer is authorized to be paid two (2) annual Vacation days (4 shifts) and two (2) Sick days (4 shifts), per school worked, per school year. One half of the allowed annual Vacation and Sick days shall be earned after three (3) months of employment, and the second half will be earned after six (6) months of employment in the first year. These Vacation and Sick days may be accumulated and carried forward from school year to school year; however, maximum Vacation Carryover shall not exceed the equivalent of what the employee earns in that school year. Accrued Vacation days will be paid upon termination of employment.
- Each School Patrol Officer must obtain a licensed doctor's certificate for all sick absences more than three (3) continuous workdays (six shifts per school). At least seven days' notice must be given to use Vacation leave.
- School Patrol officers shall be paid mileage between schools in the event multiple schools are worked. It shall be the responsibility of the Support Services Lieutenant to monitor mileage requests. It is the responsibility of the employee to track and submit all mileage reimbursement forms as appropriate.
- School Patrol employees who hit their 2,080-threshold work hour equivalency during a fiscal year that Merit Increases are not awarded and have met the expectations to be qualified to receive a Merit Increase, shall be eligible to receive their appropriate Merit Increase during the next fiscal year that Merit Increases are awarded. This Merit Increase shall be given to qualifying employees on their next Service Anniversary Date as established from the most recent 2,080 threshold equivalency. These Merit Increases shall be awarded consistent with our policy and the practice of our Full-Time employees.

New Hire Onboarding

Once a job offer is made and accepted by a qualified candidate, the Department Head (or designee) should notify the Administrative Services Director (or designee) as soon as possible. The HR Department will contact the candidate and schedule a time to meet with the candidate to begin their pre-employment process and testing.

Once a qualified candidate successfully completes their pre-employment process, the HR Department will notify the Department Head of the candidate's first day of employment. The Department Head (or designee) shall contact the candidate to finalize any details and first day logistics (where to be, what to wear, who to report to, etc.) and any other necessary department-specific items that will be helpful for the candidate to begin their employment.

New Hire Orientation will be scheduled and conducted by the HR Department. Once a date and time is set for orientation, HR will notify the appropriate department, supervisor, and new employee.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR31
SUBJECT: BARRY BRADY ACT

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 2

The Barry Brady Act (Act) amended Tennessee law, T.C.A. § 7-51-201(d), by adding a subsection which outlines specific types of cancers that are presumed to have been acquired as the result of employment in the fire service and the eligibility requirements for firefighters seeking to be covered by the presumption. This public chapter outlines specific employment, pre-employment, and annual medical monitoring that a firefighter must undergo in order to be covered by the presumption.

There is a presumption that any condition or impairment of health of firefighters caused by all forms of cancers covered by this statute, that results in hospitalization, medical treatment or disability, has arisen out of employment, unless the contrary is shown by competent medical evidence.

Any such condition or impairment of health that results in death is presumed to be a loss of life in the line of duty, to have arisen out of employment, and to have been in the actual discharge of the duties of the firefighter's position, unless the contrary is shown by a board-certified physician of oncology. Secondary employment and/or lifestyle habits may be considered when determining whether a firefighter is eligible for the presumption.

Cancers covered are all forms of the following:

- Non-Hodgkin's Lymphoma
- Colon cancer
- Skin cancer
- Multiple myeloma cancer
- Leukemia cancer
- Testicular cancer
- Breast cancer
- Pancreatic cancer
- Prostate cancer

Eligibility Requirements

- Must be employed as a firefighter for the State of Tennessee, a municipality, or other political subdivision of the state that maintains a fire department that has established or establishes any form of compensation to be paid to a firefighter for any condition or impairment of health that results in loss of life or personal injury in the line of duty or course of employment.
- Must have been exposed to heat, smoke, and fumes, or carcinogenic, poisonous, toxic, or chemical substances,

- while performing the duties of a firefighter in the firefighter's capacity as an employee.
- Must have completed five (5) or more consecutive years in service with an eligible fire department.
- Must acquire one of the covered cancers.
- Must obtain a physical medical examination after July 1, 2022, and the examination must include a cancer screening that fails to reveal any evidence of the cancers listed in this subsection.
- Must obtain an annual physical medical examination that includes cancer screening for the cancers covered by this Act.

Consent or Declination Form

Every pre-employment firefighter candidate with the City must complete the City 'Physical Medical Examination Consent or Declination Form' at the time of hire and annually thereafter.

Am I automatically covered?

An eligible employee is NOT automatically covered under this Act. The presumption is rebuttable. A board-certified physician of oncology may consider lifestyle habits or secondary employment when deciding of eligibility for the presumption.

Cost

The City is responsible for all costs associated with any medical examinations and cancer screenings pursuant to the Act. The eligible employee must request the medical examination and cancer screening tests from the City.

Individuals that meet the eligibility requirements for the presumption are eligible for benefits for up to five (5) years from the date of the individual's last exposure to heat, smoke, and fumes, or carcinogenic, poisonous, toxic, or chemical substances, while performing the duties of a firefighter.

If an eligible employee is diagnosed with a cancer that is not listed in the Act, the cancer will not be considered as having arisen out of employment under this Act.

The City encourages all employees to make sure they have updated Beneficiary information on file with Human Resources (HR).



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR40
SUBJECT: CLASSIFICATION PLAN

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 3

Section 1. Purpose

In accordance with the Personnel Ordinance, the classification plan provides a complete inventory of all positions in the City's service and an accurate description and specification for each class of employment. The plan standardizes titles, each of which is indicative of a definite range of duties and responsibilities and has the same meaning for all employees.

Section 2. Composition of the Classification Plan

The classification plan shall consist of:

- A grouping in classes of positions which are approximately equal in difficulty and responsibility, which call for the same general qualifications, and which can be equitably compensated within the same range of pay under similar working conditions, reflecting the hierarchical structure of the organization
- Class titles, descriptive of the work of the class, which identify the class
- Written specifications for each class of positions
- A class may contain one (1) or more positions

Section 3. Use of Class Titles

Class titles are to be used in personnel, accounting, budget appropriation, and financial records. The City can use a working title different from the class title.

Section 4. Use of Class Specifications

Specifications are to be interpreted in their entirety and in relation to others in the classification plan. Phrases or examples are not to be isolated and treated as a full definition of the class. Specifications are to be descriptive and explanatory of the kind of work performed and not inclusive of all duties performed. The minimum qualification standards on class specifications should serve as norms for applicants coming into the class.

Section 5. Use of the Classification Plan

The classification plan is to be used:

- As a recruiting guide for employment
- In determining lines of promotion and in developing employee training programs
- In determining salaries
- In providing uniform, understandable job terminology

Section 6. Administration of the Classification Plan

The Chief of Operations (COO) or their delegated representative is charged with maintenance of the classification plan to ensure equity and fairness and to propose changes in the plan if there are changes in the duties and responsibilities of existing positions and periodically to review the entire classification plan.

Please refer to policy HR41 for the process of pay discrepancies. Pay issues or disputes related to pay are not eligible to be filed as a grievance.

The class plan shall be reviewed at least every four (4) years or as changing conditions require, upon recommendation of the Administrative Services Director to the COO, and with the approval of the governing body.

When the plan review includes other city comparisons, criteria for such review should include the following to establish comparable cities:

- Location
- Population
- Size of local government – number of employees
- Size of local government – budget
- Market competitors (agencies that may regularly draw away City employees)
- TCRS/defined benefit employers with comparable benefits and retirement contributions

*Other factors of significant importance as deemed appropriate by pay consultant and/or Administrative Services Director

The pay scale of the classification plan shall be considered for adjustment anytime the grouped pay schedule fluctuates more than 2.5% from comparable market analysis. The city has the following grouped pay schedules for full-time employees: Police, Fire, and General.

In addition to the pay scale, the classification plan shall also analyze all other forms of compensation and benefits. All forms of compensation include, but are not limited to, base pay, supplemental pay, special duty pay, incentive pay, and any other additional compensation received by public safety employees and all other employees. All forms of benefits include, but are not limited to, vacation leave, sick leave, holiday pay, health insurance, dental and vision insurance, retirement contributions, disability insurance, and any other benefits that contribute to overall employee compensation.

Section 7. Allocation of Positions

Before a new position is established or a department head modifies the duties/job description of an existing position, Department Heads shall submit in writing a comprehensive job description describing in detail the duties of such a position and/or changes to the existing position. The Administrative Services Director, or designated representative, shall review and analyze the actual and/or suggested duties. Modifications to existing duties/job descriptions may be authorized by the Administrative Services Director if said modifications fall within the existing class/responsibility level of the positions grade. For new positions, or modifications to existing positions that are outside the responsibility level of the existing grade, an appropriate class allocation shall be recommended, or the request denied.

The Administrative Services Director shall determine the appropriate classification for the revised or new position, subject to the approval of the COO. The Administrative Services Director shall consult with the appropriate Department Head in making all such classifications. Prior to submitting a recommendation to the Board of Mayor and Aldermen, the General Committee of the Board of Mayor and Aldermen shall review the request and recommendation for the presentation to the Board of Mayor and Aldermen.

Section 8. Request for Reclassification

In the event any employee considers their position improperly classified and it has not previously come to the attention of the Administrative Services Director and/or Department Head, the employee shall submit a written request to the Supervisor and/or Department Head within 60 days. The Department Head shall review the request and justification submitted and if the Department Head finds that there is merit in the request, they shall submit their recommendation to the Administrative Services Director. If the Administrative Services Director finds that there is merit in the request, they shall submit the recommendation to the COO. If the request is not justified at any point during the process, the employee should be notified of the outcome.

Section 9. Payroll Action Form (PAF)

To ensure uniformity in documenting all payroll related matters, such as those items specified below:

- The City's standard "Payroll Action Form" shall be used by all departments to document and route according to City Human Resources (HR) Policies.
- PAFs will be prepared in full and submitted for New Hires, Grade/Step Change, Promotion, Demotion, Transfer, Separations, Change of Status, court ordered deductions such as garnishments, tax levy, wage assignment, etc.
- Each approved PAF will be retained by HR in the applicable employee's master file(s).
- Not all PAFs are confidential personnel records and are subject to and governed by applicable regulations and policy, including the TN Public Records Act.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR41
SUBJECT: PAY PLAN

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 8

Section 1. Composition

The pay plan shall consist of minimum and maximum rates of pay and intermediate steps for each existing class of positions.

Section 2. Maintenance of the Pay Plan

The plan is based on general rates of pay for similar employment in public jurisdictions in the area, cost of living data, the financial condition of the City and other factors. To this end, the Administrative Services Director, under the direction of the Chief of Operations (COO), and in consultation with the Finance Director, will make comparative studies of all factors affecting the level of salary ranges, in accordance with policy HR40 or as directed by the Board of Mayor and Alderman (BOMA). The COO shall then recommend to BOMA such changes in salary ranges as appear to be in order.

After the pay plan has been adopted by the governing body, the Administrative Services Director shall assign each job class to one of the pay ranges provided in the pay plan.

On the effective date of a new or revised pay plan, the pay of employees receiving less than the minimum rate for their class shall be increased to the minimum rate of the salary range. Employees receiving more than the maximum rate of their class shall continue to receive that higher rate. Employees whose salary rates fall at any step in the range for the position shall continue at that rate. Rates at other than an established step of the salary range shall be increased to the next higher step.

Section 3. Use of Salary Ranges

Salary ranges are intended to furnish administrative flexibility in recognizing individual differences among positions allocated to the same class, in providing employee incentive, and in rewarding employees for meritorious service. The following general provisions shall govern the granting of salary range increase.

Hiring Rate

The minimum rate established for the class is the normal hiring rate. Where unusual circumstances warrant employment of an employee at a higher rate in the pay range, exceptions can be made. For example, the inability to fill the position at the hiring rate or the qualifications of an applicant that require the City to be competitive in their offer.

The hiring authority desiring to appoint an applicant at a salary above the normal hiring rate must submit a written

justification through the Administrative Services Director to the COO for approval. Such appointments shall be decided by the COO.

Department Head hiring rates will be determined on a case by case basis by the COO.

Combined Rate

An employee's combined rate of pay is defined as the base pay rate plus educational attainment pay (e-pay). Combined rate does not include items in Section 4, Additional Pay Benefits.

Merit Salary Increases

Merit increases are not automatic and will be granted only in recognition of performance meeting or exceeding expectations or outstanding performance by written recommendation of the Department Head and approval of the COO. Movement through pay ranges shall be made based on performance. To reward performance, an employee who meets or exceeds the performance standards shall receive a one-step pay increase. No employee can be advanced beyond the maximum step in their respective pay range. If an employee has reached the maximum step of their respective pay range, then they are eligible for a one-time bonus on their effective date, subject to the department head submitting justification along with the PAF, based on the employee's performance rating during the annual evaluation period. The bonus will be equal to an additional longevity payment.

In accordance with the HR60 Policy, performance evaluations will be completed and forwarded to the HR office by the provided payroll deadlines in the month of the employee's Service Anniversary Date. The pay increase is effective during the first pay period after the employee's Service Anniversary Date.

If an employee evaluation is not completed by the supervisor within 30 days of the anniversary date, Human Resources (HR) will add the appropriate merit step, provide any retroactive wages owed, and notify the COO of the delinquent evaluation.

Lateral Transfers

If a public safety candidate, specifically police officers and firefighters, are being considered for employment and have previously served in a certified capacity at another recognized agency, that candidate may be eligible to receive credit toward their starting pay grade at a ratio of one year of prior certified service to one-half year of creditable service for pay purposes (Ordinance 2025-15). This is solely for the purpose of determining initial compensation and shall not be construed to confer any rights related to seniority, benefits, or departmental standing beyond those otherwise granted under City or departmental policies.

Acting Capacity in a Higher Rated Position

In the event of a vacancy in a position which is anticipated to exceed a month's duration, an employee may temporarily be assigned to that higher rated position.

If an acting appointment is made, the following shall apply: the appointment is limited to a maximum of one (1) year; the COO may waive a probationary period should the acting appointee be promoted to the position.

The employee should be paid a stipend of 10% for the duration of the assignment, as approved by the COO.

Reclassification Pay Rate

The salary of an employee whose position is reclassified and allocated to another class in the same or higher level shall be moved to the step closest to their current rate of pay, without decreasing pay, at the new grade level. The salary of an employee whose position is reclassified and allocated to another class at a lower level shall not be changed unless authorized by the appointing authorities.

Section 4. Additional Pay Benefits

Pay indicated in this section are not considered part of an employee's base pay and are subject to change. Department Heads hired after March 1, 2026 are not eligible for Additional Pay Benefits.

Shift Differentials

Police employees shall receive additional pay while assigned on a regular, long-term basis to any of the following shifts in the following amounts:

- 1st (day) shift: None
- 2nd (evening) shift: Plus \$0.30 per hour while assigned.
- 3rd (midnight) shift: Plus \$0.40 per hour while assigned.
- Rotating shifts: Employees who rotate shifts on a regular basis shall receive additional pay in the amount of \$0.27 per hour.

H.E.A.T. (SWAT) and Negotiator

Police employees who are members of the H.E.A.T. (SWAT) or Negotiator teams shall receive \$35.00 per month while assigned.

Motorcycle, Bicycle, K-9, Mounted Patrol

Police Department employees who operate these during their shifts shall receive an additional \$65.00 per month while assigned.

Emergency Medical Technician and Paramedic Certification

Public Safety employees who hold an EMT certification shall receive an additional \$125.00 per month. Employees who hold a paramedic certification shall receive an additional \$500.00 a month. An employee may receive either EMT or Paramedic pay, but not both.

Court Time

Whenever a Non-Exempt Public Safety employee is required to attend Court in connection with their official duties, that time counts toward their hours worked. If they are required to attend Court on scheduled time off, that time shall be compensated at the rate of 1 ½ times their regular rate and a minimum of two (2) hours credit given.

Uniform Allowance

A uniform allowance of \$700.00 per fiscal year is established for Criminal Investigators. Receipts are required for reimbursements and must be submitted to HR for payment.

Hazardous Materials (HazMat) Technician Certification

Firefighters who have or attain and maintain HazMat Technician Certification shall receive an additional \$75.00 per month.

Dive Team

Fire Department employees who are certified Dive Team members shall receive \$30.00 per month while assigned.

Air Pack Technician

Fire Department employees who are certified Air Pack Technicians shall receive \$30.00 per month while assigned.

On Call

Public Safety, Parks, and Public Works personnel whose positions require them to be on call shall receive \$35.00 per month.

Spanish Speaking Bonus

After successful completion of a formal Spanish Speaking exam provided by the HR Department, designated personnel shall receive a one-time bonus of \$2,500.00 (Resolution 2008-02 and Resolution 2014-06).

- Each Department Head will determine the maximum number of Spanish-speaking employees needed in their department, with all initial bonuses being funded from the current fiscal year's salary appropriation.
- To qualify for the bonus, employees must successfully pass the appropriate examination provided by the City approved vendor.
- HR will send the exam results to the employee, supervisor, and Department Head. If the employee receives passing scores, their department shall submit a PAF to the Human Resources office so that the bonus can be applied through payroll. If an employee does not receive an acceptable passing score, they may elect to re-test in a minimum of thirty (30) days, scheduling with the Human Resources office.
- If the employee terminates employment with the City within the first twelve (12) months after receipt of the bonus, the employee shall be required to repay the City the bonus in its entirety. After the first twelve (12) months, the repayment amount is prorated on a 24-month basis.
- After two (2) continuous years of City service following receipt of the initial bonus, if the employee terminates employment with the City, no repayment of the bonus shall be required.
- Funding for the bonus shall be by an appropriation in the appropriate fiscal year's operating budget.

Field Training Officer (FTO)

Police Department employees who are trained and approved as an FTO shall receive one (1) hour of overtime for each shift he or she performs the requisite training.

Section 5. Call Back Pay

Call Back occurs when Non-Exempt employees are called back to 'non-scheduled' work by their Department Head and/or Supervisor due to an emergency (accident, fire, flood, snow, civil disturbance, acts of God or related) after completing their scheduled tour of duty and have returned home. Employees called back will be credited with a minimum of 2.0 work hours or the hours worked (including up to 30 minutes of total travel time), whichever is greater. Credited hours will count toward the overtime threshold.

Section 6. Longevity

Subject to annual budget approval, starting with the completion of the first year of continuous full-time service, employees shall receive a bonus of \$100/year for employment to a maximum of 20 years of full-time service. Employees who exceed 20 years of service will continue to receive the maximum amount equivalent to 20 years of full-time service each subsequent year. If approved, the Longevity bonus is paid out on the last paycheck of the employee's service anniversary month. Longevity pay is specifically excluded from normal pay totals; however, it is included in overtime rate calculation per FLSA.

If an employee terminates employment before their service anniversary date, they are not eligible to receive the longevity payment. For example, if an employee's service anniversary is April 15 and they terminate on April 2, they will not be eligible for the longevity payment. If the employee terminates after their service anniversary date, they are eligible to receive the longevity payment.

Each year employees are recognized for their completed years of service in 5-year periods of service with the Municipal Government. Employees shall be presented with a service award by the Mayor, or designee. Employees eligible for awards will be notified of the time and place of the presentation.

Employees completing twenty-five (25) years of continuous service will receive an additional award of three (3) full days off at their choosing. Such time off shall not be deducted from vacation or sick leave and must be used within one (1) calendar year from the date of notice.

Section 7. Overtime and Compensatory Time

Overtime payment shall be made in accordance with the applicable FLSA and City ordinances. Overtime shall not be

worked unless in the public interest or to preserve public health and safety.

Opportunities to work overtime shall be allocated as evenly as possible among all Non-exempt employees qualified to do the work. Where such overtime is required, it must be pre-approved by the Department Head, or their designated representative except in the case of an emergency. No employee shall work prior to or after their scheduled workday hours or during their lunch break without prior authorization from their supervisor. Unauthorized work could lead to disciplinary actions.

Overtime Thresholds

The following shall be the overtime thresholds recognized by the City:

- 40 hours per week
- 42.5 hours per week – assigned uniformed Police personnel
- 204 hours in a 27-day period – assigned uniformed Fire personnel

The City work week begins at 11:00 PM CST every Saturday night. Non-exempt employees required to work hours that exceed their overtime threshold shall be compensated at time and a half.

Employees who accumulate Compensatory Time balances during the fiscal year will have all but one week of Compensatory Time balances cashed out if not used by March 31 each year.

Except for Firefighters whose work period is 27 days, the standard work week for Non-exempt employees is seven (7) days. Supervisors may reschedule any working hours up to the applicable overtime threshold. Once the overtime threshold is met, the Non-exempt employee receives either overtime payment or compensatory time computed at one and a half (1.5) times hours worked beyond the threshold. Holiday hours taken during the work period are counted towards the threshold, but other leave hours are not.

When employees earn overtime pay, they will have the option of receiving Compensatory Time to use later or payment for overtime worked.

Upon termination of employment, all accumulated Compensatory Time will be paid to the employee at the employee's regular base pay rate at the time of termination.

Section 8. Rescheduling Work Hours

It is the City's policy to reschedule work hours within a given work period to keep total work hours from exceeding the overtime threshold.

Holiday hours will count as hours worked toward the overtime threshold when overtime occurs after the Holiday Time has already been taken in the work period with two exceptions:

- They cannot be used on the same day to create an overtime benefit. Employees may not use a benefit to earn another benefit.
- Overtime acquired earlier in the work period cannot be added to Vacation, Holidays, or Compensatory Time taken later in the work period. These hours shall be rescheduled, and equivalent leave benefit time returned to benefit balances.
- See Policy HR51 for additional information.

Section 9. Education Attainment Pay (E-Pay)

Only degrees issued by institutions accredited by one of the six regional accrediting agencies recognized by the Council for Higher Education Accreditation (CHEA), qualify for E-Pay. Information Technology employees may qualify for E-Pay with degrees from schools not recognized by the CHEA so long as such schools are accredited by the

Accrediting Commission of Career Schools and Colleges of Technology or a similar accrediting agency. These are listed by the United States Department of Education as a nationally recognized accrediting agency.

Employees who have or attain educational degrees where such degrees are not part of the minimum qualifications for their job class shall receive additional pay step increments on their respective pay grade /step as follows:

Required Education	Advanced Degree (hired before March 1, 2026)			
	Associates	Bachelor's	Master's	PhD
High School	2.5%	5%	7.5%	N/A
Associate's Degree	-	2.5%	5%	N/A
Bachelor's Degree	-	-	2.5%	N/A
Master's Degree	-	-	-	N/A

The E-Pay designation on payroll will show as follows (only if hired before March 1, 2026):

- E1 – 2.5%
- E2 – 5%
- E3 – 7.5%

For purposes of employee's salary, E-Pay shall be added to the employee's base salary and that total shall be considered the employee's Combined Rate (take home salary). For information on how E-Pay works related to a change in employment status, please see the HR42 Policy.

If approved, changes in pay status will be made on the soonest effective payroll date after approval is granted and submitted to the HR Department.

Employees hired on or after March 1, 2026, or receiving educational degrees on or after March 1, 2026.

Employees shall be compensated via pay step advancement the appropriate number of steps for any education above the minimum qualifications for the position in which they were hired.

Examples:

- A position requires a High School Diploma, and a candidate is hired with an Associate's Degree. The minimum job offer should be the hiring rate plus an additional one (1) pay step to account for the degree.
- A position requires a High School Diploma, and a candidate is hired with a Bachelor's Degree. The minimum job offer should be the hiring rate plus an additional two (2) pay steps to account for the degree.

Employees who attain educational degrees on or after March 1, 2026, above the minimum requirement for the position they hold are eligible to receive a one-time, one (1) pay step increase for each degree level. This credit will only be applied once during employment per degree level. Employees cannot receive multiple increases for the same degree level (for example, two Bachelor's degrees will only equal a one (1) pay step increase). Step increases cannot exceed the maximum of the salary grade.

If an employee was hired or promoted to a position through experience in lieu of education and then later obtains a degree, that employee is only eligible for an additional increase if the education exceeds the minimum qualifications of the position. For example, an employee is hired based on experience in lieu of a Bachelor's degree and later obtains a Bachelor's degree, they would not be eligible for e-pay because the degree was a qualification of the position.

Employees hired before March 1, 2026 and who have an existing pay assignment of E-pay prior to March 1, 2026, shall be considered grandfathered under the following conditions.

Grandfathered E-Pay Employees

Employees who had E-Pay before March 1, 2026, shall maintain their current E-Pay status and equivalent percentage (2.5%,

5% or 7.5%). Once a grandfathered employee is promoted into a position that requires a level of education commensurate or greater than their existing position, the E-Pay will be recalculated in their promotion/transfer/demotion rate, and they will become ineligible for continued grandfathered status. However, in such case that a grandfathered employee possesses education in excess of the promoted position, said employee will retain the e-pay designation for the portion that is in excess of the promotion requirement; however, the 7.5% promotional increase applies to the combined rate (inclusive of the residual e-pay designation). In no way is this intended to be a loophole to increase the promotional Combined Rate of 7.5%. For example, the grandfathered employee may have a mix of a base rate hike plus an e-pay designation to provide a Combined Rate increase or decrease of 7.5%.

A grandfathered employee may elect to substitute E-pay designation(s) for pay step increase(s), if they so choose.

Examples:

- A grandfathered employee has an Associate's Degree with an E1 designation in a position that requires a High School Diploma. The employee is promoted into a position that also requires a High School Diploma. The employee would keep their E1 designation.
- A grandfathered employee has an Associate's Degree with an E1 designation in a position that requires a High School Diploma. The employee is promoted into a position that requires an Associate's Degree. The employees would be ineligible for an E1 designation.
- A grandfathered employee has a Bachelor's Degree with an E2 designation in a position that requires a High School Diploma. The employee is promoted into a position that requires an Associate's Degree. The employee would be eligible for the E1 designation.

Section 10. State Salary Supplemental Pay for Public Safety

Any police and fire employee that meet qualifications for State Salary Supplemental pay (as defined by Tennessee Codes) are eligible to receive a state-defined amount of pay during the pay period following receipt of check from the State of Tennessee. Supplemental pay will not be paid to employees terminated for cause during the calendar year, even after meeting the qualifications. Former Police and Fire personnel that no longer work for the City and have transferred agencies, shall be paid by the agency that they were employed with on December 31st of the appropriate year.

Section 11. Pay Discrepancies

If an employee identifies an error within their pay, they should notify Human Resources as soon as possible. It is the responsibility of the HR office to research the employee's pay history and the policies that were in place at the time of the identified error. If the error is found to be substantiated, HR will identify the appropriate actions to correct the error.

Retroactive Payments Eligibility:

- The City must be the one that made the clerical error occur. Retroactive pay cannot be provided if the pay error was created from an action of the employee.
- The employee is only eligible for retroactive pay if they are actively working in the same or a similar full-time capacity as when the pay error occurred. A retired employee or an employee that has transferred to a different, diminished, or part-time position is not eligible for retroactive payment. Employees who separated service and returned to the same or similar position are not eligible for retroactive payment.
- Retroactive pay will be applied per legal guidance. Retroactive pay shall not exceed one (1) year from the date of the official report to HR.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR42
SUBJECT: PROMOTIONS, DEMOTIONS, AND
TRANSFERS

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 7

Section 1. Consideration

When making any employment decisions, the Department Head, in consultation with the Administrative Services Director and Finance Director, shall ensure budget integrity as well as internal City equity consistent with equal opportunity principles and applicable laws.

A Department Head should consider the following factors to justify their request: budget and financial issues; applicant knowledge, skills, abilities, and competencies; recruiting and turnover factors; internal salary equity; business needs; duties and responsibilities; training and education; related certificates or licensures; total related work experience and other relevant criteria. Request for exceptions to above entry minimum must be approved by the Chief of Operations (COO).

Section 2. Probationary Periods for Promotions, Demotions, and Transfers

An employee who is promoted to a new position shall be required to serve a new six (6) month probationary period in their new position from the date of the promotion. For additional information on conducting a Performance Evaluation, please review Policy HR60.

An employee who is demoted or transferred to a new position shall be required to serve a new twelve (12) month probationary period in their new position from the date of the demotion or transfer. For additional information on conducting a Performance Evaluation, please review Policy HR60.

Section 3. Start Date / Effective Date

If an employee accepts a Promotion, Demotion, or Transfer from one department to another per this policy, both Department Heads shall mutually agree on a reasonable start date in the new department. It shall be effective no sooner than the first day of the following pay period.

Examples (based on pay periods starting on the 7th and 22nd of each month)

- If an employee's evaluation is due between the 22nd and the 6th of the following month, their increase will be effective on the 7th, if applicable.
- If an employee's evaluation is due between the 7th and 21st of the month, their increase will be effective on the 22nd, if applicable.
- If an employee is promoted between the 7th and 21st of the month, the change and any increase will be effective on the 22nd.
- If an employee is demoted on the 23rd of the month, the change and any increase will be effective on the 7th.

Section 4. Promotions

A promotion is the change of an employee to a position in a classification at a higher salary grade with an increase in duties and responsibilities. Employees are encouraged to take advantage of those opportunities by developing themselves for advancement through further education and study. The employee's job performance and years of service will also be strongly considered. Other factors may be considered related to the promotional opportunities.

When applicable, qualified employees may be given preference for promotions when filling vacant positions. Full-time employees in good standing, who meet the minimum qualifications of the vacant position, shall be eligible to compete in the promotional process. However, a vacancy may be filled with an external recruitment.

Promotion Procedures

- Department Head (or designee), in consultation with the Administrative Services Director (or designee), shall determine the method of selection and process to be used when a promotional vacancy is being filled.
- The Administrative Services Director (or designee) shall maintain a list of eligible candidates. If possible, the Department Head shall fill the position with these candidates.
- When only 1 or 2 employees meet the qualifications for a vacant (or soon to be vacant) promotional position, the Department Head, with the approval of the Administrative Services Director and COO, may promote one of the qualified employees after the process is conducted; otherwise, an external recruitment must be launched.

Notification

Once a Requisition is submitted by the Department Head and approved by all necessary parties, the Administrative Services Director shall ensure that employees have the opportunity to be notified of a promotional opportunity. Notices of promotional opportunities should be circulated throughout the appropriate department/job classes within the City.

Intent to Compete

Each eligible employee who has satisfactorily completed their Probationary Period, meets the minimum qualifications of the position, and desires to compete for the promotion must fill out the required materials prior to the posted deadline. Materials may be different for each position/department.

Promotion Pay Rate

When an employee is promoted to a higher classification position, subject to budgetary limitations, the employee's salary shall be advanced only to the step rate in the new pay range which provides a 7.5% increase over the employee's previous pay rate. If the employee's pay is below the minimum pay rate in the new range, the employee's pay rate shall be increased to the minimum pay rate in the range. When an employee is promoted from a non-exempt (hourly) position to an exempt (salaried) position, an additional 2.5% should be added to the promotional pay rate to adjust for the loss of any overtime earnings. No promoted employee shall be paid above the maximum rate of pay allowed in the new pay range.

Internal candidates who are promoted into a Department Head position shall start at step 5 or a 7.5% increase, whichever is more (credit given for years of service).

Promotional pay rates should include an employee's Educational Attainment Pay (E-Pay), if applicable, when calculating their 7.5% pay increase. In certain cases, in the past, when an employee was promoted their base pay was increased 7.5% but then their e-pay of 2.5% was removed leaving them with a combined pay rate increase of only 5%. This section of the policy seeks to give guidance and mechanics on how to avoid promotion rates that fall below a combined rate of 7.5%, by making sure the e-pay is included into the promotional calculation. This policy is not intended to make the combined rate more than 7.5%, although that may happen if an employee jumps up to a pay grade that has a starting pay step significantly higher than their current pay step. The following examples are not exhaustive, but they provide the mechanics to consistently remedy the issue of receiving less than a 7.5% combined pay increase when promoting.

An employee's existing Education Pay amount is added to Base Pay and thereafter all pay adjustment calculations would be based on the Combined Rate (e-pay plus base pay). Other supplemental pays should not be included in this

calculation and should be considered extra if applicable (heat pay, shift diff, EMT pay, etc.).

- If an employee is promoting and has E-Pay, the combined (promotional) pay rate should be determined by adding the employee's (unpromoted) base pay from the current pay grade/step and their E-Pay amount: this forms their combined rate.
- Once the combined rate is determined, then a pay step on the promotional grade must be found that provides the employee with a 7.5% pay increase.
- Once the promoted pay step is determined, that dollar amount will remain unchanged but the pay step and Educational Attainment Pay (E-Pay) should be re-calculated appropriately so that the combined rate provides a 7.5% increase.
- In some cases the pay step may drop one or two levels and then one or two e-pay designations may be added back to maintain a 7.5% increase, in some cases the pay step will not drop and no e-pay will be added back to maintain a 7.5% increase.
- E-Pay designation is removed if the employee's education does not exceed the requirements of the promoted position.

Note: these examples are only for employees who received an e-pay designation prior to the effective date of this 2026 update. All employees receiving educational pay after the adoption of this policy will have their pay step increased in lieu of an e-pay designation. E-pay designation will be wound down as employees retire.

Example 1:

- A vacant position requires an Associate's Degree (Grade GE15) and the employee is currently in a position that requires High School Diploma and is receiving E1 pay for their Associate's Degree. Their current salary is GE09, Step 5 with an E1 designation. Their Combined Rate would be GE09/Step 5 + 2.5% for E1.
- Hourly Rate: \$20.1193
- E-Pay (E1) Rate: \$0.5031 / hour
- Combined Rate: $\$20.1193 + \$0.5031 = \$20.6224$ / hour
- The promotion rate is calculated by multiplying the Combined Rate * 7.5%
- $\$20.6224 \times 7.5\% = \1.5467 / hour
- $\$20.6224 + \$1.5467 = \$22.1691$ / hour
- Minimum promotion rate (this is a Combined Rate): \$22.1691 / hour
- On Grade GE15, the closest step that provides a 7.5% increase is Step 1, \$24.5078 / hour.
- The promotion rate for the employee's new position will be Grade GE15 / Step 1. No E-pay is applied since the new position requires the degree.

Example 2:

- A vacant position requires an Associate's Degree (Grade GE15) and the employee is currently in a position that requires High School Diploma and is receiving E2 pay for their Bachelor's Degree. Their current salary is GE09, Step 5 with an E2 designation. Their Combined Rate would be GE09/Step 5 + 5% for E2.
- Hourly Rate: \$20.1193
- E-Pay (E2) Rate: \$1.0186 / hour
- Combined Rate: $\$20.1193 + \$1.0186 = \$21.1379$ / hour
- The promotion rate is calculated by multiplying the Combined Rate * 7.5%
- $\$21.1379 \times 7.5\% = \1.5853 / hour
- $\$21.1379 + \$1.5853 = \$22.7232$ / hour
- Minimum promotion rate: \$22.7232 / hour
- On Grade GE15, the closest step that provides at least a 7.5% increase would be Step 1, \$24.5078 / hour.
- Grade GE15 / Step 1 with E1-pay designation would apply.

Example 3:

- A vacant position requires an Associate's Degree and is a Grade GE18. The employee is currently in a position, Grade GE14, that only requires a High School Diploma but is receiving E2 pay because they have a

Bachelor's Degree. Their current salary is GE14, Step 12 with an E2 designation. Their Combined Rate would be GE14/Step 12 + 5% for the E2.

- Current Hourly Rate (GE14/Step12): \$32.6377
- Current E-Pay (E2) Rate: \$1.6319 / hour
- Combined Rate: \$32.6377 + \$1.6319 = \$34.2696 / hour
- The promotion rate is calculated by multiplying the Combined Rate * 7.5%
- $\$34.2696 \times 7.5\% = \2.5702 hour
- $\$34.2696 + \$2.5702 = \$36.8398$ / hour
- Minimum promotion rate: \$36.8398 / hour (promotional rate will be a mix of base pay and e-pay)
- On Grade GE18, the closest step that provides at least a 7.5% increase would be Step 9, a dollar amount of \$36.9251 / hour.
- \$36.9251 / hour is established as the dollar amount that provides an increase of 7.5% of the employees combined pay.
- In this example the grandfathered employee has education in excess of the requirement by one level so the employee will receive E1. Therefore, the new combined pay will a mix of base pay and e-pay, so that \$36.9251 / hour is achieved by combining base pay of Step 8 (36.0245) with E1 (0.9006) to equal \$36.9251
- The promotion rate for the employee's new position would be Grade GE18 / Step 8 plus E1.

Grandfathered E-Pay Employees

No one hired before March 1, 2026 and receiving E-pay before March 1, 2026 will lose E-Pay in their current position. If promoted, the employee will be subject to the policies as appropriate.

Employees who had E-Pay before March 1, 2026, shall maintain their current E-Pay status and equivalent percentage, unless promoted to positions that make their e-pay ineligible. If a grandfathered employee is promoted into a position that requires the level of education they currently possess, they will be ineligible for an E-pay designation. Instead, their combined rate (E-pay plus base rate) will be used to compute a 7.5% promotional pay increase, see examples provided in this policy. If a grandfathered employee promotes and possesses education in excess of the educational requirement of the promoted position they will continue to receive an E-designation commensurate with the portion of their education that is in excess of the promoted positions requirement.

Examples:

- A grandfathered employee has an Associate's Degree with an E1 designation in a position that requires a High School Diploma. The employee is promoted to a position that also requires a High School Diploma. The employees would keep their E1 designation.
- A grandfathered employee has an Associate's Degree with an E1 designation in a position that requires a High School Diploma. The employee is promoted into a position that also requires an Associate's Degree. The employees would forfeit their E1 designation, but still receive a 7.5% increase over their previous combined rate.
- A grandfathered employee has a Master's Degree with an E3 designation in a position that requires a High School Diploma. The employee is promoted into a position that requires a Bachelor's Degree or equivalent years of experience. The employee would be ineligible for E3, but would receive an E-1 designation. The combination of the E1 rate plus the new base pay would be 7.5% greater than the previously combined rate.

Promotion Benefit Level

If an employee receives a promotion to a position that has a different benefit level or FLSA classification than their previous position, the employee's benefits will be adjusted to the appropriate benefit level associated with the new position. If the employee gets promoted from non-exempt to exempt status, all Compensatory Time will be paid out on the first paycheck of their promotion.

Section 5. Demotions

The Department Head may demote an employee to a position of lower grade for which the employee is qualified. Any employee may be demoted, at the discretion of management or at the request of the employee, upon the approval of

the COO for any of the following reasons:

- The employee voluntarily requests such demotion.
- The employee does not possess the necessary qualifications or skill set to render satisfactory service in the position held or he/she is removed during probation.
- The demotion is for corrective or disciplinary action for an employee's misconduct. If a demotion is for disciplinary action, the rules of notification and due process are to be followed and the employee has the right to appeal such action.

Voluntary Demotion

A voluntary demotion occurs when an employee requests assignment to, or applies to, a lower job classification than their current position that is vacant and may only occur when:

- The requesting employee meets the minimum qualifications for the new position.
- The requesting employee has demonstrated their ability to perform the job.
- When it can be shown that the move is in the best interest of the City.

Voluntary demotions are subject to internal City equity consistent with Section 1 of this policy.

A Department Head has the right to reject a voluntary demotion request of an employee, if by doing so, the employee will be making a salary equal to or greater than other qualified personnel in their department with comparable rank and service.

In the case of voluntary demotion, an employee will be required to demonstrate their ability to perform the essential functions of the job as well as meet the minimum qualifications of the position.

If the employee has previously held the position, they must submit an application to the vacant position to express interest in voluntary demotion.

In the event an employee desires to take a voluntary demotion to another department and meets the minimum qualifications for the new position, that employee shall be required to apply and compete for the position. If an employee wishes to return to the higher classification, they must apply and compete in the recruitment/promotional process with no guarantee of rights to the prior classification.

Demotion Pay Rate

When an employee is demoted to a position (voluntary or involuntary) for which the employee is qualified, their new pay rate shall be set at the step rate in the lower pay range that will result in a 7.5% pay reduction. The employee should be placed at the step closest to the 7.5% pay reduction. The demotion rate shall not be lower than the minimum rate or exceed the maximum rate of the new salary range.

Demotion pay rates should include an employee's Educational Attainment Pay (E-Pay) when calculating their minimum of 7.5% pay decrease. Education Pay is added to Base Pay and thereafter all pay adjustment calculations would be based on the combined rate. Other supplemental pay should not be included in this calculation and should be considered extra if applicable (heat pay, shift diff, EMT pay, etc.). Once the new pay grade/step is determined to provide the employee with a 7.5% pay decrease, E-Pay and base pay are recalculated accordingly.

Example:

- A vacant position requires a High School Diploma (Grade GE09) and the employee is currently in a position that requires Associate's Degree and is receiving E1 pay for their Bachelor's Degree. Their current salary is GE15, Step 1 with an E1 designation. Their Combined Rate would be GE15/Step 1 + 2.5% for E1.
- Hourly Rate: \$24.5078
- E-Pay (E1) Rate: \$0.6127 / hour
- Combined Rate: $\$24.5078 + \$0.6127 = \$25.1205$ / hour
- The demotion rate is calculated by reducing the Combined Rate by 7.5%
- $\$25.1205 \times 7.5\% = \1.8840 hour
- $\$25.1205 - \$1.8840 = \$23.2365$ / hour
- Demotion rate: \$23.2365 / hour
- On Grade GE09, the closest step that provides a 7.5% decrease would be Step 11, \$23.3324 / hour.
 - Step 09: \$22.2080
 - Step 10: \$22.7632 (a 10.36% reduction)
 - Step 11: \$23.3324 (a 7.66% reduction)
 - Step 12: \$23.9157 (a 5.04% reduction)
- Grade GE09 / Step 9 with E2-pay designation would apply.

Demotion Benefit Level

If an employee receives a demotion (voluntary or involuntary) to a position that has a lower benefit level than their previous position, the employee's benefits will be reduced to the lower benefit level associated with the new position.

Section 6. Transfers

Any employee may be transferred to the same or a similar position in a different department, at the discretion of Management or at the request of the employee, upon the approval of the COO.

Transfers may be made only when there is a vacancy and because of, but not be limited to:

- lay-offs
- the abolishment of a position
- to provide further training and development of an employee in another position that would be beneficial to the future staffing potential of the City
- to reasonably accommodate a disability

The employee must meet the minimum qualifications for the new position and shall demonstrate their ability to perform the job and when it can be shown that the transfer is in the best interest of the City. If applicable, an employee wishing to transfer to another position must follow the application procedures for the posted recruitment and submit required materials prior to the posted deadline.

Transfer Procedures

If there is a vacancy, a recruitment process has been conducted, and the employee has applied and meets all the minimum qualifications, a job transfer may be made at any time at the discretion of management and upon the approval by the COO.

No employee shall be deemed eligible for transfer whose most recent Performance Evaluation was not satisfactory.

Transfer Pay Rate

If an employee transfers to a different job class, pay may be subject to a reduction to be consistent with rates of pay of other incumbents in the new job class who possess similar education, skills and tenure to avoid creating pay inequities and moral issues. Please refer to the Promotion and Demotion sections to determine the applicable rate of pay.

If the transfer is related to a layoff or the abolishment of a position, a change in pay may still be appropriate to maintain internal equity even if the change is outside the control of the employee.

Transfer Benefit Level

If an employee transfers from a part-time or seasonal position to a full-time, benefit eligible position the benefits will be adjusted to the appropriate level associated with the new position.

If an employee transfers from a full-time, benefit eligible position to a part-time or seasonal position the benefits will be adjusted to the appropriate level associated with the new position. All Compensatory Time will be paid out on the first paycheck following the transfer.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR50
SUBJECT: TIME & ATTENDANCE

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
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Purpose

The purpose of this policy is to define work hours for City employees and specify the practice for lunch, breaks, and time keeping standards that comply with Tennessee law and the Fair Labor Standards Act (FLSA).

Section 1. Core Hours

City Hall is open to the public from Monday – Friday, 8:00 AM – 4:30 PM CST except for City-observed holidays or other emergent needs as deemed appropriate by the Chief of Operations (COO) or his/her designee. Departments outside of City Hall may have different scheduled hours.

Department Heads may specify a different schedule for hours of operation within their area, depending on their operational needs and the needs of the public.

City employees are expected to work their full shift each workday unless the employee is on an authorized leave. If the employee does not physically work their scheduled hours in their entirety, they shall use their own accrued leave or leave without pay in the event all paid leave has been exhausted, to supplement a workweek.

Section 2. Work Hours

Subject to Department Head approval and department operations, employees have the flexibility within their workday of clocking in between 6:00 AM – 9:00 AM CST and clocking out between 3:00 PM – 6:00 PM CST. It will be up to the Department Head or their designee to manage within each department so as to make sure operations are efficient and employees are treated fairly. It shall be the responsibility of the employee and their supervisor to make sure working hours are planned and scheduled accordingly.

If an employee needs to work outside of these working hours, they must have prior approval from their Department Head or his/her designee. An employee's flexibility within their workday shall not lead to unnecessary or unauthorized Overtime or Compensatory Time. Flexible scheduling and/or remote work will not be available to all departments or personnel and must be approved by the Department Head on a case-by-case basis. This privilege may be removed or amended, with or without cause, by a Department Head at any time.

Department Heads should be cautious and cognizant when employees are working by themselves. It shall be the responsibility of the Department Head and employee to make sure work situations are well-planned and suitable for the employee and the department operations.

Unauthorized Work

No employee shall work prior to or after their scheduled workday hours or during their lunch break without prior authorization from their supervisor. Unauthorized work shall not lead to overtime since it is not pre-approved and could lead to disciplinary actions.

Flexible Scheduling

Due to departmental operation, certain employees may be scheduled by their Supervisor with the approval of their Department Head to work different hours other than the normal work schedule. Department Heads should make every effort to make sure this is treated fairly and equitably throughout their department. Consideration should only apply in situations where creative work schedules will accomplish both work and personal goals and provide appropriate coverage for individual department operation.

Workdays and schedules for Non-Exempt employees shall be relatively consistent in nature, however Supervisors and Department Heads have the right to schedule employees to suit the needs of the department and the public.

The arrangement may be rescinded for any reason by the City. An employee wishing to change a flexible schedule work arrangement must obtain written approval from his or her Department Head.

Telecommuting / Remote Work

In some circumstances, telecommuting is a necessary and expected part of the position when an employee is telecommuting when City offices are closed. However, telecommuting is not conducive to every employee or position. To request consideration for Telecommuting, submit a request in writing (email is sufficient) to the Department Head. A Telecommuting request may not exceed two (2) days per week, unless for extraordinary circumstances authorized by the COO. Work product, and appropriate equipment used in production thereof, is subject to the Tennessee Public Records Act unless specifically excluded.

Position requirements and responsibilities will not change due to telecommuting. Workers face the same expectations in relation to professionalism, timeliness, work output and customer service, regardless of where the work is being performed. The amount of time an employee is expected to work in each day will not lessen, although the exact scheduling of allotted hours will be left up to the discretion of the employee and the employee's direct supervisor. If an employee's physical presence is required at the employee's primary work location, then he or she is expected to report in person if deemed safe to do so. Employees approved for telecommuting are responsible for maintaining regular contact with their supervisor.

For positions that regularly deal with confidentiality and highly sensitive information, it is up to the employee to enforce a rigorous standard for ensuring the security of all sensitive information entrusted to them. Failure to do so will result in loss of telecommuting privileges and could result in disciplinary action. All employees who work off-site are obligated to provide secure network connections and should refrain from using unsecured WI-FI and hotspots. Secure internet connections are required.

The ability to work remotely is a privilege, and the City reserves the right to deny, limit, or revoke telecommuting privileges at its discretion. It is the manager and employee's responsibility to ensure that the same level of work and/or service is being performed. If the employee is found to be abusing the policy, they are subject to disciplinary actions.

Shift Substitution Policy

The FLSA provides that two individuals employed in any occupation by the same public agency may agree, solely at their option and with the approval of the public agency, to substitute for one another during scheduled work hours in performance of work in the same capacity. Such hours worked shall be excluded in the calculation of the hours for which the substitute employee would otherwise be entitled too.

To establish consistent procedures and ensure we comply with FLSA standards the following will be observed.

- The substitution privilege is restricted to employees working shifts other than a straight Monday through Friday 8 AM to 4:30 PM in the Police and Fire Departments
- Substituting employees must have the same or similar rank and/or qualifications to perform the duties and assume the responsibilities of each other's classification.
- Employee decisions to voluntarily substitute for one another are to be made freely and without coercion, direct or implied by either co-workers or supervisors. When appropriate, supervisors may suggest that an employee substitute or "trade time" with another employee working in the same capacity during regularly scheduled hours but each employee must be free to refuse to perform such work without sanction and without being required to explain or justify the decision.
- Departmental staffing needs shall take precedence over substitution (shift swap) requests.
- An employee cannot "voluntarily" work an additional day one work period to "trade" the day worked for a day off in a future work period.
- Where one employee substitutes for another; each employee will be credited as if he or she had worked his/her own normal work schedule.
- Departmental supervisory approval is required prior to the work being done, i.e., the employer must know what work is being done, by whom it is being done, and where and when it is being done.
- The department shall maintain records of all substituted time approvals, occurrence dates and time taken. Use of a departmental shift substitution request form will serve this purpose.
- Requests to swap shifts must be made and approved on the appropriate forms in advance:
 - Police - 7 days before swap
 - Fire - 1 full shift prior to time requested.
 - Exceptions based on unusual circumstances, or an emergency must receive prior approval by the Department Head.
- If the substitute worker is sick on the day they have agreed to work, the substitute worker is charged sick leave.
- A substitute worker who is late or fails to report to work on the agreed upon date will be charged vacation or compensatory time for time missed and may be subject to disciplinary action.

Section 3. Attendance

Punctual and regular attendance is necessary for the City to operate efficiently. The City provides a variety of forms of leave to cover absence from work. Employees are expected to report for duty and be ready to begin work by the start of the regular workday or their regular shift, unless on approved leave.

Time Records

All exempt employees shall record exceptions to hours worked on a time record (vacation, sick leave, etc.). Department Heads and supervisors shall review and sign all-time records.

All non-exempt employees shall record actual hours worked on a time record. The shift start and end times for all employees should follow the same guidelines as clocking in and out. Department Heads and supervisors shall review and sign all-time records.

The following rules shall apply to the use of time records:

- Employees are responsible for recording/stamping/entering their starting time, quitting time and total hours worked for each workday.
- Employees shall not remove a time record from the designated employee area or leave the premises with said time records.
- Employees given permission by their supervisor to leave their job assignment for any purpose besides City business during work hours must sign/clock out when leaving and sign in upon returning to work.
- An employee failing to properly sign/validate his/her time record must have it immediately approved, initialed,

or verified by a supervisor or Department Head to insure payment for hours worked. Failure to properly record hours worked may result in not being paid for those hours in question on the time record.

- No non-supervisory employee shall mark on, or alter, another employee's time record, unless authorized by the Department Head. Employees that alter another employees' time record shall be subject to disciplinary action.

No employee shall clock in more than seven (7) minutes prior to their shift start time or clock out more than seven (7) minutes after their scheduled shift end time without the prior authorization of their immediate supervisor.

If computers and/or timeclock equipment is not functioning correctly, the employee shall notify their supervisor immediately. A manual log shall be maintained until the equipment is functioning and time can be input for the employee.

Employees not complying with this policy and/or found falsifying their time sheets will be subject to disciplinary action, up to and including termination.

Tardiness

Employees unavoidably late or absent from work due to illness or other causes must notify their supervisor within the time frame established by each department, unless unusual circumstances prevent the employee from making proper notification. Employees must explain the reason for the absence and, if possible the anticipated time and date they will return to work. When this is not possible due to sudden illness or emergency, the employee is to notify his/her supervisor as soon as possible, and in all cases, prior to the start of the workday in which the employee will be absent. Failure to notify one's supervisor of absences may result in disciplinary action.

Section 4. Breaks

Federal law does not require lunch or coffee breaks. However, breaks promote the efficiency of the employee and are customarily paid for as working time. They must be counted as hours worked (29 CFR §785.18).

Department Heads, at their discretion, may allow their employees two (2) breaks of fifteen (15) minutes duration each, during each workday. These breaks are a privilege, not a right, and should be taken at times that do not interfere with service to the public. If an employee chooses not to take advantage of these breaks, this time may not be accumulated and added any type of leave.

The authorized meal period must be taken during the work shift and may not be used to alter arrival or departure time.

Lunch Breaks

All City offices shall remain open and operational during the core hours unless approved by the COO, including lunch hours.

Each employee must have a 30-minute unpaid rest break or meal period if scheduled to work 6 hours consecutively, except adult employees in workplace environments that by the nature of business provide for ample opportunity to rest or take an appropriate break. Such break shall not be scheduled during or before the first hour of scheduled work activity (T.C.A. §50-2-103).

Employees shall work within their departments to stagger lunch breaks the best they can to maintain the operation of the department. The duration of the lunch period for specific employees, work sites or crews shall be determined by the Department Head in accordance with all provisions under state and federal law.

Paid Leave vs. Lunch Breaks

State law requires that employees must be provided a thirty (30) minute unpaid meal or rest period if scheduled six (6) consecutive hours, except in workplace environments that by their nature of business provides for ample opportunity to rest or take an appropriate break.

When vacation leave will prevent an employee from working six (6) consecutive hours, no lunch break is required under Tennessee Law. For example, if an employee wishes to take 4.0 hours of Vacation Leave in an 8.0-hour day, that employee shall not take a lunch break that same day. In this example, the employee only worked 4.0 consecutive hours and then took 4.0 hours of Vacation Leave.

Break Time for Nursing Mothers

An employee who needs to express breast milk for the nursing child shall be allowed a reasonable break time. The employee should also be afforded a space to do so that is not a bathroom, is shielded from view, and is free from intrusion from coworkers and the public. Break time for nursing mothers shall be allowed in addition to other provided breaks. Break time for nursing mothers shall not be used to alter the employee's scheduled arrival or departure time.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR51
SUBJECT: HOLIDAYS, LEAVES, & ABSENCES

EFFECTIVE DATE: 03/01/2026
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Section 1. Holidays

The following days shall be declared official holidays for the Municipal Government employees, and other such days as determined by the Board of Mayor and Aldermen.

- New Year's Day
- Martin Luther King, Jr.'s Birthday
- President's Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving Day
- Friday after Thanksgiving
- Christmas Eve
- Christmas Day
- Floating Holiday (flexible)

All employees will be excused without charge to leave, except those required to maintain necessary operations.

If the holiday falls on Saturday, it will be observed on Friday before the holiday. If it falls on Sunday, it will be observed on Monday following the holiday.

All employees not working due to the observance of an official holiday as outlined above shall be compensated on an eight (8) hour basis (or 8.5 hours for certain police employees or 12 hours for fire employees on 24–48-hour shifts) at their regular straight time pay rate in effect as of that date. Employees may choose to take a holiday 30 days before or 30 days after at a time agreed upon by the City in lieu of holiday pay if approved by the Department Head.

All employees required to work on the day set aside for observance of a holiday, including those employees whose working hours specifically include holiday work time, will be compensated for the scheduled holiday hours and the time worked.

All employees required to work portions of days set aside for observance of holidays (example: one-half day Monday), shall be compensated in accordance with this Section, prorated for the time worked.

Any employee who is on a leave without pay status or an unauthorized leave on the working day immediately preceding or following the day set aside in observance by the City of a holiday shall lose pay for the holiday.

All eligible employees' Floating Holiday hours will be available for use as of January 1st each year and must be taken by December 31st. The Floating holiday must be taken in whole day increments, like other holidays, and are still subject to departmental approval due to staffing concerns. These days and are not subject to carryover and employees will lose this benefit if not used within the calendar year.

An eligible new hires will receive their Floating Holiday for that calendar year upon hire.

Section 2. Vacation Leave

All regular Full-Time employees shall be allowed to accumulate Vacation Leave time as earned up to the following:

Years of Service	Annual Accrual (maximum)
0 – 4 (0 – 59 months)	1 day per month
5 – 9 (60 – 119 months)	15 working days
10 – 14 (120 – 179 months)	18 working days
15 + (180 months)	21 working days

The above schedule and credits are for uninterrupted service with the City, computed from the date of employment or appointment.

An employee moving from one department to another retains all accrued, unused Vacation Leave. If the leave accrual rate changes because of switch in schedule (i.e., 8.5 to 8 hour or 12-hour to 8 hour), the new accrual rate will be effective at the start of that new schedule.

Department Heads, will accrue at 21 days. Those assigned as the Department Head delegate, will accrue at a minimum rate equal to ten (10) years of service. Those with greater years of service will follow the standard accrual schedule above.

For Vacation Leave purposes, the term 'workday', as it applies in this section shall be computed either on an 8-hour, an 8.5-hour (certain Police), or 12-hour basis (Fire personnel on 24–48-hour shifts).

- Vacation Leave time will be accounted for and controlled on a calendar year basis.
- The date of service to be used in determining Vacation Leave time accrual rate is the employee's service anniversary date, Policy HR81.
- Vacation Leave shall be earned on the 21st day of each month. An employee starting to work at any time after the first day of the month shall not begin to accumulate Vacation Leave until the 21st of the following calendar month.
- The increased accrual rates based on length of continuous service become effective the first day of the calendar month following the completion of the required service period.
- Should the employee resign or be terminated prior to completion of the probationary period, no Vacation Leave payout shall be allowed since the employee is deemed to have been a temporary employee.
- Temporary and student employees are not eligible for Vacation Leave. Prior service as a temporary or student employee does not count in the years of service computation. Only the employee's current continuous period of service (exclusive of any official leave without pay periods) may be counted for Vacation Leave accrual

purposes. If a temporary or student employee is subsequently hired as a benefit-eligible employee, the accrual of Vacation Leave time begins with the effective date.

- Regular Part-Time employees (other than school patrol officers) shall be allowed to accrue annual vacation leave time at a proportionate rate based on amount of time worked. If a part time employee is subsequently reclassified as a regular full-time employee, only the equated full years of service may be counted for Vacation Leave carryover and accrual purposes.
- Vacation Leave may not be taken before it is earned. If it is necessary that an employee be absent from work more than accrued Vacation Leave time, the proper deduction must be authorized from the employee's pay.
- Any Vacation Leave may be scheduled with proper approval on a first-come, first-served basis. Department seniority may be a consideration when scheduling any vacation.
- Any one vacation or compensatory leave should generally not exceed ten (10) consecutive working days. However, under special circumstances, approval of the employee's Department Head may be obtained for a longer vacation. In approving requests for more than ten (10) consecutive days of vacation, Department Heads should be guided by the following considerations:
 - The effect of the employee's absence on the organization.
 - The time needed by the employee to complete a special trip or project.
 - The recentness of the employee's last vacation.
- Official holidays occurring during an employee's vacation leave shall be considered Holiday leave and not be charged to vacation leave.
- Regular full and part-time employees may accumulate and carry forward from one calendar year to the next up to a year's allowed accumulation. In the event an employee has a greater accumulation than his/her maximum entitlement at the end of any calendar year, the carry-forward amount will be reduced to the annual maximum.
- Excess vacation time above the annual maximum, as of March 31st, will be rolled over into the employee's Sick Leave bank. Employees who were employed before September 1, 1997 will have excess vacation rolled into a non-cashable sick leave bank for use or TCRS service credit.
- Department Heads may cash out up to five (5) days of vacation per calendar year in lieu of carryover.

Section 3. Sick Leave

All benefit eligible employees shall accumulate Sick Leave with pay at the rate of one (1) working day for each full calendar month of service completed. Sick Leave is not intended and not to be used as a substitute for vacation pay. It is intended to provide a financial cushion for the protection of City employees in the event of a long-term illness/injury.

For sick leave purposes the term workday as it applies in this section shall be computed on an eight (8) hour basis (except in the case of fire department personnel on 24-48-hour shifts which shall be computed on a twelve (12) hour basis and certain police employees which shall be computed on an 8.5-hour basis.)

Sick Leave can be used for the employee or immediate family members for absences from:

- Employee is incapacitated by illness or non-job-related injury
- He/she is seeking medical, dental, optical, psychological, or other diagnosis and treatment.
- Necessary care and attendance of a member of the employee's immediate family when approved by their Department Head.
- With the Department Head's approval, employees are eligible to use up to two (2) days of sick leave in conjunction with Bereavement Leave for the death of an employee's immediate family member if additional time is needed.
- Any other reason that is allowable under state or federal law.

For purposes of this policy only, the definition of family shall be:

Immediate Family member includes:

- Spouse
- Parents (biological, stepparent, or in-loco parentis)
- Children (biological, adopted, or step-children)
- Siblings (including step-)

Sick Leave shall be earned on the 21st day of each month. An employee starting to work at any time after the first day of the month shall not begin to accumulate Sick Leave until the 21st of the following calendar month.

Temporary, Seasonal, interns, and student employees are not eligible for Sick Leave. If an employee in one of these categories is subsequently hired as a benefit-eligible employee, the accrual of Sick Leave time begins with the effective date.

Regular part-time employees shall be allowed to accrue sick leave at a proportionate rate based on the amount of time worked. If a regular part-time employee is subsequently hired as a regular full-time employee, the employee will accrue at a rate commensurate with the work schedule.

For sick leave purposes, employees that are re-hired within one (1) calendar year from the date of separation, will have their sick leave balance reinstated so long as it was not donated or credited to TCRS prior to their previous separation.

When an employee is absent due to reasons as provided in this section, to be granted Sick Leave with pay, he/she must meet the following conditions:

- Notification of the absence must be made by the employee personally to his/her immediate supervisor or Department Head as soon as possible, before or by the beginning of the work period (critical response personnel are to follow their departmental policies). The expected date of return to work shall also be provided at the time of notification by the employee.
- If the employee is absent for three (3) consecutive working days, or longer (or two consecutive work shifts for firefighters on the 24-hour shifts), he or she must present an official written statement to the immediate supervisor or Department Head from a medical professional.
- The medical professional statement is to confirm that the employee has been incapacitated from work, the dates, and certify when the employee is physically able to perform his/her regular duties (with or without restrictions or limitations). The employee shall not be allowed to return to work, nor shall any salary be approved unless this release is provided.
- If using sick leave for a qualified dependent, the same requirements shall apply for determining the necessity of providing medical documentation to verify the illness.
- Medical certificates or other acceptable evidence may be required for a shorter period of absence at the discretion of the Department Head. Employees shall receive advance notice of this requirement or at the time of employee notification to supervisor.
- If an employee utilizes more than one (1) years' worth of sick leave accruals within a 12-month period, it may be considered excessive/abuse of sick time and subject to disciplinary action. If FMLA or another approved leave is designated, those sick hours will not be factored in to the excessive/abuse calculation.

Upon separation, unused sick leave (in accordance with the provisions of Policy HR80, Section 6) will be applied toward service credits granted by the Tennessee Consolidated Retirement System (TCRS) in computing monthly benefits granted upon retirement. In no event shall employees be entitled to any compensation for unused sick leave, except those employees who are taking regular retirement in accordance with Section 3.

A full-time employee hired prior to September 1, 1997, who takes regular retirement may be paid for one-half of their accumulated, unused sick leave allowance as of the effective date of retirement at the employee's regular base-rate of pay, as defined in Policy HR80, in effect as of the date of retirement. The remaining one-half of their accumulated,

unused sick leave will be applied toward service credits granted by the Tennessee Consolidated Retirement System (TCRS) in computing monthly benefits granted upon retirement.

Absences charged against sick leave must be reported via payroll timekeeping system.

Employees who abuse sick leave or falsify their sick leave requests shall be subject to disciplinary action, including up to dismissal from service.

All supervisors confirming an absence as sick leave knowing the cause is not justified or who fail to report the absence as stated above may be subject to disciplinary action.

Sick leave shall not accrue during the period an employee is on layoff status or leave of absence without pay. This does not apply to situations involving leave without pay of less than five (5) consecutive days.

Employees who become ill during the period of their vacation may request the associated time be charged sick leave pending proof of a doctor's statement (if required).

Official holidays falling within a sick leave period shall not be charged as sick leave.

Employees who are separating from service with City may voluntarily donate any unused Sick hours to the Sick Leave Bank. Any remaining hours will follow the guidelines in Section 3.

Section 4. Sick Leave Bank

The sick leave bank program is open to all regular full-time employees on a voluntary basis. Its purpose is to aid those employees who have long-term, terminal, mental, and/or accidental illnesses that result in the exhaustion of all leave benefits.

- Any employee having a sick leave balance of at least six (6) days and employed by the City for twelve (12) months is eligible to contribute to the Sick Bank.
- Employees may voluntarily contribute a minimum of three (3) days, and a maximum of five (5) days each calendar year, only in whole day increments. Donated time will count toward membership requirements.
- Each sick leave day donated is irrevocably donated to the fund and the employee revokes all rights associated with the donated days.

To utilize Sick Bank hours, the employee must meet the following:

- Due to their own illness or disability, have exhausted all available leave benefits (Sick, Vacation and Comp) and are unable to return-to-work in any capacity as determined by their treating physician(s). Sick Bank cannot be used for dependents
- Only those employees who have donated to the fund are eligible to request donations from the fund
- Must not have had any disciplinary actions for abuse of leave for at least one (1) year
- The Sick Bank hours must be used in full-day increments

When a qualified individual desires to request leave from the Sick Bank, the employee must:

- Submit a written request with appropriate documentation which states that the employee is medically unable to return to work and includes an anticipated date of return by their treating physician(s) to the Department Head
- Individual requests will be presented to the Administrative Services Director for review and consideration. All requests will be held in strict confidence
- Once the treating physician(s) determine that the employee can return to work in any capacity (light duty, full duty, etc.), Sick Bank usage shall cease

Sick Bank can only be used for a maximum of 60 workdays per occurrence, not to exceed the total standard working hours for that period.

Sick leave days awarded from the fund are expressly limited to the number of days available in the fund.

Employees on a Worker's Compensation leave are not eligible to use the Sick Bank.

The decisions and use of the Sick Bank hours are not subject to the grievance policy.

Section 5. Voting Leave

It is the policy of the City to provide employees with time off to vote in state, national, and local elections and to establish a procedure for reporting the time missed from work.

Under Tennessee State Law §2-1-106, employees who are registered voters may receive reasonable time off to vote if they request such time off before 12 noon the day before the election. The supervisor may specify the hours during which the employee may be absent to vote, and the time off may not exceed three (3) hours. No time off will be granted if the polls in the county where the employee is a resident are open three (3) or more hours before the employee is scheduled to begin work or if the polls close three (3) or more hours after the employee's work schedule ends.

Time off to vote is recorded for non-exempt employees as non-worked time when calculating overtime.

Section 6. Leave With Pay

Full time employees may be granted leave with pay in accordance with the following:

Professional Travel

Leave with pay may be granted, in addition to actual expenses incurred, to attend professional conferences, conventions, seminars and training schools of short duration or to visit other cities in the interest of the Municipal Government, upon prior recommendation by the Department Head and/or the Administrative Services Director and approval by the Chief of Operations (COO). Employees granted such leave shall properly complete and execute the Expense Allowance Form as prescribed by the Finance Director before reimbursement shall be made.

Jury Duty

Under Tennessee State Law §22-4-106, when an employee receives a summons to report for jury duty, he/she is required to provide a copy of the summons to his/her immediate supervisor within one (1) business day of receiving the summons. Upon presentation of the summons, he/she will be excused from employment for the day or days required while serving as a juror in any court of the United States or the state of Tennessee; provided, that such employee's responsibility for jury duty exceeds three (3) hours during the day for which excuse is sought.

Employees will receive full pay during jury service. Upon release from jury duty during the employee's normal working hours, he/she will be expected to return to work if they have at least two (2) hours remaining in their workday. If the employee's jury service exceeds three (3) hours and the employee wishes to be excused for the remainder of the day, they must use vacation, compensatory time hours, or approved leave without pay.

The employee must surrender any monies received in original check or draft form to Human Resources (HR). The total amount of monies paid to the employee each pay period shall not exceed the full pay which the employee would have received for such period, at his/her regular straight time pay rate.

If an employee summoned for jury duty is working a night shift or is working during hours preceding those in which court is normally held, such employee will also be excused from employment as provided by this section for the shift immediately preceding the employee's first day of service on any lawsuit. After the first day of service, when such person's responsibility for jury duty exceeds three (3) hours during a day, then such person shall be excused from the person's next scheduled work period occurring within twenty-four (24) hours of such day of jury service.

Jury Duty outside of the City of Hendersonville must be reimbursed to the City as soon as reasonably possible.

Court Pay

Any employee required to appear in any court as a result of employment with the City, other than during regular working hours, shall be compensated at 1.5 times their hourly rate of pay as of that date. No less than two (2) hours' compensation shall be given for such an appearance in a single day. If a court appearance is required by a former employee of the City due to an event that may have occurred while employed, the previous employee shall be compensated at 1.5 times their hourly rate of pay as of the last date of their employment for not less than two (2) hours for such appearance in a single day.

Funeral Leave

In the event of the death of an employee's Immediate Family member (see below definition), the City of Hendersonville shall grant three (3) paid working days known as 'Funeral Leave' per death occurrence. These days will not be charged against the employee's Vacation or Sick Leave. It is not required to take these days consecutively.

In the event of the death of an employee's Extended Family member, the City of Hendersonville shall grant one (1) paid working days known as 'Funeral Leave' per death occurrence.

If the death requires additional time off work such as out-of-town travel or other good and sufficient reasons, the Department Head may authorize additional days off, not to exceed two (2) working days, that must count against either the employee's Vacation or Sick accrual (employee's choice). The request for additional time off must be submitted to the Department Head in writing by the employee. The HR office must be notified by the Department Head upon approval of any Funeral Leave or additional days taken.

Immediate Family member includes:

- Spouse
- Parents (biological, stepparent, or in-loco parentis)
- Children (biological, adopted, or step-)
- Siblings (including step-)
- Grandparents
- Grandchildren

Extended Family members include:

- Current In-laws (mother, father, grandparent, sister, brother, son, and daughter)
- Aunt
- Uncle

Section 7. Leave Without Pay

A regular employee who is in good standing may be granted a leave of absence without pay for a period not to exceed six (6) months for sickness, disability or for other good and sufficient reasons which are controlling or in the best interests of the City.

Leave Without Pay shall only be granted after an employee exhausts all other forms of accrued leave balances (Sick, Vacation, Comp, etc.), subject to the guidelines for each leave type and the Department Head & Administrative Services Director approval.

In the event an employee is out on an approved Leave Without Pay but has worked enough to earn monthly Vacation/Sick accruals, any earned leave must be used immediately if the employee continues to be out of work. Employees shall not earn monthly Vacation/Sick accruals if they are in a non-paid status for 10+ consecutive workdays.

Any employee on approved Leave Without Pay for 10+ consecutive workdays shall have their Service Anniversary Date adjusted once the employee returns to work. Any protected Leave Without Pay shall not be calculated into an employee's adjusted Service Anniversary Date.

- Except under unusual circumstances, voluntary separation from City Service to accept employment outside of City Service shall be considered as insufficient reason for approval of a request for leave of absence without pay.
- If for any reason leave of absence without pay is given, such leave of absence may subsequently be withdrawn by the COO and the employee recalled to service.
- An employee shall not accrue sick leave and/or vacation leave credit while on any leave of absence without pay which exceeds 10+ consecutive workdays.
- An employee who is granted a leave of absence without pay for medical reasons may remain under the City's health plan subject to the provisions as set out by the carrier. If the leave exceeds the legally protected time allotment, the employee must pay both his/her own share of the cost plus the share of the cost normally paid by the City for membership under the plan (for Maternity/Paternity Leave, see Policy HR52.). If the employee does not return to work after a leave of absence without pay, the City is to be reimbursed the insurance premiums, unless the employee is permanently disabled and unable to return to work.
- An employee who is granted a leave of absence without pay for medical reasons may remain under the City's pension subject to the provisions as set out by TCRS. Unpaid hours will not be counted toward total service credit.
- All employees on leave of absence without pay are subject to the applicable provisions of this policy. Those employees on military leave of absence without pay shall be governed in accordance with Policy HR53.
- Employees shall be restored to their previous position or to an equivalent position upon return from leave.

Section 8. Absence Without Pay

An absence from duty for suspension or other disciplinary action, or which the employee has not notified and/or provided prior notification to the supervisor, and/or which is not approved as leave because of an unsatisfactory explanation, will be considered absence without pay. An employee shall have an amount of salary equivalent to the hours charged as absence without leave deducted from his/her pay.

Department Heads shall be responsible for accurate reports of employees who are absent from duty for any reason and who are not entitled to pay under the prevailing working policy.

Unauthorized absences from work for a period of three (3) consecutive working days may be considered by the Department Head as Job Abandonment of the position and a resignation (in the case of firefighters, two (2) consecutive work shifts).

Section 9. Administrative Leave

An employee may be placed on administrative leave, either paid or unpaid, to permit time for the Department Head, or their designee, to review or investigate circumstances, allegations, or perceived conduct that warrants removing the employee from the worksite. Administrative Leave is not considered a disciplinary measure. Upon conclusion of the review period, the department head will determine if the employee will return to work, is subject to disciplinary action, or terminated from employment.



OPERATING POLICY AND PROCEDURE

CATEGORY:	PERSONNEL	EFFECTIVE DATE:	03/01/2026
POLICY:	HR52	IMPLEMENTED:	03/01/2026
SUBJECT:	FMLA & TN MATERNITY/PATERNITY LEAVE ACT	REVIEWED:	03/01/2026
		TOTAL PAGES:	7

Section 1. Family Medical Leave Act (FMLA)

Purpose

The purpose of this policy is to provide a family and medical leave policy in compliance with Public Law 103-3, titled Family and Medical Leave Act (FMLA or FML) of 1993. The policy also provides for the changes to FMLA that come as part of the National Defense Authorization Acts as amended. It is the policy of the City that eligible, qualifying employees shall take FMLA leave in accordance with the terms and provisions of this policy.

It is the employee's responsibility to inform Human Resources (HR) when FMLA is necessary, the best way to communicate while on leave of absence, and regularly communicate with both HR and their Department Head while out on FMLA.

Eligibility

The Family and Medical leave policy is applicable to employees who have worked at least 12 months for the City and who have worked at least 1,250 hours during the preceding 12-month period, and work for a covered employer with 50 or more employees within 75 miles of the work site. Such employees are eligible for a maximum of 12-26 work weeks' leave under the act, depending upon eligibility circumstances.

Special rules apply for spouses employed by the same employer, for exempted key employees (top 10% of all wage earners, and who are paid on a salary basis), and for local educational agencies.

Returning service members are entitled to receive all the rights and benefits of employment that they would have obtained if they had been continuously employed. Any period of absence from work due to USERRA-covered service counts toward an employee's months and hours of service requirements for FMLA leave eligibility.

Not Eligible

Individuals who are not covered include elected officials, political appointees, volunteers, independent contractors, and legal advisors.

FMLA Circumstances

Employees may be eligible for Family and Medical Leave (FML) for one or more of the following reasons:

- For the birth and care of the newborn child of the employee
- For placement with the employee of a son or daughter for adoption or foster care
- To care for an immediate family member with a 'serious health condition' as defined by the FMLA
- Medical leave when the employee is unable to work because of a 'serious health condition'
- To care for an 'immediate family member', as defined under the FMLA, who is injured while on active duty if that injury renders the service member unfit for military duty

- To handle a ‘qualifying exigency’ relating from an employee’s spouse or child being called to active duty

Paid and/or Unpaid Leave

It is the policy of the City that FMLA leave shall be taken concurrently with other forms of leave (e.g., Sick, Vacation, Comp Time, Workers’ Compensation, Maternity). Family Medical Leave (FML) is not in place of but will work in conjunction with the City’s current leave policies.

FML may be paid or unpaid; however, if the employee has available paid leave, that leave will run concurrently with FML. If the employee does not have paid leave available, or has exhausted all paid leave, while out on FML, the remainder of the approved FML will be unpaid unless the employee is eligible to utilize leave from the Sick Bank. Use of approved Sick Bank leave is FMLA protected. Employees must follow the Sick Bank rules.

Eligible employees designated on FML must first use all paid leave before being allowed to take Leave Without Pay unless the employee is receiving temporary total disability benefits for workers’ compensation injury. The combination of paid leave, and unpaid leave may not exceed the total allowable leave under the FMLA.

Employees are always encouraged to utilize their Sick Leave first (before Vacation and Comp) as exhausting Sick Leave allows the employee to become eligible for Short Term Disability; however, the City does not dictate what order the employee uses their paid leave.

Dependent Sick Leave

Dependent Sick Leave is limited to qualifying family members which includes parent, spouse, or children (see below for definitions of each).

Holidays on Unpaid FML

If an employee is on FML without pay for an entire workweek including the day before and the day after a Holiday, the employee shall not be paid for that Holiday and the Holiday shall be charged to the employee’s FML balance.

Guidelines and Family Members

An eligible employee may take up to 12 weeks of FML in a 12-month period for the birth of a child or the placement of an adopted or foster care child. Leave may also be taken to care of oneself, a child, spouse, or parent who has a serious health condition. The right to take leave applies equally to male and female employees who are eligible. Eligible employees may take up to 12 work weeks of FML to deal with family issues resulting from a spouse, son, daughter, or parent being called to active duty (including being notified of an impending call to active duty).

Eligible family members of military personnel defined as the spouse, son, daughter, parent or next of kin of a covered service member may take a maximum of 26 work weeks leave under FML to care for a wounded member of the armed forces. This includes family members of the National Guard or Reserves who are undergoing medical treatment, recuperation, therapy or other medical treatment for a serious injury or illness.

PARENT: The ‘parent’, as defined the Family and Medical Leave Act, need not be the employee’s biological parent, provided that the individual ‘stood in loco parentis’ (acted as a parent), to the employee when the employee was a child. Benefits under FMLA are not extended to ‘parent-in-laws’.

SPOUSE: FMLA defines the term ‘spouse’ to mean a husband or wife as defined or recognized in the state where the individual was married and includes individuals in a same- sex marriage or common law marriage. ‘Spouse’ also includes a husband or wife in a marriage that was validly entered into outside of the United States if it could have been entered into in at least one state.

DOMESTIC PARTNER: The City is not required to grant an eligible employee FML to care for an unmarried domestic partner.

CHILDREN: ‘Children’ includes a biological child, as well as foster children, adopted children, stepchildren, or legal wards such as a niece, nephew, or grandchild whom the employee is raising.

SERIOUS HEALTH CONDITION: an illness, injury, impairment, or physical or mental condition that involves one of the following:

- Inpatient care in a hospital, hospice or residential medical care facility, including any period of incapacity or subsequent treatment
- A period of incapacity of more than three (3) consecutive calendar days that also involves treatment two (2) or more times by a health care provider or treatment which results in a regimen of continuing treatment under the supervision of the health care provider
- Any period of incapacity due to pregnancy or for prenatal care
- A chronic condition that requires periodic treatments continues over an extended period and may cause episodic rather than a continuous period of incapacity
- A period of incapacity which is permanent or long-term due to a condition for which treatment may not be effective, requiring continuing supervision of a health care provider
- Multiple treatments either for restorative surgery after an accident or other injury, or for a condition that would likely result in a period of incapacity of more than three calendar days in the absence of medical intervention or treatments, such as cancer, severe arthritis, or kidney disease

SERIOUS INJURY OR ILLNESS FOR AN INJURED SERVICE MEMBER: a covered service member’s injury or illness incurred in the line of duty on active duty in the Armed Forces that may render the service member medically unfit to perform the duties of the member’s office, grade, rank, or rating. This could include medical treatment, recuperation, therapy, outpatient care and other treatments for a serious injury or illness.

Seniority and other benefits

During periods of unpaid FML, an employee may not accrue any additional seniority or similar employment benefits (time off) during the leave period in which they take FMLA protected Leave Without Pay; or any right, benefit, or position of employment other than which the employee would have been entitled had the employee not taken leave.

Service Anniversary Dates shall not be adjusted for any FMLA-protected unpaid leave; however, it will be adjusted for any non-FMLA-protected unpaid leave of 10 consecutive workdays or more.

Spouse / Same Employer

If spouses are employed by the same employer and eligible to take leave for the birth or adoption of a child, or care for a parent, their aggregate leave under FMLA is limited to 12 weeks. For example, if the father takes four (4) weeks of leave to care for a child, the mother would be entitled to eight (8) weeks of leave, for a total of 12 weeks. If, however, the spouses experience their own serious health condition, both employees are entitled to the full 12 weeks.

Right to Return to Work

On return from FML, an employee is entitled to be returned to the same position the employee held when leave commenced, or to an equivalent position with equivalent benefits, pay, and other terms and conditions of employment. An employee is entitled to such reinstatement even if the employee has been replaced or his/her position has been restructured to accommodate the employee’s absence.

If the employee is unable to perform the essential functions of the position because of a physical or mental condition, including the continuation of a serious health condition, the employee has no right to restoration to another position under the FMLA. The City, however, may be required by the Americans with Disabilities Act (ADA) to offer the employee an accommodation (i.e., additional leave, light duty, job restructuring, etc.).

Notice and Scheduling

An eligible employee must provide the City at least 30 days advance notice of the need for leave for birth, adoption, or planned medical treatment when it is foreseeable. This 30-day advance notice is not required in cases of medical

emergency or other unforeseen medical events.

Parents who are awaiting the adoption of a child and are given little notice of the availability of the child may also be exempt from this 30-day notice.

It is the City's responsibility to designate leave in writing as FMLA leave and to notify the employee. Employees may not retroactively claim that leave was for FMLA. Failure to provide notice of the need for FML may result in the leave not being designated as FML.

The City will, if necessary, provide the notice of employee FMLA rights in alternate formats.

Once the employee has notified their immediate Supervisor, Department Head, or a staff member of the HR Department of the City of their potential need or qualifying event for FML or the employee has given enough information that the City is aware that the leave may be covered by the FMLA, the City may designate the leave as such.

The City may place an employee on FMLA leave if the employee is eligible, or appears to be eligible, for FMLA leave and it appears the employee has a serious health condition even if the eligible employee has not applied for or requested FMLA leave. If an employee is placed on FML by the City, the start date of the FML may be retroactive to the first workday missed due to the serious health condition.

Certification

The City reserves the right to verify an employee's request for FML. If eligible employee requests leave because of a serious health condition or to care for a family member with a serious health condition, the City may require that the request be supported by FMLA certification paperwork (provided by the City) from the health care provider of either the eligible employee or the family members, as appropriate. Failure to submit proper FMLA certification may result in a delay of FML approval. The City is aware that some providers choose to charge their patients for completion of FMLA-related documents. Any expenses incurred regarding the completion of related FMLA documents shall be paid by the employee unless a 2nd or 3rd medical opinion is required.

This FMLA certification paperwork must contain the date on which the serious health condition began; its probable duration, and appropriate medical facts within the knowledge of the health care provider regarding the condition. The FMLA certification paperwork must also state the employee's need to care for the family member. Medical certifications will be treated as confidential and privileged information under HIPAA and the State's Public Records laws as appropriate.

An employee may be required to report periodically to the City the status and the intention of the employee to return to work. Before return is granted, employees who have taken leave under this policy may be required to furnish the City with a medical certification from the employee's health care provider that the employee is able to resume work.

Failure to provide FMLA certification paperwork to the City HR Department by the deadline provided may result in delay or denial of FML and all the rights afforded with it.

2nd and 3rd medical opinions

If the City has received a complete and sufficient FMLA certification but has reason to doubt that it is valid, the City may, at the City's expense, require a second opinion from a different health care provider chosen by the City. The City can choose the health care provider to provide the second opinion, but generally may not select a health care provider who it employs on a regular or routine basis. If the second opinion differs from the original certification, the City may require the employee to obtain a third certification from a health care provider selected by both the employee and the City. The opinion of the third health care provider is final and must be used by the City. The City is responsible for paying for the second and third opinions, including any reasonable travel expenses for the employee or family member. While waiting for the second (or third) opinion, the employee is provisionally entitled to FMLA leave.

Reduced and Intermittent Leave

Approved FML may be taken intermittently or on a reduced schedule when medically necessary as certified by the certified health care provider. Intermittent or reduced leave schedules for routine care of a new child can be taken only with the City's approval. The schedule must be mutually agreed upon by the employee and the City.

Employees on intermittent or reduced leave schedules may be temporarily transferred by the City to an equivalent alternate position (possibly in another department) that may better accommodate the intermittent or reduced leave schedule.

Intermittent or reduced leave may be spread over a period longer than 12 weeks, but it will not exceed the equivalent of 12 work weeks total leave in a 12-month period.

Restoration

Employees who are granted leave under this FMLA policy will be reinstated to an equivalent or the same position held prior to the commencement of their leave. Certain highly compensated key employees, who are salaried and among the 10% highest paid workers, may be denied restoration.

Restoration may be denied to key employees if:

- the City shows that such denial is necessary to prevent substantial and grievous economic injury to the City's operations
- the City notifies the employee that it intends to deny restoration on such basis at the time the City determines that such injury would occur
- in any case in that the leave has commenced, the employee elects not to return to work within a reasonable period after receiving such notice

Employees voluntarily accepting a Light Duty assignment in lieu of continuing FML shall maintain their right to restoration to the original or an equivalent job until the twelve (12) workweeks of FML has passed.

Return to Work / Fitness for Duty Certification

For any employee who is on FML due to their own serious health condition, a Fitness for Duty Certification must be completed by the employee's certified health care provider and submitted to the City HR Department prior to the employee returning to work in any capacity. This form should include if/when the employee may return to work, any restrictions that need to be observed, and for how long.

A Fitness for Duty Certification form will be provided to the employee by the HR Department along with a copy of the employee's current Job Description to provide to their certified health care provider.

Failure to Return to Work

According to the FMLA, "if an employee is unable to or does not return to work at the end of twelve (12) workweeks of FML, all entitlement and rights under the FMLA cease at that time; the employee is no longer entitled to any further restoration rights under the FMLA, and the employer is no longer required to maintain group health benefits pursuant to the FMLA."

Notification of Discharge

An employee may be discharged from employment at the end of the twelve (12) workweek entitlement period if the employee has not returned to work, has not supplied written notification of their intent to return to work, or is unable to perform his/her job duties. The City, however, may be required by the Americans with Disabilities Act (ADA) to offer the employee an accommodation (i.e. light duty, job restructuring, etc.) prior to discharge.

The 12-Month FMLA Period

The 12-month period during which an employee is entitled to 12 workweeks of FML is measured forward from the date the employee's first FML begins. An employee is entitled to 12-26 workweeks of FML during the 12-month

period after the leave begins. The next FML period will begin the first time the employee requests FML after the completion of the previous 12-month period.

Denial of FMLA Leave

If an employee fails to give timely or advanced notice when the need for FML is foreseeable, the City may delay the taking of FML until 30 days after the date the employee provides notice to the City of the need for FML.

If an employee fails to provide requested FMLA medical certification to substantiate the need for FML due to a serious health condition by the deadline provided, the City may delay continuation of FML until an employee submits the medical certification paperwork. If the employee never produces the medical certification paperwork, the leave is not designated as FML.

If an employee fails to provide a requested Fitness for Duty Certification to return to work, the City shall delay restoration until the employee submits the certification (see 'Return to Work / Fitness for Duty Certification' section above).

Employee Benefits While on FMLA

During a period of FML, the City will maintain insurance benefits for the employee with the same cost sharing provisions afforded other employees. Arrangements for payment of your employee cost share must be made through HR or benefits may be discontinued. Contact HR to set up payment arrangements. You will also be provided with a written notice of terms and conditions under which payments need to be made after receiving your Designation Notice.

When you are on FML, all or part of your leave may be 'paid' leave. In a paid status, all, or your self-directed deductions (child support, bankruptcy, union dues, voluntary coverages, etc.) will continue to be taken from your paycheck per your prior directions. However, if you are in an 'unpaid' status for any period(s) during your FML, it is your responsibility to pay all associated self-directed deductions, or benefits may be discontinued.

If you fail to return to work after the expiration of your FML, you will be required to reimburse the City for payments of health insurance premiums during the leave, unless the City determines that the reason you fail to return is the result of your own serious health condition a family member's serious health condition, or due to a serious injury or illness of a covered service member or other circumstances beyond your control. The City may require a certification from a certified treating physician to confirm the medical facts necessary to make this determination. If applicable, the expense of obtaining such a certification will be paid by the employee.

Leave taken under this policy does not constitute a qualifying event that entitles an employee to COBRA insurance coverage. However, the qualifying event triggering COBRA coverage may occur when it becomes clearly known that an employee will not be returning to work and therefore ceases to be entitled to leave under this policy.

Workers' Compensation while on FMLA

If a Workers' Compensation injury/illness meets the criteria for a serious health condition, the workers' compensation absence and the FML entitlement will run concurrently.

Section 2. Tennessee Maternity/Paternity Leave Act

Under Tennessee State Law §4-21-408, employees who have been employed by the City as a regular full-time employee for at least twelve (12) months may take maternity/paternity leave for a maximum of four (4) months for adoption, pregnancy, childbirth and nursing an infant. With regard to adoption, the four (4) month period shall begin at the time an employee receives custody of the child. The first twelve (12) weeks of leave may fall under, and run concurrent with, the FMLA and the remaining time will fall under maternity/paternity leave.

A pregnant employee may continue working as long as she and her doctor feel that the work does not pose a hazard to her health, and as long as she can continue to perform the duties of her position in a satisfactory manner with or without a reasonable accommodation, including the temporary elimination of an essential job function.

The employee must provide at least three (3) months' advance notice of her/his anticipated date of departure, except in those cases where a medical emergency prevents this notice. The employee should state the length of her/his requested leave and detail the intention to return to full-time employment after the leave.

Employees who are prevented from giving three (3) months' advance notice because of a medical emergency which necessitates that leave begin earlier than originally anticipated shall be ineligible for their rights and benefits under this section solely because of their failure to give three (3) months' advance notice. Employees who are prevented from giving three (3) months' advance notice because the notice of adoption was received less than three (3) months in advance shall not be ineligible for their rights and benefits under this section solely because of their failure to give three (3) month's advance notice.

Employees may be required to use accrued vacation, sick, and/or compensatory leave during maternity/paternity leave, in accordance with the associated policies. Accrued leave and maternity/paternity leave will run concurrently. Leave may also be without pay once all other leave balances have been exhausted. Such leave shall not affect the employees' right to receive vacation time, sick leave, bonuses, advancement, seniority, length of service credit, benefits, plans or programs for which the employees were eligible at the date of their leave, and any other benefits or rights of their employment incident to the employees' employment position; provided, that the City need not provide for the cost of any benefits, plans or programs during the period of such leave unless such City so provides for all employees on leaves of absence.

Following the expiration of all leave, leave without pay may be granted. In cases where medical problems continue after pregnancy, or in other special situations, additional paid leave or leave without pay may be used upon the presentation of a doctor's statement outlining the reasons for the additional leave time with the recommendation of the employee's Department Head, and the approval of HR.

If an employee's job position is so unique that the City cannot, after reasonable efforts, fill that position temporarily, then the City shall not be liable under this section for failure to reinstate the employee at the end of such leave period. Whenever the City shall determine that the employee will not be reinstated at the end of such leave because the employee's position cannot be filled temporarily or because the employee has used such leave to pursue employment opportunities or to work for another employer, the City shall so notify the employee.

The purpose of this leave is to provide time off for adoption, pregnancy, childbirth, nursing, and/or bonding with the infant. If the City finds that the employee pursued other employment opportunities or worked regular part time or regular full time for another employer during the period of maternity/paternity leave, then the City does not have to reinstate the employee at the end of the leave period.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR53
SUBJECT: MILITARY LEAVE

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 2

Section 1. Military Leave

Any employee who is or becomes a member of the armed forces of the United States (including the Army, Army Reserves, Army National Guard, Navy, Naval Reserve, Marine Corps, Marine Corps Reserve, Air Force, Air Force Reserve, Air National Guard, Coast Guard, Coast Guard Reserve, Commissioned Corps of the Public Health) and leaves work for initial training for the Guard or Reserves, leaves work to join active duty military, or is called to active duty, will be placed on military leave. Such an employee must present his/her supervisor or Department Head with advance notice of the active-duty orders as soon as possible.

The employee's seniority, status and pay will remain unchanged during his/her time of military leave. Continued health insurance coverage will be offered for up to 24 months. The City will continue to pay the portions of the premiums they are responsible for while the service member if the leave is for fewer than 31 days. For military leave longer than 31 days the employee must pay both his/her own share of the cost plus the share of the cost normally paid by the City for his/her membership under the plan. An employee wishing to continue health insurance coverage during his/her military leave shall arrange payment of premiums with Human Resources (HR).

The returning employee will be re-employed in the position they would have attained had they not been absent for military service, with the same seniority, status and pay. Employees on unpaid Military leave shall not earn monthly Vacation/Sick accruals if they are in a non-paid status for 10+ consecutive workdays.

Section 2. Military Leave with Pay

Any employee who is member or may become a member of any reserve component of the armed forces of the United States or of the Tennessee Army and Air National Guard (T.C.A. § 8-33-109) will be entitled to a leave of absence from their respective duties for periods of military service during which they are engaged in the performance of duty or training in the service of this state, or of the United States, under competent orders. While on such leave, the employee will be granted paid leave up to twenty (20) working days in one (1) calendar year.

Qualified employees who seek paid leave under this policy must provide the official order calling for their service or training to their supervisor as soon as possible. Employees serving in the National Guard or Military Reserve will receive full compensation for a period of twenty (20) working days of military leave each calendar year, excluding holidays and scheduled off days. Such leave will not be charged to any form of accrued paid leave.

After the twenty (20) working days of full compensation, the City will not provide partial compensation to its employees while under competent orders. After the twenty (20) working days of full compensation, members of any reserve component of the armed forces of the United States, including members of the Tennessee army and air national guard, may use up to five (5) days of sick leave in lieu of vacation leave for the purposes of not having to take leave without pay.

Active State Duty: Army/Air National Guard and TN State Guard, Civil Air Patrol

Pursuant to T.C.A. § 42-7-102, members of the United States air force auxiliary civil air patrol who participate in a training program for the civil air patrol, or in emergency and disaster services, as defined in T.C.A. § 58-2-101, are entitled to a leave of absence with pay for a period of not more than fifteen (15) working days during a calendar year for such purposes if the leave of absence is at the request of the employee's wing commander or the wing commander's designated representative. Employees granted leave are entitled to their regular salary during the time that they are away from their regular duties. All the rights and benefits of the employee continue as if a leave of absence had not been granted.

It is the responsibility of the employee to plan with their Department Head for leave to attend monthly meetings on regular off-time, with the expectation that the paid leave granted herein will be applied to the annual training periods required for reservists.

Unpaid leave for members of the Tennessee army and air national guard, Tennessee state guard and civil air patrol (T.C.A. § 8-33-110).

In addition to the leave of absence provided in T.C.A. § 8-33-109, all officers and employees of the City who are members of the Tennessee army and air national guard on active state duty or the Tennessee state guard and civil air patrol shall be entitled to an unpaid leave of absence from their respective duties, without loss of time, pay not specifically related to leave of absence time, regular leave or vacation or impairment of efficiency rating for all periods of service during which under competent orders they are engaged in the performance of duty or training in the service of this state, including the performance of duties in an emergency.



OPERATING POLICY AND PROCEDURE

CATEGORY:	PERSONNEL	EFFECTIVE DATE:	03/01/2026
POLICY:	HR54	IMPLEMENTED:	03/01/2026
SUBJECT:	WORKERS' COMPENSATION & LIGHT DUTY	REVIEWED:	03/01/2026
		TOTAL PAGES:	2

Section 1. Workers' Compensation Policy

An employee of the City who suffers injury or illness because of a work-related accident or condition shall receive compensation during the period of illness or injury, if approved, by the State Compensation Insurance Fund in accordance with the Tennessee Worker's Compensation Act. Worker's compensation pays an employee 66.67% of their weekly salary once the employee has been disabled for more than seven (7) days. Compensation will be made as of the eighth day of disability due to an occupational injury. If the employee is disabled for fourteen (14) days or more, worker's compensation will pay the employee retroactively from the first full day of absence from work up to the return date to work. In combination with worker's compensation payments and payments from the City, employees will receive full compensation while absent. Employees receiving worker's compensation payments may not supplement their pay with accrued paid leave.

Employees shall report any injury or illness incurred in, or arising out of, the course of their employment, however minor, to their supervisor. Failure to make such a report may disqualify the employee from receiving Workers' Compensation benefits.

Employees are prohibited from participating in sports activities while on duty unless the sport is directly related to the employee's job responsibilities. This includes, but is not limited to basketball, soccer, football, etc.

Section 2. Workers' Compensation Light Duty Assignment

The City is committed to a return-to-work policy for work-related injuries/illness to help facilitate employee recovery, maintain department productivity, and reduce unnecessary expenditures of City funds.

Employees reporting a work-related injury and sent for medical evaluation/treatment are to abide by the work restrictions issued by their designated worker's compensation medical provider(s).

If the medical provider indicates that the employee can return-to-work with limitations, that employee shall work in a light duty capacity in accordance with the restrictions issued by the designated worker's compensation medical physician(s). Light duty employees shall be allowed to work light duty jobs outside of their department as approved by the Administrative Services Director and Chief of Operations (COO).

Employees refusing light duty assignments due to a work-related injury/illness will be required to utilize their own Vacation leave, Sick leave, or Compensatory time. Leave Without Pay shall not be an option until all other forms of paid leave have been exhausted. Leave Without Pay that exceeds seven (7) calendar days shall be subject to disciplinary actions.

Light duty does not preclude an employee from being rescheduled in accordance with departmental needs and City policy. Overtime/Comp Time should only be earned by an employee working light duty in the event all other options have been exhausted, and it is deemed in the best interest of the City. Department Heads must approve any Overtime/Comp Time earned by an employee working light duty.

If an employee is on workers' comp light duty and a holiday occurs, they must take the holiday off, unless their restrictions specifically permit them the ability to work in such administrative work (such as serving as desk officer at Police Department) if necessary due to staffing.

Unless departmental policy and procedures can accommodate an alternate schedule, all light duty employees shall work administrative schedules.

In instances where several employees are only available to work in a light-duty capacity at the same time, employees with work-related injuries/illnesses will be considered first.

Anyone supervising an employee on light duty will be required to either email an acknowledgement to the Human Resources (HR) office or sign a statement that they are aware of the work restrictions assigned by the treating medical provider and will agree to abide by the restrictions. Employees on light duty will also be required to either email an acknowledgement to the HR office or sign a statement that they will abide by the work restrictions while on such assignment.

While on workers' compensation light duty assignment, employees shall receive their regular rate of pay, accruals, and benefits.

Employees who are injured on the job and are assigned light duty, and who are medically prohibited from performing their regularly assigned duties, shall not engage in outside activities or any off-duty employment which may jeopardize their recovery process and/or return to full duty. Any employee found to be non-compliant with this policy will be subject to discipline, up to and including termination.

While on light duty, should an employee need to be absent from their assignment (other than for related medical treatment/therapy and/or reasonable travel time to and from scheduled appointments), earned benefit hours must be utilized for any time allowed off work.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR60
SUBJECT: EMPLOYEE EVALUATIONS

EFFECTIVE DATE: 03/01/2026
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TOTAL PAGES: 3

Purpose

The performance evaluation process provides a means for discussing, planning, and reviewing the performance of each employee. Performance evaluations influence salaries, promotions, and transfers, and it is critical that supervisors are objective in conducting performance reviews and in assigning overall performance ratings.

Section 1. Probationary Evaluations

Each employee serving a probationary period shall have his/her performance evaluated in writing, personally discussed with them by their immediate supervisor, and reviewed by the Department Head.

New Employees

The probationary period shall be regarded as an integral part of the examination process for observing and evaluating work performance to the required standards. All new hire appointments shall be for a probationary period of one (1) year. The period shall be computed from the date of appointment or employment.

The new hire's status shall not be changed to regular until the appointing authority, or designee, certifies the employee has successfully completed the probationary period and has met the acceptable work standard.

Each employee serving a probationary period shall have his/her performance evaluated, personally discussed by the immediate supervisor, and reviewed by the Department Head as of the 3rd month and 6th month. The one (1) year evaluation of their probationary period must be in writing and submitted to Human Resources (HR) along with a signed Personnel Action Form (PAF). Supervisors can meet more frequently if they choose.

The Administrative Services Director should be notified prior to the expiration of an employee's probationary period of their decision as to whether the employee should be placed in regular status, rejected, or terminated. The notification must include a completed probationary evaluation and PAF. Failure of timely notification will not constitute acceptance of non-probationary status.

During the probationary period, the employee may be rejected at any time without charges, right of appeal or hearing, when the judgment of the appointing authority, or his/her authorized representatives(s), the quality of the employee's work is not such as to merit continuation in the service. The appointing authority shall retain only those employees who meet the acceptable standard of work for the position during the probationary period.

An extension of the probationary period of up to six (6) months beyond the end of the normal probationary period may be requested by the Department Head. This request for extension must be reviewed by the Administrative Services Director and approved by the Chief of Operations (COO).

Evaluation Effective Dates

- An employee's evaluation is due on the 7th of the month, an increase will be effective on the 7th
- An employee's evaluation is due on the 14th of the month, an increase will be effective on the 22nd
- An employee is promoted on the 14th of the month, the change and any increase will be effective on the 22nd
- An employee is demoted on the 6th of the month, the change and any increase will be effective on the 7th

Promotions, Demotions, or Transfers

An employee who is promoted to a new position shall be required to serve a new six (6) month probationary period in their new position from the date of the promotion. An employee who is demoted or transferred to a new position shall be required to serve a new twelve (12) month probationary period in their new position from the date of the demotion or transfer.

Performance evaluations may be conducted on the 3rd and 6th months, or as needed, of their new probationary period. This probationary period does not impact their ability to utilize their accrued leave in accordance with City and departmental policies.

If the Department Head feels that the probationary period needs to be extended, they may specify the additional period needed not to exceed six (6) months from the date of appointment. This probationary period extension shall be made in writing by the Department Head to the employee and the Administrative Services Director prior to the end of their probationary period.

If an employee's annual performance evaluation is due during their probationary period of their new position, then the new supervisor should complete the annual evaluation to the best of their ability, with input from the prior supervisor. To complete the probationary period, a one (1) year evaluation will still need to be completed at the time it is due. In the event that a promotion occurs during the time that a merit increase is due with the annual evaluation, the promotion should be submitted to the Human Resources office and applied first.

Section 2. Annual Performance Evaluations

Each full-time employee shall have their performance evaluated in writing to include goals for the upcoming year. The supervisor and Department Head (or designee) should review and agree on the evaluation before presenting it to the employee. The evaluation should be personally discussed with the employee by their immediate supervisor on an annual basis.

Since regular, part-time employees work a reduced schedule, they shall have their performance evaluated upon completion of 2,080 work hours.

Temporary or Seasonal employees do not have to be evaluated formally. However, it is recommended that evaluations be conducted if a Temporary or Seasonal employee is employed for more than one (1) year.

After an evaluation has been completed, the employee and the supervisor must sign the evaluation form. The employee's signature is an acknowledgment that he or she has seen the rating, it has been explained, and he/she understands the areas in which their performance has been strongest and/or weakest, and what improvement is expected, if any. The signature does not mean the employee agrees with the evaluation.

The annual evaluation shall be used in such a way to determine whether the employee has qualified for a merit pay increment. Please refer to Section 1 for additional information on effective dates.

Section 3. Appeals on Evaluation

Unless the issue involves pay, an employee may challenge an evaluation through the Grievance procedure. Employees may also submit a written statement to be attached to their evaluation for retention in their personnel file. The written

statement must be submitted no later than seven (7) working days after receiving their evaluation. Grievances should follow the procedures outlined in HR71 Policy.

Section 4. Evaluating Employees on Leave

HR shall be notified of the reason for the delay in processing the evaluation.

If supervisors or employees have prior knowledge of an upcoming leave, that will overlap with their evaluation deadline, both parties should make every effort to complete the evaluation prior to the scheduled leave.

If the leave is sudden and/or unforeseen, supervisors should make every effort to complete the evaluation as soon as possible upon their return. The evaluation should be completed no more than fourteen (14) days upon the employee's return.

If an employee is on unpaid leave, their service anniversary date will be adjusted. Please refer to HR51 Policy for more details.



OPERATING POLICY AND PROCEDURE

CATEGORY:	PERSONNEL	EFFECTIVE DATE:	03/01/2026
POLICY:	HR61	IMPLEMENTED:	03/01/2026
SUBJECT:	EMPLOYEE DEVELOPMENT, TRAINING, AND TUITION	REVIEWED:	03/01/2026
		TOTAL PAGES:	4

Section 1. Employee Development and Training

The Municipal Government recognizes the importance of training employees within each departmental unit. This can be accomplished, for example, by the utilization of on-the-job training, formal training programs, online training platforms, or other available resources.

Section 2. Administration of Employee Development Program

Human Resources (HR) shall:

- Recommend policies and procedures for training
- Keep records of all non-departmental training
- Consult with Department Heads in developing training
- Develop and conduct supervisory & management training, employee development programs, and other types of training common to all departments
- Make available information concerning job requirements and training opportunities
- Departments are to keep their own training records on training unique to the department.

Section 3. Safety Education and Training

The Department Heads shall have responsibility for coordinating and cooperating with HR in implementing a program of safety education and training.

Section 4. Specialized Training

Employees should be encouraged to attend classes at recognized educational and professional institutions and facilities to receive specialized training which will meet specific departmental needs.

All regular full-time employees are eligible for job-related specialized training assignments as determined by their Department Head. Approval must be obtained before attending such a training assignment.

Each employee on assignment to specialized training shall maintain satisfactory performance in the prescribed course of study.

Upon satisfactory completion of the specialized training course, the employee may be reimbursed. This section shall not apply to repeat courses.

Reimbursement shall be limited to charges related to registration only except for payment allowed for the testing costs for credit-by- examination programs.

Employees in certain positions involving considerable investment of equipment and training expense will be required upon hire to sign a training reimbursement agreement contract which will specify terms and conditions for repayment should an employee voluntarily leave employment prior to the terms of the agreement.

Other City employees not covered specifically by such an agreement shall generally be held to the following: The employee is expected to remain in employment with the City for one (1) year beyond completion of any specialized training course.

If an employee leaves prior to one (1) year, the employee shall agree to reimburse the City the amount paid on a prorated basis according to the amount of time the employee has worked after receipt of the training benefit.

Requests for specialized training that have a financial obligation must be approved by the Department Head and/or the Chief of Operations (COO) in accordance with the following criteria:

- The need cannot be met on an in-service basis
- The employee cannot be expected to meet the need themselves
- The benefit to the Municipal Government exceeds the cost
- The training is directly applicable to job situations
- The requesting department has fully complied with the policy, procedures, and regulations
- The training is mandated by state, local or federal law
- 'Job related' shall be determined by the COO in consultation with the Department Head and Administrative Services Director.

Section 5. Tuition Reimbursement

It is the policy of the City to share the tuition expense with employees interested in attaining a higher level of technical or academic competence through education at a university or college. Employees should be encouraged to attend classes at recognized educational and professional institutions and facilities to receive formal education and training which will meet specific departmental needs.

College level courses must be taken through an institution that is accredited by one of the six regional accrediting agencies recognized by the Council for Higher Education Accreditation (CHEA). Information Technology personnel may qualify for education attainment with degrees from schools not recognized by CHEA, if such schools are accredited by the Accrediting Commission of Career Schools and Colleges of Technology or a similar accrediting agency which is listed by the US Department of Education as a nationally recognized accrediting agency

This policy shall not apply to repeat courses. The rate of reimbursement shall be calculated based on comparable courses given by state institutions. Reimbursement shall be limited to tuition charges only except for payment allowed for the testing costs for credit-by- examination programs. However, this type of testing will only be reimbursed for successful tests in which college credit is granted.

Employees in certain positions involving considerable investment of equipment and training expense will be required upon hire to sign a training reimbursement agreement contract which will specify terms and conditions for repayment should an employee voluntarily leave employment prior to the terms of the agreement.

Other City employees not covered specifically by such an agreement shall generally be held to the following: The employee is expected to remain in employment with the City for three (3) years beyond completion of any degree program. If an employee leaves prior to the three (3) years, the employee shall agree to reimburse the City the amount paid on a prorated basis according to the amount of time the employee has worked after receipt of the tuition benefit.

Each employee shall maintain satisfactory performance in the prescribed course of study. Upon satisfactory completion of a college training course, the employee may be reimbursed for tuition expense only at the following rates:

- Grade of A = full reimbursement
- Grade of B = full reimbursement
- Grade of C = fifty (50%) percent reimbursement
- Grade of D = no reimbursement
- Grade of F = no reimbursement

Approval

Applications must be submitted by employees by March 1st of each year. All approvals of application are subject to budget approvals in the fiscal year of the requested reimbursements. Decisions to approve and participate will be made by Department Heads, Administrative Services Director, and the COO. Criteria for approval will include, but not limited to best interest of the City, succession management planning, tenure, status toward degree, coursework, or degree applicable to current position, past performance evaluations, and other information that aids the employee.

This benefit is available to full-time employees only, who have completed a minimum of one year of service. It is not available to employees who have received disciplinary actions within the last two years, without approval from the Department Head, Administrative Services Director, and the COO. Participation in the program does not imply or guarantee promotions or other positions within the City. Department Heads will inform applicants of their approval or denial of the tuition assistance program.

Procedures And Administration

HR is responsible for policy compliance to include, but not limited to the following.

- The maximum amount of tuition reimbursement shall be \$5,250.00 per calendar year, in compliance with Section 127 of the Internal Revenue Service Tax Code.
- Reimbursements are for tuition expenses only. Books, fees (including technology fees), labs, or any other expenses related to taking approved courses are not eligible for reimbursement.
- Reimbursements will be processed at the applicable rates
 - Associate Degree program - Reimbursed up to the In-state rate at Volunteer State Community College
 - Undergraduate and Graduate degree program - Reimbursed up to the In-state rates at Middle Tennessee State University (MTSU)
- Employees shall provide the City with a statement from their institution which sufficiently breaks down all costs of courses taken.
- Employees shall provide the City with a transcript of grades from their institution at the time of request for reimbursement.
- Within fifteen (15) calendar days of completion of the approved course(s), the employee must submit a copy of "Request for Tuition Reimbursement", an official transcript of grades, and proof of payment to HR to verify completion and compliance. Department Heads must approve tuition reimbursement requests prior to the request being forwarded to HR. The COO will then approve the request for payment and forward it to the Finance Department who will finalize the review for request for reimbursement and issue a check to the employee.
- Acceptable proofs of payment for reimbursement include a receipt of cash payment from the institution, a debit card or credit card statement indicating payment to the institution, a front and back copy of an employee's check to the institution, or a loan document indicating a loan or a draw on a loan for payment to the institution. If paid by a loan payment, documentation of payment must also be provided by the institution.
- The employee must indicate that they have received no other funds that paid the tuition being requested to be reimbursed and that they are seeking out of pocket expenses they have paid on the "Request for Tuition Reimbursement" form. If an employee received partial assistance from another source, they may only request reimbursement of the remaining balance after other payment. In no case may an employee receive reimbursement from the City and another source for the same coursework.
- An employee who separates employment voluntarily while enrolled in a course shall not be entitled to reimbursement.

- If an employee has received any tuition reimbursements in the three years prior to voluntary separation from City service, the employee shall agree to reimburse the City the amount paid on a pro-rated basis according to the amount of time the employee has worked after receipt of the tuition benefit.



OPERATING POLICY AND PROCEDURE

CATEGORY:	PERSONNEL	EFFECTIVE DATE:	03/01/2026
POLICY:	HR70	IMPLEMENTED:	03/01/2026
SUBJECT:	DISCIPLINARY ACTIONS & INVESTIGATIONS	REVIEWED:	03/01/2026
		TOTAL PAGES:	4

Section 1. Employment at Will

Discipline is a necessary part of any organization. It is the mutual respect and self-control of the employees of the City that enables the City to meet its standards and objectives. Discipline is developed both by management and employees, since if one employee fails to follow the standards and objectives, every other employee must work harder to see that those objectives are accomplished. All City employees not under an employment contract for a specified period are employees-at-will of the City. Employees are employed at the will of the City and are subject to termination at any time, for any or no reason, with or without cause or notice. At the same time, such employees may terminate their employment at any time and for any reason.

No City representative is authorized to modify this policy for any employee or to enter into any agreement, oral or written, contrary to this policy. Supervisory and management personnel are not authorized to make any representations to employees or applicants concerning the terms or conditions of employment with the City which are not consistent with City policies. No statement made in pre-employment interviews or discussions, or in recruiting materials of any kind, may alter the at-will nature of employment or imply that discharge will occur only for cause.

Statements of specific grounds for termination set forth in policies or in any other City documents are examples only, not all-inclusive lists, and are not intended to restrict the City's right to terminate at-will.

The conferral of regular status upon temporary/seasonal employees does not change an employee's status as an employee-at-will or in any way restrict the City's right to terminate such an employee or change the terms or conditions of employment.

Section 2. Disciplinary Action

Depending on the severity of the incident, the type of action to be taken and the order in which it is to be taken may vary. The Department Head should also consider the whole pattern of the employee's past performance and conduct throughout the disciplinary process and consult with Human Resources (HR).

Disciplinary action can be taken for, but not limited to, any of the following:

1. Incompetency or inefficiency in the performance of duties
2. Poor attendance, leaving early, or tardiness
3. Unauthorized absences or abuse of leave privileges
4. Violation of City policies or procedures
5. Addiction to the habitual use of narcotics or intoxicants; public intoxication or drinking of any intoxicating beverages while on duty or being under the influence of a drug or narcotic while on duty

6. Falsification of records or any material fact or has practiced deception in their application
7. The employee has used or attempted to use political pressure or bribery to secure an advantage in an examination or appointment
8. The employee has directly or indirectly obtained information regarding examinations to which as an applicant was not entitled
9. Theft, destruction, carelessness, or negligence in the use of property of the City
10. Disgraceful personal conduct or language toward the public or supervisors or fellow employees, or abusive public criticism of the employee's supervisor or other public officials, when not a matter of public concern
11. Acceptance of any valuable consideration which was given with the expectation of influencing the employee in the performance of their duties
12. Use of official position for personal advantage
13. Loss of an employee's driver's license and driving privileges by due process of law when the employee's position makes the operation of a motor vehicle necessary in the performance of their duties
14. Violation of any lawful and reasonable regulation, order or direction made or given by a superior officer; or insubordination that constitutes a serious breach of discipline
15. Fighting on the job, engaging in threatening or harassing behavior towards the public or coworker
16. Dishonesty, intemperance, immoral conduct, gross misconduct, insubordination, unsatisfactory performance of duties, failure to adhere to policies or other written instructions, or any other act of omission or commission tending to injure the public service, any other willful failure on the part of the employee to conduct themselves properly, or any willful violation of the provisions of the policies or the Personnel Ordinance
17. Conviction of a felony, a misdemeanor involving moral turpitude, or a misdemeanor reflecting upon ability to perform public service or for which a jail sentence is imposed
18. Gambling on City property, including all competitions where money is wagered
19. Any other act or failure to act, which in the judgment of the appointing authority is sufficient to show that the person is an unsuitable and unfit employee

This list is not intended to describe every possible offense but merely provides examples of conduct serious enough to warrant disciplinary action up to and including termination. Notwithstanding this list, all employees remain employed "at will."

Behavior that is illegal is not subject to discipline and may result in immediate termination. Such behavior may be reported to local law enforcement authorities.

Action taken for violations should be initiated as soon after the incident as is reasonably possible. All disciplinary action taken by the appointing authority shall be supported by evidence strong enough to bear the burden of proof of just cause for such disciplinary action upon review by the Chief of Operations (COO).

Section 3. Types of Disciplinary Actions

The items listed below are sorted by severity of action and do not represent a prescribed process in which to follow.

Coaching & Counseling

Coaching and counseling creates an opportunity for the immediate supervisor to bring attention to the existing performance, conduct or attendance issue.

Supervisors are encouraged to have regular meetings with their employees to provide ongoing feedback (positive and constructive), whenever coaching and correction are needed.

Supervisors are responsible for ensuring proper performance, conduct of their employees, and addressing violations of policies or procedures. If an employee's performance falls below acceptable standards, the supervisor may utilize a performance review, or provide an improvement plan, and supervisory counseling to improve any deficiency. If there is no improvement, the supervisor may take additional corrective actions.

Oral Reprimand

Whenever employee performance, attitude, work habits or personal conduct fall below a desirable level, supervisors shall inform the employee promptly and specifically of such lapses and shall give them counsel and assistance. If appropriate and justified, a reasonable period for improvement may be allowed before initiating disciplinary action.

The supervisor will place a memo in the employee's departmental file stating the date of the oral reprimand, what was said to the employee, and the employee's response.

Written Reprimand

In situations where more severe action is warranted, the Department Head or their designee may issue an official written reprimand. The reprimand should be initiated as soon after the incident as is reasonably possible.

Notice of disciplinary action must be in writing and served personally to the employee and copies provided to HR; a copy will be placed in the employee's personnel file. Such notice shall specify the penalty, a statement of the charges, reasons for the action taken, and the consequences for the employee of his or her continued failure to meet performance or conduct expectations.

If the disciplinary action is related to performance deficiencies, a formal performance improvement plan must be included with the written reprimand. The improvement plan should include the responsibilities of the employee and supervisor, the steps needed to correct the deficiency, the deadline the performance is expected to be resolved, and the outcome of the improvement plan.

Temporary Reassignments

If an investigation is needed to gather information and review all charges and facts, then an employee may be temporarily reassigned from his/her specific job duties to an alternate work location, schedule, or position; not exceed thirty (30) calendar days, unless approved by the Administrative Services Director. The employee cannot be reassigned to a position in which they do not meet the minimum requirements. Temporary reassignments must be approved by the Administrative Services Director.

A copy of a temporary reassignment notification and other related documents shall be forwarded to HR for inclusion in the employee's official HR file.

Suspension

The Department Head may suspend an employee with or without pay for any length of time considered appropriate, up to, but not to exceed an accumulation of thirty (30) calendar days during a twelve (12) month period. The suspension should be initiated as soon after the incident as is reasonably possible.

A copy of the suspension and other related documents shall be forwarded to the COO, HR, and placed in the employee's official HR file.

Disciplinary Demotion

A demotion of an employee is a form of disciplinary action by the Department Head for a serious offense and/or multiple violations where discharge is not warranted. Prior to the demotion, however, a pre-action investigation must be conducted. A copy of the demotion notification and related documentation shall be forwarded to the COO and HR office for inclusion in the employee's official HR file. A department must have an opening available in order to demote an employee. An employee may not be demoted into a role in which they do not meet the minimum qualifications.

Dismissal

The City may dismiss an employee for the good of the City service. All actions for dismissal requested by the Department Head shall be supported by evidence strong enough to bear the burden of proof of just cause for dismissal.

The request for dismissal must be approved by the COO and the Administrative Services Director prior to notifying the employee or issuing any written or verbal communication.

Section 4. Appeal Procedures

Employees will have the opportunity to present information to dispute information used to issue disciplinary action to their Department Head and the Administrative Services Director, or designee. This is the final level of the appeal process. The purpose of this process is to provide insight into extenuating circumstances that may have contributed to the employee's performance or conduct issues while allowing for an equitable solution.

The employee shall be given an opportunity to present reasons, either in person or in writing, why the proposed actions should not be taken. Private attorneys are not permitted to be present for or participate in the appeal process.

Appeals can only be filed up to five (5) calendar days after each disciplinary action. Dismissals cannot be Appealed and must go through the Grievance process.

Employees with concerns about their treatment should talk with their supervisor. However, City employees have no rights to continued employment. Employees may be dismissed for cause, for no cause, for any cause as long as the dismissal does not violate federal and state law. An employee shall be free from threats, coercion, intimidation, or discrimination for voicing concerns about their treatment.

The appeal process does not change an employee's status as an employee-at-will or in any way restrict the City's right to terminate such an employee or change the terms or conditions of employment.

Department Heads shall follow the Department Head grievance process for disciplinary appeals, Policy HR71.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR71
SUBJECT: GRIEVANCE PROCEDURE

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
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TOTAL PAGES: 4

Section 1. Policy

It is the City's desire to address grievances informally. Only items falling under the definition of a grievance, as defined in HR99, shall be considered. Both supervisors and employees are expected to first make every effort to resolve problems as they arise. However, it is recognized that there may be occasional grievances that will be resolved only after a formal meeting and a review. Employees who have a grievance may discuss it with their immediate supervisor, Department Head, and/or the Administrative Services Director. An employee shall be free from threats, coercion, intimidation, or discrimination because he/she has made complaints, testified, or assisted in any manner in the grievance procedures. It shall be the policy of the City to provide a procedure for reconciling points of misunderstanding or disagreements and to assure employees that their problems and complaints will be considered fairly, rapidly, and without reprisal.

A grievance is not to be confused with an appeal. Appeals (as detailed in Policy HR70) are direct actions to the Department Head and Administrative Services Director for review of serious disciplinary matters resulting in demotion or suspension.

Excluded from grievances are those issues involving pay and/or decisions made by the Board of Mayor and Alderman (BOMA). Employees must include a desired resolution or solution on the grievance form that, if granted, will nullify the grievance at that point.

Grievances submitted without a proposed resolution will not be considered and no further action will be taken.

Section 2. Employee Grievance Procedures

Step One: Address with the Supervisor

The employee, upon feeling that a grievance has occurred shall immediately discuss the matter with his/her immediate supervisor. If the employee is not satisfied with the outcome of that discussion, the following steps shall be followed:

Step Two: Review by the Department Head

If Step One does not resolve the grievance, then the alleged grievance may then be submitted by the employee to the Department Head for a ruling.

The employee shall, within five (5) working days from the date of occurrence of the alleged grievance, submit in writing to the Department Head, on forms furnished by the Administrative Services Director, a complete statement of the grievance and the relief requested.

Once received, the Department Head shall then provide the grievance in its entirety to the Administrative Services Director and City Attorney. The Administrative Services Director and City Attorney will verify that the complaint meets the criteria of the Grievance Policy and provide a response in writing. If the grievance does not meet the criteria, the Administrative Services Director and City Attorney will notify the employee and Department Head in writing of the denial.

If the grievance is a qualified reason, the Department Head shall make a decision and advise the employee of their decision in writing within five (5) working days after receipt of City Attorney's concurrence of qualifications as a grievable offense. Copies of the alleged grievance and the answer shall be forwarded to the Administrative Services Director by the Department Head at this time.

The alleged grievance may be resolved at any step by mutual concurrence of both parties. Notation of any settlement shall be signed by both parties and forwarded to HR for the employee file and the grievance process will conclude.

Step Three: Review by the Chief of Operations (COO) and Legal Counsel

If Step Two does not resolve the grievance, then the alleged grievance may then be submitted by the employee to the Administrative Services Director and be presented to the COO for a ruling.

Once notified of the grievance, the Administrative Services Director shall then have three (3) working days from receipt of such notification to forward the grievance in its entirety to the COO.

Confirmation that the grievance materials have been received will be made in writing by the COO to the employee and the Department Head. The COO will consult with external Legal Counsel regarding the matter and provide a decision to the Department Head in writing within a reasonable time, but no longer than 20 working days, unless the matter requires additional time for investigative purposes. Copies of the grievance and the decision by the COO shall be forwarded to the Administrative Services Director. The decision by the COO shall be final and binding on all parties involved.

Notation of any settlement shall be signed by both parties and forwarded to HR for the employee file.

Section 3. Department Head Grievance Procedures

A grievance may be filed by a Department Head when he/she has feels he/she been treated differently, either real or alleged, or has a disagreement, or misunderstanding pertaining to employment conditions.

When a Department Head feels he/she has a grievance, he/she must make known his/her feeling in a timely manner to the Mayor, otherwise aggrieved action will be effective on the date specified with no need for further action. If the grievance is not resolved informally, the employee must submit his/her grievance in writing.

The Department Head shall, within ten (10) working days from the date of occurrence of the alleged grievance, submit in writing to the Mayor and Administrative Services Director a complete statement of the grievance and the requested relief. The Mayor shall then make a decision within twenty (20) working days after receipt of the alleged grievance.

All time limits shall be strictly adhered to, unless extended by mutual agreement and confirmed by letter. Failure on the part of a Department Head to present or pursue a grievance within the time limitations shall render the grievance null/void.

Department Head Appeal Process

If the answer of the Mayor does not resolve the grievance to the satisfaction of the Department Head, or if the Mayor fails to reduce his/her decision to writing within the prescribed time limit, the alleged grievance may then be appealed by the Department Head, in writing, to the Administrative Services Director.

1. Initiation of Appeal
 - The Department Head must submit a written appeal to the Administrative Services Director within ten (10) business days of the disputed employment decision by the Mayor.
 - The appeal must include a detailed explanation of the disagreement, any supporting documentation and, if necessary, the names of any witnesses relevant to the dispute.
2. Acknowledgment and Preliminary Review
 - The Administrative Services Director will acknowledge receipt of the appeal within five (5) business days.
 - A preliminary review will be conducted by the Administrative Services Director to ensure the appeal is complete and falls within the scope of this policy.
3. Selection of Neutral Third Party
 - Within ten (10) business days of acknowledging the appeal, the Administrative Services Director will facilitate the selection of a neutral third party.
 - Both the Department Head and the Mayor will be provided with a list of at least five (5) and no more than ten (10) retired judges, attorneys or other mediators or arbitrators in Sumner County or any of the counties contiguous to Sumner County.
 - The Department Head and the Mayor must mutually agree on the selection of a neutral third party within ten (10) business days after the parties are provided the list of neutral third parties. If an agreement cannot be reached, the Administrative Services Director will select a neutral third party from the list provided to the parties.
 - The selected neutral third party will be paid on an hourly basis at an hourly rate of no more than \$300 per hour (and such hourly rate will be reviewed annually).
 - The selected neutral third party must meet the requirements of a third-party contractor and receive payment through 1099.
4. Scheduling the Review
 - The neutral third party will review all information relevant to the dispute, and if necessary, schedule a review meeting within fifteen (15) business days (or a reasonable time thereafter subject to the scheduling availability of the neutral third party, the parties, and any necessary attendees), receiving all of the relevant documentation regarding the appeal from the Administrative Services Director.
 - Both parties will be notified of the date, time, and location of the review meeting or the decision by the neutral third party that such review meeting is not necessary. In such event it is determined that a review meeting is not necessary, the neutral third party shall issue a written decision in accordance with section 6 below.
5. Review Meeting
 - The review meeting, if any, will be conducted in a confidential and impartial manner.
 - Both the Department Head and the Mayor will have the opportunity to present relevant information, including any necessary witnesses, if the neutral third party (referred also as the "hearing officer") believes such testimony or witnesses are relevant.
 - The review meeting may be conducted in person or virtually, with each party having no more than thirty (30) minutes, or for such other duration as otherwise determined by the neutral third party, to present relevant information or testimony to the neutral third party,
 - The neutral third party may ask questions and request additional information as needed. Please note that

this review hearing is administrative in nature and more informal than a court proceeding; formal rules of evidence do not apply, testimony may be presented without strict evidentiary foundation, and the hearing officer may receive and consider testimony, statements, and documents that might not otherwise be admissible in a court of law, so long as they are relevant and reliable for purposes of the decision. The hearing officer is also authorized to determine the format, order of presentation, and structure of the proceeding as necessary to ensure a fair and efficient review.

6. Decision

- The neutral third party will issue a written decision within ten (10) business days of the review meeting.
- The decision will include a summary of the findings and the rationale for the decision.
- The decision will be final and binding on both parties, no further action will be taken on the grievance or the process.

7. Implementation

- The Human Resources Department will ensure that the neutral third party's decision is implemented promptly and in accordance with the neutral third party's directives.
- Any necessary follow-up actions will be documented and communicated to both parties.

8. Record Keeping

- All documentation related to the appeal, including the written decision, will be maintained by the Administrative Services Director.

Review and Amendments:

This process will be reviewed by the Administrative Services Director and may be amended as necessary to ensure its effectiveness and fairness.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR80
SUBJECT: SEPARATIONS

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 3

Section 1. Types of Separation

All separations of employees from positions shall be designated as one of the following types and shall be accomplished in the manner indicated: resignation, layoff, disability, death, retirement or dismissal. At the time of separation and prior to final payment, all records, assets, and other items of City property in the employee's custody shall be transferred to the Department Head who shall certify this. Any amount due because of a shortage in the above shall be withheld from the employee's final pay, subject to State law requirements.

Section 2. Resignation

An employee may resign by submitting in writing the reason(s) and the effective date to his/her Department Head as far in advance as possible, but a minimum of two (2) weeks' notice is preferred. A minimum notice of one (1) month is preferred for those employees classified as supervisory.

Unauthorized absences from work for a period of three (3) consecutive working days may be considered abandonment of the position and a resignation (in the case of firefighters, two (2) consecutive work shifts).

Department Heads shall forward all notices of resignation to Human Resources (HR) immediately upon receipt.

Section 3. Layoffs and/or Abolishment of Position

An employee may be laid off when necessary due to a shortage of funds or work, abolishment of a position, reorganization, or for related reasons which are outside the employee's control, and which do not reflect discredit upon the service of the employee.

- Layoff shall be made within classes of positions as much as practically possible. Temporary or Seasonal employees in the affected class(es) shall be laid off prior to the layoff of any probationary or regular employee.
- Performance, seniority, and level of responsibility shall be considered. The order of layoff shall be in the reverse order of total cumulative time served where possible. Total cumulative time shall include time served on Military Leave of absence, FMLA, and any other protected leave while in the City Service.
- If an employee is in good standing at the time they are laid off and are eligible for re-hire, all considerations should be given by the City to the former employee(s) for positions he/she are qualified for and interested in applying for. These former employees must apply for any position they feel they are qualified for and interested in pursuing.

- Whenever the layoff of one (1) or more employees is necessary, the Department Head shall notify the Administrative Services Director via a layoff plan, in writing, at least 30 calendar days in advance of the intended action and state the reasons. The layoff plan must contain: (1) A list of all employees in the department by position, starting with the most senior employees; (2) A list of all employees to be laid off or rolled back, including the proposed effective date; (3) Waiver of seniority justifications (see definition below) to be submitted to the Administrative Services Director and Chief of Operations (COO).
- Employees should not be notified of any layoff action until approval has been granted by the Administrative Services Director and COO. Upon approval, the Administrative Services Director shall furnish to the Department Head, in writing, approval of the layoff plan and shall include the names and the layoff order of the employees. Upon receiving written approval of the layoff plan, the Department Head must immediately notify each affected employee, in writing, of the action to be taken and the effective date. Such notification must be served personally to the employee at least two (2) weeks prior to the effective date, when possible.
- A waiver of seniority provision may be requested by the Department Head, to retain an employee who has exhibited great performance and is vital to the operation of the department. The request will be submitted to the Administrative Services Director and COO for approval. The Department Head must present facts which show the employee has specialized training or skills in an area which is vital to the department, and that no other employee in the department can adequately perform the work required by the position within a 3-month time period.
- The duties previously performed by an employee laid off may be reassigned to other employees.
- In the case of determining the layoff of employees with the same service anniversary date, layoff shall be made in order of priority as follows: (1) disciplinary actions; (2) performance evaluation; (3) time in classification; and (4) training.
- Severance Pay – Employees being laid off in what is expected to be a long-term or permanent reduction in force (greater than one year) shall receive severance pay according to their years of full-time service.

0-0.99 Years of Service	½ month
1-5.99 Years of Service	1 ½ months
6-9.99 Years of Services	2 months
10+ Years of Service	3 months

Separately, employees are entitled to be paid for any accrued, unused vacation and compensatory time earned, in accordance with State Law.

Section 4. Disability

An employee may be separated from City Service or demoted when he or she cannot continue to perform the essential functions or required duties of his/her position because of physical or mental impairment; with or without reasonable accommodation. Action may be initiated by the employee or the City, but in all cases determination of physical or mental fitness will be by a licensed, practicing medical doctor(s), designated by the Administrative Services Director. The City shall pay the fee(s) associated with the testing. Provisions in these policies shall be strictly adhered to in determining disability, and the provisions of this policy shall apply to all positions, upon approval by the Administrative Services Director and confirmed by the COO.

Section 5. Death

Separation shall be effective the day the employee has passed away. All compensation due shall be paid to the estate of the employee, except for such sums as by law must be paid to the surviving spouse/heirs.

Section 6. Retirement

An employee may elect to retire when they meet the conditions as set forth in the TCRS Pension Retirement Plan regulations. It is the employee's responsibility to submit an online retirement application with TCRS at least three (3) months prior to the retirement date.

Any employee hired before September 1, 1997, who takes regular retirement may be paid for one-half of his/her accumulated unused sick leave allowance at the employee's regular straight time rate on their final check, with exception to hours rolled over from vacation in accordance with Resolution 2025-39. Unused and unpaid sick leave may be applied towards establishing additional service years with the TCRS. Twenty (20) days sick leave equals one (1) month TCRS service credit.

Employees hired after September 1, 1997, will not receive payment for any unused sick leave, but will have all unused, unpaid sick leave applied to TCRS service credit.

Service credit will be submitted to TCRS at the end of the month of the employee's final paycheck. TCRS is responsible for applying the service credits submitted by the City.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR81
SUBJECT: RE-EMPLOYMENT

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
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TOTAL PAGES: 3

This policy shall provide guidelines and lay out the employment of any person who was voluntarily or involuntarily separated from the City for less than one (1) calendar year and who is re-hired by the City on a full-time basis. Voluntary separation is when an employee leaves their job or separates on their own terms (resigns, retires, etc.). Involuntary separation occurs when an employee is removed from their position by the City, not by their own choice (poor performance, misconduct, layoffs, etc.).

For items not listed or addressed in this policy, it shall be the responsibility of the Department Head, Administrative Services Director, and Chief of Operations (COO) to collectively decide based on previous experiences and other factors that would be considered fair, equitable, and in the best interest of the City.

All candidates who are re-hired by the City on a Full-Time basis must have left employment in 'good standing'. To be considered 'in good standing' with the City, the employee is regarded as having complied with all employment and separation obligations per City and departmental policies and has followed the terms and conditions of their employment and general City policies (i.e. adequate notice provided, re- payment of training cost, re-payment of POST (Police Officer Standard Training) certified signing bonus, no recent disciplinary actions, adequate performance evaluations, etc.). If a candidate did not leave in good standing, they will be ineligible for all rights listed below.

Any regular or probationary employee may be re-employed, in accordance with this policy, provided:

- There is a budgeted position open.
- The former employee applies for re-employment to Human Resources (HR) prior to one (1) year from the official date of separation.
- He or she meets the minimum qualifications of the position.

Section 1. Involuntarily Separated

The following provisions shall apply to re-employment of an individual who has been involuntarily separated from the City service without fault or delinquency on their part:

- **Pay Rate** - If an individual is rehired into the same position and salary grade, they shall be placed at a step comparable to the one previously held.

If an individual is rehired into a different position or salary grade than what they left, they shall be placed at a step equivalent to their experience and education related to the requirements for that position. The Department Head and individual shall agree on a reasonable pay grade/step that will be fair and equitable to other employees in that same job class and department.

- **Education Attainment Pay** - Employees who involuntarily separates from employment shall maintain rights

to any grandfathered status that was previously applied. Department Heads and/or Hiring Managers shall follow the HR41 Policy in determining how to apply E-Pay for advanced education.

- **Vacation Leave** - The Vacation accrual rate shall be set at the same accrual rate when the employee was separated and shall be earned moving forward by the newly adjusted Service Anniversary Date. Vacation balances must start over as a new employee.
- **Sick Leave** - Sick Leave shall be reinstated at whatever the balance of leave was when the employee left, upon reemployment. The City has the right to verify if an employee bought or cashed out any previous Sick leave through TCRS. In the event this occurred, the employee would be re-hired with no Sick leave.
- **Service Anniversary Date** - Prior accumulated service will be credited back, and the re-hired employee will receive an adjusted Service Anniversary Date based on how many days they were not employed by the City. This adjusted date will be used when determining the Longevity Bonus, Merit Raise (if applicable), annual Performance Evaluation, and benefit accruals (Vacation and Sick leave).
- **Probationary Period** - It shall be at the discretion of the Department Head, with approval from the COO and Administrative Services Director, if an employee who has involuntarily separated from employment will be required to serve a new probationary period.
- **TCRS** - Re-hired employees shall be reported to TCRS immediately as a regular Full-Time Participating employee.
- **Longevity Bonus** - Shall include prior full-time service and will be adjusted based on the new Service Anniversary Date.
- **Post-Offer Pre-Employment Process** - The Administrative Services Director shall make the final determination regarding the pre-employment testing the employee shall complete prior to returning to work. The Administrative Services Director shall take into consideration anything necessary such as, but not limited to how long the person was away from employment, what they were doing, requirements of the position, and other factors.
- **FMLA Rights** - Eligibility shall follow the FMLA requirements. Please refer to Policy HR52 for additional information.
- **Public Safety** - Certified or Commissioned Public Safety employees who voluntarily separate and are re-hired in the same or similar public safety position may be allowed to waive the Eligibility List requirements. Requirements mandated by the TN POST and TN Fire Commission should be verified prior to re-employment.

Section 2. Voluntarily Separated

Voluntarily Separated for more than one (1) year

The following shall be for any person who 'voluntarily separated' from full-time employment with the City for more than one (1) calendar year and left in good standing.

- Any person that has voluntarily separated from full-time employment, in good standing, with the City for more than one (1) calendar year will have no re-hire rights and will be considered a new employee.
- These individuals must also come from a current recruitment list for the vacant position.
- HR will calculate their new service anniversary date considering their previous service and the amount of time they were separated.

Voluntarily Separated for less than one (1) year

The following shall be for any person who ‘voluntarily separated’ from full-time employment with the City for less than one (1) calendar year and left in good standing.

- **Pay Rate** - If an individual is rehired into the same position and salary grade, they shall be placed at a step comparable to the one previously held.

If an individual is rehired into a different position or salary grade than what they left, they shall be placed at a step equivalent to their experience and education related to the requirements for that position. The Department Head and individual shall agree on a reasonable pay grade/step that will be fair and equitable to other employees in that same job class and department.

- **Education Attainment Pay** - Employees who voluntarily separate from employment shall waive all rights to any grandfathered status that was previously applied. Department Heads and/or Hiring Managers shall follow the HR41 Policy in determining how to apply E-Pay for advanced education.
- **Vacation Leave** - The Vacation accrual rate shall be set at the same accrual rate when the employee was separated and shall be earned moving forward by the newly adjusted Service Anniversary Date. Vacation balances must start over as a new employee.
- **Sick Leave** - Sick Leave shall be reinstated at whatever the balance of leave was when the employee left, upon reemployment. The City has the right to verify if an employee bought or cashed out any previous Sick leave through TCRS. In the event this occurred, the employee would be re-hired with no Sick leave.
- **Service Anniversary Date** - Prior accumulated service will be credited back, and the re-hired employee will receive an adjusted Service Anniversary Date based on how many days they were not employed by the City. This adjusted date will be used when determining the Longevity Bonus, Merit Raise (if applicable), annual Performance Evaluation, and benefit accruals (Vacation and Sick leave).
- **Probationary Period** - Any employee who has voluntarily separated from employment will be required to serve a new probationary period.
- **TCRS** - Re-hired employees shall be reported to TCRS immediately as a regular Full-Time Participating employee.
- **Longevity Bonus** - Shall include prior full-time service and will be adjusted based on the new Service Anniversary Date.
- **Post-Offer Pre-Employment process** - The Administrative Services Director shall make the final determination regarding the pre-employment testing the employee shall complete prior to returning to work. The Administrative Services Director shall take into consideration anything necessary such as, but not limited to, how long the person was away from employment, what they were doing, requirements of the position, and other factors.
- **FMLA Rights** - Eligibility shall follow the FMLA requirements. Please refer to Policy HR52 for additional information.
- **Public Safety** - Certified or Commissioned Public Safety employees who voluntarily separate and are re-hired in the same or similar public safety position may be allowed to waive the Eligibility List requirements. Requirements mandated by the TN POST and TN Fire Commission should be verified prior to re-employment.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR90
SUBJECT: HR RECORDS & REPORTS

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 3

The City respects the dignity and worth of each individual employee, while asking each employee to offer in return his/her loyalty, respect, and best effort. The City will collect, retain, use, disclose, and maintain the confidentiality of employee information as required by law.

Human Resources (HR) records for each employee are kept on file and maintained in a secure manner by HR. The HR File for each employee may contain, but not be limited to the following information:

- Personnel Action Forms noting position and wage information
- Performance evaluations and other documentation related to an employee's job performance
- Employment documentation including application and resume, employee data sheet, and income tax deduction forms
- Outside employment forms
- Official commendations, training and education records including certificates and diplomas
- Complete documentation pertaining to all disciplinary matters and corrective actions
- Information relative to grievance proceedings, and complaints of discrimination and harassment filed by the employee
- All applicable benefits record

All medical records shall be kept in a separate confidential file for each employee.

It is the responsibility of each employee to update personal information including change of address, telephone number, marital status, draft status, beneficiaries, number of dependents, or completed education/training maintained in the HR file by notifying HR. The City shall not be held liable when incorrect withholding, wrong beneficiaries, or loss of employee benefits result from the failure of any employee to keep HR records current.

Collection, Retention, and Use of Personal Information

The City will strictly follow the requirements of applicable laws regarding information collection concerning race, color, religion, gender or gender identity, age, national origin, disability, military status, genetic information, communication with an elected public official, free speech, refusing to participate in or remain silent about illegal activities, exercising a statutory constitutional right or any right under clear public policy, political affiliation, or any other basis protected by law. With these restrictions in mind, the City will gather such information about job applicants or employees as determined by the Administrative Services Director.

The following basic principles will be applied in collecting and retaining personal information:

1. HR shall maintain a complete (master) file of each employee's records, which will contain necessary information, as determined by applicable provisions within a City charter, ordinance, or resolution. The master file shall be the central file containing all employee information.

2. Each supervisor and/or Department Head may maintain a file on each employee in his/her charge. All official information contained in this file must also be present in the HR master file.
3. Payroll data may be kept separately from the HR file and the departmental file, although both may include information about an employee's salary history.
4. Employee information may be collected from employees whenever possible, but the City may use outside sources for other information where allowed by law.
5. Worker's Compensation documents will be maintained in a separate file in the custody of HR.
6. Medical information obtained from the City provided medical examinations are the property of the City and will be maintained in a secured file system separate from an employee's official HR record. Medical information may include, but not be limited to the following: benefit documentation such as health insurance forms, fitness for duty examinations, drug testing results, medical information related to leaves of absence, inoculation records, etc. These documents will be maintained in a secured file system that is not open for public inspection. These procedures are in accordance with applicable laws.

Employees' Access to HR Records And Management Files

Employees may have access to and review their own HR files during normal business hours. Contents of employee files may not be removed. An employee desiring to access the HR file of another employee must follow the procedures for public records requests.

Employees' Access Procedures

Employees may contact HR for an appointment to view the file. Employees must review the file in the presence of an appropriate representative. Employees may take notes and may request to be provided with a copy of any of the file's contents subject to the City's policy on copy charges. Any question about the information's accuracy must be referred to the Administrative Services Director.

Disclosure of Applicant and Employee Records and Information

The content of applicant and employee HR files is open to public inspection under the Tennessee Public Records law; however, some personal information has been deemed confidential under state and federal law. Only the Administrative Services Director, or designee, is authorized to disclose information about applicants and employees to outside inquirers. Confidential information shall only be disclosed under the following circumstances:

1. properly identified and duly authorized law enforcement officials without a warrant when investigating allegations of illegal conduct by applicants and employees
2. legally issued summonses or judicial orders, including subpoenas and search warrants
3. others as legally allowed by state and federal law

Requests for copies of detailed application and employment information shall be made in writing and should be directed to the City Recorder who will then forward them to the appropriate departments. Requests for public inspection of applicant and employee records shall be directed to the City Recorder who will then inform the appropriate departments.

Police Department applicants and employment records may be exempt from public access pursuant to state law. All requests for applicants and employment records shall be reviewed by the Chief of Police on a case-by-case basis. When a request is for a professional, business, or official purpose, and includes a request for personal information as defined by T.C.A. § 10-7-504(g), the Chief of Police (or custodian of files) must notify the officer prior to disclosure. The officer must be given a reasonable opportunity to be heard to oppose the release of the information. If the Chief of Police decides not to disclose personal information, the requestor must be notified within two (2) business days of the request and the files shall be released with personal information redacted.

Except as provided in T.C.A. § 10-7-504(g), all law enforcement personnel records shall be open for inspection as provided in subsection (a); however, whenever the personnel records of a law enforcement officer are inspected as provided in subsection (a), the custodian shall make a record of such inspection and provide notice, within three (3) days from the date of the inspection to the officer whose personnel records have been inspected:

- a. That such inspection has taken place

- b. The name, address and telephone number of the person making such inspection
- c. For whom the inspection was made
- d. The date of such inspection

Confidential information will be redacted out of any HR files that are requested for inspection, as per Tennessee Law. Adequate time will be allotted to allow for redaction of such information as allowed by law.

In all such matters, the employee shall be notified within seventy-two (72) hours of the records inspection and/or provision of copies. Police officers shall be informed that an inspection has taken place or copies have been provided; the name, address, and phone number of the person(s) making the request; person(s) for whom the request was made; and the date of inspection and/or the provision of copies. Exceptions for non-police employees may be made to release limited general information, such as the following: (a) employment dates; (b) position held; and (c) location of job site.



OPERATING POLICY AND PROCEDURE

CATEGORY: PERSONNEL
POLICY: HR 99
SUBJECT: DEFINITIONS

EFFECTIVE DATE: 03/01/2026
IMPLEMENTED: 03/01/2026
REVIEWED: 03/01/2026
TOTAL PAGES: 8

Absence with pay – Absence approved by the supervisor and for which compensation is received.

Absence without pay – Absence known, unknown, approved, unapproved, resulting in suspension, abandonment of position or leave without pay.

Absence without leave – Unauthorized absence.

Acting – Assumption of duties and responsibilities of another position not to exceed one year.

ADA – Americans with Disabilities Act

ADAAA – Americans with Disabilities Act Amendment Act

Allocation – The assignment of a position to its appropriate class in relation to job duties.

Annual leave – Paid vacation or personal leave.

Appeal – Request for review by the Department Head and the Administrative Services Director of disciplinary action or review of an examination rating or procedure.

Application – A form or forms used in applying for positions with the Municipal Government of the City.

Appointing authority – For the purposes of these policies, the appointing authority is the Department Head.

Appointment – The offer to and acceptance by a person of a position (either on a regular or temporary basis).

Assembled examination – An examination for which applicants are required to appear at a specific place at a specific time.

Base pay – The rate of pay that reflects only the salary grade and step of the position. It does not include e-pay or differentials.

Certification – Endorsement as meeting required minimum standards for a vacant position.

Chief executive – Shall mean Mayor of the City.

City – City of Hendersonville

COO – Chief of Operations

Class – A group of positions which are sufficiently alike in general duties and responsibilities to warrant the use of the same title class specification and pay range.

Class series – A number of classes of positions which are substantially similar as to the types of work involved and differ only in rank as determined by the importance of the duties and degree of responsibility involved and the amount of training and experience required. Such classes constitute a series.

Class specifications – A written description of a class consisting of a class title, a general statement of the level of work and of the distinguishing features of work, examples of duties, and minimum of desirable qualifications for the class; the types of knowledge and abilities required.

Classification – The act of grouping positions in classes regarding: (1) duties and responsibilities; (2) requirements as to education, knowledge, experience, and ability, (3) tests of fitness. Classification allows an arrangement of positions whereby equal pay is given for substantially equal responsibility and authority.

Classification plan – The resultant system of positions that have been grouped into appropriate classes reflecting the hierarchical structure of the organization and consisting of: (1) an index to the class specifications; (2) the class specifications; and (3) policies for administering the classification plan.

Combined rate – The base rate of pay plus educational attainment pay (e-pay). It does not include differentials.

Compensation – The standard rates of pay which have been established for the respective classes of work, as set forth in the compensation plan.

Compensation plan – The official schedule of pay approved by the Board of Mayor and Aldermen assigning one or more rates of pay to each class title.

Compensatory time – Time off from work in lieu of monetary payment for overtime worked.

Demotion – Assignment of an employee from one class to another which has a lower maximum rate of pay.

Department – A primary organizational unit as designated in the budget document, the head of which reports directly to the COO.

Department head – A person responsible for administering the functions of a department who is subject to the HR policies unless otherwise notated.

Department head delegate – Individuals of the management team who has been chosen by the Department Head who can act on behalf of the Department Head in their respective area(s). This assigned designation must be approved by the COO.

Departmental policy – Those administrative policies set out by the Department Head and approved by the COO; particular to the operation of the individual department; shall be consistent with but may not be synonymous with these HR policies.

Departmental procedure – Standard operating procedure specific to department, not necessarily approved by the COO.

Differential – Extra pay often associated with different shifts or unique skillsets.

Disability – A condition of impairment, partial, complete, permanent, or temporary which prevents, hinders, or adversely affects an individual's performance of his/her normal routine of work.

Disciplinary action – An action which may be taken by the employee's appointing authority or the designated representative in the event of failure to comply with policies. Types of disciplinary action are verbal and written reprimand, suspension, and/or dismissal.

Dismissal – A type of disciplinary action which separates an employee from the Municipal Government payroll for cause.

E-Pay – Education Attainment Pay

EAP – Employee Assistant Program

Eligible – A person who has successfully met the required qualifications for a particular class.

Eligibility list – The ranking of eligible candidates for a vacancy in order of overall qualifications as predetermined by an officially approved requisition.

Employee – An individual whose position is budgeted and is legally employed by the government of the City and is compensated through the City payroll for his services. Individuals or groups compensated on a fee basis are not included.

Employee development – Training programs for the purpose of improving the quality of service of the employee and improving the employee's advancement.

Evaluation – The system which has been established for evaluating an employee's performance by his or her supervisor.

Examination – The process of testing, evaluating, or investigating the efficiency, fitness, and qualifications of applicants.

Exempt employee – An employee paid on a salaried basis who is not subject to the overtime provisions of the FLSA.

Extended family – Current in-laws (mother, father, grandparent, sister, brother, son, and daughter), aunt, and uncle.

Fair Labor Standards Act (FLSA) – The federal labor law that covers minimum wage provisions, overtime, the Equal Pay Act, child labor laws, and other employment laws.

FML – Family Medical Leave

FMLA – Family Medical Leave Act

Genetic information - Includes an individual's family medical history, the results of an individual's or family member's genetic tests, the fact that an individual or an individual's family member sought or received genetic services, and genetic information of a fetus carried by an individual or an individual's family member or an embryo lawfully held by an individual or family member receiving assistive reproductive services."

GINA – Genetic Information Non-Discrimination Act

Grievance – A non-pay related dispute relative to some aspect of employment. An employee's feeling of difference, or disagreement, something either real or alleged; a misunderstanding, a complaint, point of view or an opinion pertaining to some aspect of employment, relationship between an employee and his/her supervisor and/or employer, relationship with other employees; application or interpretation of policies, management or administrative decisions or orders affecting employment conditions.

H.E.A.T. – Hendersonville Essential Action Team (i.e., SWAT)

HMC – Hendersonville Municipal Code

HR – Human Resources

Immediate family – Includes spouse, parents (biological, stepparent, or in-loco parentis), children (biological, adopted, or step), siblings, grandparents, and grandchildren. For sick leave only, this definition is defined as parents (biological, stepparent, or in-loco parentis), children (biological, adopted, or step-children) and siblings.

Involuntary separation – When an employee is removed from their position by the City, not by their own choice (poor performance, misconduct, layoffs, etc.).

Job abandonment – An employee's unauthorized absence from work for an established number of consecutive workdays without communication with the Department regarding the absence.

Job description – A written document covering a group of duties and responsibilities assigned to an employee.

Layoff – The non-disciplinary separation of an employee from a position due to a shortage of funds or work, the abolition of a position or for related reasons out of the employee's control and which does not reflect discredit upon the service of the employee.

Leave – An approved type of absence from work as provided for by these policies.

Maternity benefits – To be treated the same as other causes of disability under fringe benefit plans. To be provided for spouses of insured employees who elect family medical coverage.

Maternity leave – Leave in accordance with applicable provisions of state law for pregnancy, childbirth, adoption and nursing of an infant.

Merit pay increase(s) – An increase in compensation established in the compensation plan which may be granted to an employee for meritorious service and completion of minimum prescribed periods of employment in the class.

Military leave – The period of 20 working days or less per calendar year granted to employees who are members of a Military Component. Military Training Leave is not charged to vacation leave. Employees may use up to 5 additional days of Sick Leave for Military Training each calendar year.

Nepotism – Favoritism shown to relatives by reason of relationship rather than merit OR employment of immediate family by blood or marriage within same department.

Nepotism “direct or indirect supervisory relationship” – Means that it is prohibited for one (1) immediate family member to be responsible for supervising the job performance or work activities of another immediate family member on a regular basis.

Nepotism “whichever is less restrictive” – Means immediate family members may be allowed to work in the same work location if in different departments, or in the same department if in different work locations or on different shifts.

Non-classified – Those positions not included in the Classified Service as defined in the Personnel Ordinances, Title IV.

Non-exempt employee - An employee paid on a salaried basis who is subject to the overtime provisions of the FLSA.

On call – Being available for a designated period.

Overtime – Authorized time worked by an employee more than their work period.

Overtime pay – Compensation paid to an employee for overtime worked performed in accordance with these policies.

PAF – Payroll Action Form. Used to submit employee payroll actions to the Human Resources office.

Part-time employee – An employee who, on a regular basis, works less than the established hours of employment for a day, week, month, or year.

Pay range – One or more specific pay rates having a percentage relationship to one another, assigned to a class of positions as compensation for that class.

Pay rate – A specific dollar amount, expressed as an annual rate, monthly rate, weekly rate, or hourly rate, as shown in the pay plan.

Pension – The monthly compensation received due to retirement from a municipal position based on service, age or disability in accordance with the applicable “retirement” rules of the Tennessee Consolidated Retirement System.

Personnel files – The files which are maintained in the Human Resources Office for each employee and consists of such items as application for employment, records of transfers, promotions, demotions, reemployment, reclassifications, changes in pay, benefits, all materials relating to performance evaluations, and disciplinary actions, Worker’s Comp and medical files are to be kept in separate confidential files.

Probationary employee – A new employee appointed who is required to successfully serve a probationary period of one (1) year.

Probationary period – The designated one (1) year period of employment or full-time equivalent in the case of a part-time regular employee.

Promotion – Assignment of an employee from one class to another which has a higher maximum rate of pay.

Rank – The order in which applicants’ names appear on an eligibility list based on the individual’s composite qualifications. Composite qualifications mean written or oral examination scores, interview scores, physical test results, or other qualifications required by position.

Re-employment – Rehire of former employee within one (1) year of involuntary layoff or rehire of employee on military leave.

Reclassification – A classification action of a position by classifying it upward, downward, or to a different classification based on sufficient changes in the kind, difficulty, or responsibility of work assigned to the position.

Reduction in force – Layoffs due to decrease in budgeted positions.

Regular appointment – Appointment within a time limitation, or special restrictions as to continued employment.

Regular full-time employee – An employee who was appointed under these policies and who has satisfactorily completed his/her probationary period. All employees are “at will” and the City is an “at will” employer under Tennessee law. Employees have no property rights to employment.

Regular part-time employee – An employee who typically works a more regular part time schedule and is entitled to some pro-rated employee benefits. All employees are “at will” and the City is an “at will” employer under Tennessee law. Employees have no property rights to employment.

Removal – Separation.

Reorganization – Adjustment of department structure.

Reprimand (oral) – Reprimand administered orally.

Reprimand (written) – More serious of the two types (oral and written) to become part of personnel file along with any answer which may be supplied by the employee.

Requisition – A request by the appointing authority to secure a list of eligible applicants from the Human Resources Office.

Resignation – Separation from the employment of the municipal government at the request of the employee.

Retirement – Separation from municipal employment when employee reaches the age or serves the number of years required by Tennessee Consolidated Retirement System to draw benefits.

Scheduled employee – Employee arranging for a substitute to work in his/her place on a scheduled workday.

Seasonal employee – Employee who is hired to perform seasonal job duties. These employees are not entitled to any employment benefits except coverage under workers' compensation. A seasonal employee may not be subject to all conditions of employment but shall be fully capable of performing the assigned duties.

Seniority – The status of an employee acquired by continuous service with the government.

Service anniversary date – The date of hire; adjusted to account for any unpaid periods of employment. Service anniversary dates for part-time employees will reflect one year's annual equivalence.

Service awards – An award presented to an employee in recognition of faithful service rendered to the citizens of the City or an award given for a period of continued service.

Severance pay – Pay awarded to employee leaving because of layoff only.

Shift substitution – Trading a scheduled workday with another employee.

Shift swap – Same as Shift Substitution.

Sick leave – An absence approved by the Departmental Head, and in some instances confirmed by the Admin Services Director and the COO, due to non-occupational illness or injury or health maintenance with a licensed health care provider.

Standard working days – Refers to standard City work week Monday-Friday as used in these policies to calculate response periods for grievance appeals.

Substitute employee – Employee who agrees to work for a scheduled employee in exchange for that scheduled employee working a comparable scheduled period for the substitute employee later.

Supervisory employee – A supervisory employee is an individual having authority to perform one or more of the following: hire, transfer, suspend, lay-off, recall, promote, demote, discharge, assign, reward, or discipline employees or responsibility to direct them or to adjust their grievances, or effectively to recommend such action, if in connection with the foregoing the exercise of such authority is not a merely routine or clerical nature, but requires the use of independent judgment. It is the intent that this definition applies to those individuals compensated as supervisory personnel.

Suspension – An enforced leave of absence for disciplinary purposes or pending investigation of charges made against an employee.

TCRS – Tennessee Consolidated Retirement System

Temporary employee – Employee who fills a vacancy, short-term assignment, or for an employee on leave. These employees are not entitled to any employment benefits except coverage under workers' compensation. A temporary employee may not be subject to all conditions of employment but shall be fully capable of performing the assigned duties.

Transfer – Assignment of an employee from one position to another position. Transfers can take place within a department between departments, between positions of the same pay range, between positions of the same class.

Unassembled examination – An examination for which applicants are not required to appear at a specific time and place but is administered over a set period for the establishment of an eligibility list.

Vacancy – The unoccupied budgeted position within the Municipal Government.

Voluntary separation – When an employee leaves their job or separates on their own terms (resigns, retires, etc.)

Work location – A municipal building with a particular street address (e.g., 101 Maple Drive North or 3 Executive Park Drive).

Work week – The number of compensable hours regularly scheduled to be worked during any seven (7) consecutive days, usually for forty (40) hours with special provisions made in those departments requiring additional work shifts or work hours.

DATE:	January 27, 2026
ORDINANCE/RESOLUTION #	Ordinance 2026-01
SPECIFIC REQUEST/ RECOMMENDATION:	That the Board of Mayor and Alderman consider the adoption of the updated versions of Title 2 and Title 4 of the Hendersonville Municipal Code, and the acceptance of the updated Personnel Rules and Regulations
REPORT PREPARED BY:	Jason Gallo – Administrative Services Director



BACKGROUND:

1

The City of Hendersonville’s Human Resources Department is responsible for maintaining the Personnel Rules and Regulations, as well as Title 4 (Municipal Personnel) of the Hendersonville Municipal Code.

Title 4 and the Rules and Regulations provide the framework and expectations of how city employment operates. These sections also ensure compliance with State and Federal laws. The Rules and Regulations provide guidance for the full life-cycle of an employee (hiring, promotions, transfers, and separations).

The Rules and Regulations do not apply to elected or appointed officials.

DISCUSSION:

2

Since it has been a number of years since both the Rules and Regulations and Title 4 have been reviewed and updated, the Human Resources staff has done a thorough review of the Rules and Regulations, as well as the existing Municipal Code.

The methodology applied was to combine multiple sources of guidance (Rules and Regulations, Municipal Code, and Administrative policies) into a single location. The Rules and Regulations were divided up into a structure that was developed for long-term use and simplicity.

Feedback was obtained from Department Heads, MTAS, the Chief of Operations, City Attorney, outside Legal Counsel, and a BOMA Workshop.

Regulatory updates and best practices were applied in order to be compliant with State laws, Federal laws, and Executive Orders. The language of the policies was updated for clarity, simplicity, and ease of understanding.

A Code of Conduct was also created, which was modeled after TN State’s Employee Code of Conduct.

As directed by BOMA, HR made every effort to simplify Title 4 of the Municipal Code and reduce any duplication where possible.

FISCAL IMPACT:	3
No Fiscal Impact	

ATTACHMENTS:	4
• Ordinance 2026-01 • EXHIBIT A - Personnel Rules and Regulations (effective 03/01/2026) • HMC Title 4 Update Log	

City of Hendersonville, Title 4 Municipal Code Changes

Code	Title	Action	Notes
4-101	Policy and purpose as to coverage	Keep	
4-102	Necessary agreements to be executed	Keep	Updated language to match State Titles
4-103	Withholdings from salaries or wages	Keep	
4-104	Appropriations for employer's contributions	Keep	
4-105	Records and reports	Keep	
4-106	Exclusions	Keep	
4-201	General provisions	Keep	
4-202	Definitions	Updated Definitions	Added City Administrator, HR Director, and Employee
4-203	Coverage	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-204	Administration	#1 - Keep #2 - Keep #3 - Remove #4 - Remove	Removed 204.2.a Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-205	Funding the Program Plan	Remove	Number was duplicated in code
4-205	Personnel rules	#1 - Remove #2 - Keep	Number was duplicated in code Added 203.2
4-206	Classification	#1 - Remove #2 - Keep #3 - Remove #4 - Remove	# 2 combined with 4-207 Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-207	Compensation	#1 - Keep #2 - Keep #3 - Remove #4 - Remove #5 - Remove	#1 and #2 combined with 4-206 Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-208	Eligible Lists	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-209	<BLANK> Not in use	Remove	
4-210	Certification	Remove 289	Removed from municipal code and replaced with updated processes found in new Rules and Regulations

City of Hendersonville, Title 4 Municipal Code Changes

Code	Title	Action	Notes
4-211	Veteran Preference	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-212	Probationary period	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-213	Status of present employee	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-214	Promotions	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-215	Demotions, suspensions, and dismissals	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-216	Reduction in workforce	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-217	Appeals	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-218	Political Activity	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-219	Records	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-220	Discrimination	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-221	Provision for review	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations

City of Hendersonville, Title 4 Municipal Code Changes

Code	Title	Action	Notes
4-301	Definition and adoption of the classification plan	#1 - Remove #2 - Remove #3 - Keep	#3 combined with 4-206 Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-302	Definition and adoption of the compensation plan	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-303	Pay Benefits for Public Safety Employees	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-304	Administration of the compensation plan	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-305	Compensation limited by appropriations	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-306	Repeal of conflicting code provisions	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-307	Pay Benefits for Parks Department Employees	Remove	Removed from municipal code and replaced with updated processes found in new Rules and Regulations
4-401	PURPOSE AND COVERAGE	Keep - Text provided by TOSHA	
4-402	DEFINITIONS	Keep - Text provided by TOSHA	
4-403	EMPLOYER'S RIGHTS AND DUTIES	Keep - Text provided by TOSHA	
4-404	EMPLOYEE'S RIGHTS AND DUTIES	Keep - Text provided by TOSHA	
4-405	ADMINISTRATION	Keep - Text provided by TOSHA	
4-406	STANDARDS AUTHORIZED	Keep - Text provided by TOSHA	
4-407	VARIANCE PROCEDURE	Keep - Text provided by TOSHA	
4-408	RECORDKEEPING AND REPORTING	Keep - Text provided by TOSHA	
4-409	EMPLOYEE COMPLAINT PROCEDURE	Keep - Text provided by TOSHA	
4-410	EDUCATION AND TRAINING	Keep - Text provided by TOSHA	
4-411	GENERAL INSPECTION PROCEDURES	Keep - Text provided by TOSHA	
4-412	IMMINENT DANGER PROCEDURES	Keep - Text provided by TOSHA	

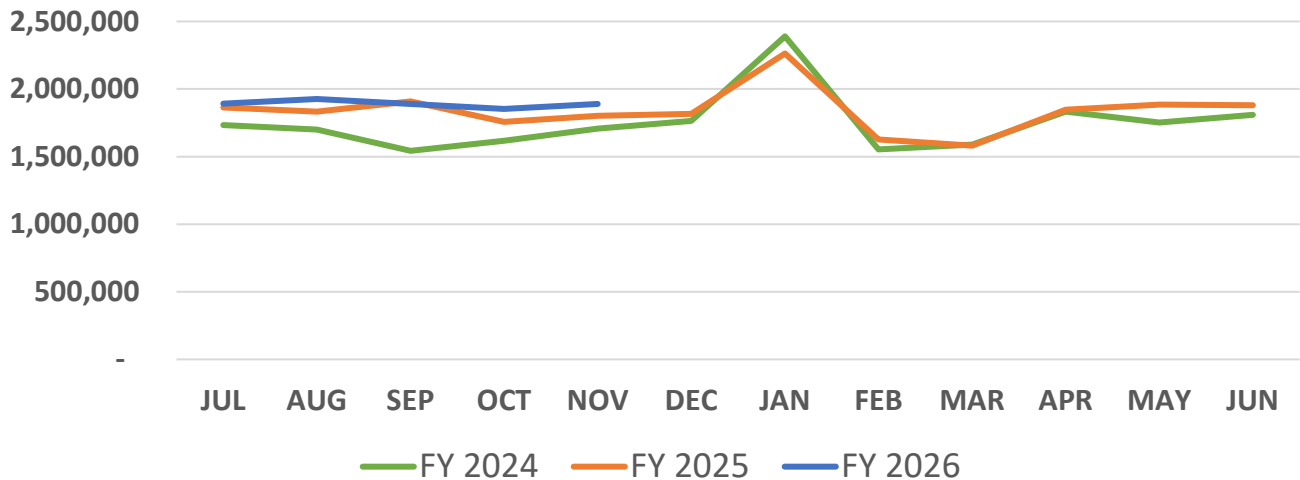
City of Hendersonville, Title 4 Municipal Code Changes

Code	Title	Action	Notes
4-413	ABATEMENT ORDERS AND HEARINGS	Keep - Text provided by TOSHA	
4-414	PENALTIES	Keep - Text provided by TOSHA	
4-415	CONFIDENTIALITY OF PRIVILEGED INFORMATION	Keep - Text provided by TOSHA	
4-416	DISCRIMINATION INVESTIGATIONS AND SANCTIONS	Keep - Text provided by TOSHA	
4-417	COMPLIANCE WITH OTHER LAWS NOT EXCUSE	Keep - Text provided by TOSHA	
4-501	Established	Keep	
4-502	Training	Keep	
4-503	City to pay for protective equipment	Keep	
4-504	Hepatitis B vaccines	Keep	
4-505	Disposal of contaminated equipment and mate	Keep	
4-506	Laundry services	Keep	
4-507	Reporting potential exposure	Keep	
4-508	Legal rights of victims of communicable diseases	Keep	
4-509	Records to be kept confidential	Keep	
4-601	Coverage	Remove	Removed from municipal code. Processes found in existing policies.
4-602	Travel and expense policy	Remove	Removed from municipal code. Processes found in existing policies.
4-603	Vehicle use policy	Remove	Removed from municipal code. Processes found in existing policies.



FINANCE

LOCAL SALES TAX REVENUE
July - November 2025, ↑ 3.1 %

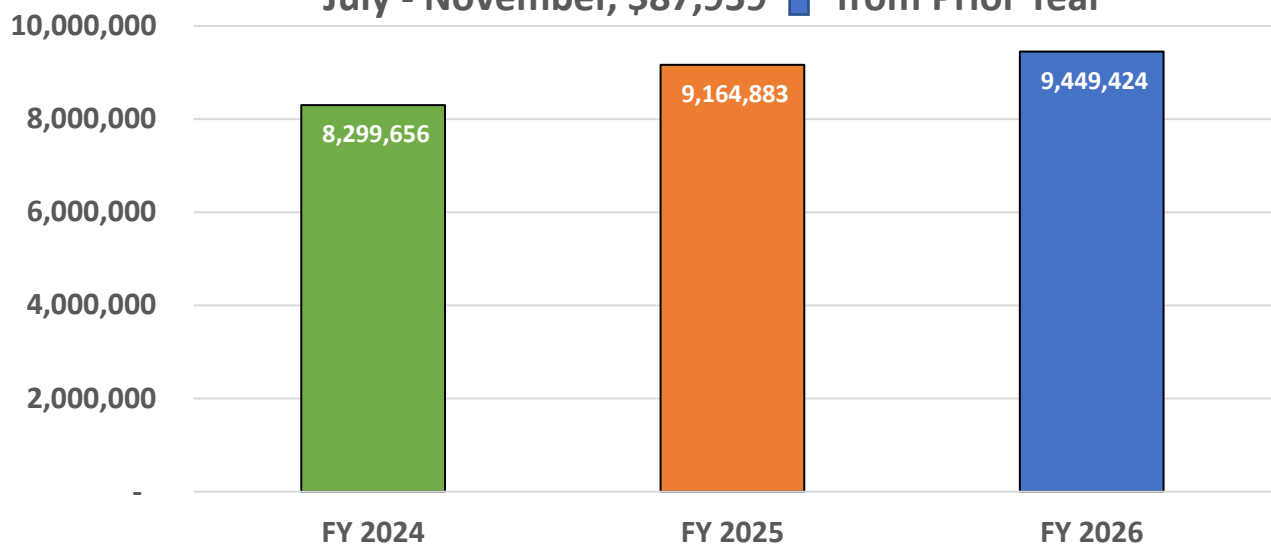


November 2024 vs. November 2025

Local Sales Tax = \$1,802,264 vs. \$1,890,223 = \$87,959 More

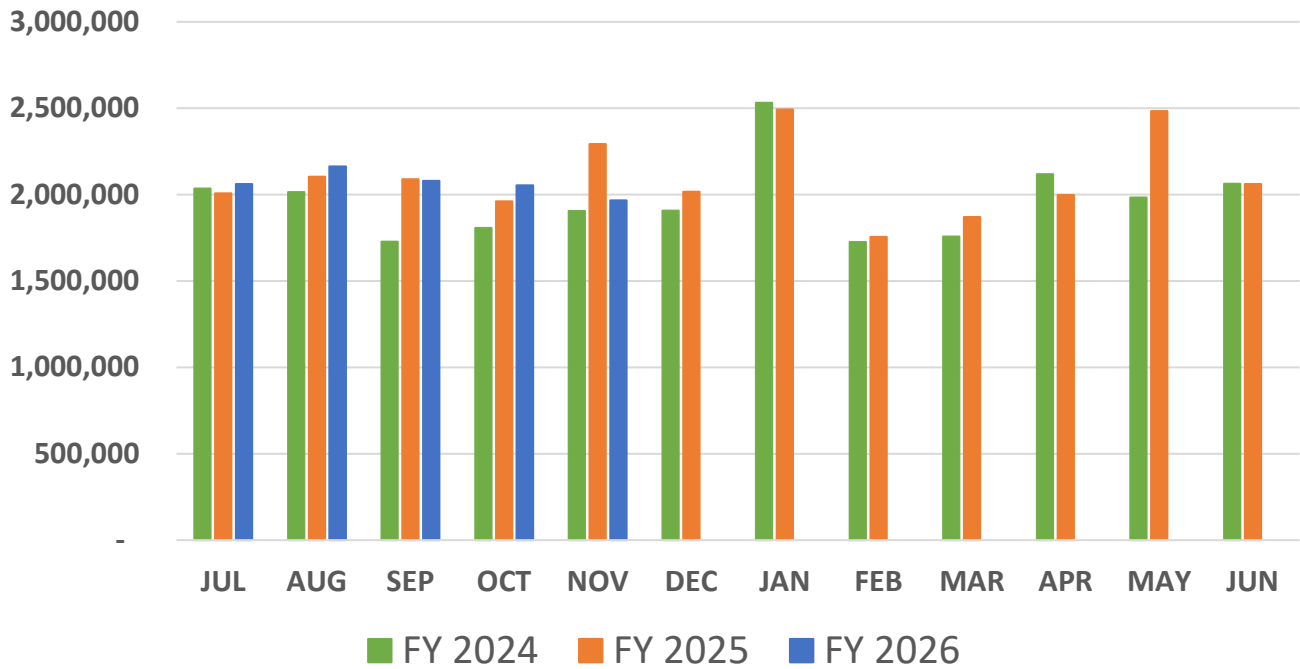
Investment Earnings = \$87,923 vs. \$97,106 = \$9,183 More

LOCAL SALES TAX REVENUE
July - November, \$87,959 ↑ from Prior Year



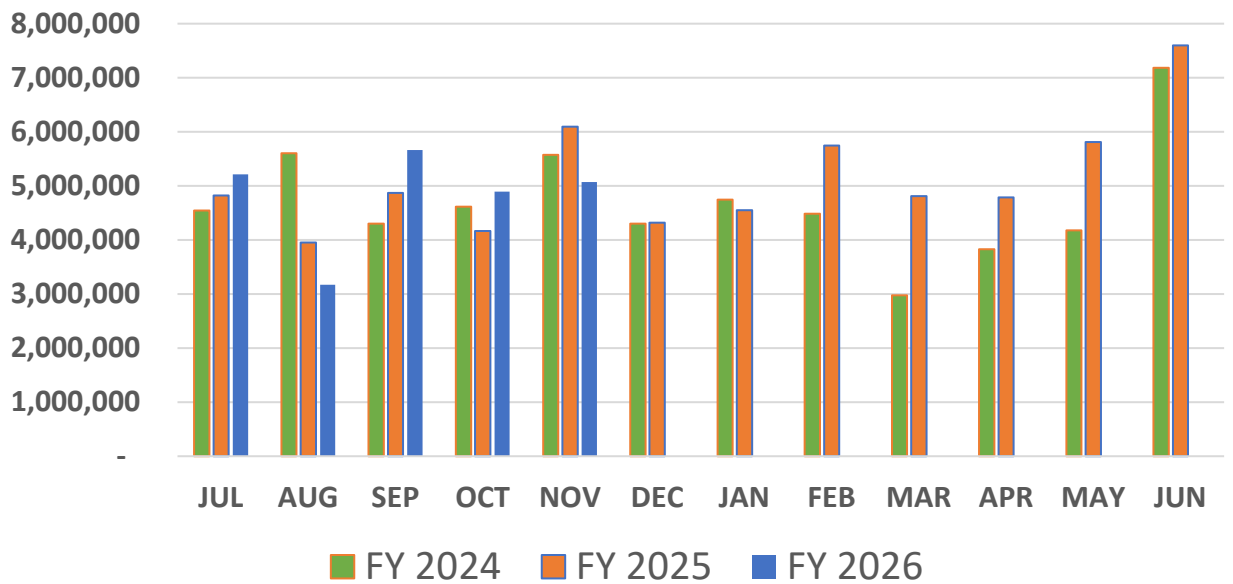
LOCAL SALES TAX & PERMIT REVENUE

July - November YTD ↓ - 1.24%

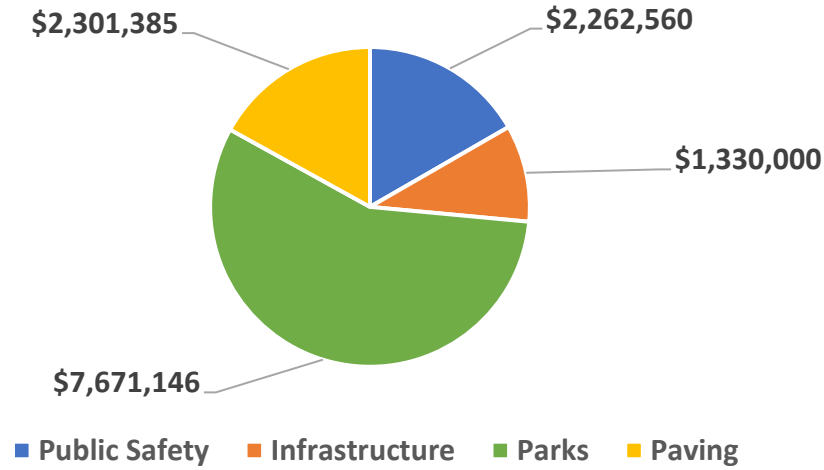


GENERAL FUND OPERATING EXPENDITURES

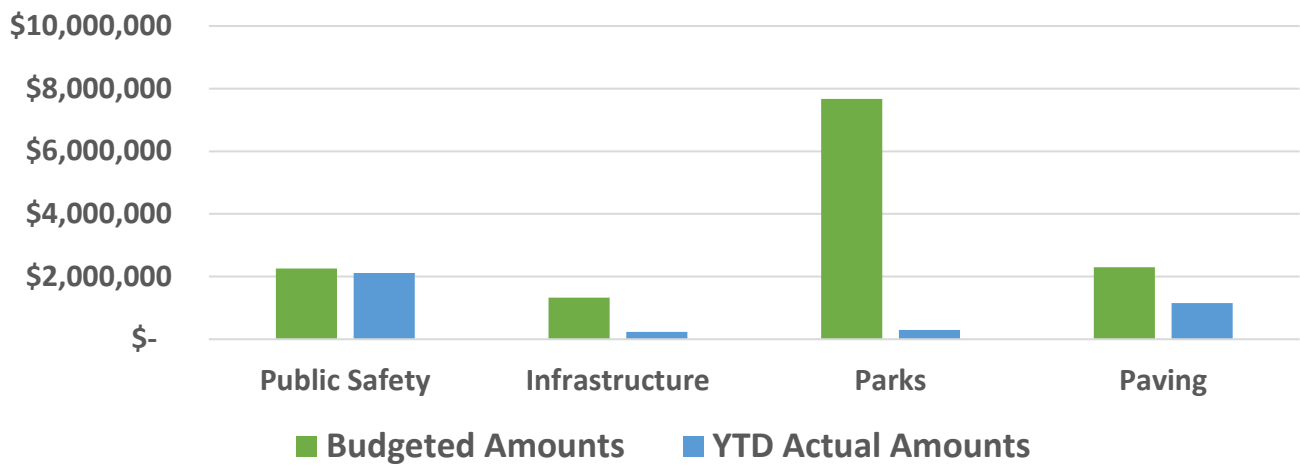
YTD ↑ 0.44 %



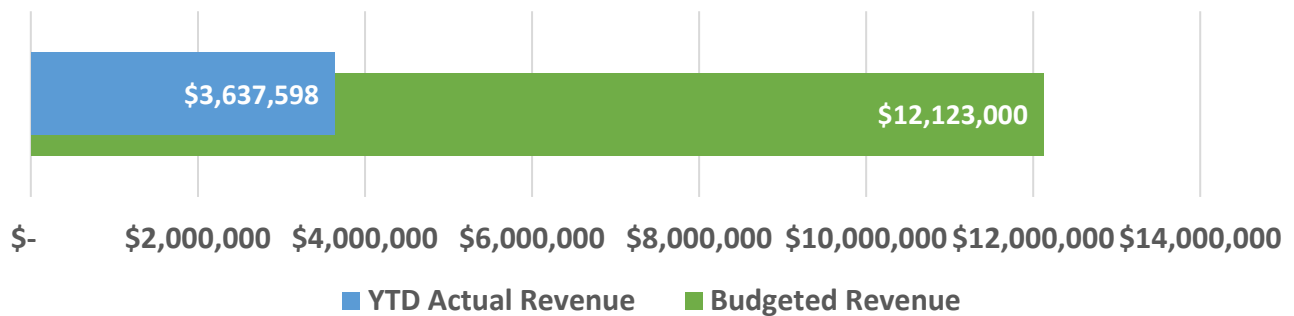
FY2026 Expenditure Budget by Category



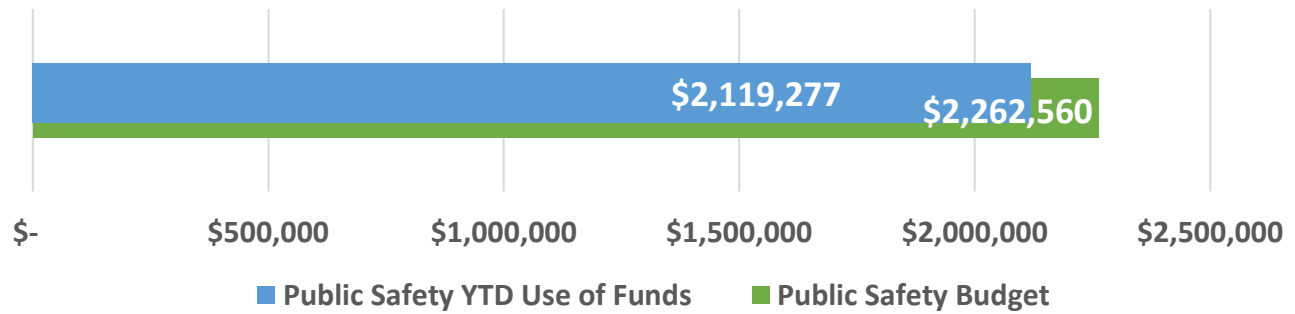
FY2026 Budgeted and Actual Use by Category



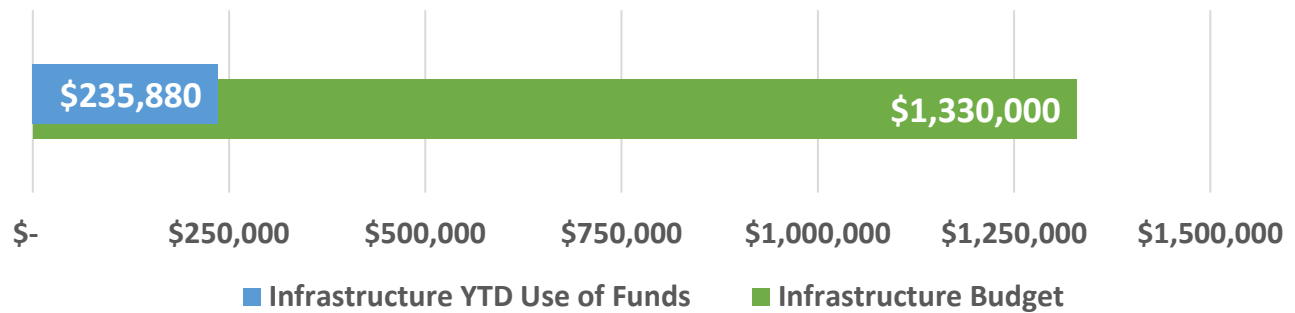
FY2026 Budgeted and Actual Revenues



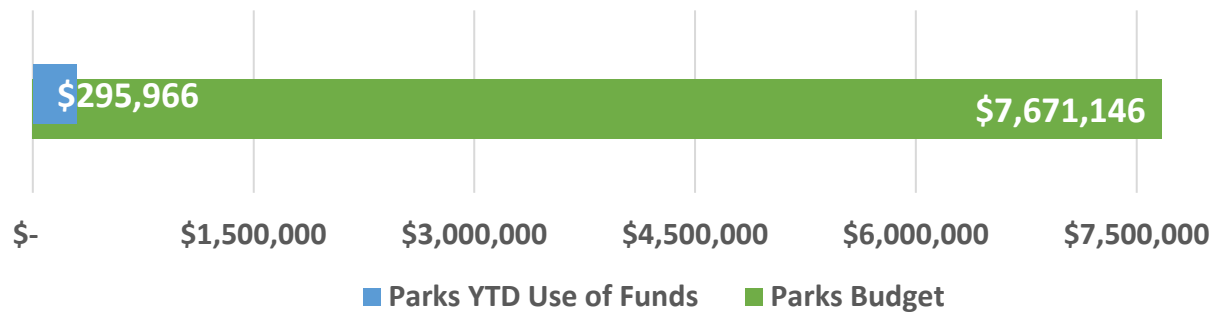
FY26 Public Safety Budget and Actual Use of Funds



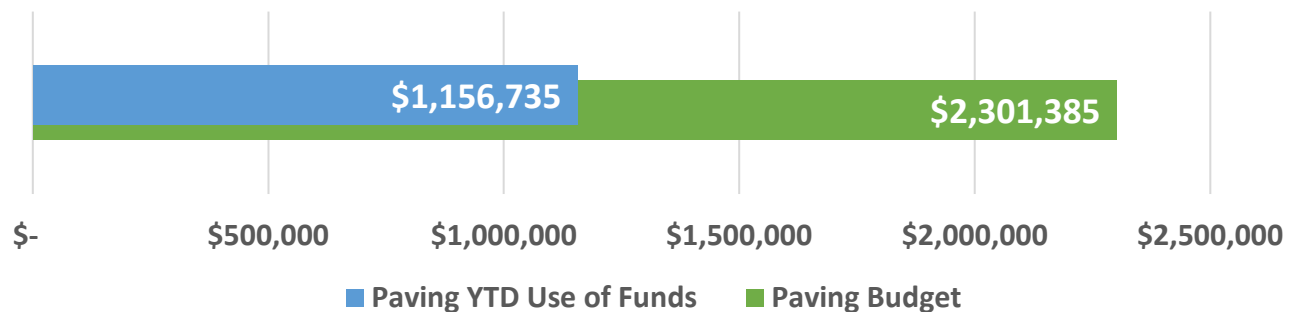
FY26 Infrastructure Budget and Actual Use of Funds



FY26 Parks Budget and Actual Use of Funds

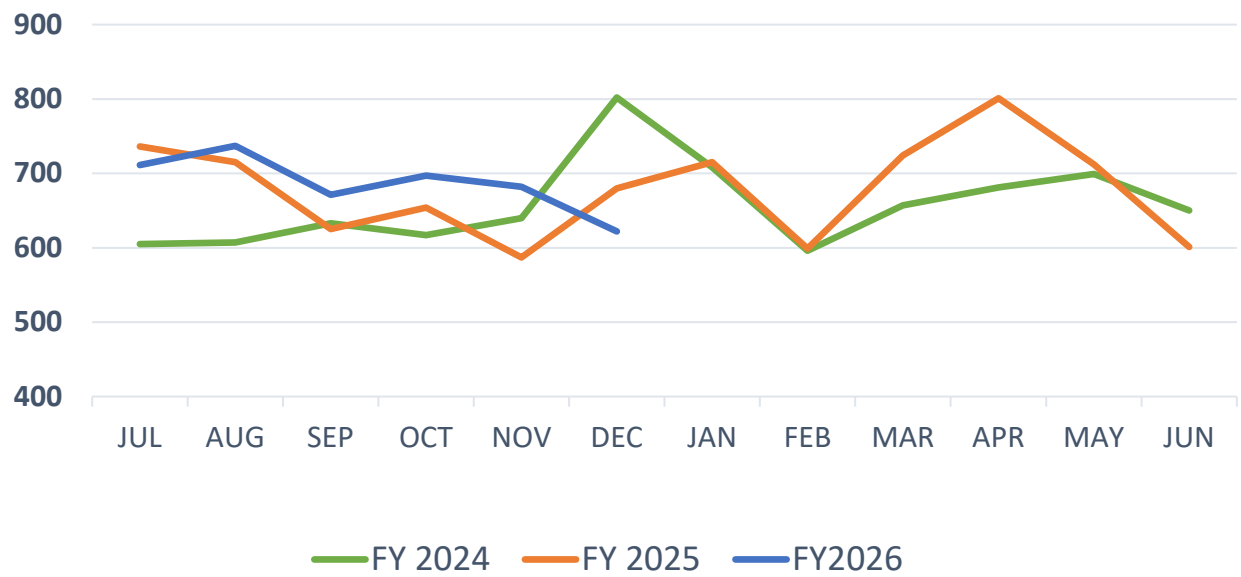


FY26 Paving Budget and Actual Use of Funds

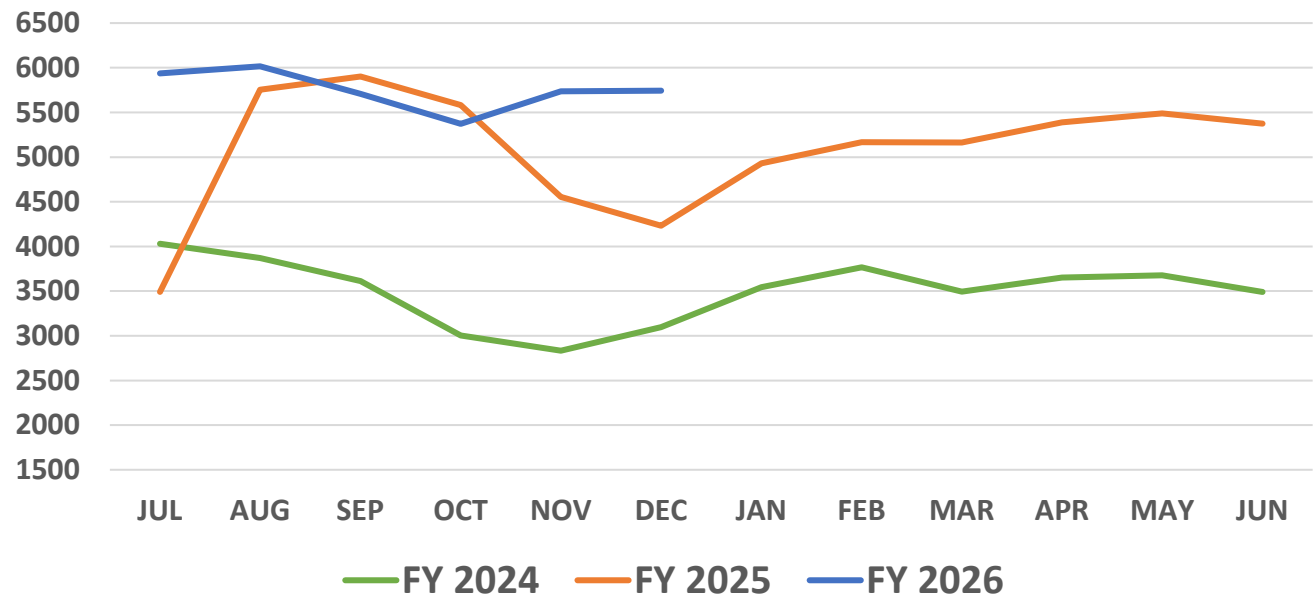


PUBLIC SAFETY

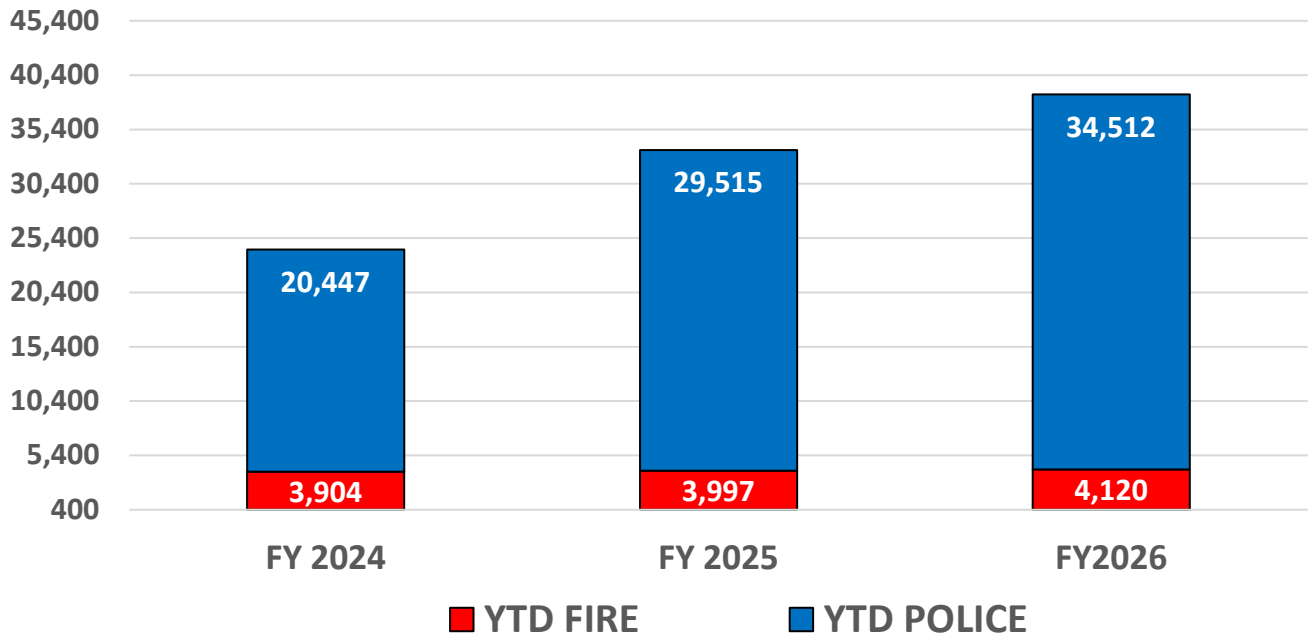
HFD - CALLS FOR SERVICE
July - December , YTD ▲ 3.08 %



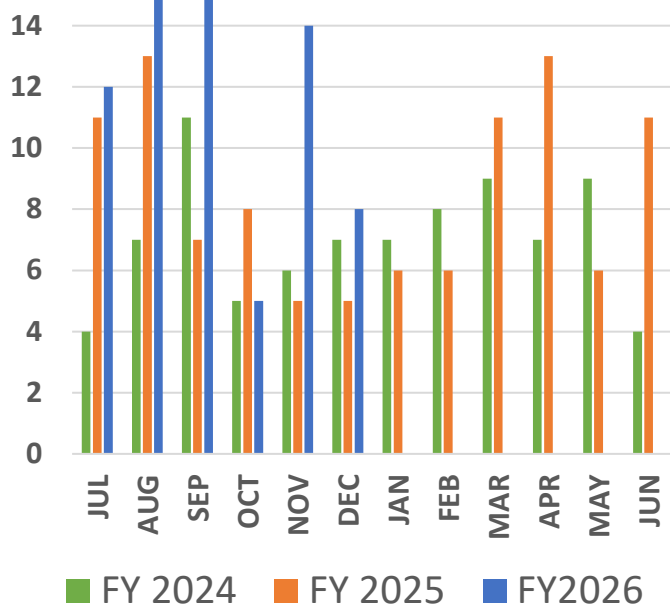
POLICE - CALLS FOR SERVICE
July - December, YTD ▲ 16.9 %



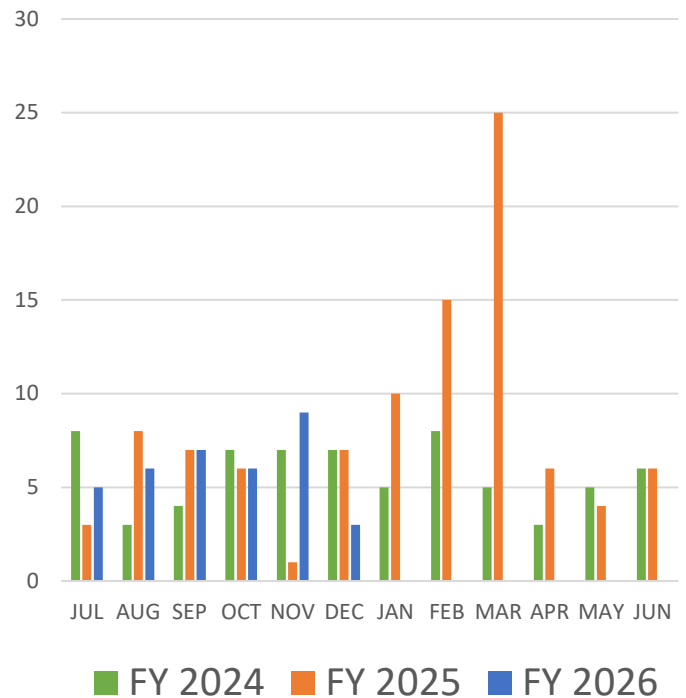
CALLS FOR SERVICE, July - December



HFD - FIRES WORKED July - December, YTD ↑ 53 %

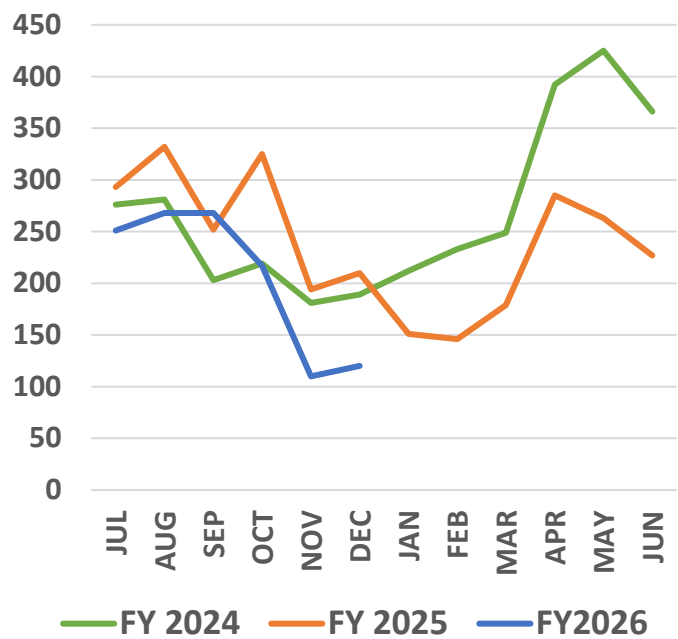


HPD - LPR CONTACTS

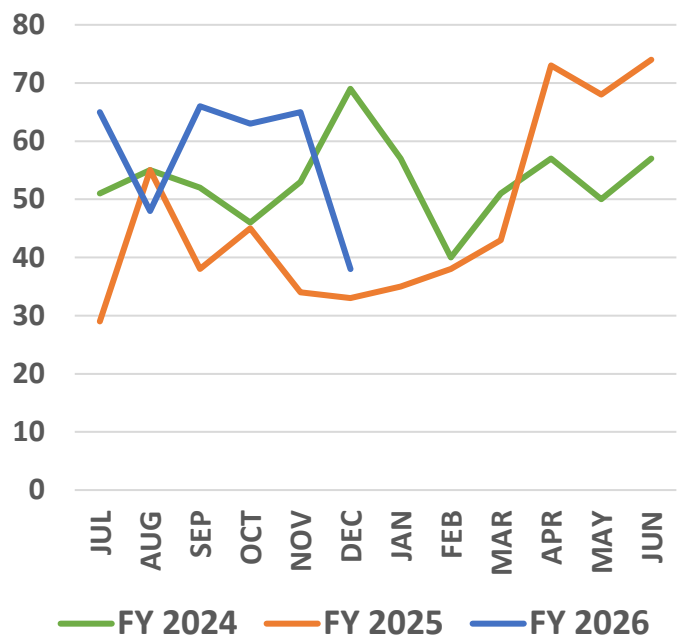


CODES

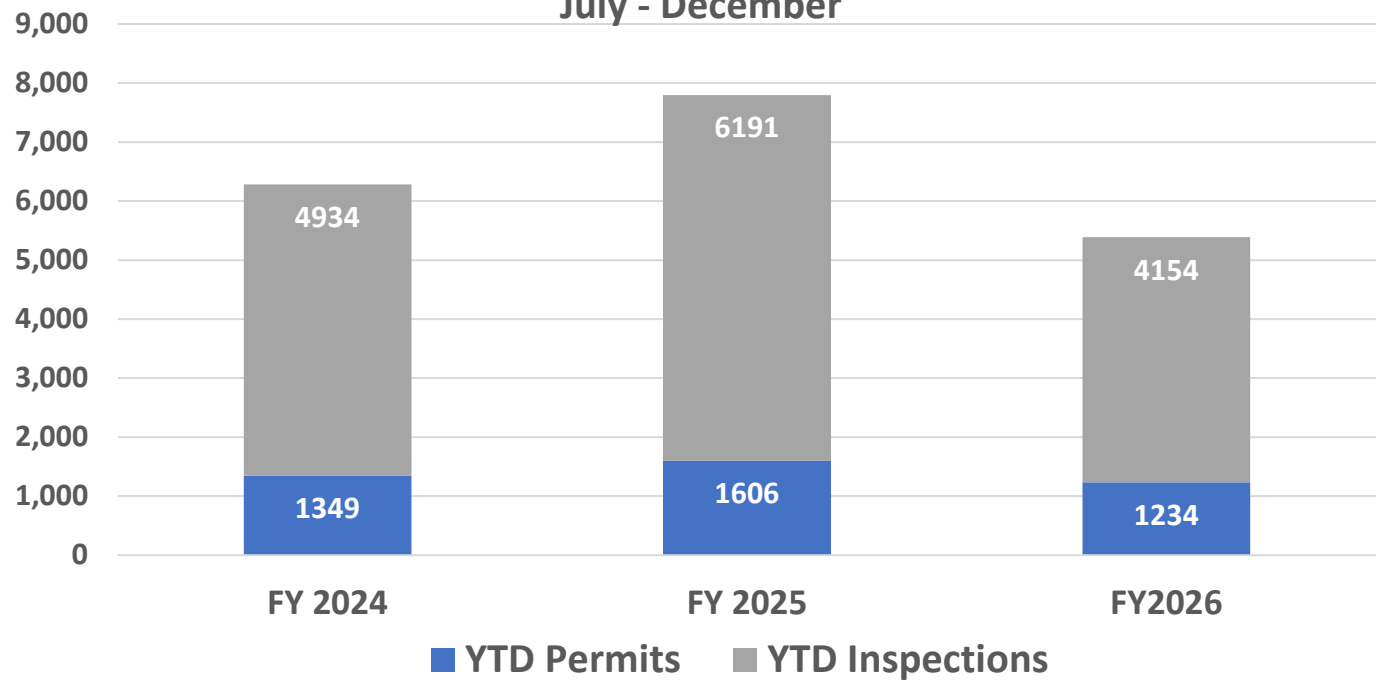
RESIDENTIAL PERMITS ISSUED
July - December, ↓ -23.2 %



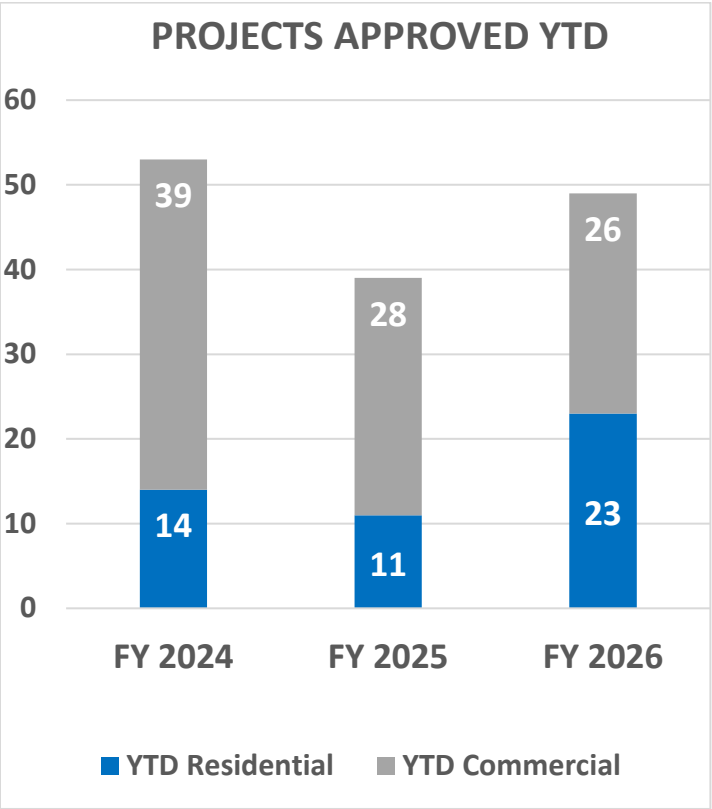
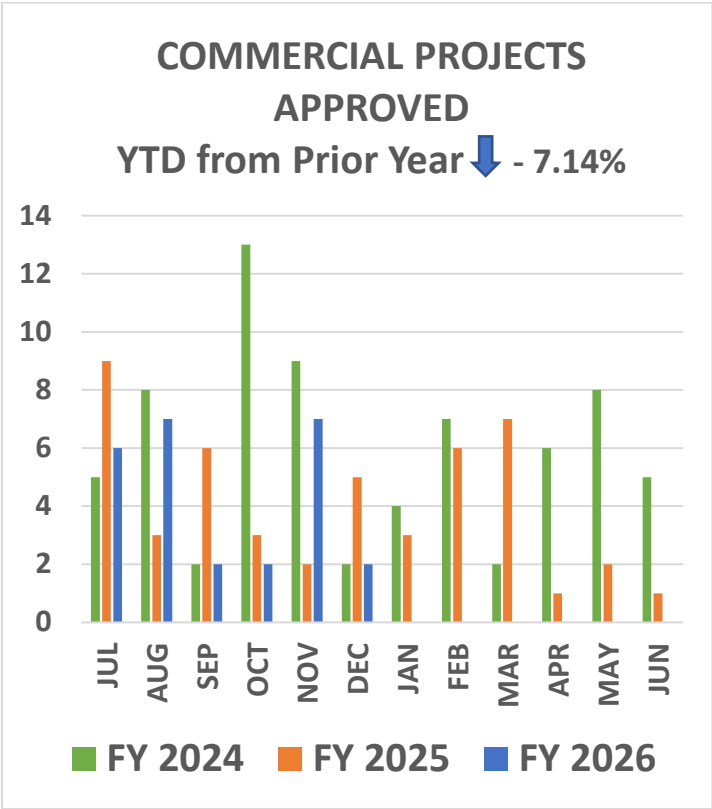
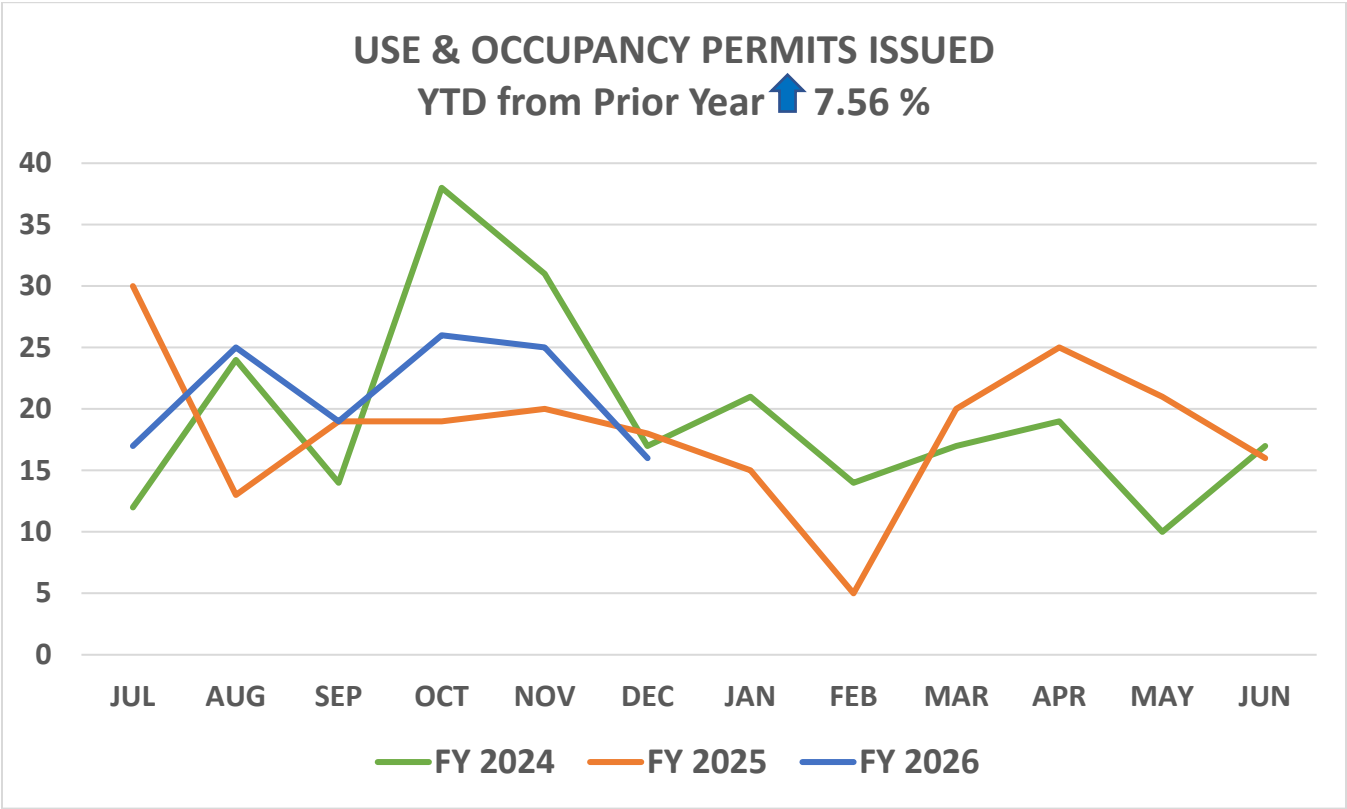
COMMERCIAL PERMITS ISSUED
July - December ↑ 47.4 %



RESIDENTIAL ACTIVITY
July - December



PLANNING



PARKS

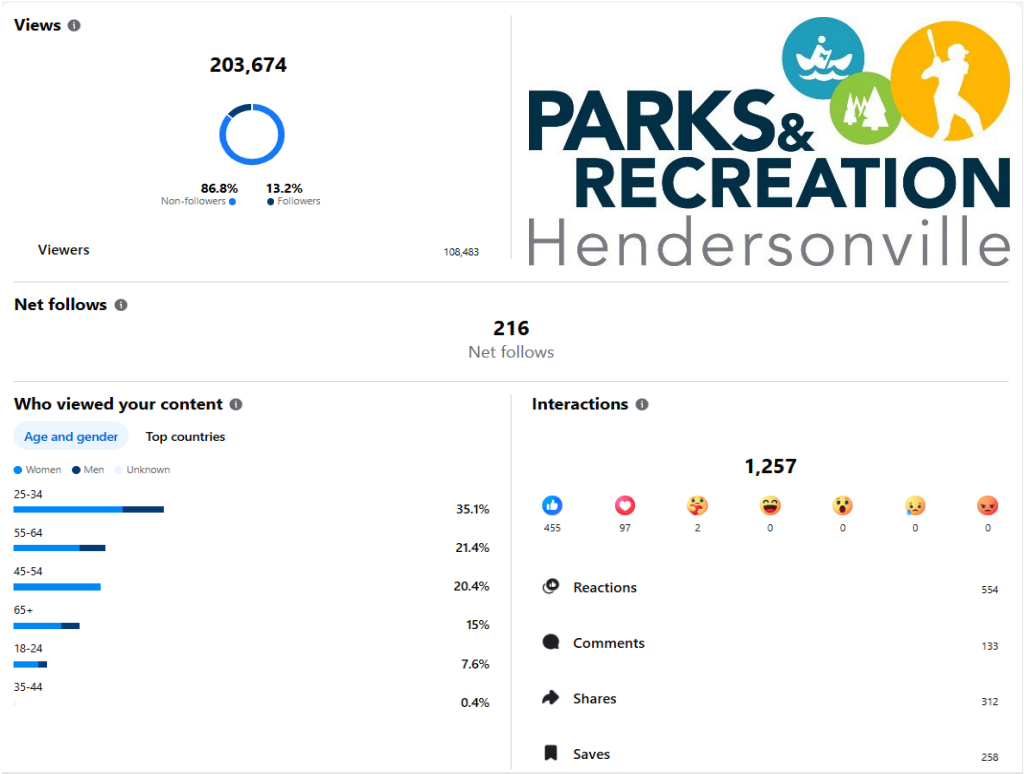
JANUARY	EVENT	LOCATION
January 3rd	HHS Winter Hitting Clinic	Drakes Creek Park
FEBRUARY	EVENT	LOCATION
February 13-14	HHS Middle School Playday	Drakes Creek Park
February 14th	UT Rugby	Rugby Park
February 15th	Couples Shuffle 15k	Veterans Park
February 20-22	Beech Middle School Playday	Drakes Creek Park
February 21-22	Ball Hockey Boot Camp	Volunteer Park
February 28th	Station Camp Softball Playday	Drakes Creek Park

Thank you to all who visited Memorial Park for the Festival of Lights!

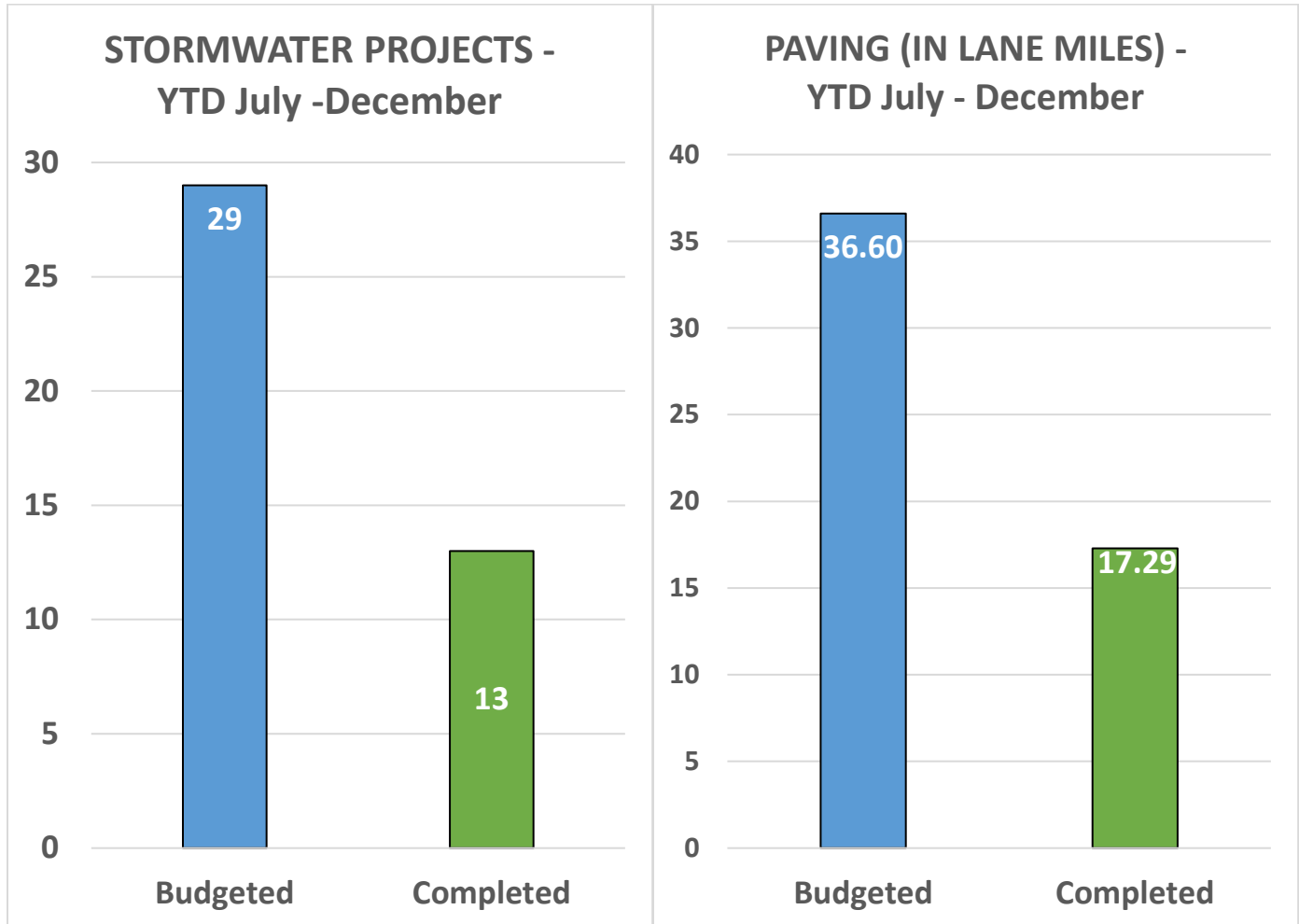
Attached below is the data from Memorial Park that shows all of the visitors throughout the month of December and all of the accounts that were reached, along with the interactions.

This is something we look forward to seeing each month!

Memorial Park East Main Street, Hendersonville, TN		 	
Visits	10.5K	Avg. Dwell Time	49 Min
Visits / sq ft	0	Panel Visits	1K
Size - sq ft	3.5M	Visits YoY	+6.2%
Visitors	8.3K	Visits Yo2Y	0%
Visit Frequency	1.26	Visits Yo3Y	+11.5%



PUBLIC WORKS

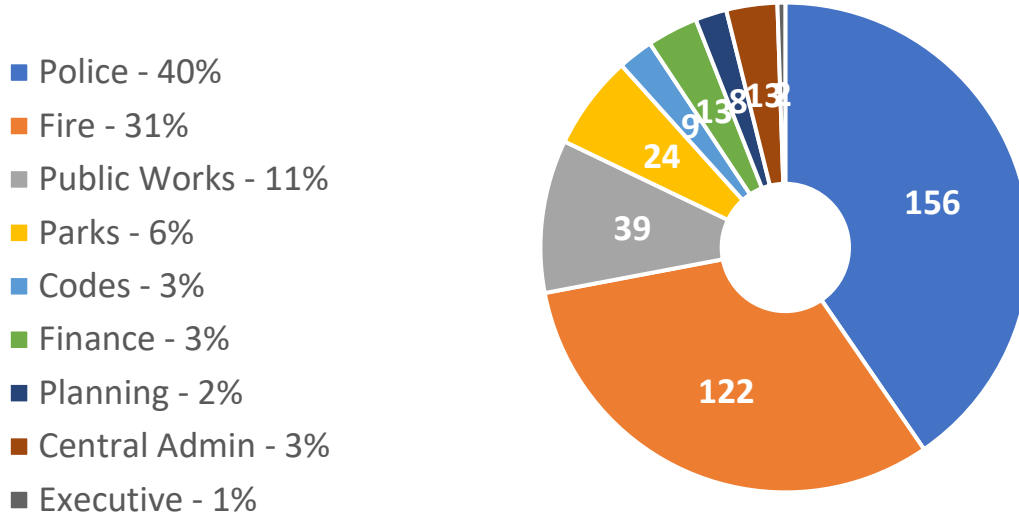


CAPITAL PROJECTS RIGHT OF WAY (ROW)

Project	Property Limits Determined		Survey Work		Appraisals		Offers	
	Total Tracts	Complete	Ordered	Complete	Ordered	Complete	Submitted	Accepted
Walton Ferry / Old Shackle Realignment	86	86	86	86	86	86	86	86
Drakes Creek at Stop 30	11	11	11	11	11	11	11	11
Exit 8	13	13	5	5	5	0	0	0

HUMAN RESOURCES

386 Budgeted Fulltime Positions by Department FY2025



LIST OF ACTIVE RECRUITMENTS

TITLE	DEPARTMENT
Intern	Parks
Program Supervisor (Gym) - Seasonal	Parks
Recreation Supervisor	Parks
Permit Technician I	Codes
Police Purchasing Technician (INTERNAL)	Police
Fire Chief	Fire
Public Works Director	Public Works & Roads
Equipment Operator III	Public Works & Roads
Police Officer	Police
School Patrol Officer	Police
City Recorder - Designee	Finance

SAFETY STAFFING	FIRE	POLICE
Budgeted Positions	122	156
Administrative	2	15
Sworn – in service	118	117
In Training	0	17
Vacancies	2	6