METRO COUNCIL OFFICE

MEMORANDUM TO: All Members of the Metropolitan Council

FROM: Jon Cooper, Director
Metropolitan Council Office

COUNCIL MEETING DATE: **June 16, 2015**

RE: **Analysis Report**

Unaudited Fund Balances as of 6/10/15:

4% Reserve Fund	$13,283,776*
Metro Self Insured Liability Claims	$3,575,512
Judgments & Losses	$2,813,961
Schools Self Insured Liability Claims	$2,448,816
Self-Insured Property Loss Aggregate	$6,888,612
Employee Blanket Bond Claims	$667,004
Police Professional Liability Claims	$2,684,168
Death Benefit	$980,258

*Assumes unrealized estimated revenues in fiscal year 2015 of $2,289,981.

– RESOLUTIONS –

RESOLUTION NOS. RS2015-1517 THROUGH RS2015-1519 (PRIDEMORE) – These three resolutions adopt new pay plans for the employees of the Metropolitan Government, with the exception of the board of education, to take effect July 1, 2015. The primary effects of these resolutions are to provide a 2.5% across-the-board pay increase, the continuation of increment pay, and to provide for the possibility of merit pay increases for open range employees. The pay plan provides step increases known as "increments" for certain job classifications on a six month, one year, eighteen month, or two year interval, depending on the position. Approximately 75% of Metro employees are in the increment portion of the pay plan. In addition to the regular increment adjustment, certain public safety employees will be eligible for a compression adjustment if they missed increments during the three years they were frozen as a result of the economic downturn. This adjustment will basically give these employees an additional increment step increase. The compression adjustment would affect approximately 700 employees.

On top of the 2.5% raise, additional funding is to be provided to each department in the amount of 2% of that department's total open range salary to provide merit pay increases for open range employees (those that do not receive increments). The amount of individual raises for these employees will be determined by the department heads, and can range anywhere from zero to 4%. The pay plan contemplates that open range employees are to be paid based upon merit, not length of service.

The pay plan for general government employees approved by the civil service commission includes an increase in the salary for the office of mayor. The mayor's salary starting September 1, 2015 would be $180,000. The council will recall that a resolution providing for the same increase in the salary of the office of mayor, as well as salary increases for the vice mayor and members of council, was disapproved by the council in November 2014.

The general pay plan also includes adjustments to the pay ranges for 22 park police so that their pay is commensurate with other police officer pay.

These pay plans may not be amended by the council except by making uniform changes, as the relationship between pay grades must remain the same pursuant to the Metro charter. The pay plan amendments have been approved by the civil service commission, the health board, and the mayor. The pay plans do not impact any employee benefits or affect the pension plans.

Resolution No. RS2015-1517 approves the pay plan for general employees of the Metropolitan Government. There are 4,178 employees under the general play plan.

Resolution No. RS2015-1518 approves the pay plan for the board of health employees. The health department pay plan covers 313 employees.

Resolution No. RS2015-1519 approves the pay plan for employees of the fire and police departments. There are 3,091 employees under the police and fire pay plan.

RESOLUTION NO. RS2015-1520 (PRIDEMORE & WEINER) – This resolution adopts pension funding policies for Metro as required by state law. A Tennessee law was recently enacted requiring local governments that maintain defined benefit pension systems to develop a funding policy for financing the obligations under the plans, which policy is to be approved by resolution of the local legislative body. Metro has an open pension plan for existing and new employees, as well as five closed plans that have been superseded. The Metro treasurer developed this funding policy pursuant to state law for consideration by the benefit board at the board's June 2015 meeting. This policy is basically a formalization of Metro's existing practices regarding funding the pension plan. Metro uses the services of an actuary to annually determine what the contribution rate for the plan needs to be. The earnings from the plans' assets plus Metro's annual contribution are used to fund the plans.

This policy does not change any of our longstanding procedures for funding the pension plans and will not affect the amount of any employee's or retiree's pension benefits. The policy is simply for the purpose of complying with the new state law.

RESOLUTION NO. RS2015-1521 (PRIDEMORE) – This resolution approves a grant in the amount of $2,028,122 from the state department of labor and workforce development to the Nashville career advancement center (NCAC) to establish programs and deliver services to prepare youth workers for entry into the labor force. This annual federal pass-through grant provides operational funding for the NCAC's youth worker programs. The term of the grant is from April 1, 2015, through June 30, 2017.

RESOLUTION NO. RS2015-1522 (PRIDEMORE & BAKER) – This resolution approves an application for a bulletproof vest partnership grant in the amount of $172,000 from the U.S. department of justice to the Metropolitan Government. These funds would be used to replace 752 bulletproof vests for sworn law enforcement officers. Metro will be required to provide a local match of $344,000 through the 4% fund if the grant is awarded.

RESOLUTION NO. RS2015-1523 (GILMORE & BANKS) – This resolution authorizes the consumption of alcoholic beverages between the Music City Center, Omni Hotel, and Country Music Hall of Fame. State law was recently amended specifically to allow alcoholic beverages to be carried between these facilities upon approval of the council by resolution. The new state law also allows alcoholic beverages to be carried outdoors within the one block of public roadway on Fifth Avenue between Demonbreun Street and Korean Veterans Boulevard.

RESOLUTION NO. RS2015-1524 (PRIDEMORE & GILMORE) – This resolution approves a sole source contract with Tennessee Department of Health for the provision of outpatient ambulatory care, drug assistance, and insurance assistance through the federal Ryan White HIV/AIDS program. Sole source contracts may be awarded under the Metro procurement code when it is determined that there is only one source for the supply or services rendered. The Metro code requires all sole source contracts having a total value in excess of $250,000 to be approved by the council by resolution.

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RESOLUTION NO. RS2015-1524, continued

The Tennessee Department of Health will provide these services to Ryan White Part A eligible clients in Cannon, Cheatham, Davidson, Dickson, Hickman, Macon, Robertson, Rutherford, Smith, Sumner, Trousdale, Williamson, and Wilson Counties. The Ryan White Part A program is a federal program that provides grants to local governments that have a higher concentration of persons infected by HIV/AIDS. Metro has been the recipient of federal grant funds for this program for a number of years.

The contract indicates a contract "value" of $1 million, but this is essentially a cap on the amount to be paid under the contract. All of the contract funds are provided by the federal government. No local health department funds will be used. The term of the contract is from March 1, 2015 through February 29, 2016, with an option to renew for up to four additional one year terms.

RESOLUTION NO. RS2015-1525 (PRIDEMORE & GILMORE) – This resolution approves a grant in the amount of $128,809 from the U.S. environmental protection agency (EPA) to the Metropolitan board of health for the ongoing collection of data on the ambient air concentrations for fine particulate matter. The Metro health department is responsible for air quality monitoring within Nashville and Davidson County on behalf of the EPA. The term of the grant is through March 31, 2016.

RESOLUTION NO. RS2015-1526 (PRIDEMORE & GILMORE) – This resolution approves an annual grant in the amount of $725,200 from the state department of health to the Metro board of health to support the delivery of local public health services. The term of the grant is from July 1, 2015, through June 30, 2016. These grant funds are typically used to pay the salaries and work expenses of health department administrative employees.

RESOLUTION NO. RS2015-1527 (PRIDEMORE & GILMORE) – This resolution approves an amendment to a grant from the U.S. environmental protection agency (EPA) to the Metropolitan board of health to fund Metro's air quality protection program to achieve established ambient air quality standards. The Metro health department is responsible for air quality monitoring within Nashville and Davidson County on behalf of the EPA. This amendment increases the amount of the grant by $312,130 for a new grant total of $419,546.

RESOLUTION NO. RS2015-1528 (GILMORE) – This resolution approves an agreement between the Metropolitan board of health and Vanderbilt University to provide clinical experience to Vanderbilt students. This agreement will allow students enrolled in Vanderbilt's department of allied health to participate in a dietetic externship with the health department's women, infants, and children program. There is no direct cost to the Metropolitan Government for providing this clinical experience. Vanderbilt will require its participating students to have the necessary immunizations and health insurance. Vanderbilt will also maintain professional liability insurance for the students.

The term of the agreement is for five years, but may be terminated by either party upon 30 days written notice.

RESOLUTION NO. RS2015-1529 (BEDNE, PRIDEMORE & BENNETT) – This resolution authorizes the director of public property administration to acquire four parcels of property totaling 22 acres located along Pettus Road for use as park land. This property is to be acquired from Marvin and Edward Turner at a total cost of $290,000 to be paid out of capital funds designated for open space. The property acquisition includes the following conditions:

1. Metro parks will install a greenway bench with a plaque in honor of the sellers' father.
2. Greenways for Nashville will pay the property taxes owed at closing.
3. Metro will allow fishing and swimming in the creek, as well as canoe and kayak access.
4. Metro will grant use permits for the sellers' family functions at the site with prior notice.

This acquisition has been approved by the board of parks and recreation and by the planning commission.

RESOLUTION NO. RS2015-1530 (PRIDEMORE & BENNETT) – This resolution approves a grant in the amount of $51,900 from the state library and archives to the Nashville public library system to target library materials to persons that have difficulty using the library and to the disadvantaged. This is an annual grant used for general library services and for materials for the disadvantaged. The term of this grant is from July 1, 2015, through May 30, 2016.

RESOLUTION NO. RS2015-1531 (GILMORE, PRIDEMORE & HUNT) – This resolution approves a second amendment to a lease between the Metropolitan Government and Parkway Towers, LLC for the use of parking spaces in the Parkway Towers garage located at 404 James Robertson Parkway. In November 2013, the council approved a new lease agreement for the continued occupancy of the public defender's office and justice information services (JIS), and the addition of the department of human resources, the human relations commission, and the internal auditor. The agreement contemplated a future increase in the amount of the leased space through a right of first refusal granted to Metro. In May 2014, the council approved an amendment to the lease to add space for use by the public defender.

This amendment increases the number of reserved parking spaces provided to Metro from six spaces to 13 spaces. The planning commission has recommended approval of this lease amendment.

RESOLUTION NO. RS2015-1532 (PRIDEMORE, A. DAVIS & HARRISON) – This resolution approves a new fee schedule for the licensing and permitting of low speed vehicles. In January 2015, the council approved Ordinance No. BL2014-993 to adopt regulations for low speed vehicles (LSVs). These are vehicles resembling golf carts that are used to transport passengers in the downtown area much in the same manner as taxicabs. Ordinance No. BL2014-993 authorized the transportation and licensing commission to adopt an application and permit fee schedule for LSV certificates of public convenience and necessity, as well as the individual vehicle and driver permits, subject to approval of the council by resolution.

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RESOLUTION NO. RS2015-1532, continued

The fees to be approved by this resolution are as follows:

- $500 application fee for a new LSV certificate of public convenience and necessity
- $250 annual renewal for the certificate
- $50 for each LSV permit
- $100 for LSV permits issued outside of the annual renewal period
- $75 for each driver permit application to cover the costs of the criminal background check
- $20 for the replacement of driver permits
- $20 for re-issuance of a revoked driver permit, plus $75 for the criminal background check

There is a housekeeping substitute for this resolution that simply adopts the fee schedule instead of attempting to revise the Metro code, which can only be done by ordinance.

RESOLUTION NO. RS2015-1533 (PRIDEMORE, PARDUE & A. DAVIS) – This resolution approves a contract between the state department of transportation and the Metropolitan Government for the resurfacing of Myatt Drive from Anderson Lane to Gallatin Pike. The total cost for the resurfacing is estimated to be $1,043,400 with the state paying 75% of the costs ($782,550) and Metro paying 25% ($260,850). This is a typical contract with the state for road resurfacing authorized under the state-aid highway system program.

RESOLUTION NOS. RS2015-1534 THROUGH RS2015-1536 – These three resolutions approve intergovernmental agreements between the state department of transportation (TDOT) and the Metropolitan Government for various sidewalk improvement projects. Eighty percent of the costs for the sidewalk projects will be provided by the state as federal pass-through dollars with Metro paying the remaining twenty percent. Metro will be responsible for all of the construction work.

Resolution No. RS2015-1534 (Harmon, Pridemore and A. Davis) approves a contract for the construction of sidewalks along the south side of Harding Place from Danby Drive to Nolensville Pike. This project is also to include curb and gutter, ADA accessibility, drainage improvements, pedestrian amenities, pedestrian signalization, crosswalks, lighting, and landscaping. The total cost of the project is estimated to be $5,900,000, with federal pass through dollars covering $4,720,000 of the cost and Metro covering $1,180,000 through sidewalk capital funds.

Resolution No. RS2015-1535 (Claiborne, Pridemore and A. Davis) approves a contract for the construction of sidewalks along Lebanon Pike from McGavock Pike to Old Lebanon Pike. This project is also to include a green zone and pedestrian enhancements. The total cost of the project is estimated to be $3,800,000, with federal pass through dollars covering $3,040,000 of the cost and Metro covering $760,000 through sidewalk capital funds.

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RESOLUTION NOS. RS2015-1534 THROUGH RS2015-1536, continued

Resolution No. RS2015-1536 (S. Davis, A. Davis & Pridemore) approves a contract for the construction of sidewalks along the east side of Dickerson Pike from Douglas Avenue to Trinity Lane. This project is also to include a green zone and pedestrian enhancements. The total cost of the project is estimated to be $6,150,000, with federal pass through dollars covering $4,920,000 of the cost and Metro covering $1,230,000 through sidewalk capital funds.

RESOLUTION NO. RS2015-1537 (PRIDEMORE, A. DAVIS & OTHERS) – This resolution approves an amendment to a grant agreement from the state department of transportation to the Metropolitan department of public works for safety improvements at signalized intersections. In 2008, the council approved an agreement with the state for safety improvements at up to 30 signalized intersections. The original contract amount was $1,125,000. The council approved an amendment to the contract in 2012 to reflect that the state will contribute $5,850,000 in federal pass-through funds toward the intersection improvements with a required Metro match of $1,462,500.

This amendment replaces the project costs for stage one and specifies the intersections to be upgraded. The total project cost for stage one is estimated to be $1,226,563, with the federal government paying $981,250 and Metro paying $245,313. The signalization improvements as part of this phase will be at the following intersections:

1. 20th Avenue and Terrace Place
2. 21st Avenue and Church Street
3. Bell Road and Hickory Hollow Parkway
4. Church Street and 18th Avenue
5. Lebanon Pike and Andrew Jackson Parkway
6. McGavock Pike and Elm Hill Pike
7. Murfreesboro Road and Thompson Lane
8. Nolensville Pike and Harding Pike
9. Nolensville Pike and Old Hickory Boulevard
10. Shute Lane and Saundersville Road
11. Stewarts Ferry Pike and Bell Road/Blackwood Drive
12. Stewarts Ferry Pike and McCrory Creek Road
13. Vietnam Veterans Boulevard and Conference Drive

RESOLUTION NOS. RS2015-1538 & RS2015-1539 – These two resolutions approve intergovernmental agreements between the state department of transportation (TDOT) and the Metropolitan Government for countywide signalized intersection improvements. This contract is for stages two and three of the signalization improvements. The project will include new signals, pavement markings, and guardrails at the various intersections. Eighty percent of the costs for the improvements will be provided by the state as federal pass-through dollars with Metro paying the remaining twenty percent. These improvements are to be completed not later than March 31, 2020.

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RESOLUTION NOS. RS2015-1538 & RS2015-1539, continued

Resolution No. RS2015-1538 (Pridemore, A. Davis & others) approves an agreement for the following intersection signalization improvements:

1. 21st Avenue and Acklen Avenue
2. Bell Road and Murfreesboro Pike
3. Charlotte Pike and White Bridge Road
4. Dickerson Pike and Ewing Drive/Broadmoor Drive
5. Elm Hill Pike and Royal Parkway/Emery Drive
6. Gallatin Pike and Conference Drive
7. Haywood Lane and Apache Trail/Ezell Road
8. Murfreesboro Pike and Hamilton Church Road
9. Nolensville Pike and Edmonson Pike/Wallace Road
10. Nolensville Pike and Haywood Lane
11. Nolensville Pike and Thompson Lane
12. Old Hickory Boulevard and Edmonson Pike
13. Old Hickory Boulevard and Highway 70S

The total cost for these improvements is estimated to be $4,014,062, with the federal government paying $3,211,250 and Metro paying $802,812.

Resolution No. RS2015-1539 (Pridemore, S. Davis & A. Davis) approves an agreement for the signalization improvements at the Gallatin Avenue/Eastland Avenue and Mt. View Parkway/Crossings Boulevard intersections. The total cost for these improvements is estimated to be $1,171,875, with the federal government paying $937,500 and Metro paying $234,375.

RESOLUTION NO. RS2015-1540 (HARMON & A. DAVIS) – This resolution approves an intergovernmental agreement between the state department of transportation and the Metro department of public works for the acceptance of a traffic signal at the intersection of SR-11 and Welshwood Drive. Metro will assume the responsibility for the operation and maintenance of the signal, and for supplying the electricity.

RESOLUTION NO. RS2015-1541 (PRIDEMORE) – This resolution authorizes the department of law to compromise and settle the Metropolitan Government's claims against Shlomo Eplboim, Epandco Real Estate, LLC and Epandco Holdings, LLC for the amount of $15,000. Mr. Eplboim was the manager of the River Village apartment complex and president of Epandco Real Estate and Pandco Holdings, the previous owner of the complex. This settlement stems from Mr. Eplboim's failure to clean up the property dating back to 2012. Metro obtained a general sessions court judgment against Mr. Eplboim in 2013 for $5,150 in fines. Metro also filed a lawsuit in chancery court seeking a judgment in the amount of $150,000 for clean air violations based upon the health department's fines for clean air violations. Both actions have been stayed due to Mr. Eplboim's pending bankruptcy case in California.

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RESOLUTION NO. RS2015-1541, continued

In September 2014, the council approved an intergovernmental agreement between Metro and the state department of environment and conservation (TDEC) for the cleanup and cost recovery of the River Village apartment complex. The agreement provided that TDEC would fund and coordinate the cleanup of River Village. To the extent Metro was able to recover any funds from the nuisance lawsuit, Metro agreed to assign any recovery of funds to TDEC until TDEC's cleanup costs have been recovered.

Subsequently, Urban Housing Solutions purchased the property and reimbursed the state for the cost of the cleanup, as well as paid Metro over $94,000 in back taxes owed on the property. Urban Housing Solutions plans to build affordable housing units on the site.

Mr. Eplboim has agreed to settle both lawsuits for the amount of $15,000 and the entry of a permanent injunction prohibiting him from violating any of the Metro housing or health code provisions at any of the other properties in Nashville in which he has an interest. The injunction would include penalty provisions in the event of a future codes violation. The department of law recommends settling the case since Mr. Eplboim no longer owns the property and the new owner has taken action to reimburse the state for the cost of cleanup and pay the taxes owed. Collecting on a judgment against Mr. Eplboim would be very difficult given the pending bankruptcy case, the amount of debt, and his limited assets. Further, continuing to pursue claims through the bankruptcy court would require Metro to pay an attorney in California.