

MEMORANDUM TO: All Members of the Metropolitan Council

FROM: Jon Cooper, Director
Metropolitan Council Office

DATE: **September 18, 2012**

RE: **Analysis Report**

Balances As Of:	<u>9/12/12</u>	<u>8/10/11</u>
<u>GSD 4% RESERVE FUND</u>	*\$28,853,651	\$35,464,195
<u>GENERAL FUND UNDESIGNATED FUND BALANCE</u>		
GSD	Unavailable	Unavailable
USD	Unavailable	Unavailable
<u>GENERAL PURPOSE SCHOOL FUND UNRESERVED FUND BALANCE</u>		
	Unavailable	Unavailable

* Assumes estimated revenues in fiscal year 2012 in the amount of \$25,514,400

– RESOLUTION ON PUBLIC HEARING –

RESOLUTION NO. RS2012-409 (CLAIBORNE) – This resolution approves an exemption for Nashville Nightlife located at 2416 Music Valley Drive from the minimum distance requirements for obtaining a beer permit. The Metro code prevents a beer permit from being issued to an establishment located within 100 feet of a church, school, park, daycare, or one or two family residence. However, the code was amended in September 2010 to exempt restaurants that already have a state on-premises liquor consumption license from Metro’s minimum distance requirements to obtain a beer permit upon the adoption of a resolution by the council. A public hearing must be held by the council prior to voting on this resolution.

– RESOLUTIONS –

RESOLUTION NOS. RS2012-277 through RS2012-280, RS2012-358, RS2012-377, RS2012-378 & RS2012-393 – These eight resolutions propose amendments to the Metropolitan Charter for possible consideration on the November 6, 2012 ballot. The council, pursuant to the Charter, may only adopt two resolutions during the term of the council that submit amendments to the voters for ratification. Each proposed amendment to the Charter must be adopted by 27 affirmative votes of the council, and the resolution itself submitting the amendment must be adopted by 27 affirmative votes in order to become effective.

RS2012-277 (Jernigan) proposes to amend the Charter to allow Metro government employees to work as part-time poll workers for the election commission. The Charter currently prohibits employees from holding more than one position with the Metropolitan Government, with the following three exceptions:

- School personnel between school years may be employed to work in other departments;
- Certificated school personnel may be employed on a part-time basis to teach community education classes;
- Non-elected Metro employees may be employed by the metropolitan board of public education on a part-time basis to lead, teach, or coach students in extra-curricular activities and/or to serve as substitute teachers.

This amendment would add a fourth exception to allow Metro employees to work as part-time poll workers for the election commission. This amendment is the result of an issue raised by the election commission concerning the inability of substitute school teachers to work as poll workers.

The charter revision commission unanimously recommended approval of this amendment.

RS2012-278 (Tygard) proposes an amendment to the Charter to remove the requirement that the public works director be a licensed engineer. Neither the former nor current interim public works directors are licensed engineers. The director would still be required to have five years’ experience in industry or in government public works.

The charter revision commission unanimously recommended approval of this amendment.

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RESOLUTION NOS. RS2012-277 through RS2012-280, RS2012-358, RS2012-377, RS2012-378 & RS2012-393 (continued)

RS2012-279 (Tygard) proposes an amendment to the Charter to align the elections of the mayor, vice mayor, and members of council with the statewide primary election starting in August 2016. This would eliminate the need for a separate election in August 2015 for these offices. The current council terms would be extended one year through August 31, 2016.

The charter revision commission unanimously recommended disapproval of this amendment.

RS2012-280 (Gilmore) proposes an amendment to the Metropolitan Charter to allow the council to enact an equal opportunity interviewing policy to be implemented by the civil service commission that would prohibit the Metropolitan Government from inquiring about a job applicant's criminal history on the initial job application unless a criminal background check for the position is required by law or in the interest of public safety. This policy, often referred to as "ban-the-box", has recently been adopted in several cities across the country.

The charter revision commission unanimously recommended approval of this amendment.

RS2012-358 (Blalock) proposes an amendment to the Metropolitan Charter to require annual departmental budget hearings conducted by the council or any of its committees to conclude not later than June 1. Pursuant to the Charter, the mayor must file the annual operating budget with the council not later than May 1, and the council must approve a substitute budget not later than June 30 or the mayor's budget goes into effect. While the council could adopt a rule change requiring hearings to conclude by June 1, the only way to ensure such a timeline is through an amendment to the Charter.

The charter revision commission unanimously recommended disapproval of this amendment.

Substitute RS2012-377 (Garrett) proposes an amendment to the Charter submitted by the administration to clarify certain duties and responsibilities of the Davidson County sheriff's office. The 1962 Charter essentially divested the sheriff of all law enforcement powers. This was affirmed by the Tennessee Supreme Court in 1964. The responsibility assigned to the sheriff by the Charter is basically to be keeper of the jail and workhouse. Over the years, the sheriff's office has performed a number of services for the Metropolitan Government such as security at the courthouse and hospital authority facilities, as well as intake and booking at the Metro jail. According to estimates provided by the sheriff's office, there are well over 100 sheriff's employees performing these functions, which frees up police officers for law enforcement purposes. The vast majority of these positions are in the booking area. In addition to these services, the council approved an agreement in 2009 between the U.S. bureau of immigration and customs enforcement (ICE) and the sheriff's office for the continuation of the federal 287(g) program, which provides for the training and use of sheriff's office employees to identify and process immigration offenders in our correctional facilities. The term of this agreement expires in October 2012, and the sheriff has decided not to seek reauthorization for the 287(g) program.

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RESOLUTION NOS. RS2012-277 through RS2012-280, RS2012-358, RS2012-377, RS2012-378 & RS2012-393 (continued)

This Charter amendment is being submitted for the purpose of ensuring that the sheriff can continue to perform these additional functions. The amendment provides that the sheriff may provide security within Metro buildings and, upon agreement with another Metro agency or authority, provide security at such agency or authority's facilities. The amendment also provides that, upon recommendation of the chief of police and sheriff, the council may by ordinance authorize the sheriff to perform duties that are either unassigned by the Charter or currently assigned to the chief of police relating to the "intake, processing, identification, and questioning of arrestees, detainees, prisoners, and other persons in official custody."

The charter revision commission recommended approval of this amendment by a vote of 4 in favor and 3 against.

RS2012-378 (Evans & Weiner) proposes an amendment to the Charter to rename the "school mothers' patrol division" within the police department as the "school crossing guard division". The 1962 Metro Charter approved by the voters consolidated the "school mothers' patrols" of the former City of Nashville and the former Davidson County. This terminology is obviously outdated. This Charter amendment is being brought in conjunction with Ordinance No. BL2012-251 on first reading to clean up a number of anachronistic and/or unenforceable provisions in the Metro code, including the school mothers' patrol. The existing code provisions applicable to the school mothers' patrol, if enforced, would likely violate federal law due to the age and gender restrictions. The qualifications for the position in the code require the person to be a female between the ages of 21 and 50, and require her to present with her application for employment character references "from her pastor or other minister or from a friend or business associate who has known her for at least five years". The code also references resignation in the event of pregnancy.

Renaming the division as the "school crossing guard division" is consistent with the police department's current practices.

The charter revision commission unanimously recommended approval of this amendment.

RS2012-393 (Evans) proposes an amendment to the Metropolitan Charter to rename the water department as the "Department of Watershed Management". The water department is officially named in the Charter as the "Department of Water and Sewerage Services", although the department has identified itself as "Metro Water Services" for years. The 2009 Green Ribbon Committee on Environmental Sustainability report to the mayor recommended the department be renamed the Department of Watershed Management. The report noted that this change "would more closely align the department with their true mission of being a steward of our watersheds and managing them as a unified system."

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RESOLUTION NOS. RS2012-277 through RS2012-280, RS2012-358, RS2012-377, RS2012-378 & RS2012-393 (continued)

This Charter amendment would also reflect action taken a number of years ago that appropriately shifted the storm water function from the department of public works to the water department. This action was done by agreement between the two departments and ratified by ordinance, but has never been changed in the Charter.

The charter revision commission unanimously recommended approval of a substitute version of this amendment that addresses the shifting of the storm water function from public works to Metro water services, but would not rename the department.

RESOLUTION NO. RS2012-410 (TYGARD) – This resolution appropriates \$400,000 from the general fund reserve fund (4% fund) to the Davidson County election commission to purchase 200 additional electronic poll books for voting sites. The council appropriated the funds to the election commission in April 2012 to purchase 200 electronic poll book devices, which was identified as phase one of two. In May 2012, the election commission signed a contract obligating the Metropolitan Government to purchase 440 of these devices to be delivered in two installments of 220 each: half by June 15, 2012 and half by September 1, 2012. The purchasing of these poll books did go through the normal Metro procurement process, however funding was not approved by the council to purchase all of the poll books provided for in the contract at the time it was executed. The contract does include a provision allowing Metro to cancel the contract for lack of funding. However, in the event of such termination for lack of funding, the contract includes a clause obligating Metro to pay the vendor “for all products delivered and services provided up through the effective date of termination.” The council office is of the understanding that all 440 of the devices have been delivered to the election commission.

The council office would point out that while the contract obligates Metro to purchase 440 of these poll books, the 4% fund information sheets submitted by the election commission only provide for the purchase of 400 machines in total.

The election commission ended fiscal year 2011-2012 with a \$722,000 surplus, which was returned to the general fund. This surplus is for the same budget year that the council appropriated an additional \$46,600 to the election commission at their request to cover pay raises for poll workers.

Four percent funds may only be used for the purchase of equipment and repairs to buildings. The balance in the general fund reserve fund as of September 12, 2012, was \$28,853,651. This consists of unrealized revenue for fiscal year 2013 in the amount of \$24,891,945. A copy of the supporting information sheet required by Ordinance No. O86-1534 is attached to this analysis.

RESOLUTION NO. RS2012-411 (MATTHEWS) – This resolution appropriates \$1,540,000 from the radio shop fund to purchase various equipment for the 800Mhz radio system. The department of general services houses the Metro radio communications division, which is responsible for operating the public safety radio system across the greater Nashville area. This division has long been an internal service fee operation, even before the internal service fee method was expanded to include a wider range of departments. The division accumulated a surplus over the years, which can be used to cover expenses of the radio system. The council office has been advised that measures have been implemented to prevent the accumulation of such a surplus in the future.

This resolution appropriates funds from the radio shop fund balance to purchase the equipment. A detailed list of the equipment to be purchased is attached to this analysis. The purchase of this equipment was included in the capital improvements budget approved by the council in June 2012.

RESOLUTION NO. RS2012-412 (MATTHEWS) – This resolution approves agreements between the Tennessee Valley Authority (TVA), the Metro electric power board (NES), and the department of general services for the purchase, interconnection, and parallel operation of electricity generated by solar units installed at two fire halls. These agreements essentially provide the mechanism by which Metro will receive a credit on its electric bill as a result of the electricity generated by solar units. NES will unconditionally have the authority to disconnect the solar units from the grid at any time, although the agreement does give examples of situations that may require a disconnect, such as maintenance to the system, hazardous conditions, or power quality problems.

The solar units that are the subject of this agreement have been installed on the fire hall properties located at 840 Meridian Street and 415 Douglas Street. These solar units were installed at a cost of approximately \$50,000 each. Metro will receive a credit of \$0.12 per kilowatt hour generated, but at this time it is not known how much the total credit would be on a monthly basis. The department of general services estimates that the solar panels will generate roughly 15% of the electricity needs of the two fire halls.

RESOLUTION NO. RS2012-413 (MATTHEWS) – This resolution approves an application for a grant in the amount of \$144,772 from the Cities for Financial Empowerment Fund to the mayor's office to implement a program designed to help families build assets and make the most of their financial resources. This program would be under the supervision of the mayor's office of economic and community development. The funding being applied is being made available through Bloomberg Philanthropies. The program will involve partnering with the United Way to provide counseling services at four sites that will include various topics such as business ownership, improving credit, increasing employability skills, and increasing financial literacy. Belmont University would serve as a training partner for the program.

The funds would be used to hire a program director to work in the mayor's office of economic and community development and for staff training. There would be a required in-kind local match of \$105,311.

RESOLUTION NO. RS2012-414 (MATTHEWS & BENNETT) – This resolution approves a grant in the amount of \$450,000 from the state department of mental health and substance abuse services to the Davidson County drug court. The drug court is a diversionary program that provides supervision and treatment for non-violent drug offenders. The grant funds are used primarily to cover the salaries and benefits of drug court employees. The term of the grant is from July 1, 2012 to June 30, 2013.

RESOLUTION NO. RS2012-415 (MATTHEWS & BENNETT) – This resolution approves an annual grant in the amount of \$434,333 from the state department of children’s services to the juvenile court to provide case management and family support services to children at high risk of state custody. The grant will be used to fund case manager positions in the community-based probation division of the juvenile court. These intervention services are provided to youth at risk of custody due to delinquency, status offenses, or unruly behavior. The programs funded by this grant are to provide services to 535 children. The term of this grant is from July 1, 2012 through June 30, 2013.

RESOLUTION NO. RS2012-416 (BENNETT & MATTHEWS) – This resolution approves an application for a juvenile accountability block grant in the amount \$101,023 from the state commission on children and youth to the juvenile court. These federal pass through funds would be used for the continued funding of three community-based probation officers. The juvenile court would be required to provide a cash match of \$11,225 from its operating budget if the grant is awarded. The grant would expire June 30, 2013.

RESOLUTION NO. RS2012-417 (BENNETT & MATTHEWS) – This resolution approves an interlocal agreement between the City of Brentwood and the Metropolitan Government to address gaps and overlaps that exist regarding emergency services. The state has initiated its “Next Generation 911” program that will provide a state-of-the-art digital emergency communications system to replace the existing analog system. As part of the implementation of this program, the state is requiring Metro and Brentwood to identify the areas where there are gaps and overlaps in the emergency service zones and emergency service numbers, and to identify which government entity will take 911 calls in the gap areas.

This agreement identifies 35 properties that will be routed to the City of Brentwood and 10 properties that will be routed to Metro. There is no compensation associated with this agreement. The agreement is to continue from year to year, but may be terminated upon 90 days written notice by either party. The agreement provides that the parties may add or subtract properties as determined by mutual agreement.

RESOLUTION NOS. RS2012-418 & RS2012-419 (MATTHEWS & BENNETT) – These two resolutions approve interlocal agreements between the mayor’s office of emergency management and other governmental entities to facilitate the purchase of equipment in accordance with the fiscal year 2009 Port Security Grant Program funded by the U.S. Department of Homeland Security. These agreements are essentially to sub-grant a portion of the federal funds.

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RESOLUTION NOS. RS2012-418 & RS2012-419 (continued)

Similar agreements with other governmental entities were approved by the council in February and June of this year.

Resolution No. RS2012-418 approves an interlocal agreement with the Tennessee Wildlife Resources Agency to sub-grant \$156,813 for the purchase of an underwater remotely operated vehicle and training costs.

Resolution No. RS2012-419 approves an interlocal agreement with the City of Gallatin to sub-grant \$250,000 for the purchase of watercraft.

RESOLUTION NO. RS2012-420 (WEINER & MATTHEWS) – This resolution approves a grant in the amount of \$4,397,000 from the state department of health to the Metro health department for operation of the Women, Infants and Children (WIC) program in Nashville to provide nutrition education and food to low-income women, infants, and children. The funds from this annual grant are used to pay the salaries and benefits of the health department employees administering the WIC program. The term of the grant is from October 1, 2012, through September 30, 2013.

RESOLUTION NO. RS2012-421 (WEINER & MATTHEWS) – This resolution approves a grant in the amount of \$235,400 from the state department of health to the Metro health department for the commodity supplemental food program. This is a federal program that provides nutritious food to eligible low-income clients who are vulnerable to inadequate nutrition. The majority of these federal pass-through funds are used to pay the salaries and benefits of the health department employees in the commodity food program. The term of the grant is from October 1, 2012, through September 30, 2013.

RESOLUTION NO. RS2012-422 (MATTHEWS & WEINER) – This resolution approves an amendment to a grant from the state department of health to the Metropolitan board of health for sexually transmitted disease services and HIV/AIDS prevention and surveillance. This is an annual grant that pays the salaries of the health department employees that provide these services. The services provided include active surveillance of HIV/AIDS cases, diagnostic and treatment services, and disease intervention services.

This amendment decreases the amount of state funding by \$38,900 for a new grant total of \$922,400.

RESOLUTION NO. RS2012-423 (MATTHEWS) – This resolution approves a grant in the amount of \$60,000 from the state department of labor and workforce development to the Nashville career advancement center (NCAC) to coordinate resources to ensure the effective and efficient delivery of workforce services in workforce development area 9. Workforce development area 9 consists of the counties of Davidson, Rutherford, Trousdale and Wilson. These federal pass-through funds provide funding for the administration of the Wilson County career center facility. The term of this grant is from July 1, 2012, through June 30, 2013.

RESOLUTION NO. RS2012-424 (JOHNSON, MATTHEWS & GILMORE) - This resolution authorizes the director of public property to exercise an option to purchase three parcels of property located on Smith Springs Road for use as park land. These three parcels totaling 15.43 acres are to be acquired at a cost of \$450,000, which would be paid out of capital funds for open space acquisition. The seller of the property is Montgomery Downs, LLC.

The Metro Code authorizes property to be purchased through the exercise of an option upon approval of the council by resolution. This resolution has been approved by the planning commission and the parks board.

RESOLUTION NO. RS2012-425 (POTTS & MATTHEWS) – This resolution approves an application for a state recycling grant in the amount of \$46,504 and appropriates the funds once received to the department of public works. The state technically calls this a “rebate”, but it functions in the same manner as a grant. These funds will be used to defray the cost of operating the Metro recycling centers. There will be a required match of \$46,504 to be provided from the department’s operating budget.

RESOLUTION NO. RS2012-426 (MATTHEWS) – This resolution authorizes the department of law to compromise and settle the Metropolitan Government’s property damage claim against Davon Breedlove. On June 15, 2012, Mr. Breedlove was attempting to make a left turn from Heiman Street onto D. B. Todd Boulevard when he failed to yield the right-of-way and struck a Metro fire department vehicle causing \$28,125.28 in damage. This resolution accepts the full amount of the property damage to settle the claim.

RESOLUTION NO. RS2012-427 (MATTHEWS) – This resolution authorizes the department of law to compromise and settle the personal injury claim of Larry T. Jarrard against the Metropolitan Government for the amount of \$130,000. On August 11, 2011, Mr. Jarrard was riding his motorcycle on Dickerson Pike when a Metro police officer pulled out from a gas station directly into his path. Mr. Jarrard suffered multiple fractures to his legs and ribs and a torn rotator cuff, incurring medical expenses totaling \$56,844.50. This resolution settles the claim for the amount of the medical expenses plus \$73,155.50 for pain and suffering. This amount is to be paid out of the self-insured liability fund.

The police officer involved in the accident received disciplinary action consisting of a written reprimand for failing to yield the right-of-way.

RESOLUTION NO. RS2012-428 (MCGUIRE) – This resolution authorizes the parking of vehicles at the former Stokes Middle School property. Although it is not presently being used as a school, the Metropolitan board of public education still exercises control over the former Stokes Middle School property located at 3701 Belmont Boulevard. The school property has been used by Lipscomb University in recent months, with the permission of MNPS, for overflow parking of vehicles. However, the use of this property for the parking of vehicles in this manner is technically not a permissible use of the property under the Metropolitan zoning code.

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RESOLUTION NO. RS2012-428 (continued)

As part of the doctrine of sovereign immunity, governments typically are not legally bound by land use regulations. However, the Metro code includes a provision that the various Metro Government departments, agencies, boards or commissions are to follow the code unless they are exempted from compliance for just cause upon adoption of a resolution of the council approved by 21 affirmative votes. This provision was last used in 1996 to exempt the construction of the professional football stadium (now LP Field) from the zoning code.

In recognition of the partnership between Lipscomb University through its college of education and MNPS for the benefit of MNPS students, this resolution would expressly allow the parking of vehicles on the Stokes Middle School property for a period of two years subject to the following conditions:

1. Lipscomb must file an application with the department of codes administration for a permit to construct a parking lot on the property.
2. Lipscomb must submit a site plan to the Department of Codes Administration for the area to be used for parking, which must comply with the parking area design standards and landscaping standards set forth in the zoning code.
3. An agreement must be entered into between Lipscomb and MNPS detailing the terms and conditions for the use of the property.

– BILLS ON SECOND READING –

ORDINANCE NO. BL2012-206 (HUNT) – This ordinance amends the local amendments to the 2006 edition of the International Fire Code (IFC) pertaining to the fire flow requirements for single-family homes constructed on lots of one acre in size or greater within the general services district (GSD). In August 2009, the council enacted Substitute Ordinance No. BL2008-350 to adopt the International Fire Code with certain local amendments in place of the National Fire Prevention Association (NFPA) fire code and life safety code. A month later, the council enacted Ordinance No. BL2009-509 to add an alternative to the more stringent fire flow requirements contained in the IFC-Appendix B for single-family homes within the GSD constructed after May 30, 2009, on a lot of one acre in size or more. Such homes are required to meet either the fire flow requirements of Appendix B of the International Fire Code or the fire-flow requirements of the Insurance Service Office (ISO) Formula for Needed Fire Flow. While this does not necessarily mean such homes have to be equipped with sprinklers, they are required to have adequate fire flow through the use of a reservoir or swimming pool.

Local governments that enforce their own fire codes have the authority under state law to adopt a code that is at least as restrictive as the state standards. However, state law does allow local legislative bodies by a two-thirds vote to completely opt out of having any fire code relative to single and two-family dwellings. Although this state law opt out provision technically applies to the application of the entire fire code to single and two-family dwellings, this ordinance relies on this state law provision to exempt single-family homes in the GSD on lots greater than one acre in size from meeting any fire-flow requirements until the property is subdivided. The other fire code provisions applicable to single and two-family dwellings would still apply.

The department of law and the fire marshal have raised concerns as to whether this ordinance could result in Metro losing its state exempt status to adopt and enforce its own fire code. The council office has not seen any confirmation from the state fire marshal's office that Metro's exempt status would be in jeopardy if this ordinance was enacted. The fire marshal has also raised concerns that this ordinance would increase the risk of injury to firefighters due to a lack of adequate fire flow.

ORDINANCE NO. BL2012-213 (GARRETT) – This ordinance amends the Metropolitan Code to require board and commission members to provide an email address and telephone number for posting on the nashville.gov website. The Metropolitan clerk's office currently provides a roster of all board and commission members on its website containing names and addresses, but does not post email addresses or phone numbers. Additional contact information for board and commission members can be obtained by calling the clerk's office.

This ordinance would require all persons appointed to a board or commission to provide the Metropolitan clerk with a valid email address and telephone number for publication on the nashville.gov website. This can be a personal or business email address; and a home, business, or mobile phone number. Members of boards and commissions would be required to notify the clerk of any change in the email address and phone number to be posted.

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ORDINANCE NO. BL2012-213 (continued)

The ordinance provides that the Metropolitan clerk is to notify the council rules-confirmations-public elections committee of the failure of any member of a board or commission to comply with the provisions of this ordinance. Upon receiving such notification from the metropolitan clerk, the chair of the rules-confirmations-public elections committee is to place the matter on a publicly-noticed committee agenda, at which the board or commission member in question would have the opportunity to address the committee.

There is an amendment to this ordinance that would only require the posting of a telephone number since a mechanism already exists to email all members of a board or commission at one time through the Metropolitan clerk's website.

ORDINANCE NO. BL2012-237 (BARRY, MCGUIRE & MATTHEWS) – This ordinance amends the Metro Code to implement a number of the recommendations of the study and formulating committee pertaining to employee and retiree benefits and pensions. The charter requires the mayor to appoint a study and formulating committee every five years to “study benefits, contributions, extent of coverage, actuarial soundness and related matters in connection with the system of benefit plans and to submit to the employee benefit board such amendments as such study may indicate as necessary.” The current study and formulating committee was appointed by the mayor and confirmed by the council in the spring of 2011. The committee met for approximately one year and made a number of recommendations to the benefit board. The benefit board in turn has reviewed these recommendations and at this point has approved some, but not all, of such recommendations. This ordinance would make the following changes to the Metro benefit and pension system:

10-year pension and health insurance vesting

Prior to 2001, Metro employees “vested” in the pension system and retiree healthcare insurance coverage after ten years of credited service. In 2001, at the request of the mayor and recommendation of the benefit board, the council reduced the vesting requirement for both pension and retiree health insurance coverage to five years, which matched the Tennessee state government vesting provisions. The stated purpose of the move to five year vesting was to attract talented employees. While Metro may have been successful in attracting workers, especially from the state, the change to five year vesting came at a significant financial cost to Metro.

Changing from five to ten year vesting for retiree medical benefits is estimated to save \$9.3 million per year, with a present value decline in future benefits of \$170.4 million. Had Metro not moved to five year vesting in 2001, our unfunded liability for retiree health benefits would be decreased by \$75.7 million.

Reverting to ten year vesting for the pension system is estimated to reduce Metro's annual pension contribution amount by \$4.1 million, with a present value decline in future benefits of \$33.9 million. If Metro had not made the change to five year vesting, our unfunded pension liability would be \$17.3 million less.

The ten year vesting would only be applicable to employees hired after September 1, 2012. Existing Metro employees would not be affected.

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ORDINANCE NO. BL2012-237 (continued)

Expand salary supplement provisions for disability pensions

Under the existing law, when an employee on a disability pension returns to work at a lower paying job, the Metro pension system makes up the salary differential. This ordinance expands the supplement to include employees who can continue working in a lower paid position who otherwise would take a disability pension. This would allow a salary supplement for a disabled employee *before* he/she takes a disability pension, which would reduce the amount of time the employee is on disability. This change is estimated to save the system approximately \$23,000 per year.

Retiree medical plan premium contribution percentage based upon years of service

Service pensioners currently receive health insurance at the same subsidized rate as Metro employees, which is 75% paid by Metro and 25% paid by the employee. This ordinance adds a new contribution rate structure for pensioners hired after September 1, 2012 that is based upon years of service, as follows:

<u>Time of Service</u>	<u>Pensioner Percentage</u>	<u>Metro Percentage</u>
10-15 years	75%	25%
15-16 years	50%	50%
16-17 years	45%	55%
17-18 years	40%	60%
18-19 years	35%	65%
19-20 years	30%	70%
20 or more years	25%	75%

The cost savings for this change is unknown, but will be very substantial over time.

Eliminate retiree medical benefits for employees leaving Metro before retirement

The code currently allows vested employees who leave Metro to participate in the Metro health insurance program when they retire at the same subsidized rate as those who move directly from Metro employment into a service pension. For example, suppose a 30-year-old Metro employee with five years of credited service quits her job today to go work in the private sector and works for the next 35 years for that private company. Since she is vested in Metro's pension system, she will be eligible to participate in Metro's health insurance when she retires and pay only 25% of the premium with Metro picking up the other 75%.

This ordinance would provide that employees hired after September 1, 2012, or those re-hired after September 1, 2012 who were not already vested, would not be eligible for retiree health benefits unless he/she had ten years of credited service and was eligible to retire at the time he/she left the employment of the Metropolitan Government.

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ORDINANCE NO. BL2012-237 (continued)

Allow retirees to opt out of health coverage

Metro employees are currently allowed to opt out of the Metro health insurance system if they have other insurance coverage, such as through a spouse's job. This ordinance would specifically allow retirees to opt out of Metro's health and dental insurance plans and then opt back in as long as they maintain continuous non-Medicare health coverage.

Implement Employer Group Waiver Plan (EGWP)

Metro pensioners are currently required to take Medicare Parts A and B when they become eligible. This makes Medicare the primary payer and Metro the secondary. As a result of the federal Healthcare Reform Act approved by Congress in 2010, it is to Metro's advantage to require pensioners to participate in a Medicare Part D plan or an EGWP (commonly referred to as an "Egg Whip"). This would involve creating a new prescription drug plan for Metro retirees that would closely resemble Metro's existing Blue Cross-Blue Shield drug plan. However, by implementing an EGWP, Metro will be able to receive a greater subsidy from the federal government, which will result in over \$1 million more coming to Metro every year. Such plan would have to be implemented not later than January 1, 2014. Metro's actuaries estimate that the EGWP will reduce our unfunded accrued post-employment benefit liability by \$378 million, which is a decrease of approximately 15%.

Proposed Amendments

There are two amendments that have been proposed for this ordinance. The first amendment would make the ordinance applicable to employees hired after January 1, 2013, as opposed to September 1, 2012, to allow adequate time for the department of human resources to make the necessary changes to their system to implement the ordinance. The second amendment would eliminate the subsidized health insurance benefit for members of council after they leave office. The amendment would grandfather in all current members of council and those former members of council that already participate in the health insurance plan. Those members serving eight or more years after 2019 could participate in the plan after leaving office if they pay 100% of the premium.

ORDINANCE NO. BL2012-241 (DOMINY) – This ordinance amends the Metropolitan Code to require the annual contract for services between the Metropolitan Government and the Nashville Area Chamber of Commerce ("chamber") for the Partnership 2020 economic development program to be approved by resolution of the council. The Partnership 2020 program (formerly Partnership 2000 and Partnership 2010) is a public-private partnership developed by the chamber whose purpose is to recruit new businesses to the greater Nashville area. Metro's appropriation for the Partnership 2020 program in recent years has been \$300,000 annually. The chamber membership consists of businesses in ten counties, several of which provide some level of financial support for the Partnership 2020 program. According to data provided by the chamber, the program receives approximately \$3.4 million annually in private funding. The chamber data further indicates that all other regional chamber/economic development entities plus regional governments combined provide \$130,500 annually for the program.

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ORDINANCE NO. BL2012-241 (continued)

Once the funds are appropriated by the council through the operating budget ordinance, Metro enters into a grant contract with the chamber outlining the business recruitment services to be performed. According to the grant contracts for the past several years, these services have included:

- Project management of 50 relocation and expansion projects in Davidson County, with 75% in targeted sectors and a minimum job creation goal of 1,000 new jobs
- Targeting 500 professional site location consultants with direct mail campaigns, marketing materials, and personal outreach
- Three outbound target market business recruitment missions and five inbound showcase Nashville events with face-to-face meetings with site consultants and corporate executives

This ordinance would require the grant contract with the chamber to be approved by the council by resolution receiving 21 affirmative votes. The contract would have to be approved by resolution annually before any funds are disbursed to the chamber.

ORDINANCE NOS. BL2012-242 & BL2012-243 – These two ordinances authorize the acquisition and acceptance of right-of-way easements for public works projects. Funding for the acquisitions will be from capital funds designated for the projects. These ordinances have been approved by the planning commission.

Ordinance No. BL2012-242 (Langster, Matthews & Potts) authorizes the acquisition of right-of-way easements by negotiation or condemnation for intersection improvements at Jefferson Street and 28th Avenue North, and Jefferson Street and 21st Avenue North.

Ordinance No. BL2012-243 (Matthews & Potts) authorizes the acquisition and acceptance of right-of-way easements and property rights for sidewalk/bikeway improvements along White Bridge Road. This will consist of the acquisition of 0.01 acre of property and a 15-foot temporary construction easement.

ORDINANCE NO. BL2012-250 (GARRETT, BENNETT & OTHERS) – This ordinance amends the Metropolitan Code to provide for the care of retired law enforcement animals. The police department currently uses dogs for the K-9 unit and horses for the mounted patrol unit to assist officers in the performance of their duties. In 2002, the council enacted an ordinance allowing the chief of police to donate horses and dogs deemed unfit for use by the Metropolitan Government and not suited for sale to the public “to other law enforcement agencies able to care for and use these animals and/or to not-for-profit organizations or individuals willing and able to care for and control these animals.” A dog is often donated to the officer that partnered with the dog once the dog is no longer fit for service. The police department has continued to cover the veterinary expenses for these dogs after they are donated, but this policy is not set forth in the Metro code.

(continued on next page)

ORDINANCE NO. BL2012-250 (continued)

This ordinance provides that it is the policy of the metropolitan government that former police department K-9 unit dogs and mounted patrol horses be adequately cared and provided for following their service to the metropolitan government. The police department would be responsible for covering the veterinary expenses up to \$2,500 per year, per animal. Former K-9 unit dogs would be allowed to temporarily board at the police department's canine facility at no cost to the active or retired police officer to whom the dog has been donated, provided notice is given to the facility at least 48 hours prior to the dog being boarded and adequate space is available at the facility. The division commander would have the authority to deny a boarding request for any dog with a contagious disease or a dog that is deemed by the division commander to be disruptive to the other dogs at the facility.

The ordinance also provides that the police department would be responsible for providing food for every former police dog or horse in the custody and control of an active or retired police officer at such officer's request for the life of the animal. All persons, organizations, or agencies accepting a donated animal from the police department must sign a general release form prepared by the department of law releasing the metropolitan government from any liability for the future actions of the animal and indemnifying the metropolitan government. Such a release form is currently being used by the police department.

There is a proposed amendment to this ordinance that would (1) require the police department to cover the costs of shoeing the horses; (2) clarify that the bill applies to animals that are currently retired; and (3) give the person that donated the animal to Metro the right of first refusal before the animal is given to someone else.

ORDINANCE NO. BL2012-251 (DOWELL & MATTHEWS) – This ordinance approves a facilities use agreement between the Metropolitan Nashville public schools (MNPS) and Nashville State Community College for the use of approximately 4,000 square feet of space at 5248 Hickory Hollow Parkway to serve as the temporary location for the Academy at Hickory Hollow. The Academy at Hickory Hollow is a program specifically to serve young adults that dropped out of high school in their senior year. The program enables these students to continue outside employment while working toward obtaining their high school diploma in a non-traditional school setting.

The Academy at Hickory Hollow will be moving into a new permanent Hickory Hollow Mall space once the space is complete. In the meantime, Nashville State Community College is allowing the Academy to use space at Nashville State's Hickory Hollow site at no cost. The term of the agreement is through December 31, 2012.

This agreement has been referred to the planning commission. Future amendments to the agreement may be approved by resolution.

ORDINANCE NO. BL2012-252 (GILMORE & MATTHEWS) – This ordinance abandons 250 feet of a sanitary sewer main and easement and accepts 590 feet of relocated 8" sanitary sewer pipe on properties located at 1600 Rosa L. Parks Boulevard and Rosa L. Parks Boulevard, unnumbered. This abandonment and acceptance of the sewer main is needed to facilitate construction of the Evergreen at Worthen project. This ordinance has been approved by the planning commission.

– BILLS ON THIRD READING –

SUBSTITUTE ORDINANCE NO. BL2012-228 (TYGARD) – This substitute ordinance amends the Metropolitan code pertaining to the keeping of chickens on school property. Ordinance No. BL2011-47 approved in January of this year allows domesticated hens on residential property in certain council districts upon obtaining a permit from the department of health. The permit holder is required to occupy the residence where the hens are kept as his/her personal, primary residence. Unless the property is located on residentially-zoned (R or RS) property within the general services district (GSD) on a lot of five acres or greater, the number of hens that can be kept on the property is as follows:

Max. Number Hens	Parcel Area (sq. ft.)	Acreage
2	0 to 5,009	0.00 to .11
4	5,010 to 10,236	.12 to .23
6	10,237 to 87,119	.24 or more

Other conditions included in BL2011-47 pertaining to the keeping of chickens include:

- No roosters.
- No hens in the front yard.
- The hens must be kept in a predator-proof enclosure that is at least 25 feet away from any residence and 10 feet from the property line.

The council added a two year “sunset” provision to the bill by amendment requiring council action by resolution to prevent the bill from expiring on March 1, 2014.

This ordinance would allow up to 20 hens to be kept on school property for educational purposes on lots of five or more acres in the GSD. The ordinance contains a number of health requirements schools would have to satisfy in order to keep chickens, which include:

- Adequate nearby access to hand washing facilities or, in the alternative, disposable rubber gloves for use by all children handling the hens and/or eggs
- Access to electricity
- Written proof of the permission of the principal of the school pursuant to the facility use policy of Metropolitan Nashville public schools.
- Provide a residential address and phone number of three individuals willing to be on call to address any issues with the hens
- A signed plan that adequately addresses the handling, dispersal, and/or disposal of eggs must have been approved, in writing, by the school.

Since the Metropolitan board of education has sole control over the use of school property, this ordinance would not be effective without the school board’s or MNPS administration’s consent.

ORDINANCE NO. BL2012-229 (JOHNSON, EVANS & OTHERS) – This ordinance amends the Metro zoning code to provide a zoning application fee waiver for applications filed by members of council in response to the planning commission's determination that a planned unit development (PUD) is inactive after conducting a periodic review. The zoning code provides a mechanism for the periodic review of PUDs to determine whether development activity has occurred on the property within the past six years. If the planning commission determines the PUD to be inactive, then it is to recommend legislation to the council to re-approve, cancel, or amend the PUD.

The zoning code includes several limited situations where the zoning application fee can be waived for applications filed by members of council:

1. Rezoning the property from a greater intensity residential use to a lesser intensity residential use (i.e., an "R" district to an "RS" district);
2. Rezoning the property from an office, commercial, or industrial district to a residential or residential single-family district;
3. Rezoning ten or more parcels from a specific plan (SP) district to another base zoning district; or
4. Applying the urban design overlay district, historic preservation district, neighborhood conservation district, or urban zoning overlay district.

This ordinance would add another fee exception to the list for an amendment to or cancellation of a PUD after the planning commission has determined the PUD to be inactive. According to the planning department staff report, the public hearing signs and notices would still have to be prepared by the council member acting as the applicant per the department's policy. Further, site plan revisions, if required, would be the council member's responsibility.

The planning commission voted to take no official position on this bill.

ORDINANCE NO. BL2012-236 (STITES) – This ordinance abandons Reedwood Drive from Murfreesboro Pike northward to its terminus. This closure has been requested by the Metropolitan Nashville airport authority. This section of roadway is on property owned by the airport authority and is within the approach area for a runway. The ordinance also abandons all existing utility easements. This ordinance has been approved by the planning commission and traffic and parking commission. Consent of the affected property owners is included as an attachment to the ordinance.

ORDINANCE NO. BL2012-238 (MCGUIRE & BEDNE) – This ordinance authorizes the director of public property administration to accept two easements for use in the Harpeth River and Mill Creek greenways. These easements are being donated at no cost to Metro. The first easement is from Robert and Catherine Atkin for property located at 793 Harpeth Bend Drive. The second easement is from Lenox Creekside, LLC, for property located at 8401B Callabee Way. These are perpetual easements that can only be terminated through judicial action. This ordinance has been approved by the planning commission and the board of parks and recreation.

ORDINANCE NO. BL2012-239 (MCGUIRE & HUNT) – This ordinance authorizes the acquisition of property located at 916 Berwick Trail for the Neely's Bend pump station upgrade project. The estimated acquisition cost for the property is \$60,000, which is to be paid from the water and sewer extension and replacement fund. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2012-240 (TODD, CLAIBORNE & MCGUIRE) – This ordinance, as amended, authorizes the director of public property administration to acquire property located at 3404 Hobbs Road next to Julia Green Elementary School for the benefit of the Metropolitan board of education. This property is currently in foreclosure and one of the owners has filed bankruptcy. Metro has been working with the bank and the bankruptcy court to purchase the property, but the administration is seeking condemnation authority in case no agreement can be reached. On August 7, 2012, the council authorized the exercise of an option to purchase the property next door at a cost of \$384,000. The board of education is interested in purchasing these two properties to provide additional space for cars to ease traffic congestion on Hobbs Road.

The ordinance provides that the acquisition of additional or different properties for the same purpose may be approved by resolution.

This ordinance has been approved by the planning commission.