

**City Council Building
Chattanooga, Tennessee
June 8, 2010
6:00 p.m.**

Chairman Rico called the meeting of the Chattanooga Council to order with Councilmen Benson, Berz, Gilbert, Ladd, McGary, Murphy, Robinson and Scott present. City Attorney Mike McMahan, Management Analyst Randy Burns and Council Clerk Carol O'Neal were also present.

PLEDGE OF ALLEGIANCE/INVOCATION

Following the Pledge of Allegiance, Councilwoman Ladd gave invocation.

MINUTE APPROVAL

On motion of Councilwoman Robinson, seconded by Councilwoman Ladd, the minutes of the previous meeting were approved as published and signed in open meeting.

PUBLIC HEARING: STATE DEPARTMENT OF HUMAN SERVICES WEATHERIZATION PROGRAM

Lisa Elam of the Tennessee Department of Human Services stated she was present to conduct a public hearing on the State's plan to name Chattanooga Neighborhood Enterprise (CNE) as the sub-recipient to administer the weatherization assistance program in the Hamilton County, City of Chattanooga area. She stated the purpose of the public hearing is to allow the public to provide any comments regarding the plan. At this point she asked if anyone were present wanting to speak.

Pam St. Claire of 3839 Birmingham Drive read from a prepared statement and stated she admired the changes in Chattanooga that have occurred over the past 40 years of her life; that Chattanooga's revitalization project has made great strides forward in the quality of life for our citizens.

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(Continued)**

Ms. St. Claire stated although she fears the future is bleak without the continuing efforts and funding for the weatherization program, she is a single example of the many positive aspects of the weatherization program. She stated more than seven years ago the weatherization program installed three windows in her home which she would not have been able to afford, whose costs would have taken away from necessities like water, food and paying her taxes on time. She stated she fears many other people are in this situation, pushed to put off paying taxes in order to live in a functional home. She stated the low income and disabled are asking for help and the Council has the ability to help and without the Council's help she envisions a city of condemned homes set for demolition, which are non-profitable for the enhancement of the beautify of our city. She asked the Council to support the city's Department of Human Services which gives a "hand up" not a "hand out" to persons from all walks of life. She asked that the homeless population not be increased among which are children, women and the disabled, for without these services where would they go. She asked that they be helped to save their homes, community and leave this weatherization in the hands it has been in for years and needs no fixing; that the community needs the Council's assistance with the weatherization program. She asked that the program stay with the city's Department of Human Services who has run it unconditionally and in the best way they could for many, many years. She mentioned an 88 year old neighbor who needs one window in her home that is now held with duct tape and aluminum foil which is going to be condemned; however, because she has her son's name on her will she is not eligible for the weatherization service. She asked the Council to reconsider before there is a booming population of condemned houses or overwhelming population of disabled elderly and single mothers like her. She asked that the weatherization program not be placed in CNE's hands and that the Council "pick up the rug this once and look underneath".

Shirley Deakins of 222 Baker Street stated she is right now in the middle of a Title VI complaint she issued against the weatherization program about two years ago; that for many years she has been without any help from CNE or any of these places; that CNE was the one who originally cost her \$40,000 for a substandard home using a captive contractor.

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Ms. Deakins stated this weatherization program has not been sufficient for her; that she had some work done in 1999 and then after 2003 she had \$275 worth of work done which is not very much, however she paid for her own windows and was charged eleven percent interest with TVA. She stated these people have written that up to the point that they do not take someone like her who is disabled and do not have an upstairs bath now and nearly died five years ago, they not only would not do anything for her but one young gentlemen. She stated that she has initiated a slander complaint slander where it has been indicated not only that she was crazy, but that she was having an affair with someone who was young enough to be her son and whom she looked upon as a son, noting that this same young man fed her cats when she was sick. She stated she does not care what they do in taking it away, but giving it to the "devil of CNE" is even worse! She stated there are reports in Bredesen's office and in Human Services in Washington, who sent the complaint to Atlanta, and like HUD in Atlanta and everything else they have not responded.

Councilwoman Scott stated now that the subject has been broached from the Chattanooga Human Services to CNE, she asked Ms. Elam to explain why that decision was made.

Ms. Elam stated she could explain why they terminated the contact. She stated Chattanooga Human Services has been the weatherization assistance program sub-recipient for several years. She stated in the past year the State received \$99 million in stimulus funding specifically for the weatherization program. She stated this program was spread upon 18 agencies across the State and with the stimulus dollars came increased oversight; that it took what was a \$5 million program for our State to \$99 million during that period of time. She stated along with our contracts they revised their procedures, as expected for that large of an increase in dollars. She stated they also set within the contract benchmarks because they (State) are also "on the hook" with the federal government to complete a certain number of homes with those dollars to have them weatherized -- 10,500 to be exact.

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Ms. Elam stated each contract did have benchmarks and in the case of the Chattanooga Human Services Department their December benchmark was 118 completed units; that they completed 23 and obviously that was a concern for them. She stated they asked them to submit a corrective action plan, they submitted one and within that corrective action plan they also asked them to speak to how they would make up the time lost and to set monthly benchmarks because they had quarterly benchmarks with the next one in March, which they failed to make noting they failed to make the benchmark in the month of January, also. She stated they also brought on a technical assistance contractor for the purpose helping agencies who are having a hard time meeting performance benchmarks because they are only interested in weatherizing homes but they want to do quality work. She stated the Chattanooga Human Services Department was the first agency they assigned them to and as of February 4 they have had a person onsite full time to help them make the benchmark and they again failed to make the March benchmark.

Ms. Elam stated the Department came down to meet with Mayor Littlefield and his staff to express their concerns and the fact that while they certainly are not interested in pulling funding from Chattanooga because there are homes here that need to be weatherized, they do have to get the job done and have to meet federal benchmarks, also. She stated at that time Mayor Littlefield and his staff talked about other alternatives and other agencies that might have experience that could come in and pick up the program. She stated at the end of the day they terminated the contract with the Chattanooga Human Services Department, a direction they were heading anyway; that the purpose of this public hearing is to accept public comments about the not for profit agency CNE. She stated federal regulations are fairly clear in who can operate a weatherization program as it has to be a not-for-profit, has to have experience in home repair and home weatherization, that type of work and certainly have to do a public hearing before doing that funding.

Councilwoman Ladd stated she wanted to make sure she was correct in a couple facts, that because of the Chattanooga Human Services' failure to perform they were going to lose the money dedicated to Chattanooga for winterization programs, is that correct.

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(Continued)**

Ms. Elam stated that possibility was certainly there; that they were not at the point, yet, that they came down and said they were pulling the contract, but they were going down that path and when Commissioner Lodge takes time out of her schedule to come down we are serious and concerned!

Councilwoman Ladd stated in an effort to save those dollars for Chattanooga homes, the Mayor recommended shifting the program to another organization that was felt could be trusted and could do a better job in administering funds or we could have stood a chance of losing those funds.

Mrs. Elam responded "absolutely"; that what they are interested in are the dollars staying here and for the transition to be seamless. She stated individuals who have filed an application will not have to file another as that is part of what they have been working on; that their applications will be transferred over and will continue to be served as long as the funding holds out.

Councilwoman Ladd clarified we are not losing our winterization program in Chattanooga. Ms. Elam responded "that is correct". Councilwoman Ladd expressed appreciation for Ms. Elam's comments and demeanor.

Councilman McGary stated as to the granting process itself the city of Chattanooga was the grantee, correct. Ms. Elam responded that Chattanooga Human Services is who they have the contract with, not the city of Chattanooga.

Councilman McGary stated upon that grant being forfeited or their not meeting the requirements, technically speaking the grant becomes open and available again. Ms. Elam responded within certain parameters; that there is not a competitive bid process or procurement process. She stated federal "regs" are fairly clear on this; that the department would need to select a not-for-profit and it needs to be a not-for-profit that has experience in home repairs and weatherization; that it would not be a not-for-profit that did not have any kind of experience with that type of program.

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Councilman McGary stated that his question more specifically is if the granting process entails there is an award which in this case is the Chattanooga Human Services and they do not meet the requirements and the grant is forfeited, his question is who then has the opportunity to voice who the option should be; that he knows she has indicated the Mayor's office has indicated options, are there any other individuals who could indicate options. Ms. Elam stated that is part of the public hearing; that the State Department of Human Services feels comfortable with Chattanooga CNE based on what they know; that that is the purpose of the public hearing to allow the public to provide comments.

Councilman McGary stated as far as comments, the public could also provide names of other non-profits they deem would be worthy of this grant. Ms. Elam stated they could; however at this time the Department's intention is to go forward with Chattanooga CNE unless there is some reason as the result of this public hearing tonight to not do so. She stated one reason for that is that stimulus dollars are time limited; that it is critical we get these dollars out; that they have over 600 applications that have been received and approved in Chattanooga and the county and these individuals are waiting for weatherization services and until we get a new grantee in place nobody will be getting weatherization.

Councilman McGary stated unless there is a reason that comes forth that would otherwise prevent them from doing so what specifically is that reason.

Ms. Elam stated she did not know if she could just say that; that it is her thought she would want someone to tell her there was a reason why we should not use them as a grantee if there has there been an instance of fraud, an instance of discrimination which is something they would take very seriously – reasons such as those.

Councilman Benson expressed appreciation to Ms. Elam for coming and the hearing; that what Ms. Deakins has said in her problem she had with CNE was not recent; that between 2001 and 2005 CNE went through a very rough problem.

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Councilman Benson stated a new director at that time made some tremendous changes in preparation for our director now, Mr. Johnson. He stated he (Benson) really stands behind CNE as they are experienced in promotion of home ownership and how to maintain that home and the responsibilities that go in that neighborhood; that they have a heart and passion for the mission. He stated that he wanted them to judge based on contemporary times, not what happened prior to the last two Executive Directors.

Ms. Elam stated that is important information for them to know as part of this public hearing.

Councilman Gilbert stated that it was mentioned that the Mayor had recommendations for dealing with Human Services or just the weatherization program. Ms. Elam responded the weatherization assistance program is all we are talking about.

Councilman Gilbert asked if there was any other discussion about anything else. Ms. Elam responded that the weatherization assistance program is the one program we have today that has the stimulus dollars and specific benchmarks and the State has a contract with the Department of Energy to complete the number of homes state wide with the weatherization dollars. She clarified that is the program that she and Commissioner Lodge came down to meet with Mayor Littlefield and his staff to address our concerns.

Councilman Gilbert asked if the Mayor made any other recommendations during the conversation. Ms. Elam asked if he meant as far as other agencies.

Councilman Gilbert stated that he heard Ms. Elam mention other agencies, and asked if CNE is the only one we are discussing tonight. Ms. Elam responded "that is correct"; that this is the only program that we have talked to them about being concerned about contracts, about performance issues, any of that, asking if she answered Councilman Gilbert's question.

Councilman Gilbert stated that she "kind of" answered his question, and asked if she were saying the current organization was Chattanooga Human Services that had responsibility for that. Ms. Elam responded "yes", the Chattanooga Human Services Department is the sub-recipient for the weatherization assistance program and that is the program they had concerns about.

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Councilwoman Robinson stated that she wanted to testify on behalf of the work CNE is doing and indicated she has worked closely with CNE for the past two years and currently CNE has a very, very strong Executive Director in David Johnson who is doing very important work and has partnered CNE with the city. She stated he serves on the Board of Directors of the Community Impact which she has been President of for the past two years; that he is faithful in his attendance, an imaginative leader and doing a superb job. She stated she cannot speak too highly of David Johnson and the job he is doing; that she has had personal contact with him and knows.

Councilman Gilbert asked if any other cities are in the same condition or worse than Ms. Elam considers as Chattanooga.

Ms. Elam responded there are other agencies state wide that are also watching very closely; that one of the differences between some of the other agencies and this agency was a lack of management that could turn the process around and a lack of urgency here that they did not see in other agencies. She stated while we have our technical assistance contractor at some of the other agencies, they are seeing some improvement in those agencies but, rest assured, if it does not turn around as quick as we want it to they will be going to visit them too.

Councilman Gilbert asked if they had had conversation with the organization in the past with reference to improvement.

Ms. Elam stated they were well aware; that the contract laid out specific benchmarks for each quarter. She stated the first benchmark was December 2009 and when they failed to meet the benchmark they were sent a letter and asked to submit a corrective action plan which they reviewed and denied the first couple times before they submitted one they accepted. She stated within that they still had to reach certain parameters each month, which again were not met. She stated she has been to the agency, has sent her director to the agency and, as previously stated, put their technical contractor here. She stated their goal was for them to succeed; it was not for them to not succeed as they are not in that business. She stated at the end of the day they want citizens to get their homes weatherized and want quality work. She stated they do not want to put the State at risk of having their funds pulled back either and certainly that could happen if they are not able to spend their money.

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(Continued)**

Councilman McGary asked if there have been any modifications in the contract between when the Chattanooga Human Services Department applied and what potentially will be awarded to CNE.

Ms. Elam stated the only change will be the balance of the funding that has not been expended that will go to CNE and the remaining benchmarks that were not met by Chattanooga will be CNE's responsibility – that is the only change, it is the very same contract.

Chairman Rico asked if anyone were present who could say there has been fraud on CNE's part for the past couple years; being none the public hearing continued.

Ms. Deakins attempted to speak again, however the Chairman gaveled her as being out of order.

Mamie Foy spoke at this time and stated that she works for the Chattanooga Human Services Department and lives at 5614 St. Elmo Avenue. She asked if the Chattanooga Human Services Department was allowed ample time to get the problems fixed.

Ms. Elam stated the contract was the same for each of the eighteen agencies. She stated one thing that was unique in this instance is that there did not seem to be a good plan for turning things around despite numerous attempts, despite a lot of technical assistance we provided to the extent of having someone on site full time. She stated "yes", they do feel they were given time to turn it around and added at the end of the day it was a local decision rather than taking the risk of having the State pull funding.

The public hearing was duly closed.

SPECIAL RECOGNITION OF AERIAL BAKER

Chief Rawlston asked Aerial Baker to come forward at this time, as well the representative from the DuPont Community Credit Union.

SPECIAL RECOGNITION OF AERIAL BAKER
(Continued)

Chief Rawlston stated on May 6 at approximately 5:30 p.m. a report of an armed robbery at the DuPont Community Credit Union in East Brainerd was phoned into the police department. He stated Mr. Baker happened to be outside the Credit Union and observed a young man exit a vehicle, produce a hand gun, walk into the bank and fire a shot (as he walked in). He stated rather than leave for someone else to deal with it, Mr. Baker called 911, stayed on the scene, took cover but continued to move around and was able to identify the suspect vehicle, the other people in the car, the suspect who came out of the bank, was able to describe those with sufficient detail that within a matter of about two minutes the police department was in pursuit of that vehicle full of armed robbers. He stated they were caught on I-75 at East Brainerd Road after a brief pursuit and traffic accident; that the young men responsible for the bank robbery in which bank employees were threatened with a fired shot, were also responsible for a rash of armed robberies on Highway 58, Gunbarrel Road and several other robberies. He stated armed robberies have dropped significantly since the arrest of this carload of young men. He stated the public is asked for their support and help in the apprehension of criminals and they get it but rarely get it at great risk of personal harm from that citizen. He publicly thanked Mr. Baker and presented him with a Certificate of Appreciation from the police department and a Challenge Coin. (Applause and a standing ovation was given at this time.)

Councilman Murphy thanked Mr. Baker for his courage, bravery and cool headedness. He took the opportunity to congratulate Chief Rawlston noting that the Armed Robbery Bill vastly increasing sentences for the folks that commit these types of extremely violent and dangerous actions passed the State House; that this being a credit union is probably a federal court matter, but it is not less dangerous whether it is a bank or convenience store. He expressed hope there will be a lot less of this conduct in the future.

Aerial Baker stated he has never received an award before and expressed thanks to the police department and the DuPont Community Credit Union for nominating him for an award. He stated he really did think he did that much and expected it is what anybody would do; that maybe there would be "no more of these awards left if everybody was doing it". He stated the employees in the bank that day were the real brave people in his book because they were in there; they did what they had to do and kept cool.

SPECIAL RECOGNITION OF AERIAL BAKER
(Continued)

Mr. Baker stated he goes to that bank and they are great people and if he could give this award to them that is what he would do. He thanked the police department and stated he does not know if anyone really, really thinks about it but when 911 is called it is a random pocket dial unless there are the police that actually show up and he doubted they really get the recognition they deserve, but since he had the microphone he exclaimed we all thank the police department for being there when we call!

Gail Moats, Branch Facility Leader and Loan Officer at the East Brainerd Branch of the DuPont Community Credit Union, stated Aerial was a Godsend to them that day and they are very thankful for him; that it could have been a lot worse and they really do appreciate him!

AMEND CITY CODE

On motion of Councilman Murphy, seconded by Councilwoman Ladd,
AN ORDINANCE TO AMEND CHATTANOOGA CITY CODE, CHAPTER 25, BY ADDING A NEW ARTICLE II TITLED "SPECIAL GATHERING PERMIT", SECTIONS 25-40 THROUGH 25-47, RELATIVE TO PERMITS ON SPECIAL GATHERINGS

Passed second and final reading and was signed in open meeting.

AMEND ZONING ORDINANCE

On motion of Councilman Murphy, seconded by Councilwoman Robinson,
AN ORDINANCE TO AMEND CHATTANOOGA CITY CODE, PART II, CHAPTER 38, ZONING ORDINANCE, REGULATING INOPERABLE VEHICLES WITHIN ARTICLE II, DEFINITIONS AND ARTICLE IV, GENERAL REGULATIONS

Passed first reading.

CLOSE AND ABANDON

MR-2009-141: City of Chattanooga c/o Dan Thornton

On motion of Councilwoman Ladd, seconded by Councilwoman Scott.

AN ORDINANCE CLOSING AND ABANDONING A STREET LOCATED ON A PORTION OF THE 1700 BLOCK OF EAST 17TH STREET, MORE PARTICULARLY DESCRIBED HEREIN, SUBJECT TO CERTAIN CONDITIONS

Passed first reading.

REZONING

2010-015: City of Chattanooga

Pursuant to notice of public hearing, the request of the City of Chattanooga to rezone a tract of land located at 1165 Fairmount Avenue came on to be heard.

Councilwoman Scott thanked the Chattanooga Housing Authority and neighborhood association, noting there has been a concerted effort of collaboration that formed after this got started on a very, very rocky foot; that there has been a lot of compromise and she is very thankful that there was a meeting of compromise to make this particular event happen.

On motion of Councilwoman Scott, seconded by Councilwoman Robinson,

AN ORDINANCE TO AMEND CHATTANOOGA CITY CODE, PART II, CHAPTER 38, ZONING ORDINANCE, SO AS TO REZONE A TRACT OF LAND LOCATED AT 1165 FAIRMOUNT AVENUE, MORE PARTICULARLY DESCRIBED HEREIN, FROM R-3 RESIDENTIAL ZONE TO R-T/Z RESIDENTIAL TOWNHOUSE/ZERO LOT LINE ZONE, SUBJECT TO CERTAIN CONDITIONS

Passed first reading.

REZONING

2010-060: Arvin H. Reingold, Attorney

Pursuant to notice of public hearing the request of Arvin H. Reingold, Attorney, to rezone a tract of land located at 1109 Fairview Avenue came on to be heard.

REZONING (Continued)

The applicant was present; there was no opposition in attendance.

Councilman McGary asked if the applicant has made contact with the neighborhood association; that they have contacted him (McGary) and indicated they have not heard anything from the applicant.

Atty. Arvin Reingold spoke for the applicant and stated they have not heard from anyone; that they have asked for people who had any comments to contact Mrs. Robinson. He stated that has been there for over 40 years and Mrs. Robinson purchased it 27 years ago; that she and her late husband have operated it for over 40 years and the building has a great historical significance; that one of our illustrious mayors came from there from what we used to call "onion bottom". He stated the answer to the question is "no" they have not made contact and would be glad to meet with them. He stated it has been a restaurant, grocery store for maybe 50 years, at least 40 years he knows of.

Councilman McGary stated they have not expressed any concerns but would like an opportunity to talk with you. He stated he would be happy to help set up the meeting.

Atty. Reingold stated it has been his practice all the time to ask for any input or any deviations or anything that has to be done; that Mrs. Robinson has owned it and she and her late husband have never had any comments from the neighborhood. He stated he would be more than happy for them to contact him or Mrs. Robinson.

On motion of Councilman McGary, seconded by Councilman Gilbert,
**AN ORDINANCE TO AMEND CHATTANOOGA CITY CODE, PART II,
CHAPTER 38, ZONING ORDINANCE, SO AS TO REZONE A TRACT OF
LAND LOCATED AT 1109 FAIRVIEW AVENUE, MORE PARTICULARLY
DESCRIBED HEREIN, FROM R-3 RESIDENTIAL ZONE TO UGC URBAN
GENERAL COMMERCIAL ZONE, SUBJECT TO CERTAIN CONDITIONS**

Was deferred one week.

AGREEMENT

On motion of Councilwoman Ladd, seconded by Councilman Murphy,
A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH HAMILTON COUNTY FOR THE HAMILTON COUNTY COURTS COMMUNITY SERVICE PROGRAM TO PICK UP LITTER ALONG CITY RIGHT-OF-WAY USING FIRST-TIME, NON-VIOLENT OFFENDERS, IN AN AMOUNT NOT TO EXCEED SIXTY THOUSAND DOLLARS (\$60,000.00)
was adopted.

DECLARE SURPLUS

Mr-2010-025/026: City of Chattanooga c/o Dan Thornton

On motion of Councilman Murphy, seconded by Councilwoman Robinson,
A RESOLUTION DECLARING SURPLUS PROPERTY LOCATED AT 1612 OLIVE STREET, TAX MAP NO. 136K-B-003, MORE PARTICULARLY DESCRIBED HEREIN AND AUTHORIZING DISPOSITION IN ACCORDANCE WITH GUIDELINES OF THE NEIGHBORHOOD STABILIZATION PROGRAM (NSP)
Was adopted.

RESCIND RESOLUTION 26291

On motion of Councilman Murphy, seconded by Councilwoman Robinson,
A RESOLUTION RESCINDING RESOLUTION NO. 26291, ADOPTED APRIL 27, 2010, AND ENCAPTIONED "A RESOLUTION AUTHORIZING THE PURCHASE OF PROPERTY LOCATED AT 201 SEQUOIA DRIVE WITH THE NEIGHBORHOOD STABILIZATION PROGRAM FUNDS TO ASSIST IN STABILIZING PROPERTY VALUES IN NEIGHBORHOODS IMPACTED BY FORECLOSURES, IN THE AMOUNT OF FIFTY-EIGHT THOUSAND DOLLARS (\$58,000.00), PLUS CLOSING COSTS."
Was adopted.

AMEND RESOLUTION NO. 25442

On motion of Councilman Murphy, seconded by Councilwoman Ladd,
A RESOLUTION AMENDING RESOLUTION NO. 25442 BY CHANGING THE AMOUNT ALLOCATED TO 28TH DISTRICT CDC FROM THREE HUNDRED SIXTY-FOUR THOUSAND DOLLARS (\$364,000.00) TO TWO HUNDRED THIRTY-FIVE THOUSAND SIXTY-ONE AND 15/100 DOLLARS (\$235,061.15). THE REMAINING FUNDS OF ONE HUNDRED TWENTY-EIGHT THOUSAND NINE HUNDRED THIRTY-EIGHT AND 85/100 (\$128,938.85) WILL BE ALLOCATED TO THE HOMEAGAIN PROGRAM

Was adopted.

AWARD HOMEAGAIN PROGRAM FUNDS

On motion of Councilman Gilbert, seconded by Councilwoman Robinson,
A RESOLUTION AUTHORIZING THE ADMINISTRATOR OF THE DEPARTMENT OF NEIGHBORHOOD SERVICES AND COMMUNITY DEVELOPMENT TO AWARD ONE HUNDRED NINETY-NINE THOUSAND TWO HUNDRED SIXTY-FOUR DOLLARS (\$199,264.00) OF HOMEAGAIN PROGRAM FUNDS TO ORANGE GROVE CENTER, INC. FOR THE PURPOSE OF CREATING AFFORDABLE, PERMANENT, SUPPORTIVE HOUSING AND AUTHORIZING AN AGREEMENT WITH THE ORGANIZATION FOR THE SAME

Was adopted.

AMEND RESOLUTION NO. 26322

On motion of Councilman McGary, seconded by Councilwoman Ladd,
A RESOLUTION TO AMEND RESOLUTION NO. 26322 ENCAPTIONED, "A RESOLUTION AUTHORIZING THE CITY FINANCE OFFICER TO EXECUTE LOAN EXTENSION DOCUMENTS RELATIVE TO THE DOGWOOD MANOR PROPERTY EXTENDING THE MATURITY DATE OF THE LOAN ON SAID PROPERTY FROM REGIONS BANK F/K/A AMSOUTH BANK FROM JUNE 1, 2010 THROUGH A TERM UP TO DECEMBER 31, 2010; AUTHORIZING THE PAYMENT OF REASONABLE CLOSING COSTS ASSOCIATED WITH SAID LOAN EXTENSION IN AN AMOUNT NOT TO EXCEED TEN THOUSAND DOLLARS (\$10,000.00); AND FURTHER AUTHORIZING THE FINANCE OFFICER TO APPLY FOR RE-FINANCING," SO AS TO PROVIDE FOR A LOAN EXTENSION TO OCTOBER 1, 2010

Was adopted.

TEMPORARY USE

On motion of Councilwoman Ladd, seconded by Councilman McGary,
A RESOLUTION AUTHORIZING TOM MARSHALL WITH CUSTOM SIGNS ON BEHALF OF JK3 TO USE TEMPORARILY THE RIGHT-OF-WAY LOCATED AT 407 BROAD STREET FOR THE PLACEMENT OF A SIGN OVER A PORTION OF THE RIGHT-OF-WAY, AS SHOWN ON THE MAP ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE, SUBJECT TO CERTAIN CONDITIONS

Was adopted.

BID ON USED EQUIPMENT

On motion of Councilwoman Ladd, seconded by Councilman Murphy,
A RESOLUTION AUTHORIZING THE ADMINISTRATOR OF THE DEPARTMENT OF PUBLIC WORKS TO BID AT AN AUCTION ON THE FOLLOWING USED EQUIPMENT: ONE (1) LEOBY ASPHALT PAVER AND ONE (1) HAMM VIBRATORY ROLLER FOR AN EXPENDITURE NOT TO EXCEED FORTY-FIVE THOUSAND DOLLARS (\$45,000.00)

Was adopted.

TEMPORARY USE

On motion of Councilwoman Robinson, seconded by Councilman Murphy,
A RESOLUTION AUTHORIZING RICH HEINSMAN ON BEHALF OF JOE FRIDAY'S ALASKAN COFFEE HOUSE TO USE TEMPORARILY THE RIGHT-OF-WAY LOCATED AT 823 HOUSTON STREET FOR PLACEMENT OF A SIGN, AS SHOWN ON THE MAP ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE, SUBJECT TO CERTAIN CONDITIONS

Was adopted.

OVERTIME

Overtime for the week ending June 3, 2010 totaled \$52,860.11.

PERSONNEL

The following personnel matters were reported for the various departments:

PERSONNEL (Continued)

CHATTANOOGA POLICE DEPARTMENT:

- **JASON IRVIN** – Resignation, Police Sergeant, effective June 3, 2010.
- **DAVID W. MAYS** – Resignation, Police Officer, effective June 3, 2010.

PARKS AND RECREATION DEPARTMENT:

- **JOHN URSTADT** – Resignation, Zookeeper 1, effective June 1, 2010.
- **JULIE STEPHENS** – Resignation, Crew Supervisor 2, effective June 3, 2010.
- **DERYL NELSON** – Suspension (3 days without pay), Park Ranger, effective May 11, 2010.

PUBLIC WORKS DEPARTMENT:

- **JACK B. HENDERSON** – Hire, Electrician 1, Traffic Engineering, Range 13, \$41,231.00 annually, effective June 4, 2010.
- **LOUIE CREEKMORE** – Retirement, Electronics Communication Technician 1, Radio Shop, effective June 3, 2010.
- **STUART WHITMIRE** – Hire, Electronics Communication Technician, Radio Shop, Range 14, \$40,000.00 annually, effective May 17, 2010.
- **CHARLES EDWARDS** – Hire, Electronics Communication Technician 1, Range 14, \$38,000.00 annually, effective May 24, 2010.

CHATTANOOGA FIRE DEPARTMENT:

- **EUGENE MORRIS** – Leave of Absence (without pay), Firefighter, effective May 29 – June 27, 2010.

PURCHASES

On motion of Councilwoman Ladd, seconded by Councilman Murphy, the following purchases were approved for use by the various departments:

CHATTANOOGA POLICE DEPARTMENT:

GULF STATES DISTRIBUTORS (Single source)

28021

Purchase of 50 Taser Guns and Cartridges per TCA 6-56-304.6

\$47,330.00

PUBLIC WORKS DEPARTMENT:

LUFKIN – RMT (Lowest and best bid)

24374/300200

Turbo-Expander Rebuild Services

\$116,124.00

REFUNDS

On motion of Councilwoman Berz, seconded by Councilwoman Ladd, the Administrator of Finance was authorized to issue the following refunds for property taxes:

OSBORNE BUILDING CORP. -- \$1,127.06

H & H LEASING -- \$1,649.47

TARGET CORPORATION -- \$13,145.11

TRADE CENTER HOTEL ASSOC. #1 LTD. -- \$26,430.32

M C PROPERTIES 1 LTD. -- \$4,962.39

REFUNDS (Continued)

Councilman Murphy asked if all refunds were for property tax overpayments.

Vicki Hayley stated only one was an overpayment; that the other four were the State Board of Equalization's assessment changes.

MAYOR'S LETTER REGARDING SELECTION OF POLICE CHIEF

Councilman McGary stated that he would like for the Council to consider responding as a unit to the Mayor's letter sent to each on the Council two weeks ago wherein he asked if the Council preferred a police chief who was retired from the City of Chattanooga or outside. He stated he knows there were some who responded individually and asked Council members if they desired to respond as one collective unit to that e-mail.

Councilwoman Scott stated that she responded directed to the Mayor on that. Councilmen Berz and Benson indicated they responded individually, as well. Councilman Benson added that it was his thought the Mayor expected Council members to respond by e-mail.

Councilman Murphy responded "he did not think so"; that he responded to the Mayor in person.

Councilman McGary clarified the Council could respond individually, which some have done, and also said if they wanted to could respond as a unit according to their preference, which was his question. He stated he knew they individually expressed concern and asked if there is a desire to speak collectively.

Councilwoman Ladd stated she would prefer each Council member go ahead and respond individually.

COMMITTEES

Councilman Murphy scheduled a meeting of the **Legal and Legislative Committee for Tuesday, June 15.**

COMMITTEES (Continued)

Councilman McGary stated the Education, Arts and Culture Committee met today to discuss the renovation of the Soldiers and Sailors Memorial Auditorium as well as doing further research into obtaining a license for the alcohol and wine sales at the Tivoli/Memorial Auditorium.

Councilwoman Berz stated the **Budget, Finance and Personnel Committee will meet at 1 p.m. on Tuesday, June 15** relative to the third section of our deliberations which is benefits and at that time, hopefully, she will have from the Council the block day that the Council would want to spend a lot of time going over in public discussion various issues of the budget.

Councilman Murphy stated that Committees scheduled for next week are a little lighter than this week and suggested starting at 1 p.m. and complete the Budget Committee at 3, but stated instead of adjourning the Budget meeting, recess the meeting and if we finish at 3:30 for example, he would hate for the Council to be forced due to public notice and adjournment to not be able to get in some additional hours of work on the budget before the normal stopping time of around 5 p.m.

Councilwoman Berz stated that is fine; that the Budget Committee would meet from 1-3 p.m., recess for other committee meetings and then if time permits go "back to business".

Councilman Murphy acknowledged that would be a smart and good use of Council members' time!

Councilman Benson expressed agreement; that it is his thought the budget is the number one priority now; that if we can set aside some of the committee meetings other than the budget meeting they should meet at 1 p.m. and meet straight through until Council meeting if any of the committees could be deferred a week.

Councilman Murphy stated he would try to have a timed budget for how much he will need by that time next week so that we can let that go through; that he may have an idea that he will only need a certain period of time.

Councilwoman Berz stated this needs to be priority now and sufficient time is needed to talk through all the issues and talk as a group; that great ideas have come forth and now we need to start making decisions.

CHAIRMAN RICO

To persons in attendance, Chairman Rico stated it is his hope he has not come across as being arrogant or short because he does not mean to be. He stated he is a property owner like everyone else and has parcels of property that he has to pay taxes on and does not want his taxes raised either! He stated he knows everyone present is against taxes, but there are only so many ways you can say "don't raise our taxes!"

CHARLES WYSONG

Charles Wysong of 6872 Robin Drive stated he was present for today's budget meeting and is increasingly angry about this tax increase that Mayor Littlefield has proposed; that it is excessive, burdensome and beginning to run a government in this nation that is different from anything we have ever seen before. He stated on the national scale we saw Barack Obama push through a health care bill that is much like this tax increase. He stated they knew the people did not want it and Congress was there and they played games but when it came down to it they ended up voting the health care bill through and he is afraid the City Council will do the same thing. He stated the people of this city are against the percentage that the Mayor is proposing; that they want zero and do not want a 2, 3, 34 percent or anything else – they want nothing! He stated we have gotten to the place we are dictating to the people; that we have a government that is no longer representing the people. He stated when the Council was elected they said they would take care of the money and the Council are the people and they represent the citizens. He stated the Council needs to go back and tell Ron Littlefield "no sir, we are not going to do it"; that 56 years ago on June sixth we had men on Normandy Beach dying for the freedom that is in this land; that he did not think they envisioned anything like a 33 percent tax increase in Chattanooga noting that is not what they died for. He stated they died that we might be free men; that one of the great discoveries of the old world in 1799 was when the Rosetta Stone was found and found out that written in the three languages used in Egypt in Greek, hieroglyphics and Coptic we found there was a manuscript which allowed us to find out what hieroglyphics meant. He asked what the document was that was so important that was written in three languages. He stated it was a message from Ptolemy V; that it was a tax amnesty stating we are going to let all the people out of prison and ask the people who left the army to come back. He expressed hope the Council hears them.

BRANDON LEWIS

Brandon Lewis of 15 Marlboro Avenue stated that he wants the Council to consider that things do not happen in a vacuum; that he had a discussion with Mr. Brock, proprietor of the Sports Barn, who let him know this year he has endured a storm water fee that ends costing him about \$30,000. He stated when there are companies that are property heavy and employment light, the property tax and storm water fees are very destructive; that a 33 percent tax increase would be another \$25,000. In explaining his previous statement about things not happening in a vacuum he stated if taxes are increased on the business side the decision is made to decrease jobs and the question is do the jobs belong to the government or private sector where people contribute in order for the government to function; that the choice is to (a) take jobs from the people or (b) cut back at the government level. He stated most people are happy with some reduced services in hard times if that means the grass has to grow a little longer, garbage has to be picked up a little less, one less person is sitting in an office looking at Face Book and reading the paper -- we are fine with that! He stated government has the reputation oftentimes and wondered if they took a department with ten people or more, got rid of one and fast forwarded it six months down the road if the output would not be the same. He stated lastly, it is his thought tomorrow the Council members will probably get a lot of phone calls; that they are calling 7500 households representing 75 percent of Council members' constituents in the city saying a property tax increase is coming unless they act. He expressed hope when the phone calls come the Council members would talk to them and know they are against the tax increase; that if they get overwhelming calls from people that want it to let him know because he would like to hear from those people, as well. He asked that they consider this as it is not a very complicated decision but it is a hard decision and if they make the hard decisions for the people right now while they are making hard decisions he would appreciate it.

CONNIE POPE

Connie Pope stated she moved to Chattanooga from New Jersey and lives on a tight budget. She stated she is disabled from Lyme disease; that her husband has Lyme disease and has been unable to find work; that they have been living on a tight budget and our government has to live on a budget, as well.

CONNIE POPE (Continued)

Ms. Pope stated they cannot afford a 33 percent tax increase; that both are registered nurses but because of the illness it has pretty much taken their livelihood away. She stated there are a lot of people in Chattanooga who are going through very difficult financial hard times and really cannot afford that type of tax increase; that she has to tighten her belt as far as their budget is concerned and cannot take a vacation; that there are a lot for things they cannot do now because they do not have the money. She stated the government needs to stop spending and stay within a budget.

LINDA NEWELL

Linda Newell of 2300 Janeview Drive stated she has been retired twelve years and has yet to have a raise in her pension; that what she gets on social security usually goes to pay the insurance and now she will have at least three years and no benefits. She stated they want to take away from retired people to give someone making \$100,000 more money and she does not have any more money; that it is time to consider no tax increase.

DAVID SHINN

David Shinn who lives in the city limits in Hixson stated he has not had a raise in a few years and is thankful for a job. He stated this reminds him of the time when gas prices went up four dollars a gallon and what happened; that everyone was struggling to pay the bills and anything else was cut back. He stated local businesses suffer and at the same time need more money to pay their bills; that it is an awful recipe.

SHARON COMBS

Sharon Combs of 1041 North Runyan Drive stated that she keeps hearing the few weeks that she has been present how many times can we say "no more taxes" and you hear it and hear it. She stated she honestly thinks the Council needs to hear it until they say "no"; that all have their own stories and reasons why this is not good for us and their families. She asked that the Council take into consideration they might have to hear it a few times.

CHARLES DITMIER

Charles Ditmier of 5803 North Shore Circle in Hixson stated he was present against the tax increase simply because he cannot afford it. He stated they are not present to give the Council hard time, be mean or anything like that -- they simply cannot afford it. He stated he has only been here five years and since he has moved in his property has been re-evaluated and upped \$30,000 and now a 33 percent increase – he can hardly handle it! He stated his retirement check is put in the bank to pay his taxes and he lives on social security.

DAISY PRATT

Daisy Pratt expressed appreciation for the Council's support for the Memorial Auditorium project. She introduced one of two special guests present – Staff Sgt. Brandon Coleman, a young marine working in the area.

Staff Sgt. Brandon Coleman stated the city has been great to him in the two months he has been here and all his fellow marines have nothing but good things to say about Chattanooga. He expressed thanks to the Council for their support. (Staff Sgt. Coleman received a standing ovation.)

Ms. Pratt introduced her second guest, Marissa Fulkerson, and stated her husband is a member of the 212th Transportation Company deployed in Afghanistan. She stated Mrs. Fulkerson has some words from her husband to share directly from the battlefield.

Marissa Fulkerson began with a letter from her husband, 1SG Brian Fulkerson, which has been spread upon the minutes:

To Whom It Concerns: I'm 1SG Brian Fulkerson, First Sergeant of the 212th Transportation Company, Stationed in Chattanooga, TN currently serving in Afghanistan. As a society, it is extremely important that we remember not only where we came from, but how we got here. The military service members throughout history have been remembered for their loyalty to the country, duty to each other, respect for those we protect, self-service/sacrifice, honor, integrity, and personal courage. It is our duty as a society to remember and honor these heroes of our great nation.

DAISY PRATT (Continued)

A memorial in Chattanooga would accomplish this honor. Chattanooga has a very rich history of honorable military service. It would be a great dishonor not to recognize that. As a soldier currently serving I feel it would be a great benefit to all of the units in the Chattanooga area to have a central location where we could have our important ceremonies that would further honor our comrades in arms; past, present, and future.

--1SG Brian Fulkerson, 212th Transportation Company, First Sergeant

Mrs. Fulkerson continued by stating in her seventeen years as an Army wife she has lived all over this county and has been able to observe how communities rally around our men and women in uniform; that though they showed support for our soldiers, it has been Chattanooga that has impressed her most. She stated being an Army wife means emotions we all experience but to a greater level; there is sadness, loneliness and even pain when our soldier is gone whether it is for training for one day or fighting a war where they will be gone for a year or more. She stated it is praying daily that our soldiers come home again safely and breaking down crying when seeing a flag draped coffin; that with these emotions come greater ones – hope, pride and love. Hope that our soldiers are strong enough to win the battles when the war is long; pride that they are willing to give it their all, and love because it is love that gets us through the tough times. She stated the Auditorium could live up to its name by being able to tell the history of all the local units, the fallen soldiers, the history of our African American soldiers and our local Medal of Honor recipients. She stated because of the sacrifice of soldiers and sailors, past, present and the ones yet to come, we have freedoms that millions of people do not have in this world. She stated our soldiers ask for so little in return for such a great sacrifice and asked that the Council please consider the plan before them so our soldiers can be thanked for their service.

ADJOURNMENT

Chairman Rico adjourned the meeting of the Chattanooga Council until Tuesday, June 15, 2010 at 6:00 p.m.

CHAIRMAN

CLERK OF COUNCIL

**(A LIST OF NAMES OF PERSONS IN
ATTENDANCE IS FILED WITH MINUTE MATERIAL OF THIS DATE)**