

**City Council Building
Chattanooga, Tennessee
May 25, 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 Michael McMahan, Management Analyst Randy Burns and Council Clerk Carol O'Neal were also present.

PLEDGE OF ALLEGIANCE/INVOCATION

Following the Pledge of Allegiance, invocation was given by Councilwoman Scott.

MINUTE APPROVAL

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

**SPECIAL RECOGNITION: CHATTANOOGA SCHOOL
FOR THE LIBERAL ARTS (CSLA)**

The special recognition of CSLA was postponed until next Tuesday's Council meeting, June 1.

BOY SCOUT TROOP 80

Chairman Rico recognized the presence of Boy Scout Troop 80 under the leadership of Seth Miller, who is also the Assistant Fire Marshall. Troop members present included Caleb Miller and Jameson and it was noted they are working toward their Citizenship and Community Merit Badge.

AMEND BUDGET ORDINANCE

Councilman Murphy stated that he has distributed an amendment to this Ordinance that is on the dais and before the Clerk. He **made the motion to substitute amendment to the Ordinance; Councilwoman Robinson seconded the motion.**

Councilwoman Berz stated that both agencies are terrific and (she) would love to be able to work something out with both; that the problem is she cannot commit herself to an intent until we see what the whole budget is and what the ramifications of those are. She stated that is the only reason she will vote against it.

Councilman Benson stated this is really a compromise at the expense of the city; that the way he reads the amendment the city is ending up committing another \$40,000 over a two year period. He stated that is why he is against this and does not think we can commit any kind of money like this during these times.

Councilman McGary stated Councilman Murphy drafted the amendment and whatever the baseline appropriation is at this point we have not determined what that baseline appropriation is; that he (Murphy) is asking whatever that figure is that the \$40,000 be allotted on top of that and asked if he were correct.

Councilman Murphy stated that he would not presume to discern what this Council will do with next year's budget; that the point of the amendment is to allow the civic Fourth of July celebration to go forward and to make good on this Council's appropriation that somehow got turned upside down since we made it last year. He stated it is to recognize that both are valid and appropriate things, one of which we have already voted on and the money should have been paid but was not for whatever reason.

Councilwoman Ladd stated the concern she has is that we are really trying to do two things with this. She stated that she approves the \$40,000 to RiverCity for work they have already performed for events that were already established and performed; that she cannot commit another \$40,000 to RiverCity again next year and that is her concern with this and is why she would have to vote against it because both of those are in this piece. She stated she is very supportive with providing money to Allied Arts but is not comfortable with it being left open we will look at an additional \$40,000 into next year's budget to be given to RiverCity.

AMEND BUDGET ORDINANCE (Continued)

On roll call vote of Councilmen Murphy and Robinson's motion to amend:

SCOTT	NO
ROBINSON	YES
LADD	NO
BENSON	NO
GILBERT	NO
BERZ	NO
MCGARY	NO
MURPHY	YES

The motion failed.

At this point Councilmen McGary and Gilbert made the motion and second to approve the original ordinance as written.

Councilwoman Berz stated that where she is a little confused and asked if the illusive \$40,000 has already been paid to someone. The response was "no". She stated that it was her thought it has been paid to Allied Arts. Again, the response was "no".

Councilman Benson stated the \$40,000 is due to RiverCity and not Allied Arts is the way he understands it. He stated we had a moral commitment to RiverCity that should have been paid and now we are diverting it to another agency and asked if he were correct.

Chairman Rico stated that the matter was discussed in Committee and thought all of this was "out of the way".

Councilman Benson stated "no we did not". He stated that he would like to know if we are diverting money from RiverCity and giving it to Allied Arts. He asked if we pay quarterly. Dan Johnson responded "yes".

AMEND BUDGET ORDINANCE (Continued)

Councilman Benson asked if we missed our last quarterly payment; that when they closed down the other organization is this money due to RiverCity. Mr. Johnson stated the appropriation was made to the Downtown Partnership.

Councilman Benson stated RiverCity took over the Downtown Partnership and asked how Allied Arts ever get in there.

Mr. Johnson stated RiverCity elected not to do the Pops in the Park this year and through various things Allied Arts picked it up, tried to raise money and has raised money to put on the Pops in the Park for the July Fourth celebration and they asked for it. He stated we have started the budget amendment and instead of going to Downtown Partnership it is going to Allied Arts.

Councilman Benson stated we have not paid our bill to RiverCity, yet; that they have already paid for Pops in the Park last year. Mr. Johnson stated that is what they said. Councilman Benson stated he trusts what they said and, therefore, cannot vote for this.

Councilwoman Robinson stated that it is her hope it will be clear in Council members' minds that this is not an allocation to Allied Arts; that they offered to serve as the "banker", if you will, for this. She stated if the city chooses to go forward with the unpaid balance of \$40,000 that had originally been allocated to the Chattanooga Downtown Partnership, they would receive the unpaid \$40,000 after the Downtown Partnership went out of business just to hold the money and the Pops in the Park event has raised another \$40,000 to match that and they are sitting on "go" to have the annual picnic on the river with fireworks and the Chattanooga Symphony. She stated they are not receiving the money in their organization; that it is not like transferring it from one organization to another; it is just a "pass through" to a company that would be sponsoring the event.

Councilman Murphy stated Councilman Benson has it right; that the money was appropriated last year at budget time and it was decided to be paid out quarterly and it was stopped from being paid about half way through the year, so the \$40,000 appropriation this Council made last year that is due, owed and payable to the Downtown Partnership which was never a separate legal entity, it was essentially RiverCity "doing business as". He stated they have funded the events, conducted the events, we appropriate money for those events and it has not been paid.

AMEND BUDGET ORDINANCE (Continued)

Councilman Murphy stated his amendment was intended to try and save both this Council's reputation of following through on our own appropriations and also a patriotic and civic event he knows we could all be proud of. He stated the vote at this point -- if it is a "no" vote, that money will be paid to RiverCity and if it is a "yes" vote, then we will have a fireworks display and a symphony concert this Fourth of July week.

At this point, Chairman Rico clarified a point in *Robert's Rules of Order* which states each person can only debate an item twice; that from now on after the second time that is it!

Councilman Gilbert stated that he would like to hear Dan Johnson's opinion of the situation.

Mr. Johnson stated he would not want be the one not to have Pops in the Park; that it is an event that all citizens in Chattanooga wait for with 35,000-40,000 people showing up and it is a great event, as well as the biggest event that is free to all the participants, however, it costs money to put it on. He stated it is his thought there is an area of dispute between when monies are incurred for this project; that it happens to be on July third this year and in order to put that on monies have to be committed prior to June 30, so we cannot wait until after then and say the money they received in the next fiscal year was just for that project, just an impractical flow of events and money. He stated it is a "lose lose" or "win win", he guessed; that it is his thought we showed where we would prefer doing it by this particular ordinance amendment to get the money in Allied Arts' hands to go ahead and complete the Pops in the Park.

Councilman Gilbert stated the way the dates fell last year the money that was allocated or should have been allocated to RiverCity should have been for the year prior and not this year.

Mr. Johnson stated that is just it; that there is a whole lot of area for dispute on that because of the way the dates fall. He stated Dan Bowers said in Committee this afternoon that they have to commit the money now and sign the contracts with the musicians because otherwise they have other jobs to do. He stated they cannot wait until after June 30 to have the money to do this project; that it is his thought the same principal would have applied last year with the Downtown Partnership. He stated they had to spend the money ahead of time to put on the project and he has had some conversation with people who supposedly know that and all the stories just do not come together.

AMEND BUDGET ORDINANCE (Continued)

Councilwoman Berz stated the \$40,000 we are talking about is not new money; that it is money left over and inquired as to just where it should go. Mr. Johnson stated it is the balance of an appropriation to the Downtown Partnership that was not paid to the Downtown Partnership.

Councilwoman Berz asked if it is Mr. Johnson's understanding if the money went to RiverCity it would be putting on a concert. Mr. Johnson responded "no", it would not be.

Councilman Benson stated Pops is very important to this area and not just the city; that he would appreciate it from now on out that we try to get the county to match our money on this. He stated we still have a moral obligation to send it to RiverCity when we promised that and if RiverCity wants to give it to Allied Arts he is certain Allied Arts would be able to work out an accommodation to accept it from RiverCity. He stated he cannot support diverting money from RiverCity where our commitment was to Allied Arts.

At this point Councilman McGary called for the question.

On motion of Councilman McGary, seconded by Councilman Gilbert,
**AN ORDINANCE TO AMEND THE FISCAL YEAR 2009-2010 BUDGET
ORDINANCE NO. 12288 TO REALLOCATE THE REMAINING FORTY
THOUSAND DOLLARS (\$40,000.00) OF A TOTAL EIGHTY THOUSAND
DOLLARS (\$80,000.00) APPROPRIATION TO DOWNTOWN PARTNERSHIP
TO ALLIED ARTS OF GREATER CHATTANOOGA FOR THE POPS PROJECT**
was adopted; on roll call vote:

ROBINSON	YES
LADD	YES
BENSON	NO
GILBERT	YES
BERZ	YES
MCGARY	YES

AMEND BUDGET ORDINANCE (Continued)

MURPHY	YES
SCOTT	NO

INTERIM BUDGET

Councilman Murphy stated it is his thought this is premature and **motioned that the matter should be deferred; the motion failed for lack of a second.**

On motion of Councilwoman Berz, seconded by Councilman McGary,
AN ORDINANCE PROVIDING FOR AN INTERIM BUDGET AND APPROPRIATING FUNDS FOR THE USUAL AND ORDINARY EXPENSES OF THE CITY GOVERNMENT FOR THE MONTHS OF JULY, AUGUST AND SEPTEMBER 2010, PENDING THE ADOPTION OF THE 2010-2011 ANNUAL BUDGET

passed second and final reading and was signed in open meeting; **Councilman Murphy** voted "no".

REZONING

2010-042: Robert McNutt

On motion of Councilman McGary, seconded by Councilwoman Berz,
AN ORDINANCE TO AMEND CHATTANOOGA CITY CODE, PART II, CHAPTER 38, ZONING ORDINANCE, SO AS TO REZONE A TRACT OF LAND LOCATED AT 784 EAST MARTIN LUTHER KING BOULEVARD, MORE PARTICULARLY DESCRIBED HEREIN, FROM R-1 RESIDENTIAL ZONE TO C-3 CENTRAL BUSINESS ZONE, SUBJECT TO CERTAIN CONDITIONS

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

AGREEMENT

On motion of Councilwoman Ladd, seconded by Councilwoman Scott,
A RESOLUTION AUTHORIZING THE ADMINISTRATOR OF THE DEPARTMENT OF PUBLIC WORKS TO ENTER INTO AN AGREEMENT WITH BROWN AND CALDWELL FOR ENGINEERING SERVICES FOR THE IMPLEMENTATION OF EQUIPMENT MAINTENANCE AND RELIABILITY IMPROVEMENT PROGRAM, IN AN AMOUNT NOT TO EXCEED ONE MILLION FIVE HUNDRED SEVENTY-THREE THOUSAND EIGHT HUNDRED DOLLARS (\$1,573,800.00)

was adopted.

PAYMENT AUTHORIZATION

Councilwoman Scott stated it is her belief this is another example of an architect which is being paid \$16,000 to check and certify his own work; that the construction of the building will be to LEED certification and to get another merit badge for LEED certification for the fire hall.

Councilman Murphy stated this fire hall is a wonderful fire hall; that he spent two hours in it today and it is beautiful, but it is done and we do not need the piece of paper right now. He stated he does not believe there is any reason why we could not pursue it if there is a compelling need in another year, but we do not need the piece of paper as the fire hall is done and all the energy savings and environmental benefits from the way it was built. He stated the firefighters are experiencing it now, they are good people, it is a wonderful fire hall and we should be proud of it.

On motion of Councilwoman Berz, seconded by Councilwoman Robinson,
A RESOLUTION AUTHORIZING PAYMENT TO ARTECH DESIGN GROUP FOR ADDITIONAL SERVICES RELATED TO LEED CERTIFICATION FOR FIRE STATION #4 IN THE AMOUNT OF SIXTEEN THOUSAND ONE HUNDRED SEVENTY-FIVE DOLLARS (\$16,175.00)

failed; on roll call vote:

LADD	NO
BENSON	NO
GILBERT	NO
BERZ	YES

PAYMENT AUTHORIZATION (Continued)

MCGARY	YES
MURPHY	NO
SCOTT	NO
ROBINSON	YES
RICO	YES

TEMPORARY USE

On motion of Councilwoman Robinson, seconded by Councilwoman Scott,
A RESOLUTION AUTHORIZING JIM CITY OF KELLER WILLIAMS REALTY TO USE TEMPORARILY AN EXISTING CANOPY AT 200 MANUFACTURERS ROAD, FOR THE PLACEMENT OF SIGNAGE, AS SHOWN ON THE DRAWINGS ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE, SUBJECT TO CERTAIN CONDITIONS
was adopted.

TEMPORARY USE

On motion of Councilman McGary, seconded by Councilwoman Robinson,
A RESOLUTION AUTHORIZING JED LOW ON BEHALF OF GRAPHIC WORKS TO USE TEMPORARILY THE RIGHT-OF-WAY LOCATED AT 826 GEORGIA AVENUE FOR THE PLACEMENT OF A SIGN OVER A PORTION OF THE RIGHT-OF-WAY, AS SHOWN ON THE DRAWING ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE, SUBJECT TO CERTAIN CONDITIONS
was adopted.

TEMPORARY USE

On motion of Councilman Scott, seconded by Councilman McGary,
A RESOLUTION AUTHORIZING THOMPSON GALETOVIC TO USE TEMPORARILY THE RIGHT-OF-WAY LOCATED ALONG 137 AND 139 RIVER STREET FOR THE INSTALLATION OF AN INDOOR/OUTDOOR LAMP, A SEATING AREA TO INCLUDE TABLE, CHAIRS, AND DRINK VENDING MACHINE, AS SHOWN ON THE DRAWING ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE, SUBJECT TO CERTAIN CONDITIONS
was denied.

CHANGE ORDER

On motion of Councilwoman Ladd, seconded by Councilwoman Robinson,
A RESOLUTION AUTHORIZING THE EXECUTION OF CHANGE ORDER NO. 1 RELATIVE TO CONTRACT NO. S-08-006-201, PRIVATE SANITARY SEWER LINE REPAIR (SLAP), WITH TOWER CONSTRUCTION COMPANY, FOR A DECREASED AMOUNT OF ONE THOUSAND FIVE HUNDRED DOLLARS (\$1,500.00), FOR A REVISED CONTRACT AMOUNT NOT TO EXCEED TWENTY THOUSAND FOUR HUNDRED EIGHTY DOLLARS (\$20,480.00), AND THE RELEASE OF THE CONTINGENCY AMOUNT OF THREE THOUSAND DOLLARS (\$3,000.00)
was adopted.

CHANGE ORDER

On motion of Councilwoman Ladd, seconded by Councilwoman Robinson,
A RESOLUTION AUTHORIZING THE EXECUTION OF CHANGE ORDER NO. 1 RELATIVE TO CONTRACT NO. S-09-001-201, PRIVATE SANITARY SEWER LINE REPAIR (SLAP), WITH C & C CONSTRUCTION SERVICES, FOR AN INCREASED AMOUNT OF SIX THOUSAND SIX HUNDRED FIFTY DOLLARS (\$6,650.00), FOR A REVISED CONTRACT AMOUNT NOT TO EXCEED EIGHTEEN THOUSAND FIFTY DOLLARS (\$18,050.00)
was adopted.

WAIVE ADMISSION FEES

On motion of Councilman Gilbert, seconded by Councilman Murphy,
A RESOLUTION AUTHORIZING THE ADMINISTRATOR OF THE DEPARTMENT OF PARKS AND RECREATION TO WAIVE ALL ADMISSION FEES FOR THE CHATTANOOGA ZOO AT WARNER PARK ON OCTOBER 2, 2010, FOR THE PURPOSE OF HOSTING GO!FEST
was adopted.

CONTINUATION OF FUNDRAISING

On motion of Councilman McGary, seconded by Councilman Murphy,
A RESOLUTION AUTHORIZING THE MAYOR TO CONDUCT CONTINUING FUNDRAISING AND SOLICIATION EFFORTS TO SUPPORT GO!FEST HOSTED BY THE CHATTANOOGA ZOO ON OCTOBER 2, 2010, FOR PEOPLE OF ALL ABILITIES. THE PROJECT COST IS EIGHT THOUSAND DOLLARS (\$8,000.00)
was adopted.

SPECIAL EXCEPTIONS PERMIT

2007-212: The Covenant

Councilmen Ladd and Robinson made the initial motion and second to approve this request.

Councilman Gilbert asked if anyone were present who knows about this particular project.

Admin. Steve Leach stated the issue before the Council tonight is that The Covenant has a special exception permit that has been through Council, got approved and "sat" on it due to the economy and the approval lapsed after a certain period of time. He stated this Resolution essentially allows this project, if it is ever built, to continue under the same project design; that it is just a procedural matter at this point. He reiterated it has been before a Council before; that if it is chosen not to continue they will have to go through the whole Planning Commission process again. He stated there is a lapse provision in the Zoning Ordinance that states if it is not recorded within two years it will lapse; that it is procedural more than anything.

SPECIAL EXCEPTIONS PERMIT (Continued)

Councilman Gilbert asked for clarification that it was approved by Council and "specs" and everything were shown.

Admin. Leach stated the development plan approved by Council was not recorded in the appropriate time, which is a two year lapse; that they are asking to continue so they can develop it; that it is a procedural matter in the Zoning Ordinance.

Councilwoman Robinson stated that the thing that concerns her is the use of the special exceptions permit; that a lot has happened in this Council's thinking on that in the past couple years and it has been used, as Councilman Benson has told us, only one time on North Holly because all of the neighbors came in and requested that it be granted. She stated she would have to revive the . . .

Both Admin. Leach and Councilman Benson interrupted and clarified this is a planned unit development not a special exceptions permit for a duplex.

Councilwoman Robinson countered that it says "to extend the special exceptions permit". Admin. Leach again clarified that is the title in the Zoning Ordinance for a planned unit development and comes under a special permit design review process and it is titled "special exceptions permit" and is not a zoning issue with a duplex. Councilwoman Robinson expressed her thanks for the clarification.

Councilman Benson added that it is a different thing from what he and Councilwoman Robinson worried about.

Councilwoman Scott stated she did not recall this coming up so it must have preceded her being on the Council; that her question would be that it is her assumption the time frames are put on special exception permits because if something is not done within a period of time the whole situation around that area may change and they may not fit, asking if that is not the reason why the limits are put on there.

Admin. Leach responded that may be in part; that the reason was for the staff so these things do not lay in the file forever and ever without being approved; that it certainly could change over time.

SPECIAL EXCEPTIONS PERMIT (Continued)

Admin. Leach stated they have had them recorded in pieces, as many on the Council know, in a phased situation; that in this case the economy got them and they just did not do anything and now they may be ready to go again on this and try to record it and build. He stated it is certainly up to the Council to choose to let this lapse and they would have to go to back to the Planning Commission and the Council would review it as new; that this would keep it "alive" for two years and give them time to record it.

Councilwoman Scott inquired as to the exemption. Admin. Leach stated normally it is a design issue and if it is a planned unit development it may have town homes or patio homes or could be an issue with setbacks on the buildings, noting he is not familiar with this particularly one but that is the norm for using a planned unit development. He stated if they want a private road to gate it they would have to use a planned unit development concept, noting there are reasons folks do this.

Admin. Beverly Johnson stated this is not her project but happens to know a little bit about this, noting this is a Habitat project. She stated Habitat actually owns the land there that is near New Covenant Church off North Moore Road and they plan to build homes there for the low-to-moderate income but because of economics over the past year in terms of getting their financing together, they had to delay the project.

Councilman Murphy asked if the applicant or proponent were present and there was no response. He stated based on Mrs. Johnson's explication and Mr. Leach's and also knowing we just actually had some federal stimulus dollars that we passed through and granted to Habitat; that they may be in a much better position to go forward. He stated "part of him" understands what Councilwoman Scott is saying about conditions changing and that is one of the reasons we have time limits on these things. He stated perhaps the better course would be to defer one week and have the applicant appear and refresh our recollection, particularly if this passed two years ago which would mean it passed when a super majority of this Council was not on this Council.

Councilman Gilbert stated he was not familiar with this and is trying to pull all the information for a decision. He stated and since it is in his district he **made the motion to defer one week** to get more information and have the appropriate people to come and explain the site plan; **Councilwoman Robinson seconded the motion.**

SPECIAL EXCEPTIONS PERMIT (Continued)

Admin. Johnson added that this particular location is not eligible for any of the stimulus funds.

On motion of Councilman Gilbert, seconded by Councilwoman Robinson,
A RESOLUTION TO EXTEND FOR ONE YEAR THE SPECIAL EXCEPTIONS PERMIT FOR A PLANNED UNIT DEVELOPMENT KNOWN AS THE COVENANT PLANNED UNIT DEVELOPMENT, ON TRACTS OF LAND LOCATED IN THE 1600 BLOCK OF EUCALYPTUS DRIVE
was deferred one week.

LOAN EXTENSION

Councilmen McGary and Ladd made the initial motion and second to approve this Resolution.

Admin. Daisy Madison stated that she needs more latitude and explained that she has learned that the Tennessee Municipal League may be an issue. She asked for authorization to seek refinancing from eligible sources and whatever happens will come before the Council before it is approved.

At this point, Councilmen Murphy and Robinson made the motion and second to amend the Resolution. City Attorney McMahan amended the caption and body of the Resolution by deleting “...with the Tennessee Municipal Bond Fund”.

On motion of Councilman McGary, seconded by Councilwoman Ladd,
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

Was adopted.

COMMENDATION TO CSLA

Councilwoman Berz stated it would be a good idea to approve this Resolution noting she would present it to the School's Principal at next week's Council meeting.

On motion of Councilwoman Berz, seconded by Councilman McGary,
**A RESOLUTION COMMENDING THE STAFF, STUDENTS, AND PARENTS OF
THE CHATTANOOGA SCHOOL FOR THE LIBERAL ARTS (CSLA) FOR
BEING NAMED THE TOP ELEMENTARY MAGNET SCHOOL IN THE UNITED
STATES AND A MAGNET SCHOOL OF EXCELLENCE**

Was adopted.

OVERTIME

Overtime for the week ending May 20, 2010 totaled \$44,630.28.

PERSONNEL

The following personnel matters were reported for the various departments:

PARKS AND RECREATION:

- **GLORIA PARKER** – **CORRECTION:** Crew Worker 1, Range 2, \$22,050.00 annually, effective May 7, 2010.
- **MARK WOOD** – Family Medical Leave, Crew Worker 1, effective May 4, 2010.

CHATTANOOGA FIRE DEPARTMENT:

- **CHARLES WADDELL, CHRISTOPHER CORDES, RONNY MCMILLAN, GREGORY SMITH, KENNETH MILLER** – Promotion, Fire Lieutenant, Range F3A, \$43,358.00 annually, effective May 21, 2010.
- **JUSTIN VICE, ADAM WALDROP** – Promotion, Firefighter Senior, Range F2A, \$36,004.00 annually, effective May 21, 2010

PERSONNEL (Continued)

- **FRANK ROZZELL, JR.** – Promotion, Fire Captain, Range F4A, \$49,132.00 annually, effective May 21, 2010.

PUBLIC WORKS DEPARTMENT:

- **JOHN WALL** – Retirement, Assistant Traffic Engineer, Traffic Engineering, effective July 29, 2010.
- **CEDRIC L. NEAL** – Demotion (Voluntary), Crew Worker 1, Range 2, \$28,136.99 annually, effective May 4, 2010.
- **CHRISTINE L. VENICE** – Hire, Assistant Director City Wide Services Admin., City Wide Services, Range 22, \$50,531.00 annually, effective May 14, 2010.
- **TONY M. GODINHO** – Hire, Equipment Operator 5, City Wide Services, Range 12, \$31,021.00 annually, effective May 7, 2010.
- **TOMMY L. HECKAMAN** – Hire, Plant Operator 1, Waste Resources, Range 9, \$26,798.00 annually, effective May 7, 2010.
- **FRANK BALES** – Termination, Plant Operator 2, Waste Resources, effective May 14, 2010.

REFUNDS

On motion of Councilman McGary, seconded by Councilwoman Robinson, the Administrator of Finance was authorized to issue the following refunds of property taxes:

MARINA POINTE PARTNERS LLC DBA MARINA POINT APARTMENTS -- \$1,794.54

BEAUTIFUL GREENWOOD LLC -- \$1,328.40

PURCHASES

On motion of Councilwoman Scott, seconded by Councilwoman Berz, the following purchases were approved for use by the various departments:

PUBLIC WORKS DEPARTMENT:

AIR PRODUCTS AND CHEMICALS, INC. (Lowest and best bid)

R26603

Blanket Contract for Liquid Oxygen

\$286,000.00 Annually, Unit Price \$0.29

THE BAILEY COMPANY, INC. (Lowest and best bid)

R26975/300316

Forklift

\$20,999.00

GENERAL SERVICES:

LEE-SMITH, INC.

R28316 and R28263

Ratify purchase of Vehicle Parts

\$26,110.25

O. G. HUGHES & SONS, INC. (Lowest and best bid)

R23854

42.5' Bucket Lift Truck

\$85,798.00

REQUEST OF STATE COMPTROLLER DIVISION

Councilwoman Scott made the motion to ask that the Council request the State Comptroller's Division of Municipal Audit Review to determine the city's compliance with State law as outlined in the Internal Auditor's memo directed to Mayor Littlefield entitled City Attorney Conflict of Interest dated September 2009. She asked that the Chair of the Legal and Legislative Committee or the Chairman of the Council write the letter. Councilman Benson seconded the motion; the motion carried; Councilman Murphy voted "no".

Councilman Murphy stated that it would be more appropriate if the letter came from the Chairman of the Council. Chairman Rico used executive privilege and immediately appointed Councilman Murphy to write the letter!

SOFTBALL TOURNAMENT AND PARKS AND RECREATION KUDOS

Councilman Gilbert reported that this past weekend there were 105 softball teams in Chattanooga from different cities throughout the United States. He stated everything went well and everyone he spoke with commented how wonderful Chattanooga is; not just the park itself, but Chattanooga, in general. He stated they remarked how much fun they had and how wonderful the hospitality was. He stated everything went so well they want to bring another 64 teams to Chattanooga this fall! He stated one million dollars was generated in Chattanooga this past weekend and we need more of this to happen!

Councilwoman Berz added that Mr. Zehnder and Parks and Recreation are to be commended and expressed her wish that Greta Hayes were present. She stated if everyone could have seen all the families at the Summit of Softball having picnics, playing ball – people of all ages! She stated what people kept saying over and over again was they had never seen such hospitality! She stated people were here from New York, Florida and Atlanta; that people from Atlanta said Atlanta cannot "hold a candle" to the sports activities we do here and obviously we agreed with them. She stated the bottom line is a neat thing happened here this weekend and we should be very proud of our community; our community should be about sports, family, and the kind of living we all want for our city and it is to Mr. Zehnder's credit that this happened. She expressed thanks to him and applause was given at this time.

SOFTBALL TOURNAMENT AND PARKS AND RECREATION KUDOS (Continued)

Councilman McGary commended the Police Department for the security given during this event, noting there was a very sensitive situation regarding a fugitive that was handled very professionally and discretely.

Councilwoman Robinson stated on last Wednesday, just a random day in a week, she took her grandson, Will, to Riverview Park noting that it was freshly mowed, the trash cans were emptied, the picnic area was neatly washed off and all the toys and games were in perfect repair. She stated after they had the picnic there they went to Coolidge Park and once again, what a wonderful place – it was so clean and safe! She stated a park ranger and police officer on bicycles were there along with a large group of school children. She stated it made her realize how blessed we are to live in a community that provides those kinds of facilities for our families to enjoy and they are free! She stated we do support them with our precious tax dollars but it is a great return on an investment and it makes her happy to know our whole city is welcoming of all of us to our beautiful, beautiful parks. She expressed hope everyone enjoys them as she does and will for the rest of the summer!

Councilman Benson stated that his District has a beautiful park in East Brainerd called Heritage Park and it is well taken care of and cared for. He noted to Councilwoman Robinson that the parks do not come free of charge with all the mowing, but expressed appreciation for that. He stated they do a good job out in East Brainerd and expressed thanks to Mr. Zehnder.

COMMITTEES

Councilwoman Berz reminded Council members of the meeting of the **Budget, Finance and Personnel Committee scheduled for 2 p.m. on Tuesday, June 1** for further discussion of the 2010 budget. She stated the Committee would be meeting for the next three weeks at 2 p.m.; that next week the Committee would be discussing the departmental budgets, the following week the discussion will involve agency budgets and the third week the discussion will involve benefits from pension benefits to OPEB. She stated the public is welcome and noted that the discussion will be among the Council; that commentary would be taken only from those areas from which there are questions in a particular category.

COMMITTEES (Continued)

Councilman McGary reminded Council members of the meeting of the **Education, Arts and Culture Committee** scheduled for **Tuesday, June 8** immediately following the Agenda session.

Councilman Murphy stated the **Legal and Legislative Committee** met today and are ready to go ahead and put on the agenda for first reading an ordinance with regard to special gathering permits for next week. He stated the Committee **will meet on Tuesday, June 1** and the intent is to bring before the Council some long delayed taxi industry reform legislation that has been worked on by the Taxi and Transportation Board, himself and others that will be ready for Council discussion next week, as well as other matters that fall within the Committee's jurisdiction.

Councilman Benson scheduled a meeting of the **Safety Committee for Tuesday, June 1 immediately following the Agenda session**. He asked that information be given in reference to how much it costs to run one academy, clarifying that he needs the figure next week in reference to training for the police academy.

AGENDA: JUNE 1, 2010

Chairman Rico stated the agenda for next week was discussed earlier during the agenda session.

GORDON ANDERSON

Gordon Anderson of 7623 Asherton Lane stated that he was present to encourage the Council to consider other sources of revenue for funding of this city other than increasing property taxes, which is unfair the city residents. He stated that he has three reasons for the Council to consider during the budget. He stated the first reason is that it is very honorable to increase the salaries of city employees and expressed agreement that is good to do, but do not tax them and then take it away from them. He stated if the Council increases property tax, that takes salaries away from them that have been awarded; he again encouraged the Council to consider that as the Council considers the budget.

GORDON ANDERSON (Continued)

Mr. Anderson stated the second reason is when he hears the city has annexed new property into the city and we are entering into a contract to continue to pay for a volunteer fire department to continue to provide service for which we are already paying and continue to pay as county residents is double jeopardy. He stated we should not have to pay a volunteer fire department we are already paying through our county taxes which does not make sense to him; that he cannot understand how we could get in that situation – we should not be doing that! He stated the third reason is as city residents we are being double taxed to pay for the mortgage on the VW plant already. He stated any time the county is doing something and then the city is doing something he is asked to pay for it twice; that now we want to raise taxes instead of being patient and wait on the revenue that we expect to receive. He stated he is happy for the Volkswagen plant to be here, but is concerned when we are being asked for our taxes to be raised to fund a fire department out there and not asking the county to finance it; that it is his thought the county should finance it, the county is getting benefits, the county should finance it if it is needed or provide a volunteer fire department out there until the revenue starts coming in from those other services. He again asked the Council to consider that as they go into the budget process; that the property tax is not the way to go. He stated it is his belief there is a better way, to be patient, get other revenue as there are other sources. He asked that the Council be fair to the city residents who are already here bearing a burden of expense.

CHARLIE WYSONG

Charlie Wysong stated that it is his thought patience is the order of the day! He stated one of the things he is amazed at is that we are in a time of crisis in this nation financially and it is his thought the city needs to join in bearing the burdens; that he sees families making sacrifices on their personal budgets and here we are in the city increasing our taxes by 33 percent on our property taxes. He stated it is his thought there is something unrealistic about it and expressed appreciation for Councilman Benson's comment in the newspaper today that Mayor Littlefield is being unrealistic about this. He stated he has always been supportive of Mayor Littlefield but is not supportive of this; that this is an absolute outrage! He stated this city needs to take another firm look at their budget as there are things that can be cut; that it is a large budget and expecting a large increase.

CHARLIE WYSON (Continued)

Mr. Wysong stated it is time someone said we cannot continue to raise taxes; that we should take a lesson from Washington -- that we are not seeing incumbents replaced, liberals are being replaced in Washington. He stated we need to say it is time we took responsibility for conducting financial responsibility in our own local home city here and asked that the Council reject the tax increase, look for creative ways to solve the problems and not just come back and say "more money, more money, more money" -- it does not solve all the problems.

LONDIE WALLIN

Londie Wallin stated she and her husband own Master Machine, a small machine shop in Chattanooga in Councilman Rico's district. She stated her company makes and repairs parts for local manufacturers in this region and shared her concerns as a small business owner over the proposed property tax increase. She stated the economy of her business for the last two years is in 2009 sales were down 42 percent over 2008. She stated due to the decreasing income her employee base has been reduced from 19 to 14; employees have received no pay increases for two years and along with that they have worked reduced hours, some as few as 24 hours a week for an extended period of time. She stated they have made ends meet just by making cuts and in addition to the cut backs they have experienced huge increases in storm water fees, health insurance and now the property tax rate. To preserve the small businesses in Chattanooga she strongly urged the Council to vote against any tax increase, go into "survival mode" and take care of the necessities first. She stated the Book of Proverbs teaches us to "be good stewards and to manage our resources wisely". She stated spending money we do not have is just plain frivolous and is not a plan for success. She challenged the Council to be creative, bold, sensitive and make cuts an alternative, but please do not increase taxes.

CAROL GADDY

Carol Gaddy of 2605 East 45th Street stated she has spoken to the Council before and since she spoke last time she filed an appeal; that her husband is 65 years old and she has discovered a conspiracy the city is up to.

CAROL GADDY (Continued)

Ms. Gaddy stated they got a paper that was an appeal for the \$115 rain tax denied, but they picked up, somehow mysteriously in the nineties, some years they did not pay the rain tax which indicated they owe \$340 plus the \$115 and now the tax increase and all of this is working combined. She stated she went to the Clerk and Masters Office and discovered there were legal documents that had been put out that said it was mailed to her in registered mail and it was not, and a court summons for failure to pay taxes when she paid them and has receipts to prove it. She stated there was a book of 7,000 names that she calls "redlining" which has to do with a grant where the city is going to draw deeds to their name, sell these properties to investors and establish a land bank, so what they are trying to do with this is throw this city into a crisis because of loading on the extra taxes and all the extra rain tax and monies, which is stealing! She stated she is a born again Christian and is present to speak the judgment of God on every Councilman tonight who casts a vote against the citizens of this city and the people. She stated the Council needs to search their hearts carefully; that the Bible says if the poor are suppressed they will walk in judgment for it and that is what is happening for all these extra loaded on expenses through the people of this city. She stated this grant will run the next ten years; that the Department of Neighborhood Services could be totally cut out and save the city money and then cut out the extra jobs that Mayor Littlefield put on with assistants and a tax increase would not be needed!

SHARON HUEY

Sharon Huey stated that she has a solution and distributed a document to Council members. She stated that she talked to her Council person, Councilwoman Scott. She stated her husband suggested that the city has a city sticker in place and it should be raised to gather funds. She stated in 1979 in Mississippi she and her husband had an LTD and paid \$360 to drive it on those roads; that in another state it is like that. She stated the city of Chattanooga sells the city sticker but does not enforce it; that if the 200,000 cars on the roads are charged \$100 each that is \$19 million dollars and there is the money, folks!

MARK WEST

Mark West stated that he is a property owner in Chattanooga and asked those in attendance to identify by standing whether they are opposed to the tax increase. (Several stood at this time.) He stated that he represents the Chattanooga Tea Party and himself. He stated there is a company in town that is a national company with many locations here. He stated several years ago that company ran into the realization they had budget woes and did not look at their price list and raise prices, they began to close locations. He stated in the "real world" when he ran into problems when he ran a business he did not assume he had to raise prices. He stated this company decided they would close locations and tighten their belts; that the company is Star Bucks and noted his son has worked with this company for five years. He stated the bottom line is that Star Bucks could not go out and raise the cup of coffee by 33 percent, they had to tighten their belts and obviously we are in a very difficult recessionary time right now and posed the question to the Council that we can choose to go this route. He stated we can determine whether they have different prices of coffees – Short, Tall, Grande and a Vente; that it is his thought they actually mean small, medium, large and the big gulp. He proposed if the Council chooses to go along with this increase we will not be talking about a small, medium or large recession, but a big gulp recession! He stated he is a big fan of our Founding Fathers and their quotes, noting Thomas Jefferson who said *"When the people fear the government there is tyranny, but when the government fears the people there is liberty"*. He suggested that there is more than one way to figure out the shortfall that exists in the budget as we have all had to do it as businessmen. He stated this is not a threat as they would like to help the Council find a solution, but if the solution is a tax increase at a time when people are losing their jobs and their hours diminished, the solution for the people will be to replace this Council!

Councilman McGary thanked everyone for coming and having an opportunity to voice their opinion. He encouraged each to continue to follow this discussion as the Council is just beginning deliberations on the budget. He also encouraged them to get copies of minutes if they are not able to come to Committee meetings; that they are able to provide thoughtful input into the deliberations and conversations that will help the Council understand their concerns and viewpoints. He stated that he knows there are individuals who have said they are against all property tax; that everyone on the Council hears them loud and clear as they seek to develop creative solutions and other means of preventing these taxes. He encouraged them to provide their comments to the Council so they can hear those suggestions.

DOUG COLLIER

Doug Collier stated he has offices at 3922 Volunteer Drive and was present as a former elected County Commissioner from years gone by and applauded the Council for taking on the issues they take on and noted he does not envy their seat one bit, especially during budget times as they are tough times and always will be, especially in the times we are operating now. He stated that he was present to ask for consideration when the Council looks at the budget, noting it will be tough task within the next few weeks; that the consideration he asks is somewhat similar to the one he asked two years ago when a majority of Council members were not on the Council. He stated there was money incorporated into the budget for wage increases for the workers of the city and during that time we had broken that out and the number of dollars placed within the budget at the time equaled a dollar an hour increase for every worker in this city across the board. He stated that fell within the budget and the Council at that time elected not to do that; that the majority voted to go with percentages whereas people in the higher pay brackets got more and the lower to medium got less. He stated health insurance premiums were going up that year people in the lower pay brackets actually barely broke even.

Mr. Collier stated if the budget that is before the Council today is implemented he asked that they look at the dollars within the pay scales now; that the dollars incorporated within those pay scales now, regardless of what the Council does, would equate again this year to a dollar per hour increase across the board for every employee in this city. He asked that they do the math and give consideration if they go with percentages as the last time; that the higher pay brackets will keep getting higher, especially with the property tax increase it will eat up what is on the board now with the increases that are proposed in this budget for the lower paid and the middle paid brackets. He asked for the Council's consideration to look at that; that whatever they do at the end of the day just be fair across the board.

ADJOURNMENT

Chairman Rico adjourned the meeting of the Chattanooga Council until Tuesday, June 1, 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)**