

LEGAL AND LEGISLATIVE COMMITTEE
November 21, 2006
3:00 P.M.

Councilman Benson, Chairman, called the meeting of the Legal and Legislative Committee to order, with Councilmen Rico, Rutherford, Robinson, Page, Pierce, Bennett, and Gaines present. Councilman Franklin joined the meeting later. City Attorney Randall Nelson and Shirley Crownover, Assistant Clerk to the Council, were also present.

Others present included Michelle Michaud, Al Chapman, Donna DeWeese, Matt Lea, Mayor Littlefield, Dan Johnson and Daisy Madison. Susan DuBose and Jean Smith joined the meeting later.

\$20,000 DONATION FOR HOMELESS PROJECT

Chairman Benson stated that there were two items on tonight's agenda—one dealt with Homeless Citizens and another with Homeless Animals. He asked Councilwoman Robinson to relate what he had heard her say earlier in the day.

Councilwoman Robinson stated that it had just occurred to her that this is the week of Thanksgiving, and we are truly blessed to be discussing the welfare of those who are least able to defend themselves—the homeless and the cast aside animals. She stated that she thought it spoke volumes and thanked everyone for being present today, stating that we would try to do the best we can for the least of these.

Mayor Littlefield noted that this was a very appropriate message that should be taken to heart.

Mayor Littlefield stated that he was in "Council" territory and was very mindful of this, noting that he had a brief presentation for dealing with the Homeless. He presented a handout entitled *Plans for the Farmers' Market Property—A Gateway of Hope*, which is made a part of this minute material. He went over space for a Drop-in Center/Respite Care Facility; One Stop Shop functions; and Relocation/coordination of downtown shelters. He explained that the Drop-In Center would be a safe place during the day and would be a base for case management. He mentioned that this had been discussed for many years in the proximity of the Community Kitchen. He mentioned a flood that had happened there a few months ago, noting that if we have one flood, we will likely have another. He noted that this was what started off the quest for a Drop-In Center. Also in the Blueprint is a Respite Care facility, which is an alternative level of care—this could or could not be in the proximity of the Community Kitchen.

Mayor Littlefield went on to talk about a number of other facilities within the downtown area, including UTC and Erlanger Hospital, noting that there were 48 facilities that contribute to the homeless—the State Department of Human Services being one. He went on to say that one thing the Blueprint calls for is coordination and offering the opportunity for more space to deal with homeless problems. He noted that the Social Security Office is not accessible by public transportation.

He went on to mention two Downtown Shelters that want to relocate—the Rescue Mission on 8th St. and the Union Gospel Mission, both being near new elementary schools, which would not necessarily cause them to need to move. He stated that if the Council chose, he would bring these moves to the Council, noting that one of them had money. He reiterated that the Blueprint calls for coordination and co-location, noting that there are gaps in the safety net. He emphasized that the only thing before the Council tonight is a \$20,000 Grant from the Chattanooga Christian Community Foundation, Maclellan Foundation Fund, adding that we are fortunate in this community to have organizations like this—that the Council only had to decide whether or not to accept this Grant.

Councilman Rico moved that this Grant be recommended for acceptance by the entire Council.

First, though, Chairman Benson wanted to know what we were getting into about future operations.

Mayor Littlefield assured the Council that the City is not in the case worker business; that this just involves things we have done in the past to make real estate available, noting that the real estate is already saving us money, mentioning storage, where we are “maxed out” in the warehouse, and we can lease space for a substantial amount.

Councilman Pierce stated that this answered one of his questions, but he also wanted to know how we would assess the cost over the long-run? He stated that everyone needed to work together, and he did not feel this effort had community support period! He stated that he had received information this week that positions had already been transferred and had found out that this is not the case. He went on to say that he could not see us forcing this operation on others by saying “as long as it is in your community”. He stated that the facility could ideally be located in Eastgate. Councilwoman Rutherford stated that she would have to talk to him privately about this.

Councilman Pierce went on to say that this area is like the Southside—that it has been cleaned up. He added that he was not against the homeless, but it was like being on welfare—the more you give me, the more I will reach out for! He stated that these people would do better by staying homeless. He added that we also have Montague Park as a proposed location.

Councilwoman Rutherford stated that she understood this \$20,000 was to be used for research to determine what we need and where we need it.

Mayor Littlefield agreed that it was research money.

Councilwoman Rutherford seconded the motion made by Councilman Rico, adding that the \$20,000 had nothing to do with development or the Council’s commitment to anything.

Councilman Pierce still questioned if there would be no cost to the City, noting that he had heard there would be two staff persons down there.

Mayor Littlefield explained that the City Human Services had always dealt in this area; that the present state of the homeless is not status quo; that many partnerships were working on this, and we were trying to be a catalyst. He added that there would be many rumors; that the last line of his handout states—*Ultimate Goal: Fewer homeless individuals and families on the street.* He added that we were just talking about relocating the two shelters and a Drop-In Center.

Councilwoman Bennett stated that we need to make sure that the community stays engaged and informed and a part of this process—that this is a community we have created, and we need to make sure that this is a good, compatible “fit” for this neighborhood.

Mayor Littlefield pointed out that the neighborhood had asked that the Rescue Mission be allowed to relocate.

Councilwoman Bennett reiterated that she just wanted to make sure that this goes back to the community, prompting Councilman Pierce to tell Councilwoman Bennett that “they” already had all of the answers!

Mayor Littlefield stated that there had already been one Charette and another one was planned, and we would stay engaged and listen to the community and other professionals—that we had just resolved the question of real estate.

Councilman Page stated that what was being said was very important—that there is always a pre-conceived idea and we need to focus on the fact that we are not deciding what will be there and no decisions have been made—that this has to represent collaborative thinking.

Mayor Littlefield reiterated that we were just addressing the three things at the top of his handout—Drop-In Center/Respite Care facility; “One Stop Shop” functions; and Relocation/coordination of downtown shelters.

Councilman Pierce noted that he was opposed to this.

HUMANE EDUCATIONAL SOCIETY AGREEMENT

Chairman Benson stated that we would be discussing a Resolution authorizing the Mayor to enter into an agreement between the City of Chattanooga, Tennessee and the Humane Educational Society of Hamilton County, Inc. for the operation of an animal shelter for the period of October 1, 2006 through June 30, 2008; that this will be discussed at this meeting, and there will be no reason for anyone to say anything further at tonight’s Council meeting unless it is something totally new.

Attorney Nelson pointed out that there might be people at tonight’s meeting who were not here now.

Councilman Page questioned if we had to have a public hearing on this, with Chairman Benson noting that it was just a Resolution.

Councilman Pierce stated that we owed it to the public to have this discussed fully.

Chairman Benson outlined the procedure, stating that we wanted to conduct this in a fair way—that we would have a presentation of the Budget by Daisy Madison; that after she gets through, we will have a response from HES, and the Council members can hear from our Board member, Don Alderman; that following this, we need to know where we will be going and will call on the Chairman of ACT to find out where we are; then there will be time for discussion. He called on Daisy Madison.

Ms. Madison went over the Resolution that authorizes the Mayor to enter into an agreement between the City of Chattanooga and the Humane Educational Society of Hamilton County for the period of October 1, 2006 through June 30, 2008. She explained that the terms had been revised to include changes in the price and amount the City will pay, appointments to the Board, termination provisions, and also Board appointments.

Ms. Madison explained that we had done business for a number of years with HES, and the process had changed where the City picks up animals—that in 2001 the City established our own Animal Services and took over this responsibility from the Humane Society; our contract was adjusted in the neighborhood of \$80,000, and the contract dropped from \$490,000 to \$400,000 and now the value is \$502,000 annually. She went on to explain that we established a Spay and Neuter Program and reinstated a surcharge fee, which was bringing in \$18,000 a year, which was supposed to be a contribution in part to HES and a part was to be returned to the City; however the City had not insisted that the fee be returned. She reiterated that the Contract was for \$502,000, with an additional surcharge, making the total amount \$520,000; that the Contract today states that the intended fee stay intact and the surcharge be removed and that HES maintains the funds with no retroactive repay to the City—this will be in effect through June 30, 2007 and then there will be a 5% increase through June 30, 2008, making the approximate amount of the contract to be \$543,000, which includes the surcharge fee. She stated that these were the major provisions, and the highlights had been worked out with Mr. Farnish and Guy Bilyeu, and she hoped it was acceptable to both parties.

Councilman Pierce asked about the \$18,000 surcharge that should have been shared between HES and the City and asked what the City's percentage was? Ms. Madison explained that HES was to have kept \$2.00 of the \$20.00 fee and the other \$18.00 was to be returned to the City. She reiterated that this surcharge would stay with HES, which would increase the amount of their Contract. Chairman Benson pointed out that HES was keeping it anyway. Councilman Pierce stated that the City let them do this voluntarily, and this was not right.

At this point Mr. Bilyeu was given the opportunity to speak, and he began by saying that he thought everybody in this room was interested in homeless animals. Chairman Benson prompted him to only talk about the Contract. Mr. Bilyeu stated that they would accept the Contract and that Ms. Madison had worked very hard on this; that there was no increase, and they were willing to continue accepting the surcharge money to be used for spaying and neutering and elderly and low-income people; that this surcharge was not used for day-to-day operations; that they charged \$30.00 if a person was able to afford it—if not, it was free. He went on to say that they were working with local vets to spay and neuter; that he had been able to take HES out of being one of the highest euthanasia facilities in the State. Councilman Rico reminded Mr. Bilyeu that the Council only wanted to know if they would accept the Contract or not.

Councilman Pierce noted that Mr. Bilyeu was only giving a layout of how the money is spent, with Councilman Rico responding that we only wanted to hear about problems with the Contract.

Councilwoman Rutherford stated that she would be happy to cut the conversation and make it only if they were for or against the Contract; however she wanted to know what has been happening with ACT and what is planned with the McKamey Center; however if Chairman Benson wanted control, then nothing but the Contract could be discussed.

Chairman Benson pointed out that there had been visitation to the Humane Society by the Council and that Councilwoman Rutherford had been asked to attend, and she could have seen this firsthand.

Mr. Bilyeu stated that when the Council visited, they only saw a building and not the Staff who cared for the animals. He stated that he would work with anyone in this room concerning an animal and would not care to be awakened at 4:00 a.m. if it were an animal concern. He stated that they had won National awards and State awards for their dedication; that they had lowered their euthanasia rates and had changed procedures and were even sending animals across the United States; that they had 300 volunteers and a whole network behind them; that people were very passionate and loving this. He added that he had talked to an architect, who said that the building could be fixed up.

Chairman Benson asked if anyone else had anything to say about the Contract. Mr. Bilyeu stated that Dr. Federico might want to say something.

Dr. Federico wanted to know if he could bring up issues or if he just had to speak to the Contract.

Chairman Benson asked him if he had questions relating to the Contract and stated that we needed to hear something about when the new shelter would be ready. He called on Barbie Wilson.

Ms. Wilson stated that she would like to introduce the new director, Ms. Amanda Wojtalik, noting that she had gotten the top award for entering freshman at the University of Georgia; that she had attended Yale University and had a very impressive Resume and was probably smarter than anyone in this room.

At this point, Chairman Benson pointed out that we were in a monopoly status and had no place to house our animals but HES—that they could double the rate if they wanted to; that Knoxville had encountered this same situation and had utilized gyms and Parks and Recreation because of the schism between their Humane Society and their new facility that was similar to ACT. He wanted to know how long it would be before the new facility will be operational.

Dr. Amanda Wojtalik stated that the project cost was \$2.6 million, and the City had covered \$2 million, which was already to the good; that a Civil Engineering Firm was ready to break ground the first week in January, and the structure would begin; that they hoped to have it open in the Fall of 2007; that she started her job on September 1st and had tweaked the Plan, and we were going to build something that would “outlive” us all. She stated that they were working on the Budget Plan, and the Budget would allow for 9,000 animals, and they could provide care for 9,000 animals, including food requirements, care, and adoption measures. She reiterated that they were about 10 months away from opening.

Chairman Benson recognized Carla McKamey and asked her if she would like to address the Contract.

Councilwoman Rutherford wanted to know if ACT had an Operating Budget. Dr. Amanda responded “yes”—that it was about two weeks away. Councilwoman Rutherford wanted to know if the Council could have a copy as soon as she got it.

Councilman Page addressed Ms. Wilson, stating that he had heard there had been some trouble with fundraising. He wanted to know if we were short on money?

Ms. Wilson responded that they were meeting tomorrow with their Chairs and that they did have several large gifts in the works; that it took time to cultivate such things, and they expected to be able to reach their goal. She stated that all of this was not free and pointed out that little gifts matter too—that anything is acceptable. She went on to say that we wanted to make this a State of the Art Shelter and the more money we have, the better opportunities.

Chairman Benson pointed out that this is a Public-Private Partnership and will be quasi-governmental; that the City will appoint the Board.

Ms. Wilson noted that this was how they were established now; that ACT began under Mayor Corker—that he established ACT and decided that they would be the ones to operate and run this new Shelter and that Mayor Corker had picked her—that it had been a long process to get to this point—that it had taken this long and now we were only ten months away.

Mayor Littlefield stated that he applauded the direction of HES—that they were much improved; that Mr. Bilyeu had done a good job with an old facility; that there had been problems, and we hope they don't reoccur; that other cities had moved on with better ways of adopting animals; that we had looked at Knoxville and Nashville—that in Nashville there was a new Humane Society that looked like Disney World; that Knoxville, also, had a new facility in a park-like setting. He noted that urban operations can be difficult. He noted that we would move our Animal Control Office to ACT; that HES was overworked and once we removed our animals, HES can develop themselves as a "No-Kill" Facility and can concentrate on education, and we will applaud their efforts. He went on to say there should be no conflict—that we are moving in the right direction, and the County will still need the services of HES; that the City is consolidating our operation and will work out of one Center, which will be more cost-effective and efficient.

Councilwoman Rutherford stated that she would like to go back to Councilman Page's question about the capital money; that we assumed ACT had the necessary money without having to come back to the City to ask for more, and she wanted to know if they were sure about this.

Ms. Wilson responded that they were absolutely sure!

Councilwoman Rutherford went on to say that she wished this were County-wide and not just the City; that we had consolidated our jails and schools; that she was comfortable with the money we had promised but did not want to be "hit" with more if they were not able to raise the needed funds.

Chairman Benson asked if everyone was in favor of the Contract and asked Mr. Bilyeu if he would be coming back to the Council meeting tonight. Mr. Bilyeu responded "yes" that he would be back, just to say "Hi"—that the big picture is to spay and neuter everything that walks! He stated that it was important to know that he did not intend to cause a "stink" or problems—that he did not see any reason for that.

Dr. Federico stated that he would like to say something at tonight's Council meeting; that he had more to say and would like to wait until tonight when he would have a larger audience; that what he had to say was not germane to the Contract. He was reminded that he would have more time right now to speak than at tonight's meeting.

Dr. Federico went on to speak, stating that the reason there is so much of a backlash is because of the misrepresentation; that negative and harsh things had been said that were unwarranted and that this was confusing to the Public. He stated that he would like to set the record straight; that the City had opened up a “fire hose” and was trying to drink from it—that when things become intolerable, the City takes their ball and says they will “play somewhere else”; that the City had forbid HES from spending money on their Shelter, which some say is inadequate and that is not fair; that Knoxville had been touted as a “Shiny Beacon”, and he went on to share figures on their euthanasia rate, stating that their numbers were getting worse, and it did not take higher mathematics to understand this. He stated that new facilities don’t make euthanasia numbers go down. He went on to say that HES was responsible for all that is happening to animals—8,000 to 9,000 from the city limits, and they were getting only \$58.00 per animal per their Contract; that Animal Services was getting \$800,000 and HES got \$500,000, which amounted to \$250.00 per animal for Animal Services. He stated that they were finally getting a raise, but it did not come until next year, and then the City will cut them loose, when they needed the work. He went on to say that it did not take a vet to know that we had gotten the “cart before the horse”; that ACT had no experience in running a Shelter, and the City would be giving the responsibility for running a Shelter to an organization which had no experience and no operating budget—an unknown quality for an unknown amount of money; that after spending \$3 million dollars, they will start at Square One. He ended by saying that the City needed to partner with HES because they could get the job done.

REORGANIZING COUNCIL COMMITTEES

Attorney Nelson stated that it had been reported that we were not running the committees the way the rules set forth; that he had prepared another Resolution conforming committees to the rules and actual operation and thought he was ready to go with this. He stated that this could be postponed until next week.

Councilwoman Rutherford stated that this was her committee, and she did not care.

Councilman Page asked if there was nothing in the Charter about committees.

Councilwoman Rutherford stated that she had the Arts and Education Committee and in a few minutes we would be hearing about David Eichenthal’s Study, which she thought fell under Education.

Attorney Nelson again noted that he had had some requests concerning the way we are doing business now.

Councilwoman Robinson stated that she would like Arts & Education to be one committee and her committee to be termed Health and Human Services—that right now Education was included in her committee terminology. She stated that she thought this was the only discrepancy.

Attorney Nelson pointed out that Public Safety Committee is also a misnomer; that right now it is called Safety and Security.

Councilman Page questioned the naming of his committee as Economic Development, Environmental and Housing Committee, noting that he did not see how Economic Development and Housing relate.

Chairman Benson pointed out that Housing used to be with Education.

Councilman Page stated that somehow Housing seems out of place in his committee—that nothing in Economic Development deals with housing.

Attorney Nelson pointed out that Economic Development could include housing when you are talking about mixed-use in the downtown area.

Councilwoman Rutherford noted that when she thought about Environmental, she thought about air pollution.

Attorney Nelson asked that Councilmembers look over the Resolution that he had drafted and is made a part of this minute material.

Attorney Nelson noted that we have to have a TEFRA Hearing and rather than calling all the Council to come in on December 1st, he had drafted a Resolution authorizing him to hold the hearing on behalf of the City Council for the Sale of the City of Chattanooga, General Obligations Bonds, Series 2006A. He stated that this Resolution could go on tonight's agenda.

Ms. Madison stated that she had noticed that there was no Resolution for an issuance of bonds on next week's agenda. Attorney Nelson explained to her that his office had not had the opportunity to amend the agenda. She went on to say that she thought she had already come to the Council on this on two previous occasions with a Resolution expressing intent; that there would be a Resolution next week on procedures and legal requirements; that we had a Resolution expressing our intent, limited at \$25 million; there will need to be another Resolution not to exceed \$30 million, which will be more detailed than the other one and will be addressing the TEFRA Hearing that Attorney Nelson alluded to, to include funding for Animal Care. (Councilman Page asked what TEFRA stood for but did not get a clear answer). Attorney Nelson explained that TEFRA was the reason for our advertising and for the public hearing.

Councilwoman Rutherford confirmed that the Council does not have to be present on December 1st. Ms. Madison stated that they would need to come around 11:30 a.m. or noon on December 5th. The Bond Sale will be on December 5th, and it will be done electronically, as everyone watches.

Councilwoman Rutherford noted that she had something on her calendar for November 28th that concerned bonds, stating that she had a conflict. Ms. Madison explained that initially it would have been November 28th. Councilwoman Rutherford indicated that she could come on December 5th. Ms. Madison stated that it should be at the same time as originally scheduled on the 28th of around 9:30 a.m.

Chairman Benson noted that the Council already has something else scheduled for December 5th. Councilwoman Bennett asked that these items be ironed out after the meeting as she had a Personnel Committee that was already running late.

The meeting adjourned at 4:05 P.M.