

LEGAL AND LEGISLATIVE COMMITTEE
NOVEMBER 30, 2010
3:30 P.M.

Councilman Murphy, Chairman, called the meeting of the Legal and Legislative Committee to order with Councilmen Rico, Benson, Berz, Ladd, Scott, Gilbert, and McGary present. City Attorney Michael McMahan and Shirley Crownover, Assistant Clerk to the Council, were also present.

Others present included Richard Beeland, John Bridger, Gary Hilbert, Chief Parker, Chip O'Dell, Paul Page, Dan Johnson, Steve Leach, Lee Norris, Dennis Malone, Jim Templeton, Larry Zehnder, Dickie Hutsell, Beverly Johnson, Tony Sammons, and Bill Payne. Phil Noblett and Daisy Madison joined the meeting later.

Chairman Murphy stated that he had planned to talk about deannexation, but he thought we had already covered it.

Councilwoman Scott stated that she thought we were supposed to get some answers as to where the Littles, Shows, and Fryars will get their fire protection from. Chairman Murphy asked Attorney John Anderson where the fire protection would come from? He responded that it would be the same as for the other 39 deannexed areas from the City of Chattanooga in 2003.

Rebecca Little stated that she had been in contact with the County and the City agencies and were informed that the City of Chattanooga would take care of this; that this had been in effect since 2003.

Councilwoman Berz asked if the City of Chattanooga would be providing service? Ms. Little confirmed that the City had been providing services for those areas that were deannexed in 2003. Chief Parker added that they were looking at a County website; that the County is under the impression that we are under contract but no contract exists; that we have advised the County that we won't continue to provide services that are not in the corporate limits of the City of Chattanooga. Councilwoman Berz asked if we would give these people who had been receiving fire services a notice that this would be discontinued? Chief Parker stated that this was discussed eight or nine years ago and then the discussions stopped and no kind of agreement was reached to provide services; that we were spending a lot of time out there, mentioning recently going into a Raccoon Mountain cave.

Councilman Benson asked if the City had been providing service. Chief Parker noted that the County kept referring to a contract that was in place, with Councilman Benson asking if there was no agreement? Chief Parker stated that we were only providing service in the City. Dr.

Little stated that the City was providing service to those that were deannexed in 2003. Councilman Benson stated that we can't provide services if they are in the County, with Rebecca Little contending that the City was providing service in the deannexed areas.

Dr. Little stated that this discussion was "moot"—that this is the reality; that his daughter, Rebecca, had made it clear; that there had been standard protection, always, in the deannexed areas. Chief Parker still maintained that this was information on the County website. Councilman Murphy stated that this was what had been happening in the past, and it had been brought to our attention, and it won't happen in the future.

Attorney Anderson stated that they had been talking to three others who would be willing to provide fire service. Chairman Murphy asked if they were geographically remote? Dr. Little noted that one was not in Tennessee. Dr. Little continued, stating that as a physician he was sensitive to safety issues; that every room in their establishment has an outside access; that all of the rooms have alarms; that he is involved with personal safety, and it is safe out there.

Councilwoman Berz stated that for the record, if it were correct that from here on out, we will not be serving properties that are not in the City. Chief Parker responded that we were in negotiations with Hamilton County about this. Councilwoman Berz stated that she thought we had told them eight years ago. Chief Parker stated that he was not sure—that there was no written agreement or contract.

Councilman McGary asked if when the deannexation request was made if it were in lieu of the position that the City will provide fire service. Attorney Anderson responded "no"—that they would make arrangements for service. Councilman McGary confirmed that presently they were talking with others who might manage this. Mr. Anderson stated that they were talking with three government entities that he did not want to disclose at this time—that they were in negotiations.

Councilman Gilbert asked if Chief Parker had given the County a deadline? Chief Parker responded "no"—that he had had several meetings with Don Allen and had given him the numbers and told him we won't continue to do this. Councilman Gilbert asked that they be given a deadline so that we will know where we stand. Chief Parker stated that he would discuss this with the Mayor and Chief of Staff.

Councilwoman Ladd stated that this was a convoluted issue; that she was confused. She asked what their goal was for deannexation? Mr. Anderson responded that services had not been provided and nothing meaningful had happened since 1974 and services were not commensurate with taxes being paid; that they felt they would be better off being in the County rather than paying taxes for services they were not getting; that they had bad roads and were told that sewers would be very expensive; that \$1 million dollars had been discussed

to upgrade Cash Canyon Road; that the City deannexed them, which was fair, and they wanted to also be deannexed or the City bring services.

Councilwoman Ladd stated that she had driven out there and expected to find deteriorated roads; that they were curvy but were in much better shape than some in her district; that maintenance had been done on the road, and it was in good shape but had no shoulders. The other thing she had discovered was that a Plan was in place for road work and sewers, and this all changed; that there was a business plan by a client but rather than proceed to upgrade the road and the sewers . . . Dr. Little stated that they were looking at things from a different perspective; that he had paid \$100,000 in taxes and there had been no difference at all in services; that his question was “who drives this”; that the Tiptons had been added without any information at all and they were irate about this; that no notification had been sent to them. He stated that the road did have big ditches—that he had been in one of them. He again asked who was “driving” this—that for seven or eight years, they had had nothing, and he did not see any difference; that they were contiguous with other deannexed properties.

Chairman Murphy stated that only one person is on the Council now who was here seven or eight years ago. Dr. Little still maintained that the City was seven years late.

Councilman Benson stated that he would like to speak as a friend to Dr. Little and to Attorney Anderson—that they maintained they were not getting services and wanted to leave us. He talked about the streets, stating that their businesses would not be viable if not for city streets, and they should get satisfaction that they were paying their fair share by this City being viable to their businesses; that they lived on the fringe but were getting the city benefits; that they should get a sense of satisfaction by paying their fair share.

Councilwoman Scott stated that she understood aside from the roads, that there was an issue; that the roads look like roads all over Chattanooga; that the other issue was sewers. She asked the Littles what they would do about sewers and if they still planned to develop the property. She stated that she was aware of the history.

Dr. Little explained that they did not come last August about deannexation; that they City suggested they do a Resort Zone, and they did what the City asked; that the City said they would have to put in a pump station and easements; that some properties were left on the river and had been deannexed; that a pump station would cost millions of dollars, and they realized it was cost-prohibitive; that they acted in good faith in trying to develop the Resort Zone thing, and it imploded.

Councilwoman Scott still wanted to know what they would do about sewers after they are deannexed? Dr. Little indicated that they were big enough to put in septic tanks. She asked “do you or don’t you need sewers?” Dr. Little responded that they could not afford it if they

had to pay for sewers; that they had been told that they would have to pay for everything on site.

Councilman McGary mentioned the 2003 deannexation—that roads had not been re-paved in a 15 year timespan.

Adm. Leach stated that we had to look at each issue; that the Littles had talked about a 12-year plan, and we had put this in our Capital Budget Sewer Issue; that if they would allow us a piece of property, we had agreed to put the Pump Station in; that a grinder would cost from \$200,000 to \$300,000.

Councilman McGary asked what they were asking the City to do concerning the road—he wanted to know what their expectations were? Dr. Little responded what the City provides as standard procedure. He went on to say that they were told that the sewers and pump station were their responsibility; that they had no expectations that the City would pay for anything—that he would have to do everything.

Adm. Leach maintained that they had been told if they would provide an area for the pump station that they City would put it in.

Councilwoman Berz asked what their taxes were? Attorney Anderson responded \$10,000 to the City and a little more to the County.

Councilman McGary asked about the relationship of Mike Price to the project of Dr. Little's. Dr. Little responded that he had no relationship with Mike Price. Councilman McGary maintained that there was some correspondence on Dr. Little's behalf with Mike Price.

Attorney Anderson stated that there was a change in the Plan; that they asked that the City put in writing that they were willing to pay for the sewers, and they could not get it.

Councilman McGary asked when they made the request for this to be put in writing and was told by Rebecca Little that she thought it was in May of 2010.

The meeting adjourned at 4:00 P.M.