

MEMORANDUM TO: All Members of the Metropolitan Council

FROM: Donald W. Jones, Director
Metropolitan Council Office

DATE: **February 5, 2008**

RE: **Analysis Report**

Balances As Of:	<u>1/30/08</u>	<u>1/31/07</u>
<u>GSD 4% RESERVE FUND</u>	* \$21,556,153	\$21,260,307
<u>CONTINGENCY ACCOUNT</u>		
USD	\$50,000	\$50,000
<u>GENERAL FUND</u>		
GSD	\$23,492,102	\$31,131,038
USD	\$15,945,572	\$12,243,660
<u>GENERAL PURPOSE SCHOOL FUND</u>	\$61,508,540	\$37,753,270

* Assumes estimated revenues in fiscal year 2008 in the amount of \$23,722,200

– RESOLUTIONS –

SUBSTITUTE RESOLUTION NO. RS2007-78 (CRAFTON, MITCHELL & TYGARD) – This substitute resolution approves an economic impact plan for the Bellevue Center mall, and authorizes the industrial development board (IDB) to take the necessary action to implement the plan. State law allows local industrial development boards to submit an economic impact plan for qualifying areas, which include areas containing an industrial park or certain commercial enterprises and office facilities. Once an economic impact plan has been approved by the local legislative body, the local industrial development corporation can issue bonds pledged by tax increment financing (TIF) based on the increased property taxes resulting from the development. TIF is a financing mechanism authorized by state law whereby the increased tax revenue generated by a development is used to pay the debt service on bonds issued for the construction of the project, which bonds are typically purchased by private financial institutions.

This economic impact plan will be limited to the 83-acre Bellevue Mall site, which is located on the north side of Interstate 40, east of Highway 70 South. The plan proposes that the IDB issue bonds not to exceed a maximum amount of \$12,287,000, plus all costs associated with the issuance of the bonds to assist with the financing of the project. The proceeds of the bonds will be used to construct a public space at the mall, update the signalization on Sawyer Brown Road and Highway 70, construct a privacy wall on the north end of the mall property, build a sidewalk along a portion of Sawyer Brown Road, and upgrade the water and sewer lines in the area.

The plan forecasts that the Bellevue Mall development project will result in the addition of a \$180 million facility to the property tax rolls. Once the TIF period is over, this is expected to generate \$1.8 million per year in increased property taxes. In addition, the plan estimates Metro’s local option sales tax receipts for the redeveloped mall to be \$7,875,000 million annually. Further, the mall is estimated to create 1,800 to 2,300 new jobs when the project is completed.

The council office would point out that by authorizing the use of TIF for the Bellevue Mall facility, the Metropolitan Government, which would include the public schools, is essentially giving up its right to the future increased tax revenues generated by the facility for as long as the TIF is outstanding, or up to 30 years, whichever occurs first.

RESOLUTION NO. RS2008-129 (COLE & CRADDOCK) – This resolution approves an application for a grant from the U.S. department of homeland security to the Metropolitan Nashville fire department for three fire prevention and awareness programs. The fire department is seeking \$635,610 in federal funds for the following programs:

1. The creation of a citizen advisory council to teach the fire department personnel about the various cultures in Nashville and their fire prevention knowledge.
2. A safety and fire education program targeting 50,000 students from grades 3 through 12. The fire department currently has three full-time elementary teachers that will train 3,000 teachers about the program.
3. A program to train fire personnel on the basics of fire investigation.

There will be a required local match of \$158,903 to be provided through the fire department’s operating budget. If the grant is awarded, the grant agreement must be approved by the council by resolution.

RESOLUTION NO. RS2008-140 (CRADDOCK) – This resolution provides a proposed amendment to the Metropolitan Charter regarding the installation of equipment by the Metropolitan Government on electric power board (Nashville Electric Service) poles and infrastructure. The Charter grants extremely broad authority to the electric power board over the Nashville electric system. The Charter provides that neither the mayor nor the council can exercise any authority over the NES board except as specifically provided in the Charter. The Charter expressly provides that NES shall charge the Metropolitan Government for any electric service furnished to the government at the same rates applicable to all other customers.

This Charter amendment has been proposed as a response to issues regarding the installation of security cameras on NES poles. The police department has implemented a pilot project in which security cameras are installed in high crime areas to help prosecute and deter criminal activity. In addition, several members of council last term used their infrastructure funds to purchase cameras for installation in their district. Once the cameras were installed, the police department apparently has had difficulty getting NES to supply electricity to the cameras due to the lack of a contract with Metro.

This Charter amendment would allow Metro to install equipment on NES facilities and infrastructure without first entering into a contract with NES, and at no cost to Metro other than the cost of the electricity furnished by NES. The council office would point out that such a provision could possibly be a violation of the revenue bond covenants for debt issued by NES if it is determined that Metro would be treated differently from other similarly situated NES customers.

The council, pursuant to the Charter, may only adopt two resolutions during the term of the council that submit amendments to the voters for ratification. Each proposed amendment to the Charter must be adopted by 27 affirmative votes of the council, and the resolution itself submitting the amendment must be adopted by 27 affirmative votes in order to become effective. This resolution provides that the date for holding the referendum election on the Charter amendments is to be the August 7, 2008 general election. The Charter provides that resolutions proposing amendments to the Charter must be filed at least 80 days prior to the election. State election law provides that resolutions requiring the holding of elections on questions submitted to the people must be adopted between 45 and 60 days prior to the election. Thus, this resolution should be deferred until the June 10, 2008 council meeting.

This proposed Charter amendment has been referred to the charter revision commission.

RESOLUTION NO. RS2008-141 (COLE) – This resolution authorizes the execution, terms, issuance, sale and payment of general obligation bonds in an amount not to exceed \$315,850,000 to retire outstanding commercial paper. In June 2003, the council adopted Resolution No. RS2003-1496, which authorized a commercial paper program for the Metropolitan Government as a form of short-term financing for capital projects to cover interim construction costs while awaiting the appropriate time to issue the long-term bonds. This program allows Metro to issue variable rate tax-exempt commercial paper with varying mature dates ranging from 1 day to 270 days. Resolution No. RS2003-1496 provided that no more than \$200 million in commercial paper could be outstanding at any one time. However, this maximum amount was increased by the council to \$400 million in June 2006.

Due to the current favorable interest rates, the finance director has determined that it is in Metro's best interest to go ahead and issue long-term bonds to retire a portion of the outstanding commercial

paper, which has been used to finance projects included as part of previous capital spending plans. These bonds will be used to retire the commercial paper, fund the costs of the projects, reimburse Metro for costs previously spent, and to pay the costs incident to the issuance and sale of the bonds. The final maturity date for the bonds will be January 1, 2028 and will bear interest at a rate not to exceed 6% per annum.

This bond issue provides for a marked change of procedure from previous bond issues in order to keep up with modern bond sale methods. Previously, the bids were taken on the morning of the day the council was to formally award the sale of the bonds. The bids would be read into the record by the clerk and the council would vote to award the sale to the bidder with the lowest true interest cost to Metro. This rather antiquated method is not looked upon favorably by financial institutions submitting bids. Bidders like to know instantly whether they are the low bid so that they can take the appropriate subsequent action. Pursuant to this bond resolution, the bonds will be sold at public sale by physical delivery of the bids or by internet bidding, as determined by the director of finance. The bonds will be awarded by the mayor to the lowest bidder, provided the interest rate does not exceed 6% per annum. No further action by the council will be required.

Although this is a change in the method Metro has always awarded the sale of bonds, the council office is of the opinion that this change is appropriate given today's fast-paced and rapidly changing financial markets.

The bond resolution also approves the form for a preliminary official statement describing the bonds, and authorizes the director of finance to prepare and distribute the preliminary official statement. The resolution further authorizes the director of finance to cause the bonds to be secured by a bond insurance company if it is deemed to be favorable to the Metropolitan Government to do so.

As these are general obligation bonds, they are backed by the full faith and credit of the Metropolitan Government, and are payable from property taxes levied for debt service.

RESOLUTION NO. RS2008-142 (COLE & EVANS) – This resolution authorizes the issuance of two series of water and sewer revenue refunding bonds in a principal amount not to exceed \$176,000,000. Due to the current favorable interest rates, it is estimated that refunding certain outstanding water and sewer revenue bonds dating back to 1985 will result in a savings to Metro water services in excess of \$1 million dollars a year. The Series 2008A bonds will have an aggregate principal amount of \$147,000,000, with a true interest cost not to exceed 6% per annum. The Series 2008B bonds will have a principal amount of \$29,000,000, with an interest rate not to exceed 7% per annum. The higher maximum rate for the Series 2008B bonds is because these particular bonds will not be tax exempt due to internal revenue code restrictions on refunding the 1986 bonds. Were these bonds to be tax exempt, the internal revenue service transfer proceeds penalty would offset any savings Metro would realize in refunding the bonds. These refunding bonds will have a final maturity date of January 1, 2022.

Unlike other Metropolitan Government bond issues in recent years, these bonds are to be sold at a negotiated sale to Morgan Keegan Company, which is the lead underwriter of the bonds, rather than by public bid. The resolution expressly provides that the Series 2008A bonds cannot be sold if the resulting debt service savings is not at least 3.5%, or a minimum savings of 2% for the Series 2008B bonds. As with the general obligation bond issue pursuant to Resolution No. RS2008-141 above, no further action by the council will be required in order to sell the bonds. The resolution further authorizes the director of finance to cause the bonds to be secured by a bond insurance company if it

is deemed to be favorable to the Metropolitan Government to do so. The bond resolution also approves the form for a preliminary official statement describing the bonds, and authorizes the director of finance to prepare and distribute the preliminary official statement.

Only revenues generated from Metro water and sewer customers will be used to pay the obligation on these bonds, not the general tax revenues of the Metropolitan Government.

RESOLUTION NO. RS2008-143 (ADKINS, JAMESON & OTHERS) – This resolution authorizes the Metropolitan development and housing agency (MDHA) to begin the preliminary activities towards the construction of a new convention center in downtown Nashville. In August 2007, the council enacted Ordinance No. BL2007-1557 authorizing the collection of four tourist accommodation taxes to create a funding mechanism for the construction of a new downtown convention center. This legislation essentially incorporated the provisions of the state enabling legislation for these four taxes into the Metro Code. These four tourist accommodation taxes may only be used for the construction of a convention center with a construction cost in excess of \$400 million. Summaries of the four additional tourist accommodation taxes are as follows:

1% increase in hotel/motel tax

The hotel/motel tax was increased from five percent to six percent with two cents being designated specifically for the construction of a convention center. An additional cent is for tourist-related activities, which includes funding a convention center.

Additional hotel occupancy privilege tax

A new \$2.00 tax was imposed upon the occupancy of each hotel room within the area of the Metropolitan Government. This tax can only be used for the purpose of paying construction costs, operation, promotion, management and marketing of a new publicly-owned convention center. This tax would terminate once the convention center debt is paid off.

Tax on vehicles leaving the airport

A new \$2.00 tax was imposed on contracted vehicles exiting the Nashville airport, including taxis, limos, and shuttle vans. The operators of the contracted vehicles are responsible for keeping accurate records to determine the amount of the tax due. This tax would also terminate once the convention center debt is paid off.

Tax on rental cars

This is a tax of one percent of the gross proceeds derived from the lease or rental of any passenger vehicle, truck or trailer for a period of five days or less. This tax does not apply to any automobile rented as a replacement vehicle when the renter's vehicle is being repaired, nor does it apply to car dealers.

(continued on next page)

RESOLUTION NO. RS2008-143 (continued)

Shortly after taking office, the mayor requested MDHA to conduct a study regarding the construction of a new convention center. MDHA has completed its study and presented the results to the mayor and council in January 2008. This resolution essentially places the council on record as authorizing MDHA to undertake the preliminary activities necessary to move towards construction.

First, the resolution authorizes the director of finance to enter into a memorandum of understanding with MDHA to undertake all necessary predevelopment activities for the development and

construction of the convention center. The costs of these predevelopment activities cannot exceed the funds collected through the four tourist accommodation taxes discussed above. Second, the resolution formally states that the 5th Avenue South and Demonbreun site is the site selected for the convention center. Third, the resolution requires MDHA to make quarterly reports to the council regarding the status of the predevelopment activities. Finally, the resolution requires that a conceptual design and budget estimate be presented to the council before any permanent financing is secured for the construction of the convention center.

RESOLUTION NO. RS2008-144 (COLE & MAYNARD) – This resolution approves a third extension of the reimbursement date for the outstanding loan from the Metropolitan Government to the hospital authority, and increases the loan amount by \$11,500,000. In April of 2006, the council approved an intra-governmental loan to the hospital authority in the amount of \$6,748,700 to allow General Hospital to remain open through June 30, 2006. At the time of the April 2006 loan, the hospital authority had a previous loan balance of \$13.7 million, which was after Metro essentially forgave \$50 million in hospital authority debt in fiscal year 2006. This loan was to be secured by the receivables of the hospital authority and was to be repaid by June 30, 2006. In July 2006, the council approved an extension of the loan, which was to be repaid not later than June 30, 2007. Again, in June 2007, the council approved another extension of the loan until June 30, 2008, for a total outstanding loan amount of \$20,448,700. This loan was to be secured by all of the hospital authority's net assets, instead of just their receivables.

It is apparent that the hospital authority will not be able to repay the loan to Metro by June 30, 2008. Further, the hospital authority needs an additional loan of \$11,500,000 to keep General Hospital open from March through June of this year. Although General Hospital is expected to receive some additional money from the state during this fiscal year, the state funds will not be sufficient to enable the hospital to continue operating without additional help from the Metropolitan Government.

This resolution extends the reimbursement date of the loan until June 30, 2009, and increases the amount of the loan to \$31,948,700. The resolution expressly provides that this loan is now unsecured, as the hospital authority does not have adequate assets and/or receivables to secure the note. The resolution requires the hospital authority to submit a monthly financial report to the finance director, as well as the chairs of the council budget and finance and health, hospitals and social services committees, so long as the loan remains outstanding.

Since fiscal year 2004, the Metropolitan Government has provided a direct subsidy for the Hospital Authority from the general fund totaling \$256,383,400, including the \$50,000,000 loan write-off in 2006. In addition to the subsidy from the general fund, the Metropolitan Government has loaned the hospital authority a considerable amount of money over the past five years. If this \$11,500,000 loan increase is approved, this will bring the total outstanding amount owed to Metro to \$46,000,000 for operating and capital expenses. A May 2006 study performed by Navigant Consulting, Inc., made a number of recommendations for the hospital authority to increase its cash flow. While some of these initiatives have been implemented by the hospital authority, the 2007 Comprehensive Annual Financial Report (CAFR), the annual certified audit of the Metropolitan Government, notes that General Hospital had a net deficit as of June 30, 2007 in the amount of \$7 million. The CAFR further states that General Hospital may be unable to continue as a going concern due to its lack of sufficient cash flow.

Given the Metropolitan Government's current financial strains, the government likely will not be able to continue to support General Hospital at such a high level. The hospital authority must find a way to dramatically increase revenues and/or decrease expenses.

RESOLUTION NO. RS2008-145 (CRADDOCK & COLE) – This resolution approves a grant in the amount of \$110,000 from the Cal Turner Family Foundation to the Davidson County sheriff's office for a cosmetology program for inmates. These funds will be used to purchase cosmetology and manicure equipment for use by male and female inmates, including hood dryers, shampoo bowls, smocks, manicure tables, and textbooks. The grant funds will also be used to pay an instructor for the program. The grant will be divided into two payments of \$55,000 in 2008 and 2009, respectively.

RESOLUTION NO. RS2008-146 (CRADDOCK & COLE) – This resolution approves an agreement between the U.S. bureau of alcohol, tobacco, firearms and explosives (ATF) and the Metropolitan Nashville police department for reimbursement of overtime salary costs and other related costs, including training, travel, fuel and equipment. The police department provides police officers in a joint operation with the ATF for ATF task force duties in Nashville.

This is essentially the continuation of an agreement approved in 2004. This agreement is for a term beginning upon execution and extends through September 30, 2012.

RESOLUTION NO. RS2008-147 (CRADDOCK & COLE) – This resolution approves a donation in the amount of \$500 from the Memorial Evangelical Lutheran Church to the police department to purchase furniture for the East Precinct community room.

RESOLUTION NO. RS2008-148 (GILMORE, COLE & PAGE) – This resolution approves a grant in the amount of \$10,000 from the state department of agriculture to the Nashville farmers' market for promotion of the grand opening of the renovated farmers' market. The farmers' market is in the process of completing a \$2.5 million renovation project designed to improve customer flow within the building and offer a greater variety of food for sale with an emphasis on locally grown agricultural products. These grant funds will be used to promote and explain the changes to the farmers' market through an eight page special section printed in the Tennessean. The funds will also be used to purchase placard signs promoting each area. The term of the grant is from January 1, 2008 through November 1, 2008.

RESOLUTION NO. RS2008-149 (COLE & MAYNARD) – This resolution approves a contract between the Metropolitan board of health and Pete Kitch for consulting and instructional services to enhance the emergency preparedness of public health services. The services to be provided are to assist with the Common Ground: Transforming Public Health Information Systems program, which is a Robert Wood Johnson Foundation program to help local public health departments with business processes. The health department is currently working to improve processes regarding emergency preparedness and lay the foundation for the development of software that supports the emergency response activities of the health department.

Pursuant to this contract, the health department will retain Mr. Kitch to provide constructive criticism of the health department's Common Ground business process analysis and provide training on

business process analysis and information systems requirements. This consultation and training is to take place over a three-day period. Mr. Kitch is to be compensated in the amount of \$4,800 plus expenses, for a total contract amount not to exceed \$6,600.

RESOLUTION NO. RS2008-150 (MAYNARD & COLE) – This resolution approves a grant in the amount of \$15,789 from the state department of health to the Metropolitan health department to provide community-based programs designed to reduce nonsmokers' exposure to secondhand smoke, and to implement programs to discourage youth and young adults from starting to smoke. The term of the grant is from December 1, 2007, through June 30, 2008. These grant funds will be used for the coordination of a program to increase anti-tobacco attitudes and increase the support of tobacco-free policies.

This resolution should be amended to reflect that the grant agreement is with the state department of health, not the U.S. department of health and human services.

RESOLUTION NO. RS2008-151 (MAYNARD & COLE) – This resolution appropriates additional low income home energy assistance program grant funds in the amount of \$426,782 from the state department of human services to the Metropolitan action commission (MAC) to provide financial assistance with heating costs. The council approved a late resolution at the January 15, 2008 council meeting appropriating \$232,486 for this program. The state has recently awarded \$426,782 in additional funding, which requires council action to appropriate the funds to MAC. The term of the grant is through June 30, 2008.

RESOLUTION NO. RS2008-152 (TOLER, FOSTER & COLE) – This resolution authorizes the director of public property administration to exercise options to purchase two tracts of property for use as part of the Mill Creek greenway system. The first tract to be acquired consists of 40 acres located at 13951 Old Hickory Boulevard. This property is being acquired at a cost of \$1,250,000. The second tract located at 46036 Culbertson Road consists of 72.72 acres. The acquisition price for this property is \$7,600 an acre for flood prone property and \$25,000 an acre for the remainder. The final price is to be determined upon the receipt of a certified survey. The funds for these property acquisitions are from previously issued commercial paper as part of the August 2006 capital spending plan.

The council office would point out that the Charter allows for the acquisition of property through the exercise of a negotiated option to sell at a fixed price, which is subject to approval of the council by resolution. Although a mechanism for determining the price of the 72-acre tract is included in the option, it is questionable whether this qualifies as a "fixed price" under the Charter.

This resolution has been approved by the board of parks and recreation.

RESOLUTION NO. RS2008-153 (COLE & CRADDOCK) – This resolution authorizes the department of law to compromise and settle the wrongful death lawsuit of Kenya Branch, next of kin to Calvin Branch, against the Metropolitan Government in the amount of \$55,000. On September 7, 2005, two Metro police officers were in the process of arresting Calvin Branch when a scuffle ensued as a result of the officers believing Mr. Branch had contraband in his mouth. The officers stunned Mr. Branch with a Taser, and he was brought under control. Mr. Branch told the officers that he had spit out the contraband. However, evidence at the scene indicates that Mr. Branch was complaining to a friend of

stomach pain. The officers have given conflicting accounts as to whether they suspected Mr. Branch swallowed the cocaine.

Mr. Branch was taken to the booking station and became seriously ill while in a holding cell. He was then transported to General Hospital, and remained in the hospital until he died on September 23, 2005. The cause of death was complications from acute cocaine toxicity, presumably as a result of Mr. Branch's swallowing the cocaine.

One officer at the scene filled out a report stating that he had seen a bag of white powder in Mr. Branch's mouth. However, one of the arresting officers discarded this report and executed a different report making no mention of the white powder in Mr. Branch's mouth or the fact that they had information he may have swallowed it.

The department of law recommends settling this claim for \$55,000 to be paid from the self-insured liability fund. Given that the officers had reason to suspect that Mr. Branch ingested the cocaine, and the increased probability of survival had he been taken to the hospital immediately, it is likely that the Metropolitan Government would be found liable for the negligence of the officers if the case went to trial.

One of the arresting officers received disciplinary action consisting of a five day suspension. The second officer on the scene is still under negotiations with the police department's office of professional accountability.

– BILLS ON SECOND READING –

ORDINANCE NO. BL2007-40 (WILHOITE) – This ordinance amends the Metro building code to impose regulations on the boarding of vacant homes and buildings. Currently, if a dwelling or structure is determined by the codes department to be unfit for human habitation and the owner fails to repair the property, the department can close the building and require that the doors and windows be boarded-up. There are no current regulations regarding the type of boards that can be used or the aesthetic appearance of the boards.

This ordinance would require property owners to “lock, board or otherwise secure” all openings on the first floor of a vacant building. If the property owner chooses to board up the property, it must be done using one-half inch thick plywood, which must be painted a color that is consistent with the building. Further, all boards would have to be cut to fit into the windows and doors, not over them.

The council office would point out that the requirements contained in this ordinance would apply to all vacant properties, regardless of whether the codes department has designated the building unfit for human occupancy.

ORDINANCE NO. BL2007-103 (PAGE) – This ordinance abandons the right-of-way for Alley No. 1893 from Thompson Lane southward to a dead end just east of Nolensville Pike. This closure has been requested by Car Sum TN Nashville, LLC, (Action Nissan), which is the owner of all adjoining tracts. This portion of right-of-way is no longer needed for government purposes. All easements will be retained by the Metropolitan Government.

This ordinance has been approved by the planning commission and the traffic and parking commission.

ORDINANCE NO. BL2007-104 (GILMORE) – This ordinance abandons the right-of-way for Alley No. 236 from 17th Avenue South southward to a dead end between Broadway and Division Street. This closure has been requested by Kennedy Capital Group, LLC, on behalf of the property owner. This portion of right-of-way is no longer needed for government purposes. Consent of the affected property owner is on file with the department of public works. All easements will be retained by the Metropolitan Government.

This ordinance has been approved by the traffic and parking commission. The recommendation of the planning commission was to disapprove as submitted, but to approve if the three parcels are consolidated into a single parcel.

ORDINANCE NO. BL2008-112 (STANLEY & COLE) – This ordinance declares two parcels of Metropolitan Government-owned property located off of Panama Drive to be surplus and authorizes the director of public property administration to sell the property in accordance with the standard procedures for the disposition of surplus property. These two parcels were acquired by Metro as a result of the Metro water service’s acquisition of the First Suburban Utility District, but are no longer needed by the government. The proceeds of the sale will be credited to the water department’s revenue fund. This ordinance has been approved by the planning commission.

ORDINANCE NO. BL2008-113 (COLE & CRADDOCK) – This ordinance accepts a donation of \$25,000 from Cornerstone Church for the benefit of the Metropolitan Nashville police department and fire department. The letter accompanying the donation provides that the funds are to be divided at Metro’s discretion between the police department and fire department. The resolution appropriates \$12,500 of the funds to the police department and \$12,500 to the fire department.

– BILLS ON THIRD READING –

ORDINANCE NO. BL2007-101 (RYMAN, TOLER & OTHERS) – This ordinance amends the medical benefits portion of the Metro Code to clarify that Metro pensioners are entitled to receive healthcare insurance coverage in the same manner as Metro employees. The Metro Code expressly authorizes health and dental insurance benefits for Metro employees. In 1964, the original study and formulating committee for the Metropolitan Government recommended that Metro employees and pensioners receive healthcare benefits. This plan was approved by the benefit board and the council, and such benefits have been provided since 1964. However, in 1973 the section of the Code that expressly stated medical benefits were to be provided to pensioners was somehow deleted from the Code. It is unclear how or why this provision was deleted, since there is no reference in the 1973 ordinance that such a material change was being made. In any event, the Metropolitan Government has continuously provided health insurance for pensioners in the same manner as Metro employees.

The study and formulating committee has recommended that this error be corrected in the Code, since it has always been understood that pensioners would continue to receive health insurance. This ordinance essentially adds language back into the Code clarifying that Metro pensioners are entitled to medical care benefits.

Although this ordinance was recommended by the study and formulating committee, the benefit board was unable to reach a consensus regarding the appropriate action the council should take. Since the benefit board considered the matter for a reasonable amount of time and was unable to come to an agreement, the department of law advised the benefit board that the matter should proceed to the council without a board recommendation.

ORDINANCE NO. BL2007-102 (DOMINY) – This ordinance renames Luna Court between Cherokee Hills Drive and Gasser Drive as “Luna Circle”. The request for the name change was submitted by Councilman Duane Dominy. The purpose of the name change is to improve public safety by eliminating two different streets with the same name.

This ordinance has been approved by the planning commission and the ECD board.

ORDINANCE NO. BL2007-105 (COLEMAN) – This ordinance authorizes Olive Branch Baptist Church to install, construct and maintain a sign encroachment consisting of warning signal beacons at a crosswalk to the offsite parking lot for the church located at 5988 Cane Ridge Road. Olive Branch Baptist Church has agreed to indemnify the Metropolitan Government from all claims in connection with the construction and maintenance of the warning traffic beacons, and is required to post a \$300,000 certificate of public liability insurance with the Metropolitan clerk naming the Metropolitan Government as an insured party.

This ordinance has been approved by the planning commission.

ORDINANCE NOS. BL2007-106 & BL2007-107 – These two ordinances authorize the Metropolitan Government to enter into participation agreements with private developers to provide public sewer service to properties in Davidson and Williamson Counties. Back in 1998, the department of water and sewer services expanded two trunk sewer lines in anticipation of private developments tying on to the system. Pursuant to these agreements, the developers will contribute \$2,000 per single-family connection to the sewer system in aid of construction. These funds are to be deposited into the water and sewer extension and replacement fund. These are typical participation agreements entered into by the department of water and sewerage services whereby private property owners and/or developers contribute a portion of the cost to extend or upgrade public water and sewer service. The properties benefiting from the sewer connections become regular customers of Metro water services and pay the same sewer rates as customers in Davidson County.

Ordinance No. BL2007-106 (TOLER, COLE & EVANS) approves a participation agreement with Burkitt Place Development LLC to provide public sewer service to phase 2E of the Burkitt Place subdivision. Burkitt Place Development LLC has agreed to contribute \$88,000 toward the cost of the project in aid of construction for a total of 44 single-family home connections.

Ordinance No. BL2007-107 (COLE & EVANS) approves a participation agreement with Turnberry Homes to provide public sewer service to the phase 1 of the Catalina subdivision. Turnberry Homes has agreed to contribute \$76,000 toward the cost of the project in aid of construction for a total of 38 single-family home connections.

ORDINANCE NO. BL2007-108 (HARRISON, JAMESON & OTHERS) – This ordinance authorizes the acceptance of 21 easements for various stormwater projects in Davidson County. Easements are to be accepted for the following properties:

- 1525 Natchez Trace – Council District 18
- 200 West Maplewood Lane – Council District 2
- 1700 – 18th Avenue South – Council District 19
- 7689 Highway 70 South – Council District 22
- Sidco Drive, unnumbered – Council District 16
- 4044 Andrew Jackson Way – Council District 12
- 1900 Eastland Avenue – Council District 6
- 1136 Myatt Boulevard – Council District 9
- 714 Stewarts Ferry Pike – Council District 14
- 322 Hermitage Avenue – Council District 15
- 2054 Rosa L. Parks Boulevard – Council District 2
- 2050 Rosa L. Parks Boulevard – Council District 2
- Temple Road, unnumbered – Council District 35
- Hurricane Creek Boulevard, unnumbered – Council District 32
- 1501 Chadwell Drive – Council District 4
- 1413 – 4th Avenue North – Council District 19
- 1415 – 4th Avenue North – Council District 19
- 1411 – 4th Avenue North – Council District 19
- 4th Avenue North, unnumbered – Council District 19
- 501 Church Street – Council District 6

ORDINANCE NO. BL2008-111 (TYGARD, RYMAN & OTHERS) – This ordinance amends the health insurance benefits portion of the Metro Code pertaining to term-limited Members of Council that have served less than eight years. The Code currently allows all elected officials participating in the comprehensive health care plan to continue participation in the plan after they leave office. If the elected official has served eight years, he/she may continue to participate in the plan by paying the Metro subsidized rate paid by employees, which is 25% of the premium. However, if the elected official has served less than eight years, he/she must pay 100% of the premium in order to continue participation in the plan. When the provision to allow elected officials to receive health insurance after leaving office at the reduced premium was first proposed, the idea was to require the official to have served two terms to be eligible. However, such provision would require general sessions judges to serve 16 years (two eight year terms). Therefore, the ordinance submitted and adopted required eight years service (two four year terms for all elected officials or one eight year term for general sessions judges). All other former Metro employees must be receiving service or disability pensions to be eligible to receive health insurance benefits.

The department of law has opined that term-limited Members of Council that served part of one term and a consecutive second term are not eligible to continue to receive subsidized health insurance benefits after they leave office since they have not served eight years, as required by the Code. The employee benefit board has recommended that the council enact legislation to address those term-limited Members of Council that are negatively impacted by the eight year requirement.

This ordinance basically adds a new subsection to the Code regarding council member participation in the comprehensive health care plan. The ordinance would continue to allow Members of Council to participate in the health insurance program under the same terms and conditions as are available for regular Metro employees while they are in office. Those members of council holding office for eight years or more, or those term-limited members serving on or after August 31, 2007, that have served part of one term and a full consecutive term, would be eligible to continue to participate in the plan at the Metro subsidized rate. All other members serving less than two terms could continue participation in the plan if they pay 100% of the premium.