

MEMORANDUM TO: All Members of the Metropolitan Council

FROM: Donald W. Jones, Director
Metropolitan Council Office

DATE: **April 15, 2008**

RE: **Analysis Report**

Balances As Of:	<u>4/9/08</u>	<u>4/11/07</u>
<u>GSD 4% RESERVE FUND</u>	* \$21,891,153	\$985,007
<u>CONTINGENCY ACCOUNT</u>		
USD	\$50,000	\$50,000
<u>GENERAL FUND</u>		
GSD	\$23,429,103	\$31,120,793
USD	\$15,945,572	\$12,243,660
<u>GENERAL PURPOSE</u>		
<u>SCHOOL FUND</u>	\$61,509,540	\$37,755,710

* Assumes estimated revenues in fiscal year 2008 in the amount of \$2,916,013

-- BILL ON PUBLIC HEARING AND THIRD READING --

ORDINANCE NO. BL2008-154 (MURRAY) - This ordinance approves the Skyline Redevelopment Plan to be administered by the Metropolitan Development and Housing Agency (MDHA). The plan includes the area along Dickerson Pike from the I-24 overpass near Berry Street to the intersection of Dickerson Pike and Douglas Avenue, extending west to the interstate. The area includes 148 total parcels, approximately 40% of which are used for commercial purposes, with more than one-half of the commercial uses related to automobile services. 26% of the properties in the area are currently vacant, and 16% are used for industrial purposes. The purpose of the plan is to provide mechanisms for the redevelopment of the area, including the acquisition and/or demolition of blighted structures and the use of tax increment financing as an incentive for developers.

The plan governs the future redevelopment of property within the area through restrictions on permissible uses and design guidelines for the construction or rehabilitation of buildings. Permitted uses within the plan include multi-family dwellings, churches, schools, daycares, offices, retail establishments, restaurants, cultural facilities, and public facilities. The plan prohibits certain intensive commercial uses such as car washes, nightclubs, liquor stores, adult entertainment establishments, warehousing, and manufacturing. Any property owner wishing to construct a new building or rehabilitate an existing structure would be required to submit a site plan, landscape plan, and a detailed architectural design of the exterior of the structures to MDHA for review by a design review committee. Further, no demolition permit could be issued prior to approval of a plan for re-use by MDHA. Signs would be limited to on-premises signs. No future billboards would be permitted.

MDHA would be required to provide relocation assistance to any individuals or businesses displaced as a result of the implementation of the plan.

The property included within the proposed plan has a current assessed value of \$9 million, which generates property taxes in the amount of \$425,000. The future increase in the value of property to be developed in conjunction with this plan is estimated to exceed \$30 million. In order to encourage the redevelopment of the area, this ordinance authorizes MDHA to use tax increment financing in an amount not to exceed \$5 million. The final maturity date on any debt backed by the tax increment must be on or before December 31, 2037.

This ordinance has been approved by the planning commission.

– RESOLUTIONS –

RESOLUTION NO. RS2008-223 (JAMESON, COLE & ADKINS) – This resolution approves an amended and restated intergovernmental agreement between the Metropolitan Government and the Sports Authority related to the Nashville arena (Sommet Center) for the benefit of the Nashville Predators. The original agreement, which was approved by the council in September 1996, provided for the continued construction and management of the arena. At the time, Metro agreed to issue \$22.4 million in general obligation bonds to complete the arena, which had a total construction cost of approximately \$160 million. Pursuant to the agreement, the ownership and operation of the arena was turned over to the Sports Authority after the arena was completed. The agreement was amended in January 1998 to, among other things, increase the maximum amount of the ticket surcharge to \$1.75 per ticket for 10 years and to provide that Metro would loan the Sports Authority the \$20 million inducement fee for the Predators. The inducement fee was financed with revenue bonds issued by Metro. The Nashville Predators have been the primary tenant of the arena since 1998.

In accordance with the original intergovernmental agreement, the Sports Authority is currently operating under two agreements with the Predators. The first is a license and use agreement, which is essentially for the lease of the arena. The second agreement is a management agreement with Powers Management, which is a wholly-owned subsidiary of the Predators that is responsible for the operation of the arena. Incorporated within the amended and restated intergovernmental agreement are an amended and restated license and use agreement and management agreement. Pursuant to the original intergovernmental agreement, any changes to the license agreement and/or the management agreement must be approved by the council before they can become effective. To assist in the explanation of this proposal, this analysis will discuss the changes in the agreements in tandem, as though they are one agreement.

The primary purpose of the changes is to better ensure that the Predators will remain in Nashville for the next several years. In order to accomplish this goal, the revised deal provides for a reduction in facility rent and additional incentives to encourage the manager to bring more events to the arena. A summary of the additional revenues/incentive payments is as follows:

- The annual ticket receipts fee (facility rent) paid by the Predators to the Sports Authority is being reduced by \$750,000. The current agreement provides that the Predators pay 5% of the net NHL ticket receipts to the Sports Authority. The new agreement will allow the Sports Authority to terminate the \$750,000 reduction after June 30, 2012.
- The base management fee for the management and operation of the arena is increased from approximately \$235,000 per year to \$2 million per year through June 30, 2012. After 2012, the management fee could be reduced to \$250,000 per year at the discretion of the Sports Authority.
- The Predators will be entitled to additional pass-through concessions sales revenue of approximately \$170,000 annually. This new revenue for the Predators consists of 5% of the concessions sales revenue the Sports Authority would have received through the concessions contract with the third party contractor. The Sports Authority already passes through 40% of the concessions sales revenue to the team under the existing agreement.
- The Predators will be entitled to 100% of the non-NHL advertising revenues, and will be responsible for 100% of the advertising expenses. The existing agreement provides that

the Sports Authority receives 50% of these revenues and is responsible for 50% of the expenses. This revenue estimate for fiscal year 2006 was \$288,510.

- The Predators will be entitled to the naming rights for the rehearsal hall and other certain areas of the arena.
- The agreement also provides for a number of incentive payments for the manager. Under the existing agreement, the maximum incentive fee Powers Management could receive for the operating year ending June 30, 2007 would be \$335,024. The new agreement provides for an incentive payment not to exceed \$2 million to be comprised of the following:
 - 100% of the facility rent from special events. Powers Management will be entitled to lease the facility for up to 15 events per year and can keep the facility rent as a portion of the incentive fee.
 - 100% of the funds received from the Nashville convention and visitors bureau (This amount does not count toward the \$2 million incentive fee cap).
 - 50% of the amount by which the sum of the following items exceeds the amount of revenue from these items for the operating year ending June 30, 2006, which was \$7,020,900:
 1. local sales tax generated at the arena (less the portion for schools)
 2. state sales tax allocation rebated to the Sports Authority by the state
 3. ticket surcharges
 4. facility rent
 5. food and beverage revenues
 6. merchandising revenue
 7. parking revenue
 8. Ticketmaster royalties

The Sports Authority will have the authority to terminate these incentives after June 30, 2012.

The proposed agreement provides for a cap on the operating losses incurred by the Sports Authority (Metro) for the arena at the FY 2006 amount (\$3,788,262) plus an annual adjustment based upon a consumer price index. Powers Management will be responsible for all operating losses in excess of this amount. The new agreement also includes revised early termination provisions and reimbursement amounts to encourage the Predators to stay in Nashville. The existing agreement provides that the Predators can terminate the agreement if the average attendance is below 14,000 for two consecutive years, and does not increase above 14,000 during the cure season. The new contract prohibits termination during the 2008, 2009 and 2010 seasons. The Predators will be able to terminate the contracts effective on or after June 30, 2010 by reimbursing Metro \$20 million if the team and manager's cumulative loss exceeds \$20 million and the average paid attendance is less than 14,000 per game. The early termination reimbursement amount increases to \$25 million in 2011, and is reduced to \$10 million from and after June 30, 2012.

The new agreements require that the owner of the team and the owner of the management company be the same. Although this was the case under the prior owners of the Predators, the agreements did not require it. The new agreements also provide that a default under one agreement is deemed to be a default under the other. The agreements further provide for liquidated damages to be paid to Metro in the amount of \$50 million for breaches or defaults

occurring prior to December 1, 2010. The liquidated damages amount decreases to \$35 million in 2011 and is reduced \$2 million each year thereafter with a floor of \$10 million.

Another key difference between the existing agreements and the new proposal are the local ownership and guaranty requirements. The proposed agreement provides that the Sports Authority can terminate the rent reduction discussed above in the event the local ownership of the team falls below 50%. Further, each member of the local ownership group must guarantee 125% of his/her ownership percentage multiplied by \$25 million, which results in a total aggregate guaranty of \$31.25 million. The local guarantors are as follows: David S. Freeman, Herbert A. Fritch, Joel Edward Dobberpuhl, Holly Dobberpuhl, Thomas Cigarran, Christopher Cigarran, Dewitt C. Thompson, John Thompson, and William Del Biaggio. In addition to the local ownership guaranty, the Predators must maintain a net worth equal to the liquidated damages amount. The net worth is to be calculated, at the discretion of the Predators, as the fair market value of the team minus liabilities, or the audited net worth as determined by an independent certified public accountant using generally accepted accounting principles.

The new agreement includes a requirement that ticket prices remain below the average NHL ticket price. The existing agreement contains no such limitation on ticket price. The new agreement also increases the ticket surcharge from \$1.75 per ticket to \$2.00 per ticket for non-team events. The surcharge for Predators games will remain at \$1.75. The Predators will also be allowed to give away up to 40,000 tickets per year without incurring the ticket surcharge fee. The existing limitation is 750 complimentary tickets per home game.

Another topic worthy of discussion in the proposed agreement, which apparently contributed to the delay in this proposal moving forward, are the provisions governing assignment and change of control. Under the current agreement, the Predators cannot assign the agreement without the consent of the Sports Authority, but the documents were silent as to change in control. The new agreement would permit a change of control in the team while the rent reduction is in effect (at least until June 30, 2012) with the consent of the Sports Authority so long as there is no team default or guarantor default. If the Sports Authority does not consent to the change in control, the Predators can go ahead and cause the change in control, but the team would no longer be entitled to the incentives discussed above. After June 30, 2012, the Predators can cause a change in control provided the NHL approves the transfer and the ownership of the team and the arena manager are the same. The Predators will also be allowed to pledge its rights and interests under the agreement to its senior lender, but the bank must give 60 days notice to the Sports Authority prior to accelerating the loan. The senior lender has a security interest in the team and can transfer its ownership interest to another entity upon notice to the Sports Authority, but the owner of the team and the arena manager must be the same entity.

The agreement also provides for a payment in the amount of \$682,000 to the former owners of the Predators, which represents previously earned performance fees. The performance fees for years 2004 through 2007 have been withheld by the Sports Authority. In exchange for the payment of this performance fee, the former owners agree to release Metro from all claims and Metro agrees to release the former owners.

The council office would point out that the proposed agreements would be effective retroactively to July 1, 2007. Thus, all of the incentive payments, rent reduction, etc., will be determined based upon an effective date of July 1, 2007 for accounting at the end of the current fiscal year. With this retroactive effective date, the Predators will be in the same position as if the agreement had been approved when the term sheet was first proposed to the

council in November 2007. Since the agreement provides that the amount of the base management fee and the net operating loss cap are to increase beginning with the second operating year by a percentage equal to the lesser of 5% or the percentage increase in the consumer price index, the subsidy for the Predators will increase again effective July 1, 2008, as next fiscal year will be considered the second operating year.

To further summarize the net effect of the proposal, the Predators will be receiving a total of approximately \$3 million in new money from Metro annually, plus the operating loss cap of \$3.7 million. These funds are being provided through the hotel occupancy tax, not property tax revenues. According to the finance director's presentation of the mayor's proposed fiscal year 2009 budget, the maximum subsidy for the arena for next year will be \$7,351,500. The \$3 million of new money is made up of the \$1.7 increase in the management fee, \$750,000 in rent reduction, \$289,000 in non-hockey advertising revenue, and \$170,000 in additional concessions revenue. The Predators will also have the ability to earn an additional \$2 million annually through the incentive payments, plus all of the revenue from the convention and visitors bureau, which does not count toward the \$2 million incentive payment cap. The Predators have provided an opinion from their consultant, Sports Value Consulting, LLC, that this proposal is reasonable from Metro's standpoint when compared with other NHL arrangements in other cities.

The Sports Authority will have the right to terminate the agreements effective July 1, 2014 or July 1, 2021 with two years written notice to the Predators.

RESOLUTION NO. RS2008-233 (RYMAN & COLE) – This resolution sets the date and time for the 2008 Mayor's State of Metro Address. The Metropolitan Charter, as amended by the voters of Davidson County in November 2006, requires the mayor to give a State of Metro address to the council not later than May 25th of each year. The Charter requires that the address be given in a Metropolitan Government facility at a specially called council meeting, which is to be open to the public. This resolution provides that the address will be held on May 13, 2008, at 10:30 a.m. in the third floor Grand Reading Room of the downtown library. This meeting does not require a quorum and no official business may be conducted at this meeting.

RESOLUTION NO. RS2008-234 (GOTTO) – This resolution establishes an alternative fee schedule for the review and processing of applications to make minor changes to an adopted specific plan district. The Metropolitan zoning code provides that standardized fee schedules may be established to partially defray the processing and administration costs for zoning applications. Such a fee schedule must be approved by resolution of the council in order to be effective. The existing fee schedule was approved by the council in June 2007. The current fee for a specific plan district zone change (including amendments thereto) is \$6,195. This fee was based upon the recommendation of an independent consultant hired by Metro to help defray the full cost of services provided.

This resolution would set a new fee of \$470 for applications requesting to make minor changes to an approved specific plan district where council approval is required. This means that applicants seeking to make small changes to a specific plan where limited staff review is necessary would no longer have to pay the full \$6,195 fee.

RESOLUTION NO. RS2008-235 (MAYNARD & COLE) – This resolution approves a grant in the amount of \$65,700 from the Safety Net Consortium of Middle Tennessee to the Metropolitan board of health to reduce socioeconomic and racial/ethnic disparities in Type 2 diabetes among adults. The Safety Net Consortium has received a grant from the state department of health for this project and desires to subcontract a portion of the grant to the Metro health department. Pursuant to the grant contract, the health department will provide the following services:

- Participate as part of the steering committee developed to oversee the project.
- Conduct focus groups and interviews.
- Develop up to three health promotion programs for use in Metro parks facilities.
- Provide analytic support for the project.

The term of the grant is from November 1, 2007 through October 31, 2008, with a possible extension of four additional one-year periods.

RESOLUTION NO. RS2008-236 (MAYNARD & COLE) – This resolution approves an annual grant in the amount of \$3,532,078 from the U.S. department of health and human services to the Metro board of health to enhance access to a comprehensive continuum of community-based care for low income individuals and families with HIV. These grant funds are used to provide a number of medical and support services for HIV patients. The grant is for a term commencing April 1, 2008 and extending through March 31, 2009.

RESOLUTION NO. RS2008-237 (MAYNARD & COLE) – This resolution accepts an annual grant in the amount of \$51,000 from the state department of health to the Metropolitan health department for adolescent pregnancy prevention services. The funds will be used to pay the salary of an adolescent pregnancy prevention program coordinator. The coordinator's duties will include making presentations concerning adolescent sexual behaviors, pregnancy, and parenting to community groups; writing articles; developing public service announcements; researching programs that can be channeled to established service providers; arranging parenting classes; and organizing community awareness events. The term of the grant is from July 1, 2008 through June 30, 2009.

RESOLUTION NO. RS2008-238 (MAYNARD & COLE) - This resolution approves an amendment to a grant in the amount of \$250,000 from the state department of health to the Metro health department for the implementation of a diabetes project. The health department will coordinate the implementation of a program that focuses on preventing Type 2 diabetes for approximately 300 inner city youth ages 11 to 15 in high risk areas. There is a required local match in the amount of \$323,233 to be provided through the health department's operating budget.

This resolution approves an amendment to the grant to allow a portion of the grant funds to be used for the purchase of equipment.

RESOLUTION NO. RS2008-239 (COLE & WILHOITE) – This resolution approves a grant in the amount of \$150,000 from Meharry Medical College to the Metropolitan health department to

create the Nashville Youth Violence Prevention Urban Partnership and Academic Center of Excellence (NUPACE) injury surveillance system. Meharry has received a federal grant for this program, which grant allows Meharry to sub-award a portion of the funds to the health department to allow health department statisticians to assist in the development of the system. The health department will develop a prototype database of injury data from the Metro Nashville public schools, the Metro police department, and the Tennessee department of health. The term of the grant is from September 1, 2007 through August 31, 2008.

RESOLUTION NO. RS2008-240 (COLE) – This resolution approves a contract with Stericycle, Inc. for the collection of medical waste. Stericycle will be paid \$15.00 per medical waste container, either pursuant to a scheduled pick-up or as needed, depending on the particular Metro department or agency. The contract provides that Stericycle will be responsible for providing the appropriate red container with liners for use at each pick-up site that contains the biohazard label. Medical waste will be picked up at various health department locations, the police evidence dock, the clinic for Metro Water Services, the fire stations, and public schools. The term of this contract extends through November 20, 2012.

The Metro Code provides that contracts for the collection of solid waste may be approved by resolution of the council rather than by ordinance.

RESOLUTION NOS. RS2008-241 & RS2008-242 (COLE & RYMAN) – These two resolutions approve grants from the state department of labor and workforce development to the Nashville career advancement center (NCAC) for programs to provide pre-apprenticeship training for the benefit of the Plumbers and Pipefitters union. These funds will be used to train 30 to 50 pre-apprentices in basic knowledge about the plumbing and pipefitting industry, job safety, applicable math and science theories, and knowledge and care of trade tools. The grant terms are from January 28, 2008 through December 31, 2008.

Resolution No. RS2008-241 approves an administrative grant in the amount of \$5,000 for NCAC administrative support of the pre-apprenticeship program.

Resolution No. RS2008-242 approves a grant in the amount of \$50,000 for the pre-apprenticeship training program.

RESOLUTION NO. RS2008-243 (FOSTER & COLE) – This resolution approves a grant in the amount of \$5,233 from the state department of state to the Nashville public library system for replacement of the public access computer reservation system server. The term of this grant is from March 1, 2008 through August 31, 2008. There is a required local match of \$5,233 for this grant.

RESOLUTION NO. RS2008-244 (EVANS & COLE) – This resolution approves an amendment to an annual grant from the state department of environment and conservation to the department of public works for the purpose of collecting and disposing of waste tires from residents. Metro operates this program without requiring tip fees for the disposal of the tires. The original grant was in the amount of \$450,000, and was to pay for the disposal of 6,428.57

tons of tires at \$70.00 per ton. This grant amendment increases the grant award to \$595,000 for fiscal year 2007-2008 to pay for the disposal of 8,500 tons of tires.

RESOLUTION NO. RS2008-245 (EVANS) – This resolution approves a grant in the amount of \$920,808 from the state department of transportation to the Metropolitan department of public works for various intersection improvements along Jefferson Street from Rosa L. Parks Boulevard to 28th Avenue North. The intersection improvements to be funded with this grant include signalization, lighting, turn lanes, pavement markings, and updated crosswalks. There is a required local match of \$481,203 to be funded by Metro. This intersection improvement project is to be completed not later than June 30, 2013.

RESOLUTION NO. RS2008-246 (CRADDOCK) – This resolution approves an interlocal agreement between the Metropolitan Government, the electric power board of Metro (NES), and the United States Marshals Service for access to the 800-MHZ emergency radio dispatch and response system. Metro and NES jointly own and operate the emergency radio dispatch and response system utilizing 800 MHz radio frequencies licensed by the Federal Communications Commission (FCC). This system was jointly funded by Metro and NES, with Metro now maintaining the system and NES contributing the funds to maintain the system. The U.S. Marshals Service has requested to be granted interoperability access to the system. State law grants public agencies the authority to enter into such interlocal agreements.

This agreement would allow the U.S. Marshals to utilize our emergency radio dispatch and response system. Pursuant to this agreement, Metro and NES will forego any user fee or charge, except that the U.S. Marshals Service will be responsible for purchasing new subscriber units for its own use and will pay the cost for any maintenance that Metro performs on their radio equipment and vehicles. The term of this contract begins upon approval by the council and extends through June 30, 2013.

RESOLUTION NO. RS2008-247 (COLE) – This resolution authorizes the department of law to compromise and settle the Metropolitan Government's claim against Randall L. Fowler in the amount of \$30,000. Mr. Fowler received a disability pension in 1995 based upon a determination that he was no longer medically able to fulfill the duties of a police officer. While receiving a disability pension, Mr. Fowler worked for Fowler Profile Links, Inc., which is owned by Mr. Fowler's wife. Disability pensioners are not allowed to earn more than a certain limited amount without having their pensions reduced accordingly. Although Mr. Fowler was paid as an independent contractor of the corporation, he had a credit card issued in his name, which he allegedly used to charge tens of thousands of dollars in personal expenses to be paid by the company.

The Metropolitan Government filed suit against Mr. Fowler in 2002 alleging that he received an economic benefit from the use of the credit card, which should have been reported to Metro. Thus, he allegedly received pension benefits he was not entitled to as a result of his failure to report this additional income. Metro estimates that Mr. Fowler improperly received between \$17,628.85 and \$33,583.34 in disability pension benefits. The department of law recommends settling this lawsuit for a total payment of \$30,000 to Metro to be paid over five years. Mr.

Fowler, who returned to work as a Metro police officer in 2005, does not admit to any wrongdoing, but desires to reach an amicable resolution to the dispute.

RESOLUTION NO. RS2008-248 (COLE) – This resolution authorizes the department of law to accept \$10,064.48 in settlement of the Metropolitan Government’s property damage claim against Long T. Hau. On November 19, 2007, a Metro police officer was traveling east on Harding Place at the intersection of the I-24 westbound ramp when he was involved in an accident caused by Mr. Hau. Witnesses at the scene confirmed that Mr. Hau went around a stopped tractor trailer truck that had yielded for the police car, causing the officer to hit Mr. Hau’s vehicle. The accident caused damage to Metro’s 2006 Chevrolet Impala in the amount of \$10,064.48. This resolution settles the claim for the amount of property damage done to the vehicle.

RESOLUTION NO. RS2008-249 (COLE) – This resolution authorizes the department of law to accept \$5,018.32 to settle the Metropolitan Government’s property damage claim against Colin Jenkins. On July 11, 2007, a Metro public works employee was traveling east on Chestnut Street when Mr. Jenkins ran the red light at the 4th Avenue intersection and struck the right side of the Metro vehicle, causing \$5,018.32 in damage. This resolution settles the claim for the amount of property damage done to the vehicle.

RESOLUTION NOS. RS2008-250 and RS2008-251 (JAMESON) – These two resolutions authorize the installation, construction, and maintenance of aerial encroachments over the public right-of-way. The applicants have agreed to indemnify the Metropolitan Government from all claims in connection with the construction and maintenance of the encroachments, and are required to post a certificate of public liability insurance with the Metropolitan clerk naming the Metropolitan Government as an insured party. Ordinance No. O87-1890 authorizes aerial encroachments to be approved by resolution rather than ordinance. These resolutions have been approved by the planning commission.

Resolution No. RS2008-250 authorizes Trial Lawyers Institute, Inc., doing business as Riverfront Tavern, to install a neon sign over the right-of-way at 101 Church Street. This sign will measure 5’6” in width by 2’4” in height. This aerial encroachment was requested by Joslin and Son signs on behalf of the applicant, Trial Lawyers Institute, Inc.

Resolution No. RS2008-251 authorizes Rick’s Ranchwear, Inc., doing business as Nashville Cowboy, to install two blade-type signs over the right-of-way at 132 Second Avenue North. These two signs will be hung nine feet above the right-of-way.

– BILLS ON SECOND READING –

ORDINANCE NO. BL2008-176 (COLE) – This ordinance approves an increase in the probation supervision fees for probation services provided by the general sessions court. This fee was established in 1991 at a rate of \$20 per month. The fee was increased to \$25 per month as part of the revenue enhancements associated with the fiscal year 2006-2007 budget, which was expected to result in \$516,000 in increased revenue.

This ordinance increases the probation supervision fee from \$25 to \$35 per month. The ordinance provides that the cost of operating the division of probation has increased since the fee was last increased in 2006. Using the 2006 revenue estimates, this should generate over \$1.1 million in additional revenue for the government. By law, the Metropolitan Government cannot charge more in fees than the cost of providing the governmental service.

ORDINANCE NO. BL2008-177 (STANLEY, EVANS & COLE) – This ordinance approves the acquisition of a right-of-way easement from Benson's Inc. This permanent easement is necessary to complete a paving project near the intersection of Dodson Chapel Road and Central Pike. This easement is being acquired at a cost of \$1,500. This ordinance has been approved by the planning commission.

– BILLS ON THIRD READING –

ORDINANCE NO. BL2008-128 (GILMORE) – This ordinance abandons the right-of-way for Alley No. 437, from 17th Avenue South to Alley No. 442, between Edgehill Avenue and Grand Avenue. This closure has been requested by H. Ray Ragsdale, the owner of the adjoining tracts. This portion of the right-of-way is no longer needed for government purposes. This ordinance has been approved by the traffic and parking commission, but has been disapproved by the planning commission.

ORDINANCE NO. BL2008-170 (CRADDOCK) – This ordinance amends the Metropolitan Code to allow the fire marshal to grant waivers from the mandatory installation of private fire hydrants. Since 1988, the code has prohibited new residential or commercial buildings from being located more than 500 feet from a fire hydrant. The code includes certain specifications for private fire hydrants, including the size of the water main, color of the hydrant, and that the hydrant be installed in accordance with an approved plan. This code section was amended in December 2007 to exempt single-family residential homes constructed on a lot of five acres or more in size from the 500-foot fire hydrant requirement.

This ordinance would allow the fire marshal to grant a waiver from the fire hydrant installation requirement when he determines that a fire hydrant in a particular location is not necessary. The ordinance requires the fire marshal to develop a review process for determining whether a waiver of the fire hydrant requirement or alternate proposal is appropriate.

ORDINANCE NO. BL2008-171 (CRADDOCK & COLE) – This ordinance authorizes the police department to accept the donation of a Tennessee walking horse named “Superior Candidate”. This horse will be used by the police department’s mounted patrol unit. “Superior Candidate” is being donated by Ben and Charlotte Downing.

ORDINANCE NO. BL2008-172 (EVANS) – This ordinance authorizes the department of water and sewerage services to use the Metropolitan Government’s existing contract with UtiliQuest to provide utility location services for the Tennessee One Call system. Under state law, anyone about to engage in any digging or excavation work must notify Tennessee One Call of their intent to dig. Tennessee One Call then notifies all utilities in the area of the request. The utility then has 72 hours to locate the underground utilities in the area and mark them to prevent damage from the excavation.

Metro water services has historically performed its own utility location work, with an estimated cost of \$13.00 per location, to comply with the state law. The average number of locations performed by the department is 33,000 per year, at a total annual cost of \$429,000. The government has an existing contract with UtiliQuest to provide locating services for other Metro agencies. Metro water services can use the existing contract with UtiliQuest at a cost of \$10.50 per location, which will save over \$82,500 per year. The current Metro employees performing these services will be retrained and assigned to other understaffed programs within the water department. This contract will not result in the loss of any existing Metro jobs or lay off any employees.

The Metro Code requires all contracts for the privatization of government services with a contract amount in excess of \$500,000 be approved by the council by ordinance.