

**HAMILTON COUNTY COMMISSION
AGENDA PREPARATION SESSION
AUGUST 30, 2017**

STATE OF TENNESSEE) Agenda Preparation Session
COUNTY OF HAMILTON) August 30, 2017

BE IT REMEMBERED, that on this 30th day of August, 2017, an Agenda Preparation Session of the Hamilton County Board of Commissioners was begun and held at the Courthouse, in the City of Chattanooga, in the County Commission Room, when the following proceedings were held, to wit:--

0:11 Present and presiding was the Honorable Chester Bankston, Chairman. County Clerk Bill Knowles called the roll of the County Commission and the following, constituting a quorum, answered to their names: Commissioner Beck, Commissioner Boyd, Commissioner Fairbanks, Commissioner Fields, Commissioner Graham, Commissioner Mackey, Commissioner Martin, Commissioner Smedley, and Chairman Bankston. Total present - 9. Total absent – 0.

Also in attendance were County Mayor Jim Coppinger, members of his administrative staff, County Attorney Rheubin Taylor, and County Auditor Jenneth Randall.

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COMMITTEE ASSIGNMENTS

Chairman Bankston indicated the upcoming agenda items would be considered as follows:

- An Order of Designation to the Planning Commission would be submitted as a matter of record.
- The Trustee's Monthly and Excess Fee Reports for July 2017 would be submitted as a matter of record.
- The Criminal Court Clerk's Reports for June and July 2017 would be submitted as a matter of record.
- Resolution No. 917-1 was the usual County Clerk item regarding notaries, etc. This required no committee assignment.
- Resolution Nos. 917-6 through 917-10 were assigned to the Finance Committee, chaired by Commissioner Boyd.
- Resolution Nos. 917-2 through 917-5 and 917-11 through 917-14 were heard by a Committee of the Whole.

PRESENTATION – ED JOHNSON MEMORIAL

0:32

Eric Atkins, residing at 2705 Riverside Drive, Chattanooga, TN 37406, addressed Commissioners regarding the Ed Johnson Memorial project. He provided details about Mr. Johnson, a Chattanooga resident who was lynched on the Walnut Street Bridge in 1906. He noted the Supreme Court case that resulted after Mr. Johnson's death set a precedent for civil rights law in America. Mr. Atkins stated the Ed Johnson Memorial Committee seeks to create a permanent memorial site adjacent to the Walnut Street Bridge to commemorate the events associated with Mr. Johnson's death.

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Eleanor McCallie Cooper, residing at 110 Windmere Drive, Chattanooga, TN 37411, also addressed the Commission regarding the Ed Johnson Memorial project. She detailed how she became involved with the project, and stated the Ed Johnson Committee is asking Commissioners for \$100,000 in support of the memorial project. She added the total budget for the memorial is \$400,000, which they hope to raise through local public funding.

9:11

In response to Commissioner Fields' question, Ms. Cooper stated the Ed Johnson Committee is not a 501c3 and is housed under the Community Foundation of Greater Foundation.

Chairman Bankston stated that Resolution Nos. 917-2 through 917-5 and 917-11 through 917-14 would now be heard by the Committee of the Whole.

COMMITTEE OF THE WHOLE – RESOLUTION NO. 917-2

10:21

Chairman Bankston spoke regarding this item, which appropriates \$750.00 from general fund travel discretionary funds to Junior Achievement of Chattanooga, as allotted to District 9. It was noted the funds will assist the non-profit with the purchase of a table for their Spirit Awards Luncheon.

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There were no questions from Commissioners.

COMMITTEE OF THE WHOLE – RESOLUTION NO. 917-3

10:42

Hamilton County Risk Manager Bill Stoll spoke regarding this item, which updates the existing Occupational Safety and Health Program, including rules and regulations originally adopted and submitted to the State of Tennessee in June 1974, and last updated in May 2013 (*Res. No. 513-24*). It was noted the updates are per Occupational and Safety Hazards Administration (OSHA) regulations.

There were no questions from Commissioners.

COMMITTEE OF THE WHOLE – RESOLUTION NO. 917-4

12:41

Director of the Chattanooga - Hamilton County Air Pollution Control Bureau Bob Colby spoke regarding this item, which amends the Hamilton County Air Pollution Control regulations by providing for revised rules for new source review, increased permit fees, revised ambient air quality standards, and certain other housekeeping provisions. He explained the revisions were the result of a public hearing and are designed to bring the bureau up to Environmental Protection Agency (EPA) standards. It was noted the last change to these regulations occurred in 2007 (*Res. No. 1107-24*).

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16:34 In response to Commissioner Boyd's question, Mr. Colby reported the increased permit fees are for companies that install or operate equipment that emit a certain amount of pollutants, or stack emissions. Mr. Colby added their permit fees are generally less than the State of Tennessee fees and remain competitive with surrounding counties.

18:58 Commissioner Fields asked for a copy of the proposed amendments. Attorney Taylor confirmed the amendments would be uploaded in CERP and distributed to Commissioners before next week.

In response to Commissioner Mackey's question, Mr. Colby stated if air quality standards are not met, future economic development could be halted.

In response to Commissioner Graham's question, Mr. Colby clarified he is only presenting information regarding air quality.

COMMITTEE OF THE WHOLE – RESOLUTION NO. 917-5

23:03 Mayor Coppinger spoke regarding this item, which awards five (5) days of paid leave for the purpose of encouraging Hamilton County employees to participate in the

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United Way campaign through payroll deduction. He clarified five participating employees will be selected and awarded one day of paid leave.

There were no questions from Commissioners.

Commissioner Boyd, Chairman of the Finance Committee, stated the Finance Committee would meet in the Commission Room immediately following the Agenda Session.

COMMITTEE OF THE WHOLE – RESOLUTION NO. 917-11

24:04

Administrator of Finance Al Kiser spoke regarding this item, which determines the certified tax rate in accordance with TCA Section 67-5-1701, and adopts a rate as the tax levy for the year 2017 for Hamilton County, Tennessee.

24:38

In response to Commissioner Boyd's question, Mr. Kiser confirmed this is the certified tax rate of \$2.4976, which would result in a net gain of zero revenue for Hamilton County.

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COMMITTEE OF THE WHOLE – RESOLUTION NO. 917-12

This Resolution amends the fiscal year 2017-2018 budget as adopted by Resolution No. 617-23 by adding \$33,500,000 to revenues and expenditures, exceeds the certified tax rate as set by Resolution No. 917-11, and sets the tax levy for the year 2017 for Hamilton County by adding 26.76 cents to the tax levy previously established.

24:58

Commissioner Boyd expressed concerns that he was not consulted about the plan for increased tax revenue. He requested a meeting with the Mayor and his staff in order to ask questions and gather more information. Mayor Coppinger stated his office remains readily available for discussion.

Commissioner Graham expressed appreciation to Mayor Coppinger for being accessible and always returning calls. He noted effective leadership takes the executive and legislative branches working closely together.

29:35

In response to Commissioner Graham's question, Mr. Kiser clarified only those whose property assessments went up will see an increase in property taxes as a result of this Resolution. He further clarified if property assessments stayed the same or went down, property taxes would either stay the same or decrease.

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Commissioner Smedley requested more information regarding a senior tax freeze and tax relief programs.

Mayor Coppinger noted the Finance staff will make a presentation at the end of today's meeting showing comparisons between tax freeze and tax relief programs.

36:55

In response to Commissioner Fairbanks' question, Mr. Kiser stated a public hearing will take place next Wednesday morning at 8:30 am regarding exceeding the certified tax rate.

Commissioner Boyd asked the Commission to consider postponing the vote on this item to September 20th in order to allow more time for discussion and public comment.

Mayor Coppinger requested discussion of Resolution No. 917-14 take place at this time.

COMMITTEE OF THE WHOLE – RESOLUTION NO. 917-14

39:59

Mayor Coppinger spoke regarding this item, which ceases the use of the Hamilton County Silverdale facility as a County Workhouse, and transfers administrative

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control and oversight of said facility from the County Mayor to the County Sheriff. He explained this would make Silverdale part of the jail system and provide the Sheriff the opportunity to move inmates to that site in the event of overcrowding at the downtown jail. Mayor Coppinger added the budget would be transferred from the Mayor's Office to the Sheriff's Department, which includes eight employees who will remain in their positions at their current rate of pay.

There were no questions from Commissioners.

COMMITTEE OF THE WHOLE – RESOLUTION NO. 917-13

This item accepts the proposal of CoreCivic of Tennessee, LLC for the operation of and any future development of the Silverdale Correctional facility for a four-year term beginning September 7, 2017, with the option to renew for 4 additional four-year terms. It also amends the general fund budget by transferring the funds for said corrections operations from the General Services Division to the Sheriff Division.

42:47

Tom Morsch, Managing Director for Public Financial Management (PFM), introduced several members from CoreCivic, including Brain Ferrell, Vice President, Proposal Development, who were present to answer any questions. Mr. Morsch presented an overview of the County's current and future correctional operations. He

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explained the County's combined fiscal year 2016 cost for operating the downtown jail and the Silverdale facility was approximately \$32.8 million, and PFM was retained to identify cost saving and inmate reduction strategies. He reported due to budgetary constraints, the County decided not to move forward with construction of a new combined facility, but desired to renew a contract for operation of Silverdale while funding options were explored. He noted switching oversight of the Silverdale facility to the Sheriff would allow for moving inmates between facilities in the event of overcrowding.

Mr. Morsch explained the agreement with CoreCivic contains an operating agreement as well as a development agreement, which allows for the design, construction, and finance of new or expanded facilities at Silverdale to provide additional beds to accommodate the Sheriff's needs. He highlighted several standards CoreCivic must remain in compliance with, per the agreement.

53:06

In response to Commissioner Mackey's question, Mr. Morsch explained the contract payment mechanism for CoreCivic is a per diem rate, which adjusts on an annual basis based on the Consumer Price Index (CPI). He clarified the rate can be no greater than the CPI.

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In response to Commissioner Boyd's question, Mr. Morsch stated this development agreement is specifically with CoreCivic, but does not lock the County in to using their services for design in the future. Mr. Morsch stated the plan satisfies all requirements by Tennessee Corrections Institute (TCI).

56:57

Sheriff Hammond reiterated TCI has been involved in this plan from the beginning and will continue to be involved throughout the process to ensure all qualification and certification standards are met.

In response to Commissioner Graham's question, Mr. Morsch stated if the County chose to move forward with architectural work that has already been completed, it would be the responsibility of CoreCivic under this agreement to pay the funds for those services.

Mr. Morsch explained the per diem rate increase was to accommodate increases in compensation to reduce recently elevated turnover rates.

A copy of Mr. Morsch's presentation was filed in the Clerk's Office.

In response to Commissioner Mackey's question, Mayor Coppinger reported the cost per day to house inmates in Hamilton County is \$87,488.00. Mayor Coppinger stated education is the best way to reduce inmate populations.

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Mayor Coppinger thanked CoreCivic and all those involved in negotiations. He stated publicly that CoreCivic has saved the County and taxpayers millions of dollars during their long history by continuing contracts at the same rates while future plans were being made. Mayor Coppinger also thanked Mr. Morsch and PFM for their work during this process.

In response to Commissioner Boyd's question, Mr. Morsch reported how many beds are full at the midnight count determines the per diem rate.

1:18:40 In response to Commissioner Martin's question, Sheriff Hammond reported the total number of inmates at the downtown jail is around 514, with approximately another 350-400 pretrial inmates at Silverdale. He noted there are 965 inmates currently at Silverdale. Sheriff Hammond also spoke about diversion programs to reduce inmate population, particularly those suffering from mental health issues or homelessness.

ANNOUNCEMENTS

Chairman Bankston asked for announcements from members of the Commission.

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1:21:38 Mayor Coppinger, Attorney Taylor, and members of the Commission congratulated Commissioner Fairbanks and Commissioner Smedley on their election as Commission Chairman and Chairman Pro Tempore. They each thanked Chairman Bankston for his two terms of service.

Commissioner Mackey thanked the audience members who were present on behalf of the Ed Johnson memorial project and pointed out the t-shirts they were wearing as a tribute to Mr. Johnson.

1:28:58 Commissioner Graham extended his thoughts and prayers to the hurricane Harvey victims in Texas.

Commissioner Graham also reminded Commissioners about the Lookout Valley Lions Club golf tournament on September 9th.

1:24:05 Commissioner Boyd recognized 2017 Little Miss Wheelchair Liberty Barnum and her mother in the audience, and spoke about statewide efforts to provide more advocacy for those with disabilities.

Commissioner Boyd also recognized his son, Justin, and daughter in law, Claudia, who were in town from Boston and present at today's meeting.

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Commissioner Beck made comments about the importance of language.

1:28:30 Commissioner Smedley thanked fellow Commissioners for their confidence.

Commissioner Fairbanks echoed Commissioner Smedley's comments. He emphasized the importance of communication.

In response to Mayor Coppinger's question, Chairman Bankston stated Mr. Morsch and the representatives from CoreCivic did not need to return for next week's meeting.

1:31:26 Chairman Bankston thanked Commissioners for their confidence in him during his two years as Chairman.

Attorney Taylor announced the public meeting to discuss the certified tax rate will take place next Wednesday, September 6th at 8:30am in the Commission Room.

PRESENTATION – TAX FREEZE VS. TAX RELIEF PROGRAMS

1:33:18 Assistant Administrator of Finance Lee Brouner presented a comparison of the tax freeze and the tax relief programs to Commissioners. A copy of the presentation

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was filed in the Clerk's Office. He gave an overview of the programs, both of which are designed to benefit the elderly, which is defined by State law as anyone 65 or older. The main difference in the programs is in addition to providing benefits to the elderly, the tax relief option also offers benefits to disabled individuals at any age, disabled veterans and widows of disabled veterans at any age. He noted both programs have annual income limitations set by the state.

Mr. Brouner briefly described the history of each program. The State Tax Relief program has been in effect since 1973, while legislation for the Tax Freeze Program was approved in 2007. He also spoke about the benefits each program would provide to taxpayers. Under the Tax Freeze Program, the taxpayer would see no benefit until the next tax increase or reappraisal took place; future taxes would be frozen at the 2017 amount. In contrast, the Tax Relief Program would provide immediate benefit to eligible taxpayers.

In response to Commissioner Smedley's question, Mr. Brouner confirmed taxpayers must qualify for the programs annually.

1:40:51 In response to Commissioner Martin's question, Mr. Brouner reported in terms of the Tax Relief Program for the elderly, the amount the state matches is based on a \$27,000 market value times the certified tax rate for that municipality. He noted for

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disabled veterans/widows the state will pay up to the first \$175,000 of the appraised value of the home.

1:42:44 In response to Commissioner Mackey's question, Mr. Brouner stated when one group receives a tax benefit; it shifts the tax burden to the rest of the population in order for government to continue to operate. Mr. Kiser added the tax burden will be shifted to those under 65 years old.

In response to Commissioner Fields' question, Mr. Brouner clarified for a home valued at \$100,000; an elderly person who qualifies for the program would pay taxes on \$100,000 less \$27,000.

In response to Commissioner Fairbanks' question, Mr. Kiser noted the Tax Relief Program would not put an immediate burden on the rest of the population.

1:48:58 In response to Commissioner Smedley's question, Mr. Brouner stated the cost of implementing the Tax Relief Program if the County chose to match 50% of the State program would be \$500,000.

In response to Commissioner Martin's question, Mr. Brouner confirmed there would be no immediate benefit if the Tax Relief Program were implemented.

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Mr. Brouner reported after this study was completed, the Finance Department determined the Tax Relief Program is the better option of the two programs.

In response to Commissioner Graham's question, Mr. Kiser confirmed any discounted amount on taxes will have to be made up by the rest of the population.

Mr. Kiser reiterated the Tax Freeze Program offers no benefit until the next tax increase or property reappraisal.

In response to Commissioner Smedley's question, Mr. Kiser stated if the Tax Relief Program were to be implemented, the budget would be amended to include the \$500,000 cost.

Mr. Brouner highlighted the implementation costs of both programs. The Tax Freeze Program would have a \$250,000 implementation cost, with approximately \$200,000 in annual costs. The Tax Relief Program would have very little implementation or annual costs as the current staff should be able to support the program.

2:06:57 In response to Commissioner Boyd's question, Mr. Kiser stated the state is already reviewing applications for tax relief. Reviewing applications for the Tax Freeze Program would be the responsibility of the County.

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DELEGATIONS

Chairman Bankston asked for delegations on matters other than zoning.

2:11:09

Franklin McCallie, residing at 1615 Read Avenue, Chattanooga, TN 37408, addressed the Commission regarding education in Hamilton County. He expressed appreciation for next week's public hearing regarding the tax rate and voiced his support for generating additional revenue for schools.

Being no further business, Chairman Bankston declared the meeting adjourned until Wednesday, September 6th at 9:30 AM.

Respectfully submitted:



William F. (Bill) Knowles, County Clerk

Approved:

09-20-17
Date

W.F.K.
Clerk's Initials