

STEERING, LEGISLATIVE & GOVERNMENTAL COMMITTEE

May 2, 2016

5:30 p.m.

Courthouse

MINUTES:

MEMBERS PRESENT:

Commissioner Paul Johnson
Commissioner Allen McAdoo
Commissioner Robert Peay
Commissioner Jeff Phillips
Commissioner Robert Stevens
Commissioner Brad Turner
Commissioner Trey Gooch, C

OTHERS PRESENT:

Ernest Burgess
Josh McCreary
John Barbee
Tara MacDougall
Julie Young
Lisa Crowell
Ron Washington
Lisa Nolen
Michael Kusch
Rob Mitchell
Larry Sims
Larry Farley
Doug Demosi
Nate Schott

Delia Goodman, Robert Peach, Doug Bodary, Justin Burriss, Joe Phillips, Greg Atkins, Becky Shelton

Chairman Gooch presided and called the meeting to order at 5:30 p.m. with all members being present at that time.

MINUTES:

"Commissioner Turner moved, seconded by Commissioner Phillips, to approve the minutes of the last meeting as mailed. This motion passed unanimously by acclamation."

ANNOUNCE TWO VACANCIES ON LINEBAUGH LIBRARY BOARD:

Chairman Gooch advised the positions of Lisa Trail and Marilyn Castelli on the Linebaugh Library Board were expiring and accordingly being announced.

ANNOUNCE TWO VACANCIES ON COMMUNITY CARE BOARD:

Chairman Gooch advised the positions of Franklie Johnson and Mike Nunley on the Community Care Board were expiring and accordingly being announced.

FILL VACANCY ON INDUSTRIAL DEVELOPMENT BOARD AND HEALTH, EDUCATION & FACILITIES BOARD TO FILL UNEXPIRED TERM OF JAMES O. BAKER:

Chairman Gooch advised applications had been received from Ronald Washington, Tara MacDougall, Larry Sims, Nate Schott and Gary Wisniewski for appointment to the Industrial Development Board and Health, Education & Facilities Board to fill the unexpired term of James O. Baker which expires August, 2019. All applicants were in attendance and addressed the Committee.

"Commissioner Turner moved, seconded by Commissioner Stevens, to nominate all and vote for one. Dr. Schott will be recommended for appointment to the Industrial Development Board and Health, Education & Facilities Board to fill the unexpired term of James O. Baker which expires August, 2019 by roll call vote with Commissioners Johnson, McAdoo, Phillips, Stevens, Turner and Gooch voting for Schott and Commissioner Peay voting for MacDougall."

FILL THREE VACANCIES AND ONE ALTERNATE VACANCY ON EQUALIZATION BOARD:

Chairman Gooch advised applications had been received from Joe Phillips, Tim Rudd, Justin Burriss, Delia Goodman, John Barbee and Robert Peach for appointment to the Equalization Board. All applicants were in attendance and addressed the Committee.

"Commissioner Peay moved, seconded by Commissioner Turner, to nominate all applicants and vote for three. Commissioner Phillips amended the original motion, seconded by Commissioner Johnson, to vote for four and the fourth highest will be the alternate. Joe Phillips, Delia Goodman and Tim Rudd will be recommended for appointment to the Equalization Board, each receiving six votes, with Commissioner

Johnson voting for Phillips, Barbee, Rudd and Burriss; Commissioner McAdoo voting for Phillips, Barbee, Goodman and Rudd; Commissioner Peay voting for Phillips, Barbee, Goodman and Peach; Commissioner Phillips voting for Goodman, Peach, Rudd and abstaining on fourth choice; Commissioner Stevens voting for Phillips, Goodman, Peach and Rudd; Commissioner Turner voting for Phillips, Goodman, Peach and Rudd; and Commissioner Gooch voting for Phillips, Barbee, Goodman and Rudd."

Mr. Barbee and Mr. Peach received four votes each.

"Commissioner Turner moved, seconded by Commissioner McAdoo, to nominate Mr. Barbee and Mr. Peach as the alternate and vote for one. Mr. Barbee will be recommended as the Equalization Board alternate with Commissioners Johnson, McAdoo, Peay and Gooch voting for Barbee and Commissioners Phillips, Stevens and Turner voting for Peach."

BOARD OF ZONING APPEALS MEMBERSHIP:

Mayor Burgess advised the Commission previously requested the State allow more than five members on the BZA and this has been changed to allow 5, 7 or 9. Rutherford County currently has a five member BZA with two alternates. Commissioner Phillips advised with the comprehensive plan adopted the BZA has become more involved and 5 is not enough and he recommended eliminating the two alternates and making it a 7 member committee advising he wanted to try 7 to start with and can get feedback in a year. Mayor Burgess advised the Commission has the authority to change by Resolution at the end of the terms in October. Commissioner McAdoo advised he saw the alternate positions as a learning process and he would like to have 7 members with 2 alternates. Commissioner Phillips advised the alternates do not always participate and he felt it may be a waste of their time. Mayor Burgess advised he did not think the alternates were paid. Doug Demosi advised the alternates are at the meetings and he thought they were paid. Mr. Demosi advised Williamson and Bedford Counties have 5 members, Nashville has 7, Memphis has 8 and Chattanooga and Knoxville have 9. Commissioner Peay asked if there were any rules for diversity and Mayor Burgess advised there was no distinction on how the members are chosen but liked to have as much of the County represented as possible. Chairman Gooch advised if the alternates were going to be paid they might as well be members but he thought they were not paid. Commissioner Turner advised he thought it should be looked into as he understood only those participating in meetings were paid. Following discussion,

"Commissioner Phillips moved, seconded by Commissioner Stevens, to establish a 7 member Board of Zoning Appeals Committee and eliminate the two alternate positions. This motion passed by acclamation with Commissioner McAdoo voting "no"."

LITIGATION FEE INCREASE:

Mayor Burgess advised the County asked for up to a \$50 increase on criminal and civil costs to be used for construction purposes and the Legislature has passed the same based on population. Additionally, the County can restart the \$10 fee to be used for construction. The Committee was provided a proposed Resolution prepared by the County Attorney's Office. Commissioner Turner advised the increase was approved by the Public Safety Committee. Commissioner Stevens advised the County just voted to borrow \$70,000,000 for the Judicial Building so this essentially was a user fee to pay for the construction instead of putting on the property tax. Commissioner Peay advised if an individual is unable to pay the costs the Judges have the ability to waivem. Following discussion,

"Commissioner Turner moved, seconded by Commissioner Johnson, to approve the litigation fees of \$50 and \$10 as presented and forward the same to the Budget Committee. This motion passed unanimously by roll call vote."

HOTEL/MOTEL TAX INCREASE:

Mayor Burgess advised Rutherford County passed a Private Act for a 1 1/2% hotel/motel tax in 1983 and in 1993 raised the tax to the current rate of 2 1/2%. The Private Act allows the tax to be raised to a maximum of 5%. Revenue from the tax is anticipated to be \$1,600,000 this year. Since 2002 a percentage has been given to promote tourism and almost \$900,000 went to the Tourism Bureau this year from the County and City of Murfreesboro. If passed, the total tax will be 19.75% including sales tax.

Greg Atkins addressed the Committee advising an increased hotel/motel tax in New York City affected tourism and they reduced their rate. Mr. Atkins advised billboards are around State borders advertising lower tax rates and any increase will be detrimental to the area. This is the second largest industry in the State. Nashville and Williamson County have lower rates than Rutherford County and the County is trying to make it difficult to succeed here. Mr. Atkins has been told projects will be stopped in the County if the tax is passed and he felt the industry was being punished for helping the County grow. The County has over 50 hotels. There are revenue sources the County has not tapped into like AirBnB and short term rentals. Mayor Burgess advised the hotel/motel tax in Williamson County is 4%.

Mayor Burgess advised currently 10% is directed to the greenway trails and 30% to the Convention/Visitor Bureau but the money can be used for any purpose the County desires with no restriction and could be used to fund the Fire/Rescue Department.

Commissioner Stevens advised he was concerned they were not designating how the funds will be spent. Commissioner Gooch advised he was concerned the tax amount of 19.75% was so high. Commissioner Phillips advised he was also concerned but this is an alternate tax to property tax and if the County does not do this then it is again looking at the property tax. Commissioner Stevens advised he thought a request to the Legislature for a referendum on a fire tax was needed.

"Commissioner Phillips moved, seconded by Commissioner Peay, to approve the Mayor's recommendation of 2 1/2% increase in the hotel/motel tax with no sharing of the funds and forward the same to the Budget Committee.

Commissioner Stevens moved to amend the original motion to earmark the funds for debt service purposes. This amendment failed for lack of a second.

The original motion passed by roll call vote with Commissioners Johnson, McAdoo, Peay and Phillips voting "yes" and Commissioners Stevens, Turner and Gooch voting "no."

REVIEW SENATE BILL 0466/HOUSE BILL 0985:

Mayor Burgess next advised of Senate Bill 0466/House Bill 0985 which does not allow Commissioners to vote on matters when either their pay or health insurance or a spouse's pay or health insurance is affected but would be able to vote on the tax rate. The conflict statement can no longer be read to cover this. Josh McCreary was asked for a memorandum on the affect of the law under different scenarios with a copy of the law in Commissioner boxes. It was not known when the effective date was but it was thought to be July 1. Commissioner Peay asked how this affects the spouse of a retired employee and Mr. McCreary will also address this as the bill does not speak to retirees. Commissioner Johnson advised he had retired from the Codes Department and did not receive any compensation but does have insurance benefits and asked how this situation would be affected.

There appearing to be no further business to come before

the Committee, Chairman Gooch declared the meeting adjourned at 7:06 p.m.

TREY GOOCH, Chairman