

General Government Committee
November 13th, 2012
Summary and Motions

CM Ed Lane chaired the meeting and called it to order at 11:00 am. Committee members present were VM Linda Gorton, Council Members Steve Kay, Chris Ford, Tom Blues, Julian Beard, George Myers, Doug Martin. Kevin Stinnett was also present.

1. Approval of Summary

CM Beard made a motion to approve the summary. CM Blues seconded the motion. The motion passed without dissent.

2. Amendment of Section 3.101 of the Council Rules

Law Department attorney Glenda George came to the podium to present. She said that a consent agenda is very similar to what the Council currently does. George said that our charter requires that resolutions and ordinances are read twice. CM Kay asked George what could be done to change this and was told that it is a state statute. George did say that the Council could discuss giving the Mayor authority to approve certain items. She said that the Administration could circulate a list of consent items prior to work sessions for Council Members to review. These items could be removed from the list, sent to a standing committee, or if there were no objections, the Mayor could proceed with the execution of those items.

VM Gorton asked George the process for an item that was removed from the consent list. George asked for the opportunity to draft legislation to illustrate the process. Committee members agreed and Chair Lane placed the item on the agenda for the January 2013 meeting.

3. Metro Employees Credit Union Lease

Sally Hamilton came to the podium to present a brief historical overview on the Metro Employees Credit Union Lease. Hamilton initially decided to present a three year step rent lease for MECU to Council Members. The issue was referred to the General Government Committee and a five year step rent lease was discussed. Hamilton prepared the five year lease to present to the full council and it was sent back to the General Government Committee. The Metro Employees Credit Union initially had a five year lease that ended in 2011 and is renewed yearly. MECU does not have a PSA and is NCUA insured.

CM Farmer said that his feeling is to top out MECU at a max rent at 80% of market. He said that he would like the committee members to consider giving them a discount because of the services they offer to our employees.

CM Blues asked MECU executive Piper Graham what the impact of increased rent would be for credit union members. Graham said that the main issue is growth. She said that they must have net income to support capital growth. She said that the board would have to look at maintaining the capital ratio. She went on to say that they can only build capital using net

income. MECU would either need to slow its asset growth or increase revenue. She said that increasing membership is great only if those new members are taking out loans.

VM Gorton asked Graham about the mass email that was sent to all Council Members. Graham said that the MECU board members directed her to communicate the potential increase to all members. Graham said that if they have to close the Phoenix branch it would have a large impact on downtown employees. They would need to increase fees and loan rates.

CM Ford asked Graham how long they have been located in both the Phoenix Building and the Versailles Road campus. Graham said that they moved into the Phoenix Building in 2002 and onto the Versailles Road campus in 2005. Graham emphasized that the CAO at that time encouraged the moves to the two new locations from Clark Street.

CM Ford asked Hamilton if she had considered charging them for operating and maintenance and not for rent. Hamilton said that those numbers would total \$14,972.

CM Beard asked Graham how many members they have and she responded that they have 4000 members. She went on to say that they start on past due collections after 15 days and they make every effort to work with members to resolve the delinquency. She did say, however, that if the member files chapter 7, they must charge off the loan.

CM Kay said that he supported CM Farmer's suggestion.

CM Martin said that there are numerous entities in various government spaces. He said that the effort from General Services was to get the accounting out in the open. CM Martin said that any decision to provide any relief should occur during the budget process. CM Martin said that each organization that comes before the Council has a worthy cause but the main issue is how the LFUCG is going to account for and use their spaces.

CM Myers said that he agreed with the 5-year plan presented by Hamilton.

VM Gorton asked Graham for the number of members that are not employees of the LFUCG, but are instead family members. Graham said that the number is not readily available.

CM Ford made a motion to keep the issue in committee for the purpose of continued negotiation. CM Stinnett seconded the motion.

VM Gorton amended the motion to provide a PSA with the 5-year plan. CM Martin seconded the amendment. The motion to amend the motion passed without dissent.

CM Ford's amended motion passed without dissent.

4. Website Linking Policy

Scott Shapiro came to the podium to present the updated draft website linking policy. Shapiro told committee members that he updated the draft to reflect Council Member's suggestions.

CM Martin made the following suggestions:

- Add 'subject to the approval process' after at the end of 1. under the Policy category.
- Add 'schools' at the end of the fifth bullet.
- Add 'for profit entities that are sponsoring or co-sponsoring a public event with LFUCG' at the end of the eighth bullet.
- Strike the second sentence of section 3.
- Add 'endorsement' after policies in section 4.
- Add 'and may be removed at the discretion of the CAO' to the first bullet under the procedure section.

Shapiro said that he talked to Jerry Hancock about Martin's third suggestion. He said that the website would have a link to the company but not a logo. It would be a sponsorship opportunity, not an advertisement. They have also considered logos for sponsorships without the links.

CM Martin suggested that if an entity co-sponsors an event, once the event is over, the link would come down.

CM Myers asked Shapiro if they could strike 'or designee' and leave CAO. CM Myers said that he is concerned about not knowing who the designee would be. Shapiro said that he could talk to Richard Moloney about it. CM Myers suggested making it an ordinance instead of a CAO policy.

5. Parks Master Plan

CM Lane moved the Parks Master Plan presentation to the January 2013 meeting.

6. Items Referred to Committee

CM Blues made a motion to adjourn. Seconded by Gorton. Motion passed without dissent.

Submitted by Jenifer Benningfield, Council Administrative Specialist