City Council of Peachtree City
Minutes of Meeting
September 2, 1999
7:00 p.m.

The City Council of Peachtree City met in a regular session, Thursday, September 2, 1999, at 7:00 p.m. in the City Hall Council Chambers. Mayor Robert L. Lenox led those attending in the pledge of allegiance. Other Council members present were: Annie McMenamin, Carol Fritz, Jim Pace and Bob Brooks.

ANNOUNCEMENTS, AWARDS, SPECIAL RECOGNITION

Mayor Lenox presented a 15-year service pin to Jack Routon.

Mayor Lenox presented awards of recognition for service on Commission on Children and Youth to Lynn Grant and Reverend Willie Kellings.

Mayor Lenox read a Proclamation for Literacy Month.

Mayor Lenox read a Proclamation for Fayette County Fire Chief Jack Krakeel Day.

MINUTES

McMenamin made a motion to approve the minutes of August 19, 1999, as presented. Fritz seconded the motion. Motion carried unanimously.

Lenox made a motion to rearrange the agenda to conduct the Public Hearing on the Budget last. McMenamin seconded the motion. Motion carried unanimously.

OLD AGENDA ITEMS

There were no old agenda items.

NEW AGENDA ITEMS

09-99-01 Consider Bid Proposal, Property/Casualty Insurance

Joe Byrd, Insurance Consultant, said the City had been self-insured for automobile, general liability, law enforcement liability and public officials liability since May 5,1986. He said the exception was coverage for the Fire Department. He said the State required Liability Insurance on ambulances, and the City had found that it could purchase coverage for all the Fire Department vehicles for less than it could purchase Liability Coverage for the ambulances alone. He said bid specifications had been prepared and distributed in accordance with the City's purchasing procedures, and three bids had been received. The bids were as follows:

AGENCY	**Willis-Corroon**	**L. Smith Lanier**	**Saville & Assoc.**
Insurance Company	GIRMA	American Int'l Group	Zurich/Hanover
Limit of Liability	$1,000,000	$1,000,000	$1,000,000

TYPE OF INSURANCE	Premium/Deductible	Premium/Deductible	Premium/Deductible
Automobile Liability	$17,462/$25,000	$47,541/$25,000	$41,642/$25,000
Automobile Physical Damage	$4,930/$5,000	$2,327/$5,000	$2,010/$5,000
General Liability	$10,316/$25,000	$17,940/$25,000	$1,607/$25,000
Law Enforcement Liability	$14,738/$25,000	$20,560/$25,000	$29,108/$25,000
Public Officials Liability	$6,706/$25,000	$15,254/$25,000	$17,295/$25,000
Total	$54,152	$103,622	$101,662

Bryd said if the City was interested in catastrophic liability protection, he recommended the low bid presented by Willis-Corroon for the Georgia Interlocal Risk Management Agency (GIRMA). He explained that it was a self-insurance fund sponsored by the Georgia Municipal Association (GMA). McMenamin asked how the fund was sponsored by the GMA. He said the members of the fund were actually the owners of the fund and would be entitled to refunds. He explained the fund was operated as a nonprofit organization.

Webb asked if there would be coverage to cover legal fees to defend lawsuits regarding zoning matters. Byrd said there would be some coverage available. He said it would a deductible policy and GIRMA would handle all of the claims and then bill the City for any settlements made. Webb asked if the City would retain the right to determine which cases were settled. Byrd said the insurance company would have the right to settle claims, but he felt certain the insurance company would listen to the City if there were a case the City wanted to fight in court.

Lenox wanted to compare the current insurance coverage and costs with the proposed coverage and costs to determine the actual increase in costs. Lenox made a motion to table the issue for two weeks. Brooks seconded the motion. Motion carried unanimously.

09-99-03 Consider Alcohol License – On the Border Mexican Café

Mayor Lenox said that Brinker International had submitted an application for an alcoholic beverage license for On the Border Mexican Café. Ms. Barbara Mahoney requested to be appointed as the Licensee and Mr. Patrick Garza requested to be appointed as the License Representative. He explained that Ms. Mahoney lived in Texas and did not attend the meeting; however, Mr. Garza was in attendance. McMenamin made a motion to grant the license as requested. Fritz seconded the motion. Motion carried unanimously.

09-99-04 Consider Alcohol License – Chili's Grill & Bar

Mayor Lenox said Brinker International had submitted an application for an alcoholic beverage license for Chili's Grill and Bar. Ms. Barbara Mahoney requested to be appointed as the Licensee and Mr. Wayne Oliner requested to be appointed as the License Representative. McMenamin made a motion to grant the license as requested. Pace seconded the motion. Motion carried unanimously.

09-99-05 Consider Alcohol License – Johnny's Pizza and Subs

Mayor Lenox said Bruce Kelly, of Sagamore Enterprises, was selling his restaurant, Johnny's New York

Style Pizza and Subs, to Elise Enterprises. Ms. Karen Niederhausen, an officer of Elise Enterprises, requested to be appointed as the new Licensee and License Representative. McMenamin made a motion to grant the license as requested. Fritz seconded the motion. Motion carried unanimously.

09-99-06 Consider Transfer of Cable Franchise Agreement

Jim Basinger, City Manager, explained that the City Attorney, Director of Administrative Services and he had met with Mr. Dick Kirby, the Executive Director of Franchising for AT&T, to discuss the franchise transfer from Intermedia. Basinger said staff felt transferring the agreement to AT&T was in the long-term best interest of having quality cable television and related communication services for the citizens. He said staff attempted to obtain a commitment from Mr. Kirby on a firm date that AT&T would provide high speed Internet access availability to the City's residents. Kirby said AT&T hoped to be able to provide this service by the end of the year 2000; however, he could not provide a firm date. Pace made a motion to approve the transfer of Intermedia's cable franchise agreement to AT&T as requested. Brooks seconded the motion. Motion carried unanimously.

09-99-07 Consider Appointments to the Planning Commission

Jim Basinger, City Manager, said a selection committee comprised of Mayor Lenox, Councilman Brooks and himself interviewed twelve applicants for two vacancies on the Planning Commission. It was the recommendation of the committee that Mr. Robert W. Ames and Dr. Richard L. Schumacher each be appointed to serve a three-year term from October 1999, until September 30, 2002. They also recommended that Mr. Robert W. Brown be appointed to serve as an alternate to fill any vacancy that might occur.

Brooks said there were many qualified applicants and explained the committee's rational for their recommendations. McMenamin said she had reviewed all of the applications and felt that the selection committee had made wise recommendations. McMenamin made a motion to accept the recommendations of the committee and appoint Mr. Robert W. Ames and Dr. Richard L. Schumacher to serve three-year terms on the Planning Commission from October 1999, until September 30, 2002, and to appoint Mr. Robert W. Brown as an alternate to fill any vacancy that might occur. Fritz seconded the motion. Motion carried unanimously.

09-99-02 Public Hearing, Fiscal Year 2000 Budget

Jim Basinger, City Manager, explained that the proposed Fiscal Year (FY) 2000 Budget and Public Improvement Program was discussed in detail at a Budget Workshop held on July 22. Since the Workshop, Council approved the Facilities Plan and those projects had been added to the budget. He pointed out several key aspects of the proposed FY 2000 budget, which totaled $24,832,604, compared to the FY 1999 budget of $19,532,847. He said the FY 2000 budget included over $2.1 million dollars for the new Police Station and over $2.5 million dollars in 1999 carryover funds from the Public Improvement Program and the Self-Insurance Fund. He said the City continued to meet its goal of maintaining at least one million dollars in Self-Insurance Fund with a projected reserve fund of $1,200,000. He said the City had over $1,116,000 cash on hand to meet its cash flow requirements throughout the year, and $850,000 budgeted for the Council Contingency Fund. He explained that the carryover funds inflated the budget each year and distorted the actual increase.

Basinger projected $15,645,231 for General Funds Revenues (an increase of 4.14 percent over 1999 revenues). He said the City's major sources of revenue continued to be Local Option Sales Taxes (LOST) and Ad Valorem Property Taxes. He said staff projected a conservative three percent increase in the LOST and a seven percent increase in Ad Valorem Taxes. He explained that Building Permits and related License Fees were projected to remain flat due to build-out and the resulting decrease in new home construction.

He compared the percentage of revenue by source, confirming that LOST was the largest source of revenue accounting for 33 percent of revenues, with Ad Valorem Taxes accounting for 27 percent of revenues. He said the next largest source of revenues were Utility Franchise Taxes, Court Fines and Insurance Premium Taxes. He explained the budget was based on the existing millage rate of 4.06 mills, as had been the case for a number of years.

Basinger explained that staff had presented a proposal that would cap and begin reducing the amount of the Hotel/Motel Tax being allocated to the Development Authority and the Airport Authority. The proposal envisioned the two Authorities becoming self-sustaining by the year 2006. He said the new budget would begin implementing that proposal with some of the Hotel/Motel taxes being retained in the General Fund.

Basinger said the budget also included several changes to the Employee Retirement Program. He recommended Council's approval of the budget should constitute authorization for Mayor Lenox to execute the necessary documents to establish the changes to the retirement program, as discussed in detail at the Budget Workshop.

He said the budget also included an additional seven full-time and three part-time personnel, which was discussed in detail at the Retreat and Budget Workshop. Basinger said the proposed Operating Budget totaled $11,282,354, which was an increase of 6.86% over the FY 1999 Operating Budget. Increases to the Operating Budget included funds for the Retirement Plan enhancements, as well as for the National Accreditation process being pursued by the Fire Department and for Re-accreditation by the Police Department. He said that by comparing the Division Operating Budgets by dollar amount, one could readily see the importance that the Council placed on Public Safety, Leisure Services and Public Services. He said over $.84 cents of each dollar would be spent on Public Safety, Leisure Services, Public Services and Developmental Services compared to $.16 of each dollar being spent on the Administrative and Financial operations.

Basinger reviewed the FY 2000 Public Improvement Program (PIP), which was also discussed in more detail at the Retreat and Budget Workshop. He said a major addition to the PIP since Retreat was the inclusion of the Master Recreation Plan projects. He explained that the PIP had been expanded from five years to seven years to accommodate all the projects, and that even with the expansion to seven years, some Master Recreation Projects had to be included on the "Future List." He said one new recreation project included in the year 2000 PIP was a Multi-Purpose Roller Hockey Rink at a cost of $275,000 for Phase I. He said Phase II was planned in the year 2001 at a cost of $225,000.

He also said since the Budget Workshop, Council had approved the Facilities Plan with funding through the GMA Bricks and Mortar Program in the amount of $2,144,415. He said while the funds would be available to the City in Fiscal Year 2000, the first debt service payment would not be due until 2001. Additionally, he said funding was included in the 2001 and 2002 PIP for facility renovations for the

Public Works Building and City Hall as part of the Facilities Plan.

Basinger reviewed other key increases in the 2000 PIP, which included: the reconstruction of Sumner Road and Holly Grove Church Road, a Smoke/Burn building for the new Fire Training Facility at the new Leach Fire Station, funds for equipment and landscaping at the New Leach Fire Station, and funding for the design of a round-about for the Peachtree Parkway-Crosstown Intersection. He said the 2000 PIP totaled $5,238,611, which included funding for the Police Station Facility and the purchase the remaining 22 acres at the 74 South Baseball/Soccer Complex.

Lenox commented that the City would be constructing facilities and infrastructure at a cost of over $8.5 million dollars in the next few years without any tax increase.

Steve Brown questioned the City's plans to have the Airport and Development Authorities become self-sustaining. He asked what the City would do with the Hotel/Motel taxes if it were not given to the Authorities. Lenox said the taxes would go into the General Fund, and that he ultimately expected the taxes to result in a lower millage rate.

Brooks made a motion to approve the FY 2000 Budget as presented and to approve the recommendations for the PIP. McMenamin seconded the motion. Motion carried unanimously.

COUNCIL/STAFF TOPICS

Mayor Lenox recognized and commended Council member Fritz who had earned a Certificate of Recognition from the Georgia Municipal Association Training Institute for Elected Officials. Lenox said all elected officials were required to take one course, but Fritz had made the effort to take six additional courses.

Lenox made a motion to adjourn the meeting. Brooks seconded the motion. The motion carried unanimously and the meeting adjourned at 8:00 p.m.

N Faulk
Nancy Faulkner, City Clerk

Attest: Robert L Lenox
Mayor