City Council of Peachtree City
Minutes of Meeting
August 16, 2001
7:00 p.m.

The City Council of Peachtree City met in regular session on Thursday, August 16, 2001, 7:00 p.m., in the City Hall Council Chambers. Mayor Robert L. Lenox led those attending in the Pledge of Allegiance. Other Councilmembers present were: Carol Fritz, Annie McMenamin and Steve Rapson. Dan Tennant was unable to attend.

Announcements, Awards, Special Recognition

Mayor Lenox read and presented proclamations of congratulations to the Peachtree City U-19 Arsenal who were named Boys State Champions in the Gatorade soccer tournament and to the 87 Lazers White girls soccer team who were the 2000-2001 Georgia State Cup Champions and the 2000-2001 United States Region III U-14 girls champions.

Lenox presented Al Hardy of Coweta-Fayette EMC with a plaque in recognizing the EMC as the first platinum sponsor (donations of $10,000 or more) for the Luther Holt Memorial All Children's Playground. McMenamin also presented Gerri Holt of the All Children's Playground with a $2,620 check from the parents of the children she babysat this summer.

Lenox recognized Nancy Jurchenko of the Peachtree City Library as the July Employee of the Month.

Approval of Minutes

McMenamin moved to approve the minutes of the July 19 budget workshop. Fritz seconded. The motion carried unanimously. McMenamin moved to approve the minutes of the August 2 Workshop with the Wynnmeade Homeowners Association. Fritz seconded. The motion carried unanimously. McMenamin moved to approve the minutes of the August 2 Council meeting. Fritz seconded. The motion carried unanimously.

Consent Agenda

Holly Grove Cart Path Tunnel
Consider Alcohol License Representative Change – Don Pablo's
Consider Ordinance Amendment – Occupational Tax Rate

Lenox said the Holly Grove Cart Path Tunnel had been removed from the PIP because it was too expensive and had engineering problems. It would have to be an at-grade crossing. McMenamin asked him to point out the problems for the benefit of the public. Lenox explained that Council had wanted to put a cart path tunnel under the Holly Grove Road extension and had earmarked $60,000 in the budget for the project. At that time, there had been no engineering studies and Council thought the tunnel was feasible, he said. Since then, a sewer line would have to be placed below the tunnel in addition to a high water table and poor soils, Lenox said. To try to build a tunnel would be asking for an enormous amount of trouble in the future after spending an enormous amount of money, Lenox stated. The City was left with little choice but to put in an at-grade crossing with the appropriate marking and signage, he continued. McMenamin moved to approve the consent agenda. Fritz seconded. The motion carried unanimously.

<u>**Old Agenda Items**</u>

01-01-10 Adoption of Charter Revisions and Administrative Ordinances
City Attorney Rick Lindsey told Council he had revised three ordinances since the August 4 meeting. Two new ordinances and a minor clarification were also to be considered.

Ordinance No. 763 Organizational Structure of the Government – Lindsey reminded Council that they wanted the ordinance to clearly state that all six divisions of the city government report to the City Manager. Clarifications were made in the City Clerk responsibilities (Sec. 2-126(a)(1)) and in the Public Safety Division (Sec. 2-126(a)(5)). He pointed out that now Jane Miller served as Administrative Services Director and as City Clerk and that was reflected in the clarification. The Council could easily amend any changes in the City Clerk position in the future, Lindsey said. The Public Safety Division clarification specified that the Police Department and Fire Departments were to be regarded as separate divisions.

Fritz asked Lindsey whether Sec. 2.19 of the charter should read "Officers elected by Council to perform described duties and give bonds" or "Officers appointed by Council to perform described duties and give bonds." Lindsey said it should read "appointed."

Ordinance No. 764 Procedure for Appointing Councilmembers or Mayor, and for Other Purposes – Lindsey said he changed #6 and who ever received the lowest score would get the Council seat. Rapson commented that if someone was asked to rank a person they typically gave 4 as the best and 1 as the worst. He added as long as it was clear, it was fine.

Ordinance No. 769 Punishment of Individuals Found to be in Contempt of Council by the Mayor – Lindsey said he had better defined the term "contempt" and explained to the public that contempt meant someone who was so disruptive that Council could not conduct business, not just someone who was unhappy with what was going on. Lindsey reviewed the contempt definition

Fritz asked if there was anything in other ordinances that would cover this issue. Lindsey said no and explained that the problem was balancing personal rights with government getting business done. The person might not be in violation of the law as a disorderly person, but need to be out of the meeting so the meeting could go on, while allowing them to come back to the next meeting.

McMenamin commented that what was violent behavior to her might not be violent behavior to someone else. She said if someone was that out of control, the mayor should not have to look it up to see if they were complying with the law or not. She said she wasn't in favor of this type of ordinance.

Lenox said he had always felt he had the right to ask anyone to leave the meeting if he thought they were disruptive. If that happened, Lenox said he would first ask them to leave politely, once, and then he would call the police if the person continued.

Rapson said one of the things that made Peachtree City great was that everyone got their five or 10 minutes at the podium. Any citizen could voice their concerns to Council. He didn't feel Council needed an ordinance to define when things got out of control and that common sense played into it.

Lindsey explained that the charter referred to an ordinance regarding contempt at meetings and added that whenever the charter referred to an ordinance, he included an ordinance for Council to consider. He said he was just addressing the places in the charter that said the City had an ordinance or might have an ordinance.

He asked Council if they wanted to drop the ordinance at this time. He added that, if Council felt the ordinance was needed later, it could be considered then. Council agreed to drop the ordinance.

Ordinance 771 Provide for the Procedure for Appointing Chief of the Police Department, Accountability of Police Department Personnel and for Other Purposes and Ordinance 772 Provide for the Procedure for Appointing Chief of the Fire Department, Accountability of Fire Department Personnel and for Other Purposes – Lindsey said that Council wanted the authority to appoint the Chief of Police and the Fire Chief upon recommendation of the City Manager. He said the new ordinances almost paralleled each other.

Ordinance 774 Provide for the Definition of Chief Administrative Officer – Lindsey stated throughout the ordinances the term "chief administrative officer" was used. He pointed out that the "chief administrative officer" was now called the "city manager." The charter used the term "city manager," as did the new ordinances. Section 1-2, the definition section, would now say when you find the term "chief administrative officer" it also meant the "city manager." Lindsey said the ordinance just clarified the matter and cleaned house.

Lindsey commented that he went through the entire ordinance book and looked for other problems and conflicts and that none jumped out at him. He said he didn't read each one in detail, and then think about them for 15 or 20 minutes, but nothing had jumped out. There could be problems down the road and Council would have to address them if they arose. He said the ordinances, with the exception of No. 769, and the charter were ready for adoption. After adoption by Council, Lindsey said he would give the charter to the city's elected representatives and have the General Assembly adopt it when it came back into session.

Fritz said she would like more time to look the ordinances and charter to ensure she didn't have a problem with anything else. Lenox asked Lindsey where the charter and ordinances stood as far as public hearings were concerned. The last public hearing was held in June and Council was now legally able to adopt the charter. Lenox said it would be on the agenda for the next meeting, Sept. 6, and that would give everyone one last opportunity to look everything over.

Lindsey said there was no problem meeting the deadlines for submitting the charter to the General Assembly and that he would talk to Rep. Kathy Cox and State Senator Mitch Seabaugh well in advance of the deadline so it might get taken care of within the first few days of the start of the General Assembly.

06-01-02 Discussion of City Attorney Costs

Lenox introduced Murray Weed who completed a report on City Attorney costs for Council (a copy of the report is included in the official meeting file). Weed worked on the report with Rapson and Paul Salvatore, the City's Financial Services Director. Weed stated he had been a County Attorney and was currently working as a City Attorney. He told Council they tried to give the broadest possible picture in the report. GMA was contacted and he dealt with Susan Pruitt and Ted Baggett, GMA's counsel who had collected information from across the United States and included it in the report. Rapson and Salvatore provided a spreadsheet with estimated costs of what they thought it would take to provide in-house counsel. Weed said they also asked the City's current counsel to provide their estimated costs for 2002. He added that he contacted the mayor and in-house counsel for Warner Robins, the only similar city in Georgia with in-house counsel, and interviewed them. The accounting firm of Tomassello, Plageman, and Miller also performed a cost analysis with the information provided.

Based on the information provided to the Department of Community Affairs, the only like city near Peachtree City in size (33,000) was Warner Robins with a population of just over 49,000. Murray asked the City's current counsel to provide their estimated costs in 2002. Salvatore and Rapson had estimated the first-year cost of in-house counsel at $380,000. The total figure given by current counsel was $189,000. Weed said it was true costs would decrease in the second year, but their estimates for second-year costs would be around $340,000. Weed said he asked current counsel to break the figures into overall expenditures and what was being done just for the solicitor's position. He noted that the current counsel was performing two functions for the City by acting as general counsel and as solicitor, while Warner Robins' in-house counsel did not provide prosecutor services.

Weed had a private accounting firm look at Rapson's and Salvatore's figures and he said they generally agreed with them. The firm felt the computer costs should be higher than estimated. Warner Robins' attorney was paid $86,000. Weed said he collated all the GMA information and pointed out that an in-house attorney could also be hired for less than $125,000. The City's quality of life was so good, that he said the City could bargain and get someone for less money since it was such a good place to live.

Weed continued that current counsel had access to 10 legal minds. If Council decided to go with in-house counsel, he said the numbers would never equate. It said it would never be a bargain to go with in-house counsel. In-house counsel was a de facto department head, a de facto assistant city manager, and an ambassador to the public. Weed pointed out that 10 minds were better than one, but that it was highly unlikely all 10 minds would be engaged in City business; however, it was likely that three or four minds would be engaged in City business.

Weed presented one other option. He suggested that Council consider hiring a staff attorney, which he said would be economically feasible. He said he didn't think the City was ready to abandon outside private counsel, but should reconsider it when the population reached 55,000. An in-house staff member who would not be a department head, who would not need a secretary, who generated their own documents, who did their own research, and who had about five years experience could be hired for about $55,000 and could do many of the things outside counsel could do. A staff attorney would write ordinary ordinances, review contracts, perform charter reviews, and serve as prosecutor in municipal court; however, they would still have access to outside counsel if something complicated came up.

McMenamin commented on the staff attorney option. She felt the City Attorney would be using entry-level attorneys and paralegals to do research and she felt there would be hidden costs such as law books, and computer needs. Weed agreed and said that cost-wise the City would always have a savings with outside counsel. McMenamin said accessibility was also important and felt a local attorney was always important. The City Attorney was very accessible, she added.

Rapson said the report was very thorough and suggested looking at the costs every two to three years, just as the City looked at privatization in other areas every few years. He said that, when they started looking at people with four or five years of experience with municipalities for a staff attorney, the cost would be $75,000 to $80,000. He said the numbers were all within $20,000 to $30,000, but said Council should look at it every two or three years just like everything else. He thanked Weed for his objectivity in preparing the report.

New Agenda Items

08-01-03 Public Hearing - Variance – 647 North Fairfield

Lenox read the rules for public hearings and set the time limit at 20 minutes per side.

Property owner Michelle Dean addressed Council regarding her request for a variance to build a 16-foot wide, 12-foot deep deck that would encroach 11.1 feet into the rear setback area at 647 North Fairfield. Dean told Council the only usable space in her backyard was at the basement level. She wanted to build the deck to allow her mother access to the outdoors from the living level of the home. She said the deck would not have stairs, which would possibly be a danger. She added the deck would improve the quality of her mother's senior years and add value to her home.

City Planner David Rast stated that all of the homes in the Fairfield subdivision were close, if not on, the setback lines. He said the first level of the home was the main living level and nothing would be done below the deck. The backyard backed up to a city-owned greenbelt, he added. Staff had recommended approval of the variance.

Phyllis Aquayo commented that staff and Council might want to keep the variance in mind in regards to cluster homes since Council had to grant the homeowner a variance for a deck. She said Council might want to revisit the ordinances concerning cluster homes to keep this from happening in the future.

Rapson said he had talked to Dean's neighbors and looked at the site. The deck would be very unobtrusive and backed up to nothing, he said.

Rapson moved to approve the variance request. McMenamin seconded. The motion carried unanimously.

08-01-04 Public Hearing - Annexation and Rezoning Request/Multi-Family Moratorium – Wieland property, MacDuff Parkway

Lenox told Council that staff had requested the public hearing be continued until the September 20 meeting because the County had not completed its review. Lenox said there was also a question about whether or not the Multi-Family Moratorium would need to be lifted since there was a small town home component planned for the project. He added that lifting the moratorium was a technicality so the plan could be discussed with staff. Under the city ordinance, town homes were defined as multi-family and lifting the moratorium was the correct way to do it. Lenox moved to lift the Multi-Family Moratorium on multi-family development relative to the Wieland property on MacDuff Parkway for the discussion of the town home element with staff. McMenamin seconded. The motion carried unanimously. Lenox moved to continue the public hearing until September 6. Fritz seconded. The motion carried unanimously.

Rapson pointed out there were representatives from the School Board present and asked if they had anything to say. Mike Satterfield, Facilities Manager for Fayette County Schools, said he appreciated the cooperation from the staff and from Dan Fields of Wieland Homes. The proposed school location was good, but he said there were some concerns. It was a 22-acre tract and the school system needed 17½ to 18 usable acres. The usable acres were reduced to 15½ after taking out the wetlands and the one-acre site for a fire station, he explained. He said they had discussed moving a road that connected to MacDuff Parkway from the north side of the school location to the south side, as well as a different location for the fire station, which would provide more usable acres.

The elevation of MacDuff Parkway compared to that of the school site was another major issue, Satterfield continued. He said they needed to balance the elevation of the school site at 865 feet with the road elevation of 880 feet, which caused problems for the bus loop. They would need 100,000 cubic yards of dirt to bring the elevation up to about 870 feet and that wasn't feasible, Satterfield said. There were also a few more hurdles that needed to be worked out.

Lenox stated it was appropriate on many levels to have a few more weeks to work on the project. He said everyone had worked hard on it. Satterfield said the school system had not performed any geo-technical work on the property yet, but could potentially run into rock, which would be another sizable expense.

08-01-05 Bond Referendum Presentation/Consider Adoption of Bond Resolution

City Manager Jim Basinger introduced the bond referendum presentation (a copy of the bond referendum presentation is included in the official meeting file). He told Council that following the presentation and discussion, they would need to vote on whether to adopt the bond resolution.

BOND QUESTION #2 – City Planner David Rast presented the bond question on Drake Field, the 10.3-acre tract located between City Hall and Lake Peachtree. The City was purchasing the property from the Development Authority with funds provided from the Governor's Greenspace Program. Most of the property would have to be for passive recreation, and the bond improvements would include soft-surface trails, picnic areas, directional/interpretive signage, benches, bike racks, landscaping, and bike riding. An adjacent wetland area would be restored and a boardwalk would be built in the wetlands. He added that the shoreline would be restored and the existing driveway and parking lot would be removed from the property. A paved connection from the access road in front of City Hall to the access road behind City Hall would be built. A natural parking area would provide overflow parking for City Hall, the library, and court.

Rast said the Drake Field Bond Committee felt the park should be designated as a passive park and access should be limited to pedestrians only. Parking would be provided at the park entrance and all trails would be mulch or natural materials. Sports vehicles would not be permitted under the Greenspace Program guidelines. If approved, the bond funding would pay for everything suggested, Rast said. The committee also developed a Phase II master plan that would add other features, and that private, corporate, and public funds would be raised to pay for the additional amenities.

Rapson asked if golf carts could park in the main portion of the park. Rast replied the main portion of the park would be open to pedestrians only. The Greenspace Program had stringent guidelines about what kind of activities could take place on properties acquired using the funds. Rast said the committee felt that golf carts, roller blades, and active recreation wouldn't be in keeping with those guidelines.

Lenox said about 75% of the acquisition cost was paid by the Greenspace Program and 25% was funded by the city, and the bond issue would provide the improvement funding. Rast said the property would be purchased in three installments based on the amount of Greenspace funds allocated to the City each year. The Department of Natural Resources had designated Drake Field as the property to be purchased those first three years. After that, if the Greenspace program were still on track, the City would be able to look at other properties for purchase. Drake Field would provide a front lawn for the City, Rast said.

Lenox said he liked the concept, but was concerned about the amount of parking space. He pointed out it was a popular place now, especially on weekends. He added it would be great to have the parking lot gone and he liked the pervious parking. He said he wanted to be sure there was enough parking, especially with the planned library expansion and the plans for Drake Field. Rast said more parking should be available.

Rapson said the biggest bonus was it was not commercial, which was the current zoning of the property. Rast said staff had looked at plans for an intense mixed-use development for the parcel, which would have greatly changed the area. McMenamin commented that a lot of people had always believed the City owned the property. She added it was a great benefit for the City to acquire the property.

BOND QUESTION #3 – Leisure Services Director Randy Gaddo presented the information for this question that dealt with the construction of four new playgrounds and two new picnic shelters for $200,000. Two playgrounds would be located at the South 74 Baseball/Soccer Complex; one playground would be located at the Luther Glass Park (Three Ponds), and one at the new multi-purpose rink. All the playgrounds would be similar to the All Children's Playground, but would not be as fully accessible as the All Children's Playground. Gaddo said the playgrounds would meet ADA guidelines and would be designed for children ages two years and older. One of the picnic areas would be located near the Tennis Courts at the Glenloch Recreation Center and the other would be located the McIntosh Trail Complex adjacent to the BMX track.

BOND QUESTION #4 – Gaddo also presented the information for the expansion to the Kedron Fieldhouse facility. The cost in the bond resolution for the expansion was $1,735,000. The expansion included one full-size basketball gymnasium, a multi-purpose activity room, an office, storage for the multi-purpose room, restrooms, and storage to replace the present storage room (currently the basement of the Recreation Administration Building) with additional space to house the bubble for the pools.

Gaddo commented that once the expansion was completed, Glenloch Recreation Center would become the dance recreation area. The bubble for the Kedron pools currently was loaded on a semi then taken to the Recreation Administration Building for storage. Gaddo added this would save money and manpower in that respect.

QUESTION #5 – Gaddo said this question involved the purchase of Braelinn Baptist Church at the intersection of Crosstown and Robinson Roads for use as a community center. The church was built in 1994 and included 18 classrooms as well as office space, a 600-seat auditorium, stage, a good quality sound and light system, full-service kitchen, restrooms, stairways, and an elevator. He pointed out the City currently only had five rooms, three at Kedron and two at Glenloch, and more than 200 activities scheduled for the rooms. Gaddo briefly went over the agreement between the City and the church to share the facility for 18 months, until a new church was built. Gaddo said the facility would need to be a revenue-producing facility from the start to help offset the costs it would incur. He explained that revenue did not mean profit. He said the staff did not ever envision the revenues exceeding the costs of operating the facility. A public recreation facility normally wasn't built to be a commercial enterprise, Gaddo continued. While the building wouldn't make a profit, it would generate significant revenue. Staff recognized their operational plan must focus on revenue-producing activities. He said the "pay to play" approach would be used to ensure the people and groups who use the facility would pay their fair share for the service they would get.

McMenamin asked if the church was purchased, if the rooms that were part of the Kedron expansion would be justified. Gaddo replied yes because those rooms were designed for advanced levels while the rooms at the community center were not designed for much more than beginning levels.

Lenox commented that the church purchase was truly a bargain and that the building couldn't be replicated for an additional $1 million. It also spread major recreation facilities throughout the city. Gaddo said that the time the church and City shared the building would be used to develop programs. Lenox added that if a community center were built, it would cost $4 million and the City would have wait 18 months while it was built.

Rapson said that it was good to get such an amenity to another part of town. He added that people thought of Kedron Fieldhouse as a north facility. He commended Gaddo and said he felt the numbers in the bond were justified.

Lenox said the City learned a lot from the bond referendum in the early 1990s, which built the original Kedron Fieldhouse and the Baseball/Soccer Complex. Peachtree City was a community where people felt they were part of the place and Lenox credited the Recreation Department with an enormous part of that feeling.

QUESTION #1 – Financial Services Director Paul Salvatore explained the City could save approximately $120,000 in interest by refinancing $1,620,000 of Airport Authority debt. Salvatore said the Airport Authority debt was paid by the Hotel/Motel tax and those receipts would continue to pay the debt. Because of that, there would be no associated millage rate increase with the debt refinancing.

Salvatore then gave an overview of the bond issue. The total cost for the bond issue was $6,920,112, plus estimated bond-closing costs of approximately $176,000. Salvatore added that when it was time for the bond closing, staff would look at the 1993 bonds and would refinance them also if there would be a savings. He said there was about $3.5 million left outstanding on those bonds. He said it was a 25-year bond.

Lenox asked that if the voters approved all of the bond questions and if the existing bonds were refinanced that the total debt would be $10.7 million. Salvatore replied yes. The City's borrowing capacity was $100 million.

Rapson pointed out that the reason the existing bond hadn't been refinanced was because the City had a good rate. If the bond referendum was approved and the City could piggyback the existing bond and reduce interest, then it would make sense to refinance those as well.

Phyllis Aquayo asked if the Drake Field project could go ahead its own merit if the bond were not approved. Lenox said the City would acquire the land no matter what, but the improvements would be more gradual. Lenox added that paying cash for everything in the City really wasn't fair. There was a place in the City for a certain amount of bond indebtedness and $15 to $20 million was reasonable. Aquayo commented that she was glad Drake Field would be in the City's possession.

Another citizen asked if a non-profit organization wanted to use the community center, would it have to pay a fee. Gaddo said a fee schedule would be built with non-profit groups on the low end. The citizen asked why and if sports organizations had to pay also. Gaddo said the sports organizations put thousands of dollars back into the fields. The Pacers swim team paid a fee. He added the organizations also provided a service by providing hundreds of volunteers to run the programs. He said if the City had to put on the programs, the millage rate would have to go up. The citizen commented that the arts organizations got zip, while the sports organizations got everything. He wanted to see some parity. Lenox agreed. He said the City wasn't investing all the money so it would be cost prohibitive to anyone who wanted to use it. If a small group could only afford $10, then it would be $10, he said. Big groups that could provide volunteer hours would also be considered. Lenox added that to him there was a tremendous need in the community for exactly this kind of thing. The citizen said it was not going to cost arts groups a fortune to use the facility and he told Lenox he took that as a commitment.

Salvatore went over the financial details of the bond issue, which included debt service and annual O&M costs (These were included in the bond presentation packet filed in the official meeting file). He pointed out that as the City's tax digest grew, the associated millage rate for each project decreased. As examples, Salvatore said a resident that owned a $200,000 home would pay $3.92 per year for the Drake Field improvements and $1.44 per year for the playgrounds and picnic areas. The cost per year for the Kedron Fieldhouse expansion was about $12.00 ($11.92). The cost per year per $200,000 homeowner for the community center would take a significant jump when the City and Braelinn Baptist Church no longer shared the facility after 18 months. Salvatore said the homeowner would pay $20.24 until the facility was no longer shared, then the cost would be $31.20 per year. The total debt service for all the questions, if they all passed, would be around $384,940 a year. The total with debt service and O&M costs for 2003 would be $631,491, or 0.467 mills. If all the bond questions passed, the $200,000 homeowner would pay $37.36 for the new projects in 2003 and $47.39 for the new projects per year in 2004 and beyond. Lenox stated that was basically $4 per month for the taxpayers.

Rapson stated the projections looked realistic and gave the big picture, especially after the 18-month period when the City had to fully staff the community center. Lenox recalled that the O&M costs for the last bond issue weren't estimated correctly and that staff had put a lot of time in trying to make sure they captured the operating costs for these projects. Salvatore said they looked at the costs of building a similar facility and that the costs would be significantly more.

McMenamin said the most important thing for her was that the bond issue came from the citizens' needs and requests. The bond issue put it in one package. Fritz agreed and commended staff for the work they did putting everything together. Rapson said it was like refinancing your house and that residents could walk through and "touch" the projects.

Rapson moved to approve the referendum resolution to regulate and provide for the calling of the election and to call for an election to determine the issuance or non-issuance by Peachtree City of General Obligation Bonds in an aggregate principal amount not to exceed $7,140,000 consisting of airport refinancing bonds, Drake Field improvements bonds, playgrounds and picnic shelters bonds, Kedron Fieldhouse expansion bonds, and community center bonds. McMenamin seconded. The motion carried unanimously.

Basinger said to make sure the public understood that the referendum would be on the ballot during the November election. Lenox explained that by the law the City could no longer advocate for, or against, the passage of the bond issue with its funds or personnel. The Council, as the leadership of the community, had to take on that job and an organizational meeting was scheduled next week for those interested in helping to get the information out to the community.

Lenox said anyone at the meeting who wanted to serve on the committee should contact Betsy Tyler or Gloria Reid. The meeting was scheduled Monday, August 27, 5 p.m., at The Gathering Place.

08-01-06 Public Hearing – FY 2002 Budget

Lenox opened the public hearing. Basinger reminded Council there had been two workshops on the budget. The extended process was necessary since the City was nearing build out, which had resulted in a significant reduction in the rate of increase in revenues. Basinger added that a reduction in the millage rate in 2001, coupled with significant increases in operating costs, required almost $1.5 million from the cash reserves to balance the 2001 budget. At the first workshop, Council asked staff to review and identify possible reductions in the proposed operating budget and Public Improvement Program (PIP), and to further review staff's revenue projections. Staff presented the results at the August 4 workshop. Basinger then went over the changes to the operating budget and PIP (a copy of the presentation is included in the official meeting file). Basinger and Salvatore presented the proposed FY2002 Budget that totaled $29,424,118. The revisions in the PIP included delaying the Satellite Auto Shop and Facility Build-out Plan (Phase II) to FY 2004 for a $362,750 reduction; delaying the library expansion from FY 2002 to FY 2003 for a $137,063 reduction; cutting playground costs in half for a $40,000 reduction; and delaying the Satellite Auto Shop (Phase II) to FY 2004 to reduce the FY 2002 debt service by $10,920. Increases in the FY 2002 PIP included reinstatement of the funds for the Huddleston/Dividend intersection improvements at a $40,000 net increase; increasing the CSX Railroad cart path bridge by $46,000; and increasing the funding for the start-up of the Storm Water Management Program by $25,000. Operating Budget changes for FY 2002 include reducing Division operating expenses by $75,124 and reducing costs for new positions by $58,257. The Council Contingency Fund was reduced by $150,000 and revenue projections were increased $146,500. The budget was reduced by $869,619. Staff proposed the millage rate be increased from 3.84 to 4.35. The only item not mentioned from the workshops was the proposal to increase recreation program revenues by $50,000. Basinger said Council did not take a firm stand on that at the workshop. The revenues were projected at $454,193 and staff would feel comfortable increasing the revenues to $500,000. Basinger said that would be reflected on the expense side of the ledger and would essentially be a wash. Staff recommended the Council approve the budget and take action to replenish Cash Reserves. Basinger said to do that the millage rate must be increased from 3.84 go 4.35.

Salvatore reviewed the projects in the FY 2002 PIP and the five-year PIP. He said street resurfacing and cart path resurfacing were included each year. The total for the FY 2002 PIP was $3.7 million, which included $185,459 for contingency. In FY 2003, the projects totaled $3.8 million. The total for PIP projects in 2004 was $3 million. The PIP for 2005 totaled $2.5 million. In 2006, the PIP totaled $1.39 million. Salvatore said as the City approached build-out the PIP was expected to shrink in the out years.

Basinger said no action was required on the budget at this meeting. Lenox asked if it was the first of three public hearings. Salvatore replied that only one public hearing was required on the budget itself, but that three were required for the millage increase prior to setting the millage rate.

Aquayo asked if the Tree City USA program was cut just to save money. Lenox replied that it wasn't a significant amount of money and Council wasn't sure exactly what the City was getting for the money. He added staff would be looking at it. Salvatore said ample money was left in the PIP Contingency for it.

Fred Wellman asked if the playgrounds were in the PIP as a way to have them if the bond issue didn't pass. Lenox said that was one of the items highly ranked by citizens in a recreation survey and recreation plan update. He pointed out when one looked at the totals the playground dollars weren't a lot. Rapson added the playgrounds had been a bond referendum question since day one. Rapson asked staff if one of the playgrounds included in the FY 2002 PIP could be flagged as the Wynnmeade playground. Wellman said that was also what he was thinking about.

Rapson said he was pleased staff reduced the original 23.7% tax increase to 13.3%. He said the majority of Council still believed a millage increase was needed this year, but he proposed leaving it at 3.84 mills. He added that this was his area of expertise and in his professional opinion a millage rate increase was not needed. Every budget should be reviewed with the tenacity of this review. He said he could not support the increase and felt it was not warranted. He said it was a good budget document and moved closer to where he would like it to be.

Salvatore pointed out that the ending Cash Reserves were $800,000 less than at the beginning of the year.

Lenox said it was not a difference of opinion over a talent, but a difference opinion relative to a philosophy. He said Rapson's revisions had validity, but the staff had more of a concern over the state of the economy. Lenox commented that he had recently talked to the City's representative from Georgia Power. Every year the City received approximately $650,000 from Georgia Power based on power usage. This had been a mild summer in terms of heat and people hadn't been running their air conditioners, so this year it the Georgia Power franchise fee would be about $50,000 less. Council felt the need to increase reserve dollars and was way behind as many municipalities were. Council agreed, including Rapson, that the City was looking at a higher millage rate in the future. The other members of Council felt it was better to move forward in steps rather to have a big increase next year. Rapson said he agreed and that the budget should be closely reviewed every year. He added that Council had been concerned about the economy for the last two or three years.

Basinger said the FY 2002 budget would be on the agenda for Council action on Sept. 6.

Council/Staff Topics

Basinger said he needed selection committee to recommend an appointment to the Development Authority. Lenox and McMenamin volunteered.

Murray Weed commented that the Rockspray Ridge subdivision street sign was missing. Fritz said there were several signs missing in the area. Public Works was looking into the matter.

Lenox moved to adjourn into Executive Session after a five-minute break to discuss a personnel matter. McMenamin seconded. The motion carried unanimously.

Executive Session
Council discussed a personnel matter. No action was taken.

McMenamin moved to adjourn the meeting. Fritz seconded. The motion carried unanimously.

There being no further business to discuss, the meeting adjourned at 10:15 p.m.

Robert L. Lenox

Attest: Robert L. Lenox, Mayor

Jane Miller

Jane Miller, City Clerk