MINUTES OF MEETING
CITY COUNCIL OF PEACHTREE CITY
August 1, 1991

The City Council of Peachtree City met in regular session on Thursday night August 1, 1991, at 7 PM in the City Hall Council Chambers. Mayor Brown called the meeting to order and led those in attendance in the pledge of allegiance.

Members present were: Mayor Frederick Brown, Jr. and Council members Edward Bradford, Annie McMenamin and Robert Brooks. Rich Parlontieri was on vacation.

Addition of Agenda Items

Mayor Brown made a motion that item be added to consider a request from the Commision on Children and Youth for the placing of a banner on the pedestrian bridge announcing the "Last Fling". Motion was seconded by Brooks. Motion carried unanimously. Item 8-91-3

Announcements, Awards. Special Recognition

Mayor Brown recognized members of the Peachtree City Pacers Swim Team and their coaches Barb Mason and Karen Betts. Coach Betts explained that the team had taken first place in the district competition and were District IV champions. The team also qualified 64 members to swim in the Georgia Parks and Recreation State competition. She congratulated the team for all their hard work and dedication and expressed appreciation for the city support of the team. Coach Barb Mason presented the District Swim Team Trophy to Mayor Brown for display at City Hall.

Mayor Brown congratulated the team members present and their coaches for their fine representation of Peachtree City and Fayette County and thanked them for coming and sharing their accomplishments with the City.

Minutes of Meetings

Motion was made by McMenamin that the minutes of meetings held July 15, 1991 and July 18, 1991 be approved as presented. Motion was seconded by Bradford. Motion carried unanimously.

Old Agenda Items

7-91-4 Short Term Disability/Section 125 Plan

City Manager Jim Basinger reported that this item was tabled at the last meeting to allow time to clarify the bids on the Short-Term Disability Plan for city employees and the Section 125 plan which would allow for pre-tax premium deductions.

Basinger explained that, while the city does have a good benefit package for employees, there is no long term or short disability offered and the employees have indicated an interest in such a plan with the employees paying the full cost for it. Because of that the City solicited proposals for long term disability but the bids on that were not feasible because of the high level of participation required. Bids for short term disability were then solicited and three proposals were received. Bids were received from:

Tri City Insurance representing Professional Insurance Corporation - $3.15 per $100 of Benefits

Teague & Associates representing American Fidelity Insurance Company - $3.53 per $100 of Benefits

J. Smith Lanier representing American Fidelity Insurance Company - $2.76 per $100 of Benefits

Basinger reported that the City's Insurance Consultant, Joe Byrd, recommended the plan submitted by J. Smith Lanier representing American Fidelity Insurance Company. Basinger explained also that implementation of the 125 Cafeteria Plan was also recommended which would allow the employees to pay benefit premiums with pre-tax dollars resulting in a savings to them and a small savings for the City by reducing the FICA obligation. Basinger called on the City Insurance Consultant, Joe Byrd, to make any comments he wished to make and answer questions Council might have regarding the recommendation.

Mayor Brown asked if there were any questions at this time and Mr. Teague of Teague and Associates questioned the bid submitted by J. Smith Lanier. He felt that they had changed their original bid regarding the required participation.

Mr. Byrd explained that although three bids were received two were from the same company, American Fidelity Insurance Company, with two different proposals. The J. Smith Lanier proposal required 75% participation in order to receive an $800 level of benefit per month. The Teague plan required only 10 employees to participate, roughly 10% of the work force, however the premiums were approximately 28% higher than that of J. Smith Lanier. Byrd stated that he analyzed the bids and, because of their differences, they could not compare them as "apples to apples" but he felt the overall plan submitted by J. Smith Lanier was best for the employees.

Mr. Byrd said that he was puzzled as to why the same company had submitted two proposals through different agents and, although he had talked to them about it, there did not seem to be a clear reason and he really felt it had been a mistake on the part of American Fidelity in doing so. However, during his discussion with a representative of American Fidelity, because of the mistake in submitting two proposals, they had changed the J. Smith Lanier proposal to allow 30% participation for $1000 in benefits which was a change to the plan originally submitted. Mr. Byrd pointed out, however, that his original recommendation had been to accept the J. Smith Lanier bid even with the 75% participation requirement because of the lower premium for the employees. He stood by that recommendation.

Mr. Byrd stated that J. Smith Lanier did not change their bid price but they did change their submittal regarding participation which he felt was really a clarification due to the confusion of the company sumitting two bids.

Mr. Teague explained that his company was not an agent of American Fidelity but were brokers and because of that had more flexibility in their proposal. He continued to object to what he considered a change in the bid submitted by J. Smith Lanier.

A lengthy discussion followed this presentation with representatives from American Fidelity Insurance Company and J. Smith Lanier speaking to the Council attempting to clear up the confusion over the two different bids. During the explanation clarification over the amended bid was made that the change only applied to the participation required before proof of insurability was required. The change had nothing to do with the cost of the insurance or the requirement for participation, only that if a certain number of the total employees agree to take the insurance proof of insurability would not be required. If that required number did not take the insurance a medical form would be required from all that did take it.

After the discussion period Brooks commented that it appeared there was a considerable difference in premium cost between the two American Fidelity Insurance Company plans and made a motion that the proposal of J. Smith Lanier be accepted. Motion was seconded by Bradford. McMenamin was concerned that Mr. Teague be treated fairly and would rather have the proposals resubmitted at a later date. She would not support the motion. Mayor Brown expressed concern about the fairness of the bid also. He felt however, that there were two items that stand out in his opinion. They were that the recommendation did not change and the premiums were significantly less in the J. Smith Lanier bid. Mayor Brown stated that he would prefer to see all bids thrown out and the insurance rebid and made that recommendation. McMenamin indicated that she would support that action. Insurance representatives felt that a rebidding would only serve to raise the premium cost. Mr. Teague asked that rather than rebid the insurance, the Council go back to the orginal proposals submitted. Mayor Brown pointed out that even if the original bids were considered the recommendation from the City consultant would be the same because of the premium.

Mayor Brown indicated that although his personal preference would be to rebid the item he would support the motion. The Mayor asked that the motion be amended to include authorization for the implemention of a 125 Plan to allow pre-tax premium payment of the short-term disability premium and pre-tax premium payment of existing employee paid benefits. The motion to amend the original motion was seconded by Brooks. The amended was approved unanimously. Mayor Brown called for action on the original motion to accept the recommendation of the City Insurance Consultant with the amendment and asked if there were questions or comments. Mr. Bob Lennox, resident, suggested the item be rebid with definite requests for different levels of participation. Mr. Byrd and the representative from American Fidelity did not think there would be a benefit to rebidding and could result in higher premium bids. Motion as amended was approved with McManamin voting nay.

New Agenda Items

8-91-1 Amendment to Alcoholic Beverage License for Highway 74 Kwickie Convenience Store

City Manager Basinger reported that an application had been submitted by Kwickie Food Stores, Inc. to change the license representative on the alcoholic beverage license at the Highway 74 location. The application requested that Ms. Barbara Jean Hildebrand be named license representative replacing Gene Maness who was no longer employed at the store. Basinger reported that the paperwork was in order and Ms. Hildebrand was present for any questions Council might have of her. Mayor Brown asked Ms. Hildebrand if she was familiar with the city alcoholic beverage ordinances and she answered that she was. There were no other questions.

Motion was made by McMenamin that the application be approved. Motion was seconded by Bradford. Motion carried unanimously.

8-91-2 Environmenal Concerns Organization Agreement

City Manager called attention to a proposed agreement between the City and the Environmental Concerns Organization (ECO) to share revenues generated at the recycling center. He reported that the agreement called for a minimum monthly sharing of revenues from the center of $150 until such time as the center generates enough income as the City's share to pay all operating costs. Thereafter the City would share 50% of the net profit with ECO. He reported that revenues for May and June were approximately $300 and based on that, should the agreement be approved, ECO would received $150 for each of those months. It was his understanding that the revenue received by ECO would be put back into the program for advertising and promotions to encourage recycling. He reported that the President of ECO, Phil Jones, was present and either Basinger or Mr. Jones would be happy to answer any questions regarding the agreement.

McMemamin asked that the agreement be amended to "require" that all volunteers wear work gloves and safety glasses to be furnished by the City.

Brooks asked for clarification regarding the payment to ECO and asked Mr. Jones if he was satisfied with the agreement. Mr. Jones indicated that he was and he hoped that in the near future the volunteers would eliminate the need for the City to spend money at the center at all.

Motion was made by Brooks that the agreement between the City and the ECO organization be approved as amended. Motion was seconded by Bradford. Mr. Jones expressed appreciation to the City for what had been done in this regard. He stated it was the intention of ECO to involve other groups in this recycling effort. Basinger recommended that the agreement be made effective retroactive to May 1st and Brooks amended the motion to so state. Motion to amend was seconded by Mayor Brown. Motion carried unanimously. Basinger announced that the recycling center on Highway 74 South was open on Wednesday afternoons from 1:30 PM to 4:30 PM and on Saturdays from 8:30 AM to 4:30 PM and encouraged the public to take advantage of this center.

8-91-3 Banner for Commission on Children and Youth

City Manager Basinger called attention to the written request from the Commission on Children and Youth for a thirty five square foot banner to be placed on the pedestrian bridge advertising the "Last Fling" to be held at the Braelinn Shopping Center on August 22nd. They asked that the banner be displayed from August 14th to August 23rd. Basinger stated that staff recommended approval of the banner.

Motion was made by McMenamin that the banner be approved as an indication of support for the Commission. Motion was seconded by Bradford. Motion carried unanimously.

There being no further business a motion was made by Mayor Brown that the meeting be recessed to be reconvened in executive session to discuss pending lawsuits from Center Space, Inc., Black and Justice/Simon. Motion was seconded by McMenamin. Motion carried unanimously.

Executive Session

Motion was made by Mayor Brown that the Council accept the recommendation of the City Attorney and employ the law firm of Freeman and Hawkins as associates with the City Attorney in the lawsuit of Center Space, Inc. Motion was seconded by McMenamin. Motion carried unanimously.

Motion was made by Mayor Brown that the meeting be adjourned. Motion was seconded by Brooks. Motion carried unanimously.

The meeting was adjourned at 8:40 PM.

Frances Meaders

Frances Meaders, City Clerk

Mayor Attest