City Council of Peachtree City
Meeting Minutes
Thursday, July 18, 2019
6:30 p.m.

The City Council of Peachtree City met in regular session on Thursday, July 18, 2019. Mayor Vanessa Fleisch called the meeting to order at 6:30 p.m. Others attending: Terry Ernst, Mike King, Kevin Madden, and Phil Prebor.

Announcements, Awards, Special Recognition
Fleisch recognized Josh Petty of the Public Works Department for 20 years of service.

The Mayor presented trophies to the winners of the July 4th parade, including 3rd Place Golf Cart – Keller Williams Realty; 2nd Place Golf Cart – LM2 Home Services; 1st Place Golf Cart – My Floral Bliss; Most Creative – Creative Learning Studios; Most Patriotic – The Joe Carbone Team; Mayor's Trophy – Piedmont Fayette Hospital; and Grand Marshal's Trophy – Peachtree City Dog Park.

Public Comment
Gary Chapman asked if any thought had been given to making golf cart drivers pass a test. He said he had lived in the City since 1987 and had seen an increase in the number of people driving dangerously on the cart paths. The regulations for golf cart operations were confusing, he remarked, and he asked if he could discuss them with someone. The Mayor told him someone would be in touch.

Minutes
King moved to approve the June 20, 2019, regular meeting minutes and the June 27, 2019, budget workshop minutes. Ernst seconded. Motion carried unanimously.

Quarterly Reports – 2nd Quarter 2019
There were no comments.

Consent Agenda
1. Consider Approval of Sale of Surplus Vehicle – Ambulance
2. Consider Intergovernmental Agreement with Fayette County for Construction & Maintenance of Multi-Use Path Projects
3. Consider Elimination of Administrative Assistant Position and Replacement with Planner 1 Position in Planning and Development Department
4. Consider Budget FY 2019 Budget Amendment
Ernst moved to approved Consent Agenda items 1,2, 3, and 4. King seconded. Motion carried unanimously.

New Agenda Items
07-19-01 Public Hearing – Consider Variance Request to Sec. 803(a)(4) Land Development Ordinance, 139 Senoia Road (Driveway Cut)
Fleisch opened the public hearing.

Planning and Development Director Robin Cailloux said Senoia Road was considered a collector road and served higher volumes of traffic in the City's transportation network. An ordinance prohibited direct driveway access onto these higher volume roads. She showed a map with the property in question outlined in yellow. This property was zoned Agricultural Reserve (AR), and the applicant wanted to build a home on it.

There were several criteria to be considered for approval of a variance. Cailloux explained that this property was subdivided in 1972 for four single-family residential lots. The others had been developed for homes or office, and all had direct driveway access to Senoia Road. Council had to consider whether the regulation created a hardship to this property, and Cailloux said it did. If the driveway was not allowed, the property owner would have no direct access to the road without an easement on adjoining property. That land owner submitted a letter saying they supported the request for a driveway, but would not grant an access easement.

In regard to another criterion, Cailloux stated that granting the variance would not be detrimental to public welfare, adding the distance between this and other driveways far exceeded the Land Use Ordinance standards. Another criterion looked at whether the ordinance deprived the landowner of rights that others in the same zone had. Cailloux again noted that all the other homes had been granted variances for driveways.

They also had to consider if these conditions were a result of the applicant's actions. She said the applicant had recently purchased this lot, so he did not create this situation. Granting this variance should not give the applicant special privileges, and Cailloux noted that it did not.

Cailloux said staff was of the opinion that the request met all criteria for the variance and recommended approval.

No one wished to speak either in favor or against the variance request. Fleisch closed the public hearing.

Prebor said it made sense, and King agreed.

King moved to approved New Agenda item 07-19-01, variance request to Sec. 803(a)(4) Land Development Ordinance, 139 Senoia Road. Prebor seconded. Motion carried unanimously.

07-19-02 Public Hearing – Consider Rezoning, ER to R-43, 263 Greenwood Lane
Fleisch opened the public hearing.

This property was along the City's northern boundary, adjacent to land in unincorporated Fayette County. It currently was zoned Estate Residential (ER), and the request was to rezone to Residential- 43 (R-43), which was one-acre single-family residential. Cailloux pointed out SR 74 and Peachtree Parkway on a zoning map, saying that this property must be accessed from Loring Lane. She showed the Kedron Hills development and similar zoned properties. It was not part of an existing subdivision. The City had an ordinance against subdividing lots to make them smaller than others in the subdivision of which they were a part. This property was not in Kedron Hills or the nearby Greenwood Oaks.

The applicant had provided a conceptual plan that showed how the lots would lay out. Cailloux noted that approval of this zoning district did not tie them to that particular layout, but the applicant had indicated this was the intended layout. It showed five lots. The existing home would remain for the time being. All of the side setbacks and size requirements for the R-43 district would be met for the lots.

Staff had looked to see if this proposal conformed with the six criteria proscribed by the Zoning Ordinance. The first was whether the proposal conformed with the policy and intent of the Comprehensive Plan. The Future Land Use Map for this property called for single-family low density, which allowed for lots of one acre or larger. The request for R-43 complied with that, Cailloux said.

Staff had identified two policies that were applicable. The first was called the "step-down" policy, which encouraged less dense development towards the borders of the City. This request did that. Directly to the south were half-acre lots in Kedron Hills and there were other one-acre lots in the area. The adjacent County land was zoned for three-acre lots.

Cailloux said another policy had been brought to their attention by the City Engineering Department as being applicable to this request. The property in this area was located in an area designated by the state as a regionally significant groundwater recharge area. This part of Peachtree City was in the most southern part of this area. It was identified by its ability to significantly clean water. Most of the City's water came from an underground aquifer, and this area helped to clean the water that eventually made it into that aquifer. The applicant was proposing to install sewer, which would be much better for the drinking water supply than septic systems, which percolated into the soil and eventually entered the water supply.

They typically combined criteria 2 and 3, which looked at the compatibility with surrounding uses and development. Cailloux said the applicant was requesting single-family, which was already in the area, so it was compatible. The fourth question asked if the property had reasonable economic use as currently zoned, and Cailloux said it did. Moving on through the list of criteria, Cailloux noted that the request would not cause a burden to existing services including utilities, transportation and the school system. The developers would be providing connections to utilities at their cost. The impact of four new homes would be negligible on the transportation network and, according to the school system's formula, add only about two students.

The sixth question asked if there were changing conditions that affected the use of this property, and Cailloux said they were unaware of any.

There was a good discussion when the Planning Commission considered this rezoning at its June 10 meeting, Cailloux noted, with several members of the surrounding area attending to make comments and ask questions. The Planning Commission unanimously recommended approval with the condition that the applicants meet with the surrounding neighborhoods. She said most of the questions concerned the quality of the planned homes, and the applicant had indicated that the quality would be substantially similar to those within Greenwood and Kedron Hills. Cailloux noted that the applicant was present to respond to questions.

Staff was of the opinion that this request met the majority of the criteria and recommended approval of the rezoning, Cailloux stated.

Attorney Rick Lindsey represented the applicant, Cavalier Manor, LLC, owned by Doug Feller, who was present. After the June 10 Planning Commission meeting, Lindsey said they met with the president of Kedron Hills Homeowners Association (HOA) and a board member. They also had discussed this with two of the adjoining neighbors who were not in the HOA, who were concerned with the minimum size of the homes because R-43 allowed for homes as small as 2,300 square feet or somewhere in that range. Lindsey said none of the new homes would be less than 3,000 square feet. At least 25% of the exterior materials would be brick, stone or other type of masonry work, with the remainder being Hardie Plank or another quality material. They would reflect the nearby homes, including the new homes to the west. Lindsey said the first homes in the area were built in the 1970s, long before Kedron Hills, which was zoned with the rest of the Kedron area in the mid-1990s. Lindsey said the applicant had considered updating the single home that was on this property, but that probably would not be practical, due to the cost. It looked like they would end up with five new homes.

Lindsey said his client would like these five lots to become part of the HOA if the HOA would allow it. The applicant had talked with the HOA about sharing the cost of traffic calming devices if the City would permit. There were issues with speeding cars on Loring Lane in the mornings and evenings. His client was willing to share the cost even if not allowed to join the HOA. He said his client wanted to be a good neighbor and intended to build his own house on the lot at the corner of Greenwood and Loring Lane and would sell the other four lots. Restrictive covenants would control the development.

Another question was whether there would be one builder or if the purchasers of the lots could pick their own builders. Lindsey said this had not been decided. Feller certainly wanted quality development around his house. The covenant would state that all construction must be finished within a year. The intent was not to "shoehorn" this into Kedron Hills, but make these homes a benefit to the area.

They were sensitive to the trees in the area, but the shared driveways that would be added meant a few would have to come down. They would install sewer in the area. There were some overhead power lines, and Coweta-Fayette EMC had committed to burying those.

For all that, Lindsey concluded, they felt this would be an asset to the area and an asset to the City, and they hoped Council would approve this rezoning.

City Attorney Ted Meeker noted the ordinance before Council did not mention that no home could be less than 3,000 square feet. Cailloux said she did not include any conditions in the draft ordinance, but it would be updated if Council added them. Lindsey said the covenant would put those in place, but it would be fine in the ordinance.

No one else wished to speak in favor of the rezoning. The Mayor asked who wished to speak against.

Stephanie Brcka said her home backed up to the planned driveway stated that she was not necessarily opposed, but had concerns. They had moved there less than a year ago. They relied on the trees for privacy, and she wondered if they would be maintained. She also asked if they would be paving the driveway and where the sewer line would be located.

Bobby Ostrander said he was the tenant at 321 Loring Lane and was there on behalf of the property owner whose biggest concern was drainage, adding those properties would increase the amount of stormwater draining onto 321 Loring Lane. Ostrander stated that he had spoken to the City's stormwater engineering department. A 10-inch drain pipe ran underneath his driveway. Any additional run-off would wash out his driveway.

Caren Russell wanted to know the difference between a flag lot and a shared driveway. She noted that this would be a gravel drive and wondered who would maintain it, asking if it be large enough to accommodate emergency vehicles. She asked if the drive would continue off the property to the north, into the County.

Gary Chapman asked if Council could require the applicant to draw up the restrictive covenants for review before Council voted on the rezoning.

No one else wished to speak. The Mayor closed the public hearing.

King asked if the driveway would be paved.

Lindsey said it would be paved and clarified that it was a driveway, not a road. It went into the last lot to the north, which he pointed out on the zoning map. He said he had spoken with that property owner, Nathan Saville. The applicant would pay for the paving the driveway since it would be shared with one of the new lots. The trees along the western boundary would stay, Lindsey stated. He said they would be back to discuss stormwater with Council and explain a plan that would confine the runoff to the individual lots.

Ernst asked Cailloux what was beyond the ER lots on the map. She said there were two more similar lots that she believed were in Tyrone. They were for sale last year, although she was unsure if they sold or what the plans were for those properties. Ernst clarified that the lot he meant was in Peachtree City and had one home on it.

Madden asked about an easement between Loring Lane and the property line. Cailloux said there was not easement, but the right-of-way was 50 feet. If 25 feet from the center of the road was measured, that would be the right-of-way. The setback line in R-43 was 40 or 50 feet; she believed it was 40 from the right-of-way. Madden asked if that would allow the preservation of the trees. She said the City did not require they keep the trees, but they could but a condition on it. Loring Lane was not a collector road, so there was not a required tree save buffer. However, trees could not be cleared for the right-of-way because it was owned by the City. Madden asked if it would be easy to tie into the Kedron Hills sewer system, and Cailloux said it should be.

Prebor wanted to know who owned the two lots to the north of the property and how they were accessed. Cailloux said the lot that had a home on it had a driveway. That driveway would also serve as the back lot's driveway. The driveway on the lot with the existing home also tied into it, but they would not be using that drive way anymore. That lot and another, which she called lots 2 and 3, would have a new driveway that connected to Loring Lane. The two front lots would have their own driveways directly onto Loring Lane.

Ernst said he was clear on that and asked Lindsey if he understood what he was asking. Lindsey pointed to the two ER lots at the northern part of this area, owned by the Savilles. He said they had no objection to the driveway, but would not be paying for paving it. Lindsey's client would.

Doug Feller introduced himself as the developer. He said the Savilles had a home on the northernmost lot on the zoning map and owned the adjacent lot. He and Lindsey had met with them, and they were happy that the driveway would be paved and that they would be getting sewer. There was a lot below them that was not zoned ER. It was zoned R-43. The property to the north was not in Peachtree City and had no access to the property they were discussing. The only lot that would be tying into the property he owned would be the top ER lot, which shared a driveway and an easement with one of his lots.

Prebor said that clarified it. Lindsey added that the lot Ernst meant was in Tyrone, and no one lived there.

City Manager Jon Rorie said he wanted to make a comment, which he tried not to do in zoning matters. Someone had a concern about traffic on Loring Lane and mentioned installing traffic calming devices. He asked City Engineer Dave Borkowski to step to the podium. Rorie went on to say that traffic calming initiatives were driven by policy, not zoning regulations or developer's or residents' desires. He asked Borkowski if he was correct in saying that the installation of traffic calming devices first had to meet certain warrants. Borkowski said he could not recall all of them, but they would have to do a traffic study, and more than 85% of the vehicles would have to be traveling over the designated speed limit. The HOA president would have to request the devices, and more than 66% of the homeowners would have to sign a petition in support and agree to pay

50% of the installation costs. Borkowski said he believed the 50% was correct, and the City would pay the remainder.

Rorie commented that he wanted to make sure everyone understood this. It was not a matter of saying "I want to have traffic calming devices." Installing traffic calming devices could not be a condition of rezoning. That was driven from policy.

Rorie also wanted to focus on access to this property. He said this request was to go from ER to R-43. He saw it as a request to have shared access for up to five lots. Cailloux stated that the City had an ordinance that limited the number of lots that could share a driveway to two. That was why they were ensuring there were enough easements provided for the houses that would be created and the houses that currently existed.

Rorie said for those two reasons, he thought it would be best to continue this item until they had a site plan that addressed those two issues. He again stated there could not be more than two lots sharing a driveway. He said he was seeing a single sharing for five lots.

Cailloux remarked that she should do a better job of describing the plat. The plat showed two easements; one would be placed over the existing easement to serve the property that was not in this parcel. That would be one house. The second house would be the back lot on this parcel. That would be the two for that one access easement. The lot with the existing home currently had a driveway that tied into the existing drive, and they would get rid of that driveway. Cailloux noted that easements were not on the property they served; they were on the adjacent property. The two lots in the middle would be served by one easement. Each of the two lots at the front would have their own driveways from their property to the right-of-way, she noted. There would be no private roads, which were not permitted.

Rorie said he appreciated the clarification. Prebor agreed.

Cailloux again pointed out the lots with shared driveways and the ones with their own driveways. Madden said trees would have to be removed, at least for the length of the new driveways.

King said they seemed to have solved the driveway issue, but he was concerned about stormwater. He asked if they would try to retain water on the lots to the north. Cailloux pointed out that the rezoning issue was a land use issue. The Land Development Ordinance required submission of a stormwater plan when they wanted to begin development. Engineering would review it. They typically required that a subdivision have detention ponds, grouped together and fenced, that the City maintained. They had had some preliminary discussion, but had not spent a lot of time on this issue because it was not part of the zoning, it was part of the development.

King said he was concerned for the resident on the corner whose driveway was in jeopardy.

Borkowski reported that he had preliminary discussions with their engineer so they would know what was coming. They were aware that they must comply with the ordinance, which said they could not increase runoff on the downstream people. They would have to put in controls to mitigate that. He said they were still deciding how to do that, but the traditional way in a subdivision was to put in a pond on a greenbelt and dedicate it to the City. Other smaller properties like this had come to the City for a variance to put those controls on each individual lot.

Lindsey said they would prefer to have a plan in which each lot kept its own stormwater. That should make any existing problems better. He noted they would have to come back before Council for a variance, so they could discuss it then.

Fleisch wanted to know who would pay for re-paving the driveway 20 years from now, asking if the property owners understood they would have to put money into a pool to repave. Lindsey said he told the Savilles there would be no cost for the paving, but explained that repaving costs would have to be shared. It would be addressed in the shared driveway agreement. Saville said he believed it would save money in the long run because he had already had to buy gravel due to the drive's poor condition. They knew this was coming, but had not decided how the cost would be divided.

Prebor said they wanted to include in the motion that there was a minimum house size of 3,000 square feet.

Prebor moved to approve New Agenda item 07-19-02, rezoning, ER to R-43, 263 Greenwood Lane with the condition that all homes be greater than 3,000 square feet. King seconded. Motion carried unanimously.

07-19-03 Presentation and Acceptance of CVB FY 2020 Budget

Rorie explained the Convention and Visitors Bureau (CVB) was a component unit of government and was the designated destination marketing organization for the City. The budget had already been approved by their Board of Directors, and what Council would be seeing was a highlight of what that budget entailed.

Executive Director Kym Hughes said they were projecting a 3% increase in hotel/motel tax for Fiscal Year (FY) 2020 to match the line item in the proposed City budget. The CVB would continue to host the Hops & Props and Wine & Warbirds festivals this year. The ultimate goal was to partner with the City on more events. The increase in the Administration and General Operation costs was related to a vehicle lease and repairs and maintenance on that vehicle, along with a new copier lease and the addition of legal services. The CVB had a large prior year surplus budgeted to be used in the current fiscal year, but it would still leave a surplus of $86,577.

The personnel variance from the previous year was due to variances that year, Hughes noted. The 2020 Sales and Marketing Promotions budget included an increase in marketing and advertising as well as trade shows and professional development.

Hughes noted that 75% of their revenues came from the hotel/motel tax. About 7% was from events and merchandise sales, and the total projected surplus of around $175,000 made up 18% of the budget. The lion's share of expenditures went to marketing and advertising, Hughes pointed out. Contract labor made up 35% of expenses, while professional and technical services made up 4%. Trade shows and professional development were at about 20%. She said that, too, was part of the marketing component, but was a more specific effort. Administration and operating expenses were about 12%, with contingency funds making up 1%.

Hughes showed an overview of the entire budget, noting that it had been thoroughly examined and would help them meet their goals.

Ernst moved to approve New Agenda item 07-19-03, acceptance of CVB FY 2020 Budget. Madden seconded. Motion carried unanimously.

07-19-04 Presentation and Acceptance of KPTCB FY 2020 Budget
Keep Peachtree City Beautiful Director (KPTCB) Al Yougel said the theme of this budget was changes, such as the phenomenal increase in corrugated cardboard dropped off at the recycling center. The misuse of the gathering of plastic in the recycling dumpsters was another change they were dealing with. They were getting types of plastic that could not be recycled. Only plastic 1 and 2, such as bottles and detergent containers, were recyclable at this time, he noted. The weight of the roll-off bins was how costs were figured, and plastic amounted to about 25% of that. The plastics that could be recycled, numbers 1 and 2, could be recycled at home through curbside collection. Eliminating plastic recycling would be a big savings to KPTCB.

The third element was the burden of their activities, Yougel remarked. During the last calendar year, they had 21,011 hours of court-mandated community service. That went on six days a week, sometimes seven. Along with the burden of that and getting their jobs done, they also had the burden of activities, such as Night Markets. The Night Market occurring on the same day as the annual road race meant they were busy from 5: a.m. to 1:00 the next morning. In this budget, they had requested money for another supervisor.

They expected a 30% decline in money received from recycling, Yougel commented, and there was also a $20,000 reduction in the amount of the City's subsidy to KPTCB. Revenues were oriented totally toward residential; they got not money from commercial. Yougel said there was no change in the litter and compost contracts. They also had another contract with the City to empty the trash cans on the cart paths, and it had not changed. There was no contract for the recycle bins located around the City; that was an independent effort of KPTCB.

There would be a drastic drop in bin pulls because they were proposing to lease a cardboard compactor for $400 a month, including maintenance. He mentioned again the need for an additional supervisor.

Madden asked if the idea would be to compress the cardboard to get more into the bins and increase the weight of each pull and lessen bins. Yougel said one canister of the compactor could equal four or five of the roll-offs. They also did not have to tear down the cardboard. More than half of the big bins emptied each month were for cardboard, so this would be a big savings. Yougel said it would save time and was more efficient. Madden confirmed they would no longer be accepting plastic because it could be recycled through residential service. Yougel said they would have to maintain a small bin for the plastics they got from schools, The Fred, and health clubs.

Fleisch said this was still the most effective and efficient way to keep the City clean.

Madden moved to approve New Agenda item 07-19-04, acceptance of KPTCB FY 2020 Budget. Ernst seconded. Motion carried unanimously.

07-19-05 Public Hearing – Consider Proposed Budget for FY 2020 and Capital Improvement Program (CIP)
The Mayor opened the public hearing.

This was a public hearing, Finance Director Paul Salvatore explained; the budget would not be adopted at this meeting. He said the budget process took about five months, starting in early March with sending out forms and instructions to departments. Less than a week later, the first of the three Retreat sessions were held. At those, a number of topics relevant to the budget were discussed, such as economic development, redevelopment, facility management, and fiscal control. The Manager's proposed budget was presented June 27. They still had a few more steps before getting to adopting the final budget at the next Council meeting on August 1.

Salvatore reviewed the City's Mission Statement and Budget Policy before talking about enterprise funds, which accounted for operations of the City's business-type activities, which were the Stormwater Utility and the Amphitheater. The revenues generated by these were used to fund their operations. The point, Salvatore noted, was that these were self-supporting, not subsidized through the General Fund.

The Stormwater Utility projected revenues of about $2.4 million. Expenditures were slightly higher because they were drawing down about $113,000 of the reserves, called the renewal and extension fund. He pointed out the capital outlay expenses of $450,000, which was causing the draw down. They were running out of bond construction funds, so now they would be utilizing the renewal and extension reserve fund, anticipated to be about $2,650,000 at the end of this fiscal year. He remarked they were heading into a maintenance mode and hoped this would be the status quo for a while. If they drew down about $100,000 a year, the $2.6 million should last for many years before there needed to be talk of another bond.

The Amphitheater fund showed an operating increase of about $94,000. They were not planning on any major formatting changes, keeping the six-concert series and five to seven stand-alone shows. They planned on bring back the May Play for kids, which was successful two years ago. The Amphitheater Fund's total budget was $1,482,497. The majority of expenses were for purchased or contracted services, which included talent acquisition, sound, lights, and advertising.

Highlights of the 2020 General Fund budget included the hiring of three additional firefighters/paramedics to begin around April 1, 2020, the change in funding for Public Safety hours, and the addition of two police officers to make up for officers out on extended leave. There was funding for a 2.5% cost of living adjustment (COLA) that would not go into effect until January 1, 2020, if approved by Council after they reviewed finances at the end of FY 2019. The budget included cash funding for building maintenance expenses to avoid facilities bonds. They had budgeted for maintenance about 1% of the amount the buildings were insured for, which equaled about $510,000. Cash would also fund major recreation facility improvements. These were mentioned as Capital Improvement Program (CIP) projects, but the money would come from a transfer from the General Fund, Salvatore explained.

Unfunded items included an assistant city manager position at $134,000. There was a request for a new police officer that was unfunded, but overtime was adjusted by $81,000 to make up for additional patrol hours.

They were looking at lowering the millage rate. The bond millage rate would go away completely next year, Salvatore commented, resulting in a 0.176 mill reduction.

Estimated General Fund revenues were about $38.8 million, a 1.74% increase, while appropriations, at $39.3 million, increased by 6.57%. Salvatore said that was by design, with a drawdown of $490,000 in cash reserves. That conformed with the policy of one-time capital outlay expenses.

There was no change in the amount budgeted for street and path resurfacing, $1.8 million, which would cover three to four miles of streets. Per agreement with the Atlanta Regional Airport – Falcon Field, they would decrease funding by $7,650. As discussed at the last meeting, funding for the Fayette County Development Authority (FCDA) would be cut to $120,000, with the remaining

$26,047 retained in the City's Economic Development fund. As discussed earlier, they were reducing the supplement to KPTCB by $20,000.

Unresolved issues they would discuss later included a Council salary adjustment and whether they should look into a general obligation (GO) bond to fund additional recreation improvements.

Salvatore presented a high level overview of the General Fund, showing that the FY 2019 budget ended with a 38% reserve. The reserve would increase to 39% for next year, even with the drawdown of $490,000. This was possible because revenue projections fell short in the FY 2019 budget. Without the drawdown, they would end up with reserve funds of 42% or 43%.

A pie chart showed that the Local Option Sales Tax (LOST) and ad valorem taxes were the City's two biggest sources of revenue, accounting for about 60% of the revenue. Other taxes, such as franchise taxes, contributed to the revenue stream.

What Rorie referred to as the Big Three – Fire/EMS, Police, and Public Works, made up the bulk of expenditures, Salvatore noted, about 60% of the total operating budget. Salvatore showed how much of each tax dollar on a $341,000 home, average for the City, went to the different departments. Police got 19 cents of each dollar, for instance.

Another chart broke expenses down by account type, rather than departmental function. They were a service organization, Salvatore remarked, so most of the expenses, 58%, were for employees who provided services. Another high percentage went to contractual services, which included big contracts, such as for paving. A little less was spent on operating supplies.

CIP projects including an expenditure of $335,000 in cash from the CIP fund, supplemented by $175,000 from the General Fund, on improvements to City buildings for the total of $510,000 Rorie mentioned earlier, which was around 1% of the total insured value of all City buildings, Salvatore continued. Another $406,000 would go to Public Works and Grounds equipment purchases. A little over $1million would be spent on Police vehicles and equipment. The Fire/EMS Department would get $206,000 for vehicles and equipment. About $385,000 would go for technology and security upgrades. There would be $775,000 in cash funding for recreation facilities upgrades. The total CIP for FY 2020 would be about $3,271,000.

At the last workshop meeting on the Manager's proposed budget, Rorie said he was tasked with two issues to evaluate. One was to look at Council's salary. He suggested they look at the cumulative change in the Consumer Price Index for Urban Consumers (CPI-U) since 2007, when the last pay increase was established. He showed how that broke down over the past 12 years. Council salaries were set at $1,000 per month in 2007. The 12-month percentage change noted at the end of 2007 was .001, which amounted to $1. As you went through the years, the numbers worked out to show a CPI-U change of approximately 20.1% by January 2020. If Council's pay had been adjusted through the years to reflect this, it would now be $1,220 a month.

Rorie told Council it they chose to make a movement on the salary, the questions would be: "How much? When?" and "What would the annual impact be?" Adjusting the salary from $1,000 to $1,200 a month would impact the budget by $12,600 annually.

If they chose to do that, they must follow a procedure outlined in the General Statutes of the State of Georgia. Before he explained that, Rorie said he wanted to know what Council desired.

There had been a number of discussions about the importance of attracting and retaining the best employees in the Police and Fire Departments, Madden reflected, as well as in other City departments. Council had adjusted the salaries for those people, justifiably so. Now it was time to adjust salaries for future City Council, he went on, so they could attract people who were willing to run for office and expend their time and energies to serve the City. He said he would like to see the pay raised to $1,200 and made a part of the proposed FY 2020 budget.

Ernst agreed, saying it was time, and he did not think that amount was too much to ask for. He suggested they move forward.

Prebor noted that it was not much of a budget impact, equaling about .00033% of the total budget. Having said that, he remarked that the $200 extra per month would not sway someone to want to run for office. He thought they should leave it as it was.

King concurred with Prebor's opinion, but noted that it was an election year, so if they voted "no," people would say that was because they wanted to get re-elected, and if they voted "yes," people would hold it against them. He said the $200 wouldn't make much difference. It would cover gas money and a little more. They were there to serve; that was the bottom line.

Fleisch said she agreed with Madden and Ernst, and asked Rorie about the next step.

Rorie showed the statutory language detailing what would be required. The pay raise could not go into effect until after the next election. The process for raining the salary could not be taken during the period when candidates for office qualified, which Rorie said would begin August 19. The prohibition would continue until those elected took office.

They must advertise a notice of intent to take action in the County's legal organ for three consecutive weeks immediately preceding the week in which the action was taken. That would be July 31, August 7, and August 14 (correction to dates – July 24, July 31, August 7. Rorie showed a draft of the advertisement. It stated the amount of the increase and said a vote would be taken at a public meeting on August 15. Based on a CPI-U of 20%, the salary would be increased to $1,800 a month for Mayor, and $1,200 a month for members of Council. It would go into effect in January 2020. The process had been vetted through the City's legal counsel. Council could take action on August 15, but it must first be advertised. Rorie said no Council vote was necessary at this time. He understood he was authorized to move forward at this time.

Rorie said Salvatore had mentioned a lot of things in regards to capital improvements. There were many things the City needed to dial back on, but there were others that needed to move forward. The questions were: "What?" and "How?" They laid out a few items of interested during the June 27 budget hearing, which Rorie displayed on a list. He noted that, in his opinion, they were discretionary items. Others might see it differently. That was the dilemma.

For example, replacing the pool bubble at the Kedron Aquatics Center was projected to cost $750,000. There was also an expense to maintain it. This enabled them to have a covered pool during the winter months. Some people would say do away with it; others would say to replace the bubble, while others would call for building a permanent structure over the pool. The bubble would need replacing in about five years. There had been debate over pickleball courts, which Rorie said he could not support building. There was always debate over spending. The question was whether they were dealing with public interest or private interest. How did those things become co-mingled in a public policy statement, Rorie asked.

Other items on the list included Tennis Center upgrade, Peachtree City Athletic Center (PAC) field expansions, and Riley Field track replacement, among others. These projects totaled about $8 million. None of them were identified in the five-year CIP. They were horizon issues, to be executed seven or more years from now. Rorie said he had made a point regarding the Riley track replacement; the City had more than 100 miles of track – the path network. He asked Council if they were willing to invest $150,000 in a track replacement at Riley Field.

They could create a list and put this on the November 5 ballot as a GO bond, Rorie stated. Salvatore had already stated that the millage rate was going down because of the expiration of their GO bond debt. They could use another GO bond as a debt instrument to fund these projects, offering a project list to voters to approve.

Rorie asked Council if they wanted to look at the GO bond initiative, consider cash financing, or discuss other types of debt instruments.

Prebor noted it was hard to figure out what citizens would truly see value in. Rorie agreed, saying people could understand the cost of something, but not grasp the value at all.

Rorie said Council could say they would call a special election on November 5 for a GO bond of $10 million to purchase x, y, and z, which could be a bubble, the Riley Field track, turf fields, or whatever, and voters said "yes." Salvatore had come up with some calculations on how this would work in terms of debt service, interest, and so on. The longer the term, the greater the interest rate, but the annual debt service payments were lower with longer terms. With a $10 million bond at a 10-year term and a 1.75% interest rate, the City would realize interest payments of $987,000, he stated. For 15 years at 2% interest rate, interest payments would be $1.673 million, while a 20-year term at 2.25% would push the total interest to $2.528 million.

King wanted to know how certain they were that they could get a 1.75% interest rate. Salvatore said he had talked with the City's financial advisor that morning, and this was a conservative estimate. King went on to say they had made a concerted effort, at least during the five years he had been on Council, to keep the reserve percentage climbing, with the goal of getting to 50%. He asked what the cost in dividends would be or other interest if they took that $10 million out of cash reserves.

Salvatore pointed out there would be a significant loss of interest earnings. On the flip side, by doing it all at once, they would avoid escalation costs of as much as 5% or more a year.

King said his point was that there was $987,000 in interest costs over 10 years, but they would save close to that amount by going ahead with the bond. All the bond would cost would be around $300,000.

Salvatore said that was correct, considering the offset of avoiding the cost of escalation.
A penny saved was a penny earned, Rorie opined, noting that anything they kept in the fund balance created interest revenue. King said it was just smart to let the money work for them.

Madden asked if using the cash would lower the City's bond rating, and Salvatore said it would not be looked at favorably at all. They never liked to see big draw downs of reserves. It was a red flag for bond rating agencies.

If they delayed these projects, they would know how increased costs, such as in asphalt and concrete, would impact them, Madden noted, adding it seemed smart to go ahead and do them.

Fleisch said one of the reasons they looked at facility authority bonds was because they were 10 years, and the lifetime of a lot of projects they were doing would have fallen within that. It was concerning to go out 20 years. The bubble, for instance, had a 15-year life, so a 20-year bond would outlive it. Salvatore said they could go 15 years on a facility authority bond, but they had chosen 10 years in the past.

If they put this to the voters as a GO bond, and it was defeated, Fleisch asked, If there was anything to prevent them from pulling out projects and doing them individually. They would have to pay cash, Salvatore told her, adding they would have to wait four years if they wanted to do any other type of financing. He noted there could be fallout for using cash money for something the voters had told them they did not want.

Rather than group the projects together, could they separate them and borrow money for each, Prebor asked. He said he knew they would pay a higher rate.

Rorie broke in and said he would be blunt: he did not think a GO bond initiative made any sense at this time. They had evaluated the cost escalation, the time value of money and looked at how to prioritize the projects and if they were necessary. Take the bubble, for instance. They had not decided what they wanted to do, so it made no sense to move forward with a bond with a half-baked idea.

The City was in a very good debt position, Rorie pointed out. The annual debt service would decline from $1.3 million in 2022 to about $676,000 in 2023. That was a $600,000 difference. They did not have to move rapidly. For the last two or three years, they had targeted the overage position in cash reserves, which fed into the revenue stream and also allowed them to spend down as a measured response for these cash purchases. Therefore, they could delay or avoid debt interest. If they entered into a GO bond with $1 million in debt service, that would lead to $987,000 in interest over a 10-year period. As things currently stood, in six years, their debt position would have dropped to about $57,000 from the current budgeted proposal of $1.4 million. It would free up $1.450 million in cash they could be putting toward these projects and avoid interest period.

Debt was not bad, Rorie stated, but they also had to consider the millage rate and what they were trying to accomplish. If they tried to do something with a very short-term focus, they would monkey all that up, he commented. He recommended Council continue with what they had been doing over the past four or five years. There was no reason to do a GO bond at this time. They had options in the future based on the cyclical economy, and they had put money in cash reserves to deal with that cyclical economy. He recommended nothing be placed on the ballot.

Council agreed that they did not want to create a list of special projects for a GO bond in November, but Fleisch said they did want to create a prioritization list in general, so they had a long-term plan.

Ernst said he had no objections to establishing a priority list, similar to what the citizens did with the Special Purpose Local Option Sales Tax (SPLOST) projects, but he did not want to go forward with a GO bond.

The Mayor mentioned that one of the projects on the SPLOST list was a bridge from All Children's Playground to Drake Field. Now that the improvements at Drake were completed, people saw the value in that, and the bridge seemed worth doing and was on the SPLOST list. However, the initial estimates they got were outrageous. She said $250,000 was allotted for the project, asking if they could consider an alternative. The project at Battery Way was about $40,000. Fleisch asked if they could put out to bid something similar to that. It could facilitate people walking in the area and would be a fraction of the cost. The project had been put on the back burner when the huge estimate came in. Fleisch said maybe they could put the kayak launches on the same bid request and pay out of a different pocket.

Rorie recommended that they bid separately so there would be a better competitive environment. He said he could not recommend using SPLOST dollars for the kayak launch, and Fleisch said that was not the intent. She thought they could be bid together in order to be cohesive, then pay them separately. Rorie's way would be fine, if that was the better way. Fleisch asked Council if they agreed to put it out to bid, just to get prices. She also said they should check quality as well.

Rather than try to rush something that would not be installed until next spring, Rorie said he needed to get some other projects in their rear view mirror. That was fine, Fleisch said, but added she did want to see it moving ahead.

Not all the City's revenue came from ad valorem taxes or LOST, Rorie noted. About 40% came from other sources, such as the fee schedule. There was General Fund support for certain things, but in some cases, the user should carry the cost. The Building Department was an example. The Building Department was not an Enterprise Fund, but it did charge fees so the user carried the costs to build their property. Rorie said he did not believe the entire community should subsidize the process to build a private home. However, there was a balance between how much should be borne by the use and how much should be a subsidy from the taxpayer because when that property was developed, it would join the tax rolls and create revenue going forward.

They had looked at all the fee schedules in the City and made minor changes to some, but he wanted to look more closely at the Building Department. They were proposing changes to the fee schedule that would take effect in FY 2021. The administrative fee for permits was raised, but the permit fee for buildings up to 200 square feet was being lowered to $75 from the previous $150. The $150 charge still applied to everything greater than 200 square feet, which required inspections. The smaller buildings did not.

Prebor said the $75 was not paid to the City; it was to SAFEbuilt. Rorie said it went to the City, and then was split with SAFEbuilt. He asked what it would cost if he built a shed, and Cailloux said a shed of 200 square feet or less did not require inspection and would be $75.

They were implementing rental fees for Drake Field Pavilion and the new splash pad at Glenloch, which also included the pool. They were changing the fees for other recreational areas, since they had been stagnant for some time, Rorie said.

Rorie did not want to bring up increasing the non-resident user fee for golf carts, but recommended it be increased from $100 to $150 per year, plus $15 registration. They should recognize that there were benefits associated with developing just outside the City limits. They could take advantage of all kinds of amenities of Peachtree City's, including the cart paths. Rorie said he believed it was inappropriate to measure the success of the path system by miles. It should be measured by network. There were certain locations proposed to have access, and reminded Council that the Consent Agenda approved earlier had an inter-governmental agreement with Fayette County for the construction and maintenance of multi-use path projects. The County had a $900,000 tunnel as one of its SPLOST projects. It would border Redwine and Robinson Roads, and the maintenance would ultimately be split 50/50 between the City and the County. The County's Federal Aid package called for a path along Redwine Road, which would enter the City limits in The Preserves, then go back into the County. That was part of the network.

Rorie said some people did not like that non-residents were charged more than City residents. Someone once complained that the only time they used the paths was to come and watch the fireworks, which, Rorie noted, cost the City about $28,000. The fee structure was built on the premise that the user should carry their fair share of the maintenance costs. Rorie added that he was not being exclusionary, but the City spent about $2 million to maintain the path system; someone needed to help out. He said this differential was appropriate. Rorie added that he would never have approved funding the intersection improvements at Planterra and MacDuff as a debt instrument out of the General Fund if it had not been approved as a SPLOST project. It was about increasing mobility and flow through the corridor for 36,000 vehicles a day that did not live in Peachtree City.

Rorie recalled the challenge they had in 2014 when they changed the golf cart fees before, but he thought it should be part of the budget.

The five-year financial model included some things and omitted others, such as the bubble, Astroturf, Riley Field, lighting upgrades at the Tennis Center. They were talking in FY 2020 about revenues of $38 million, expenses of $39 million with a one-time cash expense of $490,000 to fund recreational projects. This would leave the City with a reserve percentage of 39%, and an over percentage of about $5 million. This was part of the discussion about carrying a reserve to fund cyclical economic downturns. They would not have to neglect needed projects if they maintained adequate reserves. It would allow them to look at funding projects without debt instruments.

There was a 0.176 millage rate decrease because bond debt had expired, but they would retain a millage rate of 6.232 mills. They were anticipating a tax digest increase of 5.2%, more or less, based on appeals. If there was an increase in property values that would, in effect, be a tax increase. That was the summary of the Manager's proposed budget.

No one wished to speak either for or against the proposed budget, so the Mayor closed the public hearing.

Prebor asked how much their revenues declined during the last recession, and Rorie said it was about 10%. A next time was coming, Rorie noted, pointing out that their targeted reserve policy was 25%, and they were over that by $5,685,000. They could cover a revenue loss of $1 million for five years or a $2.5 million loss for two years. The City's total ad valorem tax revenue was around $14 million, or 38% of the total, while LOST made up 21%. They never wanted to deplete their cash reserves. They relied on interest revenue to fund projects, as well. There was no magic number, but most cities tried to keep cash reserves of about 50%. He had heard Newnan had 100%, but some cities kept it at 25%. The purpose of having the cash reserve was to avoid long-term debt and cover cyclical recessionary cycles.

Madden noted that adopting a budget was the biggest responsibility they had. He was pleased that in both the budgets he had been involved in, unlike budgets of the past, the costs of maintenance of the infrastructure had been included. He said he did not understand Rorie's reticence in raising golf cart fees, but he understood that that there were about 11,000 registered golf carts in Peachtree City and about 1,100 from outside the City. Eleven thousand carts at $15 apiece equaled $165,000, while 1,100 carts at $150 each was $165,000, too. It combined to make $330,000, just 17% of the cost of maintenance of the path network. The citizens of Peachtree City who did not own carts were also ponying up to pay for the paths. He had no problems in defending the decision to raise cart fees for people outside Peachtree City to use a path system that was not subsidized by the people of Fayette County.

Council would consider the budget for final adoption at its August 1 meeting. Salvatore said he had talked to the County Tax Commissioner, and the total tax digest was expected by the end of the month. The vote on the millage rate would be later.

07-19-06 Consider Purchase of Fire Truck

Fire Chief Joe O'Conor reminded Council that a few weeks ago they approved the purchase of an ambulance using impact fees generated from new home construction on the west side of the City to offset the growing demand for service. He was coming to them with a proposal to purchase an engine. Like the ambulance, it would not be a replacement, but an addition to their fleet. They would not only need to build the truck, but fill it with equipment.

The Chief explained they originally considered a full-size engine, like they had in their other four fire stations, but, due to the call distribution of primarily medical, and other factors, they believed the station they were planning to build in the future would require a different type of apparatus. They could not get away from the bigger engines at the four core stations, but at an outlying station, which was what they were planning, a truck built on a smaller platform with fewer "stuffings," such as a shorter hose, shorter ladders, and less water, would be sufficient. It would save eight feet in length, dramatically shortening the wheel base and lessening the weight, saving about $250,000 over what an engine similar to the others would cost.

The recommendation was to purchase a short wheel base, short body, four-wheel drive, four-door commercial chassis produced by Ten-8 Fire & Safety Equipment of Georgia for a total vehicle price not to exceed $412,620.89. This would require about $80,000 to purchase air packs for about $28,000, an extrication tool for about $15,000, and radios. The entire purchase should amount to $492,620.89.

Madden wanted to know about the cost of an engine upgrade. O'Conor said he took the advice of the City's maintenance people on what would be best. He explained that they had not gone out for bids on their own, but were using a purchasing cooperative, the Houston-Galveston Consortium, which did a national best price quote from vendors. That allowed them to add and subtract from the original base model. There were charges for additions and subtractions for deletions from the original proposals.

Madden noted that the upgrade to 4x4 cost $21,000, but could lead to better utilization of the truck, such as fighting brush fires. O'Conor said the vehicle could do that. The hope was if outlying stations had that capability, future replacement vehicles would not need it.

King said the time they would have the vehicle off-road would be minimal, so he wondered if the four-wheel drive was necessary. He said it had been his experience that anything those back two wheels could get into, those front two wheels could get out of.

O'Conor stated that the challenge was to find a utilitarian vehicle that would offer an additional resource that they did not otherwise have. He said this was the package their committee put together, and he did not disagree with it. From time to time, they did need four-wheel drive, such as during ice storms. Four-wheel drive would not solve all problems, O'Conor conceded, but it was a tool in the toolbox.

King asked if the vehicle came with two-wheel drive, and the four-wheel drive was the option. O'Conor said yes.

Fleisch inquired if this part of the plan to scale back the new station in the West Village. She said she was thinking about making it fit into the community.

King said he had an issue with a vehicle that heavy having a four-wheel drive.

Rorie noted that this was an "urban assault vehicle" that could handle 98 or 99% of what it would be called on to do. Structure fires were only 1 to 1.5% of all calls. This vehicle was outfitted for an urban environment for a quick response in small streets. The question was if the increased cost of four-wheel drive worth it over a 15-year life span.

Madden moved to approve New Agenda item 07-19-06, purchase of fire truck. Prebor seconded. Motion carried 4-1(King).

07-19-07 Consider Bid for Purchase of Real Property, Loblolly Circle
Cailloux said this property had been in City ownership since the subdivision was platted in 1965. It was in the Hip Pocket area, in one of the City's first subdivisions. It bordered the west side of Lake Peachtree. The property was less than half an acre and was essentially an undevelopable lot due to its size, floodplains on the property and setback requirements. There was no sewer there, but the ordinance required they would have to have enough space for two septic systems. It had all kinds of issues, she concluded. The City put out a request for bid with a minimum amount, and that request had been met by the two adjacent property owners. Staff requested that Council approve this sale so they could move forward with the process of dividing the property between the lots of the two bidders.

King moved to approve New Agenda item 07-19-07, bid for purchase of real property, Loblolly Circle, for $156,000. Ernst seconded. Motion carried unanimously.

Rorie said this money would be put into a special fund account for easement acquisitions on future property purchases. It would not go into the General Fund.

<u>Council/Staff Topics</u>
Ordinance Preview
- **Motorized Carts**

Police Chief Janet Moon said she would preview an amendment to Section 78-93 of the City's traffic ordinance. They wanted to add Senoia Road, which had a 40 mph speed zone, and Rockaway Road, which had a 45 mph speed zone, to the list of roads where motorized carts were prohibited except for crossing at authorized crossings.

The new section would read: "Sec. 78-93. - Operation regulations. (h) No motorized cart shall be permitted to operate over, along, or across Highway 74, Highway 54, Peachtree Parkway Senoia Road, Rockaway Road, or Crosstown Road between Peachtree Parkway and Highway 74 within the boundaries of the city except where authorized crossings are provided."

They also wanted to add a paragraph (m) to Section 78-96, Hazardous Activities and Rules, to read: "The driver of any vehicle on the recreation path system shall, prior to leaving the recreation path system to enter or cross a public roadway designed for automobile traffic, stop as though a stop sign were present and yield the right of way to any traffic on said public roadway that is within the intersection or so close thereto as to create a hazard." She said they wanted to make it clear that drivers of any vehicle on the path system had to stop before crossing a street.

Ernst used Hip Pocket Road as an example, saying there was a stop sign at Cedar Point, but not at the intersection before that, Loblolly Circle. He asked if this meant a cart must stop there, even though there was no sign. Moon said it did; anywhere a path intersected with a roadway, the cart must stop. An accident on Peachtree Parkway near SR 74 North prompted this, she said.

Madden said it made sense. He was taught to look both ways when crossing the street. If cart drivers came to a street, where they could be hit by a truck, they needed to stop and look both ways. This also saved City taxpayers thousands of dollars in putting up little stop signs on the paths, he pointed out.

- **Commission and Authority Alternates**

Rorie said there was a long-standing policy appointing alternate members to City authorities and boards. That alternate member did not have voting rights, even if they stepped up to act in their alternate role. For example, the Planning Commission had five members and one alternate. The alternate was asked to meet the same attendance requirements as the voting members. They were expected to step in when a member was absent, but could not vote. In a worst case situation, there was a time-restrictive issue to consider, but no quorum of voting members. This amendment would allow alternate members who met attendance requirements to vote at meetings which otherwise would have been canceled due to lack of a quorum. Rorie said this was a housekeeping issue that should have been done years ago. It would be on their next agenda.

Citizen Jim Savage asked if he could comment. His concern was that in the case of the Airport Authority, which was the board he was most familiar with, the charter did not provide for an alternate. He asked if allowing the alternate to vote be in conflict with the charter.

Rorie said he believed it would be, but Meeker would have to give an opinion. Meeker said he would look into it.

King moved to convene in executive session to discuss a personnel matter, pending or threatened litigation, and the acquisition or sale of real estate at 9:15 p.m. Ernst seconded. Motion carried unanimously.

Ernst moved to reconvene in regular session at 9:52 p.m. King seconded. Motion carried unanimously.

There being no further business to discuss, King moved to adjourn the meeting. Madden seconded. Motion carried unanimously. The meeting adjourned at 9:53 p.m.

Martha Barksdale, Reporting Secretary

Vanessa Fleisch, Mayor