City Council of Peachtree City
Meeting Minutes
June 19, 2014
7:00 p.m.

The Mayor and Council of Peachtree City met on Thursday, June 19, 2014, at City Hall. Mayor Vanessa Fleisch called the meeting to order at 7:00 p.m. Other Council Members attending: Terry Ernst, Eric Imker, Mike King, and Kim Learnard.

Announcements, Awards, Special Recognition
Mayor Fleisch recognized the veterans groups who help plan the City's Memorial Day observance every year. The groups included Veterans of Foreign Wars Posts 9949 and 3560, American Legion Posts 50 and 105, Marine Corps League Detachment 1325, and the Civil Air Patrol Composite Squadron GA-116. The graduates from the Teen Community Emergency Response Team (CERT) training and the Junior Police Academy summer programs were recognized.

10-minute Talk
Sharon Marchisello, secretary of the Board of Directors for the Fayette Humane Society (FHS), addressed Council. Fayette Humane Society was founded in 1973 and was a non-profit rescue and rehabilitation organization for cats and dogs, run by an unpaid Board of Directors and volunteers. The organization found new homes for rescued cats and dogs, accepted surrendered pets from families whose situations had changed, assisted low-income families with pets, and educated the public. She continued that FHS was a separate organization from Fayette County Animal Control, which was part of Fayette County government. FHS focused on adoption, spay/neuter, and animal rescue, while Fayette County Animal Control focused on resolving animal nuisance calls and cruelty complaints. Both groups worked together when possible, and their common goal was to reduce intake and euthanasia at Fayette County Animal Control's shelter. Fayette Humane Society was supported by grants, donations, and fundraisers, which included two yard sales each year and a charity golf tournament scheduled October 6. More information on FHS was available at www.fayettehumane.org.

Minutes
King moved to approve the June 5, 2014, regular meeting minutes as written. Ernst seconded. Motion carried unanimously.

Monthly Reports
Imker thanked John Graham and Chick-fil-A for their donations to the City in May. He noted the City had spent another $3,500 on the Mrosek lawsuit in May. He continued that, in his opinion, once the case was finally dismissed, the City should take steps to get back the money spent on the nuisance lawsuit.

Old Agenda Items
05-14-01 Consider List of Projects for Public Facilities Bond
Fleisch noted the staff memo had been added to the dais.

Community Services/Interim Public Services Director Jon Rorie said staff was asking Council to authorize staff to move forward with the potential projects list for another Facilities Bond. The projects totaled approximately $2.8 million, with $215,000 in contingency and closing costs. The total estimated cost would be $3,060,000. The projects list could be tweaked and massaged as things moved forward. Any project would have further approval and clarification from Council.

Imker moved to authorize staff to proceed with the issuance of a Public Facilities Authority bond in the amount specified in the staff memo. Learnard seconded. Motion carried unanimously.

05-14-WS Continue Discussion of FY 2015 Budget Direction
This agenda item was continued from the budget workshop held on Monday and Tuesday, June 16 and 17. City Manager Jim Pennington said some of the information presented earlier in the week had been modified, saying some cuts had been made.

Financial Services Director Paul Salvatore went over the list of directions given by Council on the FY 2015 budget. The directions included:

- Delete funding for Public Works director but leave position,
- Go with Facilities Bond as presented ($3 million),
- Include 3% towards funding of Pay Study,
- Add $382,000 to landscaping efforts (in-house option),
- Fund infrastructure maintenance (bridges) at $200,000,
- Fund cart path resurfacing at $1 million,
- Fund Street resurfacing at $1.6 million, and
- Use one mill increase in taxes.

Learnard asked Salvatore what including 3% towards funding of the pay study meant, whether it was raises. Salvatore said it was about putting aside 3% towards implementation of the pay study. Staff did not know how much it would cost to implement any recommendations, but the amount equal to 3% would be put aside in the budget to go towards implementation of the pay study. The 3% was equal to approximately $405,000, and the results were expected towards the end of August.

Salvatore noted that implementation of the recommendations from Council would require a millage rate increase of 1.4 mills, without increasing other revenue sources. If a one mill increase was used, the use of cash reserves should be around $1 million for the next three years, taking it to approximately 14% by FY 2018. An additional 0.5 mill increase would be needed in FY 2018 to maintain the cash reserves at 20%.

Ernst clarified that the $1 million for cart path maintenance would mean the path resurfacing would have to be contracted out, confirming the City's crew and equipment would not be able to handle the additional workload. Pennington said that was correct, and that would be addressed in the presentation.

Salvatore said Pennington and staff had some concerns, including the suggested level of paving, especially for the cart paths, feeling that it might be unattainable/unrealistic; rapid depletion of cash reserves might threaten the City's AAA credit rating; counting on future revenue increases from special events and/or digest growth was not prudent until the true impact was known; and service levels could be adjusted if/when revenue was realized.

The City Manager and staff recommended the following options:

- Delete funding for Public Works director but leave position,
- Go with Facilities Bond as presented ($3 million),
- Include 3% towards funding Pay Study,
- Add $382,000 to landscaping efforts (in-house option),
- Fund infrastructure maintenance (bridges) at $200,000,

- Fund cart path resurfacing at $440,000 (increase of $75,000),
- Fund street resurfacing at $1,485,000 (increase of $717,000), and
- Use a one mill increase.

Salvatore explained that, using the City Manager/staff recommendations, the use of cash reserves would average approximately $350,000 for each fiscal year through FY 2018; there would be no use of cash reserves in FY 2019, with 26% remaining in cash reserves; no additional millage rate increases were projected through FY 2019; and service levels could be adjusted based on future revenue streams when actually realized.

Learnard asked if the $75,000 increase in funds for cart path resurfacing meant there would be no contracting out for cart paths. Rorie said only the in-house crew would be used for the cart paths. King asked if that meant the cart paths would just be maintained, with no expansion of the system. Rorie said that was correct, adding the City was two years behind on maintenance.

Learnard said that meant maxing out the in-house resources, asking how many miles that included. Rorie said it was approximately 5.7 miles.

Salvatore said he would bring the proposed FY 2015 budget to the July 17 Council meeting. A public hearing had to be advertised on the proposed budget. The adoption date would be in August or no later than early September.

Imker said he liked this proposal much better than the original 1.9 mill increase discussed at the June 16 workshop. He did not advocate a millage increase, but he accepted it as the basis for a proposed budget.

Fleisch asked Salvatore to discuss the revenue streams, specifically the hotel/motel tax. Salvatore said the hotel/motel tax was the one bright spot, and a surplus was projected. He continued that 4% of the hotel-motel tax went to the Convention & Visitors Bureau (CVB) and 4% to the City, with 1% of the City's share used for tourism product and development. Salvatore said the projection was the hotel/motel tax would come in approximately $200,000 over budget, which meant an additional $100,000 for the City coffers, with $75,000 going to the General Fund and an additional $25,000 going to tourism product and development.

Fleisch asked if any guidance was needed from Council. Pennington said staff had spent a considerable amount of time going through everything until they were comfortable with the budget.

Ernst said he was more comfortable with the figures for cart paths and roads. Learnard agreed with Imker, adding that at some point Council needed to discuss how to get "over the hump" on the cart paths.

King said they were looking at an almost 15% tax increase, or 14.8%. Salvatore said it depended on how someone looked at it. King said there would be a lot of interest from residents, and it did not mean Council would approve a tax increase. His concern was Council kept increasing the millage rate without addressing the 800-pound gorilla in the room. The citizens were going to demand some things, including cart path maintenance. He understood what had happened when the City had funds from the Special Purpose Local Option Sales Tax (SPLOST). He asked if the City could really afford an $8 million Police Department. He did not know the answer, and he wanted to take a deep look at that budget.

Pennington said staff was as concerned as Council about the cart paths. The problem was whether there was a better way to do the job. There was a lot of research to do.

Imker said the process used for the budget this time was very good, and it had been a good week.

Salvatore said the proposed budget would be available on the City's website, and a copy would be available in the City Hall lobby for citizens to review. The public hearing on the FY 2015 budget would be held on July 17.

New Agenda Items

06-14-05 Public Hearing – Consider Variance to Water Resources Protection Ordinance, 424 Robinson Road

Fleisch noted that staff requested a continuance on the variance.

Learnard moved to continue Agenda Item 06-14-05 to the next meeting. Imker seconded. Motion carried unanimously.

06-14-06 Consider Award of Contract for Citywide Enterprise Resource Planning (ERP) Software

Pennington said most of staff had reviewed the product, adding that this was not something that he and Salvatore alone were recommending, but it was a product of the users and how the software would work on a daily basis.

Salvatore said the evaluation process had been explained in the staff memo, and it was a group effort. Employees from every department had been involved. A Request for Information (RFI) had been sent to weed the field from 17 vendors to eight. Six companies had responded to the subsequent Requests for Proposals (RFP). The three best were selected to give demonstrations, and the rest of staff became involved at that time. Many factors were considered, and functionality had only been 25%. Other factors included strength of the company, financial viability, technical strength, and support capabilities. Cpak, the City's Information Technology (IT) vendor, had also been involved. BS&A had come out on top. The City had a lot of disparate, home grown systems that were made from an Access database. After the analysis of the IT system a few years ago, the City was in good shape as far as servers, software, and hardware. One of the recommendations had been to use resource enterprise planning software because the different modules were designed to communicate with each other. There would be more capability to do things online, so employees and citizens would be able to do more on the website. Work orders could be submitted on the website; bills could be sent and paid electronically. Human Resources software was also included; everything was done manually at this time.

There was a scheduling and time and attendance piece that was separate. He said BS&A had automated time sheets, but there were companies that specialized in those, especially when dealing with fire and police operations where scheduling could be very involved. The departments now each had their own software, and the City wanted to go with one vendor. BS&A had a recommended vendor they worked with, ExecuTime. Cpak also had a sister company that had time and attendance software. BS&A would be able to integrate with that software as well. Both companies had demonstrations scheduled on June 30.

Salvatore asked Council to approve the contract with BS&A, with an adjustment in the allocation to $495,000 to accommodate both software packages. The contract with BS&A

should not to exceed $420,000, leaving a balance of $75,000 to go towards the time and attendance software. There were two separate programs – one for scheduling and one for time and attendance. If the cost was less than $40,000 each, staff asked that the City Manager be able to authorize the purchase.

Imker asked Salvatore to explain the budget impact. Salvatore said the ERP software would be paid for with a seven-year equipment finance lease. Approximately $57,000 was budgeted each year for seven years. He asked that number be increased by just over $24,000 to accommodate the additional pieces. Imker asked if the numbers had been included in the budget model Council had just seen that night. Salvatore said it had been included. Ernst clarified the debt service would be approximately $80,000 annually for the next seven years. Salvatore confirmed it.

Fleisch clarified that the ERP system would eventually allow residents to report issues on the website. Salvatore said that was correct.

Learnard moved to increase the allocation for the ERP system to $495,000 and to approve the contract with BS&A not to exceed $420,000. Ernst seconded. Motion carried unanimously.

06-14-07 Consider Waiver to Golf Cart Ordinance (Wyndham)

King reported that the Wyndham Peachtree Conference Center would be holding a scavenger hunt for the Society of Government Planners on August 11. The Wyndham would be able to use 50 golf carts that belong to Flat Creek Golf Course that were not registered in the City. To be legal to operate on the cart paths, the golf carts needed to be registered. The Convention & Visitors Bureau (CVB) and the Wyndham were asking Council to waive the registration requirement from 3:15 – 4:45 p.m. on August 11 for the scavenger hunt.

Imker moved to approve the waiver for the golf cart ordinance for the Wyndham hotel. King seconded. Motion carried unanimously.

<u>Council/Staff Topics</u>

Pennington said he would send Council an update on Stormwater Utility projects. The list kept getting longer, but some had been completed.

Pennington encouraged anyone who had not registered their entry for the July 4th parade to do so as soon as possible. The line-up would be announced on June 27.

City Engineer Dave Borkowski reported on the status of the MacDuff Parkway extension, saying staff had received the construction plans for Wieland's portion. The plans had been reviewed and comments were given. It was still on track to finish by December 20, 2015.

City Attorney Ted Meeker said House Bill 877 pertaining to personal transportation vehicles would go into effect on July 1. The bill would increase the ability of golf carts to cross state highways at areas designated by Georgia's Department of Transportation (DOT). Staff was working with DOT on possible locations where that could be done.

Learnard moved to convene in executive session to discuss the potential acquisition or sale of real estate and threatened or pending litigation at 8:10 p.m. Ernst seconded. Motion carried unanimously.

Ernst moved to reconvene in regular session at 8:48 p.m. Learnard seconded. Motion carried unanimously.

There being no further business, Learnard moved to adjourn the meeting. King seconded. Motion carried unanimously. The meeting adjourned at 8:53 p.m.

Pamela Dufresne

Pamela Dufresne, Deputy City Clerk

Vanessa Fleisch

Vanessa Fleisch, Mayor