City Council of Peachtree City
June 17, 2014
Meeting Minutes
6:30 p.m.

The Mayor and Council of Peachtree City met in workshop session at City Hall on Tuesday, June 17, 2014. Mayor Vanessa Fleisch called the meeting to order at 6:30 p.m. Others attending: Mike King, Terry Ernst, Kim Learnard, and Eric Imker.

The purpose of the workshop was to continue discussions from June 16 regarding levels of service and funding in preparation of the FY 2015 budget.

City Manager Jim Pennington said staff had made their presentations the previous evening. Learnard asked to review the street and path priorities to see what additional funding would achieve.

Rorie said Council had seen the street rating list in a previous workshop. The ratings established what roads needed what level of attention. Staff had a list of projects being bid out, including Crosstown Road. Grecken Green needed to be added due to its deteriorated condition. The entire chart of streets had been broken down into a five-year plan, but not all of the funding being requested was for repaving. It would be divided among resurfacing, street sealing, crack sealing, street patching, street supplies, and geo-testing.

The requested $3 million would result in approximately $2 million of new paving. The assumption was that every road below a rating of 80 would receive a two-inch overlay of asphalt; however, some (such as Crosstown Drive) would require a Full Depth Reclamation (FDR). Bidding multiple projects together allowed for economies of scale. The $3 million level of commitment each year would result in less funding required by year five. The goal was a parallel approach of maintaining what the City had while repairing what needed it. If funding was set at $2 million, then the plan would extend to seven years to achieve the goal.

Rorie noted that one elusive element of the equation was the price of oil, which directly impacted the cost of asphalt. Competing for a limited supply of asphalt if other cities initiated aggressive paving programs also impacted how much could be paved in a season.

Learnard clarified that lower funding meant a longer term to address the needed repairs. Rorie said that was correct. Pennington noted that the longer the time-span, the more streets currently ranked above 80 could fall into the under-80 category. There would also be unexpected streets requiring FDR.

Rorie then addressed the path system, saying the ranking was also broken down based on the level of path use. Roughly 13% of the path system fell below the rating of 80. Staff was asking for an additional $365,000 to begin to catch up on the paths. Repaving six miles per year would provide the turn-around in two to three years. However, there was a limit in terms of quality on what could be done with the current staff. The six-mile goal was added as a stretch to see how the process worked. In a previous year, seven miles of path paving were completed but staff was dissatisfied with the results, so seven miles was too much. Staff was recommending that the process change to add the sixth mile, with the crew opening, or digging up, multiple paths at a time, and then finishing them at one time. This would result in path sections being unpaved for a longer period, which might result in citizen complaints.

Rorie said he had also had the Engineering Department review paths being replaced that were adjacent to roadways. City staff was better equipped to pave the paths in the woods, but areas adjacent to roadways lent themselves to contractors performing the work.

At Fleisch's request, Rorie confirmed the proposed budget amount included no new paths or path expansions.

Imker then reviewed a presentation of points addressing the previous evening's discussion, noting that other Councilmembers also provided input. The points for discussion included:

1. Deleting the public works director position and using those funds to help move forward with the facilities bond as presented
2. Budgeting only a 2% salary increase in anticipation of the salary study
3. Adding $382,000 to the landscaping budget to bring the process back in-house (Imker noted this could be covered by the anticipated LOST revenue from events like the Diva Marathon, as well as through the use of cash reserves
4. Budget the recommended $200 for infrastructure maintenance
5. Add $635,000 to the path paving for a total of $1 million
6. Add $832,000 for street paving for a total of $1.6 million.

Imker noted that the changed funding levels in items four through six could be covered with only a one mill tax increase. The rationale for focusing on the paths was that was the area receiving complaints from citizens.

Imker asked for Council discussion of the suggestions.

Fleisch expressed concern at deleting the Public Works Director position with another bond coming forward and the additional staffing. She felt not funding it would suffice, but not to completely eliminate the position. Pennington and Salvatore said they would leave the position unfunded in 2015 but note it had not been eliminated. Council agreed with this approach.

Ernst said he disagreed with reducing the projected pay raise, considering everything that employees had accomplished in the preceding year. He said it was past time to recognize those efforts. King agreed with Ernst regarding the salary increase and cautioned about budgeting in expectation of possible revenue. Pennington noted the salary study survey had been done, and now interviews were starting. The results were expected by the end of August. Learnard suggested keeping the two percent with the understanding that, when the time came, Council could entertain the option of righting any salary wrongs from cash reserves. She felt the two percent was the right step for budgeting purposes.

Fleisch, Ernst, and King felt the 3% was more realistic in budgeting for the salary study.

Fleisch asked Salvatore to review the current debt levels and payoff dates. The General Obligation (GO) Bonds would be paid off by 2019, and totaled approximately $3 million. Lease purchase debt was at $4.1 million, Public Facilities Bonds were currently at $4.8 million which included refinanced bonds, and equipment leases totaled $2.5 million. Total debt was $14.4 million.

Council consensus was to keep the $200,000 for infrastructure maintenance, bring up the total amount for cart path maintenance for $1 million, and bring down road maintenance to a total of $1.6 million.

Rorie noted that existing staff was stretched repaving six miles of path, which was why he had requested $440,000. The remainder would have to be outsourced and would be limited to paths near roadways so contractors could access the paths sections.

Learnard asked for a brief review of the proposed projects for the next Facilities Bond. Rorie reviewed the list and noted the list was on the June 19 regular meeting agenda for finalization. Council asked that further discussion of the budget be added to that agenda as well.

There being no further issues to discuss, the meeting adjourned at 7:43 p.m.

Betsy Tyler, City Clerk

Vanessa Fleisch, Mayor