City Council of Peachtree City
Minutes of Meeting
May 15, 1997
7:00 p.m.

The City Council of Peachtree City met in a regular session Thursday, May 15, 1997, at 7:00 p.m. in the City Hall Council Chambers.

Mayor Lenox led those attending in the pledge of allegiance. Council members present were: Robert Brooks, Jim Pace and Caroline Price. Annie McMenamin was absent.

ADDITION OF AGENDA ITEMS

There were no additional agenda items.

ANNOUNCEMENTS, AWARDS, SPECIAL RECOGNITION

Mayor Lenox announced a public meeting for the Police Department Reaccreditation would be held on May 19 from 7:00 to 9:00 p.m. at City Hall.

Mayor Lenox announced an Open House for the Recreation Administration Building would be held on May 16 from 1:00 to 3:00 p.m. with a ribbon cutting ceremony at 1:15 p.m.

Mayor Lenox read a proclamation for National EMS Week.

Mayor Lenox read a proclamation for Older Americans Month.

Mayor Lenox presented a Certificate of Recognition to Amy Huntley.

Mayor Lenox presented the Employee of the Month award for the month of April to Anna Hollander.

MINUTES

Price made a motion to approve the minutes of the May 1, 1997 meeting as presented. Lenox seconded the motion. Motion carried unanimously.

OLD AGENDA ITEMS

4-97-05 Consider Appointment to the Development Authority

Price said she appreciated comments made by Doug Warner in a recent letter concerning his possible appointment on the Development Authority. She said she felt comfortable with the appointment since the Development Authority was aware that Warner was also the legal council for the Airport Authority and Water and Sewerage Authority and that he would volunteer to resign as their legal council in the event that a conflict of interest were to occur. Pace made a motion to appoint Doug Water to the Development Authority for a six-year term. Price seconded the motion. Motion carried unanimously.

New Agenda Items

5-97-04 Confirm Preliminary Official Statement
5-97-05 Consider Bond Purchase Agreement
5-97-06 Consider Sewer System Agreement

Lenox explained that the next three agenda items (5-97-04 Confirm Preliminary Official Statement; 5-97-05 Consider Bond Purchase Agreement; and 5-97-06 Consider Sewer System Agreement) would be combined and considered at one time with an authorizing resolution. He explained that the resolution would consolidate all required Council actions for the acquisition of Georgia Utilities.

Todd Barnes of A.G. Edwards discussed the bond issue, interest rates, bond rating and explained that Moody's Investor Service and Standard & Poor's Ratings Group have assigned credit ratings of "Aa3" and "AA," respectively, to the bonds.

Attorney Earl Taylor of Kilpatrick Stockton introduced and explained the resolution at the meeting.

Price made a motion to approve the Authorizing Resolution, which is attached and made a part of these minutes herein. Pace seconded the motion. Motion carried unanimously.

5-97-07 Consider Intergovernmental Agreement - Support Service

Basinger explained the proposed support services agreement with the Water and Sewerage Authority. He said while the fee for these services had not been determined, during the first 90 days the city staff would record and track all labor costs to determine what a normal monthly fee would be. Once a standard monthly fee could be determined, it would be applied to the first three months of service.

Basinger explained that the City would provide the following services:

Finance - accounts payable, accounts receivable, general ledger and payroll.
Administrative Services - personnel recruitment, employment, insurance, termination.
Public Services - equipment and vehicle maintenance, fuel services asphalt patching

He said the Water and Sewerage Authority would pay for the actual cost of repair and parts and materials required for any service that is provided. Also, the monthly labor charge would be evaluated periodically to ensure it is fair and reasonable to both the City and the Authority.

Pace made a motion to approve the Support Services Agreement as described by Mr. Basinger. Price seconded the motion. Motion carried unanimously.

5-97-08 Approve Sewer Use and Pre-Treatment Ordinance

Basinger said the Water and Sewerage Authority had approved a Sewer Use and Pretreatment Ordinance. He said their ordinance set forth uniform requirements for users of the system and enabled the Authority to comply with all applicable state and federal laws. He said it would govern the permitting process and use of the system by residents, businesses and industries, and would set pretreatment requirements for industries. He said the ordinance also set tap fees and user fees which were the same as charged by Georgia Utilities.

Phyllis Aguayo asked to address Council and comment on the proposed Ordinance. Lenox explained that the ordinance had already been approved by the Water and Sewerage Authority and this was not the proper time to allow public input regarding the ordinance. Aguayo expressed her concerns that the ordinance had not been properly advertised to allow citizens to give adequate input into the ordinance. James Davis explained that there would be additional public hearings on the ordinance once it was reviewed by the state and that Council needed to approve the ordinance that night so that it could move forward to that part of the process..

Price made a motion to adopt the ordinance. Pace seconded the motion. Motion carried unanimously.

Lenox made a motion to take a brief recess to sign documents that had just be authorized. Brooks seconded the motion. Motion carried unanimously. The meeting was adjourned for the recess at 7:30 p.m.

Lenox reconvened the meeting at 7:50 p.m.

5-97-09 Right-of-Way Deed - Robinson Road

Basinger explained the reconstruction of Robinson Road was a joint project between the Fayette County Commission and Council. One of the conditions contained in the reconstruction agreement was that the City would accept ownership of Robinson Road when the reconstruction was completed. He said the Fayette County Attorney prepared a document to transfer ownership. Basinger said he did ask the City Attorney to draft the final paragraph in the deed to protect the City against any existing claims and recommended Council authorize Mayor Lenox to execute the revised deed.

Price made a motion to authorize Mayor Lenox to execute the revised deed for Robinson Road. Brooks seconded the motion. Motion carried unanimously.

5-97-10 Consider Appointments to the Library Commission

Basinger said the Selection Committee composed of Council members Bob Brooks and Caroline Price and himself interviewed five applicants for one vacancy on the Library Commission. He said it was the recommendation of the committee that Ms. Marie Washburn be reappointed to serve a three year term from June 1, 1997 through May 31, 2000 and that Mr. James C. Moore, II be appointed to serve as an alternate to fill any vacancy that might occur prior to November 31, 1997.

Price made a motion to appoint Marie Washburn to a three year term on the Library Commission expiring May 31, 2000 and that Mr. James C. Moore be designated as an alternate to fill any vacancy that might occur prior to November 31, 1997. Pace seconded the motion. Motion carried unanimously.

5-97-11 Consider Agreement - State DOT - Crabapple Road Right of Way

Basinger explained that in order to receive DOT funding assistance for the Crabapple Lane West project, the City must execute a right-of-way agreement which would obligate the City to accomplish the following: acquire a 60' minimum width right-of-way for the road, to maintain the road after improvements are made, to coordinate all necessary utility relocations associated with the project, to obtain DOT approval for any new encroachments or pavement cuts, to remove any other obstruction in the right-of-way, and to hold DOT harmless for any liability associated with the project.

Brooks made a motion to approve the right-of-way agreement for crabapple Lane West. Price seconded the motion. Motion carried unanimously.

5-97-12 Consider Bid - Lake Kedron Bridge Repair

Basinger said there had been a request from the Fayette County Commission for the city to contract for repairs & assume ownership of Lake Kedron Bridge. He explained that the Fayette County Water Department built the bridge when Lake Kedron was constructed in the mid 1980s. He said the bridge sub-structure, paid for by the City, was built to accommodate an additional lane of traffic plus a 16 foot cart path.

He said the DOT inspected the bridge last year and determined the sub-structure needed to be cleaned of all corrosion and encased in concrete. He said City staff and the County Consulting Engineer developed bid specifications to repair the corrosion and encase the underwater sections of the steel structure in concrete. Basinger said he asked the Fayette County Commission to pay for the cost of all repairs to the bridge and that he would recommend to City Council to have the City award the contract for repairs and accept ownership of the bridge one the repairs were complete.

He explained that the Fayette County Commission did take official action to pay for the cost of repairs and that two bids were received:

Cornett Bridge Inc. - Gainsville, FL	$478,836
Walker Diving Contractors - Laurel Springs, NJ	$154,900

Basinger recommended that Council award the bid to low bidder, Walker Diving Contractors for $154,900 and that the County would pay for the cost of repairs. Basinger did say that he and the Council Administrator had been discussing the possibility of the city paying for the cost of repairing the bridge in exchange for Kelly Drive Water Treatment Plant site property - approximately 8.26 acres. If the Commission and Council could agree upon such an exchange, staff would recommend permanent funding for the $154,900 bridge repair be included in the 1998 PIP with temporary funding from the Council Contingency Fund.

Price made a motion to award the bid to Walker Diving Contractors for $154,900 for the Kedron Bridge Repairs and that the City assume ownership and responsibility for the bridge from Fayette County. She also charged the City Manager with continuing conversations to investigate exchanging land in Peachtree City for the cost of repairs. Pace seconded the motion. Motion carried unanimously.

Lenox made a motion to adjourn the meeting into Executive Session to discuss a legal matter. Price seconded the motion. Motion carried unanimously.

Executive Session

Council discussed an agreement which they believed would minimize financial exposure of City taxpayers relative to a lawsuit. Pace made motion to approve the agreement. Price seconded. Motion carried with three Council members voting aye and Mayor Lenox abstaining due to possible ethical conflict.

Price made a motion to approve an agreement relative to the Crabapple West acquisition of right-of-way. Pace seconded. Motion carried unanimously.

Price made a motion to adjourn the executive session. Lenox seconded the motion. Motion carried unanimously. The meeting adjourned at 9:00 p.m.

Nancy Faulkner

Nancy Faulkner, City Clerk

ATTEST: Robert L. Lenox

Robert L. Lenox, Mayor

AUTHORIZING RESOLUTION

WHEREAS, in furtherance of the purposes for which it was created and upon the recommendation of Peachtree City (the "City"), the Peachtree City Water and Sewerage Authority (the "Authority") proposes to acquire all of the issued and outstanding capital stock of Georgia Utilities Company ("GUC"), a Georgia corporation primarily engaged in owning and operating a sanitary sewer treatment and collection system, and to promptly dissolve GUC and transfer the assets of GUC to the Authority; and

WHEREAS, the Authority has entered into an Agreement for Purchase and Sale of Stock of Georgia Utilities Company (the "Stock Purchase Agreement"), dated February 3, 1997, with Douglas B. Mitchell and Joseph S. Black (collectively the "Shareholders"), under the terms of which the Authority has agreed to purchase, and the Shareholders have agreed to sell, all of the issued and outstanding capital stock of GUC, subject to the terms and conditions contained in the Stock Purchase Agreement; and

WHEREAS, the Authority has determined that there is a need for the improvement, betterment, and extension of the sewer system to be acquired by the Authority, all in accordance or substantially in accordance with the "Engineering Report", dated May, 1997, prepared by the Authority's consulting engineers, Hartman & Associates, Inc., Orlando, Florida; and

WHEREAS, the Authority has determined that it is in the best interests of the citizens of the City for the Authority to acquire the sewer system in the manner described above, to make the additions, extensions, and improvements to the sewer system described above, and to finance the costs of the foregoing by issuing its Sewer System Revenue Bonds, Series 1997A, in the original aggregate principal amount of $25,895,000, and its Sewer System Revenue Bonds, Series 1997B, in the original aggregate principal amount of $1,450,000 (collectively the "Series 1997 Bonds"); and

WHEREAS, the City has determined that the best method of providing such sewer facilities and services would be for the Authority to purchase all of the issued and outstanding capital stock of GUC, to promptly dissolve GUC and transfer the assets of GUC to the Authority, to improve, better, and extend the sewer system, and to thereafter operate such sewer system as a public sewer system and to make its sewer facilities and services available to residents of the City; and

WHEREAS, Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia of 1983 authorizes any municipality of the State of Georgia to contract for any period not exceeding fifty years with any public corporation or public authority for joint services, for the provision of services, or for the joint or separate use of facilities or equipment, if such contract deals with activities, services, or facilities which the contracting parties are authorized by law to undertake or provide; and

WHEREAS, Article 3 of Chapter 82 of Title 36 of the Official Code of Georgia Annotated, known as the "Revenue Bond Law" (the "Revenue Bond Law"), authorizes the City to acquire, construct, reconstruct, improve, better, and extend any system, plant, work, instrumentality, and property used or useful in connection with the collection, treatment, and disposal of sewage and waste, together with all parts of any such system, plant, work, instrumentality, and property and all appurtenances thereto, including lands, easements, rights in land, contract rights, franchises, approaches, sewage disposal plants, intercepting sewers, trunk connecting and other sewer mains, pumping stations, and equipment, and to make all contracts, execute other instruments, and do all things necessary or convenient in the exercise of the powers granted in the Revenue Bond Law; and

WHEREAS, the Authority adopted a Master Bond Resolution on May 15, 1997 (the "Master Bond Resolution"), authorizing the issuance of the Series 1997 Bonds for the purpose of financing the costs of purchasing all of the issued and outstanding capital stock of GUC, in order to promptly dissolve GUC and transfer the assets of GUC to the Authority, financing the costs of improving, bettering, and extending the sewer system, and financing the costs of issuing the Series 1997 Bonds; and

WHEREAS, the Authority and the City propose to enter into a Sewer System Agreement (the "Contract"), to be dated as of May 1, 1997, the form of which has been filed with the City and submitted to the Council of Peachtree City, under the terms of which (1) the Authority will agree to operate the sewer system as a public sewer system and to make its sewer facilities and services available to residents of the City, and (2) the City will agree (a) to make payments to the Authority in amounts sufficient to enable the Authority to pay when due the principal of, premium, if any, and interest on the Series 1997 Bonds and any other Contract Supported Bonds (as defined therein) which may be issued, to the extent the net operating revenues of the sewer system are insufficient for such purposes, and (b) to levy an annual ad valorem tax on all taxable property located within the corporate limits of the City, without limitation as to rate or amount, as may be necessary to produce in each year revenues which are sufficient to fulfill the City's obligations under the Contract; and

WHEREAS, pursuant to the Master Bond Resolution, the net operating revenues of the sewer system and the payments to be received by the Authority from the City pursuant to the Contract are pledged to, and a first priority lien is created thereon as security for, the payment of principal of, premium, if any, and interest on the Series 1997 Bonds and any other Contract Supported Bonds which may be issued; and

WHEREAS, the Master Bond Resolution sets forth, among other things, the interest rates which the Series 1997 Bonds bear and the principal amount of the Series 1997 Bonds which will mature, either at maturity or by proceedings for mandatory redemption, in each year, and the Authority has furnished the City with a certified copy of the Master Bond Resolution in order that any payments required to be made by the City under the Contract may be accurately computed and conclusively established; and

WHEREAS, the Authority and the City have determined to sell the Series 1997 Bonds to A.G. Edwards & Sons, Inc. (the "Underwriter") pursuant to the terms of a Bond Purchase Agreement (the "Bond Purchase Agreement") among the Authority, the City, and the Underwriter, the form of which has been filed with the City and submitted to the Council of Peachtree City; and

WHEREAS, after careful study and investigation, the City desires to enter into the Contract and the Bond Purchase Agreement;

NOW, THEREFORE, BE IT RESOLVED by the Council of Peachtree City as follows:

1. The forms, terms, and conditions and the execution, delivery, and performance of the Contract and the Bond Purchase Agreement, which have been filed with the City, are hereby approved and authorized. The Contract and the Bond Purchase Agreement shall be in substantially the forms submitted to the Council of Peachtree City with such changes, corrections, deletions, insertions, variations, additions, or omissions as may be approved by the Mayor or Mayor Pro Tem of the City, whose approval thereof shall be conclusively evidenced by the execution of the Contract and the Bond Purchase Agreement.

2. The Mayor or Mayor Pro Tem of the City is hereby authorized and directed to execute on behalf of the City the Contract and the Bond Purchase Agreement, and the City Clerk is hereby authorized and directed to affix thereto and attest the seal of the City, upon proper execution and delivery of the other parties thereto, provided, that in no event shall any such attestation or affixation of the seal of the City be required as a prerequisite to the effectiveness thereof, and the Mayor or Mayor Pro Tem and City Clerk of the City are authorized and directed to deliver the Contract and the Bond Purchase Agreement on behalf of the City to the other parties thereto, and to execute and deliver all such other contracts, agreements, instruments, documents, affidavits, or certificates and to do and perform all such things and acts as each shall deem necessary or appropriate in furtherance of the issuance of the Series 1997 Bonds and the carrying out of the transactions authorized by this Resolution or contemplated by the instruments and documents referred to in this Resolution.

3. This Resolution and the Contract and the Bond Purchase Agreement, as approved by this Resolution, which is hereby incorporated in this Resolution by this reference thereto, shall be placed on file at the office of the City and made available for public inspection by any interested party immediately following the passage and approval of this Resolution.

PASSED, ADOPTED, SIGNED, APPROVED, AND EFFECTIVE this 15th day of May, 1997.

PEACHTREE CITY

(SEAL)

By: Robert L. Lenox
Mayor

Attest:

Nancy Faulkner
City Clerk

CITY CLERK'S CERTIFICATE

I, **NANCY FAULKNER**, the duly appointed, qualified, and acting City Clerk of Peachtree City (the "City"), **DO HEREBY CERTIFY** that the foregoing pages of typewritten matter constitute a true and correct copy of a resolution adopted on May 15, 1997, by the Council of Peachtree City in a meeting duly called and assembled in accordance with applicable laws and with the procedures of the City, by a vote of 4 Yea and 0 Nay, which meeting was open to the public and at which a quorum was present and acting throughout, and that the original of the foregoing resolution appears of public record in the Minute Book of the City, which is in my custody and control.

Given under my hand and the seal of the City, this 15th day of May, 1997.

Nancy Faulkner
City Clerk

(SEAL)