City Council of Peachtree City
Minutes of Regular Meeting
March 3, 2005
7:00 p.m.

The City Council of Peachtree City met Thursday, March 3, 2005, in the City Hall Council Chambers. Mayor Brown called the meeting to order at 7:05 p.m. Other Council Members present were: Stuart Kourajian, Steve Rapson, Judi Rutherford, and Murray Weed.

Announcements, Awards, Special Recognition

Mayor Brown read a proclamation for Red Cross Month. Becky Kimble was recognized for 10 years of service as a City employee.

Minutes

Rutherford moved to approve the February 17, 2005, Regular Meeting Minutes as amended. Weed seconded. The motion carried 4-0-1 (Rapson).

Monthly Reports

Brown announced that the annual Council Retreat would be held March 18-19 at the Peachtree City Tennis Center. The Shakerag Arts and Crafts Festival was scheduled for April 16-17. Brown reported that Part One Crimes, the more serious crimes, were down year-to-date. The Top Five Accident Locations were GA 54/Peachtree Parkway, GA 54/City Circle, GA 54/Huddleston Drive, GA 54/Planterra Way, and GA 74/Crosstown.

Consent Agenda

1. **Consider Appointment to Airport Authority**
2. **Consider Kedron User Fee Agreement with Southern Crescent Lightning**
3. **Consider Sale of Surplus Items**
4. **Consider Contract for Fireworks**

Rutherford moved to accept the Consent Agenda. Rapson seconded.

Rapson read the following statement into the record regarding Consent Agenda Item #1:

I think that the Selection Committee totally missed the call on this one. I am extremely disappointed that this committee did not select Mr. Hollis Harris as the best candidate. Mr. Harris ran three extremely successful airlines and was responsible for bringing the corporate headquarters of World Airways to Peachtree City.

His talent for managing and understanding the airline business is legendary and would be a tremendous asset to the Airport Authority and to Peachtree City. When we have citizens of Mr. Harris' caliber offer their time and experience to service in a volunteer position on any of our authorities or commissions, we need to embrace them with open arms.

When I learned of the Selection Committee's intention to recommend another candidate, I contacted Mr. Harris and tried to convince him to let me recommend his appointment. I regret to say that he graciously declined the offer. However, Mr. Harris did say that he would be willing to assist the Airport Authority in the future. I strongly urge that the Airport Authority embrace that offer.

Peachtree City has many talented and experienced people in a number of professional fields. I urge this Council in the future to consider with an open-mind and a clean slate the experience and talents of each candidate individually. It may be idealistic, but I believe that the five members of this council sitting here tonight are capable of doing just that and appointing individuals to represent the best interests of the citizens and that has not been the case with this appointment.

My comments should not be construed in any way to diminish the value Mr. Carroll will bring to the Airport Authority in his own way. I understand that he is an excellent candidate and look forward to working with him in the future.

Weed said that he agreed with Rapson.

Rutherford, who served on the selection committee, said there were seven candidates, all very qualified, and the committee felt they made the best decision. Rutherford said the committee viewed all the candidates with an open mind and felt that the decision made was in the best interest of everybody.

Brown added that Harris was a fabulous talent and renowned in the airline industry. Brown said during the interview that Harris had been offered prestigious positions that were out-of-state and the committee had been concerned about the time Harris would have to give to the Airport Authority. Brown said there was no disrespect intended toward Harris, but the committee was looking for someone with more time available.

The motion carried unanimously.

Old Agenda Items

10-04-03 Staff Report on Meeting with County Concerning Step One Annexation Application from John Wieland

Brown noted there were additional documents on the dais – an interoffice memo from City Planner David Rast to Mayor and Council dated March 3, 2005, with the subject "Step One Annexation Application – John Wieland Homes, Notes from meeting with Board of Commissioners," and a Superior Court document for the County of Fayette, State of Georgia, Peachtree City Holdings, LLC, and Pathway Communities, Inc., Plaintiffs, vs. Fayette County, Georgia.

City Planner David Rast reported to Council that staff met with the Fayette County Board of Commissioners during the board's meeting on March 2. Rast attended the meeting along with City Manager Bernard McMullen and Developmental Services Director Clyde

Stricklin. Rast said they gave the Commissioners an overview of the City's Comprehensive Plan update and the intent to work with the County to establish growth boundaries. The discussion included specifics on the Wieland application for annexation.

Rast continued the Commissioners objected to any annexation and rezoning that exceeded the current zoning (R-70) or Land Use designation (Low Density Residential). They referred to the litigation several years ago regarding the property. The County defended the zoning and land use in Superior Court and the State Supreme Court and both courts found the zoning to be constitutional. The Commissioners said they might consider allowing the property to be developed under the Conservation Subdivision category as long as the density and minimum lot size did not exceed what was upheld in Court. Rast pointed out that the City did not currently have that zoning classification, but they were looking at such a classification as part of the stormwater management act. Rast said the Commissioners would not support a change to their zoning or Land Use Plan to allow higher density or commercial development in this area.

Kourajian asked if there had been any discussion about the extension of Mac Duff Parkway to Highway 74 and whether they would help with the road. Rast said there was not a uniform opinion. One commissioner had asked why the road had not been included the County-wide transportation plan. Rast said he did not know that reason the road was not included. Rast reported that the same commissioner said he would not support a road that had not been stated or analyzed as part of the overall transportation plan.

Rapson clarified that the plaintiffs in the lawsuit had asked for a minimum lot size of one acre. He continued that the parcel was 364 acres and 28.2% could not be developed because it was in the flood plain. Only 261.7 acres could be developed. The maximum density allowed under the existing zoning was 113 lots. Rast said that, according to the court documents, only 113 to 117 two-acre lots were allowed.

Rapson asked City Attorney Ted Meeker if the County would have a valid land use argument if the proposed plan exceeded 113 units. Meeker said yes. Brown asked if the County's objection would stop the annexation. Meeker explained that the County could interpose the objection and, based on the way state law was currently written, the City could not just unilaterally annex the acreage. The issue would have to be resolved, or the County would have to remove its objection, for the annexation to go forward.

02-05-10 Consider Refinancing of 1997 Water and Sewer Revenue Bonds

Brown noted there were four additional documents on the dais – a memo from the Financial Services Director to Mayor and Council dated March 3, 2005, with the subject "WASA Bond Refinancing," Authorizing Resolution, Letter of Representation, and the Second Amendment to the Sewer System Agreement by and between Peachtree City Water and Sewerage Authority and Peachtree City dated as of March 1, 2005.

Financial Services Director Paul Salvatore told Council that staff was working with the Water and Sewerage Authority (WASA) to refinance the 1997 bonds to realize a savings.

The bonds were a public offering backed by the full faith and credit of the City. The refinancing was ready for Council approval. He asked Council to approve the authorizing resolution, the second amendment to the agreement between WASA and the City, and to authorize the Mayor to sign the letter of representation. Salvatore said the refinancing would allow WASA to realize a savings on future debt service payments. The savings was greater than originally anticipated. Salvatore said that was due to making the decision to buy bond insurance. In addition, both Moody's and Standard & Poor's upgraded the City's bond rating. Moody's was upgraded from a Aa3 to Aa2 and Standard & Poor's upgraded the City from a AA to AA+, which was the highest rating below AAA.

Rapson said he knew what Salvatore was talking about, but asked him to put the ratings in perspective so others could understand. He asked Salvatore how many governments in the state had a AAA rating. Salvatore said one, the City of Roswell. Rapson added that Cobb County also had a AAA rating. Rapson asked how many were at Aa2. Salvatore said the City was the only one he knew of. Rapson said the City was the third highest-rated government in the state.

Rutherford moved to approve the authorizing resolution, the second amendment to the sewer system contract, and to authorize the Mayor to sign the attached letter of representation. Weed seconded.

Brown asked Meeker if he had looked over the documents. Meeker said he had gone over the documents thoroughly and only minor changes had been needed, which including filling in the blanks once the numbers had finalized during the last few days. Rapson added that the only changes to the original contract had to do with the refinancing aspect, and the remaining language in the existing contract would stay the same. Meeker said that portion was completely intact.

The motion carried unanimously.

Salvatore asked WASA General Manager Larry Turner to comment on availability of the bonds. Turner said most of the bonds were sold. Anyone who was interested could contact Turner.

<u>New Agenda Items</u>

03-05-01 Alcohol License – Addition of Distilled Spirits – Deli Delicious

Brown noted there were additional documents on the dais – an interoffice memo to Mayor and Council from the City Clerk dated March 2, 2005, with the subject "Alcohol License – Addition of Distilled Spirits – Deli Delicious," and the application for alcoholic beverage license.

Andy and Lorraine Stasko appeared before Council. Weed said the applicants already a valid license, and the application appeared to be in order. Weed moved to approve the additional ability to sell distilled spirits to Deli Delicious and to grant them an alcohol license to do so. Kourajian seconded. The motion carried 4-1 (Rutherford).

<u>Council/Staff Topics</u>
Update on United Healthcare – List of Complaints/Staff Actions
Brown noted there was an additional document on the dais entitled "Continuing Problems with United Healthcare."

Consultant Clark Weeks addressed Council and reviewed the reasons for changing the health insurance provider from American Medical Security (AMS) to United Healthcare (UHC). He said the goal had been to provide the same benefits at a lower cost. Weeks continued that there had been problems, including being less responsive to calls, incorrect benefit cards, summary plan descriptions were not finished, and initial denial of claims that should have been paid. Weeks said the UHC plan differences that would remain included the prescription drug card and less paperwork. The City would not have a single dedicated UHC administrator since UHC used a team approach.

Weeks introduced Chris Clark, the City's insurance broker with Palmer & Kay, and Parchia Flores, UHC's strategic account executive assigned to the City. Clark reiterated that many of the problems encountered were due to the transition process. He continued that the proposed solutions included scheduling bi-weekly conference calls with UHC and the City's Human Resources Department to make sure all items were addressed. A UHC representative that dealt with product issues would come once a month to meet with employees to work out issues face-to-face. Flores said the representative would be available for four hours. The dates would be consistent so employees would know when the representative was coming. Flores said the representative would address issues that employees had been unable to resolve with Human Resources or issues that employees were uncomfortable dealing with through Human Resources. Kourajian asked if they needed to think about how to administer the representative's time, whether appointments were needed or on a first-come, first-served basis. Administrative Services Director Jane Miller said that different times might be scheduled to accommodate employees who worked on shifts, but they hoped that the problems would be worked out. Flores said that one four-hour visitation was now down to an hour. Rutherford said that, hopefully, a lot of things would be resolved by the time the representative's visits began.

Rutherford asked Miller if she had noticed an improvement in service. Miller said there had been an improvement over the last two to three weeks and that had been encouraging. Rutherford said the kinks appeared to be working out, and that UHC knew the City expected good customer service.

Kourajian asked what could be done about the $5,000 in claims that had been denied and asked if AMS would have covered those claims. Weeks said some of the statistics were hard to track, but the meaningful thing was that the number was relatively small. He tried to track claims that were originally denied and subsequently reversed. Weeks said the process was not broken, but needed fine-tuning. Rutherford said she was encouraged by the fact that the representatives were at the meeting and were working on solutions. She recognized the fact that it was difficult to change insurers, and they were beginning to develop a relationship. Weed thanked Weeks and Miller for following up on the problems and working to take care of them. Rutherford thanked Human Resources Administrator Brenda Rogers for her efforts.

Rutherford moved to convene in executive session to discuss pending litigation, real estate, and a personnel matter. Kourajian seconded. The motion carried unanimously.

Rutherford moved to reconvene in regular session. Rapson seconded. The motion carried unanimously.

Rapson moved to deny the claim presented to the City by Jennifer Geddie. Kourajian seconded. The motion carried unanimously.

There being no further business to discuss, Rutherford moved to adjourn the meeting. Rapson seconded. The motion carried unanimously. The meeting adjourned at 9:20 p.m.

Jane S Miller

Jane Miller, City Clerk

Stephen D. Brown, Mayor

Pamela Dufresne

Pamela Dufresne, Recording Secretary