City of Peachtree City
Minutes of Meeting
January 16, 2003
7:00 p.m.

The City Council of Peachtree City met Thursday, January 16, 2003, 7:00 p.m., in the City Hall Council Chambers. Council Members attending were: Mayor Steve Brown, Annie McMenamin, Steve Rapson, Dan Tennant, and Murray Weed.

Announcements, Awards, Special Recognition

Mayor Brown and Building Official Tom Catty presented the City's annual Builders Awards. Those recognized included Georgia Classic Homes, Builder of the Year; Jim Davis, T.D. Farrell Construction, Superintendent of the Year; Home Depot/Wal-mart, T.D. Farrell Construction, Best Commercial Site; and Richard Simms Homes, Job Site Safety Award. Mayor Brown read the Martin Luther King, Jr. Day proclamation and presented it to members of the Fayette County NAACP.

Mayor Brown noted that Council Member Rapson might have to leave the meeting due to a family medical emergency. Rapson asked that agenda items 01-03-07 Consider Funding for Highway 74/Dividend Drive Intersection Improvements and 01-03-08 Discuss/Consider Funding for TDK Boulevard Extension be moved forward in case he had to leave. Weed moved to move those items forward. Tennant seconded. The motion carried unanimously.

01-03-07 Consider Funding for Highway 74/Dividend Drive Intersection Improvements

City Engineer Troy Besseche told Council that staff had worked with the DOT for about six weeks to determine what was required of the City for the project. The scope had been narrowed to exactly what the City's share would be, as well as the state portion of the costs for the signal light and intersection improvements. Besseche said the state would take care of the signal installation and the City would be responsible for the lane work, striping, and minor modifications to the intersection. Besseche said this was a good situation for the City and would cost around $21,000. Staff recommended the City pursue the project. He added that there was a lot of momentum building at the state level for the project and it would be difficult for the City to back away from the project.

McMenamin noted the initial responsibility for the City was $150,000, and that this was a significant savings for the City. She commended Senator Mitch Seabaugh for his efforts on behalf of the City.

Rapson moved to spend $21,000 from Council Contingency for the purpose of construction improvements to the Highway 74/Dividend Drive intersection. McMenamin seconded. The motion carried unanimously.

01-03-08 Discuss/Consider Funding for TDK Boulevard Extension
Brown said he and Tennant, along with City staff, met with the County early that morning and had a very positive discussion. He moved to continue the item to a special called meeting on Thursday, January 23. Rapson seconded.

Weed said he had spoken with Jim Pace of the Fayette County Chamber of Commerce, Senator Seabaugh, and Fayette County Commission Chairman Greg Dunn that day, and the project was moving forward appropriately. He looked forward to a resolution. Tennant added he was pleased with the progress at this point and was encouraged that the TDK Boulevard extension would happen.

McMenamin suggested the meeting begin at 6 p.m. so the Council could go to the County Commission meeting that night to inform the Commissioners of Council's decision at its meeting. She felt that would be a good show of collaboration. Brown amended his motion to include 6 p.m.

The motion carried unanimously.

Approval of Minutes
Rapson moved to approve the December 5, 2002 Regular Meeting Minutes as written. Weed seconded. The motion carried unanimously.

Rapson noted he did not attend the December 19, 2002 Regular Meeting and would abstain from the vote. McMenamin moved to approve the December 19, 2002 Regular Meeting Minutes as written. Tennant seconded. The motion carried 4-0-1 (Rapson).

Weed noted he did not attend the January 2, 2003 meeting and would abstain from the vote. Rapson moved to approve the January 2, 2003 Regular Meeting Minutes with changes. McMenamin seconded. The motion carried 4-0-1 (Weed).

Consent Agenda

1. **Alcoholic Beverage License - Change in License Representative - Ted's Montana Grill**
2. **Alcoholic Beverage License - Change in License Representative - Kroger #654**
3. **Alcoholic Beverage License - Change in License Representative - Kroger g422**
4. **Consider Intergovernmental Agreement with the Airport Authority Relative to Stallings Road**
5. **Resolution to Call for Election and Establish Qualifying Fees**
6. **Consider Amendments to the Alcoholic Beverage Ordinance (letters and numbers are incorrect due to recodification)**

Rapson noted Consent Agenda item #4. He said he had no problems with the contract, but did not want to close the door on Council possibly financing the $150,000 of debt. He said that was still to be determined and was still an option on the table.

McMenamin said Council needed to move on the Stallings Road improvements so the area could be aggressively marketed to bring more revenue into the airport, and this was in the best interests of the City. McMenamin moved to approve the consent agenda. Rapson seconded. Weed noted that he had spoken with City Attorney Ted Meeker that day and he assured Weed he had reviewed the document. The motion carried unanimously.

Old Agenda Items

08-02-09 Discuss Intergovernmental Agreement with the Development Authority

Finance Director Paul Salvatore recalled that, at the November 21, 2002, meeting, Council had instructed staff and the City Attorney to revise paragraph 3(c) of the proposed intergovernmental agreement regarding the $1.45 million debt. He noted that Council had seen staff's recommendation and the legal opinion.

Tennant asked Salvatore to summarize the City's financing options. Salvatore said there were three options. The first would be to hold a referendum on whether the debt could be incurred and issue G.O. (General Obligation) bonds to pay off the debt if the referendum passed. The second option would be to use lease/purchase debt financing through GMA's Bricks & Mortar program. Another alternative would be to have a Recreation Authority created by the Georgia legislature through local legislation. Salvatore explained such an authority would be able to legally operate and manage the Tennis Center and Amphitheater and would be able to issue cost-effective revenue bonds to satisfy the existing debt of the Development Authority. Salvatore said staff recommended the third option.

Tennant asked why staff recommended the third option. Salvatore explained that the legal opinion cast doubt on the Development Authority being able to operate the two facilities. The first two options put the facilities under the control of the City. Creating a Recreation Authority was the most economical way to handle the debt.

McMenamin said when Council left the November 21 meeting staff had been instructed to work on the paragraph and the Mayor had been authorized to sign the agreement. Staff had asked for a legal opinion from the City Attorney and now they had a conflicting opinion from the Development Authority's attorney. She said it was a troublesome situation since Council had given instructions that were not followed based on the legal opinion. She asked how Council could undo the vote and direction they had given on November 21.

City Attorney Ted Meeker told Council that he believed the opinion from Earle Taylor and himself cast doubt on whether the contract could go forward. He said that, at this point, subsequent action on the later agenda item could cure some of that. He said it would be taken care of, but not as prescribed at the November meeting. McMenamin said there were two different opinions and both parties were trying to avoid going to court. She recommended Council discuss its intentions regarding the Recreation Authority, which would then dissolve the previous vote of Council. Meeker recommended Council table this agenda item pending resolution of the Recreation Authority.

Brown moved to table this item pending the outcome of the later agenda item (01-03-05 Consider Creation of Recreation Authority). Weed seconded.

Tennant said the City Attorney said the agreements were not valid and Council needed to abide by the City Attorney's opinion. Another attorney said the agreements were valid. Tennant said it was his strong belief that when the Development Authority took over the venues, the members did so for the right reasons - to make things work legally. Nothing underhanded was done despite opinion. He continued that the members of the Development Authority had agreed to establish another authority to resolve the situation and to move forward.

McMenamin agreed with Tennant's observations and said she was on Council at the time the Development Authority took over the facilities. Everyone acted in good faith. The Development Authority had put in energy and time and everything had been done in the best of good faith for the citizens in the City.

Weed said it was obvious they all agreed with that basic idea and all had voted in favor of the original agreement. It never entered anyone's minds that the management, and the mechanism to obtain that management, had been improper. He said they were ready to move beyond that and come up with something Council and the Development Authority could agree on.

The motion was approved 4-0-1 (Rapson).

<u>New Agenda Items</u>

01-03-04 Alcoholic Beverage License - NEW - Chic'N D'Lite

Wayne Morrison and Lori DeLeonardis, the applicants for licensee and representative, addressed Council.

McMenamin said she understood that Morrison built up restaurants and sold them. She asked Morrison if that was his standard operation. Morrison said he leased the restaurants. He would like to franchise them and wanted one up and working to show prospective franchisees. McMenamin noted that there had been problems with the background checks on several people who applied as the license representative prior to DeLeonardis' application. She asked who would manage the restaurant and sign for the alcohol. Morrison said DeLeonardis was the general manager and would sign for alcohol.

McMenamin told the applicants that the City took alcoholic beverage licenses very seriously. She suggested the applicants call the Police Department if there were any problems or concerns. McMenamin moved to approve the alcoholic beverage license for Chic'N D'Lite with Wayne Morrison as the licensee and Lori DeLeonardis as the license representative. Tennant seconded.

McMenamin suggested looking at the licensing process. If problems were encountered, Council might need to think about charging another processing fee since each application took time to process. Weed noted that lying, or not including, information on the application was also fraudulent and he said the application form might need to be reviewed or revamped.

The motion carded unanimously.

01-03-05 Consider Creation of Recreation Authority
Weed said the subcommittee composed of Council and Development Authority members had met for three and one-half months and had a frank and open discussion. The subcommittee members included Weed, Tennant, and Development Authority members Doug Warner, Brian Palmitessa, and Bob Brooks. The subcommittee felt they had a viable and long-term solution, but there was still a question on how to handle the debt. The recommendation to create a Recreation Authority was a mutual recommendation from the Council and the Development Authority. Weed said the subcommittee authorized him to discuss the matter.

Weed continued that Doug Warner had drafted the preliminary road map of how the new authority would come to being and Mitch Seabaugh had been asked to sponsor the legislation. Legislative counsel would draft the bill. Weed explained that the original authority would have seven members with staggered terms. The make-up would include the Recreation Commission chairman, two years; a member of the Amphitheater Advisory Board, two years; a member of the Tennis Center Advisory Board, two years; two members of the Development Authority, three years; and two citizens-at-large, four years. After the staggered terms ended, the Mayor and Council would appoint members as necessary through the interview process.

Tennant explained that the composition of the new authority was established because they were trying to have a smooth, legal transition from one authority to the other. He continued that everyone agreed the new authority was the best way to handle the debt. The reason the appointments were set up this way was the subcommittee members felt it was prudent and wise to have experience on the team and they wanted a logical transition process.

Brown questioned a few things in the draft legislation -- Section 3, line 9, and Section 7, line 8. The same language was used in both lines and he wanted to have it eliminated. The language was "to provide recreation opportunities at a higher level than is customarily provided by a municipality." Brown said he did not want to make it look like things were skewed. Tennant said he spoke with the members of the subcommittee and they had no problem striking the language. Weed said both Brown and Tennant approached him prior to the meeting regarding the change, which he said was minor, but he understood why the Mayor wanted the change.

Brown asked Meeker to clarify Section 7(e), the self-liquidating clause. Meeker explained it was no different from any other revenue bonds. The bonds would be issued based on the revenue stream and any other assets that had to be pledged in connection with the bonds. He said it typically was just operating revenues or revenues derived from the operation of the facilities. Brown continued that Section 8(e) might also need clarification regarding contracts and construction and whether Council should approve them. Meeker said that was typical and that normally the authority would handle those contracts. He continued that, similar to his opinion, the recreation authority could not in turn bind the City to any contracts they entered into. Tennant asked if it was fair to say that the City would have no say in something like that. Meeker said they would function as an independent authority.

Brown continued to Section 8(k) regarding borrowing. He asked how about the terms and how the City could avoid the possibility of excessive debt that it might have to assume. Meeker explained that if in incurring any debt or obligation from the revenue bonds the authority looked for a pledge from the City, the City would be able to pass on it at that time. Unless it came to the City in that form, it would be a separate debt of the Authority and would not, per se, involve the City.

McMenamin said she opposed the name Sports and Entertainment Authority. She realized there would be a transition time, but pointed out the City had a great Recreation Department that handled all of the sports facilities. What Council was addressing was the Tennis Center and the Amphitheater and they were trying to resolve debt and stay out of court. She continued that the City needed to remain clear what the hotel/motel tax was spent on and preferred the City stay with the name Peachtree City Recreation Authority.

Brown said he wanted to use Sports and Entertainment Authority so there would not be any confusion with the Recreation Commission or Department. He thought from a marketing perspective, since the authority would be responsible for sports and entertainment that Sports and Entertainment Authority sounded better.

McMenamin noted that the citizens had always been confused about acronyms and names used by the City and its prima~ developer. They had always been able to work through it. She wanted the new authority to begin cleanly and understanding its responsibility. She said she would approve the legislation only with the name of Peachtree City Recreation Authority. Brown removed the request for the name change.

Meeker said he had reviewed the legislation and it was very good, but he would like to do some minor "tinkering." Specifically, Meeker wanted to look at the definitions of cost and project. He also wanted to enhance the purpose clause. He asked Council to allow him to submit a draft early next week and that the matter could be placed on the agenda for the special called meeting on January 23. He noted that the General Assembly convened this week and time was of the essence.

Brown moved to have Meeker do that, adding in the language from Council Member Weed regarding the original members and staggered terms, and the elimination of the language from Section 3, line 9, and Section 7, line 8. Tennant seconded.

Tennant clarified that the terms of the seven members of the authority according to the sheet on the dais. Weed said it would be in accordance to the document he provided to Council that was located on the dais, and which he referenced during the conversation. Tennant read the board's composition from the document - two citizens at large serving four-year terms, a member of the Tennis Center Advisory Board serving a two-year term, a member of the Amphitheater Advisory Board serving a two-year term, two members of the Peachtree City Development Authority serving three-year terms, and the chairman of the Peachtree City Recreation Commission serving a two-year term.

McMenamin noted that structure ensured the employees of the Tennis Center and Amphitheater had job protection. She believed it allowed the members of the Recreation Authority time to assess the performance of the individuals who worked for both entities and give a fair evaluation. She said she would like to select the two citizens-at-large using the same procedure used when a council member was appointed to fill an unexpired term. Weed and Brown both pointed out there was already a procedure in place to appoint people to the City's authorities and boards. McMenamin noted that this was a new authority and wanted to look at the procedure.

The motion was approved 4-0-1 (Rapson).

Meeker asked Council if he could share the legislation with Development Authority attorney Mark Oldenburg when it was drafted and if the City Clerk could start running the legal ad. The ad would come out Wednesday, January 22.

Weed moved to go ahead and run legal advertisement regarding the legislation. Tennant seconded. The motion carried unanimously.

Meeker noted that the composition of the authority was different from the information he had and asked for a copy of the composition.

Ron Small addressed Council regarding his concerns for the Tennis Center. He said he was a very interested tennis player who felt those running the Center had not been fiscally responsible. He said the Center costs were going out of reach for the average citizen. He said he addressed the Tennis Center Advisory Board about his concerns seven years ago and was ostracized for a year for wanting to make a change. Weed assured Small those conversations had been held and that the Development Authority members on the subcommittee recognized his concerns. The Mayor and Council would make the appointments to the authority.

David Gardner told Council he was one of the citizens who helped make the Tennis Center happen. He said it was never envisioned to be what it was at this cost and said it cost him $36 a match to play at the Center. He felt there needed to be more citizen input. It was not a public, reasonably priced center.

Bill Chapman asked what the difference was between the two authorities. Brown explained that the Development Authority, through the state's Development Authority law, was not designed to take on the debt for the venues, but Recreation Authority law allowed that kind of debt. Brown said the debt would be paid by the hotel/motel tax and creating the new authority was a compromise. Weed added it was the best situation the City could get without going to court.

01-03-06 Fayette County Development Authority Presentation
Chris Clark of the Fayette County Development Authority addressed Council and said he had been asked to give the quarterly report presentation by Council Member Tennant. Last year, Sealed Air closed and Southwire and TDK announced their closings. Clark noted that, FY 2003 (the fiscal year began in July) to date, there had been layoffs at Photocircuits and Equistar Chemical had closed. Clark pointed out the count only included businesses located in Fayette

County. Clark said the Development Authority's first priority was existing business and industry. The second priority was the recruitment of new business and industry. The third priority was to help entrepreneurs and small business development people start their own businesses in the County.

Programs for local industry included tours of plants to outreach letters. The Authority developed an industrial directory to help local businesses develop business-to-business relationships to help businesses find local suppliers. A cluster program was also developed to find issues that industries had in common and to get them together to try to resolve the issues. An industry employee appreciation program was also developed and the goal was to reach out and meet all 5,000 employees, roughly one-fourth of the local workforce, in the County. To date, the Authority members had met and recognized over 4,000 employees.

Clark continued that once the TDK facility was on the market the County would have over 628,000 square feet of vacant space, although the County's unemployment rate was the lowest since July 2001. Clark said 900 more people were living in the County now, but the economic downturn had hurt. The good news was there was product to show, but the bad news was there was product that had to be filled. Clark said there was no blueprint to attract industry. On an average year, 1,500 projects were looking to relocate nationwide. The County's bestseller was local business and the companies they did business with.

Clark said the Authority served as a gatekeeper to ensure the industries and businesses that came to the County were the type people wanted. The checklist they used included air quality issues, unusual water and sewer needs, average salary, number of employees, unusual truck traffic numbers, the type of skills needed in employees, and a record of good corporate citizenship.

Clark explained the history between the County's Development Authority and the Development Authority of Peachtree City. He said, according to the way the game was played in Georgia, there needed to be a single contact in each county. When the County authority was formed, the City decided to keep its authority for funding and bonds. Clark continued that the Fayette County Development Authority was different from any other and had the best board in the world. The board was composed of representatives from the municipalities, the Development Authority of Peachtree City, and the Peachtree City Airport Authority. The two authorities worked together on special projects. The City's development authority also helped fund the annual holiday luncheon where every state developer was invited, donated tables at the Amphitheater for prospects, and helped with existing industry. Clark said the two authorities had a good working relationship and he thanked Council for its support.

Council/Staff Topics

Interim City Manager Colin Halterman announced that the Council's annual retreat was scheduled on Friday and Saturday, March 7-8, at the Wyndham Peachtree Conference Center. City offices would be closed on Monday, January 20, for the Martin Luther King, Jr. holiday.

Brown noted that the City had been labeled with an anti-development reputation and he wanted to discuss Council's position during the next few meetings.

There being no further business to discuss, Tennant moved to adjourn the meeting. Weed seconded. The motion carried unanimously. The meeting adjourned at 9 p.m.

Jane Miller, City Clerk

Stephen D. Brown, Mayor

Pamela Dufresne, Recording Secretary