City Council of Peachtree City
Meeting Minutes
December 19, 2013
7:00 p.m.

The Mayor and Council of Peachtree City met on Thursday, December 19, 2013, at City Hall. Mayor Don Haddix called the meeting to order at 7:00 p.m. Other Council Members attending: Vanessa Fleisch, Eric Imker, Mike King, and Kim Learnard.

<u>Announcements, Awards, Special Recognition</u>

Fleisch presented Haddix with a plaque in recognition of his service as Mayor. Haddix said it had been an honor and privilege to serve the City. There had been major ups and downs, but it was a fantastic city, and he appreciated everyone. The City had to move forward.

<u>Minutes</u>

December 5, 2013, Regular Meeting Minutes

Learnard moved to approve the December 5, 2013, regular meeting minutes as written. Fleisch seconded. Motion carried 4-0-1(Imker).

<u>Monthly Reports</u>

Imker asked staff for an answer by the next meeting as to why revenue from the swim teams was not shown in the Monthly Report. He noted that, this time last year, the account had $11,000 of income, which was not showing for this fiscal year. There should be approximately $10,000.

<u>Consent Agenda</u>

Consider Agreement for Use of "The Compliance Engine" Software for Fire Department

Learnard moved to approve Consent Agenda item 1. King seconded. Motion carried unanimously.

<u>Old Agenda Items</u>

12-13-05 Consider Cancellation of January 2 meeting

City Manager Jim Pennington reported there were no items on the January 2 agenda at that point.

Imker suggested they could hold a one-item agenda meeting to install the new mayor and council members, asking if other plans had been made and whether it was appropriate. Fleisch said that was a good idea. Imker asked Council Member-elect Terry Ernst if that would work for him. Ernst said that would be fine.

Learnard said getting ready for and holding a meeting required a lot of staff time. Pennington said staff would be exempt from attendance, adding they might want to attend. King said the meeting could start at a different time. City Attorney Ted Meeker said Council should set that time at this meeting.

Haddix noted Imker had been sworn at a different time, asking Ernst for his position. Ernst suggested the members could be sworn in in front a notary public on January 2 or 3, then the ceremonial swearing-in could be done at the January 16 meeting. Imker added Fleisch and Learnard would also be sworn in.

Fleisch, who was Mayor-elect, said more family members would be able to attend the January 2 meeting, noting any college-age children would still be at home, and spouses would be home from work. Ernst and Learnard agreed.

Imker suggested holding the meeting on January 2, with only the oaths of office as agenda items. In addition, staff would not be required to attend. The other members agreed. A vote was not required.

New Agenda Items

12-13-06 Certify December 3 Run-off Election Results

According to the memo submitted by Public Information Officer/City Clerk Betsy Tyler, the Mayoral run-off election was held on December 3, 2013. As with the November general municipal election, Council was required to certify the results. The official results, as certified by the Fayette County Board of Elections, included:

Mayor	
Vanessa Fleisch	2282 (72.15 %)
Harold Logsdon	881 (27.85 %)

Imker moved to certify the results of the Special Election held December 3, 2013, as presented in the agenda packet. Learnard seconded. Motion carried unanimously.

12-13-07 Consider Request from Fire Department to Implement Matrix Recommendations

Fire Chief Joe O'Conor addressed Council, asking for permission to implement the recommendations made by the Matrix Consulting Group as published in the December 2013 Organizational and Operational Study of the Fire Department. He continued that the intent was to make all the changes as outlined. The Department could make some of the changes immediately with funds already budgeted and Council approval, and there were changes that could be implemented over a number of years or would require allocation of funding through the normal budgeting process.

O'Conor continued that staff had started the strategic planning process, and they had worked hard to establish a vision, mission, and value statement that was widely distributed. A policy review committee had been established, and the standard operating procedures would be evaluated from the ground up by Department personnel prior to the Chief's determination of putting them into practice. A full-scale community risk assessment would be done. O'Conor noted they had statistical data, and they had begun working with Dispatch to ensure the accuracy of times and priorities given to critical calls for service. O'Conor noted the Matrix study had said it was difficult to generate correct statistical data currently. The Department would continue to monitor its performance, use the part-time program, and use line personnel to inspect businesses and to perform other tasks. O'Conor noted that the City was planning to conduct a pay and classification study that would come before Council separately.

The Department would continue to work with the Planning Department to monitor population shifts and density, as well as other statistical benchmarks established within the study to identify underserved areas. The state was working hard to adopt the 2012 National Fire and Life Safety Code, and once the state had adopted it, the Department would present it to Council for adoption. O'Conor said they were looking forward to the implementation of the fire/police IT person.

O'Conor said the final item had the greatest impact on the budget, which was the idea of seeking international accreditation for the Fire Department. The Police Department had held international accreditation since 1992. O'Conor said it would require some research and had an associated cost. Staff wanted to make sure there was value in gaining accreditation.

The recommendations O'Conor was asking to implement at this time included the adoption of a level of service (LOS) objectives for the Fire Department. Matrix recommended the Department establish baseline response time objectives as published by the Commission on Fire Accreditation International for "suburban" communities 90% of the time. O'Conor said the Department was well within reach of the objective. He added that the performance objectives would be the baseline.

The performance objectives included:

- Ninety (90) seconds for the processing of an incoming emergency call, including the dispatching of fire response units no less than 90% of the time,
- Ninety (90) seconds for "Turn Out Time," the time between dispatch notification and unit response, no less than 90% of the time.
- Four minutes (240 seconds) or less of travel time for the arrival of the primary company to a fire suppression incident or emergency medical incident 90% of the time, and
- Eight minutes (480 seconds) or less of travel time for the arrival of an effective response force 90% of the time.

Organizational structure changes included:

- Abolishing the rank of lieutenant as it currently existed (existing lieutenants would be placed in sergeant vacancies at comparable pay with the current Sergeant's pay scale),
- Retitling the rank of sergeant to lieutenant to clearly identify these as first line supervisors comparable to neighboring agencies
- Reclassifying assistant fire marshal to rank of staff captain in line with Operations captain and Training captain,
- Re-titling shift commanders from battalion commander to battalion chief comparable with neighboring agencies, and
- Continuing to compensate staff captains and battalion chiefs at the same pay scale presently used for battalion commanders/captains.

O'Conor said Matrix had laid out a plan to achieve the organizational structure. No people would be lost. Three lieutenants would move to a sergeant rank. No one would lose any pay. The re-titling of positions would mirror the organizational structure of neighboring departments.

Pennington said the problem was that none of the Department's titles matched the titles used in other cities, which made it difficult when a pay study was being done. It was a title issue, not a job issue.

Haddix asked if the difference in titles had caused a problem with any of the surrounding cities. O'Conor said the departments were all small enough that there had not been a problem, but changing a title was achievable.

Imker asked what the value of international accreditation was. If being accredited had no effect on the Insurance Services Office (ISO) rating, Imker asked whether the accreditation had added value if there was a cost associated with it.

O'Conor said he had never worked for an accredited agency, and he needed to research it to find out. It would be a risk management value, but he did not know if it would be worth the money needed to achieve accreditation.

Imker asked O'Conor how he thought the next ISO rating would go, adding he understood the City was on the border of its 3 rating, which was good for the citizens.

O'Conor said the City had a solid 3 rating, the lower half, but solid. There would be a significant cost to go from the existing 3 to a 2 rating. Imker asked when the City would have the next ISO evaluation. O'Conor said that, per the published information, every two to three years, but based on history, they hoped to see the ISO evaluation in eight years. If invited, they would come earlier, and the Department's records were always ready for an unannounced visit.

Pennington said a city normally did not invite the ISO people to come. A rating of 3 was fantastic for Peachtree City. Imker agreed, saying the City was one of the top departments in the state with an ISO rating of 3.

Learnard moved to approve implementation of the recommendations from the assessment by Matrix as presented at the Council meeting. Imker seconded. Motion carried unanimously.

12-13-08 Consider Budget Amendments – FY 2014

Financial Services Director Paul Salvatore said the budget amendments addressed Information Technology (IT) and infrastructure issues, which were a high priority due to safety concerns. The Special Purpose Local Option Sales Tax (SPLOST) had failed to win voter approval in November and the SPLOST did not allow for reimbursement, so work had not begun on the projects. An alternate funding mechanism was needed so work could proceed immediately. The list included the replacement of the parapet, guardrail, and piling on the Flat Creek bridge; piles and bracing for the Peachtree Parkway bridge over Lake Kedron; miscellaneous repairs on the Smokerise Trace bridge over Kedron Creek; repair of the abutment of the TDK bridge over CSX Railroad; railing replacement on the Lake Peachtree bridge, piles and caps on the Smokerise Trace bridge over Flat Creek, and piles and caps on the Kelly Drive bridge over Flat Creek. The total for the projects was $515,695.

Salvatore continued that the Spear Road culverts were in degraded condition and needed to be relined. The estimated cost of relining was $283,810, but only $129.134 was needed from the General Fund. The balance of $154,676 would come from Stormwater Utility funds.

The total estimated cost of all infrastructure projects was $644,829, not including the stormwater portion. The budget adjustment was to transfer the funds from the General Fund Reserve. Salvatore said the transfer needed to be done immediately regardless of any possible reimbursement because of the safety nature of the projects. The City could reimburse itself from future loan proceeds.

Imker asked what mechanism would reimburse the City, whether it would be done through a resolution at future Council meeting. Salvatore said the City's coffers could be reimbursed from future loan proceeds. He went over the options.

One option was to apply for funds from the Georgia Transportation Infrastructure Bank (GTIB), which was a program of the State Road & Tollway Authority (SRTA). The funds were based on availability and could be used for other projects such as street resurfacing; however, no funds were currently available. During the last allotment, only $14 million had been available statewide. The terms for loans could be as short as five years or as long as 25 years. The City could prepay with no penalty, but any funds the City received had to be spent within five years and the projects had to be based on specific criteria.

Learnard said this was the first time she had heard about the GTIB, asking how it obtained funding. Salvatore said the GTIB had to go through the state budgeting process, and it had gotten $14 million last year compared to $19 million the year before. Learnard asked if everyone applied for the funding at the same time. Salvatore said applications could be submitted at any time, so the City could start working on one.

Imker said the whole thing keyed on the interest rate. If the interest rate was low enough, the City could use other people's money while continuing to earn interest on its own money, then pay the loan back. There was no harm in starting the application process. Salvatore said the GTIB interest rate was usually 3% on a 25-year loan, but the interest rate could be less for a shorter term loan.

Another option was a General Obligation (GO) bond, which would require voter approval. Salvatore said prepayment terms were usually more rigid on a GO bond. There was time for Council to decide whether to hold a voter referendum in November.

Salvatore continued that the City would need to adopt an Intent to Finance resolution to keep both financing options open as a possibility. The City would not be committed to borrowing the money.

Salvatore continued that staff was seeking additional funding of $290,000 for technical services. The IT Department was understaffed, especially in regard to supporting the needs of the Fire and Police Departments, as supported by the Matrix study. He continued that Council had recently approved purchasing the Spillman software for the Police Department, which included the software and hardware components, but not the implementation costs. The City-wide Enterprise Resource Planning (ERP) system, a suite of financial, human resources programs, and web-based services, would require additional IT hours. There had also been a recent turnover in IT, and one full-time person was on military deployment through February. The contractor had provided additional temporary personnel 24 hours a week. The cost of an additional person would be approximately $80,000 in ongoing costs, while the remainder of the additional funding was a one-time expense.

The total for the infrastructure and IT was approximately $935,000, Salvatore said. Approximately $860,000 of the total were one-time expenses. The projected reserve level at the end of FY 2014 would be approximately $10.9 million or 36% after the proposed budget adjustment.

Salvatore gave an update on the five-year financial projections, noting the projected reserve at the end of FY 2013 had been $9.8 million. The unaudited actual for the end of FY 2013 had been approximately $11.6 million, or 42%. Salvatore attributed the difference to the new title ad valorem tax, which had not been included in the budget. By the end of the year, the City ended up with $700,000 in unbudgeted revenue. Salvatore continued that the City had done better tightening its belt on the expense side. The combined effect would give the City a 36% fund balance at the end of 2013. The end of 2014 would be better than originally projected.

The tax digest for 2014 showed an additional $220,000 in tax revenue would be generated due to the increase in the digest. Salvatore said the budget had been adjusted to include the additional ad valorem tax digest, and it had created a ripple effect. At this point, the taxes had been tracking well, with an average of $95,000 per month for the title ad valorem tax and $50,000 for the ad valorem. Imker said this was an important point, saying he had asked Salvatore to speak with the County tax commissioner to see if the trend would continue. It appeared that it was continuing. Salvatore said it was continuing, but the budget had not been amended yet, adding he planned to have additional discussions with the tax commissioner and other municipalities. Every municipality was different.

Salvatore pointed out the City had picked up almost $1 million of the $1.5 million needed for paving in the event the SPLOST failed. He adjusted all the future years in the five-year projection to include the $1.5 million needed for street and cart path resurfacing. The fund balance would climb each year in the model. Things were looking better than when the budget was adopted. He continued that no millage rate increases were included in the model in Maintenance & Operations (M&O). There were some increases and decreases in the millage rate for bonds, but those numbers did not impact the M&O numbers.

Haddix asked if there had been any follow-up on a decrease in the future of the title ad valorem. Salvatore said the title ad valorem was new to everyone, and everyone wanted to have a crystal ball. Salvatore said he only had three months to go by, and the $95,000 in revenue had been consistent during that time. It was still a guessing game. Salvatore said he had not included any impact on departmental operating budgets that would be due to the upcoming pay and classification study. He also had not included any proceeds the City might receive from the Divas marathon in September 2014 or from Pinewood Studios.

Imker clarified that $1.5 million had been added to Public Works in Department Operating Expenses each year in the five-year projection, and $3 million more than the 20% policy for reserve funds was projected in the General Fund at the end of five years. Salvatore confirmed the statement. Imker said he was flabbergasted, adding people did not understand how big the impact of this news was. The City had a conservative revenue profile and a liberal spending profile, except for the possible salary adjustments that could be coming. He reiterated this was exciting news.

Pennington said he and Salvatore had been dumbfounded at the numbers that were coming in, adding things were looking good. Imker said the potential for the GO bond was gone. Salvatore noted the GO bond could be used for other areas. Imker said they could possibly increase the $1.5 million for streets and cart paths, but would be discussed later.

Imker moved to approve the budget amendments as presented. Learnard seconded. Motion carried unanimously.

Haddix said the $1.5 million for paths and roads needed to be increased.

12-13-09 ~~Consider Amended Agreement with CVB Director Nancy Price~~
This item was removed from the agenda on December 18.

12-13-10 Consider Resolution of Support for the Fayette Visioning Initiative
Pennington noted he served on the steering committee for the initiative, adding things had been moving at a fairly good pace. A community leaders meeting had been held a few weeks ago, and people now had a better understanding of what was happening with the visioning initiative.

Fleisch said the City would be one of the larger beneficiaries of the initiative, and this was something the City should be doing.

King said the last initiative had been done in 1993, agreeing this was something that needed to be done. It included all citizens of the County, not just Peachtree City.

City Attorney Ted Meeker reminded Council the City could not just give the initiative $10,000. There must be an agreement for services. He asked Council to include an agreement with the appropriate entity. Haddix asked if there was an official legal entity that was part of the process that was capable of signing an agreement. Meeker said they would find out.

Learnard moved to approve the resolution of support for the 2014 Fayette Visioning Initiative, conditioned upon an agreement for services being entered into. Fleisch seconded. Motion carried unanimously.

12-13-11 Consider Committing $10,000 as the City of Peachtree City's Financial Support for the Fayette Visioning Initiative

Imker clarified the $10,000 from the City was part of the total $150,000 needed for the study, asking where the remainder of the funding would come from. Pennington said $60,000 had been fronted by Coweta-Fayette EMC. The other cities and the County were also looking at committing funds.

Bob Ross, one of the co-chairs of the Fayette Visioning steering committee, said the donation from the EMC had allowed the process to begin with Market Street Services, who had been the low bidder. The EMC had 30,000 customers in Fayette County, and the donation was to serve those customers. Kaiser Permanente contributed $10,000; and an individual had pledged $1,000 that had not yet been received. The members of the steering committee were reaching out to other governments and businesses.

Haddix asked if the $150,000 was a kick-off amount or the total. Ross said they did want to raise more than $150,000, adding the Chamber of Commerce had provided the in-kind contribution of providing staff members to help with scheduling and coordination. Other businesses and organizations had provided in-kind expenses for meetings that were held, as well as refreshments. They were also currently budgeting through the implementation plan. The implementation would start in June, and they would look at additional budgets at that time.

Fleisch moved to commit the funds subject to an agreement for services. Learnard seconded. Motion carried unanimously.

12-13-12 Consider Closing City Offices on December 23

Imker said he had a problem with giving employees an extra day off. They accumulated vacation hours through the year so they could take vacation days off. It would be a nice gesture to give an extra holiday, or a bonus. The private sector would not give employees an extra day off at the same time they were accumulating vacation hours. The military used their vacation time, noting a military member would also have to use leave time to be off Christmas Day.

King said, with all due respect to Imker, he had no problem with giving the employees an additional holiday. From an activity standpoint, people would be staring at the walls. The employees who needed quiet time to work would work after hours anyway. Military leave could not be compared to civilian vacation. The civilian side was not under the same restraints as the military. King said, to him, it was a wash.

Imker pointed out it was a $50,000 decision. He said he did not mind if employees wanted to take the day off, but they should use their vacation hours and save the taxpayers the money.

Haddix said he often came to City Hall on the weekends, and there were always employees working and catching up, usually salaried employees. For someone on a salary, it was an irrelevant point. King agreed, adding the City had some great people, and giving them December 23 off was a minor thing that Council could do for them. Retraining people was expensive too; the City needed to keep the people it had.

Learnard said she considered it a thank-you for another year of service.

Fleisch moved to approve closing City offices on December 23. King seconded. Motion carried 4-1 (Imker with regrets).

<u>Council/Staff Topics</u>

Hot Topics Update

Pennington thanked Council for the December 23 holiday.

Haddix wished everyone a Merry Christmas, Happy New Year, and hoped they enjoyed their families.

Fleisch thanked Haddix for his service to the City, wishing him a Merry Christmas.

There being no further business, Learnard moved to adjourn the meeting. King seconded. Motion carried unanimously. The meeting adjourned at 8:12 p.m.

Pamela P. Dufresne

Pamela Dufresne, Deputy City Clerk

Vanessa Fleisch, Mayor