**City Council of Peachtree City**
**Meeting Minutes**
**December 1, 2016**
**7:00 p.m.**

The Peachtree City Mayor and Council met in regular session on Thursday, December 1, 2016, at City Hall. Mayor Vanessa Fleisch called the meeting to order at 7:00 p.m. Others attending: Terry Ernst, Mike King, Kim Learnard, and Phil Prebor.

## Announcements, Awards, Special Recognition

Senior Code Enforcement Officer Tim Maret was recognized as the Employee of the Month by Mayor Fleisch.

## Minutes

**November 17, 2016, Regular Meeting Minutes**

King moved to approve the November 17, 2016, regular meeting minutes as amended. Ernst seconded. Motion carried unanimously.

## Consent Agenda

1. **Consider Acceptance of Donation from SAFEbuilt**
2. **Consider Bid for Microsoft Office – *CDW-G***
3. **Consider FY 2016 Budget Amendment**
4. **Consider FY 2017 Budget Amendment**
5. **Consider Appointments to WASA – *John Oakey, boardmember, and Bob Grove, alternate***

Ernst moved to approve Consent Agenda items 1 – 5. King seconded. Motion carried unanimously.

## New Agenda Items

**12-16-01 Discuss Impact Fee Methodology Report**

City Manager Jon Rorie introduced William Ross of Ross+Associates, who briefed Council on the impact fee methodology report.

Ross noted that impact fees were strictly defined and regulated through state law and administered by the Department of Community Affairs (DCA). The fees were intended to anticipate the demands of new growth on services for the City. He emphasized that impact fees were not to be used to solve existing deficiencies. The idea behind impact fees was that everyone paid their fair share. New development paid their share of the cost to extend capital improvements and services to them; existing taxpayers paid their share for facilities that needed to catch up to the level of service adopted by the City.

The City's current methodology was updated in March 2009 based on a methodology report and the Capital Improvements Element (CIP) of the Comprehensive Plan. Ross continued the updated 77-page methodology report had established policies related to infrastructure development, identified the need for new facilities, and identified eligible facilities on which impact fees could be spent. Section 307 of the Land Development Ordinance, which addressed impact fees, had been adopted in September 2009and would also need to be updated. The impact fees Council would adopt would be part of updating the ordinance in 2017.

The current categories included in the methodology report were the Library, Public Safety (Fire and Police), and Parks and Recreation. Library facilities and collection materials were eligible for the funding. Fire stations and heavy vehicles were eligible for the Fire Protection side of Public Safety. Facility space and equipment were eligible for Police. For Parks and Recreation, acres and developed components were eligible. Ross explained that the fees charged were for a level of service higher than what the level of service actually was. The difference was made up by the existing tax base. The program in place now had eliminated any deficiencies or shortfalls in service that the City had.

The fee schedule was attached to the ordinance, Ross said. The current residential collection rate based on 2008 projections was $2,599.82 per residential unit ($1,554.64, Parks and Recreation; $166.34, Library; $102.98, Police; $700.15, Fire; and $75.73, 3% administrative fees). Commercial rates were assessed based upon square footage, use, and number of employees per square foot (not included in this discussion). Ross reiterated that state law was very specific about the categories for which impact fees could be used.

The methodology report had been revised by his company, Ross said. Changes had taken place in the City since 2008. The facility categories would now be limited to Police, Fire, and Parks and Recreation, which had been modified in scope. The report used the maximum amounts allowed by the state in each category. The Library had been taken out as a category; however, there were still collected funds available for the Library to use. The population forecast had been extended to 2035, when the estimated dwelling units in the City should be 14,035. The fee schedule had been revised for residential and commercial development. The fees in the report were the maximum fees that could be charged per state law. The City could charge less than the maximum, but not more.

Ross went on to say that the Development Impact Fee Advisory Committee had been established as required by state law, and at least 50% of the membership of the committee came from development, building, or real estate industries. The City had impact fee money in the bank, and that money would be carried forward and applied to future facilities yet to be built.

The population forecast for 2035 was 40,000 with 14,035 dwelling units. In addition to the elimination of the facility category for the Library, the other categories had been modified. Parks and Recreation fees would be dedicated to cart path expansion instead of sports fields and pools. The City had all it needed as far as parks, so the funds would be shifted to the multi-use path system, which people used for walking, running, and golf carts. The square footage needs of Fire and Police services had been modified based on a re-evaluation of need by the departments. The two fire stations planned for the future were modified from 8,952 square feet for both stations to one station at 6,000 square-feet and one station at 4,000 square feet. The five heavy vehicles needed by the Fire Department had been revised to three heavy vehicles. The square footage needed for Police headquarters had been increased from 2,205 square feet to 2,581 square feet.

Learnard asked who made the decision to modify what was in each category. Ross said the decision was made by staff, including the fire and police chiefs and library administrator, and him. Rorie added that the Library had already exceeded the service level that had been set in 2009 for a population of 40,000. Learnard was concerned that the Library would always need to update materials. Rorie said the Library also received money from the General Fund for materials and still had unused impact fee funds.

Fleisch asked if the funds collected for cart path expansion had to be spent where they were collected. Ross said they did not. The path system was City-wide and everyone used it. The extensions would need to be made in the area where the most growth was occurring, but those impact fees would be City-wide in application.

Ross continued that the methodology report included the proposed maximum amounts, and most of the fees would go down. The future cost estimates had changed since 2009, and the basic data had changed. Commercial fees were based on square footage and employees per square foot. Impact fees were a small percentage of the money spent on development projects, he added.

Ross compared the proposed/revised 2016 maximum fees to the current fees, noting that the maximum amount for single-family detached housing was $4,233.78 (62.8% increase over current fee of $2,599.82). The impact fee for apartment dwellings was the same per dwelling as the fee for single-family detached housing. The maximum fee for motel developments would decrease by 42.2% ($224.64 per room in 2009 compared to $129.81 or $94.83), and maximum impact fees for warehousing would be reduced by 32.9% (0.40 cents per square foot compared to 0.27 cents per square foot). The maximum fees for day care centers (3.6%, 0.80 cents, 0.83 cents), drive-in banks (22.9%, $1.15, $1.41) and specialty retail centers (1.8%, 0.58 cents, 0.59 cents) would increase. There would also be decreases from the current fees to the maximum fees in 2016 for general light industrial, general office building, discount superstores, shopping centers, quality restaurants, fast-food restaurants, pharmacies/drug stores, convenience markets with gas pumps, and supermarkets. Most of the fees were lower across the board, Ross added.

Ross showed a chart of other cities' impact fees, which ranged from $699 in Kennesaw to $2,600 (the City's current residential impact fee) here. Senoia's fees per dwelling were $2,036.65.

Ross pointed out that Alpharetta had adopted its impact fees at the maximum amount and charged $6,689.53 per dwelling. Milton also increased its fees to the maximum ($7,757.85), and Sandy Springs was set to adopt its impact fee at the maximum ($6,854.82). If the City adopted the maximum fee of $4,233.78, it would be two-thirds of the lowest of the three cities. An average selling price for a home in the City was $562,900, and the maximum fee was 0.75% of the sales price.

Prebor asked why Alpharetta's maximum impact fee was so high. Ross said Alpharetta was still buying land for an extremely elaborate parks and recreation program, as were Milton and Sandy Springs. All three cities also had a lot more growth to serve and more vacant area. Prebor asked how the state maximum was figured. Ross said there was not a state maximum; the cities had adopted their fees at the maximum rate allowed by the state, but they could have adopted a lower fee. He continued that the state said a city could not charge more than a new development's fair share, which was the maximum fee.

Ross said the City could reduce the fee to $3,000 from the maximum fee allowed; adding the Parks and Recreation facility's share had been reduced, while Fire and Police had been kept at the same level, which was similar to what was done in 2009. Prior to that, the City had kept all the fees at the maximum, except Recreation, which had been 75%. The new methodology decreased the Recreation share to 65%. Ross reiterated the Recreation fee did not apply to non–residential uses. Council could reduce the fee, but the reduction must be done proportionately.

A comparison of a $3,000 fee with the current rates included:

| | Current | Proposed |
|---|---|---|
| Police | $102.98 | $118.05 |
| Fire | $700.15 | $583.88 |
| Recreation | $1,554.62 | $2,210.49 |
| Library | $166.34 | $0.00 |
| Administration | $75.73 | $87.58 |
| **Total** | **$2,599.82** | $3,000.00 |

The CIE was required for collection of impact fees, Ross said, and it was adopted as a chapter in the City's Comprehensive Plan. The CIE must include a projection of needs (eligible facilities); designation of geographical service areas; designation of levels of service (fees could not subsidize existing deficiencies); schedule of improvements; funding sources (General Fund, impact fees, bonds, grants, etc.); calculations of the gross impact of new development, credits, and net impact costs; and a schedule of maximum impact fees that could be adopted by land use category. The CIE was drawn from the methodology report, but it was not required to show how the fees were calculated, Ross said.

Ross said the timeline to adopt the CIE would be to advertise the public hearing the week of December 15, with the public hearing to authorize transmittal of the CIE to DCA on January 5, 2017. The DCA review of the CIE would take place January – March, approximately 60 days. The target date for adoption of the CIE and the revisions to the Impact Fee Ordinance would be March 16.

King asked if the timeline was their target. Rorie said staff would like for it to be. Based on the information in the methodology report, Rorie recommended this timeline be followed. The key to this was to understand the fee schedule. Staff had reduced the demand of fire engines and stations, with the only increase in service level being the multi-use path master plan, which was estimated at $15 million. That was a reason for residential impact fees to go up. The proposed impact fees would be good for development and redevelopment and to ensure the growth that caused the need for the increase in public safety paid their fair share. The other option was to not have an impact fee program and to have the General Fund take on what would be needed. Rorie said the proposed program was solid.

Ernst asked if staff was comfortable with the timeline. Rorie said they were. Learnard asked when the fee schedule would be adopted. Rorie said it would part of the ordinance revisions and adoption in March. Fleisch asked if Council would discuss the proposed fees beforehand. Rorie said there would be a briefing just on the fee schedule, just as with any preview.

Fleisch noted the only growth was in the West Village (Wilksmoor). She asked how the changes would affect those homes. Rorie said the fees were being collected based on the current schedule. If a new schedule was adopted, the developers would pay the new rate. Fleisch asked if the projections were done based on the additional growth. Rorie said they had budgeted impact fees to begin with the design phase of the fire station.

No action was required.

**12-16-02 Public Hearing – Variance Request, Side Setback, 115 Planterra Way**

Planning & Development Director Mike Warrix addressed Council, saying the applicant, Douglas Thompson, was asking for a variance to encroach four feet into the required 10-foot side setback for R-12 zoning. The applicant wanted to build a 300-foot single story addition to the home. He continued that the corner of the existing structure was 13 feet from the property line. The corner of the new addition would be approximately six feet from the property line. Photos of the location of the addition and letters of support from the adjacent property owners were included in the Council meeting packet.

Thompson, the applicant and property owner, said the variance was for a closet and storage space in the master bathroom. If the variance was not approved, the addition would have to come in to the property, which would create an eyesore looking out into the backyard from the living room. They had requested the variance so the addition would be at the side of the home. They wanted the addition to flow with the design of their home.

Ernst asked Thompson clarify that the trees near the fence and home would have to be taken down for the addition. Thompson said they would.

Fleisch opened the public hearing.

Eric Imker spoke in support of the request, noting he had visited Thompson's neighbor to the north many times, and the neighbor had expressed approval of the request. Imker said he did not see the variance causing any hardship and urged Council to vote in favor of the request.

King said he knew the neighbors on the other side of the property, and that neighbor had no problem with the variance request either.

Fleisch asked if conditions could be put in place if the variance was approved. City Attorney Ted Meeker said staff had recommended two conditions. Warrix noted the conditions were the following:

1. *The variance shall be limited to an encroachment of no more than four (4) feet into the side building setback as shown on the site plan submitted by the Applicant. There shall be no other encroachments permitted without first securing additional variances.*

2. *Following completion of the construction and prior to issuance of the Certificate of Occupancy, the Applicant shall provide a Foundation Survey to the Building Official that identifies the location of new construction. The purpose of the survey is to ensure the new construction does not encroach any further into the side setback than permitted by this variance.*

Fleisch asked if landscaping, such as Leyland Cypress, should be required for additional shading after the addition was built. Warrix said he was not sure there would be enough room for landscaping.

There were no other comments. Fleisch closed the public hearing.

Prebor said 300 square feet was three-fourths the size of a two-car garage, a big closet. He was torn on the request, but if the neighbors supported the request, then he would support it since the neighbors would be affected the most.

King said the addition would not be seen from the front of the house, and he supported the request.

Ernst asked Thompson if the addition would look like the house. Thompson said it would have the same roof line and same exterior.

King moved to approve New Agenda item 12-16-02 Public Hearing – Variance Request, Side Setback, 115 Planterra Way, with the two conditions stated in the packet. Ernst seconded. Motion carried unanimously.

**12-16-03 Public Hearing – Consider Variance Request, Stormwater Requirements, Wilksmoor Village**

City Engineer Dave Borkowski said the variance request was for Ordinance 1011(c)(3) of the Stormwater Management Ordinance for new development and redevelopment located in Article X of Appendix B of the City's Code of Ordinances. The request was from the developers for Cresswind and Everton in Wilksmoor Village. The developers had been required to submit a master hydrology study of the entire Wilksmoor Village area, and they found there would be an increase in stormwater flows off-site at the 10% point downstream in Line Creek. The 10% point represented the point where the site being developed represented 10% of the entire drainage area. As an example, Borkowski said if the site being developed was 10 acres, they would have to analyze downstream to the point where at least 100 acres was draining.

Borkowski continued that developers' engineers had worked diligently to mitigate the off-site flow and had looked at several options, including no detention (ponds with water quality and channel protection), detention ponds, and overdetention, which meant making the ponds so big that they could absorb the increases downstream. He continued that they found the increases were worse in Line Creek when there was detention compared to no detention.

Staff had reviewed the application and felt they met the requirements for a variance. The overdetention option could create hardships for the City, possibly making the ponds so big that Category 1 or Category 2 dams would be required, Borkowski explained. It would also require much more area be cleared. The required ponds would be 300 – 400% larger than the normal size detention pond.

Borkowski said the developers were proposing modifications be made to the Wynn's Pond dam, which would mitigate the potential increases. Staff felt this was the best solution. He said staff recommended approval of the variance request contingent upon the modifications to the Wynn's Pond dam.

Brian Rochester, Rochester and Associates, spoke on behalf of the property owners, Brent West Village, LLC, and JW Homes, LLC. He introduced Jason Garrett with Pulte Homes, Tony Adams with Kolter Homes, Charles Asher with H&H Resources, and Laura Benz, environmental lawyer. Rochester said the plans for stormwater drainage had been modeled after the state's "blue book," the Georgia Stormwater Management Manual (GSMM), and the plans had met the requirements from the state. However, the City's stormwater ordinance was more stringent and did not allow any increase in stormwater from the site. Four hydrologists in the state had looked at the model, including Schnabel Engineering, one of the top dam engineers. Integrated Science & Engineering (ISE) and Borkowski had also been involved in the review. The analysis had concluded traditional stormwater ponds would increase downstream flooding, Rochester said, adding it was a huge basin of almost 50,000 acres. The 10% rule was exactly where the stormwater left the property, right next to Line Creek.

Detention ponds detained water and released it slowly at the same time, which causes the peak to rise. Rochester said they studied a couple of options, including how to get the water out of the detention pond more efficiently. A jumbo pond would be needed, which was not a good idea. The jumbo pond would hold the water until the stormwater from upstream passed, then start releasing water behind it. The hydrologists did not think that was a good option because it would take a tremendous pond. Rochester emphasized this was a very unique situation, and four preeminent hydrologists in the state had reviewed it and felt the best approach was to release the water.

Rochester continued that, after working with staff and Borkowski, there were concerns about Wynn's Pond and the Wynnmeade subdivision. They had agreed to take their study point down to Wynn's Pond and look at Wynn's Pond as well. The impact to Wynn's Pond would be very slight if water was released. They proposed modifying the weir at Wynn's Pond, which would allow the water to flow. The flood elevation at Wynn's Pond would be reduced, and the situation downstream would improve. They studied the point down to Lake McIntosh, and by the time, the modelling was at that point, the impact was negligible. There was a hydrologic constraint in the Wynn's Pond dam, and that would be improved, which would mitigate the impact downstream. The proposed modifications to the weir would minimize the potential for increased flood volumes in Wynn's Pond.

The flow rate, the rate at which water left the property, would be increased. Predevelopment, the flow rate was 11,338 cubic feet per second. Post-development, the flow rate would be 11,369 cubic feet per second. The increase in the rate of flow would be 0.027%. Huge dams would need to be maintained to reduce the 0.027% increase to zero.

Rochester read the following from the GSMM, "specifically provided that these criteria may be waived in lieu of safe and effective conveyance to receiving waters that have the capacity to handle flow rates and elevation increases in the 100-year condition." He added the state specifically noted that there were instances where doing traditional stormwater management caused the problem to get worse, and this was one of those cases. Rochester reserved time for follow-up if needed.

Fleisch opened the public hearing.

Imker said he had read through the packet, and he wanted to see the developments succeed. It was a no-brainer to him. What they were proposing would help all around the area long term.

Prebor recognized the City's requirements were more stringent, asking what the state's requirements would have required. Rochester said the state allowed flexibility for a slight increase in flow. The City allowed no increase in the flow. A variance was needed for the flexibility.

Meeker said the 10% rule was fine under the "blue book," but the City's ordinances said there should not be any increase in the flow.

Rorie clarified there would not be a 10% increase in stream flow or rise, saying Dan Davis with ISE and Borkowski had worked on this for months. Staff had questioned if the City was requiring something so far out of the norm and whether it should be a requirement.

Davis said the only thing that exceeded the "blue book" was that a variance was required to have anything more than a zero increase in flow. They had to prove the stormwater from the developments would not exacerbate downstream issues in Wynn's Pond. Any increase was not acceptable to some recurring flooding problems in Wynnmeade. The engineers had done a great job, and it had been a very lengthy process and in the City's best interests.

Rorie clarified that the City was not exceeding a minimum state standard, but were trying to ensure the City did not have any liability going forward because of downstream flooding. Rorie pointed out that a 0.027% increase was well within the margin of error in any math calculation. Rochester agreed, adding they could not ignore the increase because of the City's ordinance. Rorie added that the City would ultimately be responsible for the maintenance of any residential detention ponds and Category 1 or 2 dams.

Fleisch asked who would do the work on the weir. Rochester said they had been communicating with the Wynn's Pond Association, and they were interested in having work done on the dam. If the variance were granted, it would be based on the modifications made to the Wynn's Pond outlet structure. The developers were fine with that as a condition since the plan was predicated on the modifications being made. Meeker verified that the developers were fine with adding that as a condition and paying the expenses for the modifications.

Fleisch closed the public hearing.

Learnard asked what the modifications would be and how expensive it would be. Davis said the modifications would be made to the right side of the dam. A seven-foot opening would be carved in the hill and dam. It would benefit the dam and help with some erosion problems. A water quality and channel protection study would still be required.

Learnard moved to approve variance request to Section 1011(c)(3) of the Peachtree City Land Development Ordinance subject to the improvements reflected in pages 107 – 109 of the Council agenda packet to Wynn's Pond being made. Prebor seconded. Motion carried unanimously.

Ernst thanked everyone for their hard work in bringing the variance request together.

**12-16-04 Consider Amendment to Land Development Ordinance - Article X, Section 1011, Stormwater Management for New Development and Redevelopment**

Borkowski said that the state required adoption of the latest version of the GSMM by January 1, 2017. The major new change was the requirement for engineers to capture the runoff from the first one-inch of rain onsite and infiltrate it into the ground rather than allowing it to run off. It was big change from the current version, which required the runoff to be captured, then slowly released from the first 1.2 inches of rain. Revisions to the City's ordinance were also required.

The City's existing local manual also required changes based on the changes to the GSMM, Borkowski said. Borkowski explained that the GSMM did not contain everything the City needed, so the local manual clarified and supplemented what was in the GSMM. There were items that were not covered in the GSMM that staff dealt with on a daily basis, and the local manual clarified what the City was willing to accept. As one example, Borkowski noted that the state manual left it up to the municipality as to what kind of pipe to use. The City only accepted concrete pipes under roads and rights-of-way. The local manual also clarified what predevelopment was, as well as other items not included in the GSMM such as issues with compaction specifications, metal pipes in the rights-of-way, and fence posts going through storm drains.

Borkowski continued that the local manual included an automatic rejection of plans that did not follow the checklist in the design manual, and a requirement to adjust the top width of a dam based on the overall height of the dam. The local design manual did not exceed what was published in the GSMM; it just clarified what was in the GSMM, Borkowski said.

Staff realized ordinance revisions would be needed as well, Borkowski continued. Details and standards in the ordinance referenced attachments and now needed to reference the manuals instead. There were also some housekeeping errors that would be corrected in the ordinance, such as changing requirements so the cart paths would meet American Association of State Highway and Transportation Officials (AASHTO) guidelines.

Borkowski said staff recommended adoption of the new GSMM ("blue book"), along with revisions to City Ordinance Section 1011 of Article 10 and City Ordinance Sections 803 and 804 of Article 8 of the Land Development Ordinance and adopt the revised Local Design Manual.

Learnard said she was fine with the changes.

Ernst moved to approve New Agenda item 12-16-04 Consider Amendment to Land Development Ordinance – Article X, Section 1011. Learnard seconded. Motion carried unanimously.

**12-16-05 Consider Amendment to Land Development Ordinance – Article VIII, Requirements for Streets and other Rights-of-Way**

Ernst moved to approve New Agenda item 12-16-05 Consider Amendment to Land Development Ordinance – Article VIII, Requirements for Streets and other Rights-of-Way. King seconded. Motion carried unanimously.

**12-16-06 Consider Adoption of Local Design Manual (Stormwater Management)**

Ernst moved to approve New Agenda item 12-16-06 Consider Adoption of Local Design Manual (Stormwater Management). Learnard seconded. Motion carried unanimously.

**12-16-07 Consider Resolution Accepting Capital Equipment Lease Proposal (Banc of America)**

Financial Services Director Paul Salvatore asked Council to approve the resolution that accepted the proposal from the Banc of America's Public Capital Corporation to provide financing of the capital equipment listed in the City's five-year capital plan. The financing was put out to bid approximately every four years. He explained that there was no lease/debt to be approved, just the proposal that determined the interest rate. The most favorable proposal was from Banc of America's Public Capital Corporation. Fleisch asked what the interest rate would be. Salvatore said it would be 1.65%.

Learnard moved to approve the resolution accepting the capital equipment lease proposal from Banc of America. Ernst seconded. Motion carried unanimously.

**12-16-08 Consider Intergovernmental Agreement – 2017 SPLOST**

Rorie explained this was the proposal for the required intergovernmental agreement between the County and the municipalities for the Special Purpose Local Option Sales Tax (SPLOST) if it was approved at the March 21, 2017, special election. The Board of Commissioners unanimously approved the agreement on November 10.

Rorie said the bottom line was the proposed agreement had a lot of legal language, but it clearly specified items such as distribution based upon population, as well as the project listing that would be Exhibit/Appendix A to the intergovernmental agreement. Tyrone had also approved the agreement. The other signatories would be Fayetteville, Brooks, and Peachtree City.

King moved to approve New Agenda item 12-16-08, the intergovernmental agreement for the 2017 SPLOST. Learnard seconded. Motion carried unanimously.

**12-16-09 Consider Performance Incentive Pay**

Rorie noted that, during the last few budget cycles, staff and Council had looked at various cost reduction strategies in relation to personnel costs, which comprised 59-60% of the City's budget. Staff had purposely excluded a cost of living adjustment (COLA) during the last two budgets; it was part of a plan to look at how COLAs affected future budgets.

In FY 2016, some of the associated health benefits costs had been passed on to employees, specifically an increase in co-pays for doctor's visits and out-of-pocket expenses, Rorie continued. That decision had not been popular, but it had been the right thing to do. A COLA was not included in FY 2017. In January 2017, each employee would begin paying an automatic pick-up contribution of 2.25% of their salary towards the defined benefit plan. It was also the right thing to do, Rorie said.

Staff looked at getting the most out of every dollar, and one way was to look at the various consumer price indexes and the price of a dollar. Over the last 12 months, the Consumer Price Index (CPI) had averaged 1.6% over the last 12 months. Staff was trying to balance the salary and benefits sides of the equation, and the City had absorbed some health benefits costs as well.

Rorie said one of his roles and duties was to look at the best interest of all people, the internal and external stakeholders, which was hard to do. He recommended Council consider a one-time, flat rate performance incentive for employees. Rorie explained he was calling it a performance incentive, emphasizing it was not a bonus, or a Christmas bonus. The City did not have an appropriate or adequate system in place for employees. He proposed the performance incentive in lieu of a COLA for 231 full-time employees. The current staffing was for 248 full-time employees, so as employees left/retired, others were carrying the load. He asked that the incentive also be given to 65 of 79 part-time positions, noting they had also been carrying the load of the vacant positions. He pointed out that the cart path and street crews worked to revitalize Drake Field, resurfaced nine miles of cart paths, realignment of cart paths, tree removal, and more.

Rorie said department heads/staff targeted spending 98% of the budget every year. They tried to come in under budget every year by trying to absorb and save costs. He noted that the Fire Department reclassified a full-time position to two part-time positions with a net savings of $30,000 going forward. Efficiency was increased, and they would get more hours out of that change. The Library had done the same thing. A decision had been made to freeze the open position in the Public Works Sign Shop and convert it to temporary seasonal help. The Police Department froze the Captain's position left vacant when Stan Pye was promoted to Assistant Chief. Chief Moon did not want to fill the position rapidly.

A total of $218,000 had been identified as estimated cost reductions in the budget, which Rorie said was why he referred to it as a performance incentive. He recommended $300 for each full-time person and $150 for the 65 part-time employees. The budget impact would be $79,000. He continued that take home pay would be approximately $185 for a $300 incentive because of the flat taxes that had to be taken out. It was not popular, but it was the right thing to do. The City wanted to be an employer of choice, not the last resort. He wished more could be done. The total exceeded his budget authority, and Rorie asked that Council approve the one-time flat rate performance incentive.

King said he supported the proposed incentive. Ernst and Prebor also supported the incentive. Rorie said the incentive was a stop-gap Band-Aid, but the time would come to move forward with COLA increases.

King moved to approve New Agenda item 12-16-09, the Performance Incentive Pay. Ernst seconded. Motion carried unanimously.

**Council/Staff Topics**

Rorie said CSX had indicated to the developer that flaggers would be on site on December 12 so bridge construction could begin. He reminded Council that every time a train came along work would have to stop until the train had gone by, which was a cumbersome piece of the process.

Rorie noted that he would attend a breakfast meeting the next day with the city managers in the County regarding Fayette County Development Authority (FCDA) tax abatement strategies that would be authorized/pre-approved on the front end so no one would be surprised on the back end.

**Executive Session**

Learnard moved to convene in executive session to discuss threatened or pending litigation at 8:45 p.m. Ernst seconded. Motion carried unanimously.

Learnard moved to reconvene in regular session at 8:55 p.m. King seconded. Motion carried unanimously.

There being no further business to discuss, Learnard moved to adjourn the meeting. Ernst seconded. Motion carried unanimously and the meeting adjourned at 8:58 p.m.

Pamela Dufresne

Pamela Dufresne, Deputy City Clerk

Vanessa Fleisch

Vanessa Fleisch, Mayor