City Council of Peachtree City
Meeting Minutes
November 20, 2014
7:00 p.m.

The Mayor and Council of Peachtree City met on Thursday, November 20, 2014, at City Hall. Mayor Vanessa Fleisch called the meeting to order at 7:00 p.m. Other Council Members attending: Terry Ernst, Eric Imker, Mike King, and Kim Learnard.

Announcements, Awards, Special Recognition

Mayor Fleisch recognized the Employees of the Month – the team of Cody Ivey, Richard Swanger, Josh Teal, and Blake Wilhoit, who kept a 10-month old baby who had swallowed a seashell breathing as much as possible until the child could be flown to Children's Healthcare of Atlanta, where the seashell was surgically removed. The graduates of Community Emergency Response Team (CERT) Class 18 were recognized. Keith Larson of the Southside Cycling Club and members of Ladies on Spokes, PTC Tri, and the City's BMX group attended as Larson presented the City with the Bicycle Friendly Community Award – Bronze Level. The annual award was given by the League of American Bicyclists.

Mayor Fleisch gave a brief recap of 2014, saying Council had a list of 25 goals, of which 21 had either been accomplished or were in the process of evaluating or completing. Another Council planning session would be held in January 2015. Fleisch continued that an additional 1,400 feet should be added to MacDuff Parkway by the spring, and the sports associations hosted 17 tournaments that netted $1.8 million economic impact. The economic impact from the Diva Marathon was estimated at $1.6 million. Major repairs and renovations to the dams at Rockspray Pond and the ponds off Kedron Drive were completed on schedule and on budget. She thanked all the people in the City that worked tirelessly and thanklessly to make the City what it was, noting the latest Bicycle Friendly Community Awards. Fleisch added that the Great Georgia Airshow would bring the Blue Angels to the City October 31 – November 1, 2015, which should bring 80,000 – 100,000 people. She thanked everyone for a phenomenal year.

Agenda Changes

Learnard moved to move *New Agenda Item 11-14-06 Public Hearing – Consider Request to Rezone 2.36-acre Creekside Medical Complex from OI Office Institutional to LUC Limited Use Commercial (500 Stevens Entry)* to immediately following the Consent Agenda. Imker seconded. Motion carried unanimously.

Minutes

November 6, 2014, Regular Meeting

King moved to approve the November 6, 2014, regular meeting minutes as written. Ernst seconded. Motion carried unanimously.

Monthly Reports

There were no comments on the Monthly Reports.

Consent Agenda

1. **Consider FY 2014 Budget Amendments**
2. **Consider FY 2015 Budget Amendments**
3. **Consider FY 2015 Budget Amendments – Impact Fees**

Imker moved to remove Consent Agenda item 3 from the Consent Agenda for discussion. Learnard seconded. Motion carried unanimously.

King moved to approve Consent Agenda items 1 and 2. Imker seconded. Motion carried unanimously.

3. Consider FY 2015 Budget Amendments – Impact Fees
Imker asked City Manager Jim Pennington for more information on why this item was on the agenda, as well as other details. Pennington said Community Services/Public Works Director Jon Rorie would provide the information.

Rorie pointed out the City collected impact fees on all new commercial and residential construction, then explained how the state's impact fee program worked. According to the Georgia Development Impact Fee Act, impact fees were administered by the Department of Community Affairs (DCA), strictly defined and regulated through state law, and were designed to assure new developments paid no more than a fair share for additional facilities. Rorie noted that impact fees were not to be used to solve existing deficiencies.

Rorie continued that the City's impact fee program was revised and adopted in 2009. The 77-page methodology was adopted in March 2009, and it established the policies related to infrastructure development, identified the need for new facilities, and identified eligible facilities on which impact fees could be spent. The current methodology/forecast projected out to 2027 for a population of 40,000, with 1,435 dwelling units added during that time. Those units would be located in Wilksmoor Village, and would include Legacy (475 lots), Cresswind (650 lots), and Everton (204 lots).

The City's Capital Improvement Element (CIE) was adopted as a chapter in the City's Comprehensive Plan. To fully fund everything in the CIE, Rorie said $11 million would be needed. With the adoption of the impact fees, the City was looking at a $6 million price tag for the CIE. The CIE was required for collection of impact fees, and it had to 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.

Rorie said an impact fee of $2,599.82 was collected for each new residence. The fee was divided between Parks and Recreation ($1,554.62), Library ($166.34), Police ($102.98), Fire ($700.15), and administrative fees ($75.73). Commercial impact fees were assessed based on square footage, and they did not include anything for Parks and Recreation or the Library. Rorie explained that the Fire Department funds were to be used for heavy vehicles and fire station expansion, Police Department funds were to be used for facility expansion, and Parks and Recreation funds were to be used to purchase additional land or developed components. Rorie continued there were 416 park acres, noting that when the methodology was adopted in 2009 it pointed out the City had enough acreage, but pointed out a deficiency as things grew. Those deficiencies included the need for another pool, three more ball fields, and other areas. Rorie said what was adopted then as a level of service had now declined, so the City needed realistic targets.

The Fire Department had received $523,328 in impact fees plus interest since FY 2010, while the Police Department had received $76,770 during the same time period. The Parks and Recreation and Library did not receive any impact fees in FY 2010, FY 2011, or FY 2013. For FY 2012 and FY 2014, Parks and Recreation received a total, plus interest, of $174,198, and the

Library received $18,638. The total for all the projects was $816,872, including $23,938 for Administrative Fees.

Rorie continued that the City had to encumber the impact funds by the sixth year after payment, according to state law. The budget amendment would encumber the funds.

Staff had been working on an update of the Impact Methodology Report, which might result in some projects being canceled. Rorie said refunds might be necessary, and it was possible the fees could be reduced.

The budget amendment on this agenda would establish line item "expense" accounts for Parks and Recreation and Library impact fee funds. Rorie continued that unbudgeted items over $5,000 would require Council approval for expenditures. Possible projects included adding picnic shelters ($17,000) in parks, concrete pads (accepting bid alternatives as part of Braelinn basketball courts projects), Meade Field restrooms ($75,000 had been given by Somerby developer towards the estimated $110,000 cost; bid opening on December 12), and digital content ($5,000 per year over a three to four-year period) for the Library. Rorie continued that there had been an increase in demand for digital content at the Library.

Rorie reiterated the goal was to get the Library and Parks and Recreation off the list of impact fee projects and move those impact fees to another area, such as cart paths, where the funding could be used to enhance connectivity issues. He added the budget amendment only established the revenue line for expenditures for the Library and Parks and Recreation and the expense line. In FY 2016, the items would be budgeted appropriately.

Rorie said if the City continued to move forward at the present rate of collection and no changes were made to impact fee methodology, approximately $200,000 would be collected for Library circulation materials and $2 million for Parks and Recreation. It made sense to look at the list of items realistically.

King noted this discussion had taken place because of a question he had asked earlier in the week and why the impact fee funds could not be used for other projects, such as Lake Peachtree or the employee pay study.

Imker noted a discrepancy in the amount of impact fees collected and how the fees had been divided. Rorie reiterated that commercial impact fees were not used for the Library or Parks and Recreation, only residential impact fees. Imker asked for the calendar dates of the last opportunity to use the funds that had been collected and to help in reevaluating the projects. The categories were fine, but he had no background on why these projects had been selected. Imker said he was hearing this information for the first time, and he was not prepared to make a decision, asking where staff was with the update. Imker agreed the current formula was no longer correct, asking how it could be changed.

Rorie said staff had met with Ross + Associates to discuss the levels of service. The purpose of the update and methodology was to address the areas that needed the funding more. Currently, the City was married to the projects in the current methodology. Of the $11 million in projects identified in the CIE, over $4 million were Parks and Recreation projects, so a larger proportion of the impact fees went to that. Staff and the consultant would determine the maximum impact fee that could be charged (the City did not charge the maximum allowed by state law), and Council would make the policy decision on where those fees could go, as well as prioritizing the identified projects.

Imker said he wanted to have this done sooner rather than later. Rorie said the goal had been to finish the update in December 2014, and they were two months behind.

King suggested adding this topic to Council's planning session in January. Imker agreed, adding being two months behind on the update was perfectly acceptable. Imker asked if the state would have to approve changes in the projects. Rorie said it would. Imker asked if it would involve legislation. Rorie said it would not. Pennington said the City should be in good shape. Staff had met with the consultant and was trying to refine the project list. He agreed this would be a great topic for the January planning session.

Rorie said he would rather be four months behind schedule and have it right. Imker clarified that Council would only be voting to set up the line items, not to encumber the impact fee funds. The critical piece was they would be opening the bids for the Meade restrooms on December 2. If the bids come in over $75,000, Rorie said the impact fees for Parks and Recreation could be encumbered to help pay the remainder of costs for the restroom construction. Imker reiterated that this would not be taking money from the FY 2015 budget or the cash reserves, but from the impact fees that had been set aside for this purpose.

Imker said he had asked for some research about the impact fees that would come from the development on the west side, and a total of $3.4 million in impact fees would come from the developments in Wilksmoor. If the City used the current formula, $2 million would be for Parks and Recreation and $900,000 for the Fire Department. Imker said that was backward. A fire station should be built and equipped first. Rorie said that was one reason it was the perfect time to discuss this.

Pennington added meetings were being held with homebuilders regarding the update, and that had not been done in 2009. Council would make the final decisions. Imker said it would be well worth the extra time to have the discussion, but this was the first time Council had to commit to doing something with the impact fee money.

King moved to approve Consent Agenda item 3. Imker seconded. Motion carried unanimously.

11-14-06 Public Hearing – Consider Request to Rezone 2.36-acre Creekside Medical Complex from OI Office Institutional to LUC Limited Use Commercial (500 Stevens Entry)

Senior Planner David Rast addressed Council, noting a site plan was originally approved for two office buildings on the tract in 2001. The applicants were Drs. Robert Brooks and Timothy Kaigler. The tract was surrounded by similar uses and backed up to McIntosh High School. Surrounding properties included the Parkside Medical Complex, Puppy Tubs, Ashley Glen Assisted Living, Gables Court Apartments, Flat Creek Golf Course, and City greenbelt. The pad for the second building had been graded and grassed, but the building had never developed. The existing building on the property had a medical/dental use. All the landscaping and stormwater structure had been installed, as well as the parking lot and its lighting.

Rast continued that the applicants wanted to subdivide the tract so the portion where the second building would be located could be sold. As current zoned, the property could not be subdivided as proposed and still comply with the building and parking setbacks within the OI zoning ordinance. However, an LUC zoning would allow that. There were no other changes requested. The Planning Commission recommended approval at its meeting on November 10, with three conditions:

1. *Approval of the rezoning shall not include approval of any site enhancements or improvements.*
2. *The new building shall comply with the established site plan submittal requirements, and shall not exceed 4,881 square feet as identified on the approved conceptual and final site plans.*
3. *The Applicant shall coordinate with City staff to ensure notes related to site access, parking, stormwater and utility easements are properly addressed and included on the final plat.*

Rast added that staff also recommended approval.

Robert Brooks emphasized that they were not trying to change the use of the property. The buffers along the outside perimeter would remain the same, and it would remain a common use with everything else in the area. They were just trying to work out some administrative issues so that the relationship with a neighbor would be simpler.

Fleisch opened the public hearing. No one spoke for or against the rezoning. The public hearing closed.

Learnard moved to approve the request to rezone the 2.36-acre Creekside Medical Complex from OI Office Institutional to LUC Limited Use Commercial (500 Stevens Entry), subject to the three conditions. Ernst seconded. Motion carried unanimously.

<u>Old Agenda Items</u>

11-14-02 Consider Dredging of Lake Peachtree

Pennington said that, at the last meeting, Council had discussed the potential of appending the County's Request for Proposal (RFP) for some additional dredging. Council had some additional questions, and Rich Gruel and Dan Davis from Integrated Science and Engineering (ISE) were available to answer any questions.

Learnard said she definitely wanted to piggyback on the County's RFP to get the pricing before making a decision on having the additional dredging done. She knew the Lake Peachtree Association had concerns and had a proposal they would like to submit.

Fleisch asked Davis and Gruel to discuss the options.

Gruel said that, at the November 6 meeting, Council had been presented with a broad sense of what should be done. They had broken the lake had into six areas outside of the areas where the County planned to dredge, so the City could get cost estimates for each area. The cost estimates given on November 6 had been based on $30 to $50 per cubic yard of soil to be removed, and they were soft estimates. Adding the alternatives to the County's proposal would provide firm numbers so Council could make decisions. The biggest cost for removing the material was for hauling it out, which was one of the reasons for breaking the lake into six areas. Gruel added removing the vegetation had also been broken down into six areas.

Fleisch opened the floor for questions from the public.

Marino Fuentes said he swam in the lake, and grass had not been an issue since the carp had been added. He understood the reason for the City to do the additional dredging was to get the water level below three and one-half feet to help control the vegetation. Since the dredging would not add to the capacity of the lake, Fuentes suggested Council spend the money for additional dredging elsewhere.

Ken Schmidt said Council should not spend any money on the lake until the dam was fixed. He did not agree that the lake was not recreational, saying if it was not, then neither were the ball fields. People swam, boated, and kayaked on the lake.

Learnard said she understood the Lake Peachtree Association had done its own work regarding the dredging and had spoken with ISE. She understood he Association felt dredging along the edge of the lake was not a priority, but it should be done just outside of the large area the County planned to dredge and in the Pebblestump boat ramp area.

Tom Fulton of the Lake Peachtree Association said the peripheral dredging did not make much sense since the carp had been very effective. There was concern about one area where the silt could become higher between this dredging and the next time the lake was dredged. The area was in the biggest part of the lake, and it was very shallow. It made sense to dredge in that area and in the Pebblestump boat ramp area.

Learnard asked about removing vegetation since she had been told the new growth might not be eaten by the carp.

Gruel said the new growth was not the type the carp usually ran into. It was more upland vegetation. There was a lot of it that could reduce the oxygen levels in the lake if the carp did not take care of it fast enough, creating the potential for fish kills. He was not saying the new growth would not be eaten by the carp. The concern with clearing the vegetation was whether the carp could get rid of it before the decomposing vegetation sucked up all the oxygen in the water. Learnard clarified that removing the vegetation would be effective if done in a timely manner. Gruel said it would.

Fleisch asked when the County expected to receive the RFPs back, saying it could be possible the determination on the dam would have been made by that time. Pennington said that, per the County's calendar, the RFP for dredging would go out in December, with a due date in late January/early February.

Gruel said the City was not committing to any dredging by putting the alternative on the RFP. It was just to get the unit rate price from a contractor that could do the job, then a plan could be developed. There was some concern among Council that the dredging might begin before they could make a decision. Gruel said they would have time. King and Learnard asked to include the Lake Peachtree Association's suggestions in the bid alternative. Gruel said they were trying to do that. He said once they had a unit rate they could develop a grading plan for a general area.

Fulton suggested Council consider the dredging and vegetation removal separately, saying the vegetation would regrow if getting the dam repaired/rebuilt took one and one-half years or more. Fleisch said she hoped to have a clearer sense of the dam classification in January.

Michael Britt asked if dredging along the eastern shoreline would impact erosion. Gruel said most of the erosion would be from wave action, and he did not know if it would have an impact one way or the other. The volume of the lake would not increase. Britt asked what the thoughts were on the island. Fleisch said removal of the island was one of the alternative options so they could get a realistic price.

Marcia Brown said the erosion on the eastern side of the lake was also caused by people clear cutting vegetation down to the lake, which should be addressed by the City. The City needed to look at where the silt came from upstream. The silt issue needed to be addressed before taking care of the current issue. There were ways to keep the silt out of the lake.

Gruel said some sedimentation was natural, and the bulk of the silt came through the creeks/streams that fed Lake Peachtree. Sediment traps could be placed upstream, but that just trapped the sediment. He reiterated sedimentation was natural, and stream bank erosion and land disturbances without the proper precautions could increase it. They would have to look at where the silt was coming from. Someone had mentioned there was a sediment trap upstream of the lake at the last meeting, but Gruel said he was not of aware of where it was located.

Learnard moved to authorize staff to request that Fayette County include the unit price listing for the 12 items and map as potential additions to the dredging for Lake Peachtree. King seconded. Motion carried unanimously.

Imker asked to add Lake Peachtree as a recreational source to the impact fee discussion, if possible.

New Agenda Items

11-14-04 Discussion on Questions Relative to the Approved Pay & Classification Plan

Learnard noted she had asked for the discussion and the City Manager had done a thorough and professional job answering all her questions on October 27. What was passed would use cash reserves in FY 2015, and she wanted to ensure Council acknowledged that and that taxpayers would know. An additional $640,000 in cash reserves would be used for the pay increase. The City was looking at a 0.65 mill increase in property taxes next year rather than a 0.29 mill increase. Learnard said she wanted that information out in the open.

Imker said he wanted to hear from the public.

Fleisch opened the floor for comment.

Ray Watt said pay increases in the private sector were less than 2% annually. He asked what the 35th percentile meant, and if City employees made 35% less than employees in other cities, or if the other places made 65% more. Council had a fiduciary responsibility to the taxpayers, and they had not met that responsibility. He gave Mayor Fleisch a copy of a private sector pay study.

Martine Yancey noted that 240 of approximately 280 employees lived within 15 miles of the City, with 70 living inside the City limits. She questioned why cities on the north side of Atlanta were used for comparison. She continued that the Public Safety study done by Matrix in 2013 showed City's police officers received an average income, but received a higher wage than Newnan employees. She pointed out Newnan had 26 sworn officers, while the City had 64 for approximately the same number of residents, proposing the City remove 10 positions from the Police Department. She also asked that the take home vehicle policy be rewritten so only officers living within the City limits were allowed to take vehicles home. Yancey also questioned the pay increases received by two senior staff members who had previously worked with the City Manager in other cities.

Lynda Wojcik said she was heartened by the idea of giving City employees a decent wage. They had not been paid well in the last five or six years, and they had accepted it because of the economic times. She wanted her City's employees, especially police and fire, at the top, not also-rans. She was willing to pay more for her home to live in a nicer city that cared for employees and how the City looked. She was retired and on a set income. She received an increase from Social Security, but not her pension. She supported Council increasing the millage rate to get the improvements the City needed, specifically on the cart paths.

Glen Adams said he was disappointed in the concept of raising taxes. After spending 26 years in the military, he knew that in a life of service, a person could not control whether or not they got a pay raise. The pay study should have been fair, and he was upset taxpayer money was used. He asked if the problem was a morale issue rather than a pay issue, which he said was a leadership problem. Additional pay was nice, but it did not change morale. Council had to make a decision to raise taxes because of the people who received the raises, not the people who paid them, which was wrong. He asked Council to review why a tax increase would be needed just because the City's employees said they needed a pay raise.

Ken Schmidt said he used to work for the City, and there were people who deserved raises. He had read the study. He had a problem with City employees selecting the vendor and how the raises were distributed. In the corporate world, the employees never had anything to do with their raises. It was given by the owners. He referred to one employee who received a $12,000 raise, while the person below him did not receive a raise. He saw no fairness in how the raises were given. There was a management problem. He said there were four people in the room that should be fired. As employees, they had no right to set up a committee to get a raise. It was Council's job. It was the taxpayers' city, not the employees.

Scott Austensen said he was more than disappointed with how the salary increases occurred, asking that the analysis be expanded to also look at the pension plan and the 457 plan. The entire other post-employment benefits (OPEB) package should be looked at, and a comparative analysis should be done. The pension fund seemed very robust and should compare very favorably. He recommended considering the long-term liability on OPEB, which probably would not occur until FY 2017.

Franco Artiles said the average household income had dropped 7% since 2007. He commended Council on how they had handled the decision on the lake, adding they should have taken the same amount of time on the salary increase. It had been a very hurried decision, and Artiles asked what was behind that decision. Management had a degree of interest and self-serving perspective that was being allowed to manipulate the City. Everyone wanted the City to have the best employees. The City's turnover of employees was vastly lower to that of comparable cities, which said to him there was no dissatisfaction. Artiles said he was disappointed the City Manager's responses were deemed adequate. His impression from a recent newspaper article was there were many questions still pending, and information was still being compiled. Artiles continued that Condrey and Associates had not substantiated their claim that employee pay was in the 35th percentile, and Council had made their decision based on that. The nine-page report had cost $40,000. He had received a response to an open records request from City staff that said Condrey had never documented the 35th percentile. Members of Council had told him all the i's had been dotted and t's crossed. Council had rushed the decision through because the room was filled with employees striving for their benefit and nothing more. There had been a commitment from Council to not increase taxes for the pay increase, but that was the inevitable and only conclusion to cover $600,000 that was not in the budget. He requested Council reconsider their decision, but he did not hold any hope of that. There were citizens that had very strong sentiments about the pay study, and there was a lot of ire connected with the issue.

Randy Boyette told Council he was very disappointed with their decision. He felt it was irresponsible. He did not believe anyone did not want employees to get a fair wage and good working conditions. Peachtree City was a pretty nice place to work, but the way this was done was terrible. He referred how the Board of Commissioners recently handled a similar situation, and they had decided to discuss it more. The City Manager had gotten a pay study from an independent source rather than the Carl Vinson Institute. Everyone who had looked at the study said it was garbage. If he had a manager put him in that position when he had teams under him, the manager would not have been there. Council made a mistake, and they needed to find way to do it without a tax increase or use of cash reserves.

Shayne Robinson told Council she had received an anonymous letter and had been asked to read the letter at the meeting. She said she endorsed what was written, which addressed the timeline concerning the pay study and was critical of Imker and Learnard. After finishing the letter, Robinson continued that the pay study had not happened overnight, but had been discussed for two years. She had known about it when she ran for office last year, and so had Council Members Imker and Learnard. Anyone who said it was just dumped on them was incorrect. Robinson noted she had not missed a Council meeting this year. The letter had drawn a time line the public should be aware of. She had asked Pennington at a meeting what the cost of the study would be, and Pennington told her it would be $35,000 – $50,000. Robinson said she had never seen this type of theatrics, and she was embarrassed, disheartened, and disappointed. She hoped things could move along.

Learnard said this was the first time an unsigned letter had been brought to Council, and she told those attending the meeting she appreciated them taking the time to come state their name and address regardless of their opinion. She respected the difference of opinion. She asked the letter be stricken from the record. She had no respect for an anonymous letter.

Several attendees called for the letter to be stricken from the record. Fleisch closed the public comment.

Pennington said not one employee, including himself, was involved in making the decision on the pay plan. The process began in December 2012, when he had come up with a list of five major elements Council needed to discuss, and the pay study was one of those elements. In January 10, 2013, under Council/Staff Topics, he reported an RFP on the pay and classification study should be sent out in early summer. On February 7, 2013, under Council/Staff Topics, he said RFPs would be sent soon for Public Safety Assessment and the employee pay and classification study. At the June 17, 2013, budget workshop, Pennington said they discussed the need for a comprehensive pay/classification study, and Financial Services Director Salvatore discussed the highlights of the proposed FY 2014 budget. Funding for the pay/classification had been highlighted. On July 18, 2013, the public hearing for the FY 2013-2014 Operating Budget & PIP, and Salvatore discussed the highlights of the proposed FY 2014 budget, including the pay/classification study. On August 15, 2013, City Council adopted the budget resolution which included the funding for the pay/classification study. On December 17, 2013, the RFP for the pay/classification study was sent out. Sealed proposals were accepted on January 31, 2014.

Pennington told Council that he had never worked in any city that had not brought in a competent firm to do a pay study. A study needed to be objective with no comments from

Council. He continued that four of the five council members had attended a retreat on January 9, 2014, and their top priority to be accomplished had been a pay and classification study.

Pennington also explained that employee committees were formed to review a number of topics. The City had an employee committee that reviewed every proposal. The committee included the department head, the purchasing officer, and another member of the Financial Services Department. The committee that reviewed the pay/classification RFPs had been expanded to include a member from every City division. Pennington pointed out that the Carl Vinson Institute had not submitted a proposal. He noted that Condrey had established the program at the institute and was a professor emeritus for the University of Georgia in this particular field.

On April 3, 2014, under Council/Staff Topics, Pennington had discussed that an employee committee had been formed to review the RFPS, and they had recommended Condrey & Associates. The approval was within the City Manager's realm of authority. Pennington further discussed that at least 60% of employees would be interviewed, and the study would include a validated classification and pay plan, as well as an implementation schedule. Cost would be $39,500 due to inclusion of benefit analysis. On April 17, 2014, Pennington, under Council/Staff Topics, reported the contract for pay/classification study had been executed. In May 2014, description questionnaires were distributed to all City staff for completion. At the June 16 & 17, 2014, budget workshops, there had been a discussion of a 3% placeholder being placed in the budget because the study had not been completed. On June 25 – 27, 2014, Condrey and Associates interviewed 70% of the employees. On September 16, 2014, the Council workshop to discuss the results of the pay/classification study was held. Condrey presented his study and his recommendations. Council did not get all the mathematics and materials behind his recommendations. On October 2, 2014, Council repealed the 2000 Job Classification and Compensation Plan and adopted the 2014 Employee Job Classification Plan, Option B Unmodified as presented by Condrey and Associates for implementation on October 20.

Pennington said that was the history, and everything had been made public. He had not received a raise. Nothing had happened behind the scenes. Everything had been out there and clearly stated,

King said he had not cared for the way the study had been presented at the September 16 workshop. However, he had to ask himself if the City's employees were worth it and he thought they were. He knew there were people who disagreed. King noted that three firefighters had been recognized at this meeting, and there was a little girl who would be in a grave without their help. He also cited an incident where a friend's daughter had virtually drowned in a pool at Kedron and the firefighters who helped. He pointed out every firefighter in the City was certified as an Emergency Medical Technician (EMT), and that was not in the case in other departments. The City would get what it paid for. He had met with citizens opposed to the pay raise, but no one had said the employees were not worth it. Their problem was with how it was done.

King continued that, when the right thing needed to be done, a leader stuck his neck out and did it. He had looked at the proposed budgets for the next five years, and all had an expected 2% increase in revenue. There might be some red figures for the $600,000, but 2% of $30 million was $600,000. The City was not writing bad checks. Fiscal Year 2014 had not been audited yet, but a $2 million surplus was expected, which was not attributable to the citizens but to the employees. There were people who simply disagreed, but King said he was not going to act like a teenage drama queen and write Letters to the Editor because he disagreed with how things got to where they were. The majority of Council had done what they thought was right. If the economy tanked, then the City would have to reduce staff, increase taxes (possibly 0.65 mills), or cut a project. His choice would be a 4% cut in staff.

Fleisch noted that, per City ordinance, only a Council Member whose vote was on the prevailing side could bring an agenda item back for reconsideration. Fleisch said neither she, King, nor Ernst would do that. She closed the discussion.

Learnard moved to appeal the chair's decision so the conservation could be finished. Imker seconded. The motion carried 3 – 2 (Fleisch, King).

Pennington said there was a question regarding pension, and Clark Weeks, the City's actuary, was in attendance if there were any questions.

Imker said this might be his last chance to do his duty to the taxpaying citizens and ask questions before this issue was forgotten. He did not want to be disrespectful, and he did not question the reasons for the vote. He agreed the employees deserved a raise, but he could not agree to change the approved budget without questions being answered. He did not question the Council Members' reasons for their vote, they had their own reasons. He agreed the employees needed a raise, and one had been proposed and accepted, then changed. He could not support the change regarding the pay raise without his questions on the pay study being answered. There was no data to support any of the conclusions in the report.

Imker said he would like to thank the Mayor's neighbor, Lynda Wojcik, for speaking in favor of the employees. Wojcik said that Imker's allusion that she supported the pay raise because she and the Mayor were neighbors was wrong, saying she had e-mailed Imker and other members of Council regarding this in the summer.

Imker said he had been attacked personally and he was prepared to challenge those attackers. He had not attended the new Council Member orientation on January 9, 2014. He had understood it was for Council Members Ernst and King on the general how-to of Council meetings, so he made other plans. The meeting was later described as a new Council orientation, a workshop, and now a retreat. If it had been a retreat, Imker said he would have attended.

Imker continued that no one was blindsided by his proposed changes to the FY 2015 budget. At the budget workshop in June, staff had provided several options for Council to consider. He had asked the City Manager to prepare the workshop that way, then Council was to choose the baseline. He had shared his plans on his approach to the baseline budget with Learnard and King prior to the August 21 meeting. He had offered to share his approach with Ernst, but Ernst had not returned his call. He said Fleisch had called him a week before that meeting to ask what he was going to present. He had told her, but not all the details, adding Fleisch had walked into Council Chambers when he was going through a dry run of his presentation and had made comments. He told the City Manager and other Council Members in June via e-mail that he would not support a millage increase.

Most of his concerns about the pay and classification study were proving the claims that were made with the backup data, Imker said. The September 16 workshop was the first time any of the Council Members had seen the Condrey report. They had not had knowledge of the report months beforehand as was alluded to at the October 2 meeting. Imker had watched the video from the workshop, saying it was obvious that it was the first time the Council Members attending the meeting had seen the data from the pay study. Imker had not attended the meeting. At the October 2 meeting, Council threw out the pay increase that had been approved as part of the budget. Learnard had asked basic questions at that time. The City Manager's answers had been well-crafted but insufficient.

Imker said he still did not know how the raises were implemented, why some employees did not get a base raise, but then got a salary compression raise. He said he was still trying to determine the definition of salary compression. Someone on staff had interpreted this and determined who got what as far as a pay raise. He said there would be more on this later. He still did not have the data from the 17 comparison cities showing salary or benefits comparisons.

The benefits description in the study was insufficient because no costs were shown. Imker said metric counts were meaningless without the true data behind it. The $1,000 per employee Peachtree City healthcare plan benefit was not cancelled out by a $10 per month favorable vision insurance plan. They did not cancel each other out when the values if one was two orders of magnitude more important than the other. Since there was no absolute data to compare, Imker asked how a valid judgment could be made.

King asked how long this would go on; they were beating a dead horse. Imker said he did not know, and this was his last chance to ask the questions.

Imker did not think there was any raw data from other cities. There was also no data showing employee departure rates with the comparison cities that could justify the higher salaries. The City's departure rate was well below the average, nor were there any indications that droves of people would leave the City's workforce. He asked why it was important to increase the salaries at this point, saying there would be more on this later. There was also no data on the value of the time spent driving to Atlanta and points north for work. It might be an undefinable cost, but everyone knew it existed. There were intangible, desirable elements in working for the City. The Police, Fire, and Public Works employees had superior facilities and equipment and an engaged community. There was no data showing the economy had turned around, just a blanket statement saying the economy was back. Imker said he would address this again. Imker noted that when he presented his 2% inverse pay raise plan, he showed the exact amount each employee would get and how it would be calculated.

Imker said he missed the September 16 workshop. It was not pointed out that a month earlier the City Manager had communicated the salary study would be completed by the end of August or early September. He had placed his absence on the City calendar a month earlier, and everyone knew he would not be there. The meeting had been scheduled while he was gone, and Imker said he had studied the meeting video over and over again.

Imker continued there had been a 10-minute briefing and 40 minutes of soft-ball questions, which was to be expected when the report had only been seen 20 minutes earlier. At the 29:20 time mark in the video, Imker said Condrey stated the economy was back. Imker asked where the proof was. The fair market value of homes had decreased for three year, before the slight increase for 2014. At minute 63, there had been a question about the 2% inverse pay raise. Condrey had said he did not quite understand the 2% inverse pay raise that Imker had devised. Condrey later said he had not looked at it. His conclusion was the compression problem would be made worse by the 2% inverse pay raise. Imker said Condrey's credibility was shot. He continued that there was obvious confusion on Council Members' faces after the presentation. Imker said he could ask questions now to prove his point.

There was a question about losing employees to the metro Atlanta area if there was no salary increase. Imker said the City's own data showed the full-time employee turnover rate since July 2013 was 12%. The average turnover rate across the nation was 15%. In Peachtree City, 3.5% left for another job, 3.5% resigned, 3% were dismissed for personnel actions, and 2% retired. There was no morale problem causing employees to flee or requiring a huge pay raise.

Imker recalled he was booed by the employees at the October 2 meeting when he said he was working on an additional pay raise above the 2% inverse pay raise that had been proposed. He had been trying to do the right thing for City employees.

Imker referenced an exchange of e-mails with Fire Chief Joe O'Conor, saying that, on August 9, he wrote that he had asked about the inequity of fire department pay. Employees who had been with the City for a number of years were paid the same as newly-hired employees. He had asked O'Conor to explain the circumstances. O'Conor replied on August 14, according to Imker, and wrote about the Cost of Living Allowance (COLA) adjustments, and merit pay. O'Conor had also written that 26 of the 64 full-time employees were at the first step of their pay grades. Ten firefighter/EMTs had completed the nine-month EMT course, 16 firefighters and paramedics had completed two years of EMT training above the original training, and four of those EMTs had just graduated from medical school. Imker wrote back that there was a chance to help that situation, asking if it would be fair to give, in addition to the proposed 2% pay increase, an additional 1% bump to the 10 who had completed the nine-month course ($6,000), a 2% increase to the 12 who had completed the additional 24-month course ($12,000), and a 3.5% bump to the four who had completed medical school ($6,000). O'Conor had written back regarding years of service and rewarding loyalty, suggesting those with three to five years of service get a 2% bump and 3.5% to those with five years or more. Imker said he had planned to come back with something that combined both those ideas to work on the salary compression issue. Before that could happen, Pennington, who had been copied on all the e-mails, had suggested waiting for the pay study results that were due later in August or early in September. Imker said that was why he missed the September workshop.

Imker continued that, by August 14, no one on Council had received any data on the study results. Imker continued reading from an e-mail from Pennington, who said this (salary compression) was a common issue in most cities, and he had wanted to find where the inconsistencies were in the pay raises and to find objective remedial recommendations. Imker said he wrote back telling Pennington he was right, and that he (Imker) should wait for the results of the study.

Imker said he had planned to also check with the Police Department and Public Works to gather data to find out where salary compression actually existed. Imker said the city should not be embarrassed to show citizens what employee salaries were. He had shown the City's workforce by position on August 21. He wanted to find out how salary compression was addressed in the pay study. He showed a summary of salaries for the top five wage earners in the City compared to others, which showed they compared well to neighboring cities. The City's assistant police and fire chiefs had been promoted, bringing their salaries close to what the former police and fire chiefs had been making. Imker continued that someone decided that, because of salary compression, people would leave the workforce, and 6% raises were given. He did not understand how there was salary compression. Approximately 70 received a 6% raise, while others received 4% or 2% on top of any original adjustments. There was no actual investigation into where salary compression existed. He asked who chose 2%, 4% and 6%, saying Condrey must have pulled those numbers out of the air. This was supposed to bring the City up to the 50th percentile. Maybe the raises should have been 1%, 2%, and 3% to address salary compression.

It could have reduced the budget impact by $250,000. He did not understand where the numbers came from.

They were almost half-way through solving how to pay for the salary increases, according to Imker. Imker agreed with King that they were expecting some advantageous things to happen with the FY 2014 and FY 2015 budgets. That was not happening by accident, but by the change in philosophy that came to the City five years ago. King said it was the efforts by the employees, not the people sitting on the dais.

Imker said he had also been criticized because he had corresponded with the Board of Commissioner and County Administrator Steve Rapson regarding a proposed pay study for County employees. Imker said he had a perfect right to send a letter to the Board of Commissioners addressing his concerns from his private e-mail address. He had received an e-mail from Rapson that told Imker how the County was going to handle a pay raise. Imker said the County Commissioners were going to decide what happened. He did not know if his e-mail had any influence over the Commissioners' decision to table the agenda item. They had questions that needed to be answered before they went forward.

Imker continued that the City needed to hold a workshop on employee benefits presented by a group of taxpaying citizens, not staff, which would be an unbiased, credible way of doing things. He referred to page 9 of the Condrey report, where it was stated that benefits costs were not included in their study. On page 10, there was the chart that Council voted on, with a notation that the figures excluded benefits costs. There was no data behind the comparisons. If the City employees and Council determined that employees needed to be paid like the big boys in metro Atlanta and points north, then the City's benefits should be in the same field. The City's benefits package was a lot better. They could solve the other part of this pay raise problem now, but a workshop was needed to do it.

Fleisch asked Pennington if he wanted to say anything else. Pennington said he would withhold his comments. They could deal with true facts at a workshop.

Fleisch disagreed, saying the Condrey study had looked at benefits and determined they were competitive. Pennington said they looked strongly at the benefits. Imker said there was a benefits appendix, and it was only raw metric counts comparing one to another, no cost data. He said a citizen should be able to get the data from the other cities with an open records request. Pennington said Council had utilized the best consultants for years to put together the benefits package. Those decisions had not been made by himself or any member of staff. They were different from what was done with the Defined Benefit Plan.

Imker said one of his points in his e-mail to the County Commissioners had been to make sure their benefits were comparable. His e-mail was called subversive by someone on Council, which meant he had no right to talk to the Commissioners.

11-14-05 Public Hearing – Consider Request to Rezone 14.65-acre tract within the Kedron Office Park from OI Office Institutional to LUC Limited Use Commercial (100 World DR)

The Planning Commission continued this item to its December 10 meeting. Staff recommended Council continue the public hearing until the December 18 meeting.

Ernst moved to continue Agenda Item 11-14-05 Public Hearing – Consider Request to Rezone 14.65-acre tract within the Kedron Office Park from OI Office Institutional to LUC Limited Use Commercial (100 World DR) until December 18. Imker seconded. Motion carried unanimously.

Council/Staff Topics

Learnard asked about any modifications to the meeting schedule over the holidays. Pennington pointed out that Council had approved the meeting schedule for 2014, but had not done so yet for 2015. The first regularly scheduled meeting for 2015 would be on January 1 (New Year's Day). He suggested Council might want to cancel that meeting and have one meeting in January.

Learnard clarified that the December 18 meeting would be held as scheduled. Pennington said yes. Imker clarified that the first meeting in January would be January 15. Pennington said the public hearing that had just been continued would be held on December 18. Fleisch added that the meeting had not been removed from the schedule Council had approved at the beginning of the year.

Executive Session

Learnard moved to convene in executive session for acquisition or disposal of real estate and pending or threatened litigation at 9:51 p.m. Ernst seconded. Motion carried unanimously.

Imker moved to reconvene in regular session at 10:00 p.m. King seconded. Motion carried unanimously.

There being no further business, Ernst moved to adjourn the meeting. King seconded. Motion carried unanimously. The meeting adjourned at 10:01 p.m.

Pamela Dufresne

Pamela Dufresne, Deputy City Clerk

Vanessa Fleisch, Mayor