

City Council of Peachtree City
Meeting Minutes
Thursday, November 4, 2021
6:30 p.m.

The Mayor and Council of Peachtree City met in regular session on Thursday, November 4, 2021. In the absence of Mayor Vanessa Fleisch, Mayor Pro Tem Terry Ernst called the meeting to order at 6:30 p.m. Others attending: Mike King, Kevin Madden, and Phil Prebor.

Announcements, Awards, Special Recognition

The homeowners association (HOA) from Village on the Green presented awards to Fleisch, City Manager Jon Rorie, and Stormwater Manager Mike Madison in appreciation of the assistance they provided when they had to replace deteriorated pipes in their neighborhood.

Ernst recognized Fire Chief Joe O'Connor, who was retiring after 20 years.

School Crossing Guard Ted Masters was honored for 10 years of service.

Public Comment

Jennifer Braden of Loring Lane said she wanted to discuss the closure of the dirt road in her neighborhood. She said she lived between the two stop signs and was well aware of who was running them and ignoring posted speed limits as they cut through the neighborhood on what had become a raceway in front of her house. New developments in Tyrone were making the situation worse. Peachtree City should not allow residents of other areas to use their residential streets as cut-throughs. Golf carts were slower than cars, but it was dangerous to pass them on Loring Lane, and it created congestion that should not be in a neighborhood.

Kelly Timken of Loring Lane explained that Kedron Hills had no sidewalks, so bikers, walkers, and joggers had to use the street. The increased traffic had made it hazardous. She did not allow her kids to ride bikes to their friends' houses unless she could follow them on a golf cart. Traffic had gotten worse in recent years, and she feared new development would add to that. Residents should be able to walk, play, and enjoy the safety of their neighborhood.

Another Loring Lane resident, Christopher Abi-Najim, asked Council to close off Crabapple Lane from the north, explaining that it fed into Loring Lane, which was used as a cut-through to North Peachtree Parkway. He saw speeding drivers and drivers running stop signs. He had tried to warn them, but it did no good. The Police had been called, but it did not deter the behavior. Loring Lane was not designed to handle this volume of traffic.

John Gardner of Adell Court said he put up a Halloween decoration that took a potshot at Joe Biden and his administration. The flag he used contained two words on the City's obscene list. He felt those words could have other meanings and asked Council to review the list before there were lawsuits.

Donald Myers of the Kedron Hills subdivision said he was there for three reasons: safety, quality of life, and home value jeopardy. He had seen an increase in traffic over the years and knew that people used the neighborhood as a shortcut. As more homes were built to the north, the traffic would increase. Although some people referred to Crabapple Lane as a dirt road, Myers said it was a hard-packed surface over gravel.

David Walker said he had lived on Loring Lane near the Peachtree Parkway intersection since 1998. There had been numerous accidents near and even on his property. Traffic had been increasing due

to new developments in the area. He often used Crabapple to get to Fayetteville but was willing to give up that convenience because closing off Crabapple would greatly increase the safety of the neighborhood.

Kedron Hills HOA President Scott Beamer said they had fought development of Dogwood Trail and Crabapple with varying degrees of success. County Commissioners had told him that eventually Dogwood Trail would be entirely developed, which would funnel more vehicles through their neighborhood if Crabapple was left open. Loring Lane was never designed to be a connector from the north side of the county to Peachtree Parkway. Kedron Hills was a neighborhood and should feel safe.

Another Kedron Hills resident, Kevin Madison, told Council there was a way to access Peachtree City's path network from Tyrone by using Farr Road to Brayden, then over to World Drive, but that route had to be developed by Tyrone and Peachtree City. This was an option if they shut the road down.

Dan Yarbrough, also of Loring Lane, said traffic on Loring Lane was the worst he had seen in any Peachtree City neighborhood. Most of it came off Crabapple to the Parkway or the Kedron Shopping Center. He noticed cars passing his house about every 15 seconds, which was an awful lot of traffic for a neighborhood street. Sealing off Crabapple would help them preserve their neighborhood.

Agenda Changes

None

Minutes

King moved to approve the October 21, 2021, regular meeting and executive session minutes. Prebor seconded. Motion carried unanimously.

Consent Agenda

- 1. Appointments to Peachtree City Airport Authority (PCAA)**
- 2. Appointments to Planning Commission**
- 3. Southern Linc Tower Lease Amendment**

Prebor moved to approve Consent Agenda items 1-3. King seconded. Motion carried unanimously.

Old Agenda items

None

New Agenda items

11-21-01 Long Term Planning - Public Safety/Facility Expansions

Rorie recalled that Council met in December, 2019, and established a list of 32 goals, many of which were for facilities expansions. COVID hit a few months later, so most of the plans were put on hold. They brought it back before Council at the budget retreat workshop on May 4, 2021.

When he came to work in Peachtree City in December, 2011, Rorie stated, they were still trying to come out of the Great Recession and had to find funding to do something as mundane as changing the faucets at City Hall. Today, in fiscal year (FY) 2022, there was \$100,000 programmed into the budget in cash for bridge maintenance and repairs and \$400,000 in the General Fund for other repairs and maintenance. It took them 10 years to reach this point.

Part of the goal-setting process was looking at how to best finance these projects. They were working from a master project list in the budget, and Rorie showed how they designated, by color, which projects were cash-funded and which would be funded through a debt instrument. A storage building at Station 81 costing about \$688,000 would probably fall under the debt instrument, so that was colored red. Refinishing a floor was routine maintenance, paid in cash, and was listed in green. The total of the projects was \$5.5 million.

Rorie said they were seeking Council's approval to go forward with a \$3.5 million debt instrument so they could continue with the cash funding on most projects, but also look at projects that were larger in scale. As an example, he listed expansions at Fire Stations 82 and 83. Instead of building new full-size stations, they had added a quick response station on the south side to house an ambulance and decided to expand current facilities. In 2019, those expansions would have cost around \$164,000 and \$162,000. The costs were about double that now. They were proposing a 5,000 square foot storage building at Station 81 that would free up bay space. That was quoted at \$367,000 in 2019, but the cost had doubled, as had that of a 3,000 square foot add-on to the Police Department, quoted at \$670,000.

The FY 2022 budget included debt service to finance building expansions to include the Police Headquarters at \$1.5 million; Fire Station 82, \$513,000; Fire Station 83, \$375,000; Fire Station 81, \$688,000; McIntosh Place, \$700,000; Drake Field restroom, \$200,000. This totaled roughly \$3.9 million. Rorie stated that he believed the bids would come in for less than that, but he preferred to under-promise and over-deliver.

The City currently carried about \$3 million in debt. That included some facilities bond debt, such as the Police/Fire/City Hall renovations from 2009. This \$3 million was outside of the annual revolving loans they did for equipment and police cars. A debt analysis done in March showed that the 2011 facilities bond would be paid off this year. The 2014 bond was also for maintenance. There was another bond in 2016 intended for broadband, but that was re-purposed for other uses. He showed the interest rates and the debt load if carried to full term. There was some value in paying debt off early, but on some, the interest was front-loaded, so the value of an early payout was negligible.

Staff was asking for authorization to borrow \$3.5 million to finance public safety/building projects utilizing the Peachtree City Public Facilities Authority. The annual debt service was estimated at \$384,000 for a 10-year term, and there were sufficient funds in the FY 2022 budget to cover this year's cost.

They had compared a debt product from the Georgia Municipal Association (GMA) to one from the Public Facilities Authority (PFA), and they were similar. They would put the Police Department up as collateral and pass the deed on to GMA to hold until the loan was paid. There was a slight risk a Council would not pay on the debt, so GMA charged a higher interest rate to compensate. The closing costs were a little higher on the PFA. Rorie said they had spoken with the bond attorneys and expected the interest rate to be no higher than 1.85%. With a GMA loan, they could expect an interest rate of 2.05%.

The 1.85% was for a \$3.5 million public facilities loan for a 10-year term with an annual payment of \$384,000. The average annual interest was \$34,000. They could pull it out of cash reserves, where it would have been earning \$1,750 a year. If they tried to reduce the \$3.5 million by \$725,000 to \$2.775 million, the annual payment would be \$304,000, lower by \$80,000, but they would not get the interest.

Every home built in Peachtree City paid an impact fee. Most of that went to Parks and Recreation for the purpose of expanding the path network. They used \$1 million in impact fees to build the MacDuff/SR 54 bridge. In 2021, \$250,000 in impact fees went to police and fire protection, and they should collect that much again in 2022. If the debt service to borrow \$3.5 million to expand public safety buildings was \$304,000 or \$384,000, but they could collect \$250,000 in impact fees, the difference between the two would be about \$130,000. There was a risk associated with this, but Rorie deemed it an acceptable risk. They had the funding whether the impact fees worked out or not. The Police Department currently had \$318,000 in impact fees that would be used for the expansions. The Fire Department used their money to buy vehicles.

A rise in interest rates was predicted after January 1, 2022, Rorie stated, but they were confident they could close on the loan before then. They would competitively bid the interest rates beginning Monday November 8, with the bids due back from banks on November 30 and Council voting on it no later than December 16. He was asking Council for authorization to move forward on financing of \$3.5 million through the PFA for expanding public safety/building projects. Rorie said he also recommended pulling \$700,000 out of cash reserves to pay off the 2009 bond, which would save roughly \$30,000 in interest over the next three years. The annual debt would go down by \$230,000 and be replaced with a \$384,000 annual debt service.

King mentioned that every Council member had been briefed on this in more detail. He recalled that six or seven years ago, they set a course for reducing the millage rates and had stuck to it. Now, they had reduced the millage rate and had cash reserves of about \$20 million. With this good financial position, they could consider recommendations that said this was the right time to borrow and the right time to take money from the financial reserves. Maintaining cash reserves at 50%, plus or minus 3%, gave them a lot of flexibility. In his opinion, they almost had to do this.

Prebor asked what was stopping them from not only paying off the 2009 bond, but the 2011 and 2014 bonds as well? Return on investment (ROI), Rorie replied. They could borrow more and pay them all off, but the later you got into the term, the lower the gain from payout because most of the interest was front-loaded to be paid at the beginning of the loan. The 2011 bond would be paid off in FY 2022, he noted. They would gain something by paying the other bonds off early, but not a lot.

Prebor said he needed to understand more about the \$70,000 in closing costs, which was about 2%. Did the closing costs change if they borrowed more? Marginally, if at all, said Finance Director Paul Salvatore. He did not think the PFA would change at all; GMA did it as a percent of the principal amount borrowed, so it would increase slightly.

What were they in for if they approved this? Prebor asked. \$384,000 in annual debt service for 10 years, Rorie replied, adding he would pull \$700,000 out of cash reserves to pay off the \$230,000. The difference was about \$150,000.

Salvatore pointed out the 2009 bond had the highest interest rate of their outstanding debts. Also, paying it off would free up a couple of fire stations used as collateral for that loan.

All of these projects were needed, Ernst pointed out, recalling that they were talking about them when he retired from the Police Department nine years ago. They should not sit on this too long because interest rates were expected to go up.

Prebor said he was okay with it.

Madden wanted to confirm that the 1.85% interest rate was fixed for 10 years. Salvatore said it would be, adding that the quote came back from what he believed to be one of the more competitive banks at between 1.75% and 1.85%. Madden summarized that they would be paying off a loan at 4%, eliminating \$280,000 in debt service and taking on another loan at 1.85% for an annual payment of \$384,000. Salvatore said that was correct.

Madden moved to approve New Agenda item 11-21-01, Long Term Planning - Public Safety/Facility Expansions. King seconded. Motion carried unanimously.

A budget adjustment would be brought up at the next Council meeting to approve paying off the 2009 loan, Salvatore stated.

Council/Staff Topics

King wanted to address the public comment from earlier in the meeting. He mentioned an encounter he had with a childhood friend of his daughter's. The friend was now married and raising a family in Stonecrest, off of Farr Road. She told him they should not close off Crabapple because that's the road she used to go see her parents in Peachtree City. King said he told her he understood, but that was just a matter of her convenience. He was elected to serve Peachtree City, and when an overwhelming number of Peachtree City residents came to them citing safety concerns, he had to look at it.

King said he and Madden went out in the City's Kubota to look for an alternate route. They drove to the old World Airways building, now Clayton State University, where Google Maps showed there was a paved road. It went to a cart path entrance to the parking lot of Dogwood Church. On the northern side of the parking lot was another cart path access that led to Dogwood Trail. They took a right turn, and .3 miles later was Crabapple Lane, leading to a gravel road headed south. Tyrone had brought their cart path to the end of Farr Road, then west, then a crossing and on to Crabapple.

The bottom line, King stated, was that Peachtree City had created a path network as part of its infrastructure. It had nothing to do with the County's or Tyrone's transportation plans. Tyrone residents could access to Peachtree City's paths, but it should be required that Tyrone or the County develop the .3 mile as a cart path or sidewalk on Dogwood Trail to get to the World Airways building. Peachtree City allowed people to use their path network, King went on, but they had to come in where Peachtree City said they could. In other areas, they fed onto a City street, not into a neighborhood.

He knew there were rogue path entrances in other areas that they would have to address, but right now, he proposed that they close Crabapple Lane to carts. He had heard about handicapped people who needed that access from Tyrone, so he proposed closing the road immediately to vehicle traffic, but waiting 12 months or so to close it to cart traffic. That would give Tyrone or the County time to build the .3 mile access to come south. Peachtree City would welcome it, and he noted it would actually save time over the Loring Lane shortcut. That was his proposal, and he wondered what comments the other Council members had.

Madden recalled that they had heard from a former Peachtree City resident who had moved a short distance to the north, and now wanted to continue to have access to Peachtree City's paths via Loring Lane regardless of safety concerns or how many new developments would funnel traffic through the area. She mentioned the fees that non-residents paid to use the paths, but Madden noted that the taxpayers of Peachtree City paid \$2.7 million last year to maintain the paths. That was before they built a \$3.5 million bridge over SR 54. The amount that non-residents contributed to the path network was negligible compared to what Peachtree City taxpayers spent. They did not give that amenity away so developers in neighboring towns and in the County could tout access to the paths. They would be using that amenity without paying a dime, except for the \$165 permit, which, Madden

added, would soon be much more expensive.

Madden said they had been accused of being unneighborly, uncaring for the mentally and physically handicapped, even racist. He wanted to say that they were elected by the people of Peachtree City, not the people of Tyrone. They did not take orders from Tyrone's mayor or from the County Commissioners. Madden said he was a member of the Fayette County Transportation Committee and had explained to them that Peachtree City would not be paving a new trail so residents of these new developments could access the roads and create a connector through a residential area. It was not about money; it was about safety. Fayette County's Comprehensive Plan had allotments for side paths along Dogwood Trail. There was a creek there, so it would be an engineering challenge, but they would have to build that .3 mile path. They would have to deal with Dogwood Church because it was on their property. That was the County's problem, not Peachtree City's, but they should remember that Peachtree City residents were taxpayers in Fayette County, so they would be helping to pay for that alternative.

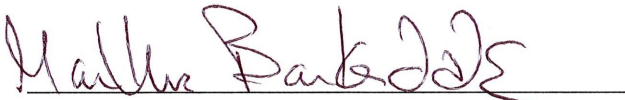
They were talking about closing the road to car and truck traffic on December 1, Madden said, with bollards placed to allow golf carts to still use it for 12 months. On December 1, 2022, he continued, the road would be closed to all traffic. King and Prebor noted that Council could not vote on this tonight. Madden thanked the residents for coming out and presenting their side.

Prebor said they all realized they did not want cut-through traffic like they had in Planterra. He liked the proposal to give the County or Tyrone time to build an alternative. They did not want paths dumping into residential neighborhoods. Residents in Tyrone were welcome to use the paths in the same way as residents of High Grove and Whitewater and Mountbrook.

King asked that this be placed on the November 18 Council agenda. Ernst wondered if they should allow a year before banning golf carts? Would four months be sufficient?

Rorie summarized by saying he was hearing that it was the goal of Peachtree City to allow connections to its path network, provided they were through City streets and side paths, and not through subdivisions. The Redwine tunnel was an example of how it should work. Their proposal was to use bollards to close Crabapple to vehicular traffic and to establish a timeline to close the road to all traffic, including golf carts. They should allow Fayette County or Tyrone ample time to build a side path through the Fayette County Transportation Plan, which, he noted, had never been submitted to Peachtree City for support.

King moved to adjourn to executive session at 7:56 p.m. to discuss personnel. Madden seconded. Motion carried unanimously.


Martha Barksdale, Recording Secretary


Terry Ernst, Mayor Pro Tem