City Council of Peachtree City
Minutes of Meeting
October 21, 2010

The City Council of Peachtree City met Thursday, October 21, 2010, in the City Hall Council Chambers. Mayor Don Haddix called the meeting to order at 7:00 p.m. Council Members present: Vanessa Fleisch, Erik Imker, Kim Learnard, and Doug Sturbaum.

Announcements, Awards, Special Recognition

Mayor Haddix recognized Greg Turks of Public Works as the Employee of the Month for September. Box Office Supervisor Sarah Davenport was recognized as the Supervisor of the Quarter. The Mayor read a proclamation encouraging residents to Shop Peachtree City and Find It In Fayette!® For The Holidays, urging City residents to save time, save gas, and save money by supporting local establishments and the community this holiday season.

Citizen Comment

Marty Potash addressed Council concerning golf cart safety, particularly along washout areas on the Hip Pocket Road path. He referred to several areas along Hip Pocket that were in need of repair. Potash said he had gone to Public Works about the repairs last year, then he had returned in June when he was told repairs would be made in time for the July 4th activities. Some asphalt repairs had been made that were now washing away and creating more problems. He told Council of a recent golf cart accident, where the driver had to move over to the side of the path, had gone over the side, and the bottom of the golf cart had been torn up. He asked Council to give repairs to the paths a higher priority level.

Minutes

Sturbaum moved to approve the October 5, 2010, workshop minutes and the October 7, 2010, regular meeting minutes as written. Learnard seconded. The motion carried unanimously.

Consent Agenda

1. **Consider Alcohol License – NEW – Private Club/Bar, 300 Clover Reach**
2. **Consider Bid – Grinding of Organic Matter – S&G Rolloff**
3. **Consider Surplus and Lease of Vehicle to KPTCB**

Learnard moved to approve Consent Agenda items 1, 2, and 3. Fleisch seconded. The motion carried unanimously.

Old Agenda Items

07-10-05 Consider Ordinance Amendment – Telecommunications Towers and Antennas Ordinance

Haddix pointed out there were additional documents on the dais – a revised memo and ordinance. Community Development Director/City Planner David Rast noted that further revisions had been made to the proposed ordinances and forwarded to Council that afternoon. Rast continued that the changes included the procedures for antennas and attached facilities, which had been moved from the administrative review to the conditional use permit review, which included reviews by staff and the Planning Commission prior to going to Council for final approval.

In addition, the language regarding reimbursement of fees for the City's consultant had been taken out. The proposal was to include it in the City's Schedule of Fees, which would be brought to Council once everything had been taken care of regarding consulting a radio frequency engineer. The latest revision also incorporated the application fee and review fee in the Schedule of Fees as an amendment to that document.

Haddix said that there had been a great deal of public comment. The revisions were minor, so the floor would not be open for public comment. Kathy Cheney said she had a question. Haddix said no public comment would be taken. Council had no questions.

City Attorney Ted Meeker asked Council to, in the motion, continue the moratorium on applications for 30 days in order to have enough time to find a radio frequency engineering consultant.

Learnard moved to adopt the ordinance as presented with the change on the dais and to extend the moratorium for an additional 30 days. Sturbaum seconded. The motion carried unanimously.

New Agenda Items

10-10-07 Discussion on WASA Rate Increases

Haddix said public comment would be taken after the presentation by the Water and Sewerage Authority (WASA); however, all questions and comments must be addressed to Council.

Wade Williams, WASA chairman, introduced Steve Hogan, WASA general manager; Mark Oldenburg, WASA attorney; Steve Hallam, WASA alternate; and WASA board members Tim Meredith and Phil Mahler. Members Mike Harman and Jeff Prellberg were unable to attend the meeting. Williams referred to a recent headline in ***The Citizen***, which read, "Sewer bills set to sky rocket; WASA employees to get raises." The next week, the headline was, "PTC sewer fees 64% over Fayetteville." Williams said anyone would wonder what was going on after reading those headlines. The meetings for the volunteer board were open. Williams said the October 11 meeting was advertised as usual and as required; one person attended. Williams pointed out that Imker had also attended the meeting, and the discussion had been lively. The board had been shocked when presented with the information that would be shown. They had asked Hogan to take another look at the budget, and he had done so. The vote was 4-1 to go with the rate increase. Williams asked if the community preferred an alternate headline from a future edition of ***The Citizen*** dated October 16, 2013 reading, "PTC water undrinkable as spillage spreads; WASA lack of planning cited; residents flee city as repairs are weeks off."

Williams continued that the system's 117 miles of pipes ranged in age from 40 to 50 years, with 35 pump stations and two treatment plants. WASA had 20 employees who kept the toilets flushing and water potable with a lot of hard work. They wanted to avoid pipe breaks and were not "kicking the can" down the street. It was not a popular decision. The original plan was to have Hogan work with Larry Turner, the former general manager, for three to six months to develop a master plan for the pipe replacement. The sudden death of Turner prevented this from happening. Williams said Hogan would discuss how the situation got to this point. The reality was the system was aging and had revenue and income problems, as well as continuing expenses. Haddix asked when the discussion took place on setting the rates. Williams said the board was required to look at rates every two years, and a date was discussed for the public hearing. They also had faced a deadline regarding the bonds and the declining revenue.

Hogan, who had served as general manager since July 2009, said WASA had $34,185,000 in outstanding bonds, with completion of the payments in 2023 and 2027. Two bonds were for the original acquisition of the system from Georgia Utilities in 1997 – Series 1997A - $25,895,000; Series 1997B – $1,450,000. Another bond was issued in 2002 for the Rockaway wastewater treatment facility expansion and de-commissioning of the Flat Creek plant (Series 2002 - $15,345,000). Series 2005 bonds ($424,565,000) were issued for refinancing and refunding the Series 1997A bond. The City had acted as the guarantor of bonds, and the City would assume payment of the bonds should WASA default on payment.

Hogan added that, currently, WASA had 25 full-time employees (two part-time), ran operations around the clock, and served 10,479 customer accounts as of August 2010, which included 9,996 residential customers, 24 multi-family, 415 commercial, and 44 industrial. All the effluent was required to meet the standards for re-use water, which would be drinkable after additional treatment, following the process. Hogan continued that residential use comprised 95% of WASA's customer base, and 3,825 of those customers paid the minimum bill of $20. Residential customers accounted for 62% of the total sewer flow. The remaining 5% of the customer base included commercial, industrial, and multi-family uses. The total water usage had declined from approximately 108,000,000 gallons per month to approximately 85,000,000 gallons per month. The downward trend in water usage was due to several factors, including the drought, loss of industry, and more efficient appliances and fixtures. The sewage flow had remained reasonably constant, declining from 103,000,000 gallons per month to 95,000,000 per month. Hogan pointed out that Photocircuits had averaged 10,000,000 gallons per month, accounting to approximately 20% of the total revenue.

Hogan referred to the surety downgrade. The surety for the 2002 series had been provided by Ambac Assurance Company, guarantor of public finance and structured finance obligations, which had an AAA rating that was downgraded to A in November 2008. The bond resolution stated, "the Authority must provide substitution…within 60 days after such rating change." As a result, WASA established a $1.15 million Debt Service Reserve Fund (DSRF) in February 2009. Hogan said the DSRF was funded from WASA's reserves, and the funds were now in a restricted status and were unusable for capital improvements or renewal and replacement.

Hogan continued that the bond resolution also required a minimum bond coverage ratio of 1.1, which meant revenues available for debt service payments collected must be at least 1.1 times the debt service payment. At one time, WASA had a 2.1 coverage ratio and was now at 0.78, which indicated the slippage in the income versus the revenue.

In May 1997, the original residential rate had been $3.50 per 1,000 gallons for the first 10,000 gallons, then $1.75 per 1,000 gallons thereafter, with a $15.30 minimum bill. The commercial, industrial, and multi-family rate at that time was $2.75 per 1,000 gallons with a $15.30 minimum bill. Residential rates increased by 5% in 2002, going from $3.50 to $4.38 per 1,000 gallons with a $20 minimum bill. The commercial, industrial, and multi-family rates increased 5% in March 2002 ($2.75 to $3.63 per 1,000 gallons with a $20 minimum) and another 5% in October ($3.63 to $4.85 per 1,000 gallons with a $20 minimum). In 2008, there was a two-part increase on usage rates. The residential rates increased 5% in December 2008 ($4.38 to $4.60 per 1,000 gallons with a $20 minimum) and 5% in October 2009 ($4.60 to $4.83 with a $20 minimum). The commercial, industrial, and multi-family rates increased 5% in December ($4.85 to $5.09 per 1,000 gallons with a $20 minimum) and another 5% in October 2009 ($5.09 to $5.35 per 1,000 gallons with a $20 minimum).

As for the rate increase in December, 524 customers would see an increase from the minimum $20 to $30.65. The new minimum charge would be $26, up from $20. Eight hundred twenty-three customers would see an increase from $20 to $35.50 (2,000 gallons), 1,281 would increase from $20 to $39.95, and 1,579 would increase from $20 to $44.60. The remaining customers, who used from 5,000 to 20,000 gallons per month would have see bills ranging from $44.60 to $119 per month. The 41 residential customers using 20,000 gallons or more would have an increase from $96.60 to $119.

Hogan said the reasons for the increase included the loss of Photocircuits, the major industrial customer; the surety downgrade; the required revenue bond ratio of 1.1; the reduced revenues during the Georgia Drought Declaration; diminishing fund balances, $9 million in FY 2007 to $6.3 million in FY 2010 due to annual shortfall in revenue, 5% average increase in yearly expenses since 1997, 0.25% decrease in revenue yearly since 1997; a continued increase in commodity prices (electricity, natural gas, diesel, process chemicals); and the necessity to perform rehabilitation projects that were delayed for four years.

Hogan continued that, until now, WASA had survived on its savings account rather than increased rates. He continued that the wastewater environment was corrosive. The employees worked in a hazardous atmosphere with airborne and waterborne pathogens and in confined spaces. They responded 24 hours a day, seven days a week. If WASA defaulted on the bond payments, then the $34 million debt would belong to the City.

Imker, who served as the Council liaison to WASA, read the following statement:

> *I thank Mr. Hogan the General Manager for WASA (he implements the direction of the Authority and day to day activities) and those members of the actual WASA board for being here this evening. They know this is not going to be enjoyable. This item was placed on the agenda this evening because of the huge impact it has on our citizens. When something this big hits so many of our citizens in the pocketbook this drastically it deserves 15 minutes in the spotlight for discussion. So here we go.*
>
> *Yes, I think by now most of us understand this council has no power over the authority. It does not approve WASA budgets, rate changes or pretty much anything else other than appointing authority members.*

Excuses of "blaming" city council for not allowing sewer to extend beyond the city limits are garbage. Yes, council does have this one power until the year 2027 or until the city backed 2005 WASA bond for $24.5M is paid off. WASA gambled with revenue predictions and lost. Over many years the following sewer extensions and others did not come to fruition: Tyrone to the north, Senoia to the north, Fischer Crossing to the east, Rockaway, Starrs Mill.

One would think that after the first of these was turned down you would not count on revenue from other similar opportunities. It's been known for nearly 5 years that WASA had lost ~25% of revenue from the departure of Photocircuits and did not plan for that impact with gradual rate increases. There's still time to spread out this cost increase with smaller incremental increases over say 5 years instead of this massive hit.

Excessive sewer tap in fees even before this rate increase have prevented businesses from starting up. Take for example the Hookah Bar on 54 West just past the Walmart. They were asked to pay $26,000 by WASA for the sewer tap. The former Three Dollar Café on 74 near Wisdom Road - their fee was $100,000. Small businesses will have trouble starting up at these rates. I was told these fees are typical for the zoned area. My reply is, "Let's look again at those fees." How many businesses have decided to not open because of these fees? Let's find a way to encourage business startups and not gouge them.

After the vote last week Monday at the WASA meeting I said rhetorically, "Do you know what you've done?" For the average homeowner sewer fees alone are now approaching the entire city property tax yearly amount. From WASA's own figures most of us are in the 3K, 4K or 5K gallons a month usage. These are the rates that are going up the most; i.e. ~100% or more. Here's the staggering comparison. The city's annual property tax for an average home is $705. Remember, this $705 a year pays for our Police, Fire, EMS, Public Works, cart path and road maintenance, Recreation, Library, Public Information, the Court everything you see in this city and everything you don't see behind all these services such as finance, purchasing, personnel, Engineering, IT, Code enforcement, etc. WASA's "average" home owner rate is now ~$540 a year. Before the increase it was ~$240 a year or; $20 a month. WASA increased the average home owner's yearly rate for sewer by ~$300. Compare again: $540 for sewer, $705 for the rest of the city. I'm simply stunned. If you add in the average $20 a month water bill that comes with the sewer bill you'll find that this average yearly cost for water and sewer is $780 as compared to the city's bill of $705 a year. Again, I'm simply stunned.

WASA's rate increase is the equivalent of a 2.9 mil increase. I find this figure absolutely outrageous. This council worked for nearly a year figuring out how to solve an $18M problem and we synergistically came up with a minimal impact over the long term of 1.25 mils. We now have a balanced budget for the foreseeable future. It seemed like last week Monday WASA simply accepted the budget provided by the General Manager, Mr. Hogan. I don't fault Mr. Hogan for this increase but I do take to task the authority for not being sensitive to our citizens' pocketbook. They need to reexamine the budget and do a deep dive into alternatives of spreading the cost out over several years.

The argument for saying this increase will cover the WASA bond annual debt of $3M is nothing more than a shell game with the money. I know budgets and I know how budgets are put together. Don't try to pull the wool over my eyes with this cockamamie story about needing to cover the bond debt. For more than a decade your budgets have included bond payments. I find this to be a sorry attempt at a distraction for mismanagement of the WASA budget over at least the last five years. Gradual rate increases to pay for needed infrastructure repairs would have been understood and accepted by our citizens. I guarantee you that had this begun when Photocircuits left, the financials would have been much different.

Now to my final point; the pay increase. My only thought for that is, "You've got to be kidding!" During the public hearing last week Monday I spoke as a citizen against the rate increase for several reasons. Spreading out the increase over several years seemed to be a more logical approach. Then I asked if there were any pay raises included in the budget. I got stone walled as if the authority didn't want anyone to know. I asked again. I got excuses for not telling me because it was going to be discussed in the budget agenda item later in the evening. I said I want to know now because this impacts the rate increase that's being proposed. I asked again. Then on my forth request the WASA lawyer at the table said, "Why don't you just tell him? He's going to find out anyway." Finally I got the news that the budget included 5%. I pointed out that city employees have held the line on increases for two years now, and that Social Security is going into its second year of no increases. I said the citizens will be outraged if you give a pay raise and you should reconsider the raise.

Later on during the budget agenda item discussion I think my pointing out the sensitivity of the pay increase became apparent and discussion ensued about not giving one. I felt for sure they would do the right thing. Only Mr. Mahler understood and advocated no pay raise. I thank him for that. (BTW – The mayor and I interviewed Mr. Mahler back in January and this council selected him over several applicants to be the new latest authority member. He's a budget guy and to no one's surprise I get along well with budget guys. He's a keeper. I would trust him to come up with a new level loaded multiyear budget spreading out the rate increase over several years that doesn't harm the sewer system.) Meanwhile, discussion about the pay raise included comments such as, "It's only $70,000 and such a small amount of the entire budget." I couldn't believe what I was hearing. Then I heard, "Our WASA employees work real hard." Then I heard, "Our employees are on call 24 hours a day." Tell me about it. So I guess our city police, firefighters, EMS personnel, public service employees and the rest of the dedicated city employees don't compare? But $70,000 is such a small amount. I heard WASA say they are working with a couple unfilled positions to justify the pay raise. Well, the city is working with a budget that accounts for unfilled positions too. Let me point out that I am aware WASA gave a 5% increase last year too when everyone else was holding the line. Let me add that up for you and you tell me if it's still a small insignificant amount? Last year's pay raise equated to about $70,000 too. So now you've got $70,000 for last year's raise, plus $70,000 for last year's raise carrying into this year, and now you adding another $70,000 for this year. So for these two years alone that $210,000 or approaching a quarter of a million dollars in *pay raises that are given to sewer employees because, "they work real hard." Let it go for another few years and now you're up to a million dollars. But it's such a small amount. Please forgive my wording hear, I don't want to demean the WASA workers but I am taking to task the authority members who's positions are out of touch.*

I beg the authority to reconsider the pay raise and even consider a small pay cut. I beg with the authority to take another look at spreading out the cost over several years. The authority has the power to do this. No action; by the WASA members will be dreadfully telling. If no action occurs then from my point of view, current authority members need not reapply for their position when their term is up. Thank you Mr. Mayor for allowing me to express my and no doubt a vast majority of our citizens' feelings in this matter.

Haddix reiterated that the comments were to be addressed to Council, adding that the appropriate place to discuss the issue with WASA was at one of their meetings.

Melvin Weagle said City residents were using less water and sewage, so the operating costs should be reduced. He would like to see more Council input to WASA. He had also not heard anything about state or federal money being sought to help with the financial problems. They should look into other opportunities for funding to save money.

Jim Litty said he understood the only way to dissolve WASA was through the State legislature. He asked Council if they were willing to look at dissolving the board. Haddix said Council would need a lot of information since the City would be taking on the debt.

Juan Matute said the City had once again been called upon to bail out an authority. While he appreciated what Williams had done, the City needed to look at the way all of the City's business was governed. Having a board of volunteers manage decisions and financial commitments that were bigger than the City's budget was the wrong way for the City to run itself. The taxpayers and the City had to make good on the loans. WASA had done the best it could. The City's finance director should be consulted and involved. The City needed to a better job of governance of the City and question what authorities did that the City was ultimately responsible for.

Caren Russell suggested that there should have been more than one hearing on the rate increases, and the City should make sure those hearings were on the website and the papers had the information. She questioned how the hearing was advertised.

Phyllis Aguayo said many residents had seen this coming for a long time. The City bought the sewer system over the objections of the residents. The City had promised the sewer would never be extended outside the City limits. WASA had built more capacity at great expense, knowing the plan for the City's growth, and was expecting the residents to pay for that mistake. She did not want Council to use the increased rates as an excuse to extend sewer outside the City limits. WASA needed to find a resolution. WASA's vision had nothing to do with the plan for the City.

Robert Brown said the sewer system was a government monopoly run by a volunteer board that did not have to answer to the citizens. The issue could be resolved by dissolving WASA and putting the system under Public Works where the system would be controlled by Council and Council was answerable to the citizens. He asked if Council could order an independent audit of WASA's bond payments. Financial Services Director Paul Salvatore said WASA was audited annually, and the report was incorporated into the City's statements. Brown said that the original $25 million bond from 1997 was re-financed eight years later for $24 million. He found it confusing that they would pay off $24 in another 17 years, and that should be looked into. As for abolishing WASA and the City taking over the debt, the citizens were already paying for the debt. The City had a higher bond rating, so assuming the debt might be better for the citizens. He received the ***Update*** with the WASA meeting information in his inbox at 6:30 p.m. on October 11, which was the time the meeting started that night.

Andy Jurchenko said he did not understand or accept that Council could do nothing about the rate increase. He was also concerned about the advertising of the meeting. He asked that Council's counsel investigate to see if WASA had exceeded its charter and whether there were any criminal or civil violations of the law. Haddix said there had been numerous discussions with the City Attorney. There was nothing that could be done in the short term, and they were looking into what could be done in the long-term. Council would look into those issues as appropriate.

Kathy Cheney said, a few years ago, she had been surprised to learn that the entire City was not on sewer. Septic tanks were not a healthy way to live. She asked if the City was the only municipality that had sewer. She understood that the County put all the apartments and business requiring large amounts of water on the City's sewer. She asked if the City was underwriting expenses that benefitted all of Fayette County.

Paul Fisher said that, the way the water and sewer bill read, he was being defrauded. There was no way the water used for his lawn was involved in the sewer or the processing of sewage, but they were reading his water meter to determine his sewer flow. During the drought, people could not be billed for water they did not use.

Haddix closed the public comment.

Sturbaum asked if the future flow from Sany and the Somerby (senior project on Rockaway Road) project had been factored. Hogan said that Sany's usage would be predominantly restrooms for warehouse operations, which was normal flow, and had been included in the revenue projections for coming years. The connection fee for the Dominion Partners' property was approximately $100,000, and that was also included in the projections. Sturbaum asked, if the $26 base fee covered the bond requirement, could they lower the rate per 1,000 gallons. Hogan said the rate was lowered from $4.83 to $4.65.

Haddix said a bad authority hurt a city, while a good authority helped a city, the same as a good or bad Council. Some authorities were the backbones of their cities. Both Councils and authorities were essential to success, working in cooperation. He said the challenge was for

Council to be the driving force to get both entities working together and correctly. It would not be an overnight miracle. They were fixing problems created by past Councils. There was a lot to look into. He did not think it was a resolved issue in Council Member's mind, and it had not been resolved as a group. There were still questions. It would be a failure of Council to make a snap decision and let it go.

Imker said the City had three authorities – WASA, Development Authority (DAPC), and Airport Authority (PCAA). He had come down hard on WASA; they were volunteers and residents trying to do the best they could for the City. Council needed to support WASA to make sure it did not fail, but he asked the board to look at the budget again and try to stretch out the increase. He thanked the authority for taking it on the chin.

Williams said they would examine the budget, and they would look at fees again before two years elapsed. It was in everyone's interest to lower the rates. If the residents felt it was better to do away with the authority, then it should be done. The board had no fiduciary interests in the system. It was not to their benefit to "stick it to" the people. Most residents paid more for cable than sewage. Some people would feel the cost increase more than others. They would continue to work with Council.

Bill Hall said Council kept talking about the City assuming the debt. The debt was the residents', and the debt would be better with the City due to the City's lower bond rating. He did not see the difference between paying for the debt through WASA or the City. Haddix said that, based on the ultimate effect, Hall was correct.

10-10-08 Consider Contract for RF Engineering Standby Services
This item was removed from the agenda with the publication of the revised agenda on October 18.

There was a break from 8:25 to 8:35 p.m.

10-10-09 Consider Official Request to Fayette County BOC to Withdraw from ARC
Haddix said there had been many meetings and this was a big issue. He met with the Brooks Council earlier in the week, and Tyrone was discussing it at its meeting. One of the challenges had been that the Livable Centers Initiative (LCI) funding would be lost if the County left the Atlanta Regional Commission (ARC). He said LCI funding would not be lost because it was not a function of the ARC, but of the 18-county Atlanta metropolitan planning organization (MPO), and the County would remain a member of that group. Other comments had been that money for senior citizens would be lost. Haddix continued that, at the Brooks meeting, Fayetteville Mayor Ken Steele had finally admitted that the County might not lose any funding since the funding came from the federal government and other agencies. The ARC acted as a dispersing agency for some federal funds, adding that Three Rivers had services for seniors and the handicapped that were not offered by the ARC. It was a complex formula to put together. The other issues included losing the County's say in air quality, and Haddix said air quality was not an ARC function, but a non-attainment area function. ARC was the administrative and disbursing agency for the MPO. The 18 counties in the MPO were divided into five different regional

commissions. The non-attainment area was 20 counties dispersed over five or six regions. Haddix there was an argument that ARC was superior, but it should be a 20-county area. Haddix added that the counties that were not in the ARC have said they prefer it that way because they did not want Atlanta telling them what to do.

Haddix went over the innovations in the Regional Transportation Plan (RTP), including truck-only lanes, express toll lanes, light rail technology, expressway and arterial bus rapid transit, commuter rail, and streetcars/trolleys. He said Three Rivers' transit emphasis was shuttle buses, which many people wanted to help get handicapped people around and go back and forth between The Gathering Place and the Fayette Senior Center. Fayette County was the only county in the ARC without a Park 'N Ride. Three counties in Three Rivers had a Park 'N Ride – Carroll, Coweta, and Spalding.

Haddix went over the projects that were planned, noting that they were predominantly on the north side of Atlanta, including managed lanes, the regional strategic transportation system (outer loop, which would stop in Fayetteville and still had a large unplanned section), bottleneck relief interchange concepts, and bottleneck relief regional bypass concepts. The other nine counties in the ARC had bus and rail and were looking at expanding the service of one or the other, or both, in those counties. Haddix said the projects were ranked on a priority basis, and nothing near the City qualified in the top 25%. He continued that 85% of the funds from the transportation special purpose local option sales tax (TSPLOST) were for regional projects, with those located in Fulton, Cobb, Gwinnett, and DeKalb Counties. Fayette County would receive a portion of the remaining 15%. The projects in Fayette County that qualified for the remaining 15% were the east and west Fayetteville bypasses. He added that the plan also called for consolidating all the transit systems within a region under one umbrella, giving them the control and taking it away from the localities. Haddix pointed out that the Georgia Regional Transportation Authority (GRTA) vans came into the City and County every day. Another concern was that, while bicycle and pedestrian strategies qualified, golf cart paths did not. The projects had to be non-motorized; however, Haddix felt he could argue that issue.

Haddix said another interesting point was that the Roundtable did not control the list. The list came from Todd Hall, the director of the Planning Division for the Georgia Department of Transportation (DOT). The ARC list was bigger than the lists from the other 11 commissions. The area was being treated differently than others in the state.

The spending on transportation was growing faster than the receipts coming in from the gas tax, Haddix continued. The gas tax would remain in place, and they were trying to supplement the transportation fund by shifting the burden form the state to localities. With the proposed TSPLOST, a whole region has been defined as local. They were redefining what was considered local as 10 counties. Atlanta was treated differently than every other region. It was the only region with an additional mayor allowed to vote. Under the original plan, every County that had 50% or more of the population living in cities was able to have an additional mayor at the Roundtable. Several changes were made, and the requirement was now 90%, which gave the City of Atlanta an extra vote, the only one in the state with an extra vote. Learnard asked who "they" were. Haddix said that, under House Bill (HB) 277, the legislature set the guidelines and goals, putting it under the state director of the DOT, who developed the criteria and distributed it to all 12 commissions. The prioritization was bus and rail. He added that, under ARC, the model the County lived under was urban high-density growth. Three Rivers was urban, and transit to them was a shuttle bus. Each region could interpret the necessary projects. When the projects would go out to the general population, Fayette County was overwhelmed. The County was ninth in population of the 10 counties, with 106,000 people. Fulton County had one million residents, Gwinnett had over 800,000 and Cobb had over 700,000. Fayette was simply a donor.

Haddix said, per the projections, Fayette County would get back $4.6 million of the estimated $20 million it would contribute in TSPLOST, while the County would get around $2.9 million from Three Rivers, which everyone used as the justification for staying in ARC. The question was the probability of the TSPLOST passing. Haddix felt it would pass overwhelmingly in the ARC counties, but he felt it would not pass in Three Rivers. He pointed out that Fayette would be the third most populous county in Three Rivers, only 21,000 people behind Coweta, the most populous county, and 8,000 behind the second most populous county, Carroll. Fayette's vote would carry a lot of weight. If the TSPLOST failed in Three Rivers, it would allow those counties to be more self-determining. Either way, the County would have a lot more say in its destiny with Three Rivers.

Robert Brown agreed the County would receive a small portion of the TSPLOST's 15% local share with the ARC and would be a donor for the 85%. With Three Rivers, the County would get $2.9 million of the 25% regional pot, but asked if more County projects would possibly be funded by the 75% regional pot of money.

Haddix continued that ARC had over $200 billion in projects identified for the next 30 years. Once the TSPLOST occurred, the County could not leave the ARC. It boiled down to what the residents wanted Fayette County to be. The County's emphasis was rural. The big question was where would the 85% be spent – Cobb, Fulton, Gwinnett, or DeKalb, and whether Fayette County residents wanted to contribute to more development or get a bigger bang for their buck with Three Rivers. Two counties were projected to be leaders in the economic comeback, and Fayette was one of them. He asked why the County should not position itself to get the most out of the TSPLOST or keep the money here to develop what the residents wanted. Everything in the ARC discussions was focused on Atlanta.

Haddix said the prioritizations in ARC were very slanted toward transit. The prioritizations were set by ARC, the DOT planner, and GRTA. Projects included in the 85% had to something for other counties, not just one area. The projects should also aid entities with land use ordinances that allowed increased development density around stops.

Learnard asked whether people with the longest commutes were the most positive toward the HB 277 proposal. Haddix said that was hard to decipher in the ARC polls, because it was so relevant to where people lived. There were County residents that had hour-long commutes that did not want transit in the County. Haddix continued that the surveys the ARC had done were not broken down by county. There was a lack of information. Sturbaum added that, in some of the high density areas, a 30-minute commute could only be three or four miles.

Sturbaum asked about the final verdict on the Georgia 400 toll. Sturbaum said it had been extended, but wondered whether the funds had been allocated to any specific projects, noting that the express lanes might be a project. Haddix said that was one of the possible plans.

Fleisch said she was trying to understand what Council was considering, noting that Mayor Haddix had a seat at the ARC Roundtable and could help make decisions. Haddix said the initial criteria was sent, the Roundtable reviewed it, and every mayor in the region, whether a member of the Roundtable or not, could make comments, as could County Commissioners and Chambers of Commerce. The Roundtable would go through the list, making recommendations. There were also members of an executive committee and the legislature that would make comments. All the comments were sent to the DOT planning director, who would go through them, but the DOT planning director did not have to follow any of the recommendations that were made. Fleisch asked who that person was. Haddix said it was Todd Long, who had to go over all 12 of the regional plans and make the final determination. There was no appeal process. Long's list would come back to the Roundtable in the spring for final review before making a decision on putting the TSPLOST on the ballot. The Roundtable could make some modifications to the prioritization, but its power was very limited.

Fleisch asked if Fayette County would have more power in the Three Rivers Roundtable even though the region was set up the same way as the ARC, adding that the roundtable in Three Rivers was already set. Haddix said he did not think the TSPLOST would survive the Three Rivers Roundtable. Fayette County would be automatically added to the Roundtable by the legislature. The state controlled the criteria, and the state controlled the list. The Roundtable could only recommend changes. Haddix said, based on discussions with other Roundtable members, the TSPLOST would be on the next ballot, and the ARC polling data indicated the public would approve the TSPLOST. Fleisch said the option for future road projects with Three Rivers would be passing a Fayette County SPLOST. Haddix said just because the County moved to Three Rivers did not mean the County could not have more discussions with the ARC. Both regional commissions worked together on regional projects. The County would not give up its ability to negotiate with ARC. Sturbaum clarified that Three Rivers had the same opportunities as the ARC, just at a different table. Haddix said yes, with a different perspective. The question was which way the County wanted to live.

Fleisch said she read the RTP, which was over 800 pages, and it included rail to Spalding County and buses to Coweta County. She said the County/City had a say in the ARC, and Haddix was the one who represented the City and County. Haddix said, if the umbrella plan went into effect and all transits were consolidated, which was the goal, then the umbrella assumed total control of transit in the region. Fleisch said she had not read that. Haddix said that was a different plan that they did not want to publicize.

Fleisch read an October 18 e-mail she sent to Todd Long, the planning director for the DOT, and his answers to her questions. Long's answers are in italics.

> I am researching the cost versus benefits of such a move on our citizens and I wondered what your thoughts would be regarding such a move.

Specifically, the Mayor of Peachtree City Don Haddix is presenting information regarding transportation issues as the reason to make this move. I know that you do not want to get in the cross hairs of a political debate but if you would be so kind as to answer the following questions regarding transportation issues in Fayette County I would appreciate it. To me it is important to separate fact from fiction and your help would be greatly appreciated in this regard. With your permission I would like to read both my questions and your answers at the council meeting this Thursday.

1. Does the DOT plan on putting mass transit of any kind into Fayette County? That would include both buses and rail. *GDOT (as an organization) does not presently have any plans to implement transit within Fayette County. Due to current statutory funding limitations on state motor fuel funds, GDOT is greatly limited in its ability to fund/implement transit.*

2. If House Bill 277 passes in the ARC region does it mean that mass transit, MARTA or any other transit system will come to Fayette County? *Not necessarily, the Roundtable (comprised of 2 representatives from each county) will select the projects (roads/transit/etc) and it seems unlikely that the Roundtable would select any improvements for a particular jurisdiction without the support of the jurisdiction(s).*

3. Under House Bill 277 what influence does the roundtable have in deciding the type of transportation projects? *The Roundtable will select the projects to be funded with the regional sales tax funds. The GDOT Director of Planning will provide the Roundtable any initial/unconstrained list of potential improvements and the Roundtable will pare this list down to a final list, which matches anticipated available funding.* How many people total are on each round table? *For the Atlanta Region, the Roundtable will include 21 voting members.* Who is on each roundtable? *Each county will have 2 members on the Roundtable, including the County Commission Chairman and one Mayor from each county-elected by the Mayors within that County. In addition, in the Atlanta Region, the Mayor of Atlanta is automatically included as a voting member on the Roundtable-meaning that Fulton County will have 3 voting representatives (Fulton Commission Chairman, Mayor of Atlanta and Mayor of Union City).* And what was the rationale for the comprisal of these roundtables? *I assume that the General Assembly included this voting arrangement in HB 277 in order to achieve equitable representation from each County/Jurisdiction within each Regional Commission and give the local government responsibility for final project selection.*

4. If HB-277 is passed in 2012 and Fayette County leaves the ARC during any of the subsequent 10 years during which the tax will be collected. What will happen to the tax revenue collected? Will it go to Three Rivers? Or will it stay with the ARC? *This question is actually best suited for a lawyer to answer; however, it seems reasonable that the arrangement which was in place at the time that the public voted on the sales tax referendum would remain in place if any county was to withdraw from one Regional Commission and join another Regional Commission. So, in my opinion, if Fayette County*

withdrew from the Atlanta Regional Commission and joined the Three Rivers Commission after the vote in 2012, then the projects selected and funding identified/provided under Fayette County being included in the Atlanta Regional Commission would remain in effect. Once again, a lawyer might give a more accurate answer.

5. Attachment C for the Draft Criteria has graphs showing funding allocations for transportation projects is that set in stone or can the round table change those allocations at the next meeting? *The funding allocations can be changed by the Roundtable during the first meeting when they adopt the FINAL criteria. The funding allocations shown were in an effort to guide discussion/for local governments/MPOs/other interested parties to react to as a starting point.*

6. The Envision 6 Draft Regional Transportation Plan: Recommendations and Future Directions from July 2007---How relevant is that document to your current transportation planning? *Projects selected for consideration by the Roundtable to include on the final project list will come from currently approved Plan/Studies/Planning efforts. The Envision 6 Plan will be one source from which projects will be selected; however, other plans (completed by GDOT/Counties/others) will also be used as a source for project selection. Each County's Comprehensive Transportation Plan (CTP) will be a major source for projects provided to the Roundtable for consideration.*

Haddix said DOT was not the entity that would implement the mass transit plan, so Long's response was accurate. There was one shot at getting out of the ARC, and that was in the 2011 cycle. After the 2012 vote, HB 277 stated counties were bound to the regions where the votes occurred. As far as the Roundtable establishing the criteria, at the regional-level meetings he had attended, they could make recommendations to change the criteria, but Long had the final say on the criteria. It was clearly stated in the different materials that Long could add or take away from the list, but the Roundtable could not designate percentages or the final list of projects. The vote was based on the list that was provided by Long. The flexibility Long referred to in his answers never occurred or was stated at the meetings. Under HB 277, a County had to voluntarily join mass transit. There was another law that was moving forward that required the umbrella organization for mass transit. There were 10 – 15 transit organizations adding plans to the mix. Fleisch said Haddix could say what the County wanted. Haddix said it was not that simple. A project that was already planned or studied could be added to the list, but Long could remove it.

Learnard said it was a vastly important and complex issue. When she first heard Haddix was one of the County's representatives to the Roundtable, she felt it was a good choice because he would fight for the County. As a member of the ARC, Fayette County with its population just over 100,000 had two seats at the table. Gwinnett, with ten times the population of Fayette, had two seats at the Roundtable. She felt Fayette was well-represented population-wise and personality-wise with the right people at the table. If the County went to Three Rivers, it would make up 17% of the population, but still would have only two votes at the table. County residents should be asking what their personal transportation needs were now and in the future, and where the most critical safety and mobility issues were. The projects that made the list came from two people from each county in the region and the Atlanta mayor. Learnard said MARTA would never come to Fayette County. It operated in DeKalb and Fulton, and those counties paid for it. Residents could tell the Roundtable representative whether they wanted commuter rail or not. The transportation bill was not intended to be a local SPLOST. The legislature set it up as a regional concept intended to fix regional transportation problems. Ultimately, voters that did not care about regional transportation issues would vote against the TSPLOST. The penny sales tax would be distributed throughout the region, with the more populous areas paying more into the TSPLOST than the less populated counties. The 21 people on the Roundtable were important to the four million people that lived in the region. Learnard said the other areas would have more projects on the list since they had more traffic. County citizens needed to understand how they had a voice and how they could keep control over future projects in the County. Choosing to move Fayette into Three Rivers meant County residents had no say in the projects in the ARC.

Learnard continued that, per the 2008 demographic information supplied by the ARC, 73% of all employed Fayette County citizens left Fayette County to go to work. Of those 73% leaving the County to work, 77% worked in an ARC county. Less than 5% worked in either Coweta or Spalding. Seventy-nine percent of all the employed residents in the County earning more than $40,000 left Fayette County to go to work, and 88% of them worked in an ARC county. Learnard said it was important to understand where County residents worked and drove.

Learnard continued that the ARC addressed more than transportation. It was essential to make an informed decision, and she needed more information. She would like to have a workshop with Todd Long and State Rep. Matt Ramsey, adding there were ramifications for senior citizens, work force development, and other areas. Haddix said HB 277 was a transportation bill. The 73% from 2008 was now at 63%, so the numbers were declining. The daily road trips on SR 74 had increased a little over 3,000 between 2000 and 2010, and had declined in the first seven years. Fairburn was part of the answer for the increase the last few years.

Learnard asked Haddix if he was putting projects on the list. Haddix said there was not time. The plans had to be in place, which took months to years. Fleisch said there were projects on the County transportation plan that could be consider. Haddix asked Council if they understood the difference between a 15% and 85% project. Fleisch said yes, referring to work at the SR 74/I-85 interchange as a regional project. Haddix said it was very low priority. Haddix said every project on the County's list was local. There were none considered regional projects.

Learnard said, assuming that Fayette stayed in the ARC and the TSPLOST passed, then Fayette would receive part of the 15% distribution. She clarified that the split in the other regional commissions was 75% regional and 25% local, but Atlanta was special. The anticipated Fayette County sales tax collection for the TSPLOST was $4.6 million per year, and the City portion of the distribution was $1.035 million per year. If Fayette moved to Three Rivers, then Fayette would get a 25% distribution, and the anticipated County distribution would be $2.9 million annually, with the City's share dropping to $717,000. Haddix reiterated that all the indications were the TSPLOST would pass in ARC, but not in Three Rivers. In addition, if Three Rivers' voters approved the TSPLOST, the County would get a portion of the 75% versus getting nothing from ARC. Fleisch questioned how the County could get projects together for the Three Rivers list, but not the ARC list. Haddix said the difference was there, and decisions would have to be made, such as whether the County wanted shuttle buses. The local projects would be the same, but the County would have to look at the regional Three Rivers projects to see if they would be of benefit. Three Rivers had projects planned that stopped at the County line and they would like to bring into the County, but the County would have to sign on to the projects. It was not cut and dried, but very complicated.

Learnard said that, given the request was to have the County Board of Commissioners to leave the ARC, she wanted to touch on the other issues. She questioned what would happen to senior funding as the ARC leveraged state and federal dollars for Fayette Senior Services, which were $400,000 for FY 2011. Learnard read from an ARC "white paper" on the proposal – *an additional $97,000 per year is currently allocated for Fayette Senior Services transportation needs*. She asked if there was transition plan for that. Haddix said that Fayetteville Mayor Ken Steele had used that as a talking point and had walked away from it, saying he did not know if the County would lose that money or not.

Learnard referred to the Atlanta Region Workforce Board – *through membership in the ARC, Atlanta is a member of the Atlanta Region Workforce Board, through which Fayette County receives approximately $400,000/year. The co-chair of the Workforce Board is Randy Hayes, a Fayette County citizen. Three Rivers Regional Commission does not operate a workforce board.* Learnard said she was concerned about the implications there. Haddix said Workforce was a state program, not an ARC program.

Fleisch said she contacted the ARC about the Workforce Board, and, according to that information, Fayette County was a member of the board through its membership in the ARC. Between 2009 and 2010, the County had received a total of $642,000. Three Rivers did not operate workforce board, there was a separate west central workforce area that Fayette County could form. The County could not form a workforce board on its own because of the 500,000 population requirement. The population figures could also impact funding for Fayette Senior Services.

Haddix asked if it was worth $15 million to not change regions for $4.6 million. Learnard said the vast majority of workers in the County commuted north, and there was a vested interest in making the situation better region-wide. She said she would rather be discussing the projects on the list and working with the region in positive spirit. Haddix the majority of commuters only went to the Hartsfield-Jackson Airport area. Fleisch disagreed. Haddix understood it was a balancing act; there were tradeoffs everywhere. Learnard recounted a recent incident on Oakley Industrial Boulevard in Union City, noting there were four projects on the list along Oakley, which would benefit her greatly, as well as other residents. Haddix said those were local projects, not regional.

Fleisch wondered whether Three Rivers wanted to become a "big pond." The unintended consequence was that the people from the counties south of Fayette would go north through Fayette. She asked whether the County needed more people traveling northbound through it to get to Atlanta. Haddix said the TSPLOST was for 10 years.

Fleisch said she did not know enough about Three Rivers and did not feel good about the unknown, especially regarding areas other than transportation. She read the e-mail she sent to Lanier Boatwright, executive director of Three Rivers, on October 18:

Thank you so much for calling me back. As you may or not be aware, the City of Peachtree City is considering sending a resolution to our county commission to send in an application to join your regional planning. I would like to have any information that you could send me regarding this possible move. What is the per capita income of the families in Three Rivers? What is the level of education for your citizens? Your counties are considered rural what is the plan for the counties within your region do they plan on continuing to be rural? How much is the dues that the Fayette County would have to pay to your commission? I would also like to know if you think that HB 277 will pass in your area. Do you think that having Fayette County in your region will have an effect on whether or not HB-277 will pass? How many full time transportation planners do you have on staff? What grants and funding do you have that would be available to our citizens? What kind of training do you have for elected officials planners etc? How many full time staffers do you employ? How do you do your funding for your senior citizens? Please name all of the commissions and committees that you have and how often they meet? Have you gotten emails from or phone calls from any elected officials in Fayette County to interview you regarding any of these matters?

Fleisch also read Boatwright's October 19 reply:

We have not been contacted by Fayette County about any interest of theirs. Yours is the first contact I've had. I have seen an article in the newspaper, but we don't conduct our business based on newspaper articles. Many local governments consider many issues. We do not act on hypothetical speculation. The laws of the State of Georgia define the boundaries of the 12 regional commissions. I think that any discussion of this issue would first come after contact with the Three Rivers Council as a courtesy to us, the Atlanta Regional Commission, and the State of Georgia. The nature of your questions tend to lead to a discussion that would require much more information to help make sense of the issue you raise. I would be happy to discuss this issue with you in order to provide you with a much broader picture of regional commissions.

Haddix said until the issue was resolved among themselves, there was not much to discuss.

Fleisch moved to not make the request to the Fayette County Board of Commissioners to withdraw from the ARC. Learnard seconded. The motion carried 3-2 (Haddix, Sturbaum).

10-10-10 Consider Removing TDK Extension and Crosstown Drive Widening from TIP

City Engineer Dave Borkowski said that, based on the discussion at the October 5 workshop, staff was asking that Council to remove the TDK extension and Crosstown Drive widening from the Transportation Improvement Program (TIP). Imker asked if the void left by removing those projects could be filled with other projects. Borkowski said that all the funds for the Crosstown

Drive widening were local funds, or funding from local sources (there were none at present) that could be reallocated. The estimated cost had been $5.5 million. The TDK extension had $1.2 million in state funding designated, but the state said transferring those funds to another project would not be considered, and funds would go back into the regional pot.

Phyllis Aguayo said the citizens had spoken loud and clear regarding the TDK extension, that it would be the end of the City as the residents knew it. Aguayo asked if joining Three Rivers would help keep the road from happening. She said the City should not take any money that would be detrimental to the City, and if the extension of TDK was attached to any funds, then the City did not want the money. She encouraged Council to not take those funds. Imker said the TDK extension would not happen on his watch. He recalled from an earlier e-mail to the ARC that a project would not happen if our representatives told them it was not wanted. Imker said they were telling them they did not want mass transit or this project. Aguayo added that the widening of Crosstown was to accommodate the extension of TDK Boulevard.

Imker moved to remove the TDK extension and Crosstown Drive widening from the TIP. Fleisch seconded. The motion carried unanimously.

10-10-11 Consider RFP – Transportation Engineering Services
Borkowski said the consultants would assist the City with traffic and transportation issues. Sixteen companies submitted proposals, and the list was reduced to five after evaluating the qualifications. The companies were then evaluated on price. Pond & Company led the five based on experience, quality, and price.

Imker noted a discrepancy between the memo and spreadsheet in the packet regarding Pond & Company. The score for one area ranged from 3.91 to 4.11, with Pond & Company having the highest rating. The numbers for the overall weighted score were also different on the last page. Borkowski noted the scores were 4.1 and 4.56 for Pond & Company, adding he would need to check the original spreadsheets. Imker said his concern was awarding the contract based on faulty criteria. Imker asked if the motion could be conditioned upon verification of the criteria. Meeker said yes.

Sturbaum asked if the feedback had been good and if the City had used Pond & Company before. Borkowski said the City had not used the company before to his knowledge, but the references had all checked out and were good. They also had a lot of path experience.

Imker moved to approve the RFP for transportation engineering services to Pond & Company conditioned upon staff verifying the ratings for Pond & Company as the desired contract. Learnard seconded. The motion carried unanimously.

<u>Council/Staff Topics</u>
Hot Topics
McMullen said staff was continuing to work on MacDuff tunnel. The revised layout had been received from ISE. Soil borings would be taken the next week, which would provide input for the revised cost estimate. The layout had been provided to Camden Properties for final review.

Learnard asked if the agendas for the various board meetings (commissions, authorities, and Convention &Visitors Bureau) could include an announcement that there could be a quorum of Council members attending the meeting. She recalled a recent board meeting that she had wanted to attend, but found two other Council Members attending the meeting, so she could not attend as a quorum of Council Members had not been announced. Meeker said there just had to be an announcement on the agendas regarding the possibility of a quorum of Council attending. Administrative Services Director Nikki Vrana said a template would be provided to the recording secretaries to be included on all the agendas.

Meeker asked that Council consider extending the meeting past 11:00 p.m. Sturbaum moved to extend the meeting beyond 11:00 p.m. Imker seconded. The motion carried unanimously.

Learnard moved to convene in executive session for the potential acquisition of real estate and personnel matters at 10:34 p.m. Fleisch seconded. The motion carried unanimously.

Imker moved to reconvene in regular session at 11:15 p.m. Learnard seconded. The motion carried unanimously.

Haddix moved to approve the separation agreement with Mr. McMullen in accordance with the existing contractual obligation. Sturbaum seconded. The motion carried unanimously.

There being no further business to discuss, Sturbaum moved to adjourn. Learnard seconded the motion. The motion carried unanimously. The meeting adjourned at 11:17 p.m.

Pamela Dufresne

Pamela Dufresne, Deputy City Clerk

Don Haddix

Don Haddix, Mayor