

City Council of Peachtree City
MEETING MINUTES
September 5, 2013
7:00 p.m.

The Mayor and City Council of the City of Peachtree City met in regular session on Thursday, September 5, 2013. Mayor Haddix called the meeting to order at 7:00 p.m. Other Council Members in attendance: Vanessa Fleisch, Eric Imker, and Kim Learnard.

Announcements, Awards, Special Recognition

Haddix issued a Proclamation for National Payroll Week, a Proclamation of Support for Fayette's Biggest Food Drive, and a Proclamation for Vietnam Veterans Day in conjunction with the "40 Years Later: A Heroes' Homecoming" event in Fayetteville. Haddix recognized Firefighter David Winkles for 15 years of service, and promoted Police Officer Ken Ralls to sergeant.

Fayette County Development Authority (FCDA) President Matt Forshee and Manager of Business Retention & Expansion Emily Poole provided an update on Peachtree City's economic status. Four company expansion projects were currently ongoing but remained confidential, representing a \$15-20 million investment in the community and adding 50-100 jobs. Two new location projects would also be making announcements soon, representing a \$20-30 million investment and 150 new jobs. Poole also continued to develop the Existing Industry Council, an Aviation Industry Council, and work with the Georgia Department of Community Affairs on workforce projects.

Forshee noted the Pinewood Studios project, under construction just outside Peachtree City, had made tremendous progress on the studios, workshops, parking, and related construction for phase one. They planned to be operational in January 2014, and were ahead of schedule. The Phase 1B area would include a vendor section that would impact Peachtree City with sales taxes. Forshee estimated that the project would add between \$400,000 and \$500,000 per year for Peachtree City in Local Option Sales Tax revenue.

10-Minute Talk – Great Georgia Air Show

Angie Faulise of the Great Georgia Air Show (GGAS) gave a brief presentation to Council, noting that the event would be held on October 11 – 13. This would be the 15th air show, and would feature the first night show on Friday evening. The GGAS was a non-profit corporation which held the event to benefit other non-profits. The event was organized by a large number of volunteers, and Faulise said City staff had been very helpful in putting this year's show together.

Faulise then reviewed the projected economic impact from the 2011 Air Show, which included all direct spending (at the point of sale) and indirect spending (spending flowing to suppliers and subcontractors). Estimated economic impact from spending related to the GGAS for 2011 was \$637,653 financial value to Fayette County economy due to the business activity generated by the preparation for and staging of the event. Additionally, \$1,130,417 was estimated for the increased sales with Fayette County businesses.

Over the 14 years of the air show, it was estimated to have added \$8.92 million in financial value to Fayette County economy due to the business activity generated by the preparation for and staging of the event, with \$15.8 estimated for increased sales with Fayette County businesses.

Faulise then reviewed the GGAS direct and indirect funding opportunities. Direct funding went to community, civic, and non-profit groups that work the show in various capacities, from selling

food and ice cream, to assisting with parking and security. Indirect support included GGAS donations to multiple organizations. Over the show's history, it had raised \$100,000 a year in direct funding and \$50,000 a year in indirect funding, totaling \$1.5 million over the past 14 years.

Other than the community, the three primary non-profit beneficiaries for the 2013 show were the Commemorative Air Force – Dixie Wing, local Scout troops, and the Knights of Columbus.

In conclusion, Faulise asked for the City's continued support in the form of the license to sell beer and wine (scheduled later on that night's agenda), Council consideration of waiving or reducing fees for the alcohol license and pyrotechnics permits, proclaiming October 11 – 13 as GGAS Weekend in Peachtree City, and helping to solicit volunteers to participate in the event.

Public Comment

There was none.

Agenda Changes

There were none, but Imker noted he had three items he wanted to address during Council/Staff Topics: the County meeting on SPLOST that evening; cancellation of the September 19 meeting; and politics in Peachtree City.

Minutes

August 15, 2013, Regular Meeting Minutes

Fleisch moved to approve the minutes of the August 15, 2013, meeting. Learnard seconded. Motion carried unanimously.

Consent Agenda

1. Consider Alcohol License – NEW – The Wing Shack, 118 Huddleston Road
2. Consider Alcohol License – NEW – Brixx Pizza, 300 City Circle, Suite 1520
3. Consider Approval of Easement – Eargle Tract, 308 Preston Chase
4. Consider Approval of Easement – Faiyaz Tract, 501 SR 74 North
5. Consider Approval of MOU with Fayetteville Police Department Special Response Team
6. Consider Elimination/Replacement of Positions in Financial Services

Haddix noted the addition of item #6. Learnard moved to approve Consent Agenda Items 1 – 6. Fleisch seconded. Motion carried unanimously.

Old Agenda Items

09-12-06 Facilities Bond Projects Status Report/Update

This item was withdrawn from the agenda prior to the meeting and rescheduled for October 3.

New Agenda Items

09-13-01 Consider Alcohol License – NEW – Great Georgia Airshow

Public Information Officer/City Clerk Betsy Tyler addressed Council, noting this item addressed the first of Faulise's requests relating to the air show. Tyler said in previous years, the Air Show had obtained a special events permit to serve, but not sell, beer and wine in the VIP tent. This year, they were asking to sell beer and wine, which required a full license.

Tyler continued that the special event permit did not allow for the sale of beer and wine. The full alcohol license application was \$200, which covered the costs of the background checks. The actual license would cost an additional \$925 for a half-year license to sell beer and wine and include sales on Sunday. The air show was asking Council to consider waiving or reducing this amount.

Tyler continued that, in July of 2000, the Civitan Club had applied for a license to sell beer at the Great Chili Challenge. Council had awarded the license for the one-day event and had waived both the license fee and the application fee.

Tyler said the memo noted staff's recommendation of approval of the license pending successful completion of the background checks for the Licensee and License Representative, and those had been completed by Chief Clark. Staff was not making a recommendation on the fee.

Imker said he had asked Tyler to research the license issue, and he was concerned about completely waiving the fee so that Council did not set a precedent for another non-profit agency to request a similar waiver. He said he wanted to have a discussion about possibly charging a small fee. City Attorney Ted Meeker confirmed that any Council action set a precedent for future requests.

Tyler continued that Council adopted the Special Event Permit process in 2009, which imposed a \$50 per day fee but also automatically waived that fee for non-profit and business development events.

Imker asked Faulise if a small fee might be manageable for the group and asked Faulise what she thought was a fair fee. Faulise responded that anything Council reduced or waived could be put back into the non-profit groups participating in the show. Faulise said that \$50 per day was set for other special events, and something like that would be acceptable.

Haddix said he was also concerned about setting a precedent and sided with Imker about imposing a fee. Imker said he was bringing the up for discussion. Learnard asked Tyler to reiterate the last time the request was made, which was in 2000, and Learnard said this was evidently something that only came up every 13 years. Fleisch favored imposing the listed fee in anticipation of more events in the future.

Haddix said the City received frequent requests to waive fees, adding that he felt the fee, while not waived completely, should be moderated for the three-day event. Imker again asked Faulise what would be appropriate. Faulise said \$150 per day.

Tyler noted that the City's current Special Event Permit process did not address the sale of alcohol at events, although State Law did. The License Representative held such a license for events in Atlanta. Tyler said Council might wish for staff to develop an ordinance amendment to address these types of requests in the future. Fleisch expressed concern about charging \$50 per day, which was the fee for non-sale permits. Imker felt revising the ordinance sounded very complicated.

Haddix asked what the impact of reducing the fee would be, and Meeker said Council would be setting a precedent. Learnard noted that was what Council did every time a variance was approved. Imker noted the license was for six months, but the event was only three days. Tyler clarified that the license would only be issued for the three days of the event, although the fee covered licenses up to six months.

Haddix asked for clarification on the City versus the state licenses. Tyler said Peachtree City's alcohol ordinance established specific types of licenses that the City was willing to issue. Over the years, those types of licenses had been expanded to include hotel catering, wine tasting events, growler sampling, and other types of special events. The State also recognized other

types of event permits and catering permits, and the City could adopt criteria and set fees for issuing those types of licenses.

Haddix said they had the option of the easy way of reducing the fee or the right way of updating the ordinance. He asked Meeker if the motion failed that night, would it effectively be dead for six months. Meeker confirmed this because there would be no prevailing side. Haddix said that was his concern on moving forward that night versus postponing the decision. Tyler noted they would still be required to obtain their state license, and would not have enough time to do so if the decision were delayed. Learnard felt \$50 per day was fair. Fleisch expressed continuing concern about setting a fee comparable to what was charged when alcohol was not sold. Meeker recommended separating the motion for the license from the motion for the fee.

Learnard moved to approve the beer and wine license for the Great Georgia Air Show. Fleisch seconded. Motion carried unanimously.

Imker asked Tyler how long it would take staff to develop an ordinance, and Tyler said there was not time to properly research and develop an ordinance in time for the Air Show license. However, she also noted that Council had issued a similar license 13 years before with no fee. The ordinance amendment would then apply for all future licenses. Haddix said he was comfortable with that. Imker said he was comfortable with a \$50 per day license fee.

Imker moved to charge the Great Georgia Air Show an alcohol license fee of \$50 per day for the event. Learnard seconded. Motion carried unanimously.

09-13-02 Consider Approval of FY 2014 Peachtree City CVB Budget

Kai Wolter, chairman of the Peachtree City Convention and Visitors Bureau (CVB) addressed Council, saying he was pleased to present the FY 2014 Strategic Plan and Budget that, for the fourth consecutive year, would finish in the black. Wolter emphasized that the primary mission of the CVB was to put "heads in beds," and fill local hotels, and this would be their focus in the coming year.

Wolter reviewed activities in FY 2013, which included completing the new Welcome Center, adding the film tour, which was making a profit, and hiring a sports consultant to assist in bringing tournaments to town, created the Peachtree-Fayette Sports Alliance, and recruiting the Diva's Marathon mega-event.

Wolter reviewed some of the FY 2014 budget highlights. He noted that the Hotel/Motel tax Transfer from the City had been budgeted to match the City's FY2014 proposed budget. The CVB expected to hold the International Festival again next year, with registration fees collected in the amount of \$2,500. The sale of merchandise, including the annual Christmas ornament and Fourth of July T-shirts, had been budgeted at \$13,500, and the Southern Hollywood Film Tour had been budgeted to break even.

Wolter noted that the CVB currently contracted with the City for Marketing and Administrative Services utilizing three City employees. The budgeted reimbursement of services was \$167,109, which was comprised of 80% of salaries and benefits for the Executive Director, 73% of salaries and benefits for the Business Manager, and 74% of salaries and benefits for the Sales & Marketing Coordinator/Box Office Supervisor. The remainder of this line item was for part-time weekend staff in the Visitors Center. Professional Services included a Social Media Consultant, Southern Hollywood Film Tour Drivers, and the Sports Sales and Marketing Consultant.

Wolter continued that Sales, Marketing and Promotion expenses comprised 66% of the budget, reflecting the continued focus on the main goals of the CVB mission. This represented a large increase from last year due to funds being redirected to the renovation of the Visitors Center in FY2013. In FY 2014, the CVB would be updating the CVB Website and creating landing pages for the Sports Marketing Initiative and for family reunions and other initiatives.

The Advertising Budget included print and web advertising that reached out to convention travel sales, sports event travel sales, and leisure travel. The CVB would also be developing a golf cart tour video as well as other marketing videos. Tourism events for FY 2014 included supporting City recreation product development, marketing efforts of the Amphitheater, International Festival, the DIVA Half Marathon, sports grants, and other miscellaneous events and trade shows. This section also included travel to four trade shows during the year by the Sports Marketing Consultant and Sales and Marketing Coordinator to recruit sports tournaments, conferences, and reunions to Peachtree City.

Wolter concluded the overview by noting that Administrative and General Operations expenses included the audit, legal and insurance expenses, and reimbursement to the Amphitheater in the amount \$12,739 for utilities and other shared expenses such as the copier. The proposed budget totaled \$610,573.

Haddix read the following statement:

When the CVB Budget appeared on the Agenda, I was not satisfied with the breakdown presented. It didn't tell me how much was being spent in specific areas. A specific concern of mine is the Sports Alliance and tournaments. So, I requested a breakdown.

Nancy Price responded and I would like to go over the response. "Please see below for the breakdown of the budgeted items related to sports tournaments. No money outside of this is budgeted for the Sports Alliance itself. All of their funds are controlled through the CVB."

This is a problem to me. Why is the CVB promoting the County and other Cities at the expense of the CVB? Why are they not contributing?

After all, there are other sports and hotel/motel facilities in the County. We get zero H/M tax if anyone stays outside of Peachtree City. We collect no fees on the use of non-Peachtree City assets.

- Sports Tournaments - CVB Sponsored - \$5,000
- Sports Tournaments - DIVA Half Marathon - \$15,000
- Sports Grants - \$10,000
- Sports Consultant - \$36,000 (\$2000 per month Consulting Fees - \$12,000 Incentives)

That totals \$66,000 a year being spent on tournaments.

The remaining part of the email states, "As an FYI, the contract with the sports consultant and the sports sales initiatives were a direct result of the goals that were identified by our hotel partners when they agreed to support the tax increase."

We need to step back and get some facts on the table here.

You have heard the statement, more than once, the CVB's mission is heads in beds. The purpose is, per O.C.G.A. 48-13-51, is, "Planning, conducting, or participating in programs of information and publicity designed to attract or advertise tourism, conventions, or trade shows." 'Heads in Beds' does not appear anywhere in the Law.

The CVB does not work for the Hotels and Motels. It works for all of Peachtree City, including the Hotels and Motels. Contrary to some claims, the Hotels and Motels do not pay the H/M Tax. They are a collection agency for Peachtree City. The tax is paid by those renting the rooms. That means individuals, businesses and Industries. The money was never theirs.

You heard a reason to raise the H/M Tax rate was the claim people from outside Peachtree City pay the tax, not our residents. As I said before, that is false. Our business and Industrial residents are main users of the Hotels and Motels. They pay this tax. So do some homeowners for various reasons.

Speaking with some in Peachtree City, the tax most assuredly impacts many of our businesses and industries negatively. It is a tax increase on them on top of the all the other increases with which they have been hit.

You have heard the promotion of tournaments as being economic development and income source for Peachtree City. As I stated they do not bring in as much as they cost and you don't hear all the expenses behind them listed. Electricity is a huge cost on the fields, in example. Now, we see this, another \$66,000.00 in costs. What you have probably not heard is a sports field cannot tolerate more than five tournaments a years, when combined with regular usage. They have to have time to rest and recover.

What has been proposed to overcome this? Reserving the fields for tournament use only on weekends and installing artificial grass. City Hall controls the fields and their use, not the CVB. There is a lot of disagreement. I cannot vote for this Budget proposal.

Haddix said, with that said, both Wolter and CVB Director Nancy Price were involved with the former Tourism Association and knew Haddix had worked hard in support of that agency. Haddix said the CVB was a valuable tool for any city, as long as they stayed on mission. However, Haddix felt the CVB was wandering from its intended mission.

Wolter responded that that the "heads in beds" was industry terminology only. He also noted that, if the Peachtree Fayette Sports Alliance (PFSA) were able to attract a tournament that used McCurry Park in Fayetteville, the attendees would still book hotel rooms in Peachtree City, which kept them within their mission.

Haddix noted that booking a conference that brought no "heads in beds," the conference itself still fell within the State assigned mission of a CVB. Haddix said his point about using facilities outside Peachtree City related, not to the CVB itself, but to the question of why the other jurisdictions that benefitted were not participating financially.

Price noted that this program was in its infancy and they were working to prove they could work together in the County to bring bigger and better events. Price said working together made sense and that they could do so using countywide assets for the benefit of the whole community. Haddix said he was not against working together, but had a problem with the overt focus on tournaments, which was the justification for passing the new Hotel/motel tax.

Wolter clarified that hotels each had their own marketing and sales forces, and were not relying solely on the CVB. However, they typically had vacancies on weekends, and sporting tournaments primarily happened on weekends. There were many venues throughout the county beyond sports fields that the group was looking to use to generate revenues for the general funds.

Haddix said he had wanted to explain his pending vote against the budget, and felt the CVB and the citizens deserved that explanation.

Fleisch said another component of the marketing plan was to get people to "stay to play," meaning residents left the area on the weekends to visit other areas. The additional one percent the CVB was getting through the new tax rate allowed them to bring in events like the DIVA Marathon, which would bring a lot of revenue to the community next year. Just a couple of these events using local facilities could bring in significant revenue for the estimated \$142,000 tax that was not paid by Peachtree City residents.

Haddix asked if companies like NCR and Cooper Lighting were residents of Peachtree City. Fleisch noted that, had the corporations felt there was an issue with the proposed tax increase, they would have brought their concerns to the Council or the state legislature over the past six months.

Wolter added that the division of NCR sending employees for training would be paying the tax when sending employees here, as they would pay no matter where the employees were sent for training. Wolter noted that Peachtree City residents who rented rooms for a visiting friend or relative were paying the tax, but that was a small portion of the hotel guests.

Price noted that Dolce, which housed the majority of NCR trainees, had a representative in attendance who supported the budget and was a big proponent of the Sports initiative.

Imker noted the hotels had supported the hotel/motel tax increase because they understood the value of the return on investment through the facilities that would be better maintained and the additional events that would be attracted. He also noted the CVB was not advertising hotels, but was promoting events, and the hotels were one of the beneficiaries of these events.

Wolter noted that the effort also extended to possible future residents who experienced the City and fell in love with it. Imker noted he would be supporting the budget.

Fleisch moved to approve the FY 2014 CVB Budget. Imker seconded. Motion carried 3-1, with Haddix opposing.

09-13-03 Consider Memorandum of Understanding – Peachtree City Jobs and Investment Grant – Panasonic

Emily Poole said in 2012 Council passed the Peachtree City Jobs and Investment Grant to encourage new job creation. The minimum threshold to apply was 25 or more jobs in a calendar year at a minimum wage that was 125% of the average wage. Panasonic was the first company to qualify for the grant, and the jobs were already in place at the Peachtree City facility, which had 50 open positions for engineers and had filled 80 other such positions. Panasonic had signed off on the necessary paperwork.

Haddix noted he had a good friend in Panasonic management who said they were extremely busy at the facility again. Poole agreed that there was exciting growth there. Forshee said the changes in the large manufacturing space were dramatic, with high quality office suite spaces

and engineers working there. It was a great revolution for a facility that was in danger of closing.

Imker noted he was friends with the vice president and used to be employed by Panasonic. Meeker noted this was not a conflict because Imker did not stand to gain personally from the action.

Imker moved to approve the Memorandum of Understanding with the Fayette County Development Authority and Panasonic Automotive Systems Company of America (for a Job Creation Grant in the amount of \$500 per job created, not to exceed \$50,000 total). Learnard seconded. Motion carried unanimously.

Forshee noted that Panasonic had looked at other locations for this expansion, and the grant played a role in them opting to remain in and grow in Peachtree City.

Council/Staff Topics

Pennington noted that the Peachtree City Library would be closed on Thursday and Friday, September 12 and 13, for painting and several maintenance projects.

Pennington and Borkowski noted that the Lake Peachtree dredging project was delayed as the County completed the Request for Proposal process for an engineering firm, but they had received word the project would not require a permit through the Army Corps of Engineers. Once the engineering firm had been named, there might be a better estimate for the timing of the dredging project.

Imker said he had mentioned three items for discussion. He had been informed earlier in the day that the County was holding a Special Called Meeting that night to call for the Special Purpose Local Option Sales Tax (SPLOST), and he was concerned that the Council had forwarded the verbiage for the Peachtree City projects to be included on the list. He asked if the list created for Council review could be expanded to include issues like the traffic on Highway 54 West. He said the intent for the projects was for roads and paths, and 54 West was a road. He asked if Council would be interested in setting aside some of the SPLOST funding, if approved, to go toward a study of 54 West. Imker asked if the timing was available for Council to request that change. Meeker said action would have to be taken fairly quickly if such a change was to be incorporated in the SPLOST. Imker said he would like Council to consider this so funding would not have to come out of the General Fund. Imker said another item for discussion might be the City extending MacDuff Parkway to an at-grade railroad crossing at Heritage subdivision.

Haddix asked if studies could be conducted with SPLOST funding. Meeker said studies and design work connected to projects were legitimate uses of SPLOST funding. Haddix noted that the City did not and could not have a specific project related to Highway 54 West because it was a state road. Learnard said she would like to keep the City's options open. Imker said he would prefer to find a way to get positive results than to find reasons not to do something.

Imker said his second item related to the September 19 agenda and if there were any items of significance up for consideration. He noted he would not be present on September 19, and he wanted Council to discuss whether there was a need for that meeting. Pennington reported that most of the items originally scheduled for the agenda had required postponement until October.

Imker said the last item related to the local election, and he noted he was not involved this year. However, he felt his name had been used in campaigns of other candidates, and asked that

any claims related to statements or opinions by Imker be supported by a reference to specific meeting minutes or other records. He felt incorrect and false statements had been made about him, which were contradictory to official meeting minutes.

Haddix said Imker could disagree with any statements he had made, and was free to respond by writing to the paper as he had the preceding week. These disagreements were pointless arguments contrary to the purpose of a Council meeting and should not be approached on the dais. Imker said he preferred face-to-face discussions, which were not possible hiding behind a typewriter.

Meeker noted that Council had a legal item and a real estate item for discussion in Executive Session. Learnard moved to enter Executive Session for pending or threatened litigation and the disposal of real estate at 9:10 p.m. Fleisch seconded. Motion carried unanimously.

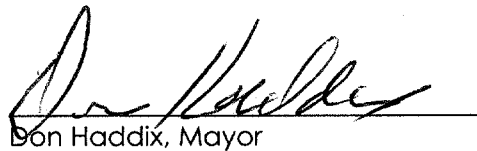
Executive Session

Learnard moved to reconvene in regular session at 10:03 p.m. Fleisch seconded. Motion carried unanimously.

There being no further business, Learnard moved to adjourn the meeting at 10:04 p.m. Imker seconded. Motion carried unanimously.



Betsy Tyler, City Clerk



Don Haddix, Mayor