



City of Roswell

38 Hill Street
Roswell, Georgia 30075

Meeting Minutes Administration and Finance & Recreation and Parks Committee

Mayor Jere Wood
Council Member Nancy Diamond
Council Member Rich Dippolito
Council Member Kent Igleheart
Council Member Jerry Orlans
Council Member Betty Price
Council Member Becky Wynn
City Administrator Kay Love

Tuesday, September 14, 2010

5:00 PM

Room 220

Meeting was called to order at 5:02.

CALL TO ORDER/ROLL CALL

Present: 6 - Mayor Jere Wood; Council Member Nancy Diamond; Council Member Rich Dippolito; Council Member Jerry Orlans; Council Member Kent Igleheart and Council Member Betty Price
Absent: 1 - Council Member Becky Wynn

Staff present: Kay Love – City Administrator; Michael Fischer – Deputy City Administrator; Police Chief Ed Williams; Fire Chief Ricky Spencer; Joe Glover – Director of Recreation and Parks; Morgan Rodgers – Assistant Director of Recreation and Parks; Julia Luke – Finance Director; Bob Hulsey – Assistant City Attorney; Alice Champagne - Water Resources Manager; Yvonne Douglas – Deputy Director of Environmental/Public Works; Janet Liberman - Environmental Programs Manager; Julie Brechbill – Community Relations Manager; Keith Lee - Director of Strategic Planning & Budgeting; Chris Boyd - Water Distribution Supervisor; Mike Elliott - Traffic Operations Supervisor; and Marlee Press, Executive Assistant to Council.

Minutes of the August 10, 2010 committee meeting were approved.

Addendum to the Agenda

- *Kay requested that three proposed addendum items be added to the agenda. The first one is "Consideration of a request for a county boundary line change between Cobb County and Fulton County." The second one is "Consideration of closing Canton Street for Caroling on Canton Event in December." This was added at the request of Mayor Wood. The third one is "Consideration of a Regional Transportation Sales Tax Resolution." This was deferred from the September 13, 2010 Mayor and Council meeting.*

Committee approved adding these items to the agenda.

Administration

Discussion of the Gas South Municipal Alliance Program

- *Representatives from Gas South (Kevin Grinner, CEO and Phil Weatherly, Business Development Manager) were present to provide an overview of the Municipal Alliance Program. The Program has been in existence for approximately three years and offers discounted natural gas rates to citizens. They wanted to see if Roswell would be interested in the program. They are a natural gas marketer in the State of Georgia and serve about 250,000 customers, including 4,500 in the City of Roswell.*
- *For each Alliance Program enrolled in the natural gas account, Gas South will make a one time financial contribution to the City of \$12 per residential account and \$24 per commercial account. Additionally, Gas South will pay a monthly "royalty" of \$1 per residential account and \$2 per commercial account. The 5 year expected revenues for the city comes to \$500,000. The way the program works, it does ramp up over time because the royalties will build as more customers join the program and stay with it. There is a 12 month rate of 71 cents per therm, so the discount would make it 69 cents, which equals a 3% savings.*
- *The cities of Acworth, College Park, Kennesaw, Norcross and Woodstock currently participate in the Municipal Alliance Program. Gas South is also very active in sponsorship activities (concerts, festivals, fundraisers, etc).*
- *Councilmember Price asked if this was for new or existing accounts. Mr. Grinner replied said the discount is offered to all customers, and is a perpetual discount and does not expire and it applies to customers on both variable rates and fixed rates. Councilmember Price also asked what the current market share was in Roswell and was told that it was 15 ½% of the accounts in Roswell.*
- *Councilmember Orlans asked since they are offering the discount of is 2 cents per therm, have other gas companies tried to compete with this. Gas South said they are not aware of any other programs the competitors have implemented. They are also the first to introduce the option and are the only company that has developed an alliance with municipalities.*
- *Mayor asked what the city's commitment is to the program and was told that it would be to help Gas South market this to the residents. Gas South said the city's chooses how they want to do that based on their interests and what opportunities they have available. Gas South could market to customers through bill inserts to inform them of the opportunity for the savings and possibly through their call centers. If for example, when a person calls to sign up for service, the call center will introduce the option of Gas South, the 2 cent per therm discount, and the waiver of connection fees. All costs of marketing are paid by Gas South. Some cities will feature Gas South on their website as a community partner and an option for receiving discounted rates.*
- *Councilmember Diamond asked if Gas South anticipates that if any other companies decide to do this same program, is Gas South considering themselves an exclusive partner with the city. Mr. Grinner replied the partnerships have been set up exclusive, but they are short-term, a year long commitment with an annual renewal. If a resident is currently with Gas South now, they will be informed of this program to go through City of Roswell.*
- *Councilmember Price asked how often the payments are made and Mr. Grinner replied every month. He said it is based on how many customers signed up on the program. There is a finders' fee that applies to those customers, and for every customer that has joined the program above the baseline start of the program, Gas South is paying the additional royalties for those.*

- Council would like to look into this program. Councilmember Diamond said this is the kind of public/private partnership the city should be looking at. Mayor said in times of tight revenue the city needs to look at all possibilities. One thing he would like to look at is, looking at their rates and other rates so staff knows that the city is recommending somebody who is competitive in the marketplace. Gas South said they have put together a rate comparison which took the average rates that exist in the market for variable and fixed rates vs. their rates for municipal alliance partners and they compare pretty favorably.
- Kay Love said staff will look into this further and bring back a report. She said she will work with Gas South to get all the questions answered. Councilmember Diamond asked if there should be a disclaimer somewhere that the city is not endorsing the idea that they are always the lowest. She doesn't want it to appear that we are promoting that this is absolutely the best deal.
- Mayor said one of the things he would encourage Council to look at if this is pursued, is to think about dedicating these revenues toward a certain cause (whether it is Cultural Arts, recreation, etc). He thinks there would be more widespread support if the money is dedicated to a cause rather than just going into the General Fund.

Council agreed that staff can proceed looking into this program. Kay Love said staff will look into this program further and bring this back to committee on 10/12/2010. Staff will work with Gas South and get all the information and questions answered before proceeding to the next step which would be to engage with Gas South in a contract.

Discussion of a potential Bond Referendum - Guidance

- *There was a discussion of a potential bond referendum to fund capital projects. The bond capacity analysis has been updated by the City's Financial Advisor. The major changes are as follows: Interest rates have dropped 60 basis points since March; available bond proceeds increased by \$4 million and \$1.2 million, respectively for the two scenarios previously presented.*
- *Kay Love said they talked about this during the budget process. They went back and updated the bond capacity analysis which shows the logistics of where the city is with the ability to borrow money. Councilmember Orlans asked to put this on the agenda for discussion. He would like to get this moving forward since the city has a good amount of bonding capacity. The interest rates are so low right now. He said since right now the city can't make money on our money we might as well try to borrow money without having to pay anything on it. He wanted to get this moving because this is a long process to decide what to do and to get a referendum on the ballot as early as possible for next year. He wanted to see if there was interest from Council to move forward on this.*
- *Kay Love said for 2011 the city could borrow \$20M. Then in 2014 the city would have the ability to borrow another \$55M for a total of \$75M. Councilmember Orlans said the whole premise of this is that the city paid off bonds and we don't change the millage rate and we don't change our debt/indebtedness that this is all done for the same millage rate or less going forward. He said we are not trying to increase anything for the residents.*
- *Kay Love presented a list of projects that have been in the hopper. She said they are not approved projects but that these projects are candidates for borrowing money. She said the departments at this point have not scrubbed this list or projects or revisited it since the budget process. She said staff will need a list together of projects from the different departments and the elected officials input and start looking at how to borrow and putting it on the ballot for next year. Nancy said at those fixed rates, it is an historic opportunity and work off of other people's money and leverage the city's assets to get more out of it.*
- *Mayor said he is not inclined to support a bond issue and borrow money because the city has unspent money and he doesn't want to go to a bond issue until they have committed money in savings. Another reason is he sees operating costs in the city going up. He sees a need to either increase the millage rate or reduce that amount paid for debt service so the millage rate doesn't have to be increased. He says a millage rate increase is coming unless the city can find some way to reduce costs and one way to reduce costs is reduce the debt service cost. Councilmember Orlans said they are looking at a lot of options to reduce costs which all comes back to operations. He said if they don't do a bond referendum there is never money in the operation budgets year to year in order to do any of these projects and it puts more taxing on that budget and more taxing on the millage rate.*

Committee approved to go forward and look further into this. Mayor said he is not opposed at looking at it but he wants Council to know that he is not convinced that now is the time to issue a bond. Staff will look at the capital projects and put together a potential timeline. They can then come back and talk about whether it is bonds or some other funding source. The motion carried by the following vote:

In Favor: 4 - Mayor Wood; Council Member Diamond; Council Member Orlans and Council Member Price

FY10 Monthly Budget Status Report

- *This report is for the first period for Fiscal Year 2011. As a general rule, the expenses and revenues are on target for period one.*
- *Overall the City's General Fund, Water and Sewer Fund, Solid Waste Fund and Recreation Participation Fund revenues met expectations for the month of July. The actual year to date General Fund revenues through July are slightly ahead last year for the same time period last year.*
- *Overall City expenditures met expectations for the month of July.*
- *The total August sales tax distribution was \$1,594,056.10 which was an increase of 5.47 percent from August of 2009.*

Staff will update the committee on a monthly basis

Consideration of a request for a county boundary line change between Cobb County and Fulton County

- *Fulton County has requested Roswell's position regarding Eric Broadwell's request to have the Cobb/Fulton county line moved so that all of his property would be in Fulton County. His property is on West Road. His driveway is in Fulton County. He does receive services from the City of Roswell. This is an unusual request to change a boundary line. If the City is in agreement with this request, a Resolution in favor of moving the line would be approved by the Council and sent to Fulton County who will take it to their Commission on October 6th for consideration.*
- *The 100% annexation method would be used for this property.*
- *Mayor said Eric Broadwell initiated this annexation and has satisfied all of the requirements of the law with the exception of getting the Fulton County commission to approve this annexation. If it is approved by both the Fulton County and Cobb County commissions, a county boundary line can be changed without legislation.*

Committee approved that a Resolution favoring moving this boundary line be approved for the Regular Agenda and placed on the Mayor and City Council agenda for 9/27/2010. The motion carried by the following vote:

In Favor: 4 - Mayor Wood; Council Member Diamond; Council Member Orlans and Council Member Price

Consideration of closing Canton Street for Caroling on Canton Event in December

- *There was discussion of closing Canton Street for Caroling on Canton event on Friday, December 3, 2010. Further research needs to be done on this, but the Mayor wanted to bring it to Council to get their feedback to see if they are supportive of pursuing this with the merchants and residents.*
- *Mayor said the idea would be to have choirs on Canton Street singing Christmas carols and have business sponsoring hot drinks. He asked Sally Johnson from the Merchants Association about closing Canton Street from Woodstock to Norcross (the northern end of Canton). In the past there have been objections from business owners to shutting it down but her initial response was after talking to 20 business owners that they were all enthusiastic about it and there has been preliminary support from the merchants regarding closing the street for this event.*
- *Mayor added there would need to be some logistical help to close the street down. It would be a family event and the caroling would be going on in the street and not on the sidewalks. It would be after most of the businesses are closed. Councilmember Orlans said there are a number of residences who would have no way to get home so it is not just businesses. Mayor said he will look into that.*

There was consensus from committee to proceed and explore the possibility of closing Canton Street on Friday, December 3rd for caroling. There will be further discussions with the residents and the merchants.

Consideration of a Regional Transportation Sales Tax Resolution

- *There was a discussion regarding a Resolution supporting legislation to fund regional transportation improvements provided neighboring metropolitan Atlanta counties join Fulton and DeKalb Counties in forming a regional transit system, or in the alternative, the legislature requires them to join Fulton and DeKalb Counties to form and fund a regional transit system.*
- *This was deferred from the September 13th M&CC meeting. Legal had some concerns about the action that was proposed. The NOW THEREFORE was changed so that Council is not advocating a referendum result which they can't do. This is simply asking the state to act which the city can do. Legal suggested that it say that "M&CC of Roswell support state legislation authorizing a one cent sale tax to fund regional transportation improvements provided neighboring metro Atlanta counties join Fulton and Dekalb county in forming a regional transit system or in the alternative, the GA legislature requires them to join Fulton and Dekalb counties to form and fund a truly regional transit system and a regional transportation authority covering the entire metropolitan Atlanta region." Legal wants to leave the word referendum out of it.*
- *Councilmember Price said it is hard to advocate something that is going to happen. Bob Hulsey said the referendum is going to happen, but Council cannot recommend to people to vote for it.*
- *Mayor said this is being discussed at a Mayor's Press Conference on Wednesday, September 15th at the State Capitol and then will be discussed at the North Fulton Municipal Association (NFMA) meeting on Thursday, September 16th. He said Council will hear more about this after the NFMA meeting.*
- *Councilmember Price wasn't sure if they are missing words in the referendum or if they are thinking about something differently. She wanted to know if the Mayor is talking about 1 cent vs. 2 cents since the first line in the resolution mentions the 1 cent sales tax. She said it sounds like M&CC are advocating for a tax increase.*
- *The Mayor said the Mayors are not saying one cent or two cents but it has to be equitable funding. They have not discussed what that equitable funding is. They all agree with the concept of needing a true regional transit authority and not just a Fulton and Dekalb authority. All the Mayors said everyone needs to come together and work on something that everyone can support.*
- *Councilmember Diamond said it would be more effective if all the Mayors and all the councils were on the same page. Councilmember Dippolito agreed that there is power when everyone is together and that it makes sense for all of the North Fulton cities to agree upon the language.*
- *Councilmember Dippolito added that he supports a regional transportation system and supports a one cent sales tax but he is not sure if he supports an additional penny. Councilmember Orlans agreed that he would not support 2 cents for Fulton and Dekalb if all the other jurisdictions are paying 1 cent.*

There was committee consensus to regroup on this Sales Tax for Regional Transportation resolution after the NFMA meeting.

Finance

Investment Report

- *The portfolio is still inching above where we were the previous year. They are still trying to get step increases. The issue with those steps is they are callable each time those rates go up. The portfolio total at this point is in excess of \$61M which is for all funds.*

Staff will keep the committee updated on a monthly basis.

Presentation of the National Purchasing Institutes (NPI) Annual Achievement of Excellence in Procurement Award for FY 2010 and the Universal Public Purchasing Certificates Council (UPPCC) Agency Award for FY 2010 to the City of Roswell

- *The NPI award represents the sixth consecutive year the city is receiving this honor. Roswell is one of only eight governmental agencies in Georgia and is one of fifty-six cities in the United States to receive the 2010 award.*
- *The UPPCC Agency Certification Award recognizes small agencies, 1-11 employees, for 100% of its purchasing employees having earned the Certified Professional Public Buyer (CPPB) award and/or Certified Public Purchasing Officer (CPPO) award. Roswell has two CPPBs and one CPPO presently.*
- *Councilmember Price requested for the record to show that the Councilmembers in attendance congratulate Julia Luke for her hard work.*

Committee approved that the two awards be approved for the Regular Agenda and placed on the Mayor and City Council agenda for 10/11/2010. The motion carried by the following vote:

In Favor: 2 - Council Member Diamond and Council Member Price

Recreation and Parks

Discussion of the Roof System Design for the Riverside Park Bandstand

- *The width of the stage created a little more of a problem than what the city's consultant originally thought so the cost has escalated quite a bit. Joe Glover said they didn't want to ask for additional funds from this year's budget so they went into the existing account looking at different options.*
- *Staff said the estimates for a roof system for the bandstand at Riverside Park range from \$95,000 to \$200,000 (not official bid quotes). Currently there is \$44,757 available for this project in Impact Fees. There is an additional \$70,000 that can be transferred from the Roswell Riverwalk Extension down Riverside Road Project which has funding from impact fees.*
- *Approval of a budget amendment in the amount of \$70,000 will increase the Roof System Design for the Riverside Park Bandstand from \$44,757 to \$114,757 and decrease the Roswell Riverwalk Extension down Riverside Road from \$98,512 to \$28,512. The final cost will not be known until the roof system is bid.*
- *Staff said right now they can afford Option #2 which is a flat wood roof. If Mayor and Council want a more elaborate looking stage, they would have to go after additional funds. Staff recommends Option #2 and give up for now the continuation of the walkway and bridge in front of the River Club due to the cost increase in that project.*
- *Mayor asked if there was any difference in the acoustics in the different options. Joe Glover said there is a big difference. Option #2 was better because it was a wood roof rather than a metal roof like Option #1. Councilmember Orlans asked if the other options are worth the additional expenses and staff said it is mainly aesthetic differences.*
- *Councilmember Dippolito said he would rather pay a little more for a better looking design. This is a permanent structure so they need to balance cost and design. He said #2 is generally okay but maybe they can elaborate a little more on the design to make it look a little like Option #3.*
- *Joe Glover said the sound engineer will come out and take a look at this for acoustics but he didn't want to do this until they settled on an option. Mayor said the acoustical question is more critical than the aesthetics.*
- *Councilmember Price asked if staff asked performers what they need. Joe Glover said any of the designs would work fine for the performers. The main requirement they had from all the companies was the minimum height in the front and the back was optional.*
- *Councilmember Orlans suggested since they don't have bids yet and they could come in less, why not do an alternate and do #2 and #3 and see if those costs dropped.*

Committee approved that the design of Option #2 be spruced up but see if they can use a little more of the design from Option #3 without spending as much as what #3 may cost. Staff said they will bring the final drawings back in for review. Council Member Price also requested that staff provide a sound analysis.

In Favor: 6 - Mayor Wood; Council Member Diamond; Council Member Dippolito; Council Member Orlans; Council Member Igleheart and Council Member Price

Meeting adjourned at 7:58 p.m.