
**CITY MANAGER'S
COMMITTEE & COUNCIL
MAY AGENDA & REPORT**

AVAILABLE TO THE PUBLIC

TO: MAYOR, CITY COUNCIL, ENGINEERS, INTERESTED PARTIES, PLANNING COMMITTEE & FACILITIES & FINANCE COMMITTEE MEMBERS

FROM: RICK STANCIL, MANAGER

DATE: 5-01-09

THE MANAGER'S AGENDA & REPORT IS TO BE ADOPTED OR ACCEPTED BY THE COUNCIL BY MOTION IN ITS ENTIRETY AND THE REPORT THEREBY INCORPORATED BY REFERENCE INTO THE CITY COUNCIL MINUTES. NOT ALL PORTIONS OF THE MANAGER'S REPORT MAY BE DISCUSSED IN OPEN SESSION; HOWEVER, ADOPTION OR ACCEPTANCE OF THE REPORT BY THE COUNCIL BY MOTION IS ADOPTION OR ACCEPTANCE OF THE ENTIRE REPORT FOR INCLUSION IN THE COUNCIL MINUTES AND OFFICIAL RECORDS.

ANNOUNCEMENTS.

THE CITY COUNCIL WILL MEET ON TUESDAY, MAY 5, 2009 AT 4:00 P.M.

THE CITY WILL HOLD A PUBLIC MEETING ON THE ARRA SEWER REHABILITATION PROJECT [\$535,000.00 FUNDING] ON TUESDAY MAY 5, 2009 AT 9:30 AM. ATTACHED IS A COPY OF THE PUBLIC NOTICE THAT HAS BEEN RUNNING IN THE LOCAL NEWSPAPERS.

MANAGER'S REPORT

- 1) GEFA/ARRA FUNDING.

THE CITY HAS BEEN NOTIFIED THAT OUR "REHAB/UPGRADE GRAVITY SEWER" PROJECT [#8 ON OUR GEFA SOLICITATION & TEN YEAR CAPITAL IMPROVEMENT PLAN] IS ON THE STATE FUNDING LIST. THE PROJECT NUMBER/DESIGNATION IS CITY OF HIAWASSEE

GEFA NO. CWSRF 09008. WE ARE FINALIZING ENGINEERING PLANS AND ARRA REQUIRED DOCUMENTS. ADDITIONAL INFORMATION WILL BE PROVIDED TO THE GEFA AFTER THE PUBLIC MEETING ON THE ARRA SEWER REHABILITATION PROJECT ON TUESDAY MAY 5, 2009 AT 9:30 AM.

2) GMA DISTRICT 2 SPRING LISTENING SESSIONS.

JOAN CROTHERS AND I ATTENDED THE GEORGIA MUNICIPAL ASSOCIATION'S SPRING LISTENING ON TUESDAY, APRIL 21 AT 12:15 PM AT THE CORNELIA COMMUNITY CENTER. GMA MADE A PRESENTATION ON THE 2009 SESSION OF THE GENERAL ASSEMBLY. I HAVE A COPY OF THE GMA SUMMARY OF LEGISLATION RELATING TO GEORGIA CITIES THAT I CAN MAKE AVAILABLE TO ANY INTERESTED PARTY. IF YOU WANT, YOU CAN ACCESS THIS INFORMATION AT THE GMA WEB SITE.

3) 2009 EMERGENCY MANAGEMENT PLAN.

THE CITY COUNCIL WILL VOTE NEXT TUESDAY ON THE 2009 UPDATE TO THE TOWNS COUNTY EMERGENCY MANAGEMENT PLAN. THE PLAN THAT WE HAVE BEEN OPERATING UNDER IS BEING UPDATED AS REQUIRED. THERE ARE NO SIGNIFICANT CHANGES.

4) DANGEROUS DOG AND RABIES ORDINANCE.

THE COMMISSIONER HAS ADOPTED A DANGEROUS DOG AND RABIES ORDINANCE FOR TOWNS COUNTY. POLICE CHIEF WRIGHT, CITY ATTORNEY MCCONNELL AND I ARE REVIEWING THE COUNTY ORDINANCE. I WILL BE EDITING FOR PRESENTATION AS A FIRST READING FOR AN ORDINANCE FOR THE CITY OF HIAWASSEE. WE ALSO PLAN ON DISCUSSING THIS ORDINANCE IN THE PLANNING COMMITTEE NEXT MONDAY.

5) COMPREHENSIVE PLAN.

A LIST OF POSSIBLE COMMITTEES FOR THE CITY'S PORTION OF THE COMPREHENSIVE PLAN WILL BE DISCUSSED WITH THE PLANNING COMMITTEE AND THE FINANCE COMMITTEE NEXT MONDAY. THE COMMITTEES WILL MAKE A RECOMMENDATION TO THE COUNCIL ON STRUCTURE AND APPROACH. AFTER THE COMMITTEE FORMAT IS ADOPTED, THE MAYOR AND COUNCIL CAN THEN BEGIN DISCUSSING CITY REPRESENTATIVES TO THE CITY COMMITTEES.

6) SERVICE DELIVERY AREA AGREEMENT.

WE HAVE HAD NO FEEDBACK TO OUR PROPOSED SERVICE DELIVERY AREA PROPOSALS. THE PROPOSED CONTRACT, WHICH FAVORS THE CITY, HAS BEEN PROVIDED TO ALL LOCAL GOVERNMENTS. IT HAS BEEN SHARED AS WELL WITH THE TOWNS COUNTY WATER AND SEWER AUTHORITY AND WITH THE TOWNS COUNTY INDUSTRIAL AUTHORITY.

THE CITY HAS ADVISED ALL THE PARTIES THAT WITHOUT AN AMENDMENT TO THIS AGREEMENT, THE CITY CANNOT MOVE FORWARD WITH ANY APPLICATION FOR STATE AND FEDERAL FUNDING, INCLUDING STIMULUS MONIES, FOR EXPANSION OR IMPROVEMENT OF THE CITY SEWER PLANT. THIS AFFECTS THE CITY'S ABILITY TO PROVIDE SERVICE TO LOWES OR TO THE INDUSTRIAL PARK.

THE COMMISSIONER CALLED A MEETING OF THE LOCAL GOVERNMENTS, THE TOWNS COUNTY WATER AND SEWER AUTHORITY AND THE INDUSTRIAL AUTHORITY. AT THIS MEETING THE MAYOR, CITY ATTORNEY AND MANAGER REPEATELY STATED THAT NO SEWER SERVICE COULD BE PROVIDED IN THE COUNTY TO ANY COMMERCIAL APPLICANT WITHOUT THE CITY AT LEASE RECEIVING THE WATER REVENUE.

7) ADOPTION OF CITY OF HIAWASSEE ENTERPRISE FUND POLICY STATEMENT.

THE CITY COMMITTEES WILL CONSIDER THE CONSIDER A POLICY STATEMENT AT THEIR NEXT MEETING FOR RECOMMENDATION TO THE COUNCIL:

GENERALLY, THE STATEMENT WILL BE THE CITY'S ENTERPRISE FUNDS ARE NOT CURRENTY GENERATING MONTHLY REVENUE TO COVER ALL MONTHLY FUND EXPENSES. THIS WILL BE ESPECIALLY TRUE WHEN THE CITY BEGINS PAYING FOR THE ARC PROJECT (SCHOOL SEWER LINE REPLACEMENT), THE TAN REFINANCING (SLUDGE PRESS & BUILDING) AND THE ARRA MATCH (SEWER LINE REHABILITATION). THE FUNDS WILL NOT COME DUE UNTIL NEXT CALANDAR YEAR AND MAY BE TWO BUDGET YEARS OUT. HOWEVER, THE CITY NEEDS TO ADDRESS THESE EXPENDITURES NOW.

THE CITY DOES HAVE ADAQUATE RESERVES AND CONTINENCY FUNDS TO COVER CURRENT OPERATIONS. HOWEVER, DECREASING

REVENUES IS A TREND THAT WILL AFFECT THE CITY ABILITY TO RECEIVE FEDERAL AND STATE FUNDING INCLUDING GRANTS UNDER THE FEDERAL STIMULUS PROGRAMS.

GOOD MANAGEMENT REQUIRES THAT THE CITY ADDRESS THE REVENUE ISSUE IMMEDIATELY. DUE TO THE ECONOMIC DOWNTURN AND EXPECTED DECREASES IN REVENUE, THIS ISSUE WILL BE A FACTOR IN THE UPCOMING BUDGET PROPOSALS.

IMPORTANTLY, HIAWASSEE CANNOT CONTINUE TO LOSE MONEY IN FUNDING THE COUNTY'S WATER AND SEWER INFRASTRUCTURE WHILE THE COUNTY AND THE AUTHORITY GENERATES SUBSTANTIAL REVENUE ON THE CITY'S LOSS.

THE CITY COUNCIL SHOULD REQUIRE THAT THE MAYOR, CITY ATTORNEY AND MANAGER TO ADDRESS THIS ISSUE IN ALL SERVICE DELIVERY AREA AGREEMENTS, COMPREHENSIVE OR WHOLESALE WATER CONTRACTS, COMPREHENSIVE PLANNING EFFORTS AND SALES TAX DISTRIBUTION AGREEMENTS.

COMMITTEE UPDATES

I. PLANNING COMMITTEE

NEW BUSINESS:

- A) CORN PROPERTY APPLICATION.
- B) LOWES APPLICATION.

PLANNING COMMITTEE OLD BUSINESS

- 1) HWY. 64 PARTNERSHIP DEVELOPMENT.

NO NEW REPORT.

- 2) BIG SKY VILLAGE PROJECT.

WE HAVE SCHEDULED A REPORT FROM REPRESENTATIVES OF THE BIG SKY PROJECT FOR THE FULL COUNCIL AT THEIR MEETING ON TUESDAY.

3) GEFA/ARRA PROJECTS SUBMITTAL.

THE MANAGER WILL REPORT ON STATUS OF THE SUBMITTAL. THE CITY IS ON THE FUNDING LIST. ADDITIONALLY, ALL COMMITTEE MEMBERS ARE ENCOURAGED TO ATTEND THE PUBLIC HEARING ON MAY 5, 2009, AT 9:30 AM AT CITY HALL.

4) WHOLESALE WATER LITIGATION.

OUR EXPERT HAS BEEN HIRED AND HAS BEGIN COLLECTING THE NECESSARY DATA TO DO BOTH WATER COST ANALYSIS AND AN ANALYSIS REGARDING SEWER TREATMENT COSTS. THE WATER ANALYSIS IS NECESSARY FO THE LITIGATION. HOWEVER, WE WERE ABLE TO REDUCE COSTS TO THE CITY TO DO BOTH THE WATER COST AND SEWER COST ANALYSIS.

5) SEWER ALLOCATION AND DEMAND.

THE MORITORIUM ON COUNTY COMMERCIAL CONNECTIONS IS IN PLACE. THE MAYOR AND I MET WITH REPRESENTATIVES OF LOWES AND EDDIE CORN ON APRIL 30TH. THEY HAVE REQUESTED A REPOSE FROM THE CITY AS TO SEWER STATUS BY JUNE 1. BOTH WILL SUBMITT APPLICATIONS TO BE PRESENTED TO THE PLANNING COMMITTEE NEXT MONDAY.

WE HAVE ADVISED ALL PARTIES THAT ANY FAVORABLE RESPONSE FROM THE CITY WILL BE DEPENDENT ON ACTION BY THE COMMISSIONER AND BY THE TOWNS COUNTY WATER AND SEWER AUTHORITY. THE COMMISSIONER HAS TAKEN THE FIRST STEP BY FUNDING A LINE AND FLOW ANALYSIS. THE CITY APPRECIATES THE COMMISSIONER'S EFFORTS BY FUNDING THIS STUDY.

THE CITY HAS ADVISED ALL PARTIES THAT THE CITY WILL NOT FUND IMPROVEMENTS TO THE SEWER SYSTEM [INCLUDING LINES, LIFT STATIONS OR SEWER PLANT EXPANSION] TO MEET DEMANDS IN THE COUNTY WITHOUT INCREASED FUNDING TO THE CITY.

THE CITY HAS ADVISED ALL LOCAL GOVERNMENTS, THE COUNTY COMPREHENSIVE PLAN COMMITTEE, THE TOWNS COUNTY WATER AND SEWER AUTHORITY AND THE TOWNS COUNTY INDUSTRIAL AUTHORITY THAT LIMITED SEWER SERVICE COULD BE PROVIDED BUT ONLY IF THE CITY HAS ALL

WATER SERVICE RIGHTS (REVENUE) TO ALL NEW BUSINESS WHICH THE CITY PROVIDES SEWER SERVICE.

THIS WILL REQUIRE A CHANGE TO THE CURRENT SERVICE DELIVERY AREA AGREEMENT. I DRAFTED A REVISED SDA AGREEMENT UNDER WHICH THE CITY COULD TEMPORARILY LIFT THE SEWER MORITORIUM IN THE COUNTY. THIS WOULD BE DONE ONLY IF THE CITY RECEIVES THE PROPOSED FINANCIAL CONCESSIONS. **THE CITY HAS NOT RECEIVED ANY POSITIVE FEEDBACK TO THIS PROPOSAL.**

6) SEWER PLANT EXPANSION STATUS.

PHASE II IS ON HOLD PENDING ASSISTANCE FROM THE COUNTY OR THE AUTHORITY WITH FUNDING. WE WILL CONTINUE TO PURSUE FEDERAL/STATE/ GEFA FUNDING FOR CONSIDERATION. HOWEVER, NO COMMITMENTS OR EXPENDITURE OF FUNDS WILL BE MADE WITHOUT COUNCIL APPROVAL. APPROVAL WILL BE DEPENDENT ON FUNDING BY THE COUNTY OF ANY REQUIRED MATCH.

II. OPERATIONS & FINANCE COMMITTEE

MANAGER WRITTEN UPDATE ON OLD BUSINESS.

1) APPALACHIAN REGIONAL COMMISSION GRANT AND FUNDING OF CITY MATCH.

NO UPDATE.

2) EMERGENCY WATER PLANT CAPITAL COST.

ATTACHED IS MY LETTER TO GENE MITCHELL REGARDING THE FINAL COSTS AND REQUESTING PAYMENT OF THE AUTHORITY'S PRO RATA SHARE. PLEASE LET ME KNOW IF YOU HAVE ANY QUESTIONS.

NEW BUSINESS.

1) REVIEW OF 2009 ENTERPRISE FUND POLICY STATEMENT; AND

- 2) REVIEW OF CITY OF HIAWASSEE RESOLUTION ADOPTING & APPROVING BALLOT FOR ELECTION OF GEORGIA MUNICIPAL ASSOCIATION; DISTRICT TWO OFFICERS FOR 2009-2010.

AS A MEMBER OF THE GEORGIA MUNICIPAL ASSOCIATION (GMA), THE CITY CAN VOTE FOR THE FOLLOWING CITY OFFICIALS WHO HAVE BEEN NOMINATED AS GMA'S DISTRICT 2 OFFICERS FOR 2009-2010:

PRESIDENT: DAVID AUSTIN, COMMISSIONER, TOCCOA;
FIRST VICE PRESIDENT: BILL STEWART, MAYOR, ROYSTON;
SECOND VICE PRESIDENT: MARGARET BALLARD, MAYOR, CORNELIA; AND
THIRD VICE PRESIDENT: ANDREA GIBBY, MAYOR, YOUNG HARRIS.

- 3) ARRA WIRELESS BROADBAND APPLICATION.

LAST YEAR THE CITY SUBMITTED AN APPLICATION TO THE STATE FOR A "WIRELESS HIAWASSEE" STATE GRANT. STAFF IS EXPLORING THE IDEA OF RESUBMITTED A REVISED PROPOSAL TO THE STATE GTA FOR FUNDING UNDER ARRA.

THE MAYOR, BEAR, RANDY, JIMMY AND I ATTENDED AN INTERNET CONFERENCE WITH ILINC TECHNOLOGIES ON THIS CONCEPT THIS PAST WENESDAY. WE HAVE A SITE VISIT PLANNED FOR THE WEEK AFTER NEXT WITH ILINK REPRESENTATIVE.

THE SECOND ROUND OF ARRA WIRELESS FUNDING IS DUE ON JUNE 19TH. WE ARE LOOKING AT THE POSSIBILITY OF IMPLEMENTING A WIRELESS NETWORK WITH THE CITY RUNNING FROM THE WATER PLANT TO THE SEWER PLANT TO DO THE FOLLOWING:

- 1) PROVIDE LIMITED FREE ACCESS TO CITY RESIDENTS AND VISITOR FOR WIRELESS INTERNET SERVICE;
- 2) READ THE CITY'S WIRELESS WATER METERS WITHIN THE CITY LIMITS;
- 3) PROVIDE WIRELESS CAMARA RECORDING FOR SECURITY AT THE WATER PLANT, CITY HALL AND SEWER PLANT;

- 4) PROVIDED LIMITED LAW ENFORCEMENT MONITORING AT MAJOR TRAFFIC INTERSECTIONS AND KEY BUSINESSES WITHIN THE CITY.

THIS CONCEPT WOULD REQUIRE THE COOPERATION OF THE EMC. WE ARE EXPLORING THE FUNDING AND HAVE NO RECOMMENDATION FOR THE COUNCIL AT THIS TIME.

CITY COUNCIL PRELIMINARY AGENDA ITEMS.

THE COUNCIL MAY CONSIDER THE FOLLOWING FOR ACTION. THE COUNCIL'S FINAL AGENDA IS SET IMMEDIATELY PRECEDING THE COUNCIL MEETING.

- 1) SECOND READING OF ORDINANCE ADOPTING 2009 EMERGENCY MANAGEMENT PLAN [ADOPTION];
- 2) FIRST READING OF CITY OF HIAWASSEE 2009 DANGEROUS DOG AND RABIES ORDINANCE;
- 3) CITY OF HIAWASSEE RESOLUTION ADOPTING & APPROVING BALLOT FOR ELECTION OF GEORGIA MUNICIPAL ASSOCIATION DISTRICT TWO OFFICERS FOR 2009-2010; AND
- 4) ADOPTION OF CITY OF HIAWASSEE 2009 ENTERPRISE FUNDS POLICY STATEMENT.

THANK YOU. PLEASE LET ME KNOW IF YOU HAVE ANY QUESTIONS.
RICK STANCIL

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CC: COMMISSIONER BILL KENDALL
WATER & SEWER DEPARTMENTS STAFF
SCOTT ADAMS & REID DYER, CITY ENGINEERS
GENE MITCHELL, TCWSA
DON BAKER, ENGINEER, EMI
STEPHANIE MCCONNELL, ESQUIRE
INTERESTED PARTIES