
**SUMMARY OF MINUTES
HIAWASSEE CITY COUNCIL
JULY 7, 2009 MEETING**

MADE AVAILABLE TO THE PUBLIC WITHIN 3 DAYS OF MEETING

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

FROM: RICK STANCIL, MANAGER

DATE: 7-9-09

THE CITY COUNCIL MET ON TUESDAY, JULY 7, 2009 AT 4:00 P.M. AT CITY HALL. THE FOLLOWING COUNCIL MEMBERS ATTENDED: BARBARA MATHIS, MAYOR; JOAN CROTHERS, COUNCILMAN; JUNIOR CHASTAIN, COUNCILMAN; JANET ALLEN, COUNCILMAN; AND HOWARD CUNNINGHAM, COUNCILMAN. COUNCILMAN ANNIE JOHNSON WAS ABSENT DUE TO ILLNESS. STAFF PRESENT INCLUDED: WYLENE WHITE, CITY CLERK AND RICK STANCIL, CITY MANAGER. A QUORUM WAS PRESENT.

APPROVAL OF MINUTES OF PRIOR CITY COUNCIL MEETING.

UPON MOTION MADE AND SECONDED, THE COUNCIL UNANIMOUSLY APPROVED THE MINUTES OF THEIR JUNE MEETING AS PREVIOUSLY DISTRIBUTED.

MAYOR'S ANNOUNCEMENTS AND REPORT.

- 1) THE MAY FINANCIAL STATEMENT ARE IN THE COUNCIL FOLDER. NO COUCILMAN HAS ANY QUESTIONS REGARDING THE APRIL STATEMENT.

- 2) THE MAYOR READ A LETTER FROM GOVERNOR SONNY PERDUE ANNOUNCING THE AWARD OF FIVE HUNDRED AND THIRTY FIVE THOUSAND DOLLARS (\$535,000.00) FROM THE ARRA-GEFA PROGRAM FOR SEWER REHABILITAITON TO THE CITY;

- 3) THE MAYOR ANNOUNCED THAT THE CITY WOULD HAVE A FLOAT ENTERED IN THIS YEARS GEORGIA MOUNTAIN FAIR PARADE AND ASKED FOR VOLUNTEERS AND PARTICIPANTS;
- 4) THE MAYOR DISCUSSED A COMPLAINT RECEIVED REGARDING NORTH MOUNTAIN DRIVE (WHISKEY MOUNTAIN) DUE TO THE ROAD CONDITION. THE STREET IS A CITY STREET AND HAS BEEN DAMAGED BY HEAVY EQUIPMENT DURING DEVELOPMENT AND COMMERCIAL CONSTRUCTION ON THE MOUNTAIN. THE MAYOR HAS ASKED RICK STANCIL TO RESEARCH AN ORDINANCE TO REQUIRE A CITY PERMIT AND/OR BOND WHEN CONTRACTOR USE THE ROAD DURING COMMERCIAL ACTIVITY, CONSTRUCTION AND/OR TO PROHIBIT CERTAIN TYPES OR WEIGHT OF MACHANARY ON CITY STREETS.
- 5) THE MAYOR ANNOUNCED THE NEED TO REAPPOINT RHETTA GREY TO THE TOWNS COUNTY LIBRARY BOARD. SHE HAS EXPRESSED HER INTEREST AND HAS DONE A GOOD JOB.

CITY MANAGER'S REPORT

RICK STANCIL DISCUSSED THE FOLLOWING TOPICS AND ANSWERED QUESTIONS RELATED TO EACH:

- 1) GEFA/ARRA FUNDING.

THE ARRA SEWER REHABILITATION AWARD TO THE CITY OF HIAWASSEE WAS DISCUSSED. STANCIL ANNOUNCED THAT ADDITIONAL INFORMATION IS BEING PROVIDED TO GEFA AS A CONDITION OF AWARD. HE ALSO PROVIDED AN UPDATED PROJECT TIMELINE AND BUDGET. THE CITY PLANS TO BID THE PROJECT IN AUGUST.

- 2) GEORGIA MUNICIPAL ASSOCIATION (GMA) ANNUAL MEETING.

THE MANAGER ATTENDED THE GMA ANNUAL MEETING REPRESENTING THE CITY. HE ATTENDED DOWNTOWN DEVELOPMENT TRAINING OF EIGHT HOURS AND ATTENDED CONTINUING LEGAL EDUCATION.

SEVERAL AREAS OF GENERAL CONCERN WERE VOICED BY ALL CITIES INCLUDING: DECLINING MUNICIPAL INCOME (SALES TAX & PROPERTY TAX); THE END OF PROPERTY TAX CREDITS/REBATES FROM THE STATE TO ALL CITIES; THE FAILURE OF THE STATE TO RETURN ALL MUNICIPAL TAX DOLLARS COLLECTED; UNFUNDED TAX MANDATES; A LACK OF TRANSPORTATION FUNDING; AND OTHER TOPICS INCLUDING IDENTITY FRAUD PROTECTION AND REQUIRED FUTURE ORDINANCES.

3) SERVICE DELIVERY AREA AGREEMENT AND SEWER SUMMITT.

STANCIL REPORTED THAT AT THE REQUEST OF THE COMMISSIONER, THE CITY INCLUDING THE MAYOR, JANET ALLEN, JOAN CROTHERS AND HOWARD CUNNINGHAM MET WITH THE COMMISSIONER, THE COUNTY ATTORNEY, ROB KIKER; GENE MITCHELL AND MEMBERS OF THE TOWNS COUNTY WATER AND SEWER AUTHORITY; REPRESENTATIVE OF THE TOWNS COUNTY COMPREHENSIVE PLAN COMMITTEE AND TOWNS COUNTY HOME OWNER'S ASSOCIATION; AND SEVERAL INTERESTED PARTIES TO DISCUSS SEWER SERVICE IN THE COUNTY.

THE CITY AGAIN ADVISED ALL PARTIES THAT WITHOUT FUNDING FROM THE COUNTY, THE AUTHORITY, OR THE INDUSTRIAL AUTHORITY, THE CITY WILL NOT SPENT ANY CITY MONEY IN THE COUNTY TO PROVIDE SEWER SERVICE WITHIN THE COUNTY. THEREFORE, THE CITY DOES NOT PLAN TO SUMMIT ANY APPLICATION FOR STATE AND FEDERAL FUNDING, INCLUDING STIMULUS MONIES, FOR EXPANSION OR IMPROVEMENT OF THE CITY SEWER PLANT. IMPORTANTLY, DUE TO A LACK OF A COUNTY FUNDING RESPONSE, THE CITY DOES NOT PLAN TO RENEW THE STATE APPLICATION FOR SEWER PLANT EXPANSION.

WITHOUT EXPANSION OF THE CITY SEWER PLANT, THE COUNTY WILL NOT HAVE ANY MEANINGFUL SEWER SERVICE FOR THE NEXT DECADE. MORE IMPORTANTLY, TOWNS COUNTY WILL MISS THE FEDERAL STIMULUS MONIES AND FUNDING OPPORTUNITIES.

HIAWASSEE HAS BEEN APPROVED BY THE STATE FOR EXPANSION OF THE CITY SEWER PLANT FROM 300,000 TO 500,000 DISCHARGE. THIS INCREASE COULD MEET THE COUNTY'S NEEDS FOR APPROXIMATELY THIRTY YEARS. THE PROJECT WAS BID THIS YEAR AND THE BID CAME IN AT \$1.5 MILLION COST.

THIS EXPANSION APPROVAL WILL EXPIRE IN OCTOBER OF THIS YEAR. ARRA-GEFA WOULD FUND 70% OF THE PROJECT. OTHER FUNDING SOURCES ARE AVAILABLE TO FURTHER LOWER THE COST.

THE CITY HAS MADE THESE FACTS KNOWN TO THE COMMISSIONER, THE AUTHORITY AND THE INDUSTRIAL AUTHORITY. THE CITY HAS MADE SEVERAL PROPOSALS THAT WOULD MAKE THE EXPANSION POSSIBLE. THE CITY HAS ALSO EXPLAINED THE ARRA-GEFA AND ARC APPLICATION AND FUNDING DEADLINES. THE CITY HAS NOT RECEIVED ANY POSITIVE RESPONSE.

STAFF BELIEVES THAT THE CITY HAS ADEQUATE SEWER CAPACITY TO MEET CITY NEEDS AND CITY COMMITMENTS IN THE EXISTING PLANT. HOWEVER, CITY RESERVES ARE DECREASING.

DURING THE MONTH OF MAY, THE CITY SEWER PLANT DISCHARGE INCREASED BY ALMOST 100,000 GALLONS OVER THE PRECEDING MONTH. THIS IS THE LARGEST SURGE IN MANY YEARS. IT APPEARS THAT THIS INCREASE OR SURGE IS DUE TO INFLOW AND INFILTRATION. AS EVERYONE IS AWARE, THE LAKE IS THE HIGHEST IN MANY YEARS AND WE HAVE HAD SIGNIFICANT RAINFALL. THIS I&I SERIOUSLY IMPAIRS THE CITY'S SEWER RESERVES AND PROHIBITS THE ADDITION OF NEW CONNECTIONS IN THE COUNTY.

STAFF BELIEVES THAT THE ARRA SEWER REHABILITATION PROJECT WILL RECLAIM LIMITED CAPACITY. CITY STAFF WILL MONITOR THIS SEWER FLOWS CLOSELY AND ATTEMPT TO LOCATE ALL PROBLEM AREAS AS A PART OF THE REHABILITATION PROJECT.

4) PUBLIC HEARING ON 2009 AMENDED BUDGET AND 2010 BUDGET.

ONLY ONE COMMENT WAS RECEIVED AT THE BUDGET HEARING. THAT WAS A POSITIVE COMMENT FROM CHRIS SWETT AS TO THE CITY'S BUDGETARY CHANGE TO FUND RESTRICTIVE ACCOUNTS FOR ENTERPRISE ACTIVITIES. THE CITY IS NOW SETTING ASIDE FUNDS FOR FUTURE PLANT REPAIRS AND RENOVATIONS. THIS CHANGE REDUCES THE CITY CARRY OVER BETWEEN BUDGET YEARS. THIS CHANGE ALSO PLACES THE CITY IN A MORE COMPETITIVE FINANCIAL POSTURE FOR STATE AND FEDERAL GRANTS AND LOANS.

5) STREAK HILL WATER LINE REPLACEMENT.

THIS LINE HAS FREQUENT SHORTAGES AND LIMITED FIRE PROTECTION. STAFF HAS RESEARCHED PRICES FOR REPLACEMENT WATER LINES AND THE ADDITION OF AT LEAST ONE FIRE HYDRANT. BY USING CITY

EQUIPMENT AND CITY EMPLOYEE LABOR, THE PROJECT COSTS CAN BE HELD TO UNDER \$10,000.00 AND CAN BEGIN IN JULY.

6) PROPOSED ARRA WATER AND SEWER RATE STRUCTURE.

THE COUNCIL MUST ADOPT A NEW RATE STRUCTURE TO GENERATE AN ADDITIONAL \$100,000.00 IN ITS ENTERPRISE FUNDS. THIS IS A CONDITION OF THE ARRA-GEFA AWARD TO THE CITY. THE PROPOSED EFFECTIVE DATE OF THE RATE INCREASE WILL BE JANUARY 1, 2010. THIS WILL DELAY THE SCHEDULED COST-OF-LIVING INCREASE FOR SIX MONTHS UNTIL THE FIRST OF THE YEAR. THE DELAY OF THE SCHEDULED INCREASE IS DUE IN PART TO THE ECONOMY.

7) DOWNTOWN DEVELOPMENT.

THE MANAGER ANNOUNCED THAT HE HAS COMPLETED THE UNIVERSITY OF GEORGIA, FANNING INSTUTE, DOWNTOWN DEVELOPMENT AUTHORITY BASIC TRAINING. THIS IS AN EIGHT HOUR COURSE FOCUSING ON DOWNTOWN DEVELOPMENT, FUNDING AND USE OF AUTHORITIES AND CHARITIES FOR DOWNTOWN DEVELOPMENT.

THE MANAGER ALSO ANNOUCED THAT CHIP WRIGHT WITH THE GEORGIA MOUNTAIN REGIONAL CENTER WILL MEET WITH THE INFORMAL CITY DOWNTOWN DEVELOPMENT COMMITTEE ON JULY 9TH AT 10:00 AM.

MR. WRIGHT WILL ADDRESS HISTORIC PRESERVATION, A MASTER PLAN FOR THE CITY SQUARE AND/OR CITY, THE BENEFITS OF A DOWNTOWN DEVELOPMENT AUTHORITY AND RELATED 501(C)(6) NON-PROFIT GROUP, AND VARIOUS FUNDING MECHANISMS FOR DOWNTOWN IMPROVEMENTS.

8) WATER PLANT REPORT;

THE MANAGER REPORTED ON A RECENT REPAIR AT THE WATER PLANT. THE DESIGN OF THE WATER INTAKE IS POOR AND HAS CAUSED PROBLEMS FOR OVER TWENTY YEARS. THE INTAKE IS A FLOATING PLATFORM DRAWING IN WATER SEVERAL FEET BELOW THE LAKE SURFACE. DUE TO BOAT TRAFFIC, THE INTAKE TAKES A POUNDING FROM WAVE ACTION.

RECENTLY, THE SCREENS THAT STOP THE INFLOW OF TRASH AND DEBRIS CAME OFF RESULTING IN A CLOG IN THE INTAKE WATER LINE AND PLANT BLACKFLOW VALVES. THE CITY HIRED SCOTT GARRETT, A CERTIFIED COMMERCIAL DIVER, TO REPAIR THE PLATFORM. THE COST OF THE

REPAIR WAS \$4,210.00.

THE CITY ALSO HIRED GARRETT TO CLEAN THE CLEARWELL. THE CLEARWELL IS A POTABLE WATER TANK SO CARE HAS TO BE TAKEN IN ITS CLEANING. A THREE-MAN CREW WILL BE RESPONSIBLE FOR DIVING WITH VACUUM SYSTEM TO CLEAN THE TANK FLOOR. AN UNDERWATER VIDEO WILL BE PROVIDED FOR INSPECTION PURPOSES. THE DIVER'S ACTIONS WILL BE MONITORED BY A VIDEO MONITORING SYSTEM AND RANDY WILL BE OBSERVING AND INSPECTING THE TANK WALLS. THIS CLEANING WILL COST APPROXIMATELY \$4,825.00.

BOTH COSTS HAVE BEEN PAID AS NORMAL MAINTENANCE ITEMS AND CHARGED AGAINST THE 2009 BUDGET.

COMMITTEE UPDATES

I. PLANNING COMMITTEE

THE PLANNING COMMITTEE MET ON MONDAY, JULY 6, 2009 AT 2:00 PM AT CITY HALL. THE COMMITTEE RECEIVED REPORTS ON THE FOLLOWING NEW BUSINESS ITEMS:

- 1) 2010 BUDGET REVIEW.
- 2) STREAK HILL WATER LINE REPLACEMENT.
- 3) PROPOSED ARRA WATER AND SEWER RATE STRUCTURE.
- 4) DOWNTOWN DEVELOPMENT.
- 5) UPDATE ON GEFA CWSRT APPLICATION.
- 6) VIOLATIONS OF CURRENT SERVICE DELIVERY AREA AGREEMENT.
- 7) TOWNS COUNTY INDUSTRIAL PARK CAPACITY.
- 8) LOWES ENGINEERING, PRE-CLEARANCE REQUEST.

II. OPERATIONS & FINANCE COMMITTEE

THE OPERATIONS AND FINANCE COMMITTEE MET ON MONDAY, JULY 6, 2009 AT 3:30 PM AT CITY HALL. THE COMMITTEE RECEIVED REPORTS ON THE FOLLOWING ITEMS:

- 1) PROPOSED 2010 BUDGET REVIEW.
- 2) STREAK HILL WATER LINE REPLACEMENT.
- 3) PROPOSED ARRA WATER AND SEWER RATE STRUCTURE.
- 4) CITY OF HIAWASSEE RESOLUTION APPOINTING RHETTA GREY AS CITY REPRESENTATIVE FOR TOWNS COUNTY PUBLIC LIBRARY BOARD.
- 5) CITY OF HIAWASSEE RESOLUTION ESTABLISHING 2009 POLICY AND PROCEDURE FOR NONDISCRIMINATION FOR CERTAIN PROGRAMS OR ACTIVITIES FUNDED BY FEDERAL PROGRAMS;
- 6) APPALACHIAN REGIONAL COMMISSION GRANT AND FUNDING OF CITY MATCH.
- 7) UPDATE ON BROADBAND WIRELESS APPLICATION AKA "WIRELESS HIAWASSEE".

CITY COUNCIL AGENDA ITEMS.

THE COUNCIL CONSIDERED THE FOLLOWING FOR ACTION.

- 1) MOTION TO ADOPT JUNE CITY MANAGER'S REPORT;

UPON MOTION MADE AND SECONDED, THE COUNCIL ADOPTED THE JUNE CITY MANAGER'S REPORT.

- 2) MOTION TO ADOPT JULY CITY MANAGER'S REPORT;

UPON MOTION MADE AND SECONDED, THE COUNCIL ADOPTED THE JULY CITY MANAGER'S REPORT.

- 3) 2009 IDENTITY THEFT PREVENTION PROGRAM ORDINANCE;

UPON MOTION MADE AND SECONDED, THE COUNCIL APPROVED THE FIRST READING OF THE 2009 IDENTITY THEFT PREVENTION PROGRAM ORDINANCE.

- 4) CITY OF HIAWASSEE RESOLUTION ESTABLISHING 2009 POLICY AND PROCEDURE FOR NONDISCRIMINATION FOR CERTAIN PROGRAMS OR ACTIVITIES FUNDED BY FEDERAL PROGRAMS;

UPON MOTION MADE AND SECONDED, THE COUNCIL APPROVED THE CITY OF HIAWASSEE RESOLUTION ESTABLISHING 2009 POLICY AND PROCEDURE FOR NONDISCRIMINATION FOR CERTAIN PROGRAMS OR ACTIVITIES FUNDED BY FEDERAL PROGRAMS.

- 5) CITY OF HIAWASSEE RESOLUTION APPOINTING RHETTA GREY AS CITY REPRESENTATIVE FOR TOWNS COUNTY PUBLIC LIBRARY BOARD.

UPON MOTION MADE AND SECONDED, THE COUNCIL APPROVED A CITY OF HIAWASSEE RESOLUTION APPOINTING RHETTA GREY AS CITY REPRESENTATIVE FOR TOWNS COUNTY PUBLIC LIBRARY BOARD;

- 6) CITY OF HIAWASSEE 2009 AMENDED BUDGET ADJUSTMENT FOR HIAWASSEE BUDGET 2008-2009, APPROPRIATIONS ORDINANCE;

UPON MOTION MADE AND SECONDED, THE COUNCIL HELD THE SECOND READING AND ADOPTED THE CITY OF HIAWASSEE 2009 AMENDED BUDGET ADJUSTMENT FOR HIAWASSEE BUDGET 2008-2009;

- 7) CITY OF HIAWASSEE 2009-2010 PROPOSED BUDGET, APPROPRIATIONS ORDINANCE;

UPON MOTION MADE AND SECONDED, THE COUNCIL HELD THE SECOND READING AND APPROVED THE CITY OF HIAWASSEE 2009-2010 PROPOSED BUDGET.

- 8) CITY OF HIAWASSEE RESOLUTION APPROVING PROPOSED EXPENDITURE FROM 2010 BUDGET, STREAK HILL WATER LINE REPLACEMENT.

UPON MOTION MADE AND SECONDED, THE COUNCIL ADOPTED A CITY OF HIAWASSEE RESOLUTION APPROVING THE PROPOSED EXPENDITURE OF UP TO \$10,000.00 FOR THE STREAK HILL WATER LINE REPLACEMENT.

PLEASE LET ME KNOW IF YOU HAVE ANY QUESTONS.

RICK STANCIL

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CC: WYLENE WHITE, CITY CLERK
COMMISSIONER BILL KENDALL
WATER & SEWER DEPARTMENT HEADS
STEPHANIE MCCONNELL, ESQUIRE
INTERESTED PARTIES