

CITY OF HIAWASSEE
CITY COUNCIL MEETING
HELD ON NOVEMBER 4, 2008

SUMMARY OF ACTIONS

THE FOLLOWING IS A SUMMARY OF ITEMS PRESENTED AND ACTION TAKEN AT THE NOVEMBER 4, 2008, MEETING OF THE HIAWASSEE CITY COUNCIL. THE OFFICIAL MINUTES OF THE MEETING WILL BE PREPARED IN ACCORDANCE WITH STATE LAW BY THE CLERK. THIS SUMMARY IS INTENDED AS A SERVICE TO THE PUBLIC TO ADVISE INTERESTED PARTIES OF THE UNOFFICIAL ACTIONS OF THE CITY COUNCIL PENDING TRANSCRIPTION OF THE OFFICIAL MINUTES. IN THE EVENT OF CONFLICT, THE OFFICIAL MINUTES AS APPROVED BY THE CITY COUNCIL IS THE LEGAL RECORD OF THE ACTIONS OF THE CITY COUNCIL.

**AVAILABLE TO THE PUBLIC
WITHIN FORTY EIGHT HOURS OF COUNCIL MEETING**

**TO: MAYOR, CITY COUNCIL, CLERK, PRESS &
INTERESTED PARTIES**

FROM: RICK STANCIL, MANAGER

DATE: 11-05-08

ELECTED OFFICIALS IN ATTENDANCE: BARBARA MATHIS, MAYOR; JUNIOR CHASTAIN, COUNCILMAN; ANNIE JOHNSON, COUNCILMAN, HOWARD CUNNINGHAM, COUNCILMAN; AND JANET ALLEN, COUNCILMAN. A QUORUM WAS PRESENT.

STAFF IN ATTENDANCE: STEPHANIE W. MCCONNELL, CITY ATTORNEY; JIMMY WRIGHT, CHIEF OF POLICE; AND RICK STANCIL, CITY MANAGER.

CLERK AGENDA ITEMS.

- 1) THE MINUTES OF THE AUGUST 5, 2008, MEETING WERE AMENDED TO REFLECT THE APPOINTMENT OF STEPHANIE W. MCCONNELL AS THE CITY ATTORNEY. THE APPOINTMENT WAS PREVIOUSLY APPROVED BY THE EXECUTION OF A RESOLUTION AT THE AUGUST 5TH MEETING. THE MOTION TO AMEND THE AUGUST 5TH MINUTES WAS PASSED UNANIMOUSLY.
- 2) THE MINUTES OF THE OCTOBER COUNCIL MEETING WERE APPROVED.
- 3) THE SEPTEMBER FINANCIAL STATEMENTS WERE REVIEWED WITHOUT QUESTION.
- 4) MAYORS REPORT

THE MAYOR REPORTED ON THE SUCCESS OF THE HALLOWEEN ON THE SQUARE AND ON THE "SHOP WITH A COP PROGRAM". THE MAYOR COMMENDED THE CHIEF OF POLICE AND THE POLICE DEPARTMENT ON THEIR EFFORTS ON BEHALF OF CHILDREN IN THE COMMUNITY. SHE ALSO READ A LETTER FROM JIMMY WRIGHT REGARDING THE SHOP WITH A COP PROGRAM AND SHE THANKED THE MANY NONPROFITS, LOCAL BUSINESS AND INDIVIDUALS WHO PARTICIPATED.

THE MAYOR ALSO REPORTED ON THE TAX DIGEST RECEIVED ON OCTOBER 31, 2008, AND HER RECOMMENDATIONS FOR THE ROLLBACK MILLAGE.

- 5) POLICE CHIEF REPORT.
JIMMY WRIGHT REPORTED BRIEFLY ON THE "SHOP WITH A COP PROGRAM."
- 6) CITY MANAGER'S REPORT AND COMMITTEE MEETING REVIEW.

THE CITY MANAGER MADE THE FOLLOWING COMMENTS ON COMMITTEE ACTIVITIES.

I. PLANNING COMMITTEE

THE PLANNING COMMITTEE DID NOT MEET PRIOR TO THE COUNCIL MEETING. NO NEW UTILITY SERVICE APPLICATIONS WERE RECEIVED DURING OCTOBER AND THE COUNCIL CHAMBERS WERE BEING UTILIZED BY THE CITY AUDITORS DURING THE NORMAL COMMITTEE MEETING TIMES. ADDITIONALLY, THE MAYOR AND CITY MANAGER WERE REQUIRED TO BE PRESENT TO MEET WITH THE AUDITORS DURING THE NORMAL MEETING HOURS.

OLD BUSINESS

1) HWY. 64 PARTNERSHIP DEVELOPMENT [NEXT TO HIGH SCHOOL].

NO NEW INFORMATION.

2) BIG SKY VILLAGE PROJECT.

THE NEW SKY VIEW WATER LINE HAS BEEN INSTALLED.

3) 08 CAPITAL WATER & SEWER PLAN [NEEDS LIST].

THE UPDATED FIVE YEAR CAPITAL WATER & SEWER PLAN WAS PRESENTED TO THE COUNCIL. THIS PLAN WILL BE SUBMITTED TO STATE AND FEDERAL FUNDING AGENCIES FOR POSSIBLE ASSISTANCE.

THE PRIORITIES UNDER THE CAPITAL IMPROVEMENT PLANS ARE AS FOLLOWS:

SHORT TERM (NON ANNUAL) REPAIRS/IMPROVEMENTS

A) WATER PLANT FILTER REPAIRS [\$10,000];

B) WATER PLANT FILTER REHABILITATION [\$100,000]

LONG-TERM CAPITAL IMPROVEMENT PROJECTS (CIP).

- A) FUNDING MATCH FOR ARC/SEWER LINE PROJECT [\$400,000];
- B) REHABILITATION OF THE WATER PLANT FILTER [\$100,000];
- C) REFINANCING PHASE ONE (PRESS REHABILITATION AND BUILDING] OF SEWER PLANT [\$750,000]; AND
- D) REPAIR/REROUTING OF FLAT SEWER LINE;

CITY STAFF WILL GIVE A PRIORITY TO FUNDING/BORROWING TO DEAL WITH THE ARC GRANT AND WATER PLANT ISSUES. THE WASTEWATER PLANT PHASE II EXPANSION WILL HAVE TO BE PLACED ON HOLD.

4) WHOLESALE WATER AGREEMENT.

THE COUNCIL WAS PRESENTED WITH THE CITY'S PROPOSED WHOLESALE WATER AGREEMENT. A LETTER FROM THE TCWSA WAS REVIEWED WITH THE COUNCIL. THE COUNCIL ASKED THE MANAGER TO SEEK CLARIFICATION FROM TCWSA.

BASED ON THE TCWSA LETTER, ANY WATER PLANT EXPANSION EFFORT WILL NOW BE DISCONTINUED. THE LETTER INDICATES THAT THE AUTHORITY WILL FOLLOW THE CURRENT CONTRACT, INPART, WHICH IS TO PAY THE COST OF WATER.

THIS CONTRACT EXPIRES IN 2010. THE LETTER DOES NOT ADDRESS THE ISSUE OF WHAT HAPPENS WHEN THE CONTRACT EXPIRES.

THE LETTER DOES NOT ADDRESS THE TCWSA USE OF THE CITY WATER LINES WITHOUT PAYING THE REQUIRED COST.

THE LETTER DOES NOT ADDRESS THE MONEY OWED TO THE CITY FOR WATER COSTS IN PRIOR YEARS REQUIRED BY THE CURRENT CONTRACT.

THE CITY WILL ASK THE TCWA TO ADDRESS THESE ISSUES. HOWEVER, THE PROSPECTS OF LITIGATION ARE NOW SUBSTANTIAL.

5) WATER PRODUCTION COSTS AND ANALYSIS OF UNBILLED REVENUE UNDER CURRENT CONTRACT.

THE COUNCIL WAS PROVIDED WITH A COPY OF THE EMI RESPONSE TO THE TCWSA ENGINEER'S COMMENTS ON THE COST OF WATER ANALYSIS. THE COUNCIL WAS ALSO PROVIDED WITH A COPY OF THE EMI ANALYSIS OF UNBILLED CHARGES UNDER THE CURRENT WHOLESALE WATER AGREEMENT WITH THE TCWSA.

6) SEWER ALLOCATION AND DEMAND.

THE COUNCIL WAS PROVIDED WITH A REPORT ON PROJECTED SEWER ALLOCATIONS AND DEMANDS. THE REPORT INCLUDES 50,000 GALLONS PER DAY AS RESEVED CAPACITY FOR USAGE WITHIN THE CITY LIMITS. THE REPORTS DOCUMENTS THE NEED TO PLACE A MORITORIUM ON COUNTY COMMERCIAL CONNECTIONS UNTIL THE CITY RECEIVES FINANCIAL ASSISTANCE FROM EITHER THE COUNTY OR TCWSA OR BOTH FOR SEWER SERVICE WITHIN THE COUNTY.

7) SEWER PLANT EXPANSION STATUS.

THE COUNCIL RECEIVED A REPORT AND THE BID TABULATION FOR THE SEWER PLANT EXPANSION. SCOTT ADAMS, PE, WITH THE ENGINEERING FIRM OF HAYES/JAMES REVIEWED THE LACK OF CURRENT DEMAND, THE DOWNTURN IN THE ECONOMY, AND THE LACK OF SEWER CONNECTION FEES.

MR. ADAMS ALSO PASSED OUT A SUMMARY OF POTENTIAL GRANT FUNDING SOURCHES AND EFFORTS MADE BY HAYES/JAMES TO IDENTIFY FUNDING FOR THE PLANT EXPANSION.

CONCERN WAS VOICED OVER THE USDA RURAL DEVELOPMENT REQUIREMENT THAT TO RECEIVE FUNDS FOR PHASE 2 THAT THE CITY MINIMUM SEWER BILL WOULD HAVE TO BE INCREASED TO \$44.36 PER MONTH.

IT WAS THE CONSENSUS OF THE COUNCIL THAT NO BID COULD BE AWARED AT THIS TIME.

8) COUNTY COMMERCIAL SEWER MORITORIUM.

BASED ON THE SEWER ALLOCATION REPORT, THE MANAGER RECOMMENDED A MORITORIUM ON ALL COUNTY COMMERCIAL SEWER CONNECTIONS BEGINNING JANUARY 1, 2009. THE COUNCIL AUTHORIZED THE MANAGER TO SEND OUT A PRESS RELEASE ANNOUNCING THE MORITORIUM SHOULD THE COUNCIL ADOPT THE PROPOSED RESOLUTION.

II. OPERATIONS & FACILITIES COMMITTEE

THE OPERATIONS & FACILITIES COMMITTEE DID NOT MEET DUE TO AUDIT DEMANDS.

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

THE MANAGER ANNOUNCED THAT THE MAYOR HAS EXECUTED AND WE HAVE MAILED THE ARC GRANT DOCUMENTS. THE COUNCIL RECEIVED AN INITIAL BUDGET FOR FUNDING FOR THE FINANCIAL MATCH REQUIREMENTS.

2) CHATUGE CIRCLE WATER LINE REPLACEMENT UDATE.

THE MANAGER REPORTED THAT THE CHATUGE WATER LINE HAS BEEN REPLACED. THE PROJECT WAS ON TIME AND ON BUDGET. A FINAL ALLOCATION IS BEING PREPARED AND WILL BE SHARED WITH THE COUNCIL AT ITS NEXT MEETING.

3) THE COUNCIL RECEIVED A REPORT ON PENDING WATER PLANT CAPITAL COSTS.

A) THE MANAGER REPORTED THAT THE WATER PLANT NEEDS AN ANTI-REVERSING RATCHETT FOR THE WATER INTAKE MOTOR. THE COST WILL BE APPROXIMATELY \$1,690.70. THIS IS A NEEDED CAPITAL EXPENDITURE TO PREVENT POSSIBLE DAMAGE TO BOTH THE WATER PUMP AND PERHAPS THE WATER FILTERS.

- B) THE CONCIL RECEIVED A REPORT ON ONE FAILING WATER FILTER. THE FILTER NEEDS TO BE FULLY RENOVATED AT AN APPROXIMATE COST OF \$100,000.

THE PLANT MANAGER IS WAITING FOR REDUCED WATER DEMANDS TO DEAL WITH MEDIA ISSUES WITH A PROBLEM FILTER. REPAIRS WILL BE MADE BY STAFF ON A TEMPORARY BASIS. STAFF HAS REGROUTED THE FILTER FLOOR. THE CITY MUST NOW REPLACE VERY EXPENSIVE MEDIA.

THE COUNCIL WILL NEED TO APPROVE AN AMOUNT NOT TO EXCEED \$10,000.00 FOR THE MEDIA REPLACEMENT. AN APPROVAL WILL BE PROVIDED FOR THE COUNCIL SIGNATURE TO DOCUMENT THE APPROVAL.

III. CITY COUNCIL APPROVALS.

THE FOLLOWING AGENDA ITEMS WERE PRESENTED TO THE COUNCIL.

- 1) RESOLUTION HONORING DANIEL BERRONG;

THIS RESOLUTION WAS HELD FOR CONSIDERATION AT THE DECEMBER MEETING.

- 2) RESOLUTION REVISING CITY POLICE CHASE POLICY;

THE RESOLUTION WAS REVIEWED BY THE MANAGER AND THE CHIEF OF POLICE. THE RESOLUTION WAS HELD FOR CONSIDERATION AT THE DECEMBER MEETING.

- 3) RESOLUTION FOR THANKSGIVING ON THE SQUARE;

THE RESOLUTION WAS WITHDRAWN FROM CONSIDERATION.

- 4) FIRST READING ON JAIL FUND ORDINANCE;

THE COUNCIL UNANIMOUSLY APPROVED A FIRST READING OF THE ORDINANCE.

5) FIRST READING ON COMPREHENSIVE FEE ORDINANCE;

THE COUNCIL HAD SEVERAL QUESTIONS REGARDING THE ORDINANCE AND THE NEED FOR A FIRST READING. THESE ISSUES WERE ADDRESSED BY THE MANAGER. THE COUNCIL REQUESTED A SPREADSHEET ON THE NEW SERVICE CHARGES WITH EXPLANATION OF NEED, A LIST OF CURRENT COSTS OF SERVICES AND AN ANALYSIS OF THE INCREASES IN COSTS AND REVENUE GENERATED. THE CITY MANAGER WILL ALSO GET RECOMMENDATIONS FROM ALL DEPARTMENT HEADS REGARDING THE PROPOSAL.

THE COUNCIL THEN APPROVED THE FIRST READING UNANIMOUSLY.

6) RESOLUTION GIVING NOTICE TO THE TOWNS COUNTY WATER AND SEWER AUTHORITY THAT THE 200 COMPREHENSIVE MANAGEMENT AGREEMENT WILL NOT BE EXTENDED.

THE COUNCIL UNANIMOUSLY APPROVED THE RESOLUTION GIVING NOTICE THAT THE CURRENT AGREEMENT WITH THE AUTHORITY WILL NOT BE EXTENDED.

7) FIRST READING ON PROPOSED WHOLESALE WATER AGREEMENT WITH THE TCWSA;

THE COUNCIL UNANIMOUSLY APPROVED THE PROPOSED WHOLESALE WATER AGREEMENT DRAFTED BY THE MANAGER AND REQUESTED THAT A COPY BE PROVIDED DIRECTLY TO THE AUTHORITY FROM THE COUNCIL.

8) FIRST READING OF COUNTY COMMERCIAL SEWER CONNECTION MORTORIUM;

THE COUNCIL UNANIMOUSLY APPROVED THE COUNTY COMMERCIAL SEWER CONNECTION MORTORIUM.

- 9) RESOLUTION SETTING MILLAGE RATE ROLLBACK AND PERCENTAGE INCREASE IN 2008 PROPERTY TAXES.

THE COUNCIL UNANIMOUSLY APPROVED SETTING THE 2008 FINAL MILLAGE RATE AT THE ROLLBACK MILLAGE RATE OF 2.257 PERCENT.

THE IS A REDUCTION FROM THE 2007 MILLAGE RATE.

**THERE BEING NOW FURTHER BUSINESS, UPON MOTION AND SECOND,
THE COUNCIL MEETING WAS ADJOURNED.**