

COUNCIL PRESENT: Danny Dunagan, George Wangemann, Ruth Bruner, Zack Thompson, Barbara Brooks
COUNCIL ABSENT: Sam Couvillon
STAFF PRESENT: Bryan Lackey, Angela Sheppard, Linda MacGregor, Rusty Ligon, Jeremy Perry, Chris Rotalsky, Amy Bennett, Myron Bennett, Jarrett Nash, Denise Jordan

Friday, March 1, 2019, 10:30 AM

City Manager Bryan Lackey welcomed everyone then provided an overview of what to expect.

WATER RESOURCES:

Water Resources Director Linda MacGregor indicated the accomplishments, challenges and initiatives will be presented. The following facts were noted.

- The department's six facilities are located on 340 acres and include 67 pump stations.
- There are 230 positions with $\frac{3}{4}$ of the staff holding some type of certification or license.
- There are 54,000 active water customer accounts and each account involves several people.
- The department has approximately \$600 million in assets.

Accomplishments

Finance and Administration Manager Amy Bennett presented twelve years of historical information pertaining to water meters sold, water accounts, the water rate per CCF (water rate), cash and capital projects. It was noted the additional cash in the bank was achieved by taking a conservative approach during a down economy. Water revenue is used for operating expenses, debt payments and capital projects.

Upon inquiry, it was noted three months of operating expenses and $\frac{1}{2}$ of a debt payment are kept in reserves (approximately \$20 million).

Engineering & Construction Services Division Manager Myron Bennett and Distribution & Collection System Manager Jarrett Nash briefly discussed improvements at the Riverside and Lakeside Water Treatment Plants as well as the Flat Creek and Linwood Water Reclamation Facilities. They also commented on the cost associated with each improvement.

There were inquiries about new regulations and solid dewatering.

Mr. Nash also discussed water distribution improvements, sewer collection system accomplishments and stormwater system accomplishments.

There were several questions related to detention ponds inspections.

Mr. Bennett summarized on-going Department of Transportation (DOT) projects involving 25.3 miles of roadway at a cost of \$19.6 million. He also briefly discussed downtown improvements and the importance of protective coating for pipes.

City Manager Lackey briefly shared plans for additional Main Street improvements noting the parking deck will remain open while this work is underway.

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Challenges

Water Resources Director Linda MacGregor indicated there were a number of challenges facing the department.

1. *Mother Nature*: 2019 has been a record year for rainfall. Lake Lanier is currently above full pool.
2. *Litigation and Regulations*: There was an update on the Apalachicola-Chattahoochee-Flint (ACF) water litigation which began in the early 1990's. The 2013 Florida versus Georgia case is under review by a Special Master appointed by the US Supreme Court.

There was discussion about storage contracts that will be required with Corp of Engineers. They will be presented to Council for approval. The 2050 water demand projections were presented.

The stormwater ordinance will be updated to address new technical requirements effective December 2020. Training for developers and engineers was offered in 2018.

3. *Customer Demands*: The water demand curve was presented. Projections for 2020 are the basis for the 2050 water demand.
4. *Aging Infrastructure*: There are equipment and disposal needs for handling solids at water reclamation facilities. The highest departmental costs are personnel, power, chemicals and solids handling.
5. *Staffing*: The department has initiated several strategies to address retirements and the multi-generational workforce to maintain high quality employees.
6. *Financial*: Fair and equitable financing is needed to offer a robust utility.

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Initiatives

Water Resources Director Linda MacGregor discussed initiatives related to financial management and the financial studies completed by Raftelis.

There was discussion about the six year capital improvement projects in terms of water versus sewer, maintenance versus growth and plants versus pipes. Examples of these type projects were presented. It was noted that 2/3 of the department's investments focus on maintaining what we already have and 1/3 focused on growing the system. Capital funding is allocated based on asset allocations, i.e., 1/3 of the assets are in plants and 2/3 of the assets are in the pipes and pumps.

There was an update on the intern program which is being restructured to focus on college and technical students. There is also an initiative to focus on retaining employees.

There was discussion about asset management. Efforts are underway to develop a plan that lowers the life cycle cost of assets to make the system more efficient and reliable. This has been done for years reliant upon institutional knowledge from employees coupled with periodic calculations. Going forward, there's a need for a more robust asset management system.

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COLLABORATIONS BETWEEN PUBLIC WORKS AND COMMUNITY DEVELOPMENT

Assistant City Manager Angela Sheppard defined the task of the Public Works and Community Development Departments. Directors Chris Rotalsky and Rusty Ligon discussed the status of projects occurring in the following areas of the City. Notable comments are documented below.

Area 1: New Holland / SR 365

- There are a number of ongoing projects in this area with considerable growth at New Holland Marketplace.

Area 2: Thompson Bridge Road / US 129 North

- The Department of Transportation (DOT) has assigned project numbers for the Green Street roundabouts. Design work will occur in 2020 and construction is expected in 2021.
- The Department of Transportation (DOT) is working on a study to remove truck traffic from Green Street. The results are due later this year.
- The Fire Station #2 Project was planned ten years ago. The Chief Financial Officer is working on funding options since the cost of construction have increased.

Area 3: US 129 South

- The Exit 20 Beautification Project - Phase II will be completed soon.
 - Council Member Brooks passionately expressed a desire for improvements on the south side of the city from the railroad crossing to the end of the city limits.

Area 4: Dawsonville Highway/Browns Bridge Road

- Direction is needed on the Green Hill Circle Extension Project.
- The Shallowford Road sidewalk installations are projected to start April 1. The design work was done in-house. A subcontractor will complete the work. This project includes fiber to connect to the Intelligent Transportation System (ITS).
- The Westside Tax Allocation District was implemented to promote reinvestment in retail areas that need some help.

Area 5: Downtown Projects

- There was a brief summary related to the parking deck expansion, a new pocket park and planned developments.
- The Washington/Bradford/Spring Streetscaping Project is being designed by Keck+Wood. The six step timeline was discussed and renderings of the potential changes were shown.

- Council Member Thompson suggested relocating some trees in Roosevelt Square before they get too large.

Area 6: Midtown

- The Transportation Enhancement (TE) Grant Projects involves streetscaping on Main Street, Parker Street, College Avenue, Bradford Street, Martin Luther King Jr. Boulevard, Industrial Boulevard, Davis Street and Grove Street. It has taken several years to gain access to the funds. It will go out for bid in the spring and will begin shortly thereafter.
- Davis Street Cottages are expected to get underway soon using a Home Grant to build affordable housing. This project will open Davis Street for midtown connectivity.

It was noted that many projects are collaborations between the Public Works, Water Resources and the Community Development departments.

PUBLIC WORKS:

Public Works Director Chris Rotalsky stated the department is comprised of eight divisions with duties that are not always exciting. Highlights from his presentation are as follows:

- The department completed approximately 5 miles of paving.
- Roadbotics software is used to rate road conditions. This technology collects data via photographs. It has saved the department approximately 2,000 man hours and offers a consistent evaluation process.
- The Intelligent Transportation System (ITS) is a traffic management system with video capability. It's an innovative approach to monitoring traffic. Additional cameras and fiber are needed. There are challenges associated with crossing bridges. This project was initiated and managed by Public Works staff. The development and project engineering cost was less than \$100,000. It would have cost approximately \$2 million if it had been outsourced. The operation center is utilized by other city departments.

City View Project

City Manager Lackey provided an overview of the City View Property.

RECESS: 5:00 PM
RECONVENE: March 2, 2019, 8:30 AM

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MISCELLANEOUS:

Council Member Brooks committed to sending a memo to the City Manager's Office regarding issues on Athens Street.

Estimated Property Tax Revenue

Chief Financial Officer Jeremy Perry presented tax revenue estimates.

City Manager Bryan Lackey discussed the fact that capital improvement projects have been funded from savings in the past. A rollback would be a conscious effort toward creating a capital budget. If a rollback doesn't happen, the proposed capital budget will be effected.

SPLOST VII Update

Chief Financial Officer Jeremy Perry presented the updated noting Christmas 2018 offered the best collections to date.

SPLOST VIII

City Manager Bryan Lackey stated SPLOST VIII will be for a six-year period via IGA with the county. Chief Financial Officer Jeremy Perry discussed the projects and projections.

1. There are no Tier I projects.
2. Tier II projects are county-wide. The projected revenue is \$35,021,600.
3. Tier III projects are population based distribution projects for cities. The County has agreed to use the 2017 population data. The projected revenue is \$181,941,305.
4. Department Directors requested the following projects:
 - Fire Stations 5 and 6
 - Police Training Building
 - Athletic Fields & Recreation Center
 - Skate Park
 - Parking Deck
 - Roads and Bridges
 - Storm Water

These projects were discussed and categorized as (1) public safety; (2) recreational; (3) roads, bridges and storm water; and (4) parking deck projects. Gainesville's proposed projects total \$36,800,000 and have not been prioritized.

Impact Fees

City Manager Bryan Lackey discussed impact fees and their purpose noting the current structure allocates impact fees to (1) Parks and Recreation (residential only), (2) Police (3) Fire and (4) Libraries (on behalf of Hall County). He commented on what has been done in the past and mentioned potential future projects.

If there is a desire to proceed with changes, an updated fee schedule would be presented at the first Work Session in May. Adoption will require a two hearing process via state law which places the final vote at the May 21, 2019 Council Meeting if this timeline is followed.

Redevelopment Incentives Ordinance

City Manager Bryan Lackey stated a redevelopment incentive ordinance is proposed as a companion to the impact fee ordinance.

Assistant City Manager Angela Sheppard stated the ordinance is being drafted. Its purpose is to incentivize redevelopment in targeted areas by waiving certain local fees. She displayed a draft map of the target area noting the map would be adopted with the ordinance. The proposed criteria to qualify for the incentives were presented along with an example of the incentive calculation. If there is a desire to proceed, the next steps are to: (1) finalize the ordinance and map, (2) meet with some developers to get some feedback, (3) City Manager and City Attorney review, (4) Council review and (5) adoption.

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RECONVENE: 9:58 AM**

Department of Water Resources Action Items

- Stormwater ordinance
- Storage contracts
- Capital projects

City View Project Next Steps

- Site survey
- Visit facilities of potential developers

Budget Calendar

- Advertisement: May 27, 2019
- Budget hearing: June 4, 2019
- Advertisement: June 7, 2019
- Adoption of ordinance and budget resolution: June 18, 2019

WRAP UP:

City Manager Bryan Lackey indicated additional conversations may be needed to address (1) General Fund roll back, (2) Department of Water Resources financials (3) SPLOST VIII projects, (4) impact fees and (5) redevelopment incentives ordinance.

Additional Direction/Feedback from Council

Council Member Bruner inquired about code enforcement sweeps and requested a drive thru of county areas within close proximity to the city limits.

ADJOURN: 10:20 AM

/dj

C. Danny Dunagan, Jr., Mayor

Denise O. Jordan, City Clerk