

COUNCIL PRESENT: Bruner, Dunagan, Wangemann, Hamrick, Figueras  
STAFF PRESENT: Padgett, Sheppard, Palmour, Jordan

Mayor Bruner called the meeting to order.

**ADMINISTRATIVE SERVICES ISSUES:**

**Alcoholic Beverage License Applications**

Senior Finance Technician Tracie Morris presented two applications:

- G&P Package, 1664 Park Hill Drive, a new application for package sales of beer, wine and liquor
- Racetrac #597, 2410 Cornelia Hwy, a new application for package sales of beer and wine

Both applications were in order.

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**FY11 Comprehensive Annual Financial Report**

Chris Hollifield, Rushton & Company, thanked Council for the relationship that has been established. He used a powerpoint presentation to supplement the report. A summary of the presentation was noted as follows:

- The City is in good financial shape.
- The Statement of Net Assets and Statement of Activities are the only statements that bring all funds together showing all debt and all capital assets.
- The Revenues over Expenses column on the page entitled Five Year Comparison indicate the FY2011 figures more than doubled the FY2010 figures which is attributed to contributions from developers to the Public Utilities Department.
- The Other Post Employment Benefit (OPEB) Obligation information documents decreases in unrestricted assets for the city. This is an unfunded liability totaling \$18.5 million with a current expense of \$4.2 million. It is important to monitor this liability because it could decrease the total assets and cause some funds to show negative balances. OPEB works like the retirement plan in that it is not fully funded. This unfunded liability is not currently required to appear on the balance sheet.
- An overview of the General Fund indicates revenues increased by 7.2% and expenditures increased by 2.9% mainly due to personnel cost in the Fire Department. The unassigned fund balance increased to 2.7 months compared to last year's 1.9 months. It was later noted that Employee Appreciation Checks were paid from reserves which lowers the unassigned fund balance to a 2 month reserve. Property taxes were the number one revenue source followed by Local Option Sales Tax (LOST).
- An overview of the Public Utilities Department Fund indicated revenues increased by 10.5% and operating expenses decreased by 0.6%.
- The Report on internal controls indicates the city is following governmental auditing standards. It also indicates there are no material weaknesses or significant deficiencies.

Upon inquiry from Council Member Figueras, Mr. Hollifield stated it was difficult to compare cities because of transfers from enterprise funds; however it is typical to have a 3 to 4 month reserve.

**Business Resolution: Workers' Compensation Coverage**

Human Resources/Risk Manager Cindy Mallet stated a broker pre-qualification process was conducted resulting in the selection of four local brokers to participate. Two proposals were received. A consultant assisted with analyzing the options. The Georgia Municipal Association (GMA) offered the best pricing with the same structure. The proposed resolution authorized documents to be executed to enter a contractual agreement.

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Mrs. Mallett reported receiving some conceptual information about self insuring indicating she would like to explore this further over the next year to consider the possibility of moving to self funded status for FY2013.

Upon inquiry from Council Member Wangemann, Mrs. Mallett stated careful analysis of the claims history would be required to determine areas offering potential savings if the city moves to self funding.

Upon inquiry from Council Member Figueras, Mrs. Mallett indicated GMA did not offer a proposal for property insurance.

**Business Resolution: Retirement Plan B – Adoption of Master Defined Benefit Retirement Plan Document (Amended and Restated with Amendments Effective July 1, 2011)**

Chief Financial Services Officer Melody Marlowe stated this amendment was the result of changes in the law which needed to be documented in the Plan Document to obtain a favorable letter from the IRS. The Georgia Municipal Association (GMA) had to update their information before each member could complete their update. A seven page summary of the changes was provided. Mrs. Marlowe briefly reviewed changes regarding the following: disability benefits, the "pop-up" joint and survivor option, the elimination of the early retiree "Social Security Offset", lump-sum post-retirement death benefit and forfeiture of benefits.

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**Resolution: Fiber Installation Intergovernmental Agreement (IGA)**

Assistant City Manager Angela Sheppard stated she had been working with Information Technologies Manager Greg Leach to prepare a resolution authorizing an IGA with Hall County. The City has been in the process of expanding the fiber optic network for a while. The County was aware of the plans and expressed a desire to work with the City to provide fiber optic to the former Liberty Mutual Building. Mrs. Sheppard stated the work will occur in four phases. They considered various routes and were leaning toward using utility easement access. A proposed map was provided with the paperwork. Cost allocation percentages were based upon usage. Gainesville is responsible for installation, will own the network and will lease strand counts to the County. The cost of repairs will be based upon the strand count. Both parties will save money under this partnership.

City Manager Kip Padgett stated this project was approved through the budget.

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**PUBLIC SAFETY ISSUES:**

**Business Resolution: Public Safety Intergovernmental Services Agreement Cooperative 9-1-1 Emergency Public Safety Answering Point Between Hall County and the City of Gainesville**

Police Chief Brian Kelly stated this was a request to sign an Intergovernmental Agreement to replace a Memorandum of Understanding. The agreement was for 12 months or until such time that both parties mutually agree to terminate. The agreement included a provision allowing amendments as needed.

City Manager Kip Padgett stated this agreement is mandatory for the CALEA standards.

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**PUBLIC WORKS ISSUES:**

**Project Resolution: FY2011 Road Paving Project Award of Contract**

Engineer Stan Aiken stated the proposed resolution authorized the execution of contractual agreements to pave five streets: Beverly Road, Fair Street, Island Drive, Lanier Avenue and Wessell Road. The lowest bid was from Allied Paving Contractors. The project cost would not exceed \$497,998.05.

Council Member Dunagan commented on some cracked streets noting if a big ice storm comes there will be further damage.

Council Member Hamrick asked if the state could be contacted to fix their streets.

Council Member Wangemann felt Washington Street toward West Academy was in bad condition. He also expressed disappointment with Public Utility cuts noting the patches are not smooth when they are completed.

Council Member Dunagan asked if the Public Utilities Department could pay Public Works to do the work noting this could reduce equipment cost.

Council Member Hamrick asked if other streets could be addressed with the remaining balance.

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**Project Resolution: Addition of Banks Street, Grove Street and Maple Street to FY2010 Road Paving Project**

Engineer Stan Aiken commented on savings from a recent paving project and requested permission to add the referenced streets to the FY2010 Road Paving Project.

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**COMMUNITY DEVELOPMENT ISSUES:**

**Public Hearing items for the January 3, 2012 Council Meeting**

Community Development Director Rusty Ligon presented the items to be addressed at the next meeting.

*The Atlanta Botanical Garden*

*Amend Planned Unit Development on 167.99± acres at 351 Lake Hill Drive, NE*

The applicant's proposal was reviewed along with comments received from departments and the Department of Transportation. There were no public comments. The Planning and Appeals Board voted to approve the request with five conditions.

*Rescate 2000, Inc.*

*Special Use Permit on 8.19± acres at 2920 Florence Drive, SW*

The special use was for a daycare facility serving more than 18 children. The applicant's proposal was reviewed. Several individuals spoke in favor of the request. The Planning and Appeals Board voted to approve the request with three conditions.

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**CITY MANAGER'S ISSUES:**

**Resolution: Intergovernmental Agreement with Hall County regarding Solid Waste Tipping Fees**

City Manager Kip Padgett stated he had been working with the County Administrator to set the rate at \$33.00 for the next two years. The current service provider (Advance) did not offer this rate until after the discussion with the County. He recommended moving forward with the agreement with Hall County.

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**Council Retreat**

City Manager Kip Padgett distributed a draft agenda and asked Council for input regarding any other topics to be addressed. The retreat was set for January 27<sup>th</sup>.

Mayor Bruner suggested having another session to specifically discuss the Comprehensive Plan.

**EXECUTIVE SESSION:**

City Manager Kip Padgett requested an Executive Session to discuss personnel and real estate matters.

**Motion to close the Work Session at 10:26 AM to enter an Executive Session to discuss personnel and real estate matters.**

Motion made by Council Member Dunagan

Motion seconded by Council Member Wangemann

**Council Members voting in favor of the motion were Bruner, Dunagan, Wangemann, Hamrick, Figueras.**

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STAFF PRESENT: Padgett, Sheppard, Palmour, Jordan

OTHER ATTENDEES: David Dockery from 10:26 AM to 10:48 AM  
Melody Marlowe from 10:26 AM to 10:37 AM  
Judge Law and Ted Cassert from 10:26 AM to 10:36 AM

Padgett, Sheppard and Palmour left the room at 11:18 AM  
Wangemann left the room and did not return at 11:36 AM

**Motion to close the Executive Session at 11:39 AM to continue the Work Session.**

Motion made by Council Member Figueras  
Motion seconded by Council Member Dunagan  
**Council Members voting in favor of the motion were Bruner, Dunagan, Hamrick and Figueras. Council Member Wangemann was absent.**

**OTHER BUSINESS:**

**Resolution: Ratification, Duties and Composition of the Lee Gilmer Memorial Airport Advisory Committee**

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**CITY CLERK ISSUES:**

**January 3, 2012 Organizational Meeting Discussion**

City Clerk Denise Jordan presented the proposed 2012 Emergency Interim Resolution and the proposed 2012 Council Meeting/Work Session Calendar.

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Mrs. Jordan also presented the attendance record for the 2011 Council Meetings indicating the average attendance was eight individuals per meeting.

**Redistricting Preclearance Letter Update**

City Clerk Denise Jordan reported supplemental information had been forwarded to the Department of Justice upon their request.

**COUNCIL ISSUES:**

**Mayor Bruner**

Reported an inquiry about in-house probation.

**Council Member Dunagan**

Commented on a letter to Council about changes to the meeting structure effective January 3<sup>rd</sup>. Council Member Figueras felt the items were limiting and thought further consideration should be given.

**ADJOURNMENT:**

/dj