

July Minutes
Mayor and Council Work Session
Commerce City Hall Conference Room
July 10, 2006
6:00 P.M.

The work session of the Mayor and Council was held on Monday, July 10, 2006 at 6:00 P.M. in the City Hall Conference Room, 27 Sycamore Street. Mayor Pro Tem Dusty Slater called the work session to order and City Clerk Shirley Willis called the roll. Those in attendance were Mayor Pro Tem Dusty Slater, Council members Wayne Gholston, Donald Wilson, Bob Sosebee and Richard Massey, City Manager Clarence Bryant, Bryan Harbin, Steve McKown, David Zellner, Hasco Craver and one member of the press.

Mayor Pro Tem Dusty Slater turned the work session over to City Manager Clarence Bryant to cover the agenda items.

Mr. Bryant told the council they would cover the agenda and if there were items they did not wish to have on the agenda they should let him know, otherwise the agenda would be prepared the same as the work session.

1. Planning Commission Hearing Items
 - A. Bill Butler, Map 47, Parcel 15E, Rezoning for Annexation from R-4 in the County to M-2 in the City.

Mr. Bryant said the property was along the Bana Road (now North Concorde Road) and Highway 82. It was the last parcel to adjoin the large tract already inside the city boundaries and with the annexation of this property the total acreage for the development would be over 500 acres.

2. Edwards Creek Sewer Line Change Order

Mr. Bryant called upon Bryan Harbin to report the conditions surrounding the Change Order.

Mr. Harbin said the line to be installed would service the I-85 Industrial Park, come down Hwy 98 and North Concorde Road. There was a problem with rock at the corner of Steven B. Reynolds Industrial Boulevard. There had already been 40,000 pounds of dynamite used to determine the course of action for the installation. Mr. Harbin said they must go under Progress Road and the line would be put in at a depth of 35'. According to Mr. Harbin, the original bid was for a bore and the rock problem surfaced. They had looked at three alternatives such as over cutting and tunneling. The cost for tunneling with the consideration of the slope of .3% would cost between \$1,540/foot to \$1,750/foot.

The next alternative was to adjust the elevation toward Highway 98 and stay within 1% at a cost of \$1,000/foot. The decision was that would be the only choice to pursue. The cost of that would be \$1,000/foot for 190 feet at a change order cost of \$190,000 maximum.

Mr. Harbin presented examples of the bores on paper and said he was expecting to have some credits or deductions on the bores on Steven B. Reynolds Industrial Boulevard. He said that when the installation was done they would go ahead and put casings in and the manholes were being adjusted to help with the grades.

3. Demolition Orders:

Mr. Bryant stated that five letters were sent out, hearings held and the 60 day time period was not up on some of the properties. He covered the areas where the letters had been sent to property owners. At 135 Hickory Street the owner was in the hospital and his time would be extended. The waiting period would be up and action could be taken at the August council meeting if the property owners had not complied with the clean up.

4. GMA Lease Supplement for Two Police Cars

Mr. Bryant said the paperwork was ready for execution by the Mayor to lease-purchase two cars through the lease program with 4.71% interest for a period of three years. The purchase was in the capital line items in the budget.

5. DDA Board of Appointment – Jackie Whitfield Replacement

Councilman Bob Sosebee said Jackie Whitfield resigned two months ago because he left Regions Bank and went to work with a bank in Banks County. Jackie had served on the Board for a number of years and had served well according to Councilman Sosebee. He said that Tricia Massey's name would be placed for nomination to the Board to replace Mr. Whitfield.

6. Civic Center & Tourism Authority Appointment – To Replace the Late Bob Teasley

Mr. Bryant told the council they may want to think about a nomination.

Councilman Donald Wilson asked if a letter of appreciation for Mr. Teasley's service could be written. Councilman Bob Sosebee said a resolution presented to Mrs. Teasley would be appropriate. Mr. Bryant replied that Mayor Charles Hardy was good to prepare those.

7. Library Board Appointment – Mrs. Ann Rogers – 5 Year Term

Mrs. Rogers's term ended in June and she had agreed to serve another five-year term.

8. MEAG Power Vogtle Development Contract & First Amendment to the Municipal Competitive Trust

Mr. Bryant said he had all the paperwork to sign and there were four agreements. He covered the titles of the agreements and mentioned that the amount would be filled in. A research of the funds available would be that the City of Commerce could pledge \$500,000 to buy additional power. MEAG would pay the City of Commerce 11.25% interest on those funds.

Councilman Bob Sosebee said that the 11.25% interest rate came from the Southern Company having to go out and borrow funds and the interest rate would be 11.25%, hence MEAG would be paying that same rate.

Mr. Bryant said the First Amendment to Competitive Funds was the funds set aside to reduce the power cost. The agreement could be for a ten year period. (Funds the City of Commerce could access due the deregulation of electricity and the fact that the deregulation never occurred).

The drop dead date to elect to participate was April, 2008.

Mr. Bryant said he had run some electric rates comparison and there was an error in the calculation. He passed copies out the council but asked that they be returned because he was sending the calculation to MEAG for them to calculate.

Mr. Bryant said under the summer rates an increase in volume would make the rates higher. There were 91% of the City of Commerce customers that used less that 1,000 KW.

There was \$550,000 transferred from the Electric Fund to the General Fund on an annual basis to help offset the cost of the personnel in the General Fund working indirectly for the Electric Fund. Mr. Bryant said he would smooth up and redevelop the rates and the paperwork would b included in the agenda package.

9. Discuss 2006 Millage Rate

The consolidation tax digest had been received and Mr. Bryant covered the amounts. He said the projection in the budget was \$230,000 for ad valorem taxes. The mobile home and motor vehicles categories were separate. The net M&O was \$138,940 with a 5% uncollectible fee. The gross amount required would be \$241,500 and that would equal a 1.74 tax millage rate.

The City would have to advertise because of the inflationary growth increase even if the millage rate was not increased. Councilman Bob Sosebee said for \$11,000 more he suggested that the millage rate remain at 1.66 (the same as last year). Councilman Sosebee said he did agree with City Manager Clarence Bryant that the 2006 budget

would have additional growth; however, his position was that \$11,000 could be found within the budget and not have to raise the millage rate.

Councilman Donald Wilson agreed that the millage rate remain the same.

10. Note from Charles Wright, Fort Worth, Texas – BRAG

Mr. Bryant read a thank you note from Mr. Charles Wright of Fort Worth, Texas for the hospitality extended to the group in Bicycle Ride across Georgia while they were in the City of Commerce.

11. DOT Right-of-Way Certification – Hospital Road

Mr. Bryant said he had the paperwork back in hand from DOT regarding the realignment of the Hospital Road and Homer Road at the Chatham development.

12. 2006-2007 Final Budget & Resolution

Mr. Bryant said he had received the final figures for Fiscal 2006 at 4:00 P.M. on Monday. The year end figures would be entered and the final 2006-2007 budget would be completed.

Steve McKown said he had e-mailed the financial statement to the council that day.

13. Personnel

Mr. Bryant announced that a new Public Works Director was hired and came to work on June 29, 2006. Mr. Bryant stated he like Mr. Lewis' philosophy and thought he would do a good job.

In the Building Inspection Department the City of Commerce there was still one inspector and the City was re-seeking another. An offer had been made to one applicant and he turned it down.

14. Activity Reports

Those reports were not available for the work session; however they would be included in the agenda package.

15. Financial Update

Mr. Bryant said it had been a good month and a good year. He suspected the building valuation would increase with the new business locating at the Highway 334 Intersection and also Ingles across the road.

Councilman Bob Sosebee asked if it would be a customer load on the electricity. The response was that the City of Commerce should have a shot at the load of electricity. A new power leg would have to be run to serve both the businesses. Ingles was already a customer of the City so there should be no problem.

Mr. Bryant said the Chatham Development and the Rooker Development were both big developments. The Rooker spec building was 962,000 square feet.

When the rainfall caused the erosion problem on the Rooker project there was a quick response by all parties involved and they quickly corrected the problem.

Mr. Bryant told Mayor Pro Tem Dusty Slater that was all he had.

There were no items by the council.

Councilman Richard Massey made a motion, seconded by Councilman Donald Wilson to adjourn the work session.

The meeting was unanimous.

Dusty Slater, Mayor Pro Tem

Shirley Willis, City Clerk