



**CITY OF DAHLONEGA
WORK SESSION MEETING MINUTES
May 15, 2014
4:00 PM**

Council in attendance –Michael Clemons, Mitchell Ridley, Bruce Hoffman, Roman Gaddis, Terry Peters, Sam Norton

Staff present - Sabrina Cape, Joel Cordle, Bruce Georgia, Rebecca Shirley, Chris Head, Doug Parks

Council absent – Gary McCullough, Terry Peters (left 4:45 PM)

Meeting called to order at 4 PM by Mayor Pro-Tem Sam Norton. Sam made a recommendation to amend the agenda items for Water & Sewer Rate Analysis to be the first report.

1. Water and Sewer Rate Analysis –Tim Grogg asked council and staff to refer to the handout provided for the latest information on the water & sewer fund.

- 3 scenarios incorporated in the narrative of the handout were provided for consideration.
- Within each scenario, the red areas are a potential problem because the coverage ratio falls below the minimum (revenue bond not below 115% coverage ratio, GEFA bond not below 105% coverage ratio). This identifies that a danger to pay the payment in the future may exist and may lead to a notification to the City requesting a plan to get the coverage ratio back above the required percentage.
- The ratio coverage percentage is only impacted by the revenue/expense side.
- Also included in the packet is the expense budget, capital budget, growth project revenue projections reports.
- Major capital improvements expenses not included in each scenario as budgeted items because those expenses would have to be paid in a different manner.
- General consensus that scenario 1 was preferred at this stage as the coverage ratio % not terribly off from required amount. Remain conservative on revenue estimate and liberal on expense estimates moving forward.
- Sabrina reminded Council that during the budget process, June through July, the scenario to move forward will need to be decided. There are other options but these 3 were chosen as to not overload with information.

2. Resolution 2014-6 – Budget Amendment for Cemetery Mapping Project – Sabrina reported the cemetery mapping project carried on between two FY so a re-appropriation of funds is required to do a budget amendment. There was discussion about researching the possibility of paying for the project out of the Cemetery Fund versus the General Fund. It was noted the Cemetery Fund is a

“trust” fund and may not permit these expenses. Doug will research the “trust” to see if it can be used for the grant, maintenance, etc.

3. Traffic Signal Contract – Bruce reported the traffic signal contract with North Cherokee Electrical Contractors for Main & Sunset ends in July. He recommended renewing the contract at the same rate of \$90/hour plus parts for another 3 years. There was general consensus to renew the contract as presented. This will be an agenda item on the June council meeting.

4. Replacement of Poly Water Service Lines – Bruce asked Council to refer to the memo in their packet with the price quote of \$400k for replacing about 350 service lines with copper lines. The quote encompasses the concentrated areas but there are still some outlying properties that need to be identified. The priority areas are most likely Sky Country & Crown Mountain. There was general discussion about ensuring a policy exists where lines are being replaced with the copper as work orders are submitted versus making repairs to the existing lines. There needs to be follow up with Ricky to make sure this is how things are being handled and to determine how to track the problematic areas. Personnel resources and time is the major problem with fixing the lines ourselves versus contracting the project out. It still needs to be identified where the \$400k would come from and determine if the unaccounted revenue could assist with paying the project costs.

5. StreetScape Update – this item was removed from the agenda at the direction of Joel Cordle & Bruce Georgia prior to work session in order to have time to gather more data to share.

Adjourn 5:20 PM