

HAHIRA CITY COUNCIL

COUNCIL MEETING

OCTOBER 2, 2014

7:30 P.M.

COURTHOUSE

Mayor and Council met for a Council meeting October 2, 2014 at the Courthouse with Mayor Bruce Cain presiding.

PRESENT: Mayor Bruce Cain, Councils: Mason Barfield, Kenneth Davis, Ralph Clendenin and Mayor Pro Tem Terry Benjamin. City Manager Jonathan Sumner, Police Chief Terry Davis, Fire Chief Dwight Bennett, PWD Donnie Warren and City Clerk Lisa Mashburn.

CALL TO ORDER: Mayor Bruce Cain

ESTABLISH QUORUM: Mayor Bruce Cain

PLEDGE OF ALLEGIANCE: Mayor Bruce Cain

INVOCATION: Pastor Nick Kudyk

REVIEW/CORRECTION OF MEETING MINUTES:

- A. SEPTEMBER 2, 2013 WORK SESSION**
- B. SEPTEMBER 4, 2014 COUNCIL MEETING**

The Mayor asked if anyone had any corrections or questions regarding the minutes. None noted. **Councilmember Barfield made a motion to accept the minutes as presented which was seconded by Councilmember Clendenin. Councilmember Barfield, Councilmember Clendenin, Councilmember Davis and Mayor Pro Tem Benjamin all voted in favor of the motion.**

PUBLIC HEARING:

A. WATER-SEWER RATES (CITY MANAGER)

City Manager Sumner stated he had a presentation regarding the water and sewer rates as requested by the Mayor and Council. This is the presentation from the 2014 Retreat in August. It is an overview of the Water/Sewer fund. He stated that a flyer was put out to each resident for public education which gave a brief overview of the presentation to educate the citizens. The cities money is split into two funds which is set by a board of standards and the money is segregated into two different funds; the water/sewer or proprietary fund and the general fund. The Water/sewer or proprietary fund has to pay for itself according to GA code 36—81. Taxes must go into a balanced budget and cannot spend more that take in under the General Fund. Bond resolutions must be funded from revenue bonds or the General Fund. The General Fund cannot be used to pay for the proprietary fund or water/sewer fund because it is a businesslike activity. The water/sewer fund must sustain the water/sewer fund. The water/sewer fund must pay for the cleaning of the water tanks, fixing the water/sewer leaks, electricity to run the ponds, deep wells and the lift stations. The water/sewer fund has been up and down in

previous years and the water/sewer depreciates over time. We are expecting a \$200,000 loss in 2014. Tap fees have sustained the fund in past years, many subdivision in the City increased the tap fees. The accountants told us in the past that the tap fees should not sustain the water/sewer fund and now we are seeing the loss. The number of customer accounts was going up but the fund was actually losing money because of decreased in the tap fees. In 2010 we replaced all the meters to the new radio read meters because the liquid cash position was touch and go from 2007-2010. The new apartments in 2011 and 2012 helped but now have gone back down in 2013 and we may not make it to the end of the year without cashing in one of the CD's. One of the CD's in the amount of \$161,789 can pay for 57 days or two months. We have been making improvements in the city and we have grown 68% from 2000 to 2010. We are experiencing growth like suburban Atlanta. We need to manage the overflow of the ponds, when it rains the ponds get full and overrun and this is experienced all over Georgia when we have a lot of rain. He stated that a lot of the time we are treating rainwater instead of sewage because of the old terracotta pipes. We still have areas that have the old clay pipes. Our short term solution is to purchase an UV light in the amount of about \$200,000. We also have long term options to decide on down the road. City Manager explained the history of the water/sewer rates and that it basically has not changed in the last 23 years. He said that if we want to break even and make up the \$200,000 we would need to raise the base rate by \$13.00. If we want to have money for improvements we will need to raise the base rate by \$20.00. He discussed where our rates compare with the rest of the state; based on the GEFA study made up of 450 providers. The study showed that of other cities of our size and services that we are rated 17th which is dead last in the state. If we raise the rates then we would be rated 8th in the state. The decision needs to be made about raising it all at one time, phase in total amount of increase or partial increase and subsidize the fund with the CD. We also need to decide on the amount.

The Mayor then said that they are open for comments and questions. He asked if anyone was wishing to speak against raising the water/sewer rates.

Ronnie Lynch of 415 Claudia Drive said that he cannot water his yard now. The minimum rate is fine. He said that we need to do survey on what the wages of the City are. He said that there are a lot of things that can be done. We need to get things right.

Temple Ogundu of 503 Judy Ann Drive asked what the percentage of that increase would be. The examples of a beautiful city; have we taken cost savings or reduction measures. The City Manager said that over the last 9 years we have had the same public works director, all cost are scrutinized, never going over in the budget and that the proprietary costs have remained stable.

Shelly Miller of 407 Weaver Street said that she feels we should pay for what we use. We continue to grow to over 44,000. She understands that people with fixed income it really cuts into their funds and said that she is not sure where the base figure of 3000 gallons comes from. She said that everybody will pay what needs to be paid, if you are going to live and retire here you must be willing to pay for it.

Kathy Kent of 404 Judy Ann Drive said that she feels there are a lot of things that she feels should be done differently. In 2009 her water bill was undercharged and then the new meters came in and replaced all the old meters. She said we have an accountant, we must listen to them, and we cannot pay for your mistakes. She said that her garbage was not picked up last week and that she wanted a refund from the City.

Quida Lane of 210 Branch Street said that there are a lot of fixed income people in Hahira. She said that she understands everything but feels that we need to limit the amount of increase. She said that the sewer rates are too high.

Scott Williams of 109 Lawson Street said that he feels we need to decrease the base rate and increase the rates for those that use a lot of water. A lot of people are on fixed income. Joanna Nichols of 209 Redbird said that she felt the City Manager did a great job on the presentation but that a lot of people are confused about more water being used and more finances going out. You said the cost remain stable but the tap fees sustain it. We need to replace that source of revenue. The usage fees are not covering the expenses. She said she feels that it should be increased but would like to know how often you intend to increase the water/sewer rates.

The Mayor asked if anyone wished to speak in favor of the water/sewer rate change.

Wilmon Stanley of 308 S Washington said that he is on a fixed income, he said he has a degree in accounting and business education. He said that the most important thing is to know what has happened. He said we should have started raising the rates years ago in small amounts, then we would not have to do it all right now. He said you cannot enjoy services like water/sewer and sanitation without paying for it. The systems depreciate and deteriorate and they need to be repaired to receive the services. It is at a cost and he is asking every citizen to step up.

Tim Coombs of 307 W Lawson Street said that he is not for or against but as a business person he understands that you have to increase fees. He said it was a great presentation. He said that his concern was the \$20.00 to the businesses, he has a laundry and restaurant that use a lot of water. He said that we need to know that the trees are ruining our drains, sewer lines and sidewalks especially in front of the Methodist Church on Church Street.

Donald Headrick of 612 Lafayette Street said that he is in favor of the increase to change the quality of the water. He said that we have health issues from the water, i.e. thyroid problems. He is more concerned with the quality of the water and the UV rays. What are we going to do about the quality of the water? The City Engineer said that we test the water monthly. The new well was just added at the Industrial Park. He said we used to have to add a lot of chlorine to give the water time to get through the lines but now the new wells reject the chlorine when the level is too high and it reduces the amount of chlorine added to the water. The chlorine intake has been reduced to half.

The Mayor asked if Council had any questions.

Councilmember Clendenin said that a number of years ago there was discussion about putting a limit on water and taxes for seniors. He said that this is something to entertain and feels we should limit the increase to the senior citizens. Clendenin said that we don't have capacity to increase the sewer, need to put moratorium on building.

The Mayor said the only time we do not have capacity is when we have heavy rainfall but as far as the average daily capacity, we have that.

City Manager Sumner said that we have a lot of options on the table, a lot of information and options to look at.

Mayor Pro Tem Benjamin said we may be able to discount the seniors because of bonds, maybe we can reconsider it now. The water has not been raised in the last 20 years, gas has gone up, and milk has gone up. The City has neglected to put any type of burden on the citizens. What bill has stayed the same for 23 years? He said it is not an easy task but that we are at the point that we cannot go on any longer, we have to do something. This Council has the burden of coming up a figure to bring us out of deficit. The level of service that we receive from the Police, Public Works and Fire Department is at a cost, and that we are fortunate to have these services. We need enough to be sure that things are taken care of properly, it is not easy but we have a great Council and City Manager and that all consideration will be taken. We all have to bear the burden.

Mayor Cain said that he was thinking on the same lines and feels that we need to get the City Manager to work on getting up options of what we can do and give him a month to work on it. Councilmember Davis said that he does not want to repeat what has been said but that we have to look at a lot of things from a lot of different angles. What got us here? He does not fully understand what got us here, advice was not taken in the past, and it should have increased 23 years ago. What have you done to have cost reduction? The milk cost has increased a lot over the years, where would the industry be if they had not increased the price of milk. Now we are faced with putting the price up there and it has to be done quickly. Another point is to maybe not change the base rates just the usage rates. We need to fix something and not have an ongoing mistake. We will consider all option and comments.

Councilmember Barfield said when it is all said it is very simple from the university standpoint, you must increase the pool or increase per student. We can raise it \$13.00 and have finance as is or \$20.00 and finance improvements. He said that the last rain we had that we had raw sewage coming out of pipes. He said that 85% of the world does not have what we have. We have good quality water and sewer drainage. We are not where we need to be but we can see where we need to go. If we increase it now then maybe we will not have to increase it again. As we have moderate growth then maybe the system can handle it. He suggested we look at the statistics and the demographics and do a one-time rate increase. **Councilmember Barfield made a motion for the City Manager and the City Engineer to do a demographic number report on rate increase to take care of our present and future needs which was seconded by Councilmember Clendenin. Councilmember Barfield, Councilmember Clendenin, Councilmember Davis and Mayor Pro Tem Benjamin all voted in favor of the motion.**

B. FY15 BUDGET FORMAL ADOPTION (CITY MANAGER)

City Manager Sumner said that as presented at Work Session this is the formal adoption of the FY15 Budget. He then asked if anyone had any questions.

The Mayor asked if anyone wished to speak in favor of the budget. None noted.

The Mayor asked if anyone wished to speak against the budget. None noted.

A motion was made by Mayor Pro Tem Benjamin to approve the FY15 Budget which was seconded by Councilmember Barfield. Mayor Pro Tem Benjamin, Councilmember Barfield, Councilmember Davis and Councilmember Clendenin all voted in favor of the motion.

The Mayor stated we will come out of Public Hearing.

CITIZENS TO BE HEARD:

None noted.

REVIEW OF BILLS/OVERAGES:

The Mayor asked if anyone had any questions or concerns regarding the bills. None noted.

Councilmember Clendenin made a motion to pay the bills which was seconded by Councilmember Davis. Councilmember Clendenin, Councilmember Davis, Councilmember Barfield and Mayor Pro Tem Benjamin all voted in favor of the motion.

DISCUSSIONS:

A. SCADA UPGRADE-SPLOST VI (CITY ENGINEER)

City Engineer Ronnie Dudley said that we have a SCADA system that operates and monitors the wells. The system we have now was put in in the 90's and the equipment that we have is outdated. The Old radios are out of frequency and the software is outdated. He said that we had the contractor to look at everything and to bring it up to date it will cost \$13,000. This can be paid out of SPLOST VI. Councilmember Clendenin asked when it can be completed, can it be done by the end of the month. He asked what type of warranty we have. Dudley said all the new stuff has at least a one year warranty on it. **Councilmember Clendenin made a motion to approve the updates not to exceed \$13,000 which was seconded by Councilmember Barfield. Councilmember Clendenin, Councilmember Barfield, Councilmember Davis and Mayor Pro Tem Benjamin all voted in favor of the motion.**

B. DDA INFORMATION SESSION PROPOSAL –CUIOG (MAYOR CAIN)

The Mayor said that he had spoken to Myra Register and she can come give a presentation of the pros and cons of a DDA for the cost of \$1800.00. Councilmember Clendenin said that the City Manager gave a great presentation of the DDA in the past and that maybe he could do it again. He said many do not see what the DDA can do for us. City Manager Sumner said that he appreciates the offer but that Myra Register has 25 years and this is her specialty, she know what it is and what it isn't and her qualifications exceed mine. Councilmember Barfield said that he thinks it is a great

opportunity to bring someone in, we have two new people on the Council and they can bring the information in and give others the information. Mayor Cain said that Myra was in Kingsland for many year then went to the City of Valdosta before she moved to the University of Georgia. Councilmember Barfield said that he is not for the DDA but he needs to be educated. If the DDA such a bad thing then why are small towns all over the area using them. **Councilmember Barfield made a motion to approve the \$1800.00 for DDA information session which was seconded by Mayor Pro Tem Benjamin. Councilmember Barfield, Councilmember Davis and Mayor Pro Tem Benjamin voted in favor of the motion. Councilmember Clendenin voted against the motion. 3-1 approved.**

REPORTS:

Councilmember Clendenin said that he appreciated everyone coming out, nice to get their input. He said that he hopes Council will make the right decision. The presentation on the water/sewer was good. He said that the Honeybee Festival starts tomorrow and he hope everyone will come out and tell their friends about it. The parade will be at noon.

Councilmember Davis asked that everyone bring their concerns to the Mayor and Council and that they will try to answer for them. Come to the meeting or call your Councilmembers to get your answers. He thanked everyone for coming out and hopes to see them at the Honeybee events.

Mayor Pro Tem Benjamin thanked everyone for coming out and for the opportunity to serve. He said we have some hard decisions ahead. Thank you to the Mayor, City Manager, City Clerk and all departments for their hard work.

Councilmember Barfield said he would like to ditto what everyone has said. He said many ask him why he would do this. He likes the process and making a contribution. He encourages others to be a part of this process, it is very rewarding and he enjoys working with good people. Thank you.

Mayor Cain said he too would like to ditto what everyone has said. Thank you to the Fire Department, Public Works Department, Police Department, he knows there is a lot of hard work, but we have a good crew. Congratulations to Fire Chief Bennett on being the Grand Marshall for the Honeybee parade. Thank you to the City Manager, City Clerk and Sr. Finance clerk. He said that he appreciates the work of the Council.

City Manager Sumner thanked everyone for the opportunity to serve, he has 8 years this month and he enjoys the spirit and academics of the job. He said we have ten months for this Council and they are committed to transparency and citizen participation. We have the HHPC study committee meeting next Wednesday at 10:00 a.m. Thank you for all the good work.

The Mayor asked for a motion to adjourn. Councilmember Barfield made a motion to adjourn which was seconded by Councilmember Clendenin. Councilmember Barfield, Councilmember Clendenin, Councilmember Davis and Mayor Pro Tem Benjamin all voted in favor of the motion

The meeting was adjourned at 9:45 p.m.

Mayor Bruce Cain

City Clerk Lisa Mashburn