

**CITY OF EUHARLEE
CITY COUNCIL WORK SESSION MINUTES
MARCH 21, 2017**

Mayor Dennis Thayer called the meeting to order followed by the Pledge of Allegiance.

City Manager, James Stephens called the roll and the following were present: Mayor Dennis Thayer, Council Members Craig Guyton, Ronald Nesbitt, David Duncan and Joe Turner. City Attorney Boyd Pettit was not present.

OLD BUSINESS

Sewer Update - James Stephens

City Manager, James Stephens updated the council with the continued negotiations with the county. The only changes since the last meeting was an increase in the interest rate. As it appears, it will be finalized with a 1.68% interest rate and it will change the annual debt service payment from \$107,000.00 to \$117,000.00. He is continuing to work with the county on some of the wording in the contract for future extensions off of this project, if it should come to pass. The county has the job out to bid. The bids will open on April 11, 2017. It is structured in a part A and part B. If the City of Euharlee chooses not to go forward the county will still be able to proceed with their portion. We are not at this point locked in, but they do anticipate it being on our April agenda for a final vote. Mr. Stephens said, he will be encouraged by the input from the public tonight and will try to answer any questions the elected board may have or any from the public and will attempt to answer.

Mayor Dennis Thayer said, he will add for the people that are there new at the meeting. The county will bring the sewer to the city limits down the southern end of Euharlee Road until somewhere in the proximity of the football field at the middle school. At that point, a left turn and go in the southern direction behind the schools to the Euharlee creek to a low spot between here and the creek. At that point, there will be a pump house. All the sewer in the city will run down to the pump house and pumped back out down Euharlee Road.

The project was in the initial SPLOST projection that was voted on in 2014 and was estimated at 1.3 million dollars and the city's estimated part was \$600,000.00. Obviously, construction cost is much higher today than it was then. The total project is now 4.6 million dollars to include the county and the city's portion. The county has agreed to cap the city's portion off at 2 million dollars. There is some desire that we haven't talked about what is, at the time the sewers are put in, to add some sidewalks and street lights down the southern end of Euharlee Road. He said, he don't think he has ever heard anyone say we don't need sidewalks or street lights along Euharlee Road.

Mayor Thayer said that's the overall plan. The property that is needed at the school, the school has agreed to give the city the property, as well as, agreed to come on to the sewer once it's in place. One of the negotiating facts, is looking to bring it in to some of the bigger subdivisions when it's installed to allow homeowners to come on board with the sewer. He said, a lot of homeowners in his subdivision, Shaw Woods, have problems with their septic system and it will a big relief to homeowners.

The payment will be \$117,000.00 annually and is expected to come out of SPLOST funding. The SPLOST and LOST funding the last 2 months have increased by 8 percent, the same as 4 years ago. If for some reason the SPLOST did not get voted on in a couple of years, there would have to be a millage rate increase of about 1.3 mills to pay for the \$117,000.00 payment. He said, the projects, with the exception of the SPLOST transportation project, the other SPLOST projects votes have not been in trouble, will maintain in the direction without the regular SPLOST being in jeopardy at this time. This is an outline of where we are at. There is a map of where the sewer will go. It's out for bid. It's expecting to begin sometime this year in the 4th quarter and will take about 8 months to get it done.

Mr. Stephens said he didn't communicate, the first monthly payment in the contract is not scheduled until December 31, 2019 and coincides with the final payment on the URA bonds. The payments will not be made in conjunction with the bond payments. The county has been very cooperative with the initial payment date.

Mayor Thayer said, the city has an URA bond that they are paying off. There were some major projects throughout the city and like Mr. Stephens said, the bond is paid off in 2019. We are not taking on the county's sewer system. We do have that option and we would have to build a sewer plant and I don't think anyone desire to build a sewer plant. It will be the county's sewer system, however we will charge a sewer charge for businesses and homeowners that are on it to help the city re couple some of the monies that have been spent. The amount has yet been determined to what it will be. It will not be a huge amount that we are aware of, but an amount for the city to re couple some monies in the long run. A project like this is not a short term project. It's a long term project. We already lost one of our biggest assets to the city which was Johnny Mitchell's Barbeque because of no sewer. There are other restaurants that are desired to come here, but can't come because of no sewer. He said, he doesn't think anyone wants another Cartersville built out here, but people would like to see another restaurant or two. We have the pizza place, but on a Friday or Saturday night you would not have to drive to Cartersville. This is the plan that was voted on by council as a SPLOST project back in 2014.

Council Member Craig Guyton asked if the \$117,000.00, 1.68% interest rate is carried for 20 years. Mr. Stephens said yes with no early penalty payment if we should be in a position to pay it off early. When the next referendum pass, we might consider that.

Council Member Joe Turner asked if it was discussed if the city was not able to pay, if we could pay interest only for 1 to 2 years. Mr. Stephens said they agree to the payment dates which concedes with paying off the bond first.

Council Member Ronald Nesbitt asked, if we put the project off now, 4 years from now, how would it hurt the city verses now. Mr. Stephens said, presently the county, in addition to this project, is in the process of about 10 other very significant projects. As you know, the current project initially said only 19 projects could tie on at the onset of the project. Based on the land lay of the project, not sure if we could do it in 4 years with the county having all the projects they have on the table. The revenue stream, without us not collecting the fees for the treatment of the sewer, he thinks it would be very difficult to do on our own and plus the cost would escalate to over 3.5 million in 4 years. This is the best opportunity to accomplish the project, not saying something wouldn't occur in 4 years to bring it about. He said, the financing and interest rate of 1.68% is so favorable because it's in the package with some many other projects. Council Member Nesbitt said, his fear is they might be doubling or even tripling the price if we don't do it now. He thinks council would be considered poor stewards to say not now and 4 years from now paying 7 to 8 million. Mr. Stephens said he thinks that's an accurate observation. Also, the county is

agreeing to a December 31, 2019 as the initial payment date, which is almost like putting it off 2 years. It's a good opportunity and shows progressive cooperation from government units.

Mayor Thayer said with us doing this with the county and they are capping the city's portion, it will be good and the project could be much higher. It has a 61% increase since the project was initially proposed. If that same increase continued, you are looking at least 3.5 million.

Council Member David Duncan said he agreed and we need to do it now.

Council Member Turner said if we don't do it now it will cost a lot more in the long run. He knows a lot of people don't see it as a benefit right now and it will probably be 3 to 4 years before we see an economical benefit from it. He said some of the council will not be there 7 to 10 years from now and to put it off does not make sense. Mayor Thayer said if the county agree to start running in subdivisions you will see instant relief for some folks and it's financial feasible for them. It is a long term project.

Public Comments

Marshall Aiken, resident of Euharlee asked, at the cost that is capped, does it include the sidewalks and street lights. Mayor Thayer said it does not include the sidewalks and street lights. The cost is \$200,000.00 and has not been discussed yet and it will be a separate project. He thinks if you are going to tear up the roads it should be done at the same time. Marshall Aiken asked, in the future are you considering bringing it further out into the city down Euharlee Road and back down Cliff Nelson Road. Mayor Thayer said, there is nothing in writing and it's all open right now and it's all possible. The way that it's being built, the pump house is at the lowest part of the city and everything will be gravity fed to there. The good thing about is if it is expanded out westward there is only 1 line instead of 2. Coming into downtown there has got to be 2 lines. You have the gravity line coming in and the force line out. So it's double the price. It is being built with further expansion possibilities. Marshall Aiken asked if the county will maintain the sewer and Mayor Thayer said yes.

Tracy Queen, resident, respectively declined to speak.

Sharon Bruns, resident of Euharlee said she was following up with what Marshall asked about the street lights and sidewalks being a separate project. She remembered the discussion about the street lights being added to current poles at a cheaper price that was discussed by Mr. Turner. She wondered why council didn't follow that avenue. Mayor Thayer said, they have already been completed. Council Member Joe Turner said, we identified the lights and bus stops in the morning and that is being worked on. He said the initial one he promoted and started did not have anything to do with the sidewalks and the street lights. Mrs. Bruns asked, how many was put up. Mr. Stephens said 19. Mrs. Bruns asked, if the sidewalk part would go to the bridge. Mayor Thayer said yes, because there is already sidewalks on this side of the bridge. Mrs. Bruns asked, if the city were to postpone the project would the county take the sewer to the schools. Council answered no. Council Member Turner said, it has been discussed and the answer was no. Mayor Thayer said they would only to the city limits. Mrs. Bruns asked, what time frame to getting the sewer into the subdivisions. If the lines would go into the neighborhood in front of our homes and we tie on. Mayor Thayer said, he did not know if they would go through the front or the back. It has not been drawn yet. It's still in the negotiating stage with the original contract but no time lines, but hopes to start the first year. Mrs. Bruns asked, is there any idea of the cost to tap in. Mayor Thayer said, the current cost is \$3,500.00. She said it should be 2 years from now, so it could be \$4,000.00. Mr. Stephens said it could

be more. The county has agreed to utilize its existing procedures to request for sewer extensions which takes into consideration the environmental factors, the number of applicants. So if 25% of the applicants at Shaw Woods would take longer if we had 60% of the applicants at Shaw Woods that is willing to apply. Again it will be based on their procedures and formulates. The density of Shaw Woods's subdivision is favorable. The numbers should work out so the county would have an interest in pursuing it. We are striving to have it negotiated, the language may state they will start within a 12 month period of the completion. It is ongoing and not in final form, but that would be the goal of the council with contingent upon the number residents willing to tie on.

Tammara Brock, a 25 year resident of Hunters Landing subdivision in the City of Euharlee. Mrs. Brock said, when Shaw Woods connected to the trail it was agreed upon by the developers and the homeowners of Hunters Landing that there would be no construction traffic and signs placed at the entrance. Those signs are now gone and she wants to know if the signs can be placed back up because there is construction traffic. Mayor Thayer said, that was a deal with Bobby Carter and not sure if the city has any legal rights to say they can't use that road because it is a public road. Mayor Thayer said, he would be happy to reach out to Bobby Carter and discuss it with him. He does not know if there is a lot of traffic, because a lot of it still goes around, but he will discuss it with him. Mr. Carter is a good neighbor and tries not to do anything to upset people. Mrs. Brock said, it is a lot of wear and tear on Campfire Trail. Mayor Thayer said, it has been approved to pave Campfire Trail. It's in the queue for the county to get to as soon as they can. Typically, this time of year they do not do a lot of projects. She said that leads to her second question about the stop lines. She doesn't know rather to pull out or not because a lot of people do not stop including the construction traffic. Mr. Stephens said, it has been approved and we have received the monies and it will be taken care of as soon as the freezing temperatures are behind us. The county superintendent is working on scheduling. Mrs. Brock asked how the sewer will run and will her yard get a lot of that. Mayor Thayer said, that is an engineering question that has not been approached. Mr. Stephens said, there is a potential that Campfire Trail will likely be an avenue. Council Member Craig Guyton asked Mrs. Brock to leave her number with the City Manager and he call you back after talking with Mr. Carter and get you some information.

With no further discussion the meeting was adjourned at 7:26 pm.