

December 19, 2012

**Minutes of the Community Development and Transportation Committee Meeting
Wednesday, December 19, 2012 – 8:00 a.m.
Room 220 – City Hall**

Present: Mayor Jere Wood, Councilmembers Nancy Diamond, Rich Dippolito, Kent Igleheart, Jerry Orleans, Betty Price; and Becky Wynn; City Administrator Kay Love; Deputy City Administrator Michael Fischer; Assistant City Attorney Bob Hulse; Community Development Director Alice Wakefield; Planning and Zoning Director Brad Townsend; Economic Development Program Coordinator Stefanie Dye; Deputy Director of Transportation David Low; Transportation Planner III Andrew Antweiler; Senior Transportation Engineer Robert Dell-Ross; City Traffic Engineer Muhammad Rauf; Engineering Design Manager Franco DeMarco; Transportation Planning Manager Chris Chovan; Land Development Manager Clyde Stricklin; Traffic Operations Supervisor Mike Elliott; Transportation Contracts Assistant Claire Bruce; Grants Specialist Charles Alford; Community Relations Manager Julie Brechbill; Assistant Director of Recreation and Parks Morgan Rodgers; Administrator of Parks Services Jeff Pruitt; Assistant Public Works/Environmental Director Mark Wolff; and Executive Assistant to City Council Lisa Hines.

The meeting was called to order at 8:00 a.m.

The minutes of the November 28, 2012 Committee Meeting were approved.

The proposed Addendum to add a Finance item regarding the imposition of an excise tax on the energy used in manufacturing was approved.

COMMUNITY DEVELOPMENT

**Consideration of the renovations design for the Community Development
Department/Ground Floor Entry**

- Kay Love noted this had been discussed in a previous committee meeting and Alice and Michael have been working to perfect the design.
- Michael Fischer said in October staff came to you with a design to try to enlighten the area downstairs around ComDev. At this time we had a little more intricate design including putting in some glass walls – through the discussion we were asked whether we could open it up entirely and remove the walls – put the glass walls in differently – and try to realign it to minimize the cost. Staff worked with Building Ops and got some more estimates which are included in the Memo. What you are seeing up here now (referencing provided graphic) – the red/magenta color line you see would be adding a glass wall to open up visually the ComDev area so citizens coming in are not just walking around through a narrow corridor. This also minimizes the cost by doing this and keeping everything straight and not following the exact contours we had previously – we would put in some of the hard walls in that area – we looked at this and had a request to look at taking the walls out – through looking at the operations in ComDev we've got to have the separate area in there – there's quite a bit of work that transpires in the lobby area – it's a waiting area – it's a discussion area along the front counter that you see. There needs to be something to close this off – the difference in

the cost between taking that wall completely out versus changing it over to a glass wall is only a couple of thousand dollars. Logically we didn't quite understand that until you consider what would have to be done to modify the counter area up front and have separation between operations and the general public. Really the only difference on the construction side, once you do the demolition, is the cost of the glass. It really isn't that significant – so in working with ComDev, looking at the operations, and also trying to come to some resolution on enlightening that area to make it so it's not just a closed in corridor – this design is probably the simplest one to build and put in the glass storefront – like the bars in between the individual glass panes – rather than the complete solid glass wall was also recommended based on security and past practices – when people are not aware of it – it's kind of hard to see the glass walls sometimes if you don't have the separations. This design includes that for \$34,850. There's also, he wants to make note, the counter space has been in the process of needing to be reworked. Alice has worked with her staff on that and the folks doing the front counter work now and Code Enforcement recommended a new design. This is in the works and he has included that in here so you can see the total. To do that and the glass walls is \$49,436. He asked for input or recommendations to move forward, if we do try to move forward to open it up, he believes this is the best option we have to get it done for the least amount of money and to reach our goals.

- Councilmember Igleheart asked for clarification regarding the rectangular part – is this also glass. Michael said yes – before we had some solid walls in there and more of an office environment for the security folks but we will be able to work with this – the two small squares are the columns and we are not even attempting to do anything with those – we're going to work those into the design because that is way above the scope of what we're trying to reach in just opening that area up.
- Mayor Wood said for comparison – he asked if there is a slide showing what it is now and what it will be. Michael provided a graphic of the existing layout – with a couple of extra angles in it – that wall that goes across there is actually a solid wall – the only difference in what we have now is the reception counter area is angled to follow the angle of the corridor wall – but that is in plans to be redone anyway so it will be straight. The graphic depicts how it would have looked with those walls being solid all the way around and just one set of double doors on the side opposite of where you come in at HR. So if citizens come in either door – if they come in the HR door now they still have to wander and get around to the other side – they can't see any of that and it makes it more difficult. With the new glass walls not only will they be able to see but there will be a door on each side.
- Councilmember Diamond thanked Michael for reworking this noting she thinks it is a much better option. She thinks long term this will be such a different space than we ever thought about – as far as being customer friendly it will be open, it will be clean, and the counter is envisioned to have seating where people can come up and sit at the counter and talk to staff – you're not just standing there. They are proposing to have internet, phone service, and it will be much better.
- Alice Wakefield said this area is going to become more of a work area for customers because as we move forward with the ERP system we'll have some self-serve systems so citizens can come in, fill out paperwork, look up information, and that's the intent of changing this office area.
- COMMITTEE ACTION: The Committee approved to place this item on the 1/14/2013 Mayor and Council agenda.

Discussion of additional directional signage on Canton Street for Webb Street Shops

- Kay Love noted this item was added at the request of Councilmember Diamond and she has had several discussions with folks with the DDA as well – there were a couple of examples; however, nothing as a recommendation per say, but as an item depicting what potential signage might look like.
- Councilmember Diamond said we're not really at the point of the owner of the wall being interested in painting it right now, but we can pursue the way finding signs that we have all over which are the black ones – we could install a couple of hanging signs just to direct people that there is more shopping and parking down Webb Street and it would be a two-panel sign. Ideally so many of the older, smaller towns have the painted walls that could include a directional sign that may not be the focus of it – it may be something to look at in the future. At the moment, staff has a proposal for the way finding signs.
- Councilmember Wynn said she thinks it's a great idea because we need to start getting people down Webb Street. When she was in Transportation they were trying to think of a way to direct people to this area, i.e. extension of the sidewalks, and due to some issues it just never came about. Anything we can do to help this and if this is the way to do it and if we start with the way finding signs, she thoroughly agrees with that.
- Councilmember Dippolito said he is good with the blade signs; however, does not like the wall sign so much. Councilmember Diamond said that sign looks like it's all about the signage and at some point there would be more painting involved with the sign. Councilmember Dippolito said he thinks it could be done well but could also be done very poorly. He prefers the other option and on top of all this he has had several people comment that it's difficult to find where the parking areas are and asked if staff had thought about directing people to parking areas. Councilmember Diamond said they have discussed this and the simplest solution seems to be an app because that seems to be what people look for. There are parking apps out there but they don't really apply to small, little lots. It becomes more complicated than it should but now they have a better idea of who is participating in parking – this can be included on the app. They are trying not to have a whole lot of signage but she thinks that will go a long way just to let people know what's down there.
- Mayor Wood said one of his concerns is if they direct them to parking and it's always full – we're not really making anybody happy and that's part of the problem because if we direct them to our City parking and it's full and if we direct them to the church parking we don't have authority and if we direct them across the street it's ineffective. The biggest problem is that we need more parking so we can direct them to it and there will be parking. Councilmember Diamond said the great news is that since we've done the valet it seems to have shifted behavior. Some people who don't want to pay are walking a little further and using City Hall and other surrounding parking areas. The valets are reporting they are not full – they have increased their capacity but they have not filled up since we started doing this. She asked if anyone has received any complaints lately about not being able to park. Councilmember Wynn said she is hearing that the restaurants are too full and they can't get in which is good news.
- Councilmember Price said it's important to respond to the needs of our shopkeepers and this is something she hears frequently on Webb Street that people don't know about them so she thinks we need to respond with something like this. She is okay with painting on the side of the building if the owner allows that and historically we have seen more of this than actual

physical signs. We might want to look into the history of that and see that we would be in keeping with the times when these buildings were built.

- Councilmember Orlans said the way finding signs are great to move forward with but he believes a sign on the side of the building puts us into another area of an off-premise sign. Councilmember Diamond said all we're saying is more shopping and parking with an arrow. Councilmember Orlans said his thoughts would be if you are talking about an easement, etc. it's going to be on the side of the building and if the property owner is all about it – maybe the Merchant's Association can just do it themselves and it can stay private and the City doesn't have to get involved with that.
- COMMITTEE ACTION: The Committee approved the addition of two way finding signs (two message blades on one post) at the northwest corner of Canton Street (Option 1).

TRANSPORTATION

Consideration of a change order for the Eves Road Design with Pond & Company in the amount of \$49,000

- David Low said unfortunately this item is not a good news item – a lot of times staff is able to save the City a lot of money – this is one where they are asking for additional money. Although it's not good news he would like to explain it. The design on the Eves Road Complete Streets started in January 2012 with the consultant, City staff, and the Public Works Department and the public had a number of design elements because there is a lot of traffic on this road and we increased traffic calming measures including a roundabout at Eves Circle and the East Roswell Park entrance; added rain gardens in the median to improve water quality and for sustainability; added splitter islands for pedestrian refuge not only in the center of the road but on the sides of the road. They had a realignment of the roadway centerline in front of Sentinel on the River to reduce impacts to their existing entrance and landscaping and a redesign of the intersection at Riverside/Eves to replace the four-way stop intersection. All of those are good features in and of themselves but with all these additions the construction estimate has exceeded the budget so we're requesting an additional \$49,000 to complete the design and bring the design in line with budget and maintain the shift of the roadway away from Sentinel on the River to reduce the impact. They would package some of this cost – staff feels that the City will receive favorable bids on this project and several favorable bids on the other bond projects so what we'd like to is to package this in a way that we can have some add alternates so if we have favorable bids on this and other projects we can add some of these elements. The big money is in the construction – we have a great set of plans – we have a better chance of controlling our construction costs – construction costs are generally about 10 times the amount – the best way for the City to manage the cost is to have a great set of plans. That's why we're requesting this.
- Councilmember Dippolito asked if at this point if staff knows what the construction cost may be. The information received says approximately \$2 million – is that correct. David said it was. Councilmember Dippolito asked if this includes design or if this is outside of design. David said that is just the construction cost outside of design. Councilmember Dippolito asked what staff thinks that number could potentially be at this point. David said it's about \$1.6 million. Councilmember Dippolito asked if they have done any value engineering on what we're looking at to trim the construction number. David said right now they have a set of preliminary plans and they haven't done any final plans. In order to – it is staff's opinion – the best way to control those costs is to make these changes. We can soften this – we wanted

to include as many of the traffic calming features as we could – we were a little overly ambitious with the things we directed the consultant to do.

- Councilmember Price said she hates to start the day off on a bad foot but this did not set right with her. The description of the items on the first page of item number 3 – it's not clear if these things are going to be added or going to be taken out and she knows that they have seen various designs throughout the process and she has attended every community meeting where input was received and she doesn't know that Council ever directed anybody or whether we were supposed to as far as what should be included in the design. So if now we're saying the design is outside of our ability to construct it in a reasonable fashion then there's something funny about the process for instance the roundabout – there were a few people who wanted the roundabout there – roundabouts are wonderful in general but probably not good in that location and now we've come to the conclusion we don't want a roundabout and it's in the design so now we have to pay more money to get the roundabout out of the design. The whole thing just really bothers her as to how it has transpired and even with the list in front of you with the bullets it's not clear if these are now being taken out of the design or being added into the design and at what level did that decision get made. So she just hates to throw what really amounts to good money after bad – maybe that's the only we can get out of the mess but she just doesn't understand how we got a design that was above and beyond our desires, or needs, or financial capability that now puts us in a position where we have to expend more monies to fix the problem so she is not happy about it.
- David Low said they understand that and regret it as well. We, as staff, directed the consultant to include these things based on the input they received at the public meetings and in working with Public Works related to the sustainability features i.e. the rain gardens – this is what staff had directed the consultant to do and the construction estimate is higher than we have in the budget and the best way to control those costs is to correct the design plan so that we can control those construction costs.
- Councilmember Dippolito said just so he can understand we have a set of plans that ties us closer to our original number and then we will include some of these other items as alternates in case our numbers come in low we can include some of these additional features. David said that's correct – the way the contract is designed with the consultant is basically to have one set of plans to not break out these as add alternates so this would change that. Councilmember Dippolito said so this will potentially add some features that the community requested provided the budget allows for it.
- Councilmember Igleheart said so the amount we had set out was \$1.2 million in the bonds – those numbers can be moved around, correct. David said correct. Councilmember Igleheart said so you're saying that we are hoping that other bond bids will be better and that's where that money will come from to cover that difference. The law of averages hits us as some point – we're always under this and one time we're over. David said the bond allows us to have flexibility in that regard.
- COMMITTEE ACTION: The Committee approved to place this change order on the 1/14/2013 Mayor and Council Agenda. Councilmember Price voted in opposition.

Consideration to abandon the City of Roswell portion of the Old Turner Roadbed

- Kay Love said this is a request from Willow Springs HOA. Transportation staff has been working with the HOA and also the City of Alpharetta. Mayor Wood asked if property is adjacent to the location where they hold their special events. Kay said yes.

- Councilmember Wynn said Bob told her she has no financial interest but since she lives there and she is a member of the HOA she's going to abstain from this and recuse herself.
- Councilmember Orlans asked if anyone had considered the history on this. We considered this a while back and there were reasons that we did not do it. He asked if staff has this information. Mayor Wood said in the past the area was adjacent to some properties and was a different portion. Kay said we were talking about abandoning the whole thing and this is a portion of it. Mayor Wood said it's a portion and what he considers a neighborhood park he thinks it's a great use of the property. Councilmember Orlans said he just wants to make sure this is a definite consideration of what is to be brought forward. Mayor Wood said to his knowledge this never came forward next to this. Councilmember Orlans said it was the whole Turner roadbed. Kay said it was on both sides and they had other adjacent properties and commercial on the other side so this is just this portion.
- Clyde Stricklin said staff has looked it and yes it is a different portion and they also looked at specifically how this would affect the park and the opportunities to connect it to a trail or something else. They are specifically trying to get access to Green River and the Greenway and it really doesn't work for that because the property on the northern end, actually in Alpharetta, is a 30-foot bluff so it doesn't work in that area. We originally looked at vacating the whole right of way with Alpharetta and they weren't interested in that so staff asked about vacating the portion in Roswell and they responded that they had no exception to that. Councilmember Orlans said so there's no trail connection that can get through here. Clyde said the best connection is actually through the business parking lot and they already have a "gentleman's agreement" with them to do that. David Low provided another slide that showed the topography of the property – he explained the location of the park and the proposed roadbed to be abandoned. Councilmember Price said she has looked into this and it is a good idea.
- COMMITTEE ACTION: The Committee approved to place this on the 1/14/2013 Mayor and Council agenda.

Discussion of draft letter to the Back Street property owners – Guidance

- Kay Love said as you recall we discussed this at the November Committee meeting and you directed staff to go back and create a letter that might be sent out to the property owners so we have provided that to you as a draft with the proposed deed of gift. Clyde has been working on this.
- Clyde Stricklin said staff has researched the property and the number of people that would be involved. In taking a look at the area there are 11 total parcels. The provided graphic has numbers on each individual parcel. Staff had also been requested to figure out how much per area would be involved. The City's standard is a 20-foot wide right of way – we looked at how much each one would have to give the City to provide a 20-foot wide right of way and some of them are required to give more than others and that creates a real interesting situation in trying to deal with the landowners. We put together a letter that provides incentive with a condition for the City to accept the right of way as a tax donation with a time limitation on it and a condition that they agree to pay to the City one percent of their ad valorem tax value in one year and we might spread that over three years to make the payments a little less for some of them. If you approve this idea the total derived out of doing this is \$55,000 which is the amount that we need to reconstruct the road in a phase type

situation where we would first patch it and then come back and rebuild the whole road later to a better standard.

- Mayor Wood asked if this would be conditioned upon a unanimous acceptance. Clyde said exactly – we would take the donation one at a time or however we can get them over the next period and when we have enough of them we would either accept the whole road because we had them all or if we didn't have one piece we could bring it back to you to discuss condemnation. Mayor Wood said he would support it letting them know it has to be unanimous. He's not going to support it otherwise. Councilmember Orleans asked if the \$55,000 is to cover everything to get the road or alley into condition. Clyde said this would cover the deep potholes that need to be repaired and then resurface the road.
- Councilmember Wynn asked about Lot 1 and the location. She said it appears to be in the road. Clyde responded that it is – it is a long rectangle. Mayor Wood said it's a remnant. Clyde said it is owned by the owner of Lot 2 but there are different lots. This whole lot is part of the road and they have actually made repairs to this section and they have done a good job – if you go out there you will see repairs where the dumpsters are – they have done repairs on their part and on Lot 11 as well. He pointed out a lot that is currently in foreclosure. Councilmember Wynn asked if the City does take this over if the City can make them clean this up i.e. the dumpsters, etc. because they are sitting on the lots all over the place and if this is going to be a public street – would we have the authority to make them clean this up. Clyde said if they give it to us as public right of way – if its public right of way and we can do everything we do with normal right of way. Councilmember Orleans said we have requirements for dumpsters now but these are grandfathered in – so unless they redo their property he doesn't see how we can make them do something different with the dumpsters other than just asking them to turn them or clean them up. That's his knowledge. Councilmember Wynn said even if they go from a private street to a public street. Bob said it's not changing their lots. Kay said they are not sitting in the right of way.
- Councilmember Dippolito said he agrees with the Mayor to make it clear to them that we require 100% participation before we will move forward on it and on your proposal letter – the tone makes it sound like we're asking them to do this and he would prefer that the tone be changed to say we are willing to accept a deed from them and the stipulation that we will work with them – and that we will agree to do certain things on their property – just make it clear that we are doing this for them and are willing to help them – there's a difference.
- Bob Hulse recommended that a time limit be put in the letter as well like you say unanimous but if we haven't heard back by 30 days, 60 days, whatever you decide. Mayor Wood said he would make it long term – one of the properties is in foreclosure and it will take a while to get over – he would give them a year because we're in no hurry. Bob said whatever the decision is – we just need a time limit.
- Councilmember Price said there is an urgency which is not impossible to achieve and that is at the end of this year there's a good chance that the tax advantage will go away. Mayor Wood said so at the end of 2012. Mayor Wood said it's not going to happen. Councilmember Price said a signed agreement on their part by the end of 2012 can give them the tax advantage. Mayor Wood said this is an impossible dream. Councilmember Price said if they are interested in saving money they might be interested in signing. Councilmember Orleans said not all of them. Councilmember Price said this should just be communicated to them as a financial advantage. Mayor Wood said he's okay with communicating with them – he's just telling you it will not happen.

- Mayor Wood agreed to incorporate the one year deadline in the letter. Councilmember Orlans said if they can't do this in a year's time then forget it. This is more than enough time.
- Councilmember Price said we should not tell them there is a year deadline and we should communicate to them that there is a tax advantage if they sign the agreement.
- COMMITTEE ACTION: The Committee approved to move forward with a letter to the Back Street property owners to include a one year deadline.

Discussion of Historic Gateway – National Park Service Mitigation – Guidance

- Robert Del-Ross said Steve asked him to brief the Committee and answer some questions from last month and set the stage for what staff is going to bring to you next month – the January Committee meeting. Staff hopes to have a draft Memorandum of Understanding (MOU) document that the City, the National Park Service, GDOT, and the Federal Highway Administration will sign to establish the mitigation request for the project. Staff met with GDOT and the Federal Highway Administration last week. GDOT is on board with every request of the National Parks assuming that the Federal Highway Administration is also on board. The Federal Highway Administration had several concerns that we have addressed with the local contacts at the National Park Service. The biggest one was that the Federal Highway Administration wanted to make sure that any of the individual requests by the National Park Service did not in itself spawn the requirement for an entirely new environmental document and it will be all one project. Staff talked to the National Park Service and this is a completely fair request in their eyes and they have said that they will understand that those requests will be part of Gateway and not trigger another EA (Environmental Assessment) which would be another two to three or four year process.
- Councilmember Orlans said again, back to his original question – how does this fit into all the different things we are talking about – to the National Park Service and Rec and Parks – we need to work as much of this together – he doesn't want this going off on its own tangent and everything being left behind. He has brought this up multiple times – he wants staff to understand this.
- Robert Del-Ross said approximately 30 minutes ago Ecologic Solutions e-mailed Jeff Pruitt and said that David Smith is dropping off the electronic copy of their EA for the extension of the boardwalk through Bull Slough and they believe all the comments have been addressed.
- Councilmember Orlans asked if this gives the City approval. Robert said this does not mean it has been approved but is the City's update on the portion. Councilmember Orlans asked if the City has gotten approval for the trail going up the old train track and up behind Allenbrook. Mayor Wood said all of this is being negotiated but we're not going to close the deal until it's all negotiated. Councilmember Orlans asked if we think this will get approved. Robert said there are trail connections that are part of their request that align with what the City has asked them for before – i.e. the connection from 275 over to Allenbrook and two trails going from our system north under the new bridges up into their property connecting back up to their bridge. Councilmember Orlans said there have been a lot of discussions and a lot of "yes, it looks good" – we need signatures – we need confirmation – he doesn't want to put it all on Transportation staff – he asked that they keep Recreation and Parks involved and coordinate this. Kay said they are and this is understood. David Low said all of these things will be negotiated at the same time but you have to acknowledge that the environmental document for Gateway cannot mention any of those other things – the discussions can take place in the same meeting but the environmental document for Gateway

cannot mention those other things. Councilmember Orlans said he understands this; however, it would be wonderful if they would sign off on these that they agree are okay and then 10 minutes later you come in with a different committee and we get back to the Gateway. He doesn't know how, where, or when, but... Mayor Wood said we are not passing anything until we have a concurrence on all these discussions – these are all preliminary discussions. Before this Council passes something we're going to make sure it's all done. Councilmember Orlans said he and the Mayor have been involved in this for six to seven years – too long.

- Robert Del-Ross said in other updates, staff has asked GDOT about the option of acquiring the parcel that they have asked for as a protective buy and what that means is that we would be able to negotiate with this property owner in advance of our environmental document being approved. Normally under our normal process the City is not allowed to negotiate with a property owner until the environmental document is approved which could be nine to 12 months from now – it could be more than that – but if they approve this we are allowed to negotiate with that property owner in advance possibly in a couple of months out from now. The other update that Clyde is very interested in is that we have talked to National Park about whether they would be willing to accept a parking lot on the parcel in question without absorbing the entire parcel into their boundary and that is something they are willing to talk to us about if there is a way to construct a lot for them of 15 to 20 spots under a portion of that parcel which would then give them parking without purchasing the entire parcel.
- Mayor Wood asked if staff is looking for a vote this morning. Robert said no – Steve wanted him to brief the Committee because we would like to or hope to bring the document to Committee next month.

Discussion of Community Bus Trip

- Mayor Wood said he and Councilmember Diamond have been working on a bus ride/trip like Greenville. Councilmember Diamond had a good idea on how to do this possibly in May or June. He wants to make sure he has Council support before we spend time on this.
- Councilmember Diamond said this has been talked about before. There's been a lot of interest from the people that went on the Greenville trip – we've heard a lot about - are we doing this again – we really feel like we want to keep up the momentum and keep everybody engaged and people felt like they really got a lot out of it. At the same time we have some major initiatives going on this year and we were thinking instead of trying to go away somewhere further that we might try to see what basically is already around us and what our, not really competition, but what our competition is basically. There are places that have been very successful – the best \$200 of City money she has had anything to do with was the Economic Development Academy that is put on by the Georgia Department of Economic Development, DCA, and GA Power and they do a great job of bringing in people and consequently she has gotten to hear from the people that made Suwanee happen, the people that made Decatur happen, the people that made Woodstock happen – Serenbe and all different arenas and they are all very generous with their time and they're all succinct and they have it very easy to understand – how they've accomplished what they have much like the Greenville people who gave us that information. If we did a local tour there is also interest from the people she has talked to in spending the night somewhere just because it keeps us all in one place. It would certainly be a lower cost option and would be an option to get us familiar – it was great to go to Greenville and see the Peace Center but it's probably

not reasonable with the cities and facilities in our vicinities to do a Peace Center so this type of thing may help us.

- Councilmember Wynn said so we will try to get some of the people that were at the conference to come up here. Councilmember Diamond said the thought is that we all get on a bus and we go to the locations – it’s a road trip. Councilmember Wynn said we’ll get on a bus to see what they have worked on but they would be part of the process. Councilmember Diamond said we would go to them – see what they did – hear about how they did it and move to the next one – it’s a road trip but it’s local. Councilmember Wynn said it’s a good idea.
- Mayor Wood said they are looking for consensus from Council to do a road trip in May or early June time frame. Kay said June if we are considering Tony Landers being involved. Mayor Wood said not necessarily – whether it’s May or June or whatever but before we put staff time into planning and organizing this – Charles McMillan said he would work with the Georgia Conservancy and there a lot of folks that are excited about this but we didn’t want to put more time into this until we had support from Council to do it because you are a big part of this.
- Councilmember Wynn said this is a great idea – we need to see what our neighbors and doing and this is a good idea to see that.
- Councilmember Orlans said you mentioned people from Greenville but would this be open for new individuals to get involved as well. Mayor Wood said one of the questions he had is the first thing we would do is talk to staff – talk to the folks that have put these on and try to say what can we accommodate and you can have too many people and it becomes unmanageable – so we first say what can we accommodate and then once we come up with what we can accommodate then work on that list. He’d rather the politicians stay out of that list because it can become very political – he thinks the approach we took before was very good. Long term it is his wish to try to get to turn this over to an RBA project, not a City project and the RBA would do this every year. We talked with Steve and staff and they don’t have the staffing and we don’t have the track record but again he would take as many people as we can but we have limitations on who goes and he did not get involved before – we did have a little input but as far as nominating people to go that was up to the staff and the folks that put it on and he likes that approach.
- Councilmember Diamond said we heard immediately and during Greenville from the corporate sponsors that they would be very interested in doing that again so we could definitely offset some of the costs again.
- Councilmember Igleheart said we can discuss all this and it might not be the right time. There’s great value in being together in a place and staying there but doesn’t know if it makes sense for us to stay somewhere in the metro area. Councilmember Diamond said when we first started talking about this it was one of the discussions but what she is hearing from the people who went outside of our little bubble – that was a lot of the value of the trip and they paid for their own. Kay said the way that it worked last time was the amount that they paid was to cover their lodging and a majority of their food for what we didn’t get sponsored so that might be another way to do this. Mayor Wood said he’s not trying to get to the details as much as just get a green light for staff to look into this and come back to Council with a proposal. We didn’t want to start working on something that did not have Council support.
- Councilmember Dippolito said he likes the idea a lot. There a guy who puts together a tour every year called the retail bus tour – they get two busses and go around look at projects. He

could give you his contact information and he could probably help with logistics. He could tell you a lot about what works and what doesn't work.

- Councilmember Orlans said as information he will be gone the end of May and first week of June.
- Councilmember Wynn noted this is also Memorial Day weekend.
- Kay Love noted that timing in May is very challenging due to the budget process. We would hope to finish the budget so possibly the second week in June.

RECREATION

Consideration to award a contract to Medallion Athletics for Synthetic Turf Fields in the amount of \$2,924,750

- Kay Love noted this item came to the Committee previously at which time there were some questions and requests for additional information. Staff has gone back and provided that information to you. There are some people in the audience, in attendance, who are interested in this item and may have questions. She wanted to set some ground rules related to the procurement process. This is still an open process – Mayor and Council have not awarded a contract – should a contract be awarded that will be done at a public Mayor and Council meeting. The next Mayor and Council meeting where that could possibly happen is January 2 – we have an Open Forum Meeting on January 14 (regular scheduled Mayor and Council meeting) whichever they chose. There are other remedies for appeal so if you have questions on certain items we can certainly take those. This is not an opportunity to re-review a proposal that has been made or make comments about another proposal. Questions about process are certainly appropriate. There has been some information provided by one of the proposers – multiple correspondences to Mayor and Council – most recently after hours last night. This information was e-mailed to you and Lisa has copies if you did not print it for yourself. This is not up for discussion for the Committee as far as from her perspective – from staff – certainly if you have questions from the Committee – we are here to answer and have that discussion. With that, she turned the discussion over to Jeff Pruitt and Keith Lee.
- Keith Lee began by discussing the RFP process. This RFP is not simply the purchase and installation of synthetic turf. This RFP is a design build/install process. The contractor that we select will be responsible for the design engineering and drawings for such things as NPDES and storm drain connections as well as the manufacturer specifications and of the sub base – the drainage sub base as well as the turf itself. The process is put into place in order for us to evaluate the product as well as the people as well as the components that may affect or impact our installation. We issued the original RFP in September – we did two addendums – the closing date was in October. We identified a short list of vendors to interview in early November – we interviewed those four companies in late November – those interviews or oral presentations were designed to help staff understand the amount of effort these companies have put into understanding the existing conditions at the City related to how stormwater would be attached, how our fields need to be graded, what the existing conditions of our fields were – such as the rock that would be at Waller Park or the infrastructure that is at Roswell Area Park and how the construction of these fields impacts the usability of those fields during the construction phase. We had some very specific specifications regarding the fiber itself. This is the monofilament – there is a slick filament with these fields – there's a primary backing that we specified in the RFP. We also had some specific recommendations for the installer and the contractor related to the years of

experience. We did not specify the years of experience with the manufacturer. We also had specifications related to warranty – one of the main reasons we focused so heavily on the oral presentations regarding the installation of the drainage system is that the warranties are void if there is a failure of the installation of the drainage system and sub base. These are the people who submitted bids (referencing the provided Power Point) – this information is what we evaluated the proposals on – the individuals that we short listed – from the Committee’s standpoint they did negotiate a 10-year warranty with Medallion – they are the company that we are recommending – once we identify the responsible, responsive bidder we are able to negotiate with that bidder – we negotiated with Medallion for that. Their product complies with the specifications that we put in this document. It is a turnkey operation from one point of contact – yes they are a distributor of the Shaw product for the Southeast – they will provide two crews that will limit the impact of the playing time for the Roswell citizens. We did negotiate a 100% infill for the foam rubber. We have discussed this with the installer – they have conferred back with Shaw manufacturing in terms of their own patent beliefs and from his standpoint we don’t determine patent infringements or patent issues – we are in a procurement process. These are some Medallion statistics – they have been in business since 1996 – the current ratio of their liquidity is equal to the other businesses that have proposed. They have over nine million square feet of turf installed between them and Shaw. The construction manager – their references – we did negotiate a 3% discount – it is a 90-day install period and the four additional fields. Keith said he thinks it’s important to remember that when we put this bid out the bonds had not been approved – we did a base proposal for three fields – the three fields that we funded through the budget process with an alternate add for the four fields. With the approval of the bonds we were able to fund the full seven fields. We did go back to the proposer and their final offer price today is \$2,924,750.

- Councilmember Price asked if this is a new number. Keith responded yes it is. Councilmember Price asked as compared to what before. Keith said \$3,053,754.
- Councilmember Dippolito said according to Keith’s memo Medallion Athletics is the only turf that meets the specifications. Keith said yes, of the turf, correct.
- Councilmember Wynn asked if a motion is needed. She made a motion to move forward with staff’s recommendation. The motion was seconded by Councilmember Diamond.
- John Bogosian, Executive Vice President with Sprinturf, said his understanding is that he is not going to talk about the comparisons of RFPs or anything but would like to mention and talk about the process. Their feeling is that the process at best is flawed and has been from the beginning. He started with the award and recommendation and from the last meeting we were able to receive the presentation that was made and the rating system. As you look at the rating system there’s 1,000 points that was used to evaluate the proposers. Out of those 1,000 points 20% was price, so 200 of the 1,000 points were related to price. We do hundreds of these everyday across the country. Never have they seen 20% devoted to price. The minimum is 50% and most normally it’s 60 to 70%. Even if 25% was awarded on price another company would have been awarded this project. There’s a \$590,000 difference from the original bid price from the recommended company and virtually the lowest but all the three other bids were clustered around the same price. He would have to ask the taxpayers of the Council – how they can recommend going forward with a \$590,000 difference that’s been reduced now. But they have not been able or the companies have not been afforded to negotiate or value engineer their price. Typically you start with the lowest one and negotiate – not start with the highest one and work your way down.

- Keith Lee said this is not a bid – this is a proposal – there’s a process by which they define the most responsive, responsible bidder and we did that as a sub-Committee, as a selection committee, and we have negotiated with that vendor pursuant to the laws of this State. That process is not flawed.
- Kay Love said it’s a two-step process and that an incorrect comment had been made about the City’s process. It is a two-step process. The 1,000 points is 80% of the total so nobody had a price consideration at that point. This was all the technical evaluation of the specifications before there were considerations on moving forward and there was no discussion or knowledge of price by the Committee at that time.
- Mr. Bogosian said he would get to the 80% as well. The 80% was all subjective, non-quantitative evaluation. Eight hundred of the 1,000 were subjective points. If you look at it – he challenged the City to be able to show the awarding company could get 100% of those 800 points and no other company in any other category get a full score. It just doesn’t make sense being in the industry knowing that a local, regional company versus a national company - how you can relate to those technical points and give that one company a 100% score and no other company even came close to that. If one other company had been awarded a perfect score in any of those other categories the bid would have been changed. Really what you’ve done is essentially said this is a very specialized product where price doesn’t really matter and we’re going to go on some other category which is not true in this industry. Price is very important – it’s more of a commoditized type of product. Their recommendation is that you re-bid this thing as a bid because you have companies that all essentially have the same product and you’re asking the taxpayers of Roswell to spend significantly more money for the same quality product.
- Trent Moore, Southeast representative of Sprinturf and resident of the City of Roswell said he would like the Council to seriously look at the numbers and try to justify – they compete against all four of the short list companies on a weekly basis nationwide. They have never offered the items that they offer on their proposal. He heard it said that staff went back and negotiated the 10-year warranty – that’s fine – that’s part of your process - but that’s their warranty – they offer it because of their product quality – he didn’t hear a comment about the 3% discount – that’s a proprietary item that they offered in their original plan and their oral presentation. They, in their oral presentation, told the staff that they have lots of value engineering that they can provide for this product also but they weren’t given that opportunity – they can match their discount that they just gave you from the last proposal easily but they were not given that opportunity and there is nothing about their product specification wise that is better than any of the other products that you’re looking at. He asked, as a citizen, that this go out to a hard bid – you wouldn’t a bid a building for \$2.5 million without an architect and specific plans and specs – why are you doing this? We’re all going to meet the drainage issues – he doesn’t understand it.
- Councilmember Diamond said while looking at the specifications on the weight of the product are they in fact different products. Keith said they have specified in the specifications weight, yard, and the backing weight – generally Medallion and Sports Turf met those specifications. Sprinturf and Deluxe did not meet all those specifications. There are differences in their product weight; there are differences in their backing weight, and some issues with the sub base.
- Kay Love said the specifications requested a quad backing – that is what Medallion proposed with the Shaw product. The others did not have the quad backing – while that in and of itself

did not require that recommendation – the quality of the product in conjunction with that backing – the weight, the base weight – all of those aspects did. Neither Deluxe nor Sprinturf met that specification.

- Jeff Pruitt said something that needs to be addressed as well is after the Committee narrowed it down to four and had the oral interviews – they specifically gave each of the vendors a list of questions that would be covered during the oral presentation. The Committee felt that Medallion met all of those during the presentation as well as prior to that identifying the same information such as the engineers – who they were going to use – as Keith said this is a turnkey project – we want you to assess the fields – you engineer it and come through our process downstairs – we approved it and the installation, the sub base – they also provided construction alternatives for these issues. Mark Wolff, Public Works asked a couple of stormwater questions and the Medallion contractor was able to answer them right away and give specific information as far as details to satisfy the Committee so he thinks the Committee looked at this objectively. They had no idea of the price per regulations – they went through the process of all seven and narrowed it to four – they did the oral interviews and are now back to Council for direction.
- Councilmember Wynn said her understanding is that this is not a bid for the lowest bidder but for the most responsible, responsive bidder. Kay said correct. Councilmember Wynn said so price was not part of the what we were looking for – we were looking for the person or the company that we think will do the job we want and about being subjective – to her a committee that is made up of Finance, Environmental/Public Works, and Recreation and Parks is not a subjective type of committee – these are the people that know what we need. She just wants to make sure she is on the right page on this.
- Kay Love responded you are correct and that follows the procurement ordinance. The procurement ordinance basically says that when the consideration is not only about price that there are technical aspects about a project – if there is an initial installation it needs to be evaluated with subsequent maintenance, subsequent service capabilities, all of those things and above that – we reserve the right to do a request for proposal in lieu of a bid anyway, but the ordinance is very specific to that and related to the process and that’s why we don’t look at price because that bid is a consideration and everything else being equal, obviously price certainly comes very much into play but in this example everything is not equal – in the industry the turf aspect of it is a very “dog eat dog world” if you will, but when you couple that with the installation requirements, with the hydrology requirements, and stormwater, then it is a construction project and that is the way the committee evaluated it and that is the way that we reviewed it.
- Bruce Cheskin, Chief Operating Officer of Sprinturf, said first of all – the product that the competition has proposed in their revision is not specified – you specified a sand and rubber product – you’ve now changed it for no sand with a woven non-woven backing – that is Sprinturf’s 645 patent – Medallion doesn’t not have a license for it and the City of Roswell has opened themselves up if they move forward with this with a patent infringement lawsuit. Medallion, because they offered this product for sale, will now be part of a patent infringement lawsuit.
- Kay Love said a patent infringement – that’s a legal matter for the courts to decide – we did ask the question in the RFP related to were there outstanding elements of litigation related to patents – nothing was revealed about that so that would not be a matter for this body or the City to decide.

- Mayor Wood said to Mr. Hulsey - before he forgets – in the contract with Medallion he would like an indemnity clause on any patent infringement. Bob said he would have that.
- Matt Broughton, Medallion Athletic Products – said a couple of things – number one regarding the patent infringement - Shaw and the product they will be installing does have a license for patent 625 and license ability to use that product – the other point he would like to make is not process related but it is related to commodity. This is not a commodity – this is a construction project. They have very specialized people – they have their own in-house crews that do not only the base construction but they have their own in-house crews that do the turf installation as well. They work very hard to build crews that are responsible and that they have control of and again it is not a commodity. They have partnered with what they feel is the top manufacturer in the industry with by far the strongest financial strength in the industry and feel like it is by far the best solution based on both the installation side and the manufacturing side.
- Councilmember Igleheart said the Mayor just addressed this and asked Bob regarding the patent and if there is anything to worry about.
- Councilmember Price said at the last meeting she was distressed about what she thought was a preference given to Medallion without objective criteria and thinks that what has been provided by Sprinturf with a comparison is very helpful. Now we're hearing from Medallion that this is not a commodity issue – it's a construction and installation issue but the comparisons between and among the companies given to us by staff puts it on a commodities basis not a construction and installation basis. So now she's even less inclined to be supportive of Medallion than she was in the first place and she doesn't see that we've proven a \$500,000 benefit from going with Medallion and thinks as stewards of the financial resources of this City we have to be convinced that there is a superiority of this entity that would push us in that direction so she is not inclined to proceed at this time without much more scrutiny as to the product and installation if that's part of the issue. She doesn't think the City is ready to do this.
- Kay Love said if the City was just buying the turf it's correct it is a commodity – if we were just buying turf and installing it then it would certainly be about the commodity. It is a construction project – there is disturbance of dirt – there could be building up – there could be digging down – there is laying of pipe, drainage, so it absolutely is a construction project – it has to be constructed and put together – it has a frame so the filament goes in there – she does not know the order and is certainly not an engineer; however, while there is such activity from the standpoint of an evaluation – the way it is – the way the process works – because everybody moves through the process together – you don't go away and do your own evaluating – the evaluators read the RFPs – but during the committee meetings they came together and evaluated the criteria – the criteria is not subjective – there certainly is an element of subjectivity and that's the main reason that we do the oral presentations so that everybody may read – it's like a job resume – somebody may look good on paper but once you come in and meet them then they may not demonstrate that they have the skills and capabilities that you are looking for – for that particular job. To this, on this slide, proposals were evaluated and that criterion was based upon the qualifications of that firm, the staff of the firm, the proposer's experience, and the product itself. The product is a commodity but those other elements come into the construction aspect – questions about crews – did he have supervisors on each crew – can they run crews concurrently so that fields can be done within the time frame. There are many elements to that and there's a great amount of discussion that

occurred within that committee about do we think that the proposers have a clear understanding of the project's scope of work. She was not on the evaluation committee but she sat in on all of those proposals. There was great discussion about that – we went back and asked for clarification – that was the reason we gave all of them all those same questions so that when it came to those oral presentations there would be a level playing field coming in because at that point we're starting basically at ground zero for them to demonstrate their level of understanding and their ability to perform the scope of work that we have put out in the proposal.

- Mayor Wood said he and Councilmember Orlans met with the selection committee and had an extensive discussion about their criteria and ultimately although he was initially skeptical – they have justified their position and he respects staff's position and this is a technical decision – he agrees it's not a commodity – there is a lot of technical factors to go in there – ultimately he is confident that we have good staff and they reviewed all of the issues and all of the factors including price and felt that the additional cost is justified – in fact he told – he let the Rec Department know - did they really feel that this was worth this – they had enough money to spend - it wasn't really their money to spend and if they can save some money he would let them have it back – they said they would rather have the field than have the money somewhere else and that told him a lot – that it's one thing when you have free money and know that it's funded – I don't have to worry what it costs and just have to pick the guy they like – but no, they said – he told them if they could save the money he would give them the difference if they went to the next lowest bidder and they said no - we'd rather spend the money and get the best product in their judgment and that told him a lot – he has confidence in staff and will be supporting this when it comes to a vote – it's not coming to a vote today – not a final vote – we're just moving it forward and when it comes forward – I will support it.
- Councilmember Orlans said that initially he was somewhat skeptical as well and the Mayor said to try to make sure staff had reviewed all the different aspects of this – it's over our head - we didn't sit in all of these meetings, so we've got to look at trusting staff – they have put the time and effort into it – they have covered all the bases as far as we know – unless we sat in every single meeting and gathered every piece of information and had the same perception - I'm in the same boat – he must rely on staff and that they know what they are doing – and that the quality and aspect is worth the extra \$200,000 – nobody likes to spend money that they don't need to spend – we went into this and received early criticism for even going to artificial turf versus regular turf and we have had some different discussions for over two years on this and the only thing he said to staff going forward was to make sure we get the right situation and we don't have a problem in one year, two years, three years, five years, or seven years from now. He's got to fall back on staff doing their job and trust their decision.
- Councilmember Price asked if there is a difference between delivered on time compared to installed on time. She thinks they touched on this at the previous meeting. Kay said she believes the reference is to delivered on time would be the materials delivered on time that they are going to be using to construct the field versus construction meaning it's complete and playable. Councilmember Price said so, she doesn't really care if the pile of wood is sitting and would rather see something built. Kay said it's both – the issue there is that for crews to be mobilized – many times because of the manufacturing process of the product of that commodity is that they say hey we're going to have the turf there next week and then a crew gets mobilized and then somehow if the turf doesn't get there the crew can't install it – because it's a turnkey solution that's very important that all of those things logistically work

together so that we don't have crews that can't work or waiting on turf or other products of whatever they may be. Councilmember Price said doesn't it make more sense to say here's the date we want to be able to play on them. Kay said we did say that and that is part of it as well – that's just extra insurance, if you will, from a risk management standpoint. It's just value added.

- Jeff Pruitt said most of the companies have two different crews – in the industry they tend to blame the other one if the turf is not there on time when the first group has the sub base ready for them – the material is there or it's late from the manufacturer then they get into an argument about who's causing the product to be delayed.
- Councilmember Price said if we're comparing crews to crews it appears that Sprinturf has a larger number of crews. She just sees on paper – she doesn't see the justification. Jeff said you have to be careful about what's on paper – during the oral presentation we specifically asked questions i.e. how many crews are you going to have – Medallion was able to say they were going to have two crews for three fields – we're going to have it in 90 days – we're going to do this, this, and this. To his knowledge that was not made clear during Sprinturf's presentation nor was Sprinturf able to fulfill the other commitments as far as required alternatives that may arise with the stormwater so that's the direction that the committee felt it needed to go.
- Trent Moore said from the technical aspects...Kay noted that this is not a rebuttal.
- Councilmember Price said she would like to move along but is not saying she approves of this so whatever this means she will vote to move it along.
- COMMITTEE ACTION: The Committee approved to place this on the 1/14/2013 Mayor and Council agenda.

FINANCE

Consideration of the imposition of an excise tax on the energy used in manufacturing

- Kay Love said this legislation was passed this year regarding imposition of an excise tax on the energy used in manufacturing. This is part of the tax reform – it's one of those millions of paragraphs in there for consideration. The County could adopt an ordinance for this imposition – Fulton County has not done it so we need to make a decision about how this might impact the City.
- Keith Lee said as Kay indicated this is HB 386 that was passed in the 2012 Legislative Session. There is an exemption for manufacturing excise tax that begins January 1. In the process if Fulton County chose to impose the tax then we could sign an intergovernmental agreement and get a LOST share of those funds. However, on December 5 they passed a proposal that they would not levy the energy tax so he's asking for Roswell to impose the tax. The exemption is on manufacturing facilities that are designated as a manufacturing business by the North American Classification System (NAICS). In Roswell based on our business license data base we have about 150 businesses with that classification. In those classifications there are a lot of exemptions for retail purposes and things of that nature but they give very specific code numbers for the NAICS codes 21, 31, 32, and 33 so when we pulled those out of our database it comes to about 150 businesses. The process by which a business would apply for the exemption – they fill out a form and send it to the energy company – it gets audited by the Department of Revenue and then they get an exemption. A lot of the determination as to whether they're exempt or not is based on the business. Based

on the City's business license database we may have as many as 150 but they may not fully meet the specifications.

- Councilmember Wynn said first of all she was going to ask how many businesses in Roswell would fall under these criteria – so we really don't know yet. Her other question is when she was reading through this – it goes from 25 to 50 to 75 to 100%. How would this affect our economic redevelopment if we did adopt having another tax when we're trying to get more economic development – we have the light industrial and we're thinking about punching through that road – how would this affect our future plans for economic development growth if we're adding another tax. Again, she doesn't know if we only have 150 businesses – let's say 20% is exempt – it's still really not that much, probably, that would not bring a great amount of revenue to the City. That's her question.
- Keith Lee said from that standpoint every local government has the option to impose this tax. We don't know whether or not we will impose. Does it have an impact on manufacturing – it's 2% of their energy bill is what it amounts to from a cost perspective for the manufacturer and it's only on the manufacturing process – it's not on the heat or office space so some of that – a real savings may not be met. Councilmember Wynn said once again if it's just going to be a miniscule drop in the bucket do we want to put the word out that we are now collecting another tax on our existing businesses even though it's 2% because we don't know – in a year, two, or three years the energy costs or what's going to happen to their net profit margin. That's her concern about adding another tax on top of everything else.
- Councilmember Igleheart said as some others have said - it may not be worth the time – it may take you a lot to figure this out but the same question – how much will this generate – is it worth it. Kay said GMA did a webinar back in the summer about this and all the cities that sat in on it were asking and there's really no way to know because it's not the whole process – it's elements of it. We don't know what their current energy bill is so we really don't know what that revenue stream would be to the City. Councilmember Igleheart said the way we would ultimately if it's passed and they have to go themselves and figure it out and see what the money is when it hits. That's a lot of work and right now they don't even know how to do it themselves would be his concern. The positive could be that for any new manufacturing company we could wave it but he's not sure that it makes sense to put it on existing businesses.
- Councilmember Orleans asked for the purpose of looking at this and doing it – are we just looking for another revenue stream or why are we looking at this. Keith responded that we currently have the revenue stream. Currently the revenue is collected through the sales tax – through sales and use tax on their energy bill. It just simply expires on December 31 so the question is do we want to continue. Kay said it's being phased out – now they are going to get a reduction – she wouldn't say replacement because it's not the same dollar amount. The reason we brought it to you is because it is a policy decision that needs to be considered because the legislation will impact us. Councilmember Orleans said he's trying to understand why we would do this and why we want to do it and what we're gaining and what we're losing. He's looking at it as we're adding a new additional tax. Kay said it is a tax but the revenue stream – our sales tax collections will be reduced by that amount for the county – our sales tax is not point of sales so we will be impacted by the amount that is reduced county wide – our 8.8% or whatever we wind up with in the LOST negotiations. We don't know what the impact will be. Councilmember Orleans said sales tax on manufacturing deals with the sales – now we're talking about energy. Keith said it's the tax on the energy.

Councilmember Orlans said that they use in their manufacturing. Kay said it's the tax reform bill. Keith said from a revenue standpoint the County has said they are not going to impose this tax so our sales tax that we currently get is distributed to us based on all manufacturing in the entire County. We're going to lose that percentage in our sales tax revenues when this expires. Kay said whatever that is. Keith said we don't know what that is – we don't know how many companies in Fulton County actually are manufacturers. Councilmember Orlans said he's still having a hard time...he's not understanding what the sales tax is on – what they're selling relates to the energy they are using. Kay said it's not what they're selling – it's the sales tax on the energy they use on their energy bill. Keith said it's the use tax. Kay said not the tax on what they're selling – not like what Georgia Power is selling but i.e. what widget maker A uses electricity wise to manufacture their widgets. Councilmember Orlans said when you say sales tax he's thinking of what they sale. Kay confirmed it's the use tax on the energy they use in the manufacturing process.

- Councilmember Wynn said she also misunderstood in the letter. So what you're saying is that on December 31, 2012 the tax that we get on the use of energy expires. Keith said for manufacturing. Kay said it's phased out – 25, 50, 75, and 100%. Councilmember Wynn said then she misinterpreted this...Keith said we would phase in 25, 50, 75, up to 100%. Councilmember Wynn said we would just be replacing what's expiring. Kay said it would give us the capability to, yes. Councilmember Wynn said but the monies we get this way – does that stay in the City of Roswell or does this go in a big pot. Keith said it would stay in Roswell. Councilmember Wynn said it's still what they have been paying before. Kay said correct, they have been paying it to the Department of Revenue and basically it flows through back to us from the Department of Revenue. Councilmember Orlans said it's not necessarily what they have been paying before but this means if they do better on the use of their energy they can also back out of this so they could all go back to zero and we would lose the whole thing anyway. Councilmember Wynn said this changes her whole way of thinking – she misread the information.
- Councilmember Igleheart said so going back to the understanding of this – what we receive now is actually county wide from everything so what we would be replacing is just within the City so relatively the amount is going to be so small it's probably not worth the effort. However, it sounds like in order to claim this savings they're going to have to figure it out anyway so that one issue is not as bad as he thought. But still this little bit is probably not worth it. Councilmember Diamond said we're going to take a hit either way we do it. Councilmember Igleheart said we're not going to replace that much. Kay said this is right – there will be a revenue impact. It's just a policy decision – we can't just assume that you don't want to enact it or you do so that's why it's in front of you.
- Councilmember Price asked if there is any reason to move ahead at this time i.e. can we look and see what our fellow municipalities are doing and also to see the impact over a year's time. Kay said we can – because it expires at the end of this year - typically we would – to be seamless if you will – but there is nothing that precludes us – GMA spoke to that – there were some questions about that – can we jump on board, if you will, at a later date – and yes we can. Councilmember Price made a motion to relieve them of this tax for a temporary period.
- Councilmember Orlans asked if we know why Fulton County didn't do this – he's just trying to understand. This is a lot of revenue for them and the way they're set up right now he would think they would want this revenue. Kay said she thinks it may be because they do not

have an idea, just like we don't, of what that impact is – they don't have a way to calculate it just like we don't. There was probably not a level of comfort and perhaps they are going to wait just like Councilmember Price has recommended – maybe they're going to wait and contemplate it later. Councilmember Orlans said they have a lot more manufacturing that we do.

- Councilmember Dippolito said he never really understood why the government taxed energy in the first place so he was actually in favor of this tax being removed so he would not support the City of Roswell implementing it. He appreciates staff bringing this forward and is glad it has been brought to Council's attention but he thinks taxing energy is somewhat silly and he thinks it creates a disincentive for manufacturing – not that we have a lot in Roswell – but to the extent we have some areas that have potential growth we certainly don't want to create a disincentive.
- Councilmember Wynn said she thinks this is an economic development concern.
- Councilmember Orlans said he would just take this as an information piece that does not require a motion to move it on. Kay said Councilmember Price had recommended that we take a look at it later. Staff will watch it – we're really not going to be able to know because of our change coming up with sales tax. We will certainly watch it and if an appropriate time comes up or there are changes to it we will bring it back before you so you'll just be informed about it today.

There being no further discussion, the meeting adjourned at 9:32 a.m.