City of Flowery Branch
Council Meeting Minutes
October 15, 2020, 6:00 pm.
City of Flowery Branch City Hall
5410 Pine Street, Flowery Branch GA, 30542

CALL WORK SESSION TO ORDER:

Mayor Mike Miller called the meeting to order at 6:06 pm.

Present: Mayor Mike Miller and Council Members Chris Mundy, Ed Asbridge, Joe Anglin, Leslie Jarchow and Amy Farah.

Also present: Bill Andrew, City Manager, Vickie Short, City Clerk, Ron Bennett, City Attorney and Rich Atkinson, City Planner, and Police Chief David Spillers.

Absent: Alisha Gamble, Finance Director.

PLEDGE OF ALLEGIANCE:

Mayor Miller led the Pledge of Allegiance.

EXECUTIVE SESSION:

There was a motion made to enter executive session for pending/potential litigation at 6:06 pm.

MOTION: Leslie Jarchow
SECOND: Chris Mundy
AYES: Leslie Jarchow, Joe Anglin, Chris Mundy, Ed Asbridge, Amy Farah
NAYS: None
Motion carried

There was a motion made to reconvene open session at 6:20 pm.

MOTION: Chris Mundy
SECOND: Leslie Jarchow
AYES: Leslie Jarchow, Joe Anglin, Chris Mundy, Ed Asbridge, Amy Farah
NAYS: None
Motion carried

UNFINISHED BUSINESS - WORK SESSION:

Flowery Branch and Oakwood Falcon Parkway Service and Development Agreement

Mr. Andrew presented the details of the agreement. Of the three parcels involved, Oakwood will annex and rezone 3990 Falcon Parkway and 4020 Falcon Parkway and Flowery Branch will rezone 4044 Falcon Parkway. This amounts to Oakwood being responsible for 54.07% and Flowery Branch being responsible for 45.93%.

The highlights of the IGA are as follows:

Section 1: All three parcels shall be set as M-1(or its equivalent) in each respective municipality but developed in accordance with the unified design standards and construction criteria and any and all other regulations of Flowery Branch
Section 2: Flowery Branch shall administer all manner of development activities including, plan review, landscape plan review, building inspections and compliance with any and all other regulations which may apply to development of the property as an industrial development
Section 3: All fees, taxes and expenses (except as set forth below) shall be divided between the two municipalities with Oakwood being responsible for 54.07% and Flowery Branch being responsible for 45.93%.

1. Development Fees - Flowery Branch shall assess their standard fees on the properties as outlined herein. To the extent that Flowery Branch performs an activity such as plan review fully and without the assistance of Oakwood, then Flowery Branch shall retain the fees which are applicable to plan review
2. Likewise, building inspections fees
3. Flowery Branch shall collect Hall County development impact fees for development in Flowery Branch
4. Sewer - Oakwood shall provide 54.07% of the sewer from its reserve within the Flowery Branch sewer treatment facility and Flowery Branch shall provide 45.93% of the sewer treatment capacity
5. Sewer Lines - If either city is required to expend funds, then the cost of such extension shall be shared on a percentage basis of Oakwood 54.07% and Flowery Branch 45.93%

Section 4: Taxes - The tax bills shall be annually submitted to Flowery Branch and with payments going directly to Flowery Branch. Oakwood shall be entitled to 54.07% of the taxes while Flowery Branch shall be entitled to the remaining 45.93% of the taxes paid.
Section 5: Business License – As Flowery Branch has been designated the primary municipality responsible for the collection of fees and taxes, Flowery Branch shall be entitled to issue the business license for the Falcon Parkway Property and to collect and retain said sums as a portion of the payment for its rendering of services hereunder.

The Intergovernmental Agreement with the City of Oakwood will void the below Ordinances.

Consider Second Reading of Ordinance 20-611 a request to annex a 15.6 +/- tract of land known as 4020 Falcon Parkway.
Consider Second Read for Ordinance # 20-610 a request to annex a 10+/- acre property known as 3990 Falcon Parkway.
Consider Second Reading of Ordinance 20-613 a request to rezone a 15.6 +/- tract of land known as 4020 Falcon Parkway from Hall County Agricultural Residential (A III) to Flowery Branch Light Industrial (M-1).
Consider Second Reading of Ordinance 20-612 a request to rezone a 10+/- acre tract of land known as 3990 Falcon Parkway from Hall County Highway Business (HB) to Flowery Branch Light Industrial (M1).

The only Ordinance now required will be Ordinance 20-614 (below).

Consider Second Reading of Ordinance 20-614 a request to rezone a piece of property known as 4044 Falcon Parkway from Agricultural (A) to Light Industrial (M-1).

Currently, the Comprehensive Plan denotes this area as part of the "Industrial Employment" character area. The proposed use meets the intent of the Comprehensive Plan.

Second Reading of Ordinance 239-K & 240-K submitted by NNP-Looper Lake, LLC to rezone 85 +/- acres of land in Sterling on the Lake known as the Honeycutt Tract from PUD to modified PUD - changing the conditions of zoning to allow a gate and private roads.

Mr. Atkinson briefly highlighted the details of Ordinances 239-K and 240-K.

Details included:

- Change the SOTL conditions
- Gate an 85 +/- acre area known as the Honeycutt Tract
- Private 214 home subdivision
- Roads would be private
- Overall number of homes would not change – 2,000
- Style of home would be consistent with existing
- Basically, create a private subdivision within SOTL

Staff Concerns:
- Possible negative impacts on Sterling on the Lake subdivision
- Possible negative impacts on the City of Flowery Branch as a whole
- SOTL is geographically far removed from Old Town Flowery Branch

- With its own set of events, pools, parks and open space it exists on an island – an almost fully independent jurisdiction separated from the rest of the City
- Creating another separate, private subdivision within this already distant one will not help bring SOTL into the fabric of Flowery Branch proper

Staff Recommendation:

Staff recommends approval of the request as submitted and conditioned per Ordinance 239K & 240K.

Mr. Asbridge asked if the recent 50-year rain events effected these areas of Sterling on the Lake. Mr. Whitaker, representing NNP-Looper Lake, LLC, responded that there have been several breaches within the community, and it is currently being addressed.

Mr. Atkinson reminded Mayor and Council that the City did receive the Second Amendment to the Covenants reflective of the requested changes. The Amendment clarifies the Master HOA has to agree to accept Sub HOA roads and streets.

Second Reading of Ordinance 609 a rezoning request by Mr. Shawn Gleason for 4153 Falcon Pkwy from Agricultural (A) to Highway Business (HB).

Mr. Atkinson presented the details of the request. It is currently zoned Agricultural (A) with a request is to rezone to Highway Business (HB). This 7.34 +/- acre tract would be connected to a larger Oakwood based project. Proposed drawings were included with the request and presented to Council.

Staff Concerns:

- Building materials
- Connectivity to the other Oakwood retail
- Pad "blank area" – ensure this is developed to FB standards
- Approve with conditions

Mayor Miller clarified the access to Falcon Parkway will be limited by a raised concrete island that will prohibit left turning onto Falcon Parkway.

NEW BUSINESS -WORK SESSION:

Consider New Operations Development Charge as presented by Bobby Sills (Nelsnick Enterprises)

Mr. Sills presented detailed information regarding New Operations Development Charges.

What is an Operations Development Charge and How does it relate to our System Development Charge?

1. A system development charge (SDC) is applied to new development to recover the cost of the new infrastructure.
2. The Operations Development Charge (ODC) is being proposed for new development to pay for the fair share of expected operations cost over a 10-year period.
3. The ODC will be based on fixed operating costs only and divided by the capacity of the systems to get a per gallon cost. These fixed operational costs are partly recovered from active customers monthly base charge.
4. New customers in developments that have paid an ODC will be provided a base charge credit that will expire at the end of the 10-year period it covers.

Currently, the cost of providing sufficient staff to operate the systems has been allocated to existing customers only. These fixed costs are recovered by a monthly base charge and a portion of the unit rate for water and wastewater. Given the benefit in terms of increased density and marketability of new development, a 10-year contract for providing these services is warranted.

How is the ODC Calculated?

The ODC can be calculated by taking the projected 10-year operating costs after accounting for variable cost components and dividing by the capacity of the systems.

Table 1 is used to determine the percentage of fixed cost to total costs for both the water and wastewater system. Administrative cost is considered fixed and allocated to water and wastewater at 50/50. The resulting fixed cost percentage for water is 92%. The high fixed cost is associated with water systems supplied by ground water where minimal treatment is required. The fixed cost for wastewater is 66% and related to the additional variable costs associated with the treatment of wastewater prior to discharge into Lake Lanier.

Table 1
FY20 Operating Costs

Description	FY20 Actual Cost	Comments
Water Variable	$51,569	Electrical/Chemical/Fuel
Fixed	$530,129	Staffing/Supplies
Total	$581,698	
Wastewater Variable	$316,798	Electrical/Chemical/Fuel/Sludge
Fixed	$508,604	Staffing/Supplies
Total	$825,402	
Admin/Fixed	$195,244	Shared 50/50 Water and Wastewater
Water Fixed	$627,751	92% of total operations
Water Total	$679,320	
Wastewater Fixed	$606,226	66% of total operations
Wastewater Total	$923,024	

1. The resulting ODC is $871 for water and $508 for wastewater per typical household (EDU).
2. A credit to the monthly base charge would be provided to new customers for the duration of the 10-year ODC contract period.

3. Thus, an ODC paid by new development in year 2021 would result in new customers within the development to have a lower base charge until 2031.

Recommendations

Nelsnick recommends rounding down the ODC to the nearest $100 dollars. This will ensure that any operating efficiencies of the new plant would be accounted for in future calculations of the ODC. The ODC should be recalculated every 5-years to be sure developers are paying a fair share of projected fixed operational costs.

The following would result in a $6.67 reduction in the monthly base charge. Larger meter customers would see a reduction based on the capacity ratio of the larger meter to the ¾" meter. The resulting projected revenues over the 10-year period is provided in the following table.

Table 2
ODC Calculation

Recommended ODC per EDU	FY22 - FY31 Base Charge Reduction (new subdivisions only)	Total Revenues Expected
$800.00	$6.67	$3,463,203
Recommended ODC per EDU	**FY22 - FY31 Base Charge Reduction (new subdivisions only)**	**Total Revenues Expected**
$500.00	$4.17	$3,333,333

Mr. Anglin asked about the base charges. Council would like to review this information for a couple of weeks before it's pursued further.

Mr. Andrew expressed concerns about the timing of the receipt of the fees as well as the administrative challenges of tracking accounts based on the applicable ordinances. In addition, there was further discussion on the Operations Development Charges (ODC) in relation to the fixed costs.

Table 2 takes the projected 10-year operational cost and divides by the system capacity for both water and wastewater. System capacity in gallons is also provided in terms of equivalent dwelling unit (EDU). The EDU for water is 231 gallons and for wastewater is 180 gallons for a typical household. The cost per EDU is then multiplied by a fixed cost factor (rounded to 90% and 60% for water and wastewater) to arrive at the cost per a typical home for a 10-year period.

Table 2
ODC Calculation

Water Operational Cost FY22-FY31	Capacity	EDU's	Cost/EDU	Fixed Cost Factor	ODC per EDU	FY22 - FY31 Base Charge Reduction (new subdivisions only)
$6,284,384	1,500,000	6,494	$967.80	90%	$871.02	$7.26
Wastewater Operational Cost FY22-FY31	**Capacity**	**EDU's**	**Cost/EDU**	**Fixed Cost Factor**	**ODC per EDU**	**FY22 - FY31 Base Charge Reduction (new subdivisions only)**
$10,349,253	2,200,000	12,222	$846.76	60%	$508.05	$4.23

Consider Insurance Policies for 12/01/2020 - 11/30/2021

Mr. Ty Talley with the Norton Agency presented an Insurance Policy update (including additional life insurance coverages as requested by Council to enhance our benefits package for current employees and future recruitment).

Highlights included:

History of Health Insurance Plans:

Flowery Branch

HISTORY OF HEALTH INSURANCE PLANS:

Policy Beginning	Policy Ending	Insurance Company	Medical Plan
4/1/2012	3/31/2013	Consumers Life	P30-80-1000
4/1/2013	10/31/2013	Consumers Life	HRA P5000
11/1/2013	11/30/2014	United Healthcare	Heritage Plus
12/1/2014	11/30/2015	Alliant Health Plans	50006
12/1/2015	11/30/2016	Alliant Health Plans	50006
12/1/2016	11/30/2017	Humana (POS)	OPT 1 Gold
12/1/2017	11/30/2018	Humana (POS)	OPT 1 Gold
12/1/2018	11/30/2019	Alliant Health Plans	80144
12/1/2019	11/30/2020	Alliant Health Plans	4400

FY2021 CITY OF FLOWERY BRANCH - QUOTE COMPARISON TO CURRENT COVERAGE

Coverages	CURRENT PLAN - Alliant Plans 4400	RECOMMENDED PLAN - Alliant 8004400	Humana NPOS Opt 2	Humana GA NPOS Opt 3	GMA - PPO 90/70	GMA-PPO 90/70
Deductible	$1,100	$2,250	$2,000	$2,500	$500	$750
Co-Insurance	0%	0%	0%	0%	90%	90%
OP Max	$1,100	$2,250	$6,000	$6,000	$1,500/$1,600**	$2,000/$1,600**
Office Visit-PCP/SP	$15/$30	$20/$40	$40/$80	$35/$65	$25/$35	$25/$35
RX	$10/$35/$70/25%	$15/$35/$70/25%	$10/$40/$75/25%	$10/$40/$75/25%	$10/$35/$60	$10/$35/$60
ER Deductible	$100	$150	$350	$400	$150*	150*
Urgent Care	$75	$75	$100	$100	$60	$60
Employee (23)	$805	$877	$992	$976	$919	$899
Employee/Spouse (5)	$1,611	$1,753	$1,985	$1,953	$1,839	$1,799
Employee/Children (3)	$1,490	$1,622	$1,836	$1,807	$1,747	$1,709
Family (2)	$2,295	$2,498	$2,828	$2,784	$2,754	$2,699
MONTHLY COST PLAN:	$35,639	$38,790	$43,905	$43,202	$41,091	$40,197
ANNUAL COST OF PLAN:	$427,662	$465,485	$526,860	$518,424	$493,092	$482,364
PERCENT OF CHANGE IN CATEGORIES:	Expires 11/30/20	8.84%	23.21%	21.25%	16.38%	13.90%
AMOUNT OF INCREASE:	Expires 11/30/20	$37,823	$99,198	$90,762	$65,430	$54,702
					*non emergency not covered **separate RX OP Max	*non emergency not covered **separate RX OP Max

HISTORY OF PERCENTAGE INCREASES:	
FY2020	7.47%
FY2019	1.53%
FY2018	13.60%
FY2017	-1.00%
FY2016	50.00%
FY2015	20.00%
FY2014	15.00%

NOTE: We budget 20% extra for inflation each year. FY2021 Budget = $519,316.84

Life/AD&D, Dental, and Vision:

				Consider Additional Life:	
	Current Humana:	Proposed Humana:	% Increase:	All Employees 2 Times Salary Additional Cost:	3 Times Salary Additional Cost:
Life/AD&D	$ 218.08	$ 227.99	4.54%	$ 854.45	$ 1,217.66
Dental	$ 2,193.92	$ 2,301.87	4.92%		
Vision	$ 110.98	$ 110.98	0.00%		
MONTLY COST:	$ 2,522.98	$ 2,640.84	4.67%	$ 854.45	$ 1,217.66
ANTICIPATED MONTHLY INCREASE:		$ 117.86			
ANNUAL COST:	**$ 30,275.76**	**$ 31,690.08**	**4.67%**	**$ 10,253.40**	**$ 14,611.92**

- FY2021 Health Insurance Budget = $519,316.84
- Contract with Alliant Plans #8004400 = $465,485
- Life/AD&D, Dental and Vision = $31,690.08
    - Humana Policy
- Additional Life Insurance (3 Times Salary) = $14,611.92
- Budget Savings = $7,529.44

Mr. Asbridge asked about the increases in deductible on the current plan versus the recommended plan.

Mr. Asbridge asked about the life insurance plans with other jurisdictions. Mr. Talley presented several nearby jurisdictions' plans with their corresponding costs.

Mayor Miller explained the need for a boost in our benefit package for future employees.

Mr. Anglin about the future life insurance costs. Mr. Talley stated these rates are guaranteed for two years and life insurance rates typically do not see huge changes in rates.

It was decided to table until the November 5, 2020 meeting.

Impact Fee Discussion with a Presentation by Mr. Bill Ross.

Mr. Atkinson stated that Mr. Ross had an unexpected health issue and was unable to attend. This presentation will be presented at a later date.

DEPARTMENT REPORTS:

City Manager Report:

Mr. Andrew shared Current Developments illustrated in Aerial Photos – Provided by Daren Wayne.

ADJOURNMENT WORK SESSION:

Mayor Miller adjourned the work session at 7:25 pm.

VOTING SESSION AGENDA

CALL VOTING SESSION TO ORDER:

Mayor Miller called the voting session to order at 7:25 pm.

PUBLIC COMMENTS:

Jeff Staton, 4439 Strickland Road, Flowery Branch, GA 30542

Mr. Staton stated as a longtime resident of unincorporated Hall County, he is very concerned and upset about the proposed warehouse development along Falcon Parkway. This development will further lose the small town feeling of the City. He directed questions about not being informed of the proposed development. Although not required, the Mayor explained that proper advertising and notifications were done within the legal requirements.

CONSENT AGENDA:

Consider September 3, 2020 Meeting Minutes
Consider September 17, 2020 Meeting Minutes
Consider Mayor Miller Per Diem

There was a motion made to approve the Consent Agenda.

MOTION:	Chris Mundy
SECOND:	Leslie Jarchow
AYES:	Leslie Jarchow, Joe Anglin, Chris Mundy, Ed Asbridge, Amy Farah
NAYS:	None

Motion carried

UNFINISHED BUSINESS - VOTING SESSION:

Flowery Branch and Oakwood Falcon Parkway Service and Development Agreement

There was a motion made to authorize the Mayor's signature on the Flowery Branch and Oakwood (Falcon Parkway) Service and Development Agreement.

MOTION: Joe Anglin
SECOND: Ed Asbridge
AYES: Leslie Jarchow, Joe Anglin, Chris Mundy, Ed Asbridge, Amy Farah
NAYS: None
Motion carried

The Intergovernmental Agreement with the City of Oakwood will void the below Ordinances, therefore no vote is necessary.

Consider Second Reading of Ordinance 20-611 a request to annex a 15.6 +/- tract of land known as 4020 Falcon Parkway.
Consider Second Read for Ordinance # 20-610 a request to annex a 10+/- acre property known as 3990 Falcon Parkway.
Consider Second Reading of Ordinance 20-613 a request to rezone a 15.6 +/- tract of land known as 4020 Falcon Parkway from Hall County Agricultural Residential (A III) to Flowery Branch Light Industrial (M-1).
Consider Second Reading of Ordinance 20-612 a request to rezone a 10+/- acre tract of land known as 3990 Falcon Parkway from Hall County Highway Business (HB) to Flowery Branch Light Industrial (M1).

Consider Second Reading of Ordinance 20-614 a request to rezone a piece of property known as 4044 Falcon Parkway from Agricultural (A) to Light Industrial (M-1).

Mr. Bennett read the caption of Ordinance 20-614.

There was a motion made to approve Motion to approve the Second Reading of Ordinance 20-614 the rezoning of 4044 Falcon Parkway.

MOTION: Ed Asbridge
SECOND: Joe Anglin
AYES: Leslie Jarchow, Joe Anglin, Chris Mundy, Ed Asbridge, Amy Farah
NAYS: None
Motion carried

<u>Second Reading of Ordinance 609 a rezoning request by Mr. Shawn Gleason for 4153 Falcon Pkwy from Agricultural (A) to Highway Business (HB).</u>

Mr. Bennett read the caption of Ordinance 609.

There was a motion made to approve the Second Reading of Ordinance 609 a rezoning of 4153 Falcon Parkway from Agricultural (A) to Highway Business (HB).

MOTION: Amy Farah
SECOND: Chris Mundy
AYES: Leslie Jarchow, Joe Anglin, Chris Mundy, Ed Asbridge, Amy Farah
NAYS: None
Motion carried

<u>Second Reading of Ordinance 239-K & 240-K submitted by NNP-Looper Lake, LLC to rezone 85 +/- acres of land in Sterling on the Lake known as the Honeycutt Tract from PUD to modified PUD - changing the conditions of zoning to allow a gate and private roads.</u>

Mr. Bennett read the caption to Ordinances 239-K and 240-K.

There was a motion made to approve the Second Reading of Ordinance 239-K & 240-K submitted by NNP-Looper Lake, LLC to rezone 85 +/- acres of land in Sterling on the Lake known as the Honeycutt Tract from PUD to modified PUD - changing the conditions of zoning to allow a gate and private roads and to include the recording of the Second Amendment.

MOTION: Amy Farah
SECOND: Ed Asbridge
AYES: Leslie Jarchow, Joe Anglin, Chris Mundy, Ed Asbridge, Amy Farah
NAYS: None
Motion carried

<u>NEW BUSINESS - VOTING SESSION:</u>

<u>Consider Insurance Policies for 12/01/2020 - 11/30/2021</u>

There was a motion made to table the change to Alliant Plan #8004400 and keep Life/AD&D, Dental and Vision with Humana, adding additional life insurance coverage for all employees until the November 5, 2020 meeting.

MOTION: Chris Mundy
SECOND: Leslie Jarchow
AYES: Leslie Jarchow, Joe Anglin, Chris Mundy, Ed Asbridge, Amy Farah
NAYS: None
Motion carried

EXECUTIVE SESSION:

There was a motion made to enter executive session for pending/potential litigation and the acquisition of real estate at 7:40 pm.

MOTION: Joe Anglin
SECOND: Amy Farah
AYES: Leslie Jarchow, Joe Anglin, Chris Mundy, Ed Asbridge, Amy Farah
NAYS: None
Motion carried

There was a motion made to reconvene open session at 9:28 pm.

MOTION: Amy Farah
SECOND: Leslie Jarchow
AYES: Leslie Jarchow, Joe Anglin, Chris Mundy, Ed Asbridge, Amy Farah
NAYS: None
Motion carried

ADJOURNMENT:

There was a motion made to adjourn at 9:28 pm.

MOTION: Amy Farah
SECOND: Leslie Jarchow
AYES: Leslie Jarchow, Joe Anglin, Chris Mundy, Ed Asbridge, Amy Farah
NAYS: None
Motion carried

Mayor – Mike Miller	Date	City Clerk – Vickie Short