

Special Called Meeting of City Council

Monday, April 21, 2008 at 2:00 p.m.

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Special Called Meeting of the Mayor and Council of the City of Milton was held on Monday, April 21, 2008 at 2:00 PM, Mayor Joe Lockwood presiding.

CALL TO ORDER

Mayor Lockwood called the Special Called Meeting to order.

ROLL CALL

Interim City Manager Chris Lagerbloom called roll.

Councilmembers Present: Councilmember Karen Thurman, Councilmember Bill Lusk and Councilmember Julie Zahner Bailey.

Councilmember Tina D'Aversa, Councilmember Alan Tart and Councilmember Burt Hewitt arrived at 4:30 p.m.

PLEDGE OF ALLEGIANCE

Mayor Lockwood led the Pledge of Allegiance.

APPROVAL OF MEETING AGENDA

Interim City Manager Lagerbloom read agenda item 08-559.

Approval of the Meeting Agenda

Councilmember Zahner Bailey stated she would like to add Executive Session to discuss pending litigation.

Motion and Vote: Councilmember Zahner Bailey moved to approve the Meeting Agenda, as amended. Councilmember Thurman seconded the motion. There was no Council discussion. The motion passed unanimously.

Interim City Manager Lagerbloom asked that the meeting be suspended until 4:30 p.m.

MEETING SUSPENDED

Motion and Vote: Councilmember Thurman moved to suspend the meeting until 4:30 p.m. Councilmember Lusk seconded the motion. There was no Council discussion. The motion passed unanimously.

RECONVENE

Motion and Vote: Councilmember Zahner Bailey moved to reconvene the Special Called Meeting at 4:30 p.m. Councilmember Tart seconded the motion. There was no Council discussion. The motion passed unanimously.

PUBLIC COMMENT

Interim City Manager Lagerbloom stated that there was no public comment.

NEW BUSINESS

Approval of a Resolution Appointing Billy Beckett as City Manager.

Resolution No. 08-04-31

Mayor Lockwood read the Resolution appointing Billy Beckett as City Manager.

Motion and Vote: Councilmember Lusk moved to approve a Resolution Appointing Billy Beckett as City Manager. Councilmember Thurman seconded the motion. There was no Council discussion. The motion passed unanimously.

City Attorney Angie Davis stated that the Employment Agreement was attached to the Resolution as Exhibit "A". She said it could be voted on as a separate item.

Motion and Vote: Councilmember Lusk moved to approve the Employment Agreement for Billy Beckett. Councilmember Thurman seconded the motion. There was no Council discussion. The motion passed unanimously.

Mayor Lockwood introduced Billy Beckett as the new City Manager and welcomed him. He said that Mr. Beckett's start date would be April 30, 2008.

Interim City Manager Lagerbloom read agenda item 08-561.

Discussion of the Birmingham Fire Station Lease with Fulton County.

Interim City Manager Lagerbloom

- Station #43 is what we are discussing and our ability to occupy after April 1st.
- We have a couple of different options.
- Option three is we vacate the building and find some other place for our firefighters and equipment.
- That is the least favorable option to him.
- City Attorney Davis will present the other two options.

City Attorney Davis

- The lease agreement expired on April 3rd and needs immediate attention.
- With the departure of the Fulton County Attorney in an abrupt manner, we have had some difficulties in getting to the heart of this.
- Some of the issues are fairly difficult.
- In terms of considering acquisition as an option opposed to the lease which is our other option.
- The acquisition option is complex because this property is encumbered by some indebtedness, so it has been hard to talk to the right person to get help making some decisions.
- Had discussion with the Acting Attorney Larry Ramsey.
- Fulton County is willing to sell this to us, if we are interested, as opposed to a continued lease arrangement.
- So one option would be acquisition and the second would be lease.
- We would not be able to accomplish acquisition in the time period we have now.
- Propose a six month lease which would give us time to consider acquisition.
- Fulton County is willing to entertain a limited extension in that manner.
- To ensure we have a place for our fire equipment and personnel, we could extend it in a short term period and if Council wants to authorize her to pursue the acquisition then we will have to meet with their bond counsel and determine the cost of the acquisition and if it will be feasible.
- Because this property is part of security for indebtedness, what we anticipate as the acquisition issue is as opposed to all the other properties we obtained from Fulton County coming to us in very limited cost, we would probably have to buy this out of the debt, which would probably be in the range of approximately \$200,000.00.
- Would like to find out in terms of what the share of the debt would be.
- Because of the complications the indebtedness presents, there is another party involved and that is Ambac and they are referred as the credit enhancer. Because this is a security for their debt, Ambac requires they consent to any lease or lease extension.
- To make that happen, they go through a review process and typically they have charged a \$5,000.00 review fee.
- Mr. Ramsey has asked if we are interested in a six month renewal or six month extension if we would be willing to pay the \$5,000.00 fee and any associated Bond Council cost.
- Suggest that we would agree to pay the \$5,000.00 fee and associated bond counsel cost not to exceed an additional fee of whatever Council feels comfortable with.

- The City of Sandy Springs contract is for six months with an option to extend automatic renewal every six months, so the City of Milton could do the same.

Councilmember Zahner Bailey asked if some of this review was anticipated knowing that this was encumbered, and if the \$5,000.00 was covered in the earlier agreement.

City Attorney Davis said she does not know if that was addressed and Mr. Ramsey represented that we pay the \$5,000.00 on the first negotiation. If there is a new paper to be signed, they have a process.

Councilmember Zahner Bailey said it was indicated that we had paid that the first time, so this would be consistent with that payment.

City Attorney Davis said that was correct.

Interim City Manager Lagerbloom

- With everything that has gone on it would be difficult to get information as relates to this item.
- It has also been a challenge because we are still asking the county to audit our final invoice that related to the service they provided before we took over Public Safety.
- We audited the records and sent it back with a statement saying we do not believe we owe what they say we owe.
- We have put it back on them to respond on some documents that prove inaccurate.
- We have been dealing with this for months and we are always diverted by them saying we will happily talk about station 3 when you write us the final check.
- We disagree on the amount based on the audited records.
- That is just some background as to where we are with them.

Mayor Lockwood asked the City Attorney if it was her recommendation to renegotiate a lease. He said it just makes sense that we should have some extensions.

City Attorney Davis said yes that would be her recommendation. She said that was really our only option short of vacating the property and it has been suggested that really is not an option. A motion might be appropriate and she can bring a lease for Council's approval to the April 28th meeting. She would recommend a "not to exceed" amount on bond counsel cost.

Councilmember Tart asked about the \$5,000.00 in additional fees and where that money would be coming from.

Interim City Manager Lagerbloom said we budgeted in the capital dollars for fire station enhancements which includes painting Station #41 and some internal work at Station #42 so that would be the most likely place to take it from. He does not intend for it to come from the General Fund.

Councilmember Tart asked if we would have to amend the budget.

Interim City Manager Lagerbloom said based on the amount he did not see a need to amend the budget.

Councilmember Zahner Bailey asked if the \$5,000.00 had to be a cash outlay or if we could just agree to pay it and if this could be something that could come out of that pool of existing funds that they are holding for us so we are not doing a cash outlay.

City Attorney Davis said she would first make the request that we do not have the fees assessed because we initially paid these fees and believe it is the same transaction. In the interest of time, she felt she would like Councils authorization to pay them if she has to.

Mayor Lockwood said that in speaking with Commissioner Riley, she is firm on making sure that we receive all of the funds and we keep everything else separate.

City Attorney Davis said that this would be a payment to AmBack and they will probably want that check when we request a review. It will be requested in an expedited fashion so that will be another reason to keep it separate.

Motion and Second: Councilmember Zahner Bailey moved to consider a reevaluation of our lease with a potential for six months with initial lease of six months up to an extension of another six months, additionally to include an evaluation of possible pursuit of acquisition of Station #43, and that would include the payment of \$5,000.00 from our existing budget to cover potential fees to Ambac at the discretion of our City Attorney to pursue that with Fulton County and to include up to a maximum of \$1,000.00 of additional fees for outside Council, if necessary. Councilmember Hewitt seconded the motion.

Discussion on the Motion: Councilmember Tart asked Councilmember Zahner Bailey if she meant to say one extension of six months or an automatically renewable six months.

Councilmember Zahner Bailey said renewable, but with the initial being six months and then renewable for an additional six months. She believes that is the language that our current agreement has in place.

City Attorney Davis said it appears to be continuous up to every six months.

Councilmember Tart asked Councilmember Zahner Bailey if she would be willing to amend the motion to include automatically renewable.

Motion to Amend: Councilmember Zahner Bailey amended the motion to include an automatic renewal in increments of six months as needed. The amended motion was accepted by Councilmember Hewitt.

There was no further Council discussion.

Vote on original motion and the Amended Motion: The motion passed unanimously.

EXECUTIVE SESSION

Motion and Vote: Councilmember Tart moved to adjourn into Executive Session at 5:04 p.m. Councilmember D'Aversa seconded the motion. There was no council discussion. The motion passed unanimously.

RECONVENE

Motion and Vote: Councilmember Tart moved to reconvene at 6:42 p.m. Councilmember D'Aversa seconded the motion. There was no Council discussion. The motion passed unanimously.


ADJOURNMENT


Mayor Lockwood requested a motion to adjourn.

Motion and Vote: Councilmember Tart moved to adjourn the Special Called Meeting. Councilmember Zahner Bailey seconded the motion. There was no Council discussion. The motion passed unanimously.

After no further business, the Special Called meeting of the Milton City Council was adjourned at 5:54 p.m.

Date Approved: May 5, 2008


Jeanette R. Marchiafava, City Clerk


Joe Lockwood, Mayor

