

**CITY GOVERNMENT
OFFICIAL PROCEEDINGS OF CITY COUNCIL
SAVANNAH, GEORGIA
December 15, 2011**

The regular meeting of Council was held this date at 2:00 P.M. in the Council Chambers of City Hall. The Invocation was given by Alderman Jason Gambol, with Central Church of Christ, followed by the Pledge of Allegiance to the Flag. The Minutes of the meeting of December 1, 2011 City Council Meeting and the Summary/Final Minutes of the December 1, 2011 City Council Workshop and City Manager's Briefing were approved upon motion of Alderman Johnson, seconded by Alderman Thomas and carried.

PRESENT: Mayor Otis S. Johnson, Presiding
Mayor Pro-Tem Edna B. Jackson
Alderman Tony Thomas, Chairman of Council
Alderman Van Johnson II, Vice-Chairman of Council
Aldermen Larry Stuber, Clifton Jones, Jeff Felser,
Mary Osborne and Mary Ellen Sprague

City Manager Rochelle D. Small-Toney
City Attorney James B. Blackburn
Asst. City Attorneys William W. Shearouse and Lester B. Johnson, III

PRESENTATIONS

Pete Shonka, Assistant City Manager for Utilities, Development, and Construction Services, presented to Council the 2011 Innovation in Transportation Award from the Georgia Section of the Institute of Transportation Engineers for Ellis Square and the Whitaker Street Garage. This award was presented at a meeting in Atlanta.

Lieutenant Colonel Ed Kovaleski, Hunter Garrison Commander, and Sgt. 1st Class Abraham presented a Christmas wreath donated by the "Wreaths for Warriors Walk" organization to the City of Savannah. This year, 439 wreaths were placed at Warriors Walk by the families and friends on December 10th. The organization also donates a wreath to each county in the area. Alderman Johnson thanked them and those who paid the ultimate sacrifice.

Savannah Economic Development Authority's Executive Director Steve Weathers presented a Resolution to Mayor Otis S. Johnson. Mayor Johnson stated he was surprised and extremely honored.

PETITIONS

T.Y. LIN International Group for McDonald's USA, LLC – Petition 13544, requesting multiple encroachments onto several City right-of-ways surrounding a proposed McDonald's franchise planned for 246 W. Broughton Street. The subject property is owned by Daryl J. Walker and is located on the northeast corner of Broughton and Jefferson Streets. The property currently houses a vacant commercial building which requires improvements in order for a McDonald's franchise to open and operate on the premises. The petitioner is requesting permission to encroach onto the Broughton Street, Jefferson Street, and Congress Lane rights-of- way for the placement of awnings, signage, a rear entry stoop and sidewalk trash receptacles, as described below:

Awnings: The encroachment request is for two awnings over the Broughton Street sidewalk, three awnings over the Jefferson Street sidewalk, and one awning in Congress Lane. Each awning will provide 8'-0" clearance above the sidewalk, extending 3'-0" from the façade, and varying in width from 6'-0" to 14'-4" (with the largest two located on the Broughton Street facade). The awnings are generally planned to be located over storefront windows or doors and have already been approved by the Historic Review Board

Signage: The encroachment request is for the primary signage of the restaurant to be installed at the building corner of Broughton and Jefferson Streets, providing 10'-8" clearance above the sidewalk, projecting 4'-0" from the façade at a 45 degree angle. The sign has already been approved by the Historic Review Board.

Rear entry stoop: The encroachment request is for a new entry stoop within W. Congress Lane, which will provide a rear exit door and egress from the lower level. The stoop is planned to protrude into the lane 3'-0" with an overall length of 5'-0".

Trash receptacles: The encroachment request is for two new trash receptacles to be placed on the Jefferson Street sidewalk closest to the curb. The extra trash receptacles are planned to provide for the increased amount of generated trash, due in large part from the outside dining and walk-up window.

The petition has been reviewed by the Water Resources and Public Works Bureau, the Sanitation Bureau, and the Development Services Department. Public Works notes underground City-owned utilities in the direct area and requires that the petitioner, and property owner alike, be responsible for removal and replacement of the improvements should maintenance to the utilities ever be needed. The petitioner should also be aware that Congress Lane is utilized by large City vehicles and that the City will have no liability with respect to potential damage to the improvements and recommends that the outer corners of the Congress Lane stoop be rounded in order to minimize potential damage to vehicle tires. Zoning will require a separate building permit for the awnings and signage and a certificate of completion is required upon passing of all inspections regarding the building permit. The subject building has already been approved by the MPC and a Certificate of Appropriateness has been issued for the project. A signed letter has been submitted by the property owner, Daryl J. Walker, acknowledging the petition and his acceptance of all responsibility and associated liability for the encroachments. All City permitting and construction guidelines must be followed. A separate plan for outdoor seating has not yet been approved by the City Café Administrator. Approval of Petition 13544 in which T.Y. LIN International requests permission to encroach onto City right-of-way at 246 W Broughton Street, for the improvements needed to open and operate a McDonald's franchise; to install awnings and signage over City sidewalks, install a stoop in a City lane, and install trash receptacle on City sidewalk. The petitioner and the property owner alike should be advised that such encroachment grants no ownership rights to the property and that, if ever required, the structure(s) must be removed at petitioner's or property owner's expense.

Upon motion by Alderman Jackson, Seconded by Alderman Thomas and carried the petition was granted.

ORDINANCES

Second Readings

Ordinance read for the first time in Council December 1, 2011, amended and read a second time December 15, 2011 placed upon its passage, adopted and approved upon motion of Alderman Thomas, seconded by Alderman Stuber and carried; an 8 to 1 vote with Alderman Felser voting no.

Budget Ordinance. An ordinance to adopt the 2012 Service Program and Budget proposed by the City Manager with certain changes.

Ordinance read for the first time in Council December 1, 2011, amended and read a second time December 15, 2011 placed upon its passage, adopted and approved upon motion of Alderman Thomas, seconded by Alderman Jones and carried; an 8 to 1 vote with Alderman Felser voting no.

Revenue Ordinance. An ordinance to raise revenue for the City of Savannah the same as was adopted and amended for 2011 with certain changes.

AN ORDINANCE TO ADOPT THE ANNUAL BUDGET FOR THE YEAR 2012 AND TO ADOPT REVISIONS TO THE ANNUAL BUDGET FOR THE YEAR 2011 FOR THE VARIOUS GOVERNMENTAL FUNDS OF THE CITY, AND TO ADOPT THE FIVE YEAR CAPITAL IMPROVEMENT PLAN FOR THE CITY.

WHEREAS, the City Manager submitted the Proposed 2012 Service Program and Budget to the Mayor and Aldermen on November 4, 2011, and the City Manager also submitted the Capital Improvement Program for 2012-2016 on November 4, 2011; and

WHEREAS, the City Manager’s Proposed 2012 Service Program and Budget and Capital Improvement Program for 2012-2016 have been reviewed by the Mayor and Aldermen; and

WHEREAS, the Proposed 2012 Service Program and Budget was made available for public review on November 4, 2011, and availability of the Proposed 2012 Service Program and Budget for public review and the time and place of the public hearing on the budget was advertised on November 4, 2011; and

WHEREAS, the Mayor and Aldermen conducted public hearings on the Proposed 2012 Service Program and Budget on November 17, 2011, and December 1, 2011, to receive citizen input on the proposed budget; and

WHEREAS, the Mayor and Aldermen directed that the following revisions be made to the Proposed 2012 Service Program and Budget:

Decrease General Fund contingency by \$92,000 in order to:

Increase Cultural Contributions as follows to restore agency funding to the 2011 level:

- Increase the contribution to the Coastal Jazz Association by \$500 for the Big Band Concert Series Jazz Festival;
- Increase the contribution to the King Tisdell Cottage Foundation by \$2,000 for the Exhibition Series;
- Increase the contribution to the Savannah Coastal Puppetry Guild by \$2,000 for the Showtime for Seniors program;
- Increase the contribution to the Latin American Services Organization by \$2,500 for Fiesta Latina;
- Increase the contribution to the Live Oak Public Libraries by \$1,000 for the Savannah Children’s Book Festival;
- Increase the contribution to the SSU/Black Heritage Festival by \$10,000 for the Savannah Black Heritage Festival;
- Increase the contribution to Tara Feis by \$14,000 for Tara Feis.

Provide \$60,000 for the purchase of Emergency Medical Services (EMS) equipment by the Fire and Emergency Services Bureau to enhance first responder services.

THEREFORE, BE IT ORDAINED by the Mayor and Aldermen of the City of Savannah in Council assembled that:

Section 1. The following estimated revenues and appropriations are adopted for the indicated funds and departments for the year 2011 (January 1, 2011 through December 31, 2011), and the year 2012 (January 1, 2012 through December 31, 2012):

General Fund	<u>Revised 2011</u>	<u>2012</u>
Total Estimated Revenue	\$ <u>169,865,041</u>	\$ <u>170,440,017</u>
Bureau Appropriations:	<u>Revised 2011</u>	<u>2012</u>
General Administration	\$ 3,660,834	\$ 4,609,856
Management and Financial Services	6,653,466	6,733,476
Recorder’s Court	2,148,487	2,210,659
Public Works	17,345,115	17,502,591
Community and Economic Development	7,757,558	8,090,129
Police	58,532,556	61,069,887

Fire and Emergency Services	24,063,778	24,821,160
Public Facilities, Events and Services	19,451,631	20,074,254
Other Governmental Services	15,146,552	14,176,987
Interfund Transfers	10,327,827	11,151,018
Contribution to Fund Balance	<u>4,777,237</u>	<u>0</u>
Total Appropriations	\$ <u>169,865,041</u>	\$ <u>170,440,017</u>
Grant Fund		
Total estimated revenue	\$ <u>12,000,000</u>	\$ <u>4,799,672</u>
Total appropriations	\$ <u>12,000,000</u>	\$ <u>4,799,672</u>
Community Development Fund		
Total estimated revenue	\$ <u>15,660,74</u>	\$ <u>14,522,70</u>
	<u>4</u>	<u>9</u>
Total appropriations	\$ <u>15,660,744</u>	\$ <u>14,522,709</u>
Housing/Property Acquisition Fund		
Total estimated revenue	\$ <u>2,100,000</u>	\$ <u>2,100,000</u>
Total appropriations	\$ <u>2,100,000</u>	\$ <u>2,100,000</u>
Hazardous Material Team Fund		
Total estimated revenue	\$ <u>447,623</u>	\$ <u>522,770</u>
Total appropriations	\$ <u>447,623</u>	\$ <u>522,770</u>
Public Safety Communications Fund		
Total estimated revenue	\$ <u>5,272,064</u>	\$ <u>5,757,981</u>
Total appropriations	\$ <u>5,272,064</u>	\$ <u>5,757,981</u>
Public Safety Wireless Reserve		
Total estimated revenue	\$ <u>500,000</u>	\$ <u>250,000</u>
Total appropriations	\$ <u>500,000</u>	\$ <u>250,000</u>
Economic Development Fund (Section 108 Loan)		
Total estimated revenue	\$ <u>1,500,000</u>	\$ <u>1,500,000</u>
Total appropriations	\$ <u>1,500,000</u>	\$ <u>1,500,000</u>
Confiscated Assets Fund		
Total estimated revenue	\$ <u>175,000</u>	\$ <u>175,000</u>
Total appropriations	\$ <u>175,000</u>	\$ <u>175,000</u>
Debt Service Fund		
Total estimated revenue	<u>Revised 2011</u> \$ <u>3,000,000</u>	<u>2012</u> \$ <u>2,148,125</u>
Total appropriations	\$ <u>3,000,000</u>	\$ <u>2,148,125</u>
Special Assessment Debt Fund		
Total estimated revenue	\$ <u>100,000</u>	\$ <u>100,000</u>
Total appropriations	\$ <u>100,000</u>	\$ <u>100,000</u>
Hotel/Motel Tax Fund		
Total estimated revenue	\$ <u>13,500,00</u>	\$ <u>12,566,79</u>
	<u>0</u>	<u>0</u>
Total appropriations	\$ <u>13,500,000</u>	\$ <u>12,566,790</u>

Auto Rental Tax Fund			
Total estimated revenue	\$	<u>1,600,000</u>	\$ <u>1,212,000</u>
Total appropriations	\$	<u>1,600,000</u>	\$ <u>1,212,000</u>
TAD Fund I			
Total estimated revenue	\$	<u>650,000</u>	\$ <u>1,251,504</u>
Total appropriations	\$	<u>650,000</u>	\$ <u>1,251,504</u>

Section 2. Appropriations and estimated revenues for the Capital Improvements Fund are made on a project-length basis, rather than on an annual basis and remain in effect until the project is completed and closed. Appropriations and estimated revenues for the Capital Improvements Fund are adopted as follows:

	<u>Revised 2011</u>	<u>2012</u>
Capital Improvements Fund		
Open project appropriations at year beginning	\$325,642,549	\$396,642,549
Add: New appropriations for projects	86,000,000	38,295,300
Less: Appropriations for closed projects	<u>(15,000,000)</u>	<u>(15,000,000)</u>
Open project appropriations at year end	<u>\$396,642,549</u>	<u>\$419,937,849</u>

Section 3. In order to comply with requirements for generally accepted accounting principles regarding expenditure recognition, the appropriations set forth in Section 1 above for year 2012 shall be increased by the amount of any purchase order encumbrances open as of December 31, 2011.

Section 4. In order to comply with requirements of generally accepted accounting principles as set forth in Statement 54 issued by the Governmental Accounting Standards Board, the fund balance amounts reported in the City's special revenue funds, unless otherwise restricted, shall be constrained for the specific purpose for which the special revenue fund was created. These balances, though they may be combined with other funds for financial reporting purposes, shall maintain the committed status hereby designated.

Section 5. In order to maintain a balanced budget, it is authorized that the total 2011 appropriations set forth for the General Fund in Section 1 hereof, be increased by the amount, if any, by which actual 2011 revenues exceed estimated revenues. It is also authorized that any unused bureau appropriations be transferred to the appropriation for Interfund Transfers for contribution to Capital Improvement Funds.

Section 6. For purposes of administering the budget, the legal level of control is designated to be the Bureaus as set forth in Section 1 hereof, which organizational units are hereby designated as departments as that term is used in O.C.G.A 36-81-1 et. seq.

Section 7. The capital improvement plan set forth in the Capital Improvements Program Recommendations 2012 – 2016 is hereby adopted for planning purposes.

The five year totals of the Capital Improvement Program Recommendations 2012-2016 follow.

	<u>2012 - 2016</u>
Cemetery Improvements	\$811,800
Civic Center Improvements	5,064,000
Community Development Improvements	1,350,000
Drainage Improvements	1,400,000
I & D Water Improvements	5,296,000
Other Improvements	3,732,000
Park and Recreation Improvements	3,111,000
Public Building Improvements	23,563,000
Sanitation Improvements	17,010,000
Sewer Improvements	71,670,000
Square and Monument Improvements	1,487,500

	<u>2012 - 2016</u>
Street Improvements	6,222,500
Traffic Improvements	2,802,000
Water Improvements	<u>31,026,000</u>
Total	\$174,545,800

Annual appropriations for capital improvement projects will be necessary in future annual budgets in order to provide the actual funding for any project.

Section 7. All ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

ADOPTED AND APPROVED THIS 15TH DAY OF DECEMBER, 2011.

First and Second Readings

Ordinance read for the first and second time in Council December 15, 2011, placed upon its passage, adopted and approved upon motion of Alderman Thomas, seconded by Alderman Felser and carried.

Sunday Package Alcohol Sales. An ordinance to amend the Alcoholic Beverage Ordinance to provide for Sunday alcohol sales for beer, wine and distilled spirits at alcohol retailers selling by the package per the referendum approved by voters at the November 8, 2011, election; to establish an effective date; and to repeal all ordinances in conflict herewith and for other purposes. Revenue Director Tom Vanderhorst clarified the ordinance reflected retail sales only.

SUNDAY SALES ALCOHOL ORDINANCE

AN ORDINANCE TO AMEND THE ALCOHOLIC BEVERAGES ORDINANCE, CITY OF SAVANNAH CODE, PART 6, CHAPTER 1, ARTICLE H, SECTIONS 6-1211 AND 6-1212, TO PROVIDE FOR SUNDAY ALCOHOL SALES FOR BEER, WINE AND DISTILLED SPIRITS AT ALCOHOL RETAILERS SELLING BY THE PACKAGE; TO ESTABLISH AN EFFECTIVE DATE; AND REPEAL ALL ORDINANCES IN CONFLICT HEREWITH AND FOR OTHER PURPOSES.

BE IT ORDAINED by the Mayor and Alderman of the City of Savannah, in regular meeting of Council assembled and pursuant to lawful authority thereof, that:

Section 1: The Alcoholic Beverages Ordinance, Sections 6-1211 and 06-1212 of the Code of Ordinances, be amended to read as follows:

Sec. 6-1211. - Hours of operation.

(a) *Hours of opening and closing for consumption-on-premises businesses.* No business holding a license to dispense alcohol for consumption on premises shall sell, give away or otherwise dispense any distilled spirits, alcoholic beverages, wine, beer or malt beverages between the hours of 2:55 a.m. Sunday and 7:00 a.m. Monday and between the hours of 3:00 a.m. and 7:00 a.m. on other days. All establishments licensed for consumption on premises shall be closed no later than 2:55 a.m. on Sunday and shall not open before 7:00 a.m. on Monday and shall be closed between the hours of 3:00 a.m. and 7:00 a.m. on all other days; provided, however, that when New Year's Eve falls on Sunday, then such establishments licensed hereunder as consumption-on-premises businesses may open and begin dispensing alcoholic beverages at 12:01 a.m. on January 1 and shall cease dispensing alcoholic beverages and close at 3:30 a.m. on January 1.

(b) *Restaurants.* Restaurants, dining rooms, and similar establishments holding licenses for the serving of food and where food is actually and regularly served and licensed to dispense alcohol for consumption on premises may remain open beyond such times to serve food but in no event shall there be any sale or dispensing of distilled spirits, alcoholic beverages, wine, beer or malt beverages during such extended hours and any bar or dispensing facility in such restaurant establishments shall be closed. Provided, however, that when New Year's Eve falls on Sunday, then such restaurants, unless

otherwise prohibited by zoning or other restrictions or conditions for their licensing, may open and dispense alcoholic beverages between the hours of 12:01 a.m. and 3:30 a.m. on January 1.

(c) *Retail- Sale by the package of distilled spirits.* No retailer of distilled spirits by the package shall engage in the sale of distilled spirits, alcoholic beverages, wine, beer or malt beverages at any time on Thanksgiving Day or Christmas Day; at any time in violation of a county or municipal ordinance or regulation. Package licensees of distilled spirits shall not engage in the sale of alcoholic beverages except between the hours of 8 a.m. and 11:45 p.m. Monday through Saturday and between the hours of 12:30 p.m. and 11:30 p.m. on Sundays.

(d) *Retail- Sale by the package of beer and wine only.* Licensees with a valid retail beer and wine retail package permit are prohibited from engaging in the sale of alcoholic beverages between the hours of 11:45 p.m. Saturday and 12:30 p.m. Sunday and between the hours of 11:30 p.m. Sunday and 8 a.m. on Monday.

Sec. 6-1212. - Sale of alcoholic beverages on Sundays.

(a) *Sunday sales prohibited.* No alcoholic beverages shall be sold, offered for sale, dispensed, or given away, in any place of business on Sunday, except as provided in paragraph [subsection] (b) below. Every person operating a place of business solely and exclusively for the purpose of selling or dealing in alcoholic beverages shall keep such business closed on Sunday.

(ba) *Sunday sale of alcoholic beverages for consumption on the premises businesses.* The licensee of any eating establishment desiring the privilege to sell or otherwise dispense distilled spirits, malt beverages, or wine on Sunday in accordance with this paragraph [subsection] shall, before dispensing such beverages on Sunday, file an affidavit with the city revenue department, certifying under oath that (1) such establishment holds or has applied for a current City of Savannah license to operate a restaurant, and (2) such establishment, if an existing business, derived at least 50 percent of its total annual gross food and beverage sales income from the sale of prepared meals or food during the preceding calendar year or, if a new business, fully intends and expects to derive at least 50 percent of its total annual gross food and beverage sales income from the sale of prepared meals or food during the remainder of the current calendar year. Such an affidavit may be submitted at any time the above stated conditions are met, and must be submitted annually with such establishment's alcoholic beverage license renewal application if Sunday sales authorization is to be continued.

The alcoholic beverage license of an establishment which has properly filed such an affidavit will be marked to indicate authorization to dispense alcoholic beverages between the hours of 12:30 p.m. Sunday and 2:00 a.m. Monday. Any establishment not complying with this section is hereby specifically prohibited from dispensing alcoholic beverages on Sunday.

To qualify for a Sunday sales permit, any licensed restaurant, in addition to the above requirements, shall be a bona fide public eating place which actually and regularly prepares and serves food on the premises; shall have a full kitchen facility open and operating to prepare food on the premises for consumption in the establishment, such kitchen to include at a minimum one cooking stove and/or oven or equivalent apparatus (this requirement is not met by a microwave oven and/or food rotisserie), one standard size food refrigerator and freezer, kitchen sink, and any and all food service requirements of the Chatham County Health Department; shall have a specific area of the establishment set aside, set up, and operating to serve prepared food on the premises; shall have a printed or posted menu from which selections for prepared food can be made; and shall provide its full food service to the public on any Sunday when alcoholic beverages are dispensed. This paragraph shall not be applicable to any recognized festival event sponsored by a nonprofit community organization.

Section 2: This ordinance shall become effective upon passage.

Section 3: All ordinances and parts of ordinances in conflict herewith are hereby repealed.

ADOPTED AND APPROVED THIS 15TH DAY OF DECEMBER.

One Hour Time Zone Request – 0 Block of West Brady, 0 Block of East 34th Street, 100 Block of East 36th Street. An ordinance to authorize one hour time zones on the 0 block of West Brady, 0 block of East 34th Street, and 100 block of East 36th Street. This action was requested by residents via petition. Mobility and Parking Services conducted a six month trial of the time zones and they were effective in reducing student overcrowding and allowing residents to park on their blocks. Approval of this ordinance would make the trial permanent. (Deferred from December 1, 2011 for a public meeting to be held on December 8, 2011.) Recommend continuing the trial on applicable streets, convening a citizen panel to recommend the creation of a parking district for the corridor, and returning to Council with a proposed parking district.

90-Minute Time Zone Request – Bull Street Library/Thomas Square Parking Area. An ordinance to authorize 90-minute time zones for all spaces in the Bull Street Library/Thomas Square parking area. The parking lot is fronted by Bull Street, 35th Street, and Drayton Street. (Deferred from December 1, 2011 for a public meeting to be held on December 8, 2011.) Recommend continuing the trial on applicable streets, convening a citizen panel to recommend the creation of a parking district for the corridor, and returning to Council with a proposed parking district.

Upon motion by Alderman Johnson, seconded by Alderman Felser and carried, the two preceding ordinances were continued for 90-days.

RESOLUTIONS

Transfer of Assets from Other Post Employment Benefits (OPEB) Special Revenue Fund to OPEB Trust Fund. A resolution authorizing the transfer of assets in the “City of Savannah Other Post Employment Benefit Reserve Fund” to a new City of Savannah Employees’ Post-Employment Benefits Trust Fund” and providing for the creation of said trust fund as authorized by O.C.G.A. 47-20-10.1. The City allows retirees to voluntarily participate in the City’s health benefit program after retirement. The cost of this program is funded jointly by the retiree and the City. Such a benefit program is known as “Other Post Employment Benefits” or “OPEB”. Accounting standards adopted by the Governmental Accounting Standards Board, Statements Number 43 and 45 (“GASB 43 and 45”) require that liabilities and expenses with regard to the provision of OPEB must be measured on a actuarial basis and reported in the annual audited financial statements of governmental entities. The measurement and reporting of OPEB expenses and liabilities under GASB 43 and 45 are different depending on whether the governmental entity chooses to accumulate assets for such OPEB obligations in a “special revenue fund” or a “trust fund”. To date, the City has accounted for its OPEB obligations in a special revenue fund known as the “City of Savannah OPEB Reserve Fund”. The General Assembly enacted O.C.G.A. 47-20-10.1 to authorize political subdivisions of the State to create “trust funds” specifically for the accumulation and management of assets to be used for OPEB obligations. Use of a trust fund versus a special revenue fund is advantageous to the City because the trust fund allows the City to offset OPEB liabilities on its balance sheet, and segregate OPEB assets and liabilities from operating funds. It also allows the actuary to use a higher investment yield, which produces a lower reported actuarial liability. It is therefore recommended that the City change the accounting method for its OPEB from using a special revenue fund to the use of a trust fund.

RESOLUTION OF THE MAYOR AND ALDERMEN OF THE CITY OF SAVANNAH AUTHORIZING THE TRANSFER OF ASSETS IN THE “CITY OF SAVANNAH OTHER POST EMPLOYMENT BENEFIT RESERVE FUND” TO A “NEW CITY OF SAVANNAH EMPLOYEES’ POST-EMPLOYMENT BENEFITS TRUST FUND” AND PROVIDING FOR THE CREATION OF SAID TRUST FUND AS AUTHORIZED BY O.C.G.A. 47-20-10.1

WHEREAS, the City of Savannah provides certain health and life insurance benefits to eligible retirees and their dependents and such benefits are referred to as “Other Post Employment Benefits” or “OPEB”; and

WHEREAS, accounting standards adopted by the Governmental Accounting Standards Board, Statements Number 43 and 45 (“GASB 43 and 45”) require that liabilities and

expenses with regard to the provision of “Other Post Employment Benefits” must be measured on an actuarial basis and reported in the annual audited financial statements of governmental entities; and

WHEREAS, the measurement and reporting of OPEB expenses and liabilities under GASB 43 and 45 are different depending on whether the governmental entity chooses to accumulate assets for such OPEB obligations in a “special revenue fund” or a “trust fund”; and

WHEREAS, the General Assembly of the State of Georgia enacted O.C.G.A. 47-20-10.1 to authorize political subdivisions of the State to create “trust funds” specifically for the accumulation and management of assets to be used for OPEB obligations; and

WHEREAS, the City has heretofore accounted for its accumulation of assets for its OPEB obligations in a special revenue fund known as the “City of Savannah OPEB Reserve Fund”; and

WHEREAS the City has determined that it is advantageous to account for its OPEB expenses and liabilities under the “trust fund method” as authorized by O.C.G.A. 47-20-10.1; and

WHEREAS, the Mayor and Alderman shall retain control over the kinds and level of benefits and the amount of funding to be provided by the City for post-employment and/or retiree health, life insurance and other permissible employment related benefits; and

WHEREAS, participation in the group benefited by this the trust shall be voluntary.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Aldermen of the City of Savannah hereby authorize the City of Savannah to act as trustee for the purpose of creating the “City of Savannah Post-Employment Benefits Trust Fund”; and

BE IT FURTHER RESOLVED that the assets of the “City of Savannah OPEB Reserve Fund” are hereby re-characterized to be assets of the “City of Savannah Post-Employment Benefits Trust Fund”; and

BE IT FURTHER RESOLVED that the assets of, and any future assets that may be contributed to, the “City of Savannah Post-Employment Benefits Trust Fund” shall be used solely for purposes related to the provision of post-employment and/or retiree health, life insurance and other permissible employment related benefits; and

BE IT FURTHER RESOLVED that future contributions to the “City of Savannah Post-Employment Benefits Trust” by the City shall be subject to specific appropriation for that purpose by the Mayor and Aldermen in future annual budgets; and

BE IT FURTHER RESOLVED that the City Manager is hereby authorized on behalf of the City to sign and execute any documents necessary to carry out the purposes of this resolution.

ADOPTED AND APPROVED THIS 15TH DAY OF DECEMBER, 2011 UPON MOTION BY ALDERMAN JOHNSON, SECONDED BY ALDERMAN FELSER AND CARRIED.

Upon motion of Alderman Thomas, seconded by Alderman Jones and carried, the following **bids, contracts and agreements** were approved:

BIDS, CONTRACTS AND AGREEMENTS

Casey South Collection Drainage Improvements Projects – Summary Contract Modification No. 18 (DR204) – Bid No. 03.098. Approval of a Summary Contract Modification No. 18 to TIC - The Industrial Company in the amount of a deduction of \$94,790.62. The original contract was for the improvement of local drainage and the extension of basin drainage improvements deep into the Chatham Crescent/Ardsley Park

neighborhoods. This area was previously plagued by structural, arterial and nuisance flooding caused by relatively frequent rainfall events. Massive box culverts were installed deep underground from the Casey Canal along 56th Street, Harmon Street, 48th Street and Paulsen Street. New infrastructure was also installed as streets were restored. The construction has vastly reduced flooding in the areas served by the improvements. The summary contract modification includes field adjustments made during construction which caused minor changes to final quantities. The project closeout had been delayed pending settlement of all claims with the contractor. The last claim was settled earlier this year. Approval of Summary Contract Modification No. 18 to TIC - The Industrial Company in the amount of a deduction of \$94,790.62. Funds are available in the 2011 Budget, Capital Improvement Fund/Capital Improvement Projects/Other Costs/Casey Canal Drainage Improvements (Account No. 311- 9207-52842-DR204).

Abatement and Demolition of Pennsylvania Avenue School – Event No. 29. Approval to procure abatement and demolition services for the old Pennsylvania Avenue School building from McLendon Enterprises in the amount of \$230,000.00. The work to be completed includes the abatement of hazardous materials and the complete demolition of the school located on Pennsylvania Avenue. The entire site and disturbed area will be cleared of debris and seeded to establish new grass. Funds are available in the 2011 Budget, General Fund/Real Property Services/Professional Purchased Services (Account No. 101-3125-51238).

Pickup Truck – One Time Purchase – Event No. 30. Approval to procure 27 pick-up trucks from J.C. Lewis Ford in the amount of \$455,235.48. The trucks will be used by Vehicle Maintenance to replace trucks for various departments that are no longer economical to repair or operate. Funds are available in the 2011 Budget, Vehicle Replacement Fund/Vehicular Purchases/Vehicular Equipment (Account No. 613-9230-51515).

Grayson Stadium Roof Replacement – Event No. 25. Approval to procure construction services for the replacement of the roof at Grayson Stadium from Coastal Roofing Company, Inc. in the amount of \$193,635.00. The work to be completed includes the removal and replacement of damaged roofing materials on the upper and lower roof systems over the grandstands at the stadium. Funds are available in the 2011 Budget, Capital Improvement Fund/Capital Improvement Projects/Other Costs/Grayson Stadium Renovations (Account No. 311-9207-52842-PB227).

Financial Audit Services – Annual Contract Renewal – Event No. 65. Renewed an annual contract to procure financial audit services from Karp, Ronning & Tindol. The 2011 audit fee is not to exceed \$126,400.00 which includes a minimal price increase based on the Consumer Price Index. While no renewal options were available, it was decided to extend the contract an additional year with the same firm because of the implementation of the new financial software system and the need for experienced auditors in that process. The method used for this procurement was the Request for Proposal which evaluates criteria in addition to costs. The criteria evaluated as part of this RFP were skills and experience, completeness of audit plan, experience with government audits and fees. Funds will be available in the 2011 Budget, General Fund/Finance/Professional Purchased Service (Account No. 101-1105-51238).

Emergency Notification System – Annual Contract Renewal – Event No. 66. Renewed an annual contract for the emergency notification system from Global Connect in the amount of \$34,247.95. The services are used by Savannah Chatham Metropolitan Police, Fire and Emergency Services, Public Development and the Public Information Office to notify citizens of emergency situations and provide information on various City activities in their area. The system can selectively notify the neighborhoods and areas that are affected without notifying unaffected citizens. The City bills Chatham County for half of the cost of this service. The method used for procurement was the Request for Proposal which evaluates criteria in addition to costs. The criteria evaluated as part of this RFP were functionality, references and costs and fees. The RFP was originally awarded to Cascade International; however they were unable to successfully implement their system. Global Connect was the second highest ranked proposer. The system has performed satisfactorily. Funds will be available in the 2012 Budget, E911 Fund/Public Safety Communications/Other Contractual Services (Account No. 241-4251-51295), General Fund/City-wide Emergency Planning/Other Contractual Services, (Account No. 101-5102-51238), General Fund/Public Information/Other Contractual Services (Account No.

101-0123-51295), General Fund/Public Development/Other Contractual Services (Account No. 101-3101-51295).

Supervisory Control and Data Acquisition Equipment - Sole Source Purchase - Event No. 8. Approval to procure Supervisory Control and Data Acquisition (SCADA) equipment from Bristol, Inc. in the amount of \$297,400.00. The equipment is needed to replace remote terminal units (RTU's) at various I & D locations (4 units), water wells (12 units), lift stations (30 units), and a regional water reclamation plant (1 unit), as well as providing spares for system inventory. An additional 10 units are being purchased for lift stations that currently do not have units installed. Replacement units total \$197,400.00; additional units total \$100,000.00. The remote terminal units control and monitor equipment at the remote sites. This equipment will replace hardware purchased between 1994 and 2008 that has been discontinued and will prevent multiple programming languages and software from being required. The new equipment also increases the ability of remote sites to store more data locally and to use different forms of communications to report back to the central site via the City fiber network, a cellular network, cable network or through wireless technology. This purchase will also allow for a single stream of parts inventory. The reason why a sole source vendor is required is that this equipment must be compatible with the existing equipment and Bristol is the only supplier. Bristol has agreed to the same pricing discount as was proposed for the original system installation several years ago for a total of a 15% discount. Delivery, 4-10 weeks. Funds are available in the 2011 Budget, Capital Improvement Fund/Capital Improvement Projects/Lift Station Small Pant Monitoring/Water Supply RTU Replacement/Lift Station RTU Replacement (Account No. 311-9207-SW227/WT325/SW428) and I & D Operating Fund/I & D Operating & Maintenance/Equipment Maintenance (Account No. 531-2581-51250).

Leachate Methane Stripping Engineering Services – Sole Source Purchase – Event No. 69. Approval to procure engineering design services for Leachate Methane Stripping from Hussey, Gay, Bell and DeYoung in the amount of \$46,030.00. The services will include the design and construction oversight for facilities necessary to remove concentrated methane gas from the landfill leachate and collection system. Because of the increased organic materials being diverted to the landfill due to the closure of the Resource Recovery plant, the levels of methane gas leaving the landfill cells and entering the collection system have risen significantly and presents a hazard to employees and facilities maintaining and operating the collection and pumping systems. The urgent need requires that a solution be immediately designed and implemented. A temporary work around is in place to reduce the levels of methane within the collection system. The recommended proposer has performed the preponderance of design work associated with the Dean Forest Landfill and has assisted City staff with the evaluation and study of various proposed solutions to correct this problem. Funds are available in the 2011 Budget Capital Improvement fund/Capital Improvement Projects/Other Costs/Removal of Methane from Landfill Effluent (Account No. 311-9207-52842-SA602).

Hydraulic Hoses & Components – Contract No. 1. Recommend approval to renew an annual contract for hydraulic hoses and components to Savannah Drive in the amount of \$57,000.00. The hydraulic hoses and components will be used to repair and maintain the City's vehicle fleet. Funds are available in the 2011 Budget, Internal Service Fund/Inventory Vehicle Parts (Account No. 611-0000-11325).

Medical Fitness Examination, Testing and Evaluation Services – Annual Contract – Bid No. 11.158. Awarded Recommend awarding an annual contract for medical fitness examination, testing and evaluation services to St. Joseph's/Candler Health System, Inc. in the amount of \$161,137.50. The services will be used by Savannah Fire and Emergency Services to provide annual health/fitness evaluations required for certification of uniformed employees. The contract will also provide initial candidate evaluations, hazmat exposure assessments, counseling and referrals for work related injury and illnesses for department personnel. While only one response was received, pricing was solicited from all known sources. Delivery: As Required. Terms: Net-30 Days. Funds are available in the 2011 Budget, General Fund/Fire Administration/Other Contractual Services (Account No. 101-5101-51295).

U.V. Module – Sole Source Purchase – Event No.70. Approval to procure an Ultra Violet Disinfection Module from ITT Water and Wastewater (WEDCO) in the amount of \$90,830.00. The U.V. Module will be installed at the Crossroads Water Reclamation

facility which uses ultraviolet technology to disinfect wastewater during the biologic treatment process. Currently the two Ultra Violet disinfection modules allow the plant to treat up to 3 million gallons of effluent per day. With growth in the service area for the Crossroads Water Reclamation Facility the flows are beginning to rise. Adding a module will allow the processing of up to 6.1 million gallons per day. The reason for the sole source vendor is that ITT Water and Wastewater is the manufacturer of the U.V. disinfection system at the Crossroads plant. The additional module must be compatible with their system. Funds are available in the 2011 Budget, Water & Sewer Operating Fund/Regional Plants/Other Contractual Services (Account No. 521-2554-51295).

Juniper Edge Switches – Sole Source Purchase – Event No. 71. Approval to procure Juniper Virtual Private Network (VPN) Edge Switches from Layer 3 in the amount of \$105,980.50. This equipment allows City network users at any location with an internet connection the capability to access the City's network. This is especially advantageous during emergency management situations. The switches being replaced as part of this purchase are part of a group of switches from another manufacturer purchased in 2005 and are going out of warranty in early 2012. This purchase will place the entire City network on the same platform allowing implementation of better security. The reason for the sole source is this vendor was approved by Council for the City's network Juniper VPN expansion in September, 2007 and the City desires to standardize its networking systems with Juniper equipment. Pricing is based on the same discount structure offered through that contract. Funds are available in the 2011 Budget, Computer Replacement Fund/Computer Purchases/Computer Hardware/Software (Account No. 612-9240-51510).

Hydrated Lime – Annual Contract Renewal – Event No. 73. Renewed an annual contract to procure hydrated lime from Mississippi Lime Company in the amount of \$161,940.00. The lime is used by Industrial and Domestic (I & D) Water in the treatment of water. This is the last of two renewal options available. Funds are available in the 2011 Budget, I & D Water Operating Fund/I & D Operations & Maintenance/Chemicals (Account No. 531-2581-51323).

Parking Garage Access Equipment – Emergency Purchase – Event No. 74. Approval to procure parking garage access equipment system from ITR of Georgia in the amount of \$160,146.00. The gate equipment will be installed at Bryan Street Garage replacing equipment installed in 1995 during garage construction. The equipment allows monitoring of customer access into and out of the garage and to accept payments for parking in the garage. Additionally monthly cards are monitored and customer accounts tracked through the companion software. On December 7th a catastrophic software failure occurred with the Bryan Street Garage system. Although some gates continue to function, access cards cannot be issued to new customers, new customers must pull tickets to access the garage, customers cannot be locked out for non-payment of fees, entry/exit gates at Drayton Street no longer operate due to software communication failure and the gate equipment will have to be monitored manually by staff in order to control access. The gate equipment's inability to communicate with the software is a particular issue because it provides critical internal controls to audit garage attendants. Council approved a contract in May, 2011 for new access control equipment installation at Robinson and State Street Garages which included a proposal for the Bryan Street Garage to be purchased at a later date. The contractor will still honor that pricing. Funds are available in the 2011 Budget, Capital Improvements Fund/Capital Improvements Projects/Other Costs/Parking Garage Equipment (Account No. 311-9207-52842-OP524).

Equipment Canvas Canopy – Operations Facility – Bid No. 11.215 – Savannah/Hilton Head International Airport. The Savannah Airport Commission received approval to enter into a contract with Pioneer Construction, Inc. in the amount of \$102,900.00 for the Equipment Canvas Canopy located at the Operations Facility. This project consists of, but is not limited to, furnishing all labor and material to construct canopies for equipment to include concrete footings, structural steel framing, canvas covering, and electrical.

Equipment Shed Expansion – Operations Facility – Bid No. 11.216 – Savannah/Hilton Head International Airport. The Savannah Airport Commission received approval to enter into a contract with Pioneer Construction, Inc. in the amount of \$139,000.00 for the Equipment Shed Expansion located at the Operations Facility. This project consists of, but is not limited to, furnishing all labor and material to expand the existing equipment

shed at the Operations Facility to include demolition, concrete footings, concrete pad, structural steel members, metal roofing, electrical, and concrete block.

Consultant Services for Taxi Waiting Area Toilets – Savannah/Hilton Head International Airport. The Savannah Airport Commission received approval to enter into a contract with Ruth and Associates Architects, LLC in the amount of \$35,460.00 for the Taxi Waiting-Area Restrooms. Services shall include providing specifications for a prefabricated building and generic drawings of the building to house men and women restrooms; providing floor plans for the building, elevations of the building, and general drawings showing schematically how to construct the facility; providing the required specifications and construction documents for obtaining utilities which are not immediately adjacent to the existing taxi waiting area; providing a survey and an overall site plan; providing grading drawings under and around the building footprint; assisting the Airport's Engineering Department with preparing the bid documents and answering questions from bidders during the bidding period; reviewing submittals and shop drawings; and providing structural and civil services of Hussey, Gay, Bell and DeYoung and electrical services provided by Rosser International. Ruth and Associates Architects is the Airport Commission's Architect of record.

Airport Information Technology Upgrade Phase I (Fiber Inventory and Master Plan Design) – URS Corporation – Savannah/Hilton Head International Airport. The Savannah Airport Commission received approval to enter into a contract with URS Corporation in the amount of \$31,314.00 for Airport Information Technology (IT) Upgrade Phase I. Deployment of the original fiber optic infrastructure began in 1995. Since then, the Airport's need for connectivity has grown tremendously. Numerous buildings, offices, and other structures have been added. As a result of this continued growth, the current fiber footprint must be upgraded and expanded. A primary step toward developing the Master Plan is an evaluation and inventory of the existing fiber network. Knowing what currently exists will aid in the development of a thorough implementation plan. The Fiber Master Plan itself is particularly important as it will serve as a guide for future network planning and development. The final publication of the Master Plan will contain drawings, tables, maps, and other visual aids that will be useful during each phase of the proposed IT upgrade process. Outside assistance from contracted professionals trained in design, planning, and facilitation, can bring experience and specialized knowledge of new trends and technology, as well as help avoid costly mistakes. URS is the Savannah Airport Commission's Engineer of record and has qualified staff to assist and oversee this project.

Water and Sewer Agreement – 98 Unit Residential Subdivision on the Hunter Army Airfield. Stewart Hunter Housing, LLC has received approval for a water and sewer agreement for Hunter Army Airfield. The water and sewer systems have adequate capacity to serve this 98-equivalent residential unit development located on Hunter Army Airfield. The agreement is consistent with policy directives given by the Mayor and Aldermen and has been reviewed and approved by the City Attorney for legal format.

Savannah-Chatham Metropolitan Police Department Headquarters Second Floor Renovations - Contract Modification No. 2 (PB428) - Bid. No.11,159. Approval of Contract Modification No. 2 to Collins Construction in the amount of \$32,148.00. The original contract was for the renovation of the Police Chief's suite of offices on the second floor of the Police headquarters building including new finishes for all surfaces, HVAC (heating, ventilation, and air condition) systems for the entire floor, restroom renovations including new fixtures, finishes, lighting and bathroom partitions, and finished wood floors in some areas. This contract modification includes additional work not included in the original scope of work including the addition of three rooms to be included in the renovations; additional plumbing to bring hot water to the restrooms, repair of plaster throughout and a credit for carpet that will not be installed as the original wood floors will be maintained. City Manager Toney stated the construction was underway and this included 3 additional rooms. Approval of Contract Modification No. 2 to Collins Construction in the amount of \$32,148.00. Funds are available in the 2011 Budget, Capital Improvement Fund/Capital Improvement Projects/Other Costs/Public Safety Headquarters (Account No. 311- 9207-52842-PB428). Upon motion by Alderman Sprague, seconded by Alderman Stuber and carried.

Underwater Remote Operated Vehicle for Savannah-Chatham Metropolitan Police Department (SCMPD) Marine Bomb Squad – Sole Source Purchase – Requisition No. R11LAW2786. Approval to procure an underwater remote vehicle from Shark Marine Technologies, Inc. in the amount of \$87,834.00. The underwater remote operated vehicle will be used by the SCMPD Bomb Squad Marine Unit. The reason for the sole source procurement is that the manufacturer is the only North American vendor. There are two additional distributors located in Europe and Australia, but shipping costs from these sources prohibit competitive pricing with this manufacturer. Delivery: ASAP. Terms: Net-30 Days. Funds are available in the 2012 Budget, Homeland Security/Office/Building Furniture/Equipment/Homeland Sec-FY09-SCMPD Federal Grant (Account No. 212-3114-51520-GT0134). Alderman Sprague questioned the grant monies and City Manager Toney stated it was part of a Homeland Security grant. Upon motion by Alderman Felser, seconded by Alderman Thomas and carried the approval was given for the vehicle.

City Manager Rochelle D. Small Toney commended the staff for their hard work on the budget; especially Melissa Carter and her staff.

Alderman Thomas stated since the last meeting he has learned that the issue with Comcast was not small. He had received numerous phone calls, emails, and visits from the community. He stated Comcast's billing practices were questionable and not good for the citizens. He asked that a meeting be arranged with the local Comcast people to address some issues. He also stated it was in the best interest to ask other cable companies to come to Savannah and offer their services. Public Information Director Bret Bell stated the Georgia Municipal Association is paid a fee by the members to address such complaints. He asked that all citizens call 311 and the issues would be documented and forwarded.

Alderman Felser publically congratulated Mayor-Elect Edna Jackson on her win; he also offered congratulations to Tom Bordeaux, Carol Bell, John Hall, and Estella Shabazz and offered to help them in any way.

There being no further business, Mayor Johnson declared this meeting of Council adjourned.



Dyanne C. Reese
Clerk of Council