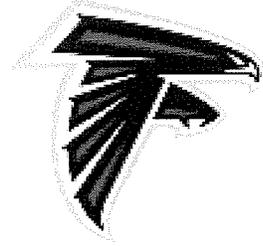




CITY OF FLOWERY BRANCH
Special Called Council Meeting Minutes
Voting Session
Monday, October 20, 2008
4:00 P.M.



OPEN VOTING SESSION:

Mayor Hirling called the meeting to order at: 4:05 P.M.

IN ATTENDANCE:

Mayor Diane Hirling and Council Members Allen Bryans, Mary Jones, Chris Fetterman, Craig Lutz, and Pat Zalewski. Also in attendance were City Manager Bill Andrew, Deputy City Clerk Lou Camiscioni, City Planner James Riker and City Attorney Ron Bennett.

PUBLIC COMMENTS:

There were no public comments.

UNFINISHED BUSINESS:

JNS Venture, LLC aka Starboard Acres, LLC (refund of pre-paid Tap Fees).

City Manager Bill Andrew presented the Council with a worksheet showing all of the available funds the City has presently for this endeavor. Current practice is to put all Capacity revenue in CD's. The worksheet shows that there is approximately \$566,861.32 available for consideration by Council pending any major catastrophes that the City could experience.

Council Member Lutz asked if any capital upgrades had been made by JNS Venture. Once concern was the lift station currently in use for phases 1 & 2 at Tidewater. It was noted by City Manager Andrew that the lift station was built with the expansion of phase 3 anticipated and it could handle this project should it be completed.

It was then asked by Council Member Lutz if the property holder could come after the City for any improvements.

City Attorney Bennett stated that the agreement, once written, would cover such areas and protect the City from anyone seeking reimbursement for said improvements along with the guarantee that the Sewer and Water had not been pledged to any other interested parties.

Council Member Zalewski suggested that the City should start low in their offer of any refund to the owner, somewhere around 50% of what was paid, or lower; even offer 25% payback with a cap at 50%.

Council Member Bryans stated that the original buyer of the property paid for the taps, ownership had changed at least three (3) times and unless the City could buy back the taps at a discount, there is no sense to buy them back; 50% buy back was recommended as well. Recommended that the City offer \$117,000.00 to \$120,000.00 for just the Sewer portion of the taps, ½ of that for the Water taps.

City Manager Andrew stated the City could sell the taps, if they were to buy them back once a need was there for \$550,000.00 based on \$22.00 per gallon.

Council Member Bryans stated a concern as to how long the City could hold the taps in today's market.

City Planner Riker then handed out to Council a worksheet showing where Capacity had been pledged as far as existing commitments and approved projects. This included projects through Hall County and Oakwood. City Planner Riker commented that any capacity the City has or acquires, would unlikely be used this year or next year, but there are commitments for capacity.

City Planner Riker continued by informing the City Council there is no residential capacity anticipated up through 2009. Tidewater Phase 3 was originally proposed to house 157 townhomes.

Further discussion by Council Members Jones, Bryans, and Lutz to have someone from the City approach the owners at JNS Ventures and start the negotiation process.

A motion was made to authorize the City Manager, City Planner, and the City Attorney to contact JNS Ventures and negotiate the best price and bring the information back to the Council.

MOTION: Craig Lutz
SECOND: Pat Zalewski
AYES: Allen Bryans, Chris Fetterman and Mary Jones.
NAYES: none
Motion carried

Council Member Bryans did disclose to the Council that in 2002 he sold the property being discussed to Penn Hodge, who is no longer the current owner.

EXECUTIVE SESSION:

There was a motion made to enter Executive Session at 4:40 pm.

MOTION: Allen Bryans
SECOND: Craig Lutz
AYES: Allen Bryans, Craig Lutz, Pat Zalewski, Mary Jones, Chris Fetterman
NAYES: None
Motion carried

RECONVENE OPEN SESSION:

There was a motion made to reconvene open session at 5:02 pm.

MOTION: Craig Lutz
SECOND: Chris Fetterman
AYES: Chris Fetterman, Craig Lutz, Mary Jones, Allen Bryans, Pat Zalewski
NAYES: None
Motion carried

A motion was made to have the Mayor sign and execute the Cove Creek Water & Sewer Agreement.

MOTION: Allan Bryans
SECOND: Pat Zalewski
AYES: Allen Bryans, Pat Zalewski, Mary Jones, Chris Fetterman, Craig Lutz
NAYES: none
Motion carried

ADJOURNMENT:

There was a motion made to adjourn the October 20, 2008 Council Meeting at 5:27 p.m.

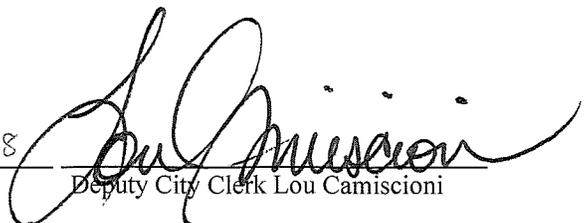
MOTION: Chris Fetterman
SECOND: Craig Lutz
AYES: Chris Fetterman, Craig Lutz, Mary Jones, Allen Bryans, Pat Zalewski
NAYES: None
Meeting adjourned.



Mayor - Diane Hirling

11-5-2008

Date



Deputy City Clerk Lou Camiscioni