

MINUTES
REGULAR MEETING OF THE VALDOSTA CITY COUNCIL
5:30 P.M., THURSDAY, JULY 22, 2010
COUNCIL CHAMBERS, CITY HALL

OPENING CEREMONIES

Mayor John Fretti called the regular meeting of the Valdosta City Council to order at 5:30 p.m. Council members present were: Sonny Vickers, Tim Carroll, Alvin Payton, Jr., John Eunice, Deidra White, and James Wright. Councilman Robert Yost was absent. The invocation was given by Councilman Tim Carroll, followed by the Pledge of Allegiance to the American Flag.

AWARDS AND PRESENTATIONS

Special Presentation by The Coca Cola Company.

Mayor Fretti stated that there will be a special presentation by Coca Cola representatives Lesley Stephens and John Browning. Lesley Stephens stated that Coca Cola has been in Valdosta for over 100 years and they appreciate the support of the community. Mr. Stephens presented Mayor Fretti with the first set of special crystal Coca Cola bottles made by The Coca Cola Company to commemorate the City of Valdosta's Sesquicentennial Celebration.

APPROVAL OF MINUTES

The minutes of the July 8, 2010 Regular Meeting were approved by unanimous consent (6-0) of the Council.

CITIZENS TO BE HEARD

There were no citizens to be heard.

BIDS, CONTRACTS, AGREEMENTS, AND EXPENDITURES

Consideration of a Lease Agreement with the Valdosta-Lowndes County Industrial Authority for a two acre tract of land located at the Mud Creek Wastewater Treatment Plant.

Larry Hanson, City Manager, stated that both the State and the Valdosta-Lowndes County Industrial Authority has made solar an alternative energy and one of the areas of emphasis and target investment for our community. Brad Lofton, Executive Director of the Valdosta-Lowndes County Industrial Authority, and his Staff have recruited a potential new industry to the community and approached the City about leasing two acres of land adjacent to the City's Mud Creek Wastewater Treatment Plant. They will then sub-lease the property to Wiregrass Solar for a Solar Project. The Project has not yet been announced and this is one more step in the process to reach a point where the Industrial Authority can make an announcement. This demonstrates a continued commitment between the City and the Industrial Authority as well as the County and the community for economic development. The City will lease the property to the Industrial Authority for 20 years with an option for renewal for one additional 20-year term. The Authority will then sub-lease the property to Sterling Energy Assets. The facility will be owned by Sterling Energy Assets which is the parent Company of Wiregrass Power. The panels are made by Hannah Solar which is a Georgia-based company and they are in the renewable sustainable energy construction business. This will be a 60-day Project and they will break ground in August, 2010. They will invest a little less than \$2 million in the Project. The State of Georgia has recently approved a \$500,000 Georgia Environmental Facilities Authority (GEFA) grant for this Project. The Solar facility will generate approximately 355 kilowatts of renewable sustainable energy that will be for sale on the grid to Georgia utilities beginning approximately November, 15, 2010. Even though the property is owned by the City it is located in the County and the County has agreed to allow the City to serve this property and any contiguous development in the area with City utilities as the Company has requested. Larry Hanson stated that currently electricity is regulated by the State of Georgia through the Public Service Commission and the only alternative is for it to be sold on the grid. The Company will generate the clean green energy and sell it to Georgia Power and MEAG Power. Since this is such a new area there will be

efforts to open up that market and there is a stipulation in the Lease Agreement that in the future, with the assistance of the Industrial Authority and the Public Service Commission, if and when cities can buy power directly from those that generate it then this Company would consider selling power directly to the City of Valdosta. The Wastewater Treatment Plant uses approximately \$200,000 - \$250,000 worth of electricity per year and if the City had the opportunity to purchase solar power directly from this Company then it would save us a substantial amount of money each year. This will also be the largest Solar Project in the State to date. Larry Hanson recommended that Council approve the Lease Agreement.

A MOTION by Councilman Eunice, seconded by Councilman Carroll, was unanimously adopted (6-0) to approve a Lease Agreement with the Valdosta-Lowndes County Industrial Authority for a two acre tract of land located at the Mud Creek Wastewater Treatment Plant.

LOCAL FUNDING AND REQUESTS

RESOLUTION NO. 2010-12, A RESOLUTION FOR A DOWNTOWN DEVELOPMENT REVOLVING LOAN FUND (DDRLF) FOR 213 AND 215 NORTH ASHLEY STREET

Consideration of a request to approve a Resolution for a Downtown Development Revolving Loan Fund (DDRLF) for 213 and 215 North Ashley Street (213 & 215 North Ashley Street, LLC).

Mara Register, Assistant to the City Manager, stated that it has been several years since funding was available through the Georgia Department of Community Affairs (DCA) and the Georgia Municipal Association (GMA) to provide low interest loans to downtown development projects. The funds have been opened back up because of repayments that have been made to these funds through various projects previously funded around the State. Last month there were representatives from both of those agencies in Valdosta to review the site. The proposed project is a total of 7,000 square feet with 3,500 square feet located on the first floor for office space and 3,500 square feet on the second floor for four residential rental units which will be approximately 800 square feet in size. This project will be the first LEEDS certified project in Downtown Valdosta. The tenant on the first floor is an existing tenant that is currently in a 2,800 square foot building Downtown Valdosta that houses nine employees. The owner has also been in contact with Ruby Riesinger, Economic Development Coordinator, about tax credits. By moving to the larger facility they will be able to employ five additional people. Proposed exterior modifications to the property were approved by the Valdosta Historic Preservation Commission on July 12, 2010. The Initial Project Assessment (IPA) for this Project totals approximately \$588,000 with 40% coming from the DDRLF in the amount of \$236,000. It was approved by the Central Valdosta Development Authority on July 13, 2010. The interest rate on this loan is 3% and it will also be one of the first projects in Georgia to apply for the Green Communities Fund which is through GMA. This is another 2% loan which will go directly to the owner of the project to implement energy conservation measures into their project. DCA requires a Resolution authorizing the Mayor to execute necessary documents for the Project. Mara Register recommended that Council approve the IPA and Resolution for a Downtown Development Revolving Loan Fund (DDRLF) for 213 and 215 North Ashley Street.

A MOTION by Councilwoman White, seconded by Councilman Vickers, was unanimously adopted (6-0) to enact Resolution No. 2010-12, a Resolution for a Downtown Development Revolving Loan Fund (DDRLF) and IPA for 213 and 215 North Ashley Street, the complete text of which will be found in Resolution Book V.

CITY MANAGER'S REPORT

Larry Hanson, City Manager, stated that Mathis Auditorium has been opened for citizens to seek refuge from the current heat wave.

The Crime Lab Dedication and new Utilities Building Dedication ceremonies were a great success and if any of the Council members who were not able to attend these events would like see the facilities then Barry Funck, new Crime Lab Director, and Henry Hicks, Utilities Director, will be glad to arrange for a tour of their facilities.

The 2035 Comprehensive Plan is available for review and there will be one additional public meeting at a County facility within the next couple of weeks. This Plan is updated every five years and the numbers are staggering but the City needs a long range plan.

COUNCIL COMMENTS

Councilman Vickers stated that he did not see the Hill Avenue Overpass Project in the Comprehensive Plan. Larry Hanson stated that the Hill Avenue Overpass Project was designed around the plans for the overpass and it will be built. The Georgia Department of Transportation (DOT) had a final public hearing several months ago and the Project is now moving in to the right-of-way acquisition stage. Construction will begin fiscal year 2012. Councilman Vickers inquired as to when the work will be completed on Martin Luther King, Jr. Drive. Larry Hanson stated that the holdup has been waiting on plan approval by the DOT. Von Shipman, City Engineer, will have the contractors do a thin overlay from Oak Street to Troup Street where the majority of the construction was done to help in the interim period. Councilman Vickers stated that the DOT has had the Project for a long time and asked that the DOT be contacted about the project.

ADJOURNMENT

Mayor Fretti entertained a motion for adjournment.

A **MOTION** by Councilman Vickers, seconded by Councilman Carroll, was unanimously adopted (6-0) to adjourn the July 22, 2010 meeting of the Valdosta City Council at 5:55 p.m. to meet again in regular session on Thursday, August 5, 2010.

City Clerk, City of Valdosta

Mayor, City of Valdosta