



February 7, 2011

After the four public hearings held last fall about issues related to financing the dam repair, the council voted to hold a **Bond Referendum - Special Election**. *The special election will be held on Tuesday, March 15th, from 7:00AM to 7:00PM in city hall for the purpose of asking electors whether or not general obligation bonds should be issued to fund the Lake Berkeley Dam repair. Absentee ballots will be available beginning Monday, February 21st. Early voting will be held at City Hall during normal business hours (Monday - Thursday, 11:00AM – 4:00PM) from Monday, February 21st through Thursday, March 10th. The last day to register to vote in the special election is Monday, February 14th. Check the website (www.berkeley-lake.com) or call city hall (770 368 9484) for additional information.*

Additionally, we are going to hold a **Town Hall Meeting in City Hall at 10 AM on February 19th**, the Saturday before early voting begins, to allow citizens to ask factual questions that may be important to them of some outside folks who have relevant professional expertise. I have invited the City Engineer, the city's bond attorneys (not our city attorney Carothers, but specialists whose practice is devoted to this area), and a financial advisor from Merchant Capital who has advised the city in the bonding process. All of these, as well as Carothers, collaborated to provide the following factual information below for you to consider in advance. This is designed by the experts to be strictly factual and not to promote a decision either way.

FACTS:

- The City of Berkeley Lake is responsible for maintaining the Dam in good working condition consistent with the operator's permit issued by the Georgia EPD Safe Dams Program.
- The City must either repair the Dam or drain the lake and breach the dam: *The Safe Dams Program will not permit the Dam to remain in its current condition.*
- Either option (repairing the dam or draining the lake and breaching the dam) is costly.
- FEMA may or may not allocate funds to assist with the repair. We still have received no answer from them.
- With or without FEMA assistance, the City must consider other sources of funds.

Frequently Asked Questions:

What happens if the City refuses to make repairs or take appropriate measures to drain the Lake? *The Georgia Safe Dams Program could take the City to court to force them to breach or repair the dam.*

What sources of revenue are available to the City for dam associated costs? *The only sources of revenue available to the city are property taxes and any assistance the City may receive from FEMA.*

What is the likelihood the City will receive FEMA Assistance? *The City has submitted information regarding the nature of the damage to the dam and FEMA is currently evaluating it. We do not know what the probability is of receiving funding.*

Why is the City asking for authorization to issue long-term general obligation bonds? *Long-term financing minimizes the annual impact of the repair costs on tax payers. Rather than having to raise an additional \$2.8 million in the next two years, the City would be spreading the cost of the repair over a period of up to thirty years. Voter authorized general obligation bonds offer the most cost effective form of long-term financing.*

What happens if the City receives assistance from FEMA? *The City will only finance the amount needed to cover the costs not paid by FEMA. (Full FEMA assistance would equate to approximately 75% of the repair cost).*

COST TO REPAIR DAM:

Estimated Construction Cost: \$3,500,545.90

City Funds Available: \$700,000

Add'l Funds Needed: \$2,800,000 (bond being considered could not exceed this amount)

COST TO DRAIN LAKE:

Est. Construction / Mitigation Cost: \$2,309,271.77

Est. Tax Digest Impact: Unknown**

Add'l Funds Needed: Unknown

** The impact draining the Lake would have on the City's tax digest is unknown. Property values determine the tax digest and amount of tax which must be levied to operate the City.

Detailed engineering estimates for cost specifics of both options are posted on the city website. Please view these for more details.

How much will my property tax increase if the City uses long-term financing to repair the dam? *The City levied an additional 1.3 mills of property tax in 2010 to pay for expenses related to the dam. This amounts to approximately \$152,150.52. The City expects the annual payments on the long-term financing to be between \$179,000 and \$200,000 (based on current bond market conditions). Assuming no further declines in the City's tax digest, the additional annual tax on property owners to finance the dam repair would be as follows:*

Property Fair Market Value	2010 Taxes levied for Dam (1.3 Mills)	Add'l Property Tax Required to finish repairs
\$ 200,000	\$104	\$18 to \$33
400,000	\$208	\$37 to \$65
600,000	\$312	\$55 to \$98
800,000	\$416	\$73 to \$131
1,000,000	\$520	\$92 to \$164

If you are able to come on February 19th, I want to emphasize that this meeting will not be the usual public hearing for citizens to let council know how they want them to vote on something. On this issue, it's the citizens who will be doing the voting. The discussion will be limited to relevant facts and not opinions. You can form those for yourselves.

I will deliver a **State of the City Address** also at the February 19th meeting, simply because I always do this in February and this is a good opportunity when people will be gathered. I won't keep you long, and it won't hurt my feelings if you need to leave after getting your questions answered in the first part as described above. I know your Saturdays are busy, and I'll email it later.

I got some calls during the week of snow and ice from a few of you about what the city could do to clear the roads. Most of you seem to prefer to work from home or wait it out and not spend your tax dollars on **snow removal**, but it was an unusually long confinement this time and the city did spend \$985 on road stretches that had been identified as particularly difficult. I have done some research on what nearby cities do and what is available to us, and will ask council to consider options should we have a similar future storm. If you have opinions about this, please talk with a city councilmember or come to the February 17th city council meeting to participate in the discussion.

Each year the City of Berkeley Lake officially recognizes **Arbor Day** and holds a **Tree Planting** event. This reinforces our long standing interest in trees and our environment and supports our annual recertification as a Tree City USA. Last year was our 12th year to win that honor. Please join us on **Sunday, February 20th at 4 pm at City Hall** where the Berkeley Lake Conservancy and all interested citizens will plant 3 – 4 eastern red cedar trees that are native to Georgia. Thanks to **Susan Hanson**, the Berkeley Lake Conservancy Chair, for organizing this effort. Additionally Susan is leading her group in removing invasive plants around the Fowler's Mill area and across from City Hall. **Clayt Kucera** is providing major support, organization, and labor as part of his Eagle Scout project. Thanks, Clayt!

As part of its mission to assist the communities it serves, the Gwinnett Municipal Association has organized the **"Cities CAN Do" project**. You may have seen the flag advertising this at City Hall. Gwinnett cities are teaming together to support local food co-ops by collecting canned foods and dry grocery staples at municipal events throughout the year. Diane Cuttino is leading the Berkeley Lake effort and doing a great job! She has placed collection containers at City Hall so you can drop off donations there at your convenience anytime it's open. She has also recruited the BLOSOMS to help, the Berkeley Lake Homeowners Association (collecting at their Valentine's Dance) and the Chapel (collecting at their monthly service). Many thanks to all! Essential items needed include: canned goods and dry foods such as

rice and beans; canned meats (luncheon meat, spam, tuna); personal hygiene items including toothpaste, brushes, shampoo, soap, deodorant; paper goods; and cleaning products such as dish and laundry detergents. Please do not donate any glass container items that may break.

Councilmember Anne Carpenter and I continue to work to support **Berkeley Lake Elementary School**. I shared a report last week with council and homeowner association presidents indicating that our school's recent standardized test scores are *all* above the Gwinnett average. Remember that any of us can volunteer at BLES. A strong school supports your property values.

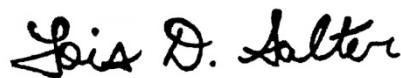
At the suggestion of Councilmember Jim Donnelly I asked our City Administrator to see what he could do to get **lower insurance rates** for our citizens. He did some checking, and recommends that the folks who have had fire hydrants added near them recently should measure the distance between their house and the hydrant. Then contact your insurance company which may lower your rate. Tom will continue to monitor some expected changes at the county level that may help us all as well.

The city is about to begin **repaving streets** throughout Miramont and the main street in Berkeley Walk as well. We will keep your homeowner presidents in those areas informed of what to expect.

Recently Passed Ordinance Amendments:

Since the last *Mayor's Message* the following ordinances have been amended:

- Chapter 78, Zoning, Sections 3, 141, 366 and 367 dealing with non-conforming structures and variances related to same.
- Chapter 42, Article IX, Water Conservation Measures, to adopt state mandated watering restrictions.
- Chapter 2, Administration, Section 153, Planning & Zoning Commission, to clarify voting rules.
- All three ordinance amendments are available for review on the city's website.



Lois D. Salter
Mayor