

MARCH 27, 1995 7:00 P.M.

REGULAR CITY COUNCIL MEETING
CITY COUNCIL CHAMBERS
226 SOUTH WALL STREET

PRESENT: JOHN D. MEADOWS, III, MAYOR
THOMAS BOND, MAYOR PRO-TEM
JOHN D. SHELTON, COUNCILMAN
PAUL MCENTIRE, COUNCILMAN
JIMMY PALMER, COUNCILMAN

ALSO: WILLIAM P. BAILEY, CITY ATTORNEY
KELLY CORNWELL, DIRECTOR UTILITIES/PUBLIC
WORKS
CATHY HARRISON, CITY ADMINISTRATOR

1. Mayor Meadows called the meeting to order and gave the invocation.
2. Members of Troop 53 of the St. Clements Church led the group in the Pledge of Allegiance to the U.S. Flag.
3. Minutes of the March 13, 1995 Regular City Council Meeting were approved as written.
4. Mayor's Comments:
 - a. Mayor Meadows welcomed members of Troop 53 from St. Clements Church, with their Scout Master and Assistant Scout Master.
 - b. Mayor Meadows reminded the public of two hearings scheduled for April 10, 1995: (1) Annexation Ordinance Request of Gary Duke for Lot No. 3 of the H.H. Dobson property for R-2 zoning; (2) A Zoning Change Request of Joe and Brent Stepp for an easement formally associated with the Mary Ratner Corely property which had previously been zoned A-1, the request being to re-zone R-1.
 - c. Mayor Meadows reminded the Council of the GMA District Meeting in Lafayette, Georgia on April 18, 1995 for a luncheon meeting, and he asked each member to notify Cathy Harrison if they would be able to attend.
 - d. Following discussion, Mayor Pro-Tem Bond made a motion to nominate Hill Pope, Jr. for the GMA 7th District Award on April 18, 1995, 2nd by Councilman Shelton with Mayor Pro-Tem Bond, Councilman Shelton, Councilman McEntire and Councilman Palmer voting affirmatively, motion carried.
 - e. Mayor Meadows asked the Council to consider two vacancies on the Gordon County Planning Board, one vacancy being to fill the unexpired term of Lamar Harrison, and another vacancy for Ed Lewis who's term which will expire in June, 1995. Following discussion, Mayor Pro-Tem Bond made a motion to appoint Bob Butler of Mohawk Industries to the full term following the vacancy of Ed Lewis, 2nd by Councilman Palmer with Mayor Pro-Tem Bond, Councilman Palmer, Councilman Shelton and Councilman McEntire voting affirmatively, motion carried. Mayor Meadows asked the group to make a consideration for the appointment to fill the Harrison vacancy at the next meeting.
 - f. Mayor Meadows reminded the Council of the DOT meeting to be held at City Hall on March 30, 1995 at 10:00 A.M.
5. Public Hearings & Comments:
 - a. Mayor Meadows gave a reading to the heading of the proposed Ordinance regarding franchise fees to be assessed on NGEMC for use of city streets and right-of-

ways in lieu of a business license tax. The public hearing was re-opened. The first speaker was Ron Hutchins. Mr. Hutchins stated that NGEMC had requested the Council to meet with their company and review the ordinance, however, the city had declined. He asked the Council what was a reasonable franchise fee, and stated that he had been given no definition. He asked what burden his company and city citizens who use NGEMC power have been to the City of Calhoun. He stated the citizens pay property tax as does NGEMC. He stated he would like to have answers to his questions. Sandra Fletcher of EVCO Plastics stated she was opposed to the franchise tax which will cost her company approximately \$500.00 to \$1,00.00 per month. Bob Hall stated he was opposed to the tax. Jim Whitaker of OMC stated he was opposed. Jack Bibb of Mannington stated he was opposed. Tom Greeson asked if the City was in debt so much that they must collect this tax to assist them. John Ford of Springs Industries stated they were opposed to the tax. Allen Jackson of RUSS Uniform Company stated they were opposed to the tax. Gerald Brown, who's mother resides at 109 Adair Drive stated that he was opposed to the tax. He stated the Fox Subdivision area which is partially in the city, with those individuals currently paying property tax. He stated they are hard working people, with many being elderly, who cannot afford any additional increases even to the amount of \$48.00 a year. He stated the City had recently passed Freeport, and asked if he and other citizens would be subsidizing industry. Dwayne Bohannon stated he was opposed to the tax. Ron Hutchins stated the Mayor and Council had heard the concerns of many citizens, and asked that any action be deferred in order for the city and NGEMC to have discussions, and for NGEMC to obtain answers to their questions. Councilman Bond stated the City of Calhoun is currently collecting 4% business license tax from NGEMC, that the ordinance currently being passed would allow the City an option of collections either on a business license tax or franchise, but not both, and that the action taken tonight would not in any way be an increase above what is presently being paid by NGEMC. Mayor Meadows reviewed the original franchise history, stating in 1988 the City of Calhoun attempted to discuss with NGEMC and Georgia Power the need for additional revenues, and had attempted to pass franchise ordinances that would be agreeable to both companies. Georgia Power had signed and agreed to pay a 4% franchise fee, and the result with NGEMC has been many years of litigation. He stated the City is currently in litigation with the matter being reviewed at the Supreme Court level. he stated the City currently collects a business license tax in the amount of 4% with those funds being escrowed until litigation is completed. He stated the franchise tax which was collected by NGEMC, in which NGEMC won the litigation, with those funds being refunded to its power users. Mayor Meadows stated in 1988 NGEMC had refused to discuss the matter with the City of Calhoun, and that the current litigation does not add any additional taxes which are presently not being collected since the city will be able to collect either the business license tax or the franchise tax, but not both. Councilman Palmer stated that he was under the understanding that this would not be an additional tax, but would give the City the option of collecting the 4% either way, and he stated the action had been recommended by the City's Attorneys. Councilman McEntire stated this action was not something that had been dreamed up, but had been the result of ongoing litigation with NGEMC for years. Ron Hutchins stated that he had not heard a

definition of what is reasonable, that although Georgia Power had agreed to it, that did not make the rate a reasonable rate. Gerald Brown asked the City why they would not negotiate. He stated in November, 1994 citizens across the country had mandated change which means less government and less taxation, and that he felt this should be considered. Tom Greeson asked why do you have to have this tax? Mayor Meadows then read a prepared statement as per the attached, and the hearing was closed. Mayor Pro-Tem Bond made a motion to approve the Ordinance, 2nd by Councilman McEntire with Mayor Pro-Tem Bond, Councilman McEntire, Councilman Shelton and Councilman Palmer voting affirmativley, motion carried.

6. Old Business:

- a. Attorney William P. Bailey stated that he had reviewed the current Peddler's License Regulation, however, he stated the legislature had addressed the Business License Ordinance, and will now require each local government to reenact a business license ordinance for the current year. He stated he would ask the new litigation be reviewed in addition to possible improvements in the City's current regulatory license requirements, and he asked the Council to wait until he had had time to review the changes passed in the recent legislature. The Council concurred.
- b. Mayor Meadows stated the current Downtown Development Authority Board has asked that Rodney Mathis be appointed to fill the unexpired term of Don Richie on the Downtown Development Authority. Following discussion, Councilman McEntire made a motion to appoint Rodney Mathis to fill the unexpired term of Don Richie, 2nd by Councilman Palmer with Councilman McEntire, Councilman Palmer, Councilman Shleton and Mayor Pro-Tem Bond voting affirmatively, motion carried. The Board also stated the terms for the Downtown Development Authority had originally been appointed according to prior legislation which called for six year terms, however, current legislation for Downtown Development Authorities called for four year terms, and asked that effective July 1, 1995, the Council consider the terms as follows for existing members of the Downtown Development Authority Board. Following consideration, Councilman Palmer made a motion to provide the following terms effective July 1, 1995 for the following Downtown Development Authority Board Members, four year terms for Vincent Bagwell, Rodney Mathis and Jimmy Payne, three year terms for Gloria Brown and Bill Mathews, and two year terms for Tim Haney and Jimmy Palmer, 2nd by Councilman Shelton with Councilman Palmer, Councilman Shelton, Councilman McEntire and Mayor Pro-Tem Bond voting affirmatively, motion carried.
- c. Mayor Meadows stated the T&T Title Pawn License Request of James W. Pickler, Jr. at 440 Highway 53, East had been withdrawn.
- d. Harrison stated Mike Wroble, who had expressed an interest in leasing and development of the Calhoun Depot will return to the Mayor and Council on April 24, 1995 with a proposed lease and additional information regarding his proposal.

7. New Business: None

8. Other Written Items Not on the Agenda:

- a. Following review, Mayor Pro-Tem Bond made a motion to authorize a Shrine Parade for July 22, 1995 subject to

DOT approval, 2nd by Councilman Palmer with Mayor Pro-Tem Bond, Councilman Palmer, Councilman Shelton, and Councilman McEntire voting affirmatively, motion carried.

- b. Harrison stated CSX Railroad had requested the City of Calhoun consider closing some seven agreements in which the City had gained crossing rights to railroad property over the years. These contracts dating as far back as 1961 up through 1988, at which time CSX's policy changed which requires the City to pay a certain fee up front in order for the agreement to be closed at that time, rather than carry it over year after year. Harrison stated she had extended the current semi-annual cost associated with the contracts, and that over a 20 year period, they would be in excess of over \$9,000.00. She stated the agreements would be continuous from here on with the oldest one being dated 1961, and could go on indefinitely. The railroad has agreed to close the agreement with an up front lump sum payment of \$7,860.00. Following consideration, Councilman Palmer made a motion to approve the request to close the agreements at the lump sum price of \$7,860.00, and authorize Mayor Meadows to sign the agreement, 2nd by Mayor Pro-Tem Bond with Councilman Palmer, Mayor Pro-Tem Bond, Councilman Shelton and Councilman McEntire voting affirmatively, motion carried.

9. Director Cornwell's Work Report:

- a. Director Cornwell stated the Sewer Plant renovation work regarding the dryer and dechlorination chamber are on schedule.
 - b. Director Cornwell stated bids will be taken shortly on the interceptor project.
 - c. Director Cornwell stated the City is currently working on changes in the discharge permit.
10. Mayor Pro-Tem Bond made a motion to move to executive session for legal discussion regarding real estate matters, contract matters and one personnel matter, 2nd by Councilman Palmer with Mayor Pro-Tem Bond, Councilman Palmer, Councilman Shelton and Councilman McEntire voting affirmatively, motion carried.
11. Councilman McEntire made a motion to move to General Session, 2nd by Mayor Pro-Tem Bond with Councilman McEntire, Mayor Pro-Tem Bond, Councilman Shelton and Councilman Palmer voting affirmatively, motion carried.
12. Councilman McEntire made a motion to adjourn, 2nd by Mayor Pro-Tem Bond with Councilman McEntire, Mayor Pro-Tem Bond, Councilman Shelton and Councilman Palmer voting affirmatively, motion carried.

Approved:

Submitted:



John D. Meadows, III
Mayor



Cathy Harrison
City Administrator