

**CITY OF CALHOUN
MAYOR, COUNCIL & STAFF RETREAT
ATLANTA HILTON
JANUARY 23, 1999 – 9:00 A.M.**

MINUTES

PRESENT: JAMES F. PALMER, MAYOR
RONALD H. WOODS, MAYOR PRO TEM
JOHN D. SHELTON, JR., COUNCILMAN
HENRY HOLLAND, COUNCILMAN
RAY M. DENMON, COUNCILMAN
KELLY CORNWELL, DIRECTOR OF UTILITIES AND PUBLIC WORKS
EDDIE PETERSON, ASST. DIR. OF UTILITIES AND PUBLIC WORKS
CATHY HARRISON, CITY ADMINISTRATOR

1. Mayor Palmer welcomed everyone to the morning session and reviewed the previous day's discussion for Councilman Holland.
2. Mayor Palmer asked the group to start with a review of freeport, specifically the possibility of adding 20% freeport exemption on finished goods.
 - a. Mayor Palmer stated the City currently provides freeport exemptions on raw material and goods in process, with the current exemptions costing the City approximately \$145,000 in lost taxes. In information provided by Wayne Walters regarding the current level of finished goods for industries on the 1998 digest, for approximately \$50 million in assessed value, this would represent a potential tax revenue loss of \$735,000, if freeport exemption were allowed on finished goods at the 100% level. Reduced to 20%, it would be in the neighborhood of \$147,000 to \$150,000 a year, in addition to the exemption on raw materials and goods in process loss of \$145,000.00.
 - b. Harrison explained that should the Council desire to make any change to the existing freeport exemption, it would be necessary for a resolution to be adopted by the Mayor and Council. However, should the Council wish to delete the freeport exemption at any time, it would be necessary for a referendum to be held in order to drop the exemption entirely.
 - c. Mayor Palmer asked the Council to consider this possibility, with the Council to make a decision later and to authorize a resolution if a decision is made to increase the current 20% on raw materials and goods in process to also cover finished goods.
3. Departments: The group discussed Fire Department and Police Department limitations with the present staff and equipment as it relates to expansion of the city limit area.
 - a. Fire Department:
 - 1) Peterson reported the Fire Department began in 1857 with a bucket brigade, moving to a four-wheeled carriage with a manual pump in 1892. The department moved into the age of the automobile and continued to approve each year, moving from a volunteer department to a fully paid staff. In 1981, the department had 16 full time employees and had a fire rating of 5. The department continued to improve, moving to a 4 ISO rating, which cost the City approximately \$1.7 million to implement. He reported the core goal of the department was to provide fire protection for property and life. He stated, at this time the shift has been changing so with the addition of 911, that the number of fire calls are approximately 90% related to other accidents and emergencies, as opposed to actual fire calls. He stated the department currently has a goal to maintain the 4 ISO rating and not exceed it at this time.
 - 2) Mayor Pro Tem Woods stated that prior to concurring with that goal, he would like to see an impact study regarding the proposed cost for a 3 ISO rating, and to measure that against the savings to citizens, with a clear understanding that the actual cost, including operating costs, manpower and equipment, would need to be paid through *ad valorem* taxes, which

would be offset by lower property insurance costs. He asked for this impact study to be made available in the near future.

- 3) The group discussed the philosophy of the current Fire Chief and the additional training that he is requiring to meet the changing needs of the community and to address public safety in addition to the number one goal: to provide fire protection for lives and property. The group stated the Fire Chief would get their support regarding his efforts to meet the changing needs to provide public safety in addition to fire protection of property and lives. However, they suggested that better communication is needed within the department in order for every fireman to be assured that they are a productive part of the city unit as a whole, and their participation and cooperation with other departments is very much needed and desired. The group also suggested the physical presence of the Fire Chief be very visible to the department.
- 4) Peterson reported it may be time to consider a fourth station, since it has been moved from the budget from 1993-94 budget forward each year, and he suggested that the Council consider hiring six additional firemen in the budget of July 2001, with the station and equipment to be included in the 2002 budget.
- 5) The discussion ranged on the location of the fourth station and several sites of proposed property. The group reviewed a map which indicated the boundaries of the current stations and the ranges of those stations. Mayor Palmer asked that a map be prepared which had a circle that extended from each station as to the area it covered, in order for the Council to see exactly where the possible expansion areas are in order to determine where annexation can be stressed and considered as a top priority.

b. Police Department:

- 1) Eddie Peterson reported the Police Department had 11 people and 3 cars in 1966, 23 people and 7 cars in 1978, 34 people and 16 cars in 1991, and 37 people and 20 cars in 1998. He said the budget in 1988 was \$960,000.00, and in 1998 it was \$1,840,000.00, which represented a 91% increase over the 11 year period, whereas the Fire Department had a 178% increase over the same period of time. He said there are some problems that have developed over the years in the department, in that the structural organization is incorrect. The department is top heavy, and it has had no additional patrol officers since 1986. They presently need two additional patrolmen and possibly two investigative officers. He said the fleet of 20 cars average mileage is 86,000, with an average age of 5.8 years. The average patrol car travels 92,000 miles. They have 12 patrol cars, 5 for investigation and 3 for administration. He stated the current length of the City is 6.2 miles and the traffic on city streets is heavy. Therefore, there is a high incidence of traffic accidents.
- 2) Peterson stated the salary for patrol officers was out of line for the hire-in rates, compared to other areas such as Cartersville, Dalton, Fairmount and Adairsville. However, once you get past the hire-in and new officer pay, the pay is in line with other areas.
- 3) Peterson reviewed cases made by officers. He stated the fines received by the Police Department in 1994 were \$223,000, compared to the present year of 1998 with over \$369,000 in fines being collected. He stated he was hopeful that he would be able to add the two additional patrolmen by shifts in the department, without adding manpower.
- 4) The group discussed management, with the group conveying to the Police Chief that the Council will support him in his efforts to make the necessary changes in the structure to have a more effective department.

c. Street Department:

- 1) Peterson reported for the Street Department, that in 1998, the Public Works Department has a total of 31 men headed up by Kevin McEntire, who is doing a very good job. He stated the department has developed new street standards, and some standards for storm water drainage. They have identified 18 storm water problem areas, and during the past year they have addressed 5 of these areas.

- 2) Peterson stated the Piedmont Project, which was bid twice and came in with very high bids both times, is presently being revised to include core drilling the road with I-beams to stabilize the walls.
 - 3) He stated he had discussed street paving to be done with the two mill add-on to all citizens in Gordon County with Alan Theriault and had found that at this time, the County is proceeding with Stage I of work on the Newtown Road, which will be on the east end of the road, with Stage II being the area near Triangle, which flows into Highway 156. He stated this will include property acquisition, which will be costly.
 - 4) The County has provided a traffic study on Peters Street and has started engineering. It is scheduled for curb and gutter, piping and widening.
 - 5) They are also planning to do Belwood Road during the next year.
 - 6) He stated the Street Department is continuing to work with the State for the red light on College Street, and also for the one on South Industrial Boulevard. He stated that light should be up very shortly.
- d. Schools:
- 1) The group reviewed a report from the City School Superintendent regarding their present student population and possible capacity. Mr. Harmon reported that approximately 1/3 of their students at this time are county students and that annexation would not present a very big problem student-wise for the school, due to the fact that most of those students are probably enrolled in the system at this time.
 - 2) He did note the increase of the Hispanic population from 2% in 1995 to 6.5% in 1998-1999.
 - 3) He also noted they anticipate their student population to grow at approximately 80 students per year, and that based on these numbers, it will be necessary for some structural changes to be made over the next few years. He was hopeful these improvements could be made through a second Special Purpose Local Option Sales Tax, which could be levied when the first one expires.
- e. It was the consensus of the group that the City would define outlying boundaries, which are presently open for coverage with the current fire protection range from the station and manpower currently on board. The City will consider other areas outside those boundaries only if they are economically feasible to the City. If necessary, economic models can be developed.
4. Cornwell gave a report on the Telecommunications Department stating that at this time, there is approximately \$25,000.00 in monthly revenue through service sales to internal city phone and data hookups, to the school system phones and data hookups, to the First Baptist Church for video and audio optics, to Crown Craft for point-to-point interfaces, and to Carriage Industries. He stated there are a couple more contracts to be negotiated and hopefully, several others will develop prior to the end of the fiscal year. He also stated he anticipated outside connectivity by the end of March 1999. He stated at this time, Dalton Utilities is planning to build a fiber-optic system, and he is hopeful that a possible interconnection between Dalton and Calhoun will be made available, which would allow the City to have connectivity from some of the industrial plants located in Calhoun with their partner plants in Dalton.
 5. The Mayor asked the group to discuss social services, which presently range around \$45,000 per year. He stated previously the group discussed the possibility of reducing those services by 25% over the next four years, with total elimination of assisting those services. However, he suggested they consider the possibility of capping the services at around \$45,000, and if a new request is filed, it would affect the funding levels of all the services. There was a group discussion, and the consensus was to proceed with the funding at the level suggested by Mayor Palmer, with the Administrator being requested to obtain a list of the current social services aided by the County and the level of funding for each.
 6. The group discussed the City's current engineering firms, the work presently being done, and some of the problems that have been encountered over the past two years. It was the consensus of the group that engineering services be reviewed, with proposals for new work to be done as opposed to these projects being automatically assigned to current engineering firms.

7. The Mayor and Council met, and following their meeting, they discussed with the staff, Kelly Cornwell, Eddie Peterson and Cathy Harrison, that it was their consensus that the City work toward a better documentation and evaluation of employees, with this process to begin immediately.
8. Mayor Palmer expressed appreciation to the group for their attendance, for their willingness to take the time to review the areas that are important to the growth and future of the City of Calhoun, and for the frank and open discussions.
9. The retreat was adjourned at approximately 5:30 P.M.

Submitted:



Cathy Harrison, City Administrator

Approved:



James F. Palmer, Mayor