



**CITY COUNCIL MEETING
JUNE 12, 2017-7:00 PM
109 SOUTH KING STREET
DEPOT COMMUNITY ROOM**

MINUTES

PRESENT: **James F. Palmer, Mayor**
Matt Barton, Mayor Pro Tem
Al Edwards, Councilman
David Hammond, Councilman
Jackie Palazzolo, Councilwoman

ALSO: Eddie Peterson, City Administrator; Paul Worley, Assistant City Administrator; Sharon Nelson, City Clerk; George Govignon, City Attorney; Jeff Defoor, Director of Electric Utilities; Jerry Crawford, Water/Wastewater Director; Lenny Nesbitt, Fire Chief; Garry Moss, Police Chief; Larry Vickery, City Planner; Suzanne Roberts, DDA Director; Todd Holbert, Battalion Chief; Don Colburn, Special Operations/Drug Task Force Commander, and Dwight Albritton, Airport Manager.

CALHOUN CITY SCHOOLS: Dr. Michele Taylor, Superintendent; David Scoggins, Board Member; Eddie Reeves, Board Member; and Dee Wrisley, Chief Financial Officer.

1. **Council Meeting Called to Order:**

Welcome

Mayor Palmer called the meeting to order and welcomed everyone in attendance.

Invocation

Mayor Palmer gave the invocation.

Pledge of Allegiance

Mayor Palmer led the group in the Pledge of Allegiance to the United States Flag.

2. **Amend or Approve Proposed Agenda**

Mayor Pro Tem Barton made a motion to approve the June 12, 2017, agenda as presented. Councilman Hammond gave a second with all voting aye. Motion approved.

3. **Amendment or Approval of Minutes**

Councilman Hammond made a motion to approve the regular minutes of the May 22, 2017, City Council meeting. Mayor Pro Tem Barton gave a second with all voting aye. Motion approved.

Streamed Live: <https://www.youtube.com/watch?v=Mv6LLU7YWKE>

4. **Mayor's Comments:**

- A. Mayor Palmer notified those present that the June 15th work session has been cancelled.
- B. Mayor Palmer announced the next meeting of the City Council will be Monday, June 19th.
- C. Mayor Palmer announced that the reading of the council comments would be dispensed due to the length of tonight's agenda; however, they will be provided in the Minutes of this meeting.

5. **Council Comments:**

- A. Councilman Hammond reminded everyone that the Tom B. David Airport will host a Wings and Wheels Fly In and Car Show this Saturday, June 17th. Free airplane rides will be provided to kids ages eight to 17 beginning at 10:30 AM and ending at 2:00 PM. First come, first served. There will be a complete display of Warburgs, World War II flying airplanes. There will be a lot of interesting things for the adults and the youth in our community. The rain date will be June 24th. The cost is \$5 for adults; \$1 for children; \$10 maximum per vehicle.
- B. Councilman Edwards submitted May reports as follows

1) **Water, Sewer, and Engineering**

Water and Sewer Systems Active Projects

- The 2" Galvanized Line Replacement Project -The project as a whole is approximately 80% complete. Thor Drive, Hunt's Subdivision, Spring Valley, Davis Road, Edwards Street, Fox Street, Short Street, and West Street are all complete. The area being sections of Cherry Hill Dr., Sherwood Dr., Highland Ct., and Valley Cir. is nearing completion. The next proposed sections are Lewis Dr., Cindy Ln., Kirk Dr. off Peters Street and Beamer Cir., Overland Dr., and Emory Ln. off Beamer Road.
- The new NPDES permit for the Wastewater Treatment Plant went into effect March 1, 2016. The chemical feed systems are under construction. As part of the new NPDES requirements, steps are underway to meet the storm water segment of the Watershed Protection Plan.
- The Nutrient Trading Monitoring Pilot Program - The second 319 Grant application to continue the monitoring was denied and EPD has stated that they have no other funds available at this time. The North Georgia Water resources had agreed to help fund the In-Kind match should the grant be awarded. We are currently reviewing the options that may be available to continue the monitoring project.
- Wastewater Treatment Plant Motor Control Center Upgrades Phase II – Submittals have been approved and MCCs expected to arrive June 22nd.
- South Calhoun By-Pass Utility relocations- The section of water main along Union Grove Road is nearing completion. Crews have begun work on the area at Hwy 53 East. The remaining areas are US 41 and McDaniel Station Road.

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- Pisgah Drainage Area Sewer Replacement – Bid opening was January 4, 2017. IPR Southeast is the contractor. The contractor has completed the CCTV work and began pipe bursting on May 22nd. Work is progressing well.
- Our maintenance department has completed painting of the interior of the Glassrock tank at a cost of approximately \$50,000. The lowest bid for this project was \$284,000.

Water & Sewer Projects in Development

- Airport Sanitary Sewer Relocation- Relocating approximately 4500 feet of sewer main to accommodate the airport expansion.
- S.R. 156 Water Main Relocation (GDOT/ RR Bridge Replacement @ Ranger) – Plans have been submitted to GDOT.
- North Wall Street and Redbud Road Intersection improvements- GDOT has asked for an estimate to relocate any utilities in conflict with the proposed project.
- Hwy 41 South at Lynn Creek (GDOT Widening Project) – Plans have been submitted to GDOT.

Projects in Engineering Conceptual Design

Sewer

- Blackwood Creek Trunk Sewer Replacement
- Yarborough Street Replacement Sewer
- Louise Ave., Cherry St., and Florence Ave. Sewer Replacement

Water

- Belwood Road Water Transmission Main
- Curtis Parkway Water Main
- Reeves Station Water Main (replacing existing 6" C. I. with an 8")
- Second Interconnect with Pickens County

2) Water Treatment Plant Facility

- Total gallons withdrawn: 304,060,000
- Daily average: 9,808,387
- Wells: 125,000,000
- Big Springs: 0
- % produced by Brittany Drive: 41.1%
- Brittany Dr. daily production to capacity: 34.17%
- Mauldin Rd. daily production to capacity: 36.10%
- Rainfall for May – 8.09"
- Due to the persistent drought, the Georgia Environmental Protection Division (EPD) has revised the current drought response to a Level 1 Drought declaration for Georgia (see Map). No additional watering restrictions have been issued above those already in place for the past several years. The City of Calhoun

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Water System does not have any type of water supply shortage! Outdoor watering as per the existing guidelines may continue under the Level 1 declaration. The existing outdoor restrictions and the Georgia Drought Response Map can be found at <http://www.cityofcalhoun-ga.com/public-notice-level-1-drought/>

3) **Waste Water Treatment Plant Facility**

- Treated a daily average of 5.450 MGD, with an average BOD effluent of 5, average suspended effluent of 9, and an average COD of 70.

4) **Water Distribution**

- 368 work orders completed, 21 new water connections, 28 water service leaks repaired, 16 water main leaks repaired, 15 water services changed to new main lines, 227 meter changes, 40 utility locates called in for work orders, 573 utility locates responses.
- Installed 360 feet of 2" HDPE water pipe for new connection on Pleasant Hill Road.
- Continued installing 2" fiber optic conduit along Dews Pond Road to Brittany Drive Water plant – project is 75% complete.

5) **Waste Water Collection**

- 2,400 feet of Sanitary Sewer Services TV inspected, 315 utility locates completed, 6,200 feet sanitary sewer lines cleaned, 9 new sewer connections installed, 3 sanitary sewer services repaired.

6) **Police Department**

- Made 600 cases with 12 DUI's
- Fines collected by Municipal Court - \$40,149
- Issued 320 warnings
- Investigated 63 highway accidents, 44 private property accidents
- Escorts unavailable per 911
- Incident reports unavailable per 911
- Alarm responses unavailable per 911
- Miles patrolled: 44,880
- Calls for service by E-911 unavailable per 911

911's NEW CAD SYSTEM IS NOT COMPLETELY FUNCTIONAL AT THIS TIME

7) **Municipal Court and Probation**

- Total Court cases- 464
- Court cases dropped- 83
- Number of Bond forfeitures- 201
- Number of Probation cases- 23
- Failure to appear- 51
- Subpoenas served- 9

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8) **Fire Department – Suppression**

- Responded to 190 calls for service for the suppression division, with 2 fire incidents.
- Responded to 140 emergency medical service calls.
- Responded to 11 hazardous conditions incidents.
- Responded to 8 false alarms or false calls, 20 good intent.
- Assisted with end of school year “Water Days” activities at Calhoun Pre K, Primary and Elementary schools.
- Members of GSAR were requested to assist with a search for a missing person on Fort Mountain.
- Had all ground ladders and Tower Truck tested by third party for required certifications.
- Completed all routine vehicle and station maintenance.

Training Division

- Department completed 699 hours of training.

Training consisted of:

- Training topics this month consisted of: Hose loads and hose line deployment / management, ladders, and officer training.
- 36 personnel attended a Highway Incident Management class at Gordon County Fire that was sponsored by the State.

9) **Fire Inspection Department**

- 95 total reported activities/inspections completed during the month.
- Completed 38 annual inspections and 21 requested inspections.
- Performed 9 follow up/re-inspections.
- Performed 17 consultations.
- Completed all routine vehicle and station maintenance.
- Lt. Duvall attended the City Safety meeting and site inspection.
- Inspections had a booth at the George Chambers Center Safety Fair.
- Conducted a Fire Extinguisher class at our Training Center for Gordon Central High School Students.
- Sold a Fireworks permit (\$500.00)

10) **Building Inspection Department**

Issued 47 permits for an estimated cost of \$1,131,782 collected \$11,598 in permit fees. This included 7 new residential, 2 residential remodel, 8 residential HVAC, 1 new commercial, 1 commercial remodel, and 2 commercial HVAC. 141 total inspections.

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C. Mayor Pro Tem Barton submitted March reports as follows:

Electric Department

- Construction continues on the Calhoun High School new STEM / COLA building.
- Construction has begun on the Chick-Fil-A enhancement with a kitchen upgrade and expansion requiring a larger electrical service and bigger transformer.
- Construction has begun on the new Holiday Inn Express.
- LED light conversion continues on Hwy 53

Work orders in process or completed

- Newly created- 101
- Completed and closed- 97

Consisting of:

- Capital construction- 5
 - Street and security lighting-18
 - Distribution Maintenance-19
 - Outages/trouble calls- 15
 - Meter maintenance/replacement-25
 - New customer meter sets-12
 - Electric locate tickets processed-231
- The City of Calhoun's Electrical load for May is projected to be 37,300,000 kilowatt hours. This is about the same as last year and over 2 million more than last month. Actual numbers will be released later this week.

Telecommunications Department

- Converted 19 customer access points to the new access system bringing the replacement project to 56% complete.
- Conduit installation by Water Construction Department for fiber run to Brittany Drive Water Plant is two-thirds complete.
- Replaced router at Brittany Drive to restore internet service.
- Installed new network switch at Fire Station 3. Taking old switch to add ports to main switch set at the central office.
- Added three new cameras to Customer Service offices.
- Disconnected two internet customers.
- Opened 31 and closed 30 work orders.

Geographic Information Systems

- Provided training to Electric Department
- Updated zoning map.
- Worked with Engineering Department to run water modeling sessions.
- Updated water meter and infrastructure data for Water map
- Updated physical building addresses for Billing Department

Streamed Live: <https://www.youtube.com/watch?v=Mv6LLU7YWKE>

- Updated fiber map to include new construction along Dews Pond Rd.
- Added new fire pre-plans for buildings for Fire Department
- Added new sections to Storm Water mapping.
- Updated City and GIS web sites

Downtown Development Authority

- The DDA director attended a Business Engagement Committee meeting; a Young Professionals meeting; a CVB Tourism meeting; and The Southeastern Tourism Society Marketing College workshop. The HPC held their regularly scheduled meeting. There were two COA approvals.
- The economic impact report that was completed for BBQ, Boogie and Blues yielded great results with an estimated overall impact of over \$109,000. Fifty-three percent made purchases in downtown stores; 50% eating in the downtown restaurants; and 98% of festival goers saying they would return next year.
- The DDA is in the process of creating a website. It should launch by the end of June.
- There are a couple of summer events being planned, follow the Downtown Calhoun Facebook page for more details soon!

Safety Committee

- The safety committee met on May 9th and the topic was Material Safety Data Sheets.
- A safety inspection was completed on May 16th at the Fire Department.
- Vehicle accidents: 0
- Workers compensation: 1

D. Councilwoman Palazzolo submitted March reports as follows:

1) **Street Department**

- Completed 30 shop and 18 street department work orders.
- Installed 7 new street signs.
- Repaired potholes and utility cuts using approximately 31 tons of asphalt.
- Cut and removed a dead tree at the recreation department.
- Cleaned out storm drains on Sequoya Terrace.

2) **Cemetery Department**

- Performed routine maintenance on Fain and Chandler cemetery.
- Supervised the opening and closing of 10 grave sites.
- Sold 7 new grave spaces.

Streamed Live: <https://www.youtube.com/watch?v=Mv6LLU7YWKE>

3) **Parks Department**

- The grounds crew picked up litter, hauled garbage to the dump, and maintained records at records room while mowing and weed eating downtown areas.
- The maintenance crew maintained designated buildings downtown.
- Built gun cabinet for Police Department.
- Removed and replaced windows in the conference room at the depot.
- Removed motor and pump in fountain to be replaced.

4) **Animal Control**

- Housed 22 dogs and 30 cats
- Number of dogs adopted: 3
- Number of cats adopted: 0
- Number of dogs rescued: 4
- Number of cats rescued: 22
- Number of dogs reclaimed by owner: 9
- Number of cats reclaimed by owner: 0
- Number of dogs euthanized: 0
- Number of cats euthanized: 0
- Number of warnings given: 27
- Number of bite cases: 1
- Citations issues: 4

5) **Calhoun Recycling Center**

- Received 31.11 tons of OCC totaling \$4,666.50.
- Received 2.77 tons of loose OCC totaling \$318.55.
- Received 3,450 pounds of plastics, totaling \$172.50.
- Received 17.13 tons of paperboard totaling \$1,370.40.
- Received 4.56 tons of glass totaling \$68.40.
- Received 996 pounds of aluminum totaling \$39.84

6) **Recreation Department**

PROGRAMS:

Spring Baseball and Softball – The Spring youth baseball and softball season was completed on May 30. A total of 106 games were played in May. There will be 5 youth all-star teams that will be participating in the GRPA District all-star tournaments. District tournaments begin June 17.

Stars – 2 events for May – Craft night and kickball. This program is offered for the Special Needs children in the community on Tuesday evenings.

TOURNAMENTS -

May 6 – 7 – Hosted 14U USA Softball of Georgia Qualifier – Eighteen teams participated in this 2 day event. A total of 810 participants visited Calhoun for this tournament with an estimated economic impact of \$52,650.00.

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May 20 – USA Softball of Georgia – 1 day tournament with 36 teams participating and an estimated economic impact of \$52, 650.00 for this one day event.

FACILITY USAGE:

The following facilities were reserved throughout the month of May for Special Events:

Billy Bearden Recreation Center:

Meeting Room – 1 events	Community Room -2 events
Playground Pavilion -15 events	Ratner Pavilion – 9 events
Softball Complex – 1	Pool Parties – 8

WEBSITE USAGE:

CalhounRec.com	Facebook Page
4,332 views	2,187 – People Reached
8 – Posts	3,424 – People Reached
1,134 – Likes	2,182 - Likes
1,689 – Searches	

JUNE EVENTS

June 3 – USA SOFTBALL OF GEORGIA – 1 day tournament

June 9-10 – USA SOFTBALL – 16 Gold Southern Territory Qualifier

June 16 – 24 – GRPA 5th District – 7-8 Coach Pitch

E. Councilman Hammond submitted March reports as follows:

1) **Northwest Georgia Regional Commission**

- **Revolving Loan Fund:** In 1983 a \$300,000 UDAG (Urban Development Action Grant) loan was made to Carriage Carpet. This was the beginning of the Revolving Loan program. The program has resulted in 692 jobs created. The program currently has a 2% interest rate with a 50% match from another source required from the loan applicant. There is currently approximately \$800,000 available to be loaned. \$2.4 million dollars have been utilized from the \$300,000 initial grant of 1983.
- **Census Planning:** Every ten years a census of our citizens is completed. Redistricting on a congressional level is based on population numbers. Multiple grants are available as well based on our poverty rate. The first meeting regarding the census will be tomorrow at the Gordon County Agricultural Center beginning at 9:00 AM.
- **Workforce:** The Workforce Innovation and Opportunity Act provides education, training and employment opportunities for individuals in Northwest Georgia. The RDC works in a fifteen-county area that includes Bartow, Catoosa, Chattooga, Dade, Fannin, Floyd, Gilmer, Gordon, Haralson, Murray, Paulding,

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Pickens, Polk, Walker, and Whitfield counties. The Northwest Georgia Regional Commission administers the federally-funded program for the chief elected officials in our fifteen counties.

The regional unemployment rate is 5%; Gordon County unemployment rate is also 5%; the current State unemployment rate is 5.1%. We now have employment viability in our area. Manufacturing has also increased in Gordon County.

Georgia Trend Magazine places Gordon County as number nine (9) in the State in rankings as far as growing communities. Average salaries are \$42,400 in Bartow County; \$35,000 in Murray County; \$42,500 in Whitfield County; \$41,000 in Floyd County; and Gordon County at \$38,000. Most is attributed to manufacturing jobs raising the standard income in these areas.

- **Area on Aging:** The Georgia Department of Human Resources has designated the Northwest Georgia Regional Commission as the Area Agency on Aging (AAA) and in this capacity, the RDC plans, coordinates and administers programs for older Georgians throughout the planning and service area. An Area Agency on Aging Advisory Council, which includes consumers, advises on senior programs. The provision of services is administered by the AAA through contracts with service-provider agencies. This program provides services such as meals on wheels, homebound clients, individuals suffering with memory loss, and care provider respite. These services are all available to citizens in Gordon County who need assistance.
- **Planning:** The Northwest Georgia Regional Commission assists member local governments with implementing the Georgia Planning Act of 1989. Local comprehensive plans address community needs and objectives for economic development, community facilities, natural and historic resources, housing, and land use. Plans must be updated every ten years.

The NWGRC encourages counties and municipalities to work together to identify common problems and opportunities and to seek countywide solutions through joint plans. Local plans were used to develop a joint regional plan that identifies opportunities for counties and municipalities to work together on a multi-county basis. The Northwest Georgia Regional Commission has prepared a regional plan for the 15-county State Service Delivery Region 1. The NWGRC also assists local governments with preparing solid waste management plans as required by the Georgia Comprehensive Solid Waste Management Act. These services are implemented in partnership with the Georgia Department of Community Affairs. Further information on planning in Georgia can be found online at [Georgia Planning.com](http://GeorgiaPlanning.com).

Streamed Live: <https://www.youtube.com/watch?v=Mv6LLU7YWKE>

2) **Library**

The Calhoun-Gordon County Library is jointly funded by the Calhoun City Council and Gordon County Commissioners. It is an Authority made up of volunteer servants that are appointed by the governing bodies. The City currently owns the building, which was updated last year with SPLOST funds.

- For the month of May there were 11,038 library card holders, 5,769 library visitors, and 6,287 total circulation. There were 140 story time attendance, 34 adult program attendance, 132 digital new users, 190 e-books, 210 audio books, 1,159 computer logins, and 15,231 Website visits.
- Free Basic English classes are offered every Saturday from 10:00 AM to 12:00 Noon. Free child care is offered for those that are attending the Basic English classes.

3) **Tom B. David Airport**

- The Airport is an authority supported by both Gordon County and the City of Calhoun. The airport is the 7th largest permanent based aircraft airport in the state of Georgia. There are currently 118 airplanes based at the airport. The six counties that have more aircraft have populations of 150,000 or greater, where Gordon County only has 56,000. The airport has a 6,000 foot runway, where most others only have 5,000. Therefore, our airport can handle larger corporate jets for local industry. Also, the airport will receive 90% in Federal funding to build a parallel taxiway that will enable the airport to handle more traffic in and out. Future expansions will allow the airport to grow even more and grow the positive local economic impact. Finally, the Airport Authority is looking at expansions of corporate hanger space and long term plans for the airport. Future expansions will allow the airport to grow even more and grow the positive local economic impact. The Airport Board will be meeting tomorrow at 12:00 P.M.

7. **Public Hearing and Comments:**

A. Public hearing of an annexation and zoning request of R-1 for .69 acres at a location of 224 Shadowood Drive, SE, by Patricia and Moises Lopez.

- Mayor Palmer opened public hearing.
- Mayor Palmer reported that the Zoning Advisory Board lacked a quorum at their scheduled June 8, 2017 meeting. No recommendation was made.
- City Administrator Peterson stated that all legal requirements had been met.
- Mayor Palmer opened the floor for public comments. There were none.
- Mayor Palmer closed the public hearing and asked for a motion concerning the annexation request.

Streamed Live: <https://www.youtube.com/watch?v=Mv6LLU7YWKE>

Councilman Edwards made a motion to approve the annexation request. Mayor Pro Tem Barton gave a second with all voting aye. Motion approved.

- Mayor Palmer called for a motion concerning the zoning request of R-1.

Councilman Edwards made a motion to approve the zoning request of R-1. Councilman Hammond gave a second with all voting aye. Motion approved.

B. Public hearing of an annexation and zoning request of R-2 for 1.341 acres at a location of Harmony Drive, Tract 1, parcel number 056A-206, 0.419 acres; Tract 2, parcel number 056A-207, 0.445 acres; and Tract 3, parcel 056A-208, 0.477 acres, by Hunter Knight.

- Mayor Palmer opened the public hearing.
- Mayor Palmer reported that the Zoning Advisory Board lacked a quorum at their scheduled June 8, 2017 meeting. No recommendation was made.
- City Administrator Peterson stated that all legal requirements had been met.
- Mayor Palmer opened the floor for public comments beginning with the applicant. Mr. Terry Brumlow of 1287 Curtis Parkway, Calhoun, addressed Council members stating that he was the Attorney representing Mr. Knight. Mr. Brumlow provided Council members with pictures of rental units Mr. Knight's father has built in the past. He stated that Mr. Knight would like to build triplex or quadplex apartments on the property. Mr. Brumlow asked council members if they had any questions concerning Mr. Knight's annexation request.

Councilman Edwards asked for the location of the apartments shown in the pictures. Mr. Knight stated the apartments were located at 311 Circle Drive.

City Administrator Peterson stated that this is a county road and asked Mr. Brumlow if there will be a turn-around at the end for trash trucks, school buses, etc. Mr. Brumlow stated he had driven out to the property and although the plat shows a cul-de-sac there was none. He stated that the road just ends; however, he said Mr. Knight had indicated that they would hope to build in such a way as to provide as ample a parking lot as possible to allow people to get in and out. He stated they would do whatever they could with the building inspectors to make sure that is accomplished.

- Mayor Palmer called for additional public comments pertaining to the request. There were none.
- Mayor Palmer closed the public hearing and asked for a motion concerning the annexation request.

Councilman Edwards made a motion to approve the annexation request. Mayor Pro Tem Barton gave a second with all voting aye. Motion approved.

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- Mayor Palmer called for a motion concerning the zoning request of R-2.

Councilman Edwards made a motion to approve the zoning request of R-2. Councilman Hammond gave a second with all voting aye. Motion approved.

C. Public hearing of a zoning request of PRD for approximately 8 acres at a location of Parcel #CG46-106B, Salem Road, by Hand Up Housing of Gordon County.

- Mayor Palmer opened the public hearing.
- Mayor Palmer reported that the Zoning Advisory Board lacked a quorum at their scheduled June 8, 2017 meeting. No recommendation was made.
- City Administrator Peterson stated that all legal requirements had been met.
- Mayor Palmer opened the floor for public comments beginning with the applicant. Mr. Haley Stephens of 3217 Red Bud Road, Calhoun, addressed the Council giving a brief history of his involvement in the community. Mr. Stephens stated that Gordon County poverty level ranks 93rd in the state, prompting him to want to provide affordable housing in Calhoun. He stated a presentation was made in August educating the public regarding “tiny homes” and proposing the adoption of a Tiny Homes Ordinance. They had a specific plan to consider on the property they have on Salem Road, which was published on the front page of the Calhoun Times following that meeting. He stated that he had assets that had been pledged and part of the assets was a building that had been pledged that could be utilized for 20 10X30 units. The plan called for \$425 monthly rent.

Mr. Dennis Powers of 293 South Sequoyah Circle NE, Calhoun addressed Council members stating that he was a disabled veteran who got involved in the tiny homes project after seeing the newspaper last year relating to the meeting Mr. Stephens had discussed. He stated local business men and women in the area helped him when he first came to Calhoun. Without this community he would have already given up. He stated that Mr. Stephens project would really help the community.

Mr. Bill Thompson of 206 South Wall Street, Calhoun, addressed Council members stating that he was the Attorney for the Airport Authority of Gordon County. He stated that he had worked in that capacity for over 20 years. He noted that great strides have been made at the airport in the last 20 years making it one of the top ten airports, including Hartsfield, in the state of Georgia. He stated that he did not want to say anything negative about the goal of Mr. Stephens’s project as he felt the project was noble. Rather, his comments were about a land use issue, and the position of putting it in the proposed location, so close to the airport, impinges upon that issue. A very large project is taking place right now at the airport that is funded largely by the federal government and the aviation division of the Georgia Department of Transportation. It will put around \$10 million in the

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airport as a safety project. This will be a major undertaking, putting in a parallel taxiway for safety. Water features are included in the proposal, which becomes a land use issue for the airport. Water fowl and water features are dangerous in and of itself. More importantly, certain monies are given to the airport every year upon required assurances that the airport is run in such a way, and that the airport surroundings are used in such a way, that aviation use of the airport is not impinged. When you put residential uses within 500 feet of the airport operational area that is exactly what is getting ready to happen. Mr. Thompson stated this would be an inappropriate use and the Airport Authority does not support that use. They believe it would be a hazard to aviation and strongly recommended the Council did not approve the annexation request. Mr. Thompson stated that he also had two airport engineers with him tonight, Mr. Weaver and Ms. Crosby, that could answer any questions Council members may have.

Carla Payne McMorris, of P.O. Box 246, Calhoun, addressed members of the Council stating that she was the Manager of Payne Farms, located across the road from the proposed site. She stated that along with her husband and daughter, she is also the closest residence to the proposed site. Her mother is located at the end of her driveway as well. Ms. Payne stated that her family is opposed to this annexation primarily because of safety. Their farm is not visible from the road; they have large farm equipment that can be dangerous; they have a grazing field directly across from the proposed site where they graze cattle, horses, donkeys, and hogs, which could be disruptive to a residential development. She also expressed a concern of someone coming on to their property and possibly letting an animal escape through the gate, or someone getting kicked by one of the animals, which could cause injury. Ms. Payne submitted a petition in opposition of the development with 128 residential and business signatures of people in the McDaniel Station area. The closest medical facility, drug store, and grocery store are more than 3 miles away. She stated she was aware that transportation is available in Calhoun, but not 24 hours a day. The only other way to get to these locations would be by vehicle or walking and it is a one hour walk to get to any of these locations according to Google Maps. With no sidewalks and Salem Road being so heavily traveled this would be very dangerous. The other two options of Hwy 41 or Hwy 53 would be just as dangerous. She stated that her family used to farm the land the proposed site will be on and had to stop due to continual flooding. Flooding will be a safety issue at this property. She also stated that she did not want her tax dollars to pay for maintaining the landscaping and grounds, as proposed, due to the fact that Hand Up Housing would be collecting rent. She stated that her farm is located on 150 acres of prime industrial land and felt that adding a residential development would decrease the property values in the area, as well as the marketability and desirability of her land.

Mr. Millard Payne, of P.O. Box 246, Calhoun, addressed members of the Council stating that he felt the location for the proposed project was not

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suitable due to transportation issues. He was also worried about someone falling in the creek, as the application states the housing will be for veterans, the elderly, and those with special needs.

Mr. Haley Stephens responded to the concerns of those who spoke in opposition to the plan. He directly addressed the issues the Airport Authority posed by stating that if we want to look at economic development we do need to protect our airport. We have a poverty rate that drags Calhoun way down. People look at our statistics and see that we rank in the bottom 50% of the State. We have no problem in dropping the water feature, particularly since the water/sewer estimates have tripled since we were here in August. The whole idea of the zoning request attempted to take into the consideration the protection of public interest and property values. He stated he was advised by the Building Inspections Department to request R-2 zoning, which requires you to use 35% of the property for development. His plan calls for using 6% of the land, which is why they had the green belt and the walking trails in an effort to meet the requirements of PRD zoning. In addressing specific concerns in regards to the neighborhood, Mr. Stephens said that he wanted to point out that the August 13th edition of the Calhoun Times gave the location of the project on the cover page. He stated he had offered to meet with the three largest land owners nearby the location, including the Payne's, on several occasions to discuss the project. He stated that he knew this location was not an ideal site and that he did have volunteers who would be willing to get people where they needed to go. He also noted that their proceeds from rent would be approximately \$800 monthly, which could be used to buy a van if necessary. He pointed out that the project would be a \$500K investment due to donations of community members. He presented a petition with 512 signatures in support of the project. He also read a letter from Habitat of Humanity of Gordon County in favor of the development. He stated that a 20 acre buffer was left between their project and the airport, and now that he knew 500 feet was the magic number he saw no reason why they couldn't make that work. Mr. Stephens thanked the Council for their consideration.

Mayor Palmer called for any other comments from those present at the meeting. There were none.

- Mayor Palmer closed the public hearing.
- Mayor Palmer called for a motion concerning the zoning request from Industrial to PRD.

Councilwoman Palazzolo addressed the applicant stating that this was dear to her heart because she understood what he was trying to do. She stated to Mr. Stephens they had already spoken regarding finding another property due to economic development issues. She stated that sitting in this seat she had to see things differently and consider the fact that changing the zoning would possibly

Streamed Live: <https://www.youtube.com/watch?v=Mv6LLU7YWKE>

impact the expansion of the airport. She asked Mr. Stephens if there was any other property the Council could look at for this property as she understood the need, but felt they needed a property that was closer to the City. There was no reply from Mr. Stephens.

Councilman Hammond asked Mr. Thompson, Attorney for the Airport Authority, how the FAA would deal with the matter if the Council moved forward with the request and approved the zoning change? Mr. Thompson stated that the airport is evaluated several times during the year. Should it get trapped in an incompatible use, which is what residential is, it would delay the expansion.

Councilman Hammond thanked Mr. Stephens for his passion and heart for this project. He stated there are certainly needs in the community. Considering the airport and the possibilities that are there to be the next economic engine of this community it would be almost irresponsible to do anything to jeopardize the expansion.

Mayor Pro Tem Barton stated that he had spoke with Mr. Stephens about the tiny homes and the City is still trying to work on the ordinances. However, these apartments are different than tiny homes. He stated he knew that Mr. Stephens had to speed up the process for another project he has, but the wheels of government are slow in getting some things changed. He stated that the City is still working on how to implement tiny homes into our community; however, this project would not be the right one for him, based on all the angles he could see it from.

- Mayor Palmer again called for a motion concerning the zoning request from Industrial to PRD.

Mr. Stephens addressed Mr. Thompson asking if 500 feet was the magic number for the FFA rules and regulation. Mr. Thompson stated that it affects the airport beyond 500 feet. There is no magic number. The number is regulatory based on the geometry of the airport; what flight patterns come in and out. Airports all over this country have had law suits filed against them as they have been able to expand and one of the main issues is noise. What we are trying to get in to the airport is turbine jet aircraft. The noise level is going to go up. That is why we've always looked into expanding the airport. It is in an industrial place and it will not impact most of the industry; it will become, if we are successful, more incompatible for residential use. When we apply for our money every year we tell the FAA that we are going to protect the airport and that is one of the incompatible uses.

- Mayor Palmer again called for a motion concerning the zoning request from Industrial to PRD.

The zoning request died for lack of a motion.

Streamed Live: <https://www.youtube.com/watch?v=Mv6LLU7YWKE>

- D. Continuance of a March 13, 2017, tabled public hearing of a zoning change request for the existing zoning of Ind-G, to be rezoned to a Tower Site (TS) for 0.2296 acres at a location of parcel #C10-041 (CL Moss Parkway) for Skyway Towers, LLC. The zoning change request is for a proposed new 190 foot cell tower in order to help improve coverage and capacity issues. The Zoning Advisory Board met on March 9, 2017.

Mayor Palmer gave City Attorney Govignon the floor. Mr. Govignon stated that the item would remain on the table until the June 19th meeting of the City Council. We are currently awaiting engineering reports pertaining to the Verizon antenna specifications and frequencies from the individual engineering company obtained by the City.

- E. Public hearing relating to a multiyear installment sale agreement, subject to annual renewal, to be entered into between the City of Calhoun and Georgia Municipal Association, Inc., relating to the construction of a new police station building in the City of Calhoun, Georgia., not to exceed \$3,500,000.

- Mayor Palmer opened the public hearing.
- Mayor Palmer opened the floor for public comments.

City Administrator Peterson stated that the Industrial Development Authority was able to donate property for this project. The building will be approximately 14,000 square feet, allowing room for growth and future expansion for years to come. He stated he expects the project to finish at well below the \$3.5 million.

City Attorney Govignon stated we had obtained a Brick and Mortar loan through the Georgia Municipal Association, which is essentially like a lease purchase. He stated this was the best way to finance a small project like this one without the City having to tie up its own money. Mr. Govignon stated that closing should fall while Council members are attending the GMA Convention and provisions will be made to complete the closing in Savannah during this time. The monies should be received by month end.

Councilman Hammond asked Police Chief Moss if he felt the building will meet the needs of this department for the next 15 to 20 years. Chief Moss stated that he felt 15 years would be the minimum.

Mr. Govignon stated that construction of the building will consolidate all police department employees in to one building, eliminating the other two buildings, including the old post office which has potential health issues.

- Mayor Palmer opened the floor to the public for comment. There was none.
- Mayor Palmer closed public hearing.

Mayor Pro Tem Barton made a motion to remove the item from the table. Councilman Hammond gave a second with all voting aye. Motion approved.

Streamed Live: <https://www.youtube.com/watch?v=Mv6LLU7YWKE>

Councilman Hammond made a motion to approve the Request For Financing Proposals relating to the construction of a new 14,000 square foot Police Administration Headquarters Building for the City of Calhoun, not to exceed \$3,500,000. Mayor Pro Tem Barton gave a second with all voting aye. Motion approved.

F. Public hearing on the Calhoun City Board of Education's annual operating budget and capital plan for the fiscal year July 1, 2017 through June 30, 2018.

- Mayor Palmer opened public hearing and gave the floor to Dr. Michele Taylor, Superintendent, Calhoun City Schools for presentation of the FY 2018 proposed budget.

Dr. Taylor presented the proposed FY 2018 Budget noting they were educating more than 4,000 students in 2017 with a projected increase over the next few years. Calhoun City Schools was named Charter System of the year last year and is ranked number 6. She stated the school system had endured state budget cuts of more than \$19 million since 2003. Proposed budget estimated revenues and transfers from other funds total \$39,729,148 and estimated expenditures and transfers to other funds \$39,602,963. Healthcare cost increases for classified employees have affected the total budget at \$71,000 per member per month. ESPLOST and ad valorem tax collections have been affected due to the removal of the motor vehicle tax. There is an impact of \$84,000 for salary increases on advanced degrees; and a 2% step increase for all employees totaling \$543,000. There were also challenges with TRS increases of \$455,000. (proposed budget attached)

- Mayor Palmer closed the public hearing and reminded everyone that the budget will be eligible for adoption next Monday, June 19th.

G. Public hearing on the City of Calhoun's annual operating budget and capital plan for the fiscal year July 1, 2017 through June 30, 2018.

- Mayor Palmer opened the public hearing and gave the floor to City Administrator Peterson for presentation of the FY 2018 proposed budget.

Mr. Peterson stated that there will be no millage rate increase in this budget, and no water and sewer rate increases. We have begun the realignment of health care costs between the City and our employees. Single coverage will be 12% and family coverage will be 17%, up from 7% single and 13.5% for family coverage. The budget also includes a 2.5% increase in salaries and the department heads will adjust depending on merit. The recreation department will have one part time employee going to full time; the electric department will add one additional employee to meet the safety requirements for line crews.

The five largest General Fund Revenues are Excise Taxes, Local Option Sales Tax, Franchise Tax, Property Taxes, and rents and royalties. Calhoun has one of the lowest

Streamed Live: <https://www.youtube.com/watch?v=Mv6LLU7YWKE>

property taxes in the state due to our Local Option Sales Tax, Special Local Option Sales Tax, and our Utilities.(we do have over 100 revenues line items). We are similar to last year other than property taxes will bring in less.

Looking back to 2008 the City had a lot going on then. The recession was at its worst in 2011. We then began working our way out, but we are still down \$800,000 in revenues compared to 2008. One of the things I'm most proud of is Calhoun never missed a beat through the very lean years. While we had much less money to work with, our service level did not suffer. Our 1.98 millage rate remains the lowest in the State. When we compare Calhoun with all the Cities in Georgia with populations between 10 and 20 thousand, the average millage rate is around 8 mills. We are at 1.98 mills. A \$200,000 house in Calhoun pays about \$158 a year in property tax. If you lived in the other 39 cities, with similar populations, you would be paying on average \$629. The money you save in Calhoun property tax can fill up your car with gas an extra 14 times a year. Not only home owners, but small business and large industries benefit from Calhoun's low millage rate. Our tax digest is down \$300,000 due to 80% Freeport for industry.

Seventy-five percent of the budgeted General Fund expenses are used for police, fire, and public works. This is a slight increase, mainly due to health insurance and salary increases.

Community Services dropped due to transferring our Library employees to the Dalton Regional System. It's the same number as last year with the County paying Dalton directly instead of paying the City.

The Recreation Department added one new employee due to the extra fields and work load: a transfer to Golf was reduced by \$68,000. Golf rates will increase \$2.00 per round and \$1.00 for cart fees. Also, Fields Ferry will be paid off this year saving \$375,000 a year.

We have 25,000 people working in Gordon County. The Department of Labor doesn't give a breakdown, but I would guess that 75 to 80 percent of those 25,000 work in Calhoun. Our April unemployment rate is 4.7%. We have come a long way since 2010.

\$37,600,000 or 54% of the utility budget revolves around Calhoun being in the electric business. Water, Sewer, Telecommunications, and Administration make up the remaining budgets. There is a general reduction in all utilities from the current year budget. Some of these reductions are due to 2005 SPLOST and GEFA loan projects being completed. This trend also occurred in Telecommunications and Administration.

Streamed Live: <https://www.youtube.com/watch?v=Mv6LLU7YWKE>

In 2016 we had a severe drought which increased the residential usage of water. Again, our industries which used to use enormous amounts of water have changed processes. There was also a tremendous reduction in gallons of wastewater treated. There was a limited amount of rainfall in 2016. This is a pretty good indication that we still have miles to go before our infiltration is put to bed. Projects like the Pisgah sewer basin will no doubt have a positive impact on decreasing infiltration.

Electricity sales have increased by 85,000,000 Kwh since 2010. Ten years ago our electric customer base showed residential usage at 11% compared to 10% today; Commercial usage was 25% compared to 17% today; and, Industrial usage was 64% compared to 73% today.

Calhoun's water and sewer debt for projects is \$2.6 million dollars a year. This does not include production and distribution provided by 85 employees dedicated to 24 hour service seven days a week, 365 days a year serving 21,000 water customers in Gordon County and providing 136 miles of sewer lines and a 16 MGD sewer plant for the citizens and businesses of Calhoun.

General Fund	13,536,627	decrease of \$110,000 from 16/17
Golf	840,896	increase of \$18,000
Rec.	1,171,755	increase of \$12,000
Solid Waste	900,610	Increase of \$129,000 full accounting of recycling Remember all these budgets do balance rev vs expenses
Water and Sewer	8,163,113	Decrease of \$1,491,000
Electric	37,631,987	Decrease of \$1,172,000
TELECOM	1,092,740	Decrease of \$121,000
Utility Interfund	3,121,238	Decrease of \$20,000

The total City proposed budget is \$66,458,966; a decrease of \$2,784,424 from the current year. A lot of people have worked very hard on this budget. I want to thank the department heads for their hard work, the Mayor and Council, and everyone involved. This budget will provide the kind of service levels that Calhoun citizens expect, and will be provided.

Streamed Live: <https://www.youtube.com/watch?v=Mv6LLU7YWKE>

- Mayor Palmer opened the floor for comments from those in attendance. Councilman Hammond thanked the City Administrator and Assistant City Administrator and their staff for going above and beyond on this year's budget. Mayor Palmer closed the public hearing and reminded everyone that the budget will be eligible for adoption on June 19th.

8. **Old Business:**

None

9. **New Business:**

Annexation and Zoning Request – Brian Young

- A. Mayor Palmer gave the first reading of an annexation and zoning request of C-2 for 1.49 acres at a location of 290 Timms Road, by Brian Young. The Zoning Advisory Board meeting is scheduled for July 6, 2017. The public hearing is scheduled for July 17, 2017.

Councilman Hammond made a motion to move the Zoning Advisory Board meeting to July 13th. Mayor Pro Tem Barton gave a second with all voting aye.

B. **Zoning Request – Bagwell Family, LLC**

Mayor Palmer gave the first reading of a zoning request of C-2 for 1.815 acres at a location of C11-071 and C11-076, by Bagwell Family, LLC. The Zoning Advisory Board meeting is scheduled for July 13, 2017. The public hearing is scheduled for July 17, 2017.

C. **Annexation and Zoning Request – Charles Buchanan, Jr.**

Mayor Palmer gave the first reading of an annexation and zoning request of request of R1-B for 0.46 acres at a location of 193 Green Meadow Lane, NE, by Charles Buchanan, Jr. The Zoning Advisory Board meeting is scheduled for July 13, 2017. The public hearing is scheduled for July 17, 2017.

D. **Annexation and Zoning Request – Butler Properties & Development, LLC**

Mayor Palmer gave the first reading of an annexation and zoning request of C-2 for 18.92 acres at a location of GC56-229, Erwin Street and South Wall Street, by Butler properties & Development, LLC. The Zoning Advisory Board meeting is scheduled for July 13, 2017. The public hearing is scheduled for July 17, 2017.

E. **Annexation and Zoning Request – LIDL US Operations, LLC**

Mayor Palmer gave the first reading of an annexation and zoning request of C-2 for 0.46 acres at a location of GC42-156, at the corner of Erwin Street and South Wall Street, by LIDL US Operations, LLC. The Zoning Advisory Board meeting is scheduled for July 13, 2017. The public hearing is scheduled for July 17, 2017.

F. **Ethics Ordinance – First reading**

Mayor Palmer gave the first reading of an ordinance to amend, strike or change certain portions of the City of Calhoun Code of Ethics, Part II, Chapter 2, Article VII, and to repeal all conflicting ordinances, to fix an effective date, and for other purposes.

Streamed Live: <https://www.youtube.com/watch?v=Mv6LLU7YWKE>

Mayor Palmer gave the floor to City Attorney Govignon who stated the ordinance was taken from GMA materials, and also the Vinson Institute's study from Gwinnett County, as noted in his email. The ordinance is scheduled for first reading tonight but is open to any and all comments, suggestions, or discussions at any time.

Councilman Hammond asked Mr. Govignon if the Council is mandated to do the second reading on June 19th. If so, Councilman Hammond stated he would make a motion to table the item for further discussion with the Council. Mr. Govignon stated we are bound to have two readings; however, we could have as many readings as necessary prior to adoption.

G. Request for Road Closure - Echota Baptist Church

Mayor Palmer read the request by Echota Baptist Church to block the road beginning at the mailbox by the front steps of the church, College Circle, to the stop sign behind the church at Short North Wall Street from 5:00pm to 9:00pm on Sunday, July 16th through Friday, July 21st for Vacation Bible School.

Councilman Edwards made a motion to approve the request by Echota Baptist Church. Councilman Hammond gave a second with all voting aye. Motion approved.

H. Fiscal Year 2017 3rd Quarter Budget Admendments and Financial Statements

City Administrator Peterson stated that the City is required to have a balanced budget in all funds and we normally do this two times per year. The presented amendments are made through March, 2017. (copies attached)

Councilman Hammond made a motion to approve the budget amendments and financial statements. Mayor Pro Tem Barton gave a second with all voting aye. Motion approved.

I. New Police Station – Architect Contract

Mayor Palmer called for a motion regarding a contract between the City of Calhoun and Greg Sims, Architect, for the provision of professional services pertaining to the construction of a new police station and vehicle service building to be located on the corner of McDaniel Station Road and Recreation Road in Calhoun.

Mayor Pro Tem Barton made a motion to approve. Councilwoman Palazzolo gave a second with all voting aye. Motion approved.

J. Utility Division Charge Off Request – FY 2016

Mayor Palmer called for a motion regarding the FY 2016 Utility Division charge off request for unpaid debts. City Administrator Peterson stated that this debt is mostly incurred from renters who leave and are hard to track down. Mayor Palmer stated that the current one nineteenth of one percent charge off request is the lowest he has seen as Mayor. Of the \$56,170,694 in billed services, the amount of charge off is \$108,366.21.

Councilman Hammond made a motion to approve the charge off list. Mayor Pro Tem Barton gave a second with all voting aye. Motion approved.

Streamed Live: <https://www.youtube.com/watch?v=Mv6LLU7YWKE>

K. 188 Highway 53, LLC Beer/Wine Package – First Reading

Mayor Palmer gave the first reading of a beer and wine package license request by Nabil Filfil D/B/A 188 Highway 53, LLC at a location of 943 Hwy 53 Southeast. The proposed store manager will be named prior to the public hearing, scheduled for July 17, 2017.

L. General Government Fee Schedule Resolution – First Reading

Mayor Palmer gave the first reading for amendments to the General Government Fee Schedule Resolution. Changes include increases to building permit fees, grading permit fees, soil and sedimentation fees, HVAC permit fees, residential plumbing fees, fire inspection fees, electrical inspection fees, cemetery fees, and addition of animal spay/neuter certificate fee.

10. Other Written Items Not on the Agenda:

None

11. Work Reports:

Eddie Peterson, City Administrator

12. Motion to move to Executive Session, if needed:

City Attorney Govignon stated there was a need to move to executive session for possible litigation.

Mayor Pro Tem Barton made a motion to move to Executive Session. Councilman Hammond gave a second with all voting aye. Motion approved.

13. Motion to return to General Session:

Councilman Edwards made a motion to return to General Session. Councilwoman Palazzolo gave a second with all voting aye. Motion approved.

12. Motion to Report Executive Session, if appropriate

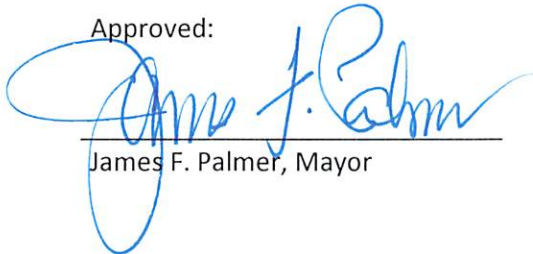
Councilman Hammond made a motion not to assume responsibility regarding the drainage issue in Meadowbrook Subdivision on Wildwood Circle. Mayor Pro Tem Barton gave a second with all voting aye. Motion approved.

Streamed Live: <https://www.youtube.com/watch?v=Mv6LLU7YWKE>

13. **Motion to adjourn:**

Councilman Hammond made a motion to adjourn. Mayor Pro Tem Barton gave a second, with all voting aye. Motion approved.

Approved:

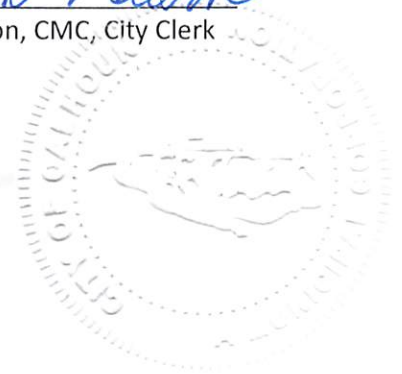


James F. Palmer, Mayor

Submitted:



Sharon Nelson, CMC, City Clerk



**PROPOSED BUDGET
CALHOUN CITY BOARD OF EDUCATION
JULY 1, 2017 - JUNE 30, 2018**

	GENERAL FUND	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS
ESTIMATED REVENUES			
Local Taxes	\$12,622,331	\$0	\$0
Interest	\$3,000	\$0	\$0
Nurse Funds - Gordon County Comm	\$34,125	\$0	\$0
State Sources	\$19,582,715	\$830,507	\$0
Federal Sources	\$0	\$2,683,780	\$0
Other Local Revenues	\$189,000	\$3,041,976	\$600,000
Transfers In	\$0	\$141,714	\$0
	<hr/>	<hr/>	<hr/>
TOTAL ESTIMATED REVENUES AND TRANSFERS FROM OTHER FUNDS	\$32,431,171	\$6,697,977	\$600,000
ESTIMATED EXPENDITURES			
Instruction	\$21,715,018	\$1,359,292	\$0
Pupil Support Services	\$1,363,465	\$939,929	\$0
Improvement of Instruction	\$1,735,335	\$91,172	\$0
Educational Media Services	\$393,966	\$50,000	\$0
General Administration	\$485,230	\$17,433	\$0
School Administration	\$1,988,839	\$54,018	\$0
Business Office	\$517,855	\$0	\$0
Maintenance & Operations	\$3,028,508	\$8,000	\$0
Student Transportation	\$971,152	\$50,933	\$0
Central Support Services	\$182,478	\$0	\$0
Other Support Services	\$24,951	\$13,985	\$0
School Nutrition Services	\$0	\$2,622,503	\$0
School Activity Accounts	\$0	\$99,825	\$0
Community Education Services	\$0	\$771,162	\$0
Facilities Acquisition & Construction	\$0	\$0	\$600,000
Other Outlays/Operating Transfers	\$92,262	\$425,652	\$0
	<hr/>	<hr/>	<hr/>
TOTAL ESTIMATED EXPENDITURES AND TRANSFERS TO OTHER FUNDS	\$32,499,059	\$6,503,904	\$600,000

The City Council will meet and consider for adoption on June 19, 2017 at 7:00 p.m. in The Depot. The Board of Education (BOE) will meet and consider for adoption on June 19, 2017 at 7:30 a.m. at the Central Office located at 380 Barrett Road.

2018 Budget Narrative June 12, 2017

A. No millage rate increase...same property assessment...same tax bill

B. Also in the 2017/2018 budget there are no water or sewer rate increases....last three years have seen 3% increases to pay for debt and fund necessary rehab projects.

C. We have started realigning the cost of health care between the City and its employees. Single coverage will be 12% or \$93.31 per month and family coverage will be 17% or \$284.38 per month.

D. This budget also includes a 2.5% increase in salaries. Department heads will adjust depending on merit.

E. One new employee in Recreation due to the additional work load associated with the new fields and programs, and one new electrical employee to meet safety requirements for line crews.

1. We'll begin with General Fund Revenues: The big five are Excise Taxes (Insurance Premium, Business Licenses, beer, wine and liquor, and several others> Local Option Sales Tax>Franchise which includes transfers from Utilities, and Property Taxes, and rents and royalties.

2. The second slide continues off the big five (we do have over 100 revenues line items). We are similar to last year other than property taxes will bring in less.

3. One of the reasons Calhoun has the lowest property tax rate in the State is due to LOST and Utilities. You can see moving out of the recession in 2013 to date we are very strong in utilities, but Sales Tax has taken a dramatic drop. The reason. I'm clueless.

4. Looking back to 2008 the City had a lot going on then the recession was its worst in 2011. We then began working our way out, but we are still \$800,000 less in revenues than 2008. One of the things I'm most proud of is Calhoun never missed a beat through the very lean years. While we had much less money to work with, our service level did not suffer.

5. I mentioned earlier our millage rate. The 1.98 millage rate is the lowest in the State. While this is a point of operational pride, every year I ask for a increase in property tax. And, every year I'm told, dig a little deeper. I can say this to most residential City property tax payers, you pay more for your cable tv in two months than you pay in City taxes for an entire year.

6. Just to hammer this home look; Calhoun's population is around 16,000 something. When we compare Calhoun with all the Cities in Georgia with populations between 10 and 20 thousand, the average millage rate is around 8. We are 1.98. A \$200,000 house in Calhoun pays about \$158 a year in property tax. If you lived in the other 39 cities, with similar populations, you would be paying on average \$629. The money you save in Calhoun property tax can fill up your car with gas an extra 14 times a year.

7 and 8. Not only home owners, but small business and large industries benefit from Calhoun's low millage rate.

9. When we include the Calhoun School System compared to other independent school systems in Northwest Georgia we are substantially lower in property taxes than most.

10. This one hurts. Looking at the 2008 digest our 1.98 mils brought in about \$1.7 million dollars in property tax. In 2016 with the digest \$120,000,000 less than 2008 our 1.98 millage rate will bring in \$1.4 million or \$300,000 less. This is due to 80% Freeport for industry.

11. Shifting to expenses; 75% of the General Fund budget goes toward police, fire, and public works.

12. The slight increase is mainly due to health insurance and salary increases.

13. You might notice Community Services dropped. This is due to transferring our employees to the Dalton Regional System. It's the same number as last year only the County will pay Dalton directly instead of paying the City.

14. Recreation added one new employee due to the extra fields and work load. But we reduced the transfer to Golf by \$68,000. We are raising the golf rates \$2.00 per round and \$1.00 cart fee. Transfers were reduced out of Administration for project 316. Solid waste increase due to actual recycling numbers.

15. General Debt. This is the year. Fields Ferry will be paid off. This will save \$375,000 a year.

16. We have 25,000 people working in Gordon County. The Dept. Of Labor doesn't give a breakdown. But I would guess that 80 percent of those 25,000 work in Calhoun. Our actual April unemployment rate is 4.7%. We have come a long way since 2010.

Switching to Utilities:

17. As you can see the \$37,600,000 or 54% of the utility budget revolves around Calhoun being in the electric business. Water, Sewer, Telecom, and Admin. Make up the remaining budgets.

18. You can see a general reduction in all utilities from the current year budget. Some of these reductions are due to 2005 SPLOST and GEFA loan projects being completed.

19. This trend also occurred in Telecom and Admin.

20. In 2016 we had a severe drought which increased the residential usage of water. Again, our industries which used to use enormous amounts of water have changed processes.

21. One interesting thing about waste water in this slide is the dramatic reduction in gallons treated. You'll also notice the limited amount of rainfall in 2016. This is a pretty good indication

that we still have miles to go before our infiltration is put to bed. But projects like the Pisgah sewer basin will no doubt have a positive impact on infiltration. Also, just as in water our industries have changed processes about waste water.

22. 10 years ago our total sales of electricity for the year was 352,000,000 Kwh. As you can see today that number increased by 85,000,000 Kwh.

23. Also, ten years ago our electric customer base Residential used 11% of the total electricity sold, today that's 10%. Commercial usage 10 years ago was 25% compared to 17%. And Industrial 10 years ago was 64% of the total. Today it's 73%

24. Utility Debt. Calhoun's water and sewer debt for projects is \$2.6 million dollars a year. This does not include production and distribution provided by 85 employees dedicated to 24 hour service 7 days a week, 365 days a year serving 21,000 water customers in Gordon County and providing 136 miles of sewer lines and a 16 MGD sewer plant for the citizens and businesses of Calhoun.

So to wrap it up:

General Fund	13,536,627	decrease of \$110,000 from 16/17
Golf	840,896	increase of \$18,000
Rec.	1,171,755	increase of \$12,000
Solid Waste	900,610	Increase of \$129,000 full accounting of recycling Remember all these budgets do balance rev vs expenses
Water and Sewer	8,163,113	Decrease of \$1,491,000
Electric	37,631,987	Decrease of \$1,172,000
TELECOM	1,092,740	Decrease of \$121,000
Utility Interfund	3,121,238	Decrease of \$20,000

Total City Budget

\$66,458,966 Decrease of \$2,784,424

\$66,458,966

\$69,243,390

City of Calhoun
GENERAL FUND
Budget to Actual Report - Modified Accrual Basis
For the Nine Months Ended March 31, 2017

Revenues	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	% USED
Property Tax & Intangibles	\$ (1,699,300)	\$ (1,699,300)	\$ (1,543,873)	91%
Franchise Tax	(2,156,809)	(2,156,809)	(1,591,110)	74%
Local Option Sales Tax	(2,165,000)	(2,165,000)	(1,650,032)	76%
Excise Taxes	(2,446,300)	(2,448,902)	(2,050,921)	84%
Licenses & Permits	(262,350)	(262,350)	(262,644)	100%
Intergovernmental	(514,716)	(518,901)	(535,696)	103%
Charges for Services	(277,920)	(277,920)	(232,802)	84%
Fines and Forfeitures	(366,286)	(366,286)	(222,259)	61%
Rents/ Royalties	(3,544,906)	(3,544,906)	(2,660,484)	75%
Other Revenues	(11,000)	(11,000)	(13,440)	122%
Total Revenues	<u>(13,444,587)</u>	<u>(13,451,374)</u>	<u>(10,763,261)</u>	80%
Expenditures				
Mayor and Council	268,012	260,152	137,269	53%
Elections	200	556	625	112%
City Administrator	681,705	681,964	531,998	78%
Tax Administrator	75,870	75,870	56,239	74%
General Teller	59,070	59,070	44,654	76%
Human Resources	156,146	156,146	120,940	77%
Risk Management	4,750	4,750	3,528	74%
General Admin	<u>1,245,753</u>	<u>1,238,508</u>	<u>895,253</u>	72%
Municipal Court	310,413	310,253	389,269	125%
Custody of Prisoners	67,500	67,500	11,354	17%
Court Services	<u>377,913</u>	<u>377,753</u>	<u>400,623</u>	106%
Welfare Related	68,234	68,394	46,054	67%
Auditorium	107	107	79	74%
Depot	22,756	22,756	29,239	128%
Community Center	8,128	15,228	23,752	156%
Library	321,767	321,767	307,590	96%
Community Services	<u>420,992</u>	<u>428,252</u>	<u>406,714</u>	95%
Regulatory Inspections and Enforcement	390,919	390,919	248,578	64%
Downtown Development	107,689	107,689	100,283	93%
Airport	225,916	232,848	183,096	79%
Community Development	<u>724,524</u>	<u>731,456</u>	<u>531,957</u>	73%
Police Administration	395,056	394,056	292,095	74%
Detectives	598,233	598,044	456,578	76%
Patrol	2,498,406	2,500,052	1,918,166	77%
Special Operations	409,373	408,916	305,094	75%
Court Services & Enforcement	68,393	68,393	47,531	69%
Police Dispatching	117,406	117,406	88,611	75%
Police Department	<u>4,086,867</u>	<u>4,086,867</u>	<u>3,108,075</u>	76%

	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	% USED
General Fund				
Fire Administration	211,293	211,543	163,974	78%
Firefighting	2,726,100	2,725,100	2,047,204	75%
Fire Inspection	150,438	151,200	113,556	75%
Fire Training Center	93,256	96,356	69,607	72%
Fire Dispatching	58,703	58,703	44,305	75%
Fire Stations and Buildings	14,030	10,918	4,539	42%
Fire Department	<u>3,253,820</u>	<u>3,253,820</u>	<u>2,443,185</u>	75%
Animal Control Admin.	66,167	66,557	52,570	79%
Animal Control	89,590	89,384	66,745	75%
Highways & Streets Admin.	118,214	118,214	92,884	79%
Highways & Streets	958,230	933,342	667,899	72%
Street Cleaning	86,202	92,428	72,695	79%
Street Lighting	187,500	187,500	143,226	76%
Traffic Engineering	291,703	310,366	309,804	100%
Maintenance and Parks	447,177	447,177	293,316	66%
Cemetery	175,453	175,268	123,170	70%
Parks Beautification	4,900	4,900	3,416	70%
Public Works	<u>2,425,136</u>	<u>2,425,136</u>	<u>1,825,725</u>	75%
Total Expenditures	<u>12,535,005</u>	<u>12,541,792</u>	<u>9,611,532</u>	77%
Excess of Revenues (Over) Under Expenditures	(909,582)	(909,582)	(1,151,729)	
Other Financing Sources (Uses)				
Sale of Assets	(10,500)	(10,500)	-	0%
Investment Income / Loss	(52,725)	(52,725)	37,736	-72%
Transfer in	(165,726)	(165,726)	(100,854)	61%
Transfer out	<u>1,138,533</u>	<u>1,138,533</u>	<u>907,018</u>	80%
Total Other Financing Sources (Uses)	<u>909,582</u>	<u>909,582</u>	<u>843,900</u>	93%
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (307,829)</u>	

City of Calhoun
Budget to Actual Report- Modified Accrual Basis
SPECIAL FUNDS-GENERAL GOVERNMENT
For the Nine Months Ended March 31, 2017

SPECIAL FUNDS	BUDGET	ACTUAL REVENUES	% USED	ACTUAL EXPENDI- TURES/ EXPENSES	% USED	NET CHANGE IN FUND BALANCE/ NET (INCOME) LOSS
UDAG	\$ (32,250)	\$ (30,567)	94.8%	\$ 2,500	7.8%	\$ (28,067)
Confiscated Assets	(10,250)	(56,812)	554.3%	28,124	274.4%	(28,688)
Hotel-Motel	(752,711)	(534,049)	71.0%	534,049	71.0%	-
Recreation	(1,159,510)	(954,640)	82.3%	973,963	84.0%	19,323
<i>Program Revenues</i>	(595,418)	(531,756)	89.3%	(954,640)		
<i>Gen. & Hotel/Motel Transf.</i>	(564,092)	(422,885)	75.0%			
SPLOST 2011	(3,094,023)	(1,094,501)	35.4%	1,098,889	35.5%	4,388
SPLOST 2005	(3,465,000)	(5,443)	0.2%	1,522,269	43.9%	1,516,827
School SPLOST	-	(88,238)	0.0%	88,238	0.0%	-
SPLOST Debt Svc. - Schools	(3,682,659)	(2,982,839)	81.0%	1,570,913	42.7%	(1,411,926)
Golf G. O. Debt	(367,635)	(360,118)	98.0%	360,118	98.0%	-
Golf Fund	(823,213)	(667,485)	81.1%	537,933	65.3%	(129,552)
Solid Waste	(771,606)	(585,306)	75.9%	555,342	72.0%	(29,963)
Municipal Court	(600,000)	(328,816)	54.8%	328,816	54.8%	-
Totals	\$ (14,758,857)	\$ (7,688,813)		\$ 7,601,154		\$ (87,659)

City of Calhoun
WATER & SEWER DEPARTMENT
 Budget to Actual Report - Modified Accrual Basis
 For the Nine Months Ended March 31, 2017

OPERATING REVENUES	BUDGET	ACTUAL	% USED
Sales	\$ (16,507,547)	\$ (12,351,896)	74.8%
Cost Recovery/Install	(354,538)	(294,449)	83.1%
Late Penalties	(142,450)	(136,597)	95.9%
Permits / Fees / Fines	(139,276)	(114,496)	82.2%
Sprinkler Charges	(320,000)	(249,654)	78.0%
Other	(155,151)	(121,426)	78.3%
Total Operating Revenues	<u>(17,618,962)</u>	<u>(13,268,518)</u>	75.3%

OPERATING EXPENSES			
Personal Services	3,830,564	2,878,032	75.1%
Contractual Services	2,821,945	1,831,957	64.9%
Supplies	3,620,005	2,538,989	70.1%
Other	2,563,787	1,582,945	61.7%
Total Operating Expenses	<u>12,836,301</u>	<u>8,831,923</u>	68.8%

Net Operating Income	(4,782,661)	(4,436,595)	
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NON-OPERATING REVENUES & EXPENSES:			
Investment Income / Loss	(37,044)	7,359	-19.9%
Interest Expense	483,378	368,469	76.2%
Principal Expense	2,208,189	138,218	6.3%
Capital Expense	7,212,034	2,560,911	35.5%
Transfers Out	1,860,499	810,539	43.6%
Transfers In	(4,230,999)	(2,306,602)	54.5%
Grant Proceeds	(2,713,396)	(360,876)	13.3%
Total Non-operating Revenues & Expenses	<u>4,782,661</u>	<u>1,218,018</u>	25.5%

NET INCOME	<u>\$ -</u>	<u>\$ (3,218,577)</u>	
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City of Calhoun
ELECTRIC FUND
 Budget to Actual Report - Modified Accrual Basis
 For the Nine Months Ended March 31, 2017

OPERATING REVENUES	BUDGET	ACTUAL	% USED
Sales	\$ (37,495,365)	\$ (27,234,817)	72.6%
MEAG Year End Settlement	(300,000)	(6,832)	2.3%
Rent/Other	(24,200)	(19,550)	80.8%
Late Penalties	(140,000)	(115,045)	82.2%
Pole Rental	(100,000)	(96,882)	96.9%
Miscellaneous	(73,100)	(52,140)	71.3%
Total Operating Revenues	<u>(38,132,665)</u>	<u>(27,525,266)</u>	72.2%
OPERATING EXPENSES			
Personal Services	1,342,899	1,065,989	79.4%
Contractual Services	4,091,008	2,893,024	70.7%
Supplies	31,851,644	21,991,957	69.0%
Other	856,576	464,906	54.3%
Total Operating Expenses	<u>38,142,127</u>	<u>26,415,876</u>	69.3%
Net Operating Income	9,462	(1,109,390)	
NON-OPERATING REVENUES & EXPENSES:			
Investment Income / Loss	(93,800)	23,792	-25.4%
Interest Revenue Interfund	(19,470)	(14,841)	76.2%
Capital Expense	591,000	191,696	32.4%
Sale of Assets	-	(11,599)	-
Meag Trust Account	(480,000)	(341,250)	71.1%
Transfers Out	53,321	29,038	54.5%
Transfers In	(60,513)	(581)	1.0%
Total Non-operating Revenues & Expenses	<u>(9,462)</u>	<u>(241,694)</u>	-2554.4%
NET INCOME	<u>\$ -</u>	<u>\$ (1,351,084)</u>	

City of Calhoun
TELECOMMUNICATIONS FUND
 Budget to Actual Report-Modified Accrual Basis
 For the Nine Months Ended March 31, 2017

OPERATING REVENUES	BUDGET	ACTUAL	% USED
Sales	\$ (1,205,148)	\$ (840,089)	69.7%
Late Penalties	(2,500)	(6,451)	258.0%
Miscellaneous	<u>-</u>	<u>(1,270)</u>	-
Total Operating Revenues	<u>(1,207,648)</u>	<u>(847,810)</u>	70.2%
OPERATING EXPENSES			
Personal Services	302,028	232,826	77.1%
Contractual Services	345,705	238,140	68.9%
Supplies	106,950	79,294	74.1%
Other	<u>197,344</u>	<u>57,562</u>	29.2%
Total Operating Expenses	<u>952,027</u>	<u>607,822</u>	63.8%
Net Operating Income	(255,621)	(239,988)	
NON-OPERATING REVENUES & EXPENSES:			
Investment Income / Loss	(4,100)	1,005	-24.5%
Interest Expense	6,940	5,309	76.5%
Principal Expense	110,955	83,113	74.9%
Capital Expense	130,000	34,306	26.4%
Transfers Out	13,826	-	0.0%
Transfers In	<u>(2,000)</u>	<u>(613)</u>	30.7%
Total Non-operating Revenues & Expenses	<u>255,621</u>	<u>123,120</u>	48.2%
NET INCOME	<u>\$ -</u>	<u>\$ (116,868)</u>	

City of Calhoun
UTILITY INTERNAL SERVICE FUND
 Budget to Actual Report - Modified Accrual Basis
 For the Nine Months Ended March 31, 2017

OPERATING REVENUES	BUDGET	ACTUAL	% USED
Indirect Cost Allocations - Service Fees - General	\$ (446,329)	\$ (334,747)	75.0%
Indirect Cost Allocations - Service Fees - Utilities	(2,694,568)	(2,020,926)	75.0%
Miscellaneous	<u>(39,600)</u>	<u>(30,835)</u>	77.9%
Total Operating Revenues	<u>(3,180,497)</u>	<u>(2,386,508)</u>	75.0%
OPERATING EXPENSES			
Utilities Administration	337,711	245,996	72.8%
Finance	645,395	486,848	75.4%
Utility Tellers	203,928	148,682	72.9%
Purchasing	117,013	84,891	72.5%
Engineering	492,238	361,166	73.4%
Work Order Dispatch	94,980	73,401	77.3%
GIS	194,688	150,917	77.5%
Customer Service	218,148	138,906	63.7%
Meter Reading	370,899	268,484	72.4%
Billing	<u>355,567</u>	<u>263,729</u>	74.2%
Total Operating Expenses	<u>3,030,567</u>	<u>2,223,020</u>	73.4%
Net Income Before Non-operating Items	(149,930)	(163,488)	
NON-OPERATING REVENUES & EXPENSES:			
Principal Expense	73,812	55,290	74.9%
Interest Expense	6,518	4,958	76.1%
Capital Expense	30,000	25,022	83.4%
Transfers Out	<u>39,600</u>	<u>29,700</u>	75.0%
Total Non-Operating Revenues & Expenses	<u>149,930</u>	<u>114,060</u>	76.1%
NET INCOME	<u>\$ -</u>	<u>\$ (49,428)</u>	