

**CITY OF CALHOUN
REGULAR CITY COUNCIL MEETING
DEPOT COMMUNITY ROOM
109 SOUTH KING STREET
JUNE 14, 2004, 7:00 P.M.**

MINUTES

**PRESENT: James F. Palmer, Mayor
Mayor Pro Tem Potts
Councilman Crowley**

ABSENT: Councilman Denmon

**ALSO: William P. Bailey, City Attorney
Eddie Peterson, Director of Public Safety and Public Works
Cathy Harrison, City Administrator**

1. Mayor Palmer called the meeting to order and welcomed everyone in attendance.
 - a. Councilman Crowley gave the invocation.
2. Mayor Palmer led the group in the Pledge of Allegiance to the United States Flag.
3. Minutes of the May 24, 2004 regular City Council meeting were approved as written.
4. Mayor's comments:
 - a. Mayor Palmer announced Councilman Denmon was absent due to being called for active duty for a short period of time. Mayor Palmer inquired of Attorney Bailey if he and the two Council members constituted a quorum for the Council. Attorney Bailey stated that according to the Charter and to Robert's Rules of Order, there is a quorum consisting of the Mayor and two Councilpersons. Should there be a difference of opinion as to any motion between Mayor Pro Tem Potts and Councilman Crowley, then Mayor Palmer would vote to break the tie.
 - b. Mayor Palmer stated the Georgia Municipal Association will hold its annual business meeting in Savannah June 26 through 30. Since several members of the Council and staff will be attending, he asked for a motion to move the second June meeting, which would normally be held on June 28, to June 21, 2004 at 7:00 p.m. Councilman Crowley made a motion to hold the second June Council meeting on June 21, 2004, second by Mayor Pro Tem Potts, with both voting affirmatively, motion carried.
 - c. Mayor Palmer reminded the public of the July 20, 2004 city election, to be held in conjunction with the county election to fill the unexpired term of Councilman John D. Shelton, Jr. He stated also that the last day to register to vote before the election is June 21, 2004. He urged anyone not currently registered to vote to do so prior to that date.
 - d. Mayor Palmer reminded everyone of the Department of Transportation meeting on June 16, 2004 from 4:00 p.m. until 6:00 p.m. at the Depot.
 - e. Mayor Palmer stated at this time, he would recognize School Board Chairman Al Edwards, School Superintendent Judy Neal and School Finance Director Don Hood.

- 1) Chairman Edwards provided the Mayor and Council and the public with information regarding the school budget for the next fiscal year. Chairman Edwards stated the state-mandated salary increases for teachers, as well as the state's withholding of earned funds due to state budget restraints has made it extremely difficult for the school system during the past three years. He stated the School Board has worked diligently to provide a budget that would allow the ongoing programs to continue with the least possible increases for taxpayers. He stated the overall effect would be a \$1.1 million increase in operating expenditures for the upcoming year, due in large part to the mandated salary increases, increased operating costs due to the new school system operations, and increased personnel required due to a larger school facility. He stated their system has grown by 500 students in the past five years. He stated the overall effect from the \$1.1 million increase in their proposed operating expense would be a request to the Mayor and Council to increase the local share by \$267,000.00 for a total of \$7.6 million for the upcoming year. This would be approximately one-half mill for the school tax increase.
- 2) Chairman Edwards stated he was available to respond to any questions by the Council or public.
- 3) Councilman Crowley commended the school board for their due diligence in the preparation of the budget for the next fiscal year. He stated with all the factors involved, it is an extremely good budget and he commended the school superintendent and her staff, as well as the board.
- 4) Mayor Pro Tem Potts and Mayor Palmer both concurred that the board members serve without pay, their only interest being providing an excellent school system for their community. Mayor Palmer stated the fact that 75% of the current graduating class are planning to attend a higher level of training is an indication of the type of system operated by the City School Board.

5. Council Comments:

a. Mayor Palmer stated:

- 1) In the month of May, the Calhoun police department made 694 cases, consisting of 111 warrants, 120 speeding tickets, and 463 other cases. Anticipated fines totaled \$93,027.50. The cases included 13 DUI cases and 416 warnings tickets. They worked 60 highway accidents and 38 private property accidents. They provided 92 escorts, filed 1,717 incident reports and responded to 165 alarms. They drove 54,751 miles on patrol.
- 2) Mayor Palmer stated the fire department responded to 59 calls for service during the month of May, with 1 for overheating but no fire, 5 fire incidents causing estimated damages of \$28,800.00. They provided 17 rescue and emergency medical responses and 17 hazardous conditions incident responses, 2 service calls, 3 good intent calls, 13 false alarms, and 1 special incident call. The fire inspection department provided 24 inspections during the month consisting of 6 annual inspections, 4 new businesses, 7 requested and 7 follow-ups. The fire inspector also conducted a safety program for 60 seniors at the Gordon Central High School.

- b. In the absence of Councilman Denmon, Mayor Palmer stated:
- 1) The waste water system continues with its waste water treatment plant modifications. The north interceptor sewer replacement project is complete. On the Sonoraville project for Gordon County, the design is 100% complete. The county has obtained all but one easement and this is going through a condemnation with a hearing on June 15. Materials have been ordered for the project. The water and sewer system is undergoing Environmental Protection Agency vulnerability assessments, with the report 85% complete and due for completion by June 30.
 - 2) The water treatment plant pumped a total of 384,060,000 gallons of water during the month with a daily average of 12.389 million gallons per day. The Brittany Drive plant produced 34.2% of the total water for the month.
 - 3) The waste treatment plant treated a daily average of 6.557 million gallons. The average BOD effluent was 9, the average suspended effluent was 16 and the average COD effluent was 84.
 - 4) The water and sewer construction department completed 59 water taps and 6 sewer taps in May. They installed 5 new hydrants for the Calhoun Fire Department and 2 hydrants for the Gordon County Fire Department. They continued construction of a 12-inch water line along Orr Mill Road to serve the Pickens County water project.
 - 5) The building inspection department issued 14 new residential permits in May for construction of \$3,600,000.00. There were 3 residential remodeling permits sold, 1 new commercial permit for construction with a value of \$900,000.00. They issued a total of 72 permits for total estimated construction of \$4.8 million.
- c. Mayor Pro Tem Potts stated:
- 1) The street department completed 34 shop work orders during the month of May and hauled 94 loads of stone. They ran their storm water maintenance plan on May 18. They also patched on Wall Street, Dan Cherry Drive, East Line Street, and Park Avenue, utilizing a total of 126.17 tons of asphalt. They dug out and laid 64 feet of 15-inch pipe and built 2 storm water boxes on Wall Street. They laid 40 feet of 18-inch drain tile and 20 feet of 15-inch drain tile on Third Street. They delivered 15 dumpsters to the annual "Battle of Resaca" and they dug out and based a 75-foot section of a failed street on Hillhouse Drive.
 - 2) The sanitation department ran their routine commercial routes and gained one 8-yard dumpster account.
 - 3) The parks department crews provided their regular care of all city property grounds and maintenance of the city fountains. They also began construction on 3 dumpster enclosures at the downtown parking lot.
 - 4) The cemetery department supervised the opening and closing of 10 spaces and sold 12 grave spaces during the month. They provided routine maintenance at both Fain and Chandler Cemeteries.
 - 5) The safety department reported 2 workers' comp accidents and 1 vehicle accident during the month. They provided safety inspections at the electric department and the generator.

- 6) Animal control department responded to 55 customer calls during the month.
- d. Councilman Crowley stated:
 - 1) The electric department continued work at Brookstone and the Laurel Ridge Development. The traffic signals at C. L. Moss Parkway and River Street, and at Curtis Parkway and Laurel Place are to be installed during the month of June. They also completed the Fred's Dollar Store lighting and electrical service work on Curtis Parkway. Projects under design and engineering include the water plant pumping expansion, the line relocation for Gordon Hills Shopping Center at Peters Street, and construction of the Waterford Condominiums on Barrett Road. Work orders in progress or completed in May totaled 50 for street and security lighting, 46 for new businesses and maintenance, and 28 after-hour call outs. The electric department purchased 30,131,525 kWh of wholesale electricity in April.
 - 2) Telecommunications completed the Magnolia Medical Spa connection. They also completed construction of a 100 megabyte connection to Shaw Industry's Queen Plant. They set up e-mail service for Phoenix Chemical. They started work on network service for Calhoun Elementary. The new SPAM blocking appliance that has been installed has blocked more than 336,000 e-mails. They installed new fiber-optic and copper lines for the new sewer maintenance building.
 - 3) The electric inspection division issued 16 permits in the month of May, provided 54 inspections and set 17 meters.
6. Public Hearings and Comments:
 - a. Mayor Palmer stated at this time, public hearings on zoning matters would be held. The public would have the opportunity to make pro and con comments with a ten-minute maximum time limit for each side of the matter. Each person speaking would be required to have filed a Financial Disclosure Statement five days prior to the hearing, and each person would be required to give their name and address before speaking. An inquiry was made to determine if any of the elected officials had filed a disclosure statement regarding ownership or special interest in the agenda items. The response was negative. Mayor Palmer reviewed the Standards Governing the Exercise of Zoning Power, as follows:

STANDARDS GOVERNING THE EXERCISE OF ZONING POWER

- (1) Whether the zoning proposal will permit a use that is suitable in view of the use and development of adjacent and nearby property.
- (2) Whether the zoning proposal will adversely affect the existing use or usability of adjacent or nearby property.
- (3) Whether the property to be affected by the zoning proposal has a reasonable economic use as currently zoned.
- (4) Whether the zoning proposal will result in a use which will or could cause an excessive or burdensome use of existing streets, transportation facilities, utilities or schools.
- (5) Whether there will be capital costs for capital improvements to serve the area. Capital costs shall include water mains, sewer mains, new street pavement or widening, new fire stations or equipment, new police stations or equipment, and other like costs.

- (6) Whether the zoning proposal is in conformity with the policy and intent of the land use plan.
- (7) Whether there are other existing or changing conditions affecting the use and development of the property which give supporting grounds for their approval; or disapproval of the zoning proposal.
- (8) Whether there are other factors relevant to balancing the interest in promoting the public health, safety, morality or general welfare against the right to the unrestricted use of property.

VARIANCE CONSIDERATIONS (ONE OR MORE)

- (a) There are extraordinary and exceptional conditions pertaining to the particular piece of property in question because of its size, shape or topography.
- (b) The application of this ordinance to the particular piece of property would create an unnecessary hardship.
- (c) Such conditions are peculiar to the particular piece of property involved.
- (d) Relief, if granted, would not cause substantial detriment to the public good or impair the purposes and intent of this ordinance, provided, however, that no variance may be granted for a use of land or building or structure that is prohibited by this ordinance.

- 1) Mayor Palmer gave a second reading of a request by Terry Brumlow, Agent for Foxhead Properties, LLC, Randall Fox, Owner, for a zoning change from Industrial to C-2 of Tract 3B on Mauldin Road.
 - a) A public hearing was opened.
 - b) Harrison reported that signs had been placed on the property, notices had been published in the local legal organ and she had received evidence of notification to adjoining property owners.
 - c) Mayor Pro Tem Potts stated the Zoning Advisory Board had met on this matter on June 10, 2004 at 4:30 p.m., although a quorum was not present. Those members present reviewed the findings of the Zoning Review Committee and determined that the property is questionable as to whether it is currently zoned industrial or commercial, since it is on the line. While the city zoning map gives a very good indication of property, it is not drawn to scale and this is such a small tract that it was difficult to determine the exact zoning. However, in order to be certain that the property is zoned correctly, the applicant had pursued the request.
 - d) Mayor Palmer inquired if there were any comments by the applicant.
 - e) Terry Brumlow stated the intent of rezoning of the property that fronts on Mauldin Road as a relatively small tract was to build commercial facilities that will enhance the residential development of the remaining portion of the property.
 - f) Mayor Palmer asked if there were any comments by any member of the public. There were none and the hearing was closed.

g) The zoning criteria were determined to be as follows:

- (1) The zoning proposal would permit a use that is suitable in view of the use and development of adjacent and nearby property.
- (2) The proposal would not adversely affect the existing use or usability of adjacent or nearby property.
- (3) The property as currently zoned has a reasonable economic use.
- (4) The zoning proposal would not cause an excessive burden on existing streets, transportation, infrastructure or schools at this time, since any costs would be borne by the developer.
- (5) Costs for capital improvements for the property would be borne by the developer.
- (6) The proposal is in conformity with the policy and intent of the land use plan.
- (7) There are no existing or changing conditions affecting the use and development of the property.
- (8) There are no other factors relevant to balancing the interest in promoting the public health, safety, morality or general welfare against the right to the unrestricted use of property.

h. Based on these criteria, Mayor Pro Tem Potts stated she would make a motion to approve the request for a zoning change from Industrial to C-2 for Tract 3 of the proposed property on Mauldin Road. The motion was seconded by Councilman Crowley, with both voting affirmatively, motion carried.

2) Mayor Palmer gave a second reading of a request by Terry Brumlow, Agent for Foxhead Properties, LLC, Randall Fox, Owner, for zoning of R-1B and annexation of Tract 1 (51.275 acres) and zoning of PRD and annexation of Tract 2 (24.9 acres) of property on Henderson Bend Road.

- a) A public hearing was opened.
- b) Harrison reported that signs had been placed on the property, notices had been published in the local legal organ and she had received evidence of notification to adjoining property owners.
- c) Mayor Pro Tem Potts stated the Zoning Advisory Board also reviewed this matter on June 10, 2004. She stated they had heard a report from the Zoning Review Committee regarding the request. She had inquired as to the possibility of making the 51.275 acres in Tract 1 slated for zoning of R-1B a total development combined with Tract 2 under the guidelines of PRD zoning. She stated the developer had provided plans for the 24.9 acre tract but had stated that due to time constraints for purchase, annexation and zoning of the property, there had not been sufficient time to develop the PRD plans for Tract 1. Mayor Pro Tem Potts stated that on further discussion with the developer, they had expressed interest also in

developing the remaining Tract 1 as PRD, provided they would be given sufficient time to develop their plans.

- d) Mayor Palmer asked if there were any comments by the developer.
- e) Terry Brumlow stated the developer had considered Tract 1 for PRD development and was willing to make that zoning change if they were given sufficient for development of the plans. He stated the plans for the proposed development of Tract 2 have been completed and they should provide an excellent townhouse development with amenities.
- f) Mayor Palmer noted that there were two registered speakers and one of those was present. He asked if there were any comments. There were none and the hearing was closed.
- g) The zoning criteria were determined to be as follows:

- (1) The zoning proposal would permit a use that is suitable in view of the use and development of adjacent and nearby property.
- (2) The proposal would not adversely affect the existing use or usability of adjacent or nearby property.
- (3) The property as currently zoned has a reasonable economic use.
- (4) The zoning proposal would not cause an excessive burden on city infrastructure. Any costs would be borne by the developer.
- (5) It was determined that Henderson Bend Road is a county road and the developer should request improvements from the county for the extended use of the road. However, capital costs for water mains, sewer mains, internal city street development within the project area will be at the expense of the developer. There will be additional stress to current city police, fire department and street cleaning personnel.
- (6) The proposal is in conformity with the policy and intent of the land use plan.
- (7) There are no existing or changing conditions affecting the use and development of the property.
- (8) There are no other factors relevant to balancing the interest in promoting the public health, safety, morality or general welfare against the right to the unrestricted use of property.

- h) Following review of these factors, Mayor Pro Tem Potts made a motion to approve the request for zoning of PRD and annexation of both Tracts 1 and 2, and that the developer be allowed a window of 120 days to submit the plans for PRD development of Tract 1. Those plans shall be submitted through the Zoning Review Committee, the Zoning Advisory Board and the Mayor and Council for review and negotiation. The motion was seconded by Councilman Crowley, with both voting affirmatively, motion carried.

- 3) Mayor Palmer stated that in a request for R-1B zoning and annexation, David Heramb had originally requested that lots 8, 9, 10, 11, 12 and 13 of Skyline Subdivision off of Viking Drive, which is located off Jones Road, be continued and reopened on this date. He stated Mr. Heramb had also filed a request for a 75-foot variance from the fire code requirements as they related to lot 8 of the proposed development. However, at this time, he is requesting that lot 8 be excluded from the annexation and zoning request and the variance request be dropped entirely.
- a) A public hearing was opened.
 - b) Harrison reported that signs had been placed on the property, notices had been published in the local legal organ and she had received evidence of notification to adjoining property owners.
 - c) Mayor Pro Tem Potts stated the Zoning Advisory Board had originally reviewed this matter in May and they had recommended approval of the original request at that time, pending the variance for lot 8. She stated since that lot has been dropped, the Zoning Advisory Board recommended approval of the request.
 - d) Mayor Palmer asked if there were any questions or comments. There were none and the hearing was closed.
 - e) The zoning criteria were determined to be as follows:

(1)	The zoning proposal would permit a use that is suitable in view of the use and development of adjacent and nearby property.
(2)	The proposal would not adversely affect the existing use or usability of adjacent or nearby property.
(3)	The property as currently zoned has a reasonable economic use.
(4)	The zoning proposal would not cause an excessive burden on existing streets, transportation, infrastructure or schools at this time, since any costs would be borne by the developer.
(5)	Costs for capital improvements for the property would be borne by the developer.
(6)	The proposal is in conformity with the policy and intent of the land use plan.
(7)	N/A
(8)	N/A
 - f) Mayor Pro Tem Potts stated based upon the zoning criteria, she made a motion to approve of the request for zoning of R-1B and annexation of Lots 9, 10, 11, 12 and 13 of Skyline Subdivision off of Viking Drive. She also stated that due to lack of road frontage for Lot 13, it cannot be developed, as recognized by the developer. The motion was seconded by Councilman Crowley, with both voting affirmatively, motion carried.
- 4-6) Mayor Palmer stated items 4, 5 and 6 would be considered together, since two of the properties are accommodation annexations for the third. Those three items are:

- A request for zoning of C-2 and annexation by Paul Lusk, as agent for J. Mack Robinson for approximately 16 acres on Highway 41 North near the I-75 interchange.
- A request for zoning of C-2 and annexation by Paul Lusk, as agent for Yancey Brothers Properties for approximately 6.5 acres on Highway 41 North near the I-75 interchange.
- A request for zoning of C-2 and annexation by Paul Lusk for approximately 8 acres on Robinson Road off Highway 41 North near the I-75 interchange.
 - a) A public hearing was opened on all three matters.
 - b) Harrison reported that signs had been placed on the property, notices had been published in the local legal organ and she had received evidence of notification to adjoining property owners.
 - c) Mayor Pro Tem Potts stated the Zoning Advisory Board also reviewed these matters on June 10, 2004. She reiterated that a quorum was not present and no official recommendation was provided. However, following a review of the minutes of the Zoning Review Committee, there were no items regarding the proposed zoning and annexations other than the note of a lack of a proper fire hydrant for an existing building on the Yancey Brothers property. However, it was noted that as the 8 acres belonging to Paul Lusk are developed, it will require a fire hydrant, which can be strategically located to provide fire protection for both tracts.
 - d) Mayor Palmer asked if there were any comments by the owners or agent. There were none. He asked if there were comments or questions by the general public or the Council members. There were none and the hearing was closed.
 - e) The zoning criteria were determined to be as follows:

(1)	The zoning proposals would permit a use that is suitable in view of the use and development of adjacent and nearby property.
(2)	The proposals would not adversely affect the existing use or usability of adjacent or nearby property.
(3)	The property as currently zoned has a reasonable economic use.
(4)	The zoning proposals would not cause an excessive burden on existing city infrastructure.
(5)	Costs for capital improvements for the property for internal water mains, sewer mains, and streets would be borne by developers.
(6)	The proposals are in conformity with the policy and intent of the land use plan.
(7)	N/A
(8)	N/A
 - f) Based on these criteria, Mayor Pro Tem Potts made a motion to approve zoning of C-2 and annexation of all three tracts, with the stipulation that the need for a fire hydrant sufficient to cover not only the Yancey Brothers tract but also the development of the 8 acres currently owned by Paul Lusk to be complied with. The

motion was seconded by Councilman Crowley, with both voting affirmatively, motion carried.

- 7) A request for zoning of R-1 and annexation by Chris Ormeroid of a house and lot at 235 Thornwood Drive. Open public hearing.
- a) A public hearing was opened.
 - b) Harrison reported that signs had been placed on the property, notices had been published in the local legal organ and she had received evidence of notification to adjoining property owners.
 - c) Mayor Pro Tem Potts stated the Zoning Advisory Board also reviewed this matter on June 10, 2004. She stated they had heard a report from the Zoning Review Committee regarding the request. They determined that the annexation will allow infill of zoning in the area.
 - d) Mayor Palmer inquired if there were any comments by the applicant. There were none. He inquired if there were any comments by the public or the Council. There were none and the hearing was closed.
 - e) The zoning criteria were determined to be as follows:

(1)	The zoning proposal would permit a use that is suitable in view of the use and development of adjacent and nearby property.
(2)	The proposal would not adversely affect the existing use or usability of adjacent or nearby property.
(3)	The property as currently zoned has a reasonable economic use.
(4)	The zoning proposal would not cause an excessive burden on existing streets, transportation, infrastructure or schools at this time.
(5)	Capital improvements for the property are already in place.
(6)	The proposal is in conformity with the policy and intent of the land use plan.
(7)	N/A
(8)	N/A
 - f) Mayor Pro Tem Potts stated that based upon these criteria, she would make a motion to zone the property R-1 and annex, second by Councilman Crowley, with both voting affirmatively, motion carried.
- 8) A request for zoning of R-1B and annexation by Mrs. Louella H. Teffeteller for a house and lot at 103 Harmony Drive.
- a) A public hearing was opened.
 - b) Harrison reported that signs had been placed on the property, notices had been published in the local legal organ and she had received evidence of notification to adjoining property owners.
 - c) Mayor Pro Tem Potts stated the Zoning Advisory Board also reviewed this matter on June 10, 2004. She stated they had heard a report from the Zoning Review Committee regarding the request.

They determined that the annexation of this lot will also allow infill of the zoning in the area.

d) Mayor Palmer inquired if there were any comments by the applicant. There were none. He inquired if there were any comments by the public or the Council. There were none and the hearing was closed.

e) The zoning criteria were determined to be as follows:

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| (1) | The zoning proposal would permit a use that is suitable in view of the use and development of adjacent and nearby property. |
| (2) | The proposal would not adversely affect the existing use or usability of adjacent or nearby property. |
| (3) | The property as currently zoned has a reasonable economic use. |
| (4) | The zoning proposal would not cause an excessive burden on existing streets, transportation, infrastructure or schools at this time. |
| (5) | Capital improvements for the property are already in place. |
| (6) | The proposal is in conformity with the policy and intent of the land use plan. |
| (7) | N/A |
| (8) | N/A |

f) Mayor Pro Tem Potts stated that based upon these criteria, she would make a motion to zone the property R-1B and annex, second by Councilman Crowley, with both voting affirmatively, motion carried.

b. Other hearings or comments:

1) Mayor Palmer reopened the public hearing on a request for a beer pouring license by Hussein Asadi for the Back Gate Restaurant at 355 Richardson Road, Suite 3. Mayor Palmer stated the Council had been provided with a review of new location criteria. The police report was clear. He asked if there were any questions. There were none and the hearing was closed. Councilman Crowley made a motion to approve the beer pouring license for Hussein Asadi for the Back Gate Restaurant at 355 Richardson Road, second by Mayor Pro Tem Potts, with both voting affirmatively, motion carried.

2) Mayor Palmer opened a public hearing on an EIP Grant application for an industry expansion.

a) Harrison stated the Employee Incentive Program (EIP) is a grant that allows up to \$500,000.00 for utilization that is associated with economic development. This can be in the area of providing jobs to low and moderate income persons, to aid in the prevention and elimination of slums or blight, or to meet community development that has a particular urgency through some existing condition or threat to the health or welfare of the community. She stated the City of Calhoun, in association with the Industrial Development Authority and Gordon County, have been reviewing proposed expansion by an existing industry. As a result of this proposed

project, the city is proposing the utilization of a \$500,000.00 EIP grant that will benefit low to moderate income persons. She stated the development will not only allow retention of many jobs but will also add additional jobs.

b) Mayor Palmer inquired if there were any comments from the public. There were none and the hearing was closed. He stated he and the Council are very pleased to work with proposed expansion by an existing industry and they are happy to proceed with grant applications to accommodate expanding industry.

3) Mayor Palmer opened a second public hearing on the city's operating budget for 2004-2005. (See attached "Exhibit A")

a) Harrison explained that the changes from the previous public hearing, which increased the total amount of the budget, are a result of adding in the school's budget as outlined earlier, and including the debt service for the school bonds currently having debt service provided through SPLOST funds.

b) Mayor Palmer stated the budget will be available for adoption on June 21, 2004. Due to the expected growth and development within the next five years, the staff has been asked to take extra time in preparation of the five year capital budget, which will be adopted as an addendum to the operating budget. The capital budget should be completed by September or October 2004.

c) There were no additional comments and the hearing was closed.

7. Old business: **none.**

8. New business:

a. Mayor Palmer gave a reading of a traditional parade request by Calhoun High School for their Homecoming Parade on September 24, 2004 at 3:30 p.m. on the traditional route. Following discussion, Mayor Pro Tem Potts made a motion to approve the request, subject to DOT approval, second by Councilman Crowley, with both voting affirmatively, motion carried.

b. Mayor Palmer gave a reading of a traditional parade request by Gordon Central High School for their Homecoming Parade on September 16, 2004 at 3:30 p.m. on the traditional route. Following discussion, Councilman Crowley made a motion to approve the request, subject to DOT approval, second by Mayor Pro Tem Potts, with both voting affirmatively, motion carried.

c. Mayor Palmer gave a first reading of a request for a taxi license by Alba A. Parra, d/b/a Taxi Express, a new business at 235 West Line Street. He stated the earliest possible date for a public hearing would be June 21, 2004. Mayor Pro Tem Potts made a motion to set the public hearing for that date and time, second by Councilman Crowley, with both voting affirmatively, motion carried.

d.. Mayor Palmer gave a first reading of a request for zoning of R-1B and annexation by Ronnie Holbrook, as agent for Malisey Dutton, for lots at 120, 120A and 124 Erwin Street. He stated the earliest possible date for a public hearing would be July 12, 2004. Councilman Crowley made a motion to set the public hearing for that date and time, second by Mayor Pro Tem Potts, with both voting affirmatively, motion carried.

- e. Mayor Palmer gave a first reading of a request for zoning of R-1B and annexation by Ronnie Holbrook as agent for Carl Bowman, for lots at 121 Erwin Street. He stated the earliest possible date for a public hearing would be July 12, 2004. Mayor Pro Tem Potts made a motion to set the public hearing for that date and time, second by Councilman Crowley, with both voting affirmatively, motion carried.
- f. Mayor Palmer gave a first reading of a request for zoning of R-1B and annexation by Ronnie Holbrook as agent for Edward Holbrook, for lots at 119 Erwin Street. He stated the earliest possible date for a public hearing would be July 12, 2004. Councilman Crowley made a motion to set the public hearing for that date and time, second by Mayor Pro Tem Potts, with both voting affirmatively, motion carried.
- g. Mayor Palmer gave a first reading of a request for zoning of C-2 and annexation by Ronnie Holbrook for lots at 110, 112 and 114 Erwin Street. He stated the earliest possible date for a public hearing would be July 12, 2004. Councilman Crowley made a motion to set the public hearing for that date and time, second by Mayor Pro Tem Potts, with both voting affirmatively, motion carried.
- h. Mayor Palmer gave a first reading of a request for zoning of C-2 and annexation by Ronnie Holbrook as agent for Keeva and William Parker, for lots at 108 Erwin Street. He stated the earliest possible date for a public hearing would be July 12, 2004. Councilman Crowley made a motion to set the public hearing for that date and time, second by Mayor Pro Tem Potts, with both voting affirmatively, motion carried.
- i. Mayor Palmer gave a first reading of a request by James Rayford and Betty Jean Justice for a 12-foot zoning variance on the front of a house for a 10-foot porch on the house at 124 Telfair Street. He stated the earliest possible date for a public hearing would be July 12, 2004. Mayor Pro Tem Potts made a motion to set the public hearing for that date and time, second by Councilman Crowley, with both voting affirmatively, motion carried.
- j. Mayor Palmer gave a first reading of a request for zoning of R-1B and annexation by Richard T. O'Mahony for a house and lot at 110 Cherokee Drive. He stated the earliest possible date for a public hearing would be July 12, 2004. Councilman Crowley made a motion to set the public hearing for that date and time, second by Mayor Pro Tem Potts, with both voting affirmatively, motion carried.
- k. Mayor Palmer gave a first reading of a motion to adopt a resolution authorizing submission of a GEFA loan for the South 41 Sewer line in lieu of transfer of a portion of an existing SRF loan. Following review, Mayor Pro Tem Potts made a motion to approve the resolution, second by Councilman Crowley, with both voting affirmatively, motion carried.
- l. Mayor Palmer stated Harrison had reviewed the proposed rate increases included in the fee resolution for water, sewer and electric rates. He read the heading of the resolution and stated it would be available for adoption on June 21, 2004.
- m. Harrison gave a first reading of the proposed 2003-2004 budget amendment resolution. She stated the continuing slower economic conditions had resulted in some changes in the budget. However, the major changes are to special projects that have not had as much work or that have had more work than originally anticipated. This made it necessary for these budget amendments to be made, as per "Exhibit B."

9. Other written items not on the agenda: **none.**

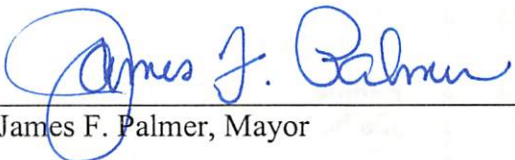
10. Work Reports:
 - a. Eddie Peterson, Director of Public Safety and Public Works stated he had provided the Council a copy of his report at the noon meeting. The only other comments he had were that the Governor's highway safety program known as the "100 Days of Summer Heat" will extend from May 24 until September. All law enforcement officers will be emphasizing traffic cases involving safety requirements, such as seat belts. Mayor Palmer requested that Director Peterson's report be attached to these minutes as "Exhibit C."

11. Mayor Palmer inquired if there was any need to move to Executive Session. There was none.

12. Mayor Pro Tem Potts made a motion to adjourn, second by Councilman Crowley, with both voting affirmatively, motion carried.

Approved:

Submitted:



James F. Palmer, Mayor



Cathy Harrison, City Administrator

“EXHIBIT A”

**City of Calhoun, Georgia
Operating Budget
July 1, 2004 - June 30, 2005
(Excludes School Local Share Funding)**

General Fund Revenue:

Ad Valorem Taxes	\$ (804,128.00)
Other Taxes	(2,780,460.00)
Business License Taxes	(1,310,000.00)
Permits & Fees	(2,057,481.00)
Lease of Assets	(3,147,508.00)
Interest	(90,150.00)
Transfers	(2,312,924.00)
Other Revenues	(283,203.00)
TOTAL	\$ (12,785,854.00)

General Fund Expenses:

Executive - Mayor and Council	\$ 296,079.00
Administrative	3,522,291.00
Airport	161,499.00
Library	191,630.00
Building Inspection	239,378.00
Public Utilities Director / Engineering	638,984.00
Public Safety - Director	109,485.00
Public Safety - Police	2,991,486.00
Public Safety - Fire	2,504,546.00
Public Works	2,130,476.00
TOTAL	\$ 12,785,854.00

Footnotes:

No *ad valorem* tax increases - No business license tax increases.
Lease of assets represents lease of city owned utilities to utility funds,
in order to properly allocate cost of operations.

Utilities Revenue:

Water, Sewer, Electric and Telecommunications Sales	\$ (37,558,223.00)
Fees, Permits and Fines	(631,600.00)
Cost Recovery - Connections	(580,000.00)
Interfund Transfers	(1,708,764.00)
Other	(406,050.00)
TOTAL	\$ (40,884,637.00)

Utilities Expenses:

Water Plant	\$ 6,324,756.00
Water Construction	2,512,261.00
Sewer Plant	4,988,727.00
Sewer Construction	1,361,637.00
Electric	25,010,403.00
Telecommunications	686,853.00
TOTAL	\$ 40,884,637.00

Footnotes:

Following a full cost study of water, sewer and electric operations, a rate increase for water and sewer was required to cover costs. The city made a decision to pro-rate the increase over a three-year period, in order to make it easier for individuals, businesses and industries to budget for the increases.

The electric cost study indicated a rate decrease was required for businesses and smaller industrial accounts. The decrease is also pro-rated over a three year period. The study also indicated a small residential increase was required which will be implemented in July 2004.

Senior Citizen discounts for water, sewer and electric services were recommended and will be implemented in July 2004.

Other Funds - Revenue:

Recreation	Fees, Other	\$ (687,530.00)
School System	Local Share	\$ (9,975,285.00)
Golf	Fees, Other	(959,662.00)
Solid Waste	Fees, Other	(927,399.00)
Municipal Court	Fines	(1,031,000.00)
SPLOST	Taxes	(1,510,000.00)
	Other Funds	(295,000.00)
Bond Debt	Sinking Funds, Other	(3,989,041.00)
Economic Development	Revolving Loan Fund - Interest	(65,700.00)
	Hotel-Motel Fees	(231,000.00)
	Department of Justice - Grant	(11,370.00)
	Confiscated Assets, Seizures	(22,200.00)
Utility Capital Projects	Water - SRF Loans	(4,850,000.00)
	Sewer - SRF Loans, Other	(9,216,661.00)
TOTAL		\$ (33,771,848.00)

Other Funds - Expenses:

Recreation		\$ 687,530.00
School System	Local Share	9,975,285.00
Golf	Pro Shop	394,496.00
	Maintenance	565,166.00
Solid Waste		927,399.00
Municipal Court		1,031,000.00
SPLOST	Streets and Roads	1,050,000.00
	Recreation	755,000.00
	School	2,193,099.00
	Golf	367,546.00
Bond Debt	Water and Sewer	1,428,396.00
Economic Development	Revolving Loan	65,700.00
	Hotel-Motel Fees	231,000.00
	Department of Justice - Grant	11,370.00
	Confiscated Assets, Seizures	22,200.00
Utility Capital Projects	Water Plant Reservoirs	3,694,031.00
	Spring Project	655,969.00
	CDBG Water Project	500,000.00
	Sewer Plant Renovations	3,250,000.00
	Sonoraville Sewer	2,323,000.00
	Highway 41 South Sewer	3,143,661.00
	CDBG Sewer Project	500,000.00
TOTAL		\$ 33,771,848.00

Total Revenue Budget Excluding Schools	\$ (87,442,339.00)
Total Expense Budget Excluding Schools	\$ 87,442,339.00

Utility Rate Changes:

Rate Increase	Inside/ Outside City	Account Type	Rate Increase	Increase on Minimum
1/3 Rate Increase for Water	Inside	Residential & Commercial	19¢	50¢
	Outside	Residential & Commercial	25¢	50¢
	Inside	Industrial	13¢	none
	Outside	Industrial	16¢	none
1/3 Rate Increase for Sewer	Inside	Residential & Commercial	32¢	none
	Outside	Residential & Commercial	none	none
	Inside	Industrial	12¢	none
	Outside	Industrial	none	none

Approximately 10% senior citizen discount for household accounts using less than 5,000 gallons of water and sewer treatment, beginning at age 65 or older, which will reduce minimums by \$2.00 for water and \$2.00 for sewer.

Electric: Residential base rate of \$7.88 increased to \$10.00. Commercial business tariffs - reduced based on new rates projected by MEAG.

Senior citizen discount of 10% for senior household accounts with a \$5.00 credit in the base rate, beginning at age 65 or older, for senior homeowners.

No projected increases in ad valorem taxes or business license taxes for residential, commercial or industrial customers.

”Exhibit B”

**City of Calhoun, Georgia
RESOLUTION**

WHEREAS, the City of Calhoun desires to maintain a balanced budget; and

WHEREAS, depressed economic conditions have continued regarding local revenues and expenses;

NOW, THEREFORE, BE IT RESOLVED, the Mayor and Council of the City of Calhoun hereby authorize the following budget amendments for the 2003-2004 fiscal year:

GENERAL FUND - REVENUE

Department	Account Number			Title	Amount
General Fund	100-0000	31	6102	Gross Receipts - Gas Marketers	(27,166.00)
	100-0000	34	1700	Indirect Cost Allocations - Solid Waste	(40,000.00)
	100-0000	38	3100-21	Insurance Reimbursement	(77,281.00)
	100-0000	39	1103	Transfer In From Electric Department	136,172.00
TOTAL GENERAL FUND REVENUE					\$ (8,275.00)

GENERAL FUND - EXPENSE

Department	Account Number			Title	Amount
General Administration	110-1511	61	1020	Transfer Out to Recreation	(25,000.00)
	110-1511	61	1006	Transfer Out to Solid Waste	50,000.00
Gen. Adm. - Buildings	110-1565	61	1032-21	Transfer to School for Insurance Claim	63,583.00
Firefighters	135-3520	51	1100	Regular Employee Wages	(50,000.00)
	135-3520	51	2401	Retirement Plan Employer Contribution	(5,308.00)
Highway & Street Maint.	140 4220	52	2202	Repairs & Maintenance - Equipment	(25,000.00)
TOTAL GENERAL FUND EXPENSE					\$ 8,275.00

RECREATION FUND - REVENUE

Department	Account Number			Title	Amount
Recreation	276-0000	39	1101	Transfer In From General Fund	25,000.00
TOTAL RECREATION REVENUE					\$ 25,000.00

RECREATION FUND - EXPENSE

Department	Account Number			Title	Amount
Recreation	276-6120	51	1100	Regular Employee Wages	(10,000.00)
	276-6120	51	2100	Group Insurance	(5,000.00)
Recreation Buildings	276-6165	54	1300-19	Buildings	(10,000.00)
TOTAL RECREATION EXPENSE					\$ (25,000.00)

NORTH SEWER INTERCEPTOR PROJECT - REVENUE

Department	Account Number			Title	Amount
North Sewer Interceptor	230-0012	33	1350	Federal Indirect SRF	(224,000.00)
TOTAL NORTH SEWER INTERCEPTOR PROJECT REVENUE					\$ (224,000.00)

NORTH SEWER INTERCEPTOR PROJECT - EXPENSE

Department	Account Number			Title	Amount
North Sewer Interceptor	230-0012	54	1430	Sewer Construction	224,000.00
TOTAL NORTH SEWER INTERCEPTOR PROJECT EXPENSE					\$ 224,000.00

MILL VILLAGE CDBG PROJECT, PHASE II - REVENUE

Department	Account Number	Title	Amount
Mill Village Project	230-0046 33 1350	Indirect Grant	75,000.00
TOTAL NORTH SEWER INTERCEPTOR PROJECT REVENUE			\$ 75,000.00

MILL VILLAGE CDBG PROJECT, PHASE II - EXPENSE

Department	Account Number	Title	Amount
Mill Village Project	230-0046 54 1430	Sewer Line Construction	(37,500.00)
	230-0046 54 1440	Water Line Construction	(37,500.00)
TOTAL NORTH SEWER INTERCEPTOR PROJECT EXPENSE			\$ (75,000.00)

SONORAVILLE SEWER PROJECT - REVENUE

Department	Account Number	Title	Amount
Sonoraville Sewer	230-0056 33 6000	Local Gordon County Grant	1,150,000.00
TOTAL SONORAVILLE SEWER PROJECT REVENUE			\$ 1,150,000.00

SONORAVILLE SEWER PROJECT - EXPENSE

Department	Account Number	Title	Amount
Sonoraville Sewer	230-0056 52 1200	Engineering	(35,000.00)
	230-0056 54 1430	Sewer Infrastructure	(1,115,000.00)
TOTAL SONORAVILLE SEWER PROJECT EXPENSE			\$ (1,150,000.00)

SOUTH 41 SEWER PROJECT - REVENUE

Department	Account Number	Title	Amount
South 41 Sewer	230-0057 33 1350	Indirect Grant	425,000.00
TOTAL SOUTH 41 SEWER PROJECT - REVENUE			\$ 425,000.00

SOUTH 41SEWER PROJECT - EXPENSE

Department	Account Number	Title	Amount
South 41 Sewer	230-0057 54 1430	Sewer Infrastructure	(425,000.00)
TOTAL SOUTH 41 SEWER PROJECT EXPENSE			\$ (425,000.00)

SEWER FUND - REVENUE

Department	Account Number	Title	Amount
Sewer Fund	230-0000 39 1102	Transfer in from Water Fund	226,500.00
TOTAL SEWER FUND REVENUE			\$ 226,500.00

SEWER FUND - EXPENSES

Department	Account Number	Title	Amount
Sewer Treatment Plant	230-4335 51 1100	Regular Wages	(20,000.00)
	230-4335 51 2100	Group Insurance	(5,000.00)
	230-4335 51 2401	Retirement Plan Employer Contribution	(7,500.00)
	230-4335 52 2200	Interdepartment Services & Labor	(15,000.00)
	230-4335 52 2202	Repairs & Maintenance - Equipment	(25,000.00)
	230-4335 53 1230	Electric Service - City	(10,000.00)
	230-4335 58 1400	Principal - Notes Payable	(41,000.00)
	230-4335 58 2400	Interest - Notes Payable	(106,000.00)
Sewer Const. - Maint.	233-4331 54 1100	Land Easements - Right-of-Way	(20,000.00)
S. Const. Buildings	233-4365 54 1300	Buildings	23,000.00
TOTAL SEWER FUND EXPENSE			\$ (226,500.00)

WATER SYSTEM IMPROVEMENTS - REVENUE

Department	Account Number	Title	Amount
Water System Improv.	240-0048 33 1350	Indirect SRF Loan	750,000.00
TOTAL WATER SYSTEM IMPROVEMENTS - REVENUE			\$ 750,000.00

WATER SYSTEM IMPROVEMENTS - EXPENSE

Department	Account Number	Title	Amount
Water System Improv.	240-0048 52 1200	Engineering	(150,000.00)
	240-0048 54 1300	Buildings	(600,000.00)
TOTAL WATER SYSTEM IMPROVEMENTS - EXPENSE			\$ (750,000.00)

WATER FUND - REVENUE

Department	Account Number	Title	Amount
Water Fund	240-0000 34 4200	Water Sales	226,500.00
TOTAL WATER FUND - REVENUE			\$ 226,500.00

WATER FUND - EXPENSE

Department	Account Number	Title	Amount
Intake & Wells	240-4420 53 1140	Repairs & Maintenance - Equipment	(10,000.00)
	240-4420 53 1230	Electric Service - City	(25,000.00)
	240-4420 53 1231	Electric Service - Other	(5,000.00)
Water Treatment	240-4430 53 1101	Chemical Supplies	(25,000.00)
	240-4430 61 1003	Transfer Out - Electric	133,828.00
	240-4430 61 1043	Transfer Out - Sewer Plant	(226,500.00)
Water Distribution - Pump Stations	240-4440 52 1200	Engineering	(30,000.00)
	240-4440 52 2202	Rep & Maint - Equipment - Services	(7,500.00)
	240-4440 53 1140	Rep & Maint - Equipment - Supplies	(20,000.00)
	240-4440 53 1230	Electric Service - City	(10,000.00)
	240-4440 53 1231	Electric Service - Other	(1,328.00)
TOTAL WATER FUND EXPENSE			\$ (226,500.00)

ELECTRIC FUND - REVENUE

Department	Account Number	Title	Amount
Electric Revenue	248-0000 34 4300	Electric Sales	550,000.00
	248-0000 34 4371	Fuel Adjustment	(175,000.00)
	248-0000 39 1102	Transfer In from Water	(133,828.00)
TOTAL ELECTRIC FUND REVENUE			\$ 241,172.00

ELECTRIC FUND - EXPENSE

Department	Account Number	Title	Amount
Electric Distribution	248-4640 61 1001	Transfer to General Fund	(136,172.00)
Generator	248-4650 53 1140	Repairs & Maintenance - Equipment	(15,000.00)
	248-4650 53 1220	Natural Gas Service	(70,000.00)
	248-4650 54 2100	Machinery	(20,000.00)
TOTAL ELECTRIC FUND EXPENSE			\$ (241,172.00)

SOLID WASTE REVENUE

Department	Account Number	Title	Amount
Solid Waste Revenue	540-0000 39 1101	Transfer from General Fund	(50,000.00)
TOTAL REVENUE			\$ (50,000.00)

SOLID WASTE EXPENSE

Department	Account Number	Title	Amount
Solid Waste Collections	540-4520 55 1100	Collection - Interfund Allocations	40,000.00
Solid Waste - Landfill	540-4560 52 1301	Landfill Monitoring	10,000.00
TOTAL EXPENSES			\$ 50,000.00

ADOPTED, this the 21st day of June 2004.

CITY OF CALHOUN

ATTEST:

James F. Palmer, Mayor

Cathy Harrison, City Administrator

“Exhibit C”
June 2004 Report
Eddie Peterson

1. **Curtis Parkway – Laurel Lane:** Met with Steve Youmans on June 11, 2004 concerning right of way property requirements for turn and through lanes for the Curtis Parkway and Laurel Lane School Project. The Youmans property involves Mrs. Youmans, and children Steve, Thad, and Cindy. Calhoun will need .52 acres from the Youmans. Bobby Miller, who has property adjoining the Youmans, recently sold 17 acres to Mitchell Brumlow for \$47,000 per acre. There are possibly two approaches to the property. One would be to pay \$24,514 for the .52 acres or build an access drive into the property of equal value. I explained these options to Steve Youmans and he said he would talk to the other family members on June 18, 2004. The other properties involved are; Stepp Realty .07 acres, Oothcalooga LLC .31 acres, Ted King .34 acres, Raymond King .10 acres, and Raymond King .12 acres of construction easement.

Stepp	3,009 sq. ft.07 acre
Youmans	22,698 sq. ft.52 acre
Oothcalooga LLC	13,429 sq. ft.31 acre
Ted King	14,919 sq. ft.34 acre
Raymond King	4,154 sq. ft.12 acre
TOTAL	58,209 sq. ft. of required R/W	1.36 acres
Raymond King	5,076 sq. ft. Construction easement	

The design and engineering plans are complete for the project. Signal equipment was ordered eight weeks ago and will be delivered July 9, 2004. Bill Bailey is working with the King family on R/W and I'm working with Stepp and Youmans.

Please find attached an estimate of cost for the construction part of the project (we will be able to substantially reduce this pricing by acting as the primary contractor).

2. **Creekview Drive Entrance:** There will be a hearing on June 17, 2004 to determine the City's right to access .15 acres off of Creekview for a second street into the school project. Mr. Hackett, the owner of the property, has objected to an access street being constructed off Creekview Drive. Calhoun has historically worked Creekview Drive; run brush truck route, provided street sweeper, patched the street, listed on city street inventory, installed all signs, run residential trash route, and worked on ditches. The street was constructed in 1978 and the property was annexed into the City on June 13, 1977.
3. **Downtown Street Scape:** I will have a meeting with Valley Crest and The Jeager Company later this week. We continue to have traffic control problems with the street stamping for the cross walks. There is one remaining street lamp to be installed at the north corner of Court and King Street.
4. **LARP Resurfacing:** We should receive authorization to begin paving the LARP streets any day. The streets are Old Dalton Road .6 mile, Stewart Drive .8 mile, and Riverview Drive .4 mile. If you have any particular resurfacing projects please let me know in the next few weeks.
5. **Recreation:** Continuing to work on design for lighting the soccer fields before fall 2004. A topo is being prepared for the tennis complex area to help determine the best locations for lighting, courts, building, drainage, etc.
6. **G-8 Summit:** Our police and hazmat teams are back in Calhoun. While this was quite a gesture by Calhoun to send five policemen and ten hazmat specialist, the goodwill established with Governor Perdue, GEMA, and the Georgia Homeland Security Agency should help us in the future.

**CITY OF CALHOUN
GEORGIA**

RESOLUTION

WHEREAS, the City of Calhoun, Georgia, in association with the State of Georgia, Gordon County and the Industrial Development Authority, has been able to secure the location of the first Korean Company in Georgia; and

WHEREAS, the City of Calhoun, Georgia has agreed to extend sewer and water services to the industrial site in the county industrial park; and

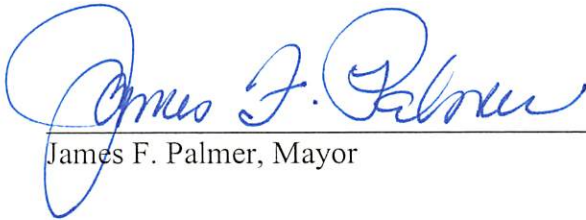
WHEREAS, the costs for the line have escalated dramatically, based on the increased cost of pipe, rock excavation and creek crossings; and

WHEREAS, the City of Calhoun has received recommendations from the Georgia Environmental Facilities Authority personnel to release the unused portion of the current SRF loan and apply for the total amount needed from Georgia Environmental Facilities Authority funding;

NOW, THEREFORE, BE IT RESOLVED, the Mayor and Council of the City of Calhoun hereby authorize the Mayor to assign all required documents, including the application and loan, to procure the \$2.6 million loan for construction of the required sewer interceptor line.


ADOPTED this 14th day of June 2004.

City of Calhoun, Georgia



James F. Palmer, Mayor

Attest:



Cathy Harrison, City Administrator