

**CITY OF CALHOUN
REGULAR CITY COUNCIL MEETING
DEPOT COMMUNITY ROOM
109 SOUTH KING STREET
AUGUST 23, 2004, 7:00 P.M.**

MINUTES

**PRESENT: James F. Palmer, Mayor
Lorene Potts, Mayor Pro Tem
Ray M. Denmon, Councilman
George R. Crowley, Councilman
David Hammond, Councilman**

**ALSO: William P. Bailey, City Attorney
Kelly Cornwell, Director of Utilities
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. Mayor Palmer gave the invocation.
2. Mayor Palmer led the group in the Pledge of Allegiance to the United States Flag.
3. Following review, minutes of the August 9, 2004 regular City Council meeting were approved as written.
4. Mayor's comments:
 - a. Mayor Palmer stated that at this time, it was indeed a pleasure to welcome David Hammond to the City Council position formerly occupied by John D. Shelton, Jr. He asked Mr. Hammond to take the oath of office of Council Post #4 through the remainder of the term ending December 31, 2005. Mayor Palmer administered the oath of office as per the attached as "Exhibit A." Councilman Hammond expressed his appreciation to everyone and stated he looked forward to working with the Mayor and Council and for the citizens of the City of Calhoun.
 - b. Mayor Palmer stated that over the weekend, the final Starry Night Concert was presented Saturday evening on August 21, 2004. He stated that also marked a milestone for the retirement of Beve Ryberg, who has served as the Main Street Director for the past 7 years and 4 months. Mayor Palmer asked Ms. Ryberg to join him and Mayor Pro Tem Potts at the podium for presentation of a resolution, as per the attached, as "Exhibit B." Mayor Palmer and Mayor Pro Tem Potts expressed their appreciation to Beve Ryberg for her years of dedicated service and for the improvements that have been accomplished during her watch in the downtown area. Ms. Ryberg expressed her appreciation to everyone, to the Downtown Development Authority Board, the Main Street Partnership Board, and to the Mayor and Council for their oversight during her years of service.
 - c. Mayor Palmer reminded the public of the traditional United Way Run scheduled for August 31, 2004 at 7:00 p.m., beginning and ending at the Gordon Central High School campus, with a slight route change from the previous year.

- d. Mayor Pro Tem Potts reviewed the following zoning hearings scheduled for September 13, 2004 at 7:00 p.m.:
 - 1) A request for new zoning of PRD and annexation of approximately 29 acres off Damascus Church Road by Terry Brumlow, Agent for Dan Bramblett and Mitchell Brumlow.
 - 2) A request for a 5-foot setback variance by Robert W. Kinard for relocation of a building at 101 Park Avenue.
 - 3) A request for a sign variance to change a sign from on-premise to off-premise advertising by Stephen Fox, as agent for American National, LLC, for a sign at 100 Marine Drive.
 - 4) A request for a 25-foot sign height variance by Stephen Fox, as agent for Calhoun Sporting Goods, Inc. at 380 Richardson Road
 - 5) A request for zoning of C-2 and annexation of two tracts of property on the north side of Red Bud Road off Warrior Path, by Haley Stephens.

5. Public Hearings and Comments:
 - a. Mayor Palmer opened the public hearing on the TEFRA bond issue by the Adventist Health System/Sunbelt. Mayor Palmer introduced Thomas E. Shanahan, speaking on behalf of Sunbelt; Mr. Bob Foltz, a representative of Sunbelt; Ad Layson of Gordon Hospital, a member of Sunbelt; and Lamar Harrison, Chairman of the Hospital Authority Board.
 - 1) Mayor Palmer opened a public hearing, minutes of which are attached separately as "EXHIBIT C."
 - 2) Councilman Crowley made a motion to adopt the resolution attached as "EXHIBIT D," regarding the TEFRA bond issue, second by Councilman Denmon, with Councilman Crowley, Councilman Denmon, Councilman Hammond and Mayor Pro Tem Potts voting affirmatively, motion carried.
 - 3) Mayor Palmer expressed appreciation to those in attendance for the TEFRA hearing.
 - b. Mayor Palmer opened a public hearing on the liquor and wine package license request by W. Pass Inc., Warren Z. Pass, President, d/b/a ABC Liquor at 769 Highway 53 East, SE. Mayor Palmer stated the location is an ongoing licensed facility and this would be a change in ownership of the business, as well as the manager, who would be Warren Z. Pass. He stated the police report was clear and asked if there were any comments by the Council or the public. There were none and the hearing was closed. Councilman Crowley made a motion to approve the liquor and wine package license request by W. Pass Inc., Warren Z. Pass, President, d/b/a ABC Liquor at 769 Highway 53 East, SE., second by Councilman Hammond, with Councilman Crowley, Councilman Hammond, Councilman Denmon and Mayor Pro Tem Potts voting affirmatively, motion carried.
 - c. Mayor Palmer opened a public hearing on the beer pouring license request by Mariano Lopez of the En Familia Restaurant at 355 Richardson Road, Suite #1, a new location. Mayor Palmer stated the police report for Mr. Lopez was clear. The location is new. However, in the same complex, a beer pouring license had previously been issued within the last six months. The area meets the general criteria of the ordinance. Mayor Palmer inquired if there were any comments by the Council or public. There were none and the hearing was closed. Councilman Hammond made a motion to approve the beer pouring license request by Mariano

Lopez of the En Familia Restaurant at 355 Richardson Road, Suite #1, second by Councilman Crowley, with Councilman Hammond, Councilman Crowley, Councilman Denmon and Mayor Pro Tem Potts voting affirmatively, motion carried.

- d. Mayor Palmer opened a public hearing on a revolving loan request by Herbert Frank, d/b/a Art Flock & Screen, Inc. and Kane Carpet Co., for \$150,000.00 for renovation of the former Shamrock Carpet building at 125 North Industrial Blvd. According to the application, the business would create 15 to 20 new jobs in the first year. Mayor Palmer asked for a report from the Revolving Loan Advisory Commission from Councilman Crowley, the Council liaison.
- 1) Councilman Crowley stated prior to the report, he would like to inform the Council and public that at this time, the revolving loan fund has a balance of almost \$1.5 million, most of this being in loans that are current, and over the life of the program, over 523 jobs have been created for the community, of which 85% are low-to-moderate income jobs. He stated the program has been most beneficial to the community.
 - 2) Councilman Crowley stated the Revolving Loan Advisory Commission met on August 20, 2004 to review the application. They determined from the financial information presented by Mr. Frank that there is sufficient ability to service the loan. The board had recommended a second mortgage on the building along with a personal guarantee by Mr. Frank, with the understanding that he must provide an updated personal financial statement to the City of Calhoun and properly signed, and that he complete an Affidavit of Understanding that there must be a minimum of 10 new jobs created within the first two years following the closing of the loan.
 - 3) Mayor Palmer asked if there were any comments by the Council or the public regarding the report of the Loan Advisory Commission or the application. There were none and the hearing was closed.
 - 4) Mayor Palmer stated that also following the findings of the Loan Advisory Commission of the application being credit worthy, the Mayor and Council had informally stated that should the application be credit worthy, they would consider a 3 year interest-free loan as an enticement for the business to be located in Calhoun, Gordon County, with the understanding that a minimum of 10 new jobs would be created initially for the business. Mayor Palmer asked if there were any additional comments or questions regarding this proposal. There were none.
 - 5) Councilman Crowley made a motion to approve the loan request by Herbert Frank, d/b/a Art Flock & Screen, Inc. and Kane Carpet Co., for \$150,000.00 with the following stipulations:
 - a) The loan would be for a maximum of 10 years, with the first 3 years being interest free;
 - b) The full understanding that the full principal would be repaid, as well as interest for the last 7 years;
 - c) Mr. Frank must provide a second mortgage on the former Shamrock Carpet Building at 125 North Industrial Blvd. and a personal guarantee with an updated, signed, appropriate financial statement to the City of Calhoun;

- d) Completion of an Affidavit of Understanding regarding a minimum of 10 jobs, of which 51% must be low-to-moderate income jobs.

The motion was seconded by Councilman Denmon, with Councilman Crowley, Councilman Denmon, Councilman Hammond and Mayor Pro Tem Potts voting affirmatively, motion carried.

- 6) Mayor Palmer stated that also in addition to the revolving loan application, the Council had considered a 3 year business license without fees as an inducement for the company to locate in the community, with the consideration of improvements to a building that has been vacant for a number of years, and also with the understanding that a minimum of 10 new jobs will be created for the community. Mayor Palmer asked if there was any discussion. He stated he would entertain a motion regarding this matter. Councilman Denmon made a motion to authorize the first 3 years of business licenses to be issued without fee, as an inducement for the location of the company in the Calhoun, Gordon County area and in reference to the creation of jobs and in reference to the renovation of a building that had been vacant for a number of years in the community. The motion was seconded by Councilman Crowley, with Councilman Denmon, Councilman Crowley, Councilman Hammond and Mayor Pro Tem Potts voting affirmatively, motion carried.

6. Old business:

- a. Mayor Palmer stated at this time, there would be a review of the electric rates in the Utility Rate Resolution. Kelly Cornwell, Director of Utilities, stated the resolution, as presented to the Mayor and Council, included an updated, revised version of the one considered in June, following extensive studies to determine that the proposed rates from MEAG would provide sufficient revenue from the reduced rate schedules. He stated it had been determined that there was a fallacy in the recommendations that had been corrected and the proposed new resolution included those corrections. He stated that in further review of the water and sewer rates, which are a part of the resolution, the Mayor and Council amended the cost recovery and connection fees in March 2004. It was a major departure from our normal rate structure and during the time from March until August, several items have arisen that need to be clarified in those rate structures, and he asked that the adoption of the resolution be held for a third reading in order that those amendments could be made to clarify the rates in that area, as was originally intended. Councilman Crowley made a motion to hold the resolution for an additional reading on September 13, 2004, second by Councilman Denmon, with Councilman Crowley, Councilman Denmon, Councilman Hammond and Mayor Pro Tem Potts voting affirmatively, motion carried.

7. New business:

- a. Mayor Palmer stated the South Sewer Interceptor Project is being constructed by Butch Thompson Enterprises, Inc., which provided the original contract for the North Interceptor Sewer. He stated since that time, there have been three amendments to that contract, and in order to get the final phase of the South Sewer Interceptor in the project, he would ask Kelly Cornwell to review the

proposed change order. Mr. Cornwell stated the fourth and final change order would be for \$2,132,053.00, which would cause the total project for both the North and South Sewer Interceptor to be \$6,366,080.01. He also stated the contract time would be extended by 68 days. However, he anticipated that it would be completed prior to that time. Following discussion, Mayor Palmer asked if there was a motion to authorize change order number 4. Councilman Denmon made a motion to authorize the fourth change order for the Butch Thompson Enterprises, Inc. contract for the total sewer interceptor, north and south, at \$6,366,080.01, second by Councilman Crowley, with Councilman Denmon, Councilman Crowley, Councilman Hammond and Mayor Pro Tem Potts voting affirmatively, motion carried.

b. Mayor Palmer stated the sewer plant renovation project is being handled under an SRF-GEFA loan, under the special circumstance in which the City of Calhoun serves as the contractor. By virtue of this, all individual equipment and subcontracts must be bid out in accordance with the requirements of the loan. He stated that for the immediate period, there were two pieces of equipment that needed to be considered by the Mayor and Council. He asked Director Cornwell to review those.

1) Director Cornwell stated the first was for clarification and thickening equipment. The city worked with the Peoples & Quigley engineering firm for bid specifications and review of bids. He stated the city was fortunate to receive four bids, as follows:

Clarification and Thickening Equipment	
Walker (\$157,110 - \$5,000 discount)	\$ 152,110.00
Eimco	163,279.00
Envirex	164,000.00
Envirodyne	164,000.00

He stated it is the recommendation of the consulting engineer, Jerry Crawford, Director of Water and Sewer, and himself, that the Mayor and Council consider the second lowest bid for the project. The reason for accepting the second-lowest bid is that Eimco bid the type of equipment that is currently in use in the other system's clarifiers. That equipment has been in service for over 20 years, has an excellent service record, and would standardize the equipment. Following review of the bids and the recommendation by the Director of Utilities and the Director of Water and Sewer, as well as Peoples and Quigley, the consulting engineers, Councilman Hammond made a motion to accept the bid of Eimco for \$163,279.00. The motion was seconded by Councilman Denmon, with Councilman Hammond, Councilman Denmon, Councilman Crowley and Mayor Pro Tem Potts voting affirmatively, motion carried.

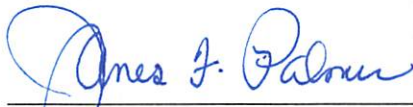
2) Director Cornwell stated the second type of equipment that would be needed was aeration equipment. He stated the city had received 8 bids, with one company giving two bids; however, one had not been considered, since it did not meet the criteria and required substantial renovation of the existing plant site to accommodate the bid, which was not acceptable. The bids ranged from \$710,000.00 up to \$2,242,575.00, as follows:

Aeration Equipment	
Philadelphia Mixing Solutions	\$ 932,815.00
ITT Industries Sanitaire (\$645,000 + \$65,000)	710,000.00
Envirex, Inc. d/b/a Usfilter's Envirex Products)	932,700.00
Aeromix Systems, Inc.	978,700.00
Southeastern Engineered Equipment Sales Co.	1,030,350.00
Smith & Loveless, Inc.	1,276,168.00
US Filter / Jet Tech Products	1,307,062.00
Smith & Loveless, Inc. Biomixer Division	2,242,575.00

After thorough review, it was his recommendation, along with that of Jerry Crawford, Water and Sewer Director, and the consulting engineers of Peoples and Quigley, Inc., to accept the low bid of ITT Industries Sanitaire. Following review of the bids and the recommendation, Councilman Crowley made a motion to accept the low bid of ITT Industries Sanitaire for \$710,000.00. The motion was seconded by Councilman Hammond, with Councilman Crowley, Councilman Hammond, Councilman Denmon and Mayor Pro Tem Potts voting affirmatively, motion carried.


8. Other written items not on the agenda: **none.**
9. Work Reports:
 - a. Kelly Cornwell, Director of Utilities: **no report.**
 - b. Eddie Peterson, Director of Public Safety and Public Works stated he had submitted his written report, which is attached hereto as "EXHIBIT E." He stated his only remaining comment would be to recognize Sgt. Jerry Silvers and Cpl. Jason Stargell of the police department for their arrest of the accused perpetrators in the recent robbery and murder in a grocery store on Dews Pond Road.
10. City Attorney Bailey reported that on the evening of August 23, 2004, he had been informed by the engineering department for the city that Mr. Darnell, who owns property on the South Interceptor Project area had signed the easement, leaving one easement for condemnation.
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 Hammond, with Mayor Pro Tem Potts, Councilman Hammond, Councilman Denmon and Councilman Crowley voting affirmatively, motion carried.

Approved:



 James F. Palmer, Mayor

Submitted:



 Cathy Harrison, City Administrator

“EXHIBIT C”

MINUTES OF A PUBLIC HEARING of the CITY COUNCIL OF THE CITY OF CALHOUN, GEORGIA held in The Depot Community Room, The Depot, 109 South King Street, Calhoun, Georgia, at 7:00 P.M. on Monday, August 23, 2004.

The City Council of the City of Calhoun, Georgia (the “Council”) held a public hearing with the following members present:

James F. Palmer, Mayor

Lorene Potts,

Ray Denmon,

George Crowley,

David Hammond,

All members were present, and no members were absent.

At 7:00 P.M., the Mayor called the public hearing to order. The Mayor stated that the public hearing was being held pursuant to published notice as required by law (Section 147(f) of the Internal Revenue Code of 1986, as amended) and was being conducted on:

(i) the proposed issuance under a plan of finance by the Highlands County Health Facilities Authority, a Florida public body corporate and politic (the “Highlands County Authority”), of its Revenue Bonds (Adventist Health System/Sunbelt) in an aggregate principal amount not to exceed \$41,000,000 with respect to facilities in Calhoun, Georgia, in one or more series over the longest period permitted by law;

(ii) the proposed issuance under a plan of finance by the Orange County Health Facilities Authority, a Florida public body corporate and politic, of its Revenue Bonds (Adventist Health System/Sunbelt) in an aggregate principal amount not to exceed \$41,000,000 with respect to facilities in Calhoun, Georgia, in one or more series over the longest period permitted by law;

(iii) the proposed issuance under a plan of finance by the Colorado Health Facilities Authority, a Colorado public body corporate and politic, of its Revenue Bonds (Adventist Health System/Sunbelt) in an aggregate principal amount not to exceed \$41,000,000 with respect to facilities in Calhoun, Georgia, in one or more series over the longest period permitted by law;

(iv) the proposed issuance under a plan of finance by the Kansas Development Finance Authority, a Kansas public body corporate and politic, of its Revenue Bonds (Adventist Health System/Sunbelt) in an aggregate principal amount not to exceed \$41,000,000 with respect to facilities in Calhoun, Georgia, in one or more series over the longest period permitted by law; and

(v) the proposed issuance under a plan of finance by the Highlands County Authority, of its Revenue Bonds (Adventist Health System/Sunbelt, Inc Accounts Receivable Program) in an aggregate principal amount not to exceed \$41,000,000 with respect to facilities in Calhoun, Georgia, in one or more series over the longest period permitted by law.

The Mayor recognized Tom E. Shanahan, Attorney, to speak on behalf of Adventist Health System/Sunbelt, Inc. with respect to the proposed bond issue.

Attorney Shanahan stated that a portion of the proceeds of each issue of such bonds (the "Bonds") will be loaned to Adventist Health System/Georgia, Inc., a Georgia not-for-profit corporation and that such proceeds will be used for the purposes described in said notice.

Attorney Shanahan stated that the notice of the public hearing was published on August 4, 2004 in *The Calhoun Times*, a newspaper of general circulation in Calhoun, Georgia. The Mayor further stated that the publisher's affidavit for the above-described publication, with newspaper clipping attached, is forthcoming and, upon receipt, shall be placed on file in with the Council as part of the permanent records of the Council.

The Mayor then announced that all interested persons wishing to contend for or protest against the issuance of such Bonds would be heard and that all oral or written statements would be considered.

All interested persons wishing to speak were then given the full opportunity to be heard; the persons so speaking were as follows:

NAME	ADDRESS
NONE	

A summary of the views so expressed, if any, is attached hereto.

All interested persons wishing to file written statements were given the full opportunity to do so; the persons filing written statements were as follows:

NAME	ADDRESS
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NONE

Copies of all such written statements, if any, are attached hereto.

Prior to the public hearing, the Council solicited written statements from interested persons pursuant to an invitation set forth in the public notice referred to above; the persons filing written statements with the Council pursuant to such invitation were as follows:

NAME

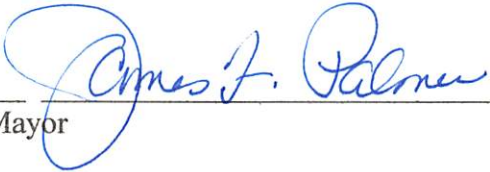
ADDRESS

NONE

Copies of all such written statements, if any, are attached hereto.

Thereupon, after all persons desiring to speak or submit written statements had been permitted to do so, the Mayor stated that the public hearing on the proposed issuance of such Bonds was concluded.


DATED this 23rd day of August, 2004.



Mayor

[CITY SEAL]

ATTEST:



City Clerk

“EXHIBIT D”

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF CALHOUN, GEORGIA APPROVING THE ISSUANCE BY (1) THE HIGHLANDS COUNTY HEALTH FACILITIES AUTHORITY OF ITS REVENUE BONDS (ADVENTIST HEALTH SYSTEM/SUNBELT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$41,000,000 WITH RESPECT TO FACILITIES IN CALHOUN, GEORGIA, IN ONE OR MORE SERIES OVER THE LONGEST PERIOD PERMITTED BY LAW, (2) THE ORANGE COUNTY HEALTH FACILITIES AUTHORITY OF ITS REVENUE BONDS (ADVENTIST HEALTH SYSTEM/SUNBELT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$41,000,000 WITH RESPECT TO FACILITIES IN CALHOUN, GEORGIA, IN ONE OR MORE SERIES OVER THE LONGEST PERIOD PERMITTED BY LAW, (3) THE COLORADO HEALTH FACILITIES AUTHORITY OF ITS REVENUE BONDS (ADVENTIST HEALTH SYSTEM/SUNBELT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$41,000,000 WITH RESPECT TO FACILITIES IN CALHOUN, GEORGIA, IN ONE OR MORE SERIES OVER THE LONGEST PERIOD PERMITTED BY LAW, (4) THE KANSAS DEVELOPMENT FINANCE AUTHORITY OF ITS REVENUE BONDS (ADVENTIST HEALTH SYSTEM/SUNBELT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$41,000,000 WITH RESPECT TO FACILITIES IN CALHOUN, GEORGIA, IN ONE OR MORE SERIES OVER THE LONGEST PERIOD PERMITTED BY LAW AND (5) THE HIGHLANDS COUNTY HEALTH FACILITIES AUTHORITY OF ITS REVENUE BONDS (ADVENTIST HEALTH SYSTEM/SUNBELT, INC. ACCOUNTS RECEIVABLE PROGRAM) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$41,000,000 WITH RESPECT TO FACILITIES IN CALHOUN, GEORGIA, IN ONE OR MORE SERIES OVER THE LONGEST PERIOD PERMITTED BY LAW IN ORDER TO PROVIDE FUNDS TO FINANCE IMPROVEMENTS TO GORDON HOSPITAL.

WHEREAS, the Highlands County Health Facilities Authority (the “Highlands County Authority”) and the Orange County Health Facilities Authority (the “Orange County Authority”) have been created by pursuant to the Florida Health Facilities Authorities Law, Part III of Chapter 154 of the Florida Statutes, as amended; and

WHEREAS, the Colorado Health Facilities Authority (the “Colorado Authority”) has been created pursuant to the Colorado Health Facilities Authority Act, Sections 15-25-101 through 25-25-131, Colorado Revised Statutes, as amended; and

WHEREAS, the Kansas Development Finance Authority (the “Kansas Authority”) has

been created pursuant to the Kansas Development Finance Authority Act, K.S.A. 74-8903, as amended; and

WHEREAS, Adventist Health System/Georgia, Inc., a Georgia not-for-profit corporation ("AHS/Georgia"), has requested: (i) the Highlands County Authority to issue its Revenue Bonds (Adventist Health System/Sunbelt) under a plan of finance in an aggregate principal amount not to exceed \$41,000,000 with respect to facilities in Calhoun, Georgia, in one or more series over the longest period permitted by law; (ii) the Orange County Authority to issue its Revenue Bonds (Adventist Health System/Sunbelt) under a plan of finance in an aggregate principal amount not to exceed \$41,000,000 with respect to facilities in Calhoun, Georgia, in one or more series over the longest period permitted by law; (iii) the Colorado Authority to issue its Revenue Bonds (Adventist Health System/Sunbelt) under a plan of finance in an aggregate principal amount not to exceed \$41,000,000 with respect to facilities in Calhoun, Georgia, in one or more series over the longest period permitted by law; (iv) the Kansas Authority to issue its Revenue Bonds (Adventist Health System/Sunbelt) under a plan of finance in an aggregate principal amount not to exceed \$41,000,000 with respect to facilities in Calhoun, Georgia, in one or more series over the longest period permitted by law; and (v) the Highlands County Authority to issue its Revenue Bonds (Adventist Health System/Sunbelt, Inc. Accounts Receivable Program) under a plan of finance in an aggregate principal amount not to exceed \$41,000,000 with respect to facilities in Calhoun, Georgia, in one or more series over the longest period permitted by law; and

WHEREAS, a portion of the proceeds of the bonds issued under each of such plans (the "Bonds") will be used to (a) finance, refinance, or reimburse Adventist Health System/Georgia, Inc., a Georgia not-for-profit corporation, as owner, operator or manager for its prior payment of, the costs of acquiring (including related land costs), constructing, renovating and equipping equipment (including, but not limited to, medical equipment, computer equipment, office equipment and general building equipment and fixtures) at the 65-bed acute care hospital known as Gordon Hospital and located at 1035 Red Bud Road, N.E., Calhoun, Georgia, (b) provide one or more debt service reserve funds for the benefit of all or a portion of the Bonds, if deemed necessary or desirable, (c) pay a portion of the interest to accrue on the Bonds, if deemed necessary or desirable, (d) pay certain working capital expenditures, if deemed necessary or desirable, and (e) pay certain costs of issuance of the Bonds, including the costs of any credit or liquidity enhancement thereof; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires the approval of the issuance of such Bonds by the City Council of Calhoun, Georgia (the "City Council") as the "applicable elected representative" under Section 147(f) of the Code, after a public hearing following reasonable public notice; and

WHEREAS, attached hereto as *Exhibits A* and *B*, respectively, are copies of the publisher's affidavit evidencing publication of the Notice of Public Hearing and the Minutes of a Public Hearing held by the Board on this date;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF CALHOUN, GEORGIA, AS FOLLOWS:

Section 1.

The issuance by the Highlands County Authority, the Orange County Authority, the Colorado Authority and the Kansas Authority respectively, of the foregoing Bonds under the five plans of finance described above, in each case in an aggregate principal amount not to exceed \$41,000,000 with respect to facilities in Calhoun, Georgia, in one or more series over the longest period permitted by law for the purposes set forth above is hereby approved.

Section 2

The Bonds shall not constitute a debt, liability or obligation of Calhoun, Georgia or of the State of Georgia or of any political subdivision thereof or a pledge of the faith and credit or any taxing power of Calhoun, Georgia or of the State of Georgia or of any political subdivision thereof, but shall be limited obligations of the Highlands County Authority, the Orange County Authority, the Colorado Authority and the Kansas Authority, respectively, payable solely from the collateral to be pledged therefor.

Section 3

The approval given herein shall be solely for the purpose of satisfying the requirements of Section 147(f) of the Code and shall not be construed as an approval of any zoning application or any regulatory permit required in connection with the issuance of such Bonds or creating any vested rights with respect to any land use regulations, and this City Council shall not be construed by virtue of its adoption of this Resolution to have waived, or be estopped from asserting, any rights or responsibilities it may have in that regard.

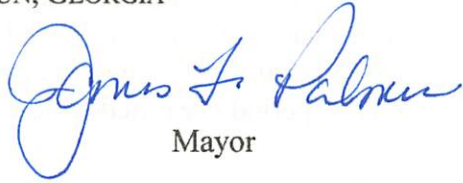
Section 4

This Resolution shall take effect immediately upon its adoption.

ADOPTED this 23rd day of August, 2004.

CALHOUN, GEORGIA

By.


Mayor

[SEAL]

ATTEST:



City Clerk

“EXHIBIT E”

August 2004 Report Eddie Peterson

1. **Curtis Parkway and Laurel Creek Drive:** The intersection road construction is complete and the signal should be operational by the end of August 2004. The Curtis Parkway construction included 1,950 ft. of northbound thru lane, with 1,100 ft. of northbound turn/stacking lane, 180 ft. of southbound turn/stacking lane, and 280 ft. of Laurel Creek Drive widening. The Street Department will continue work on right-of-way exchange work and material for the five property owners involved (Stepp, Youmans, Oothcalooga LLC, Ted King, and Raymond King).
2. **School Traffic:** A hand count was taken on Wed., Aug. 11,2004 from 6:45 A.M. until 7:45 A.M. for west bound traffic (morning entrance traffic) into the Calhoun Primary and Elementary School off of Laurel Creek Drive. The: traffic was counted one way (arriving at school). Count was taken near the intersection of Laurel Creek and Curtis Parkway.

The total vehicle count was 750 from 6:45 A.M. until 7:45 A.M.

<u>Time</u>	<u>Count</u>	
6:45 to 7:00	80	After 7:45 the traffic count dropped to 20 to 30 each 5 minutes.
7:00 to 7:05	40	
7:05 to 7:10	60	
7:10 to 7:15	80	
7:15 to 7:20	90	
7:20 to 7:25	80	
7:25 to 7:30	90	
7:30 to 7:35	90	
7:35 to 7:40	90	
7:40 to 7:45	50	

The afternoon traffic flows much better than the first week of school, but it continues to stack back within 400 ft. of Curtis Parkway. Student pickup time seems to be 18 minutes on a good day. If two traffic officers were not at the intersection stacking would probably occur onto Curtis Parkway as it did the first week of school.

The signal at Curtis Parkway and Laurel will not solve the traffic volume and stacking problem, and could make matters worse. At this time, Linda Lane is used for buses only. Brent Stepp does not want traffic to travel into or through his residential development. Creekview Drive is a wide street and runs into Peters Street and could be an alternate route. Other approaches might include; staggering the time the two schools are let out, a transfer station at Eastside for fourth and fifth graders, putting more traffic onto Linda Lane, Circle Drive, or Jeep Street entrances, and working with Brent Stepp on a new road from Dews Pond to Laurel Lane.

The traffic at Pine Street, Yellow Jacket Drive, and River Street is similar to last year. An officer has to be on hand at Pine Street and River Street. Oothcalooga traffic is much improved from previous years.

3. **Traffic Signals:** The traffic signal at SR 156 and SR 136 Connector (National Guard Armory) will go on line by mid-September 2004. The traffic signal at Curtis Parkway and Peters Street will go on line by mid-October 2004.
4. **Building Permit Applications:** Don, Joey, and Judy are working on building inspection, HVAC, grading, plumbing, pool, sign and soil and erosion applications that do not burden the developer and does not require additional manpower on our part. As you know, the present system is streamlined in that the permit is basically the application. Part of the Whittenburg law suit comments on the lack of an application process. A system should be in place within the next two to three weeks.
5. **Paving List:** Street resurfacing should begin in September 2004. The LARP list includes; Old Dalton Road 0.6 miles, Stewart Drive 0.8 miles, and Riverview Drive 0.4 miles. We will also widen and pave Jolley Road 0.35 miles, and Tracy Street 0.2 miles. If there are other streets you are interested in resurfacing, please advise. The 2005 LARP list has been submitted to GDOT. They are Curtis Parkway from Red Bud Road to Dews Pond Road 0.6 miles, River Street from Oothcalooga Street to SR 53 1.4 miles, Hillcrest Drive from Cherry Hill Drive to Sequoyah Terrace 0.4 miles, Lake Drive from Amakanata Road to Sunset Drive 0.550 mile, and Marine Drive from Old Belwood Road to Union Grove Road 1.4 mile.
6. **Downtown Street Scope:** Valley Crest, the primary contractor for the Downtown Street Scope project, stated they will complete the downtown project within the next two weeks. The remaining issues are; one street lamp, pedestrian cross walk thermoplastic, and certain cleanup. The storm drainage and railroad bore credits have been resolved. The GDOT contract was revised from \$397,000 to \$405,000. The remaining contract funds are \$35,000.
7. **Impact Fees:** Impact Fees was a topic of the fall 2004 Georgia Association of Zoning Administrators in Augusta earlier this month. Impact Fees have been established in Georgia for 15 years, but prior to two years ago only a few municipalities and counties chose to adopt the impact fee system. The increased interest in impact fees is a result of the successful fight by Cherokee County in defense of its Impact Fee Ordinance.
 - Impact Fees can only fund capital facilities (life over 10 years.)
 - Impact Fees are intended to only pay for the burden on infrastructure caused by new growth.
 - It is not a simple task to adopt impact fees. Only the largest governments have the in-house expertise to analyze and determine service area requirements.
 - There must be a Impact Fee Advisory Committee with 40% of the members including representatives from the development, building and real estate industry.
 - The Capital Improvement Element of Calhoun's Comprehensive Plan must list the system improvement.

8. **Haz Mat Equipment:** To date the 'City and County have received approximately \$750,000 in grant-funded equipment and materials. At the present time, another \$400,000 in awarded equipment is being ordered. While this equipment is for hazardous materials and weapons of mass destruction responses, it can be used for any number of everyday situations. Some of the equipment includes; (2) 30 foot enclosed equipment trailers, (1) John Deere Trailgator, (2) pickup trucks, (1) 3/4 ton step van, breathing gear, chemical tester \$60,000, entry suits, decontamination equipment, and various types of fire fighting foams and agents. There is also a long list of smaller equipment. At the present time, the Calhoun Fire Department does not have a building to store and secure this equipment. Part of the State and Federal Agreement is that Calhoun and Gordon County will store and secure the equipment in the appropriate manner. The County has storage areas at their new complex. The City does not have a storage area available. A 40' x 60' metal building would be sufficient. Station #2 at Richardson Road would be the best place for any type of building.
9. **Police Officer Recognition:** Officers Jerry Silvers and Jason Stargell apprehended the two suspects in the robbery/murder last week which occurred at Ginger's Grocery. The officers set up a road block on Harmony Road before the suspects could leave the area.
10. **SPLOST:** The Recreation SPLOST account, which is held by Gordon County, has approximately \$1,040,000 available for disbursement. The Transportation SPLOST account has approximately \$840,000 at the end of August. The next Recreation request will be for lighting the soccer fields at \$175,000 and a tennis complex and refurbishment at \$350,000.
11. **Notes:** Harry Babcock, the owner of the building next to Owens Florist and across from City Hall, has informed the City that his architects will complete renovation design of the building within the next week and he will then begin construction.

The CVS construction, at North Wall Street and Line Street, has begun and will be complete in March or April of 2005.

The 2004 Recreation Soccer and Football registration numbers have surpassed all previous years' participation numbers. Football is 371 (40% City Residents and 60% County Residents) and Soccer is 356 (43% City Residents and 57% County Residents.)

The Vietnam Veterans Traveling Wall, a half size replica of the Washington, DC monument, will be at the Calhoun Recreation facility between October 27 and November 1, 2004. The Calhoun Elks Club has worked on sponsoring this event for the past 16 months.

Kenneth Jones purchased the .70 acre school bus shop property at Pine Street and Yellow Jacket Drive on August 21, 2004 for \$139,500. The property is zoned R-2 and would be non-conforming if used as some type of shop or commercial operation.

**“Exhibit B”
CITY OF CALHOUN
GEORGIA**

RESOLUTION

WHEREAS, Beve Ryberg is the first full-time Main Street Director for the City of Calhoun; and

WHEREAS, Beve Ryberg has been instrumental in many changes and improvements in the downtown area since April 28, 1997; and

WHEREAS, Beve Ryberg took the city’s fee-based membership concept for assistance with funding of programs, and established the Main Street Partnership; and

WHEREAS, Beve Ryberg has coordinated efforts for planning, design, policy setting and budgeting between the Downtown Development Authority and the Main Street Partnership; and

WHEREAS, following approval by the Downtown Development Authority and the Main Street Partnership Boards, Beve Ryberg implemented the following programs and projects:

Programs designed to bring people to the downtown area:

- a. Summer fruit and vegetable sales at the Depot;
- b. Sunny Beach Street;
- c. Breakfast with Santa;
- d. Antique car show and musical entertainment;
- e. Musical evenings at the Depot;
- f. Starry night concerts in the new Downtown Park.

Programs designed to improve the appearance of the downtown area:

- a. Implementation of façade grants to downtown building owners;
- b. Application filed, approved and implemented for a \$460,000.00 Department of Transportation grant for street and sidewalk improvements for a section of the downtown area on Court Street;
- c. Development of plans for similar improvements on Park Avenue and Wall Street;
- d. Assistance with rebuilding of a viable business in the downtown area following the loss of a business due to fire and donation of the property by the owner; and

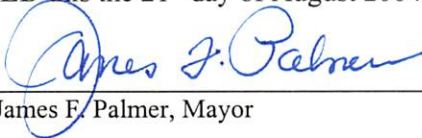
WHEREAS, Beve Ryberg assisted with the development of the Downtown Park following a donation of the property by BB&T; and

WHEREAS, Beve Ryberg booked the first concerts for the Downtown Park that have proven to be most successful;

NOW, THEREFORE, BE IT RESOLVED, the Mayor and Council of the City of Calhoun hereby commend Beve Ryberg for the successful service she has provided as the Main Street Director during the last seven years and four months; and


BE IT FURTHER RESOLVED, the Mayor and Council of the City of Calhoun hereby wish Beve Ryberg and her husband, Tom, many years of happy retirement and relocation to Florida.

ADOPTED this the 21st day of August 2004.



James F. Palmer, Mayor

Lorene Potts, Mayor Pro Tem



ATTEST: Cathy Harrison, City Administrator

“EXHIBIT A”

**OATH OF OFFICE
CITY COUNCIL**

“I, William David Hammond, do solemnly swear (or affirm) that I will truly perform to the best of my abilities the duties of City Councilman, Post 4, by adopting and enforcing such measures as in my judgment shall be best calculated to promote the general welfare of the inhabitants of the City of Calhoun and the common interest thereof.”

This, the 23rd day of August 2004.



William David Hammond