

**CITY OF CALHOUN
REGULAR CITY COUNCIL MEETING
DEPOT COMMUNITY ROOM
109 SOUTH KING ST
JUNE 9, 2014 7:00 P.M.**

MINUTES

PRESENT: James F. Palmer, Mayor
Al Edwards, Mayor Pro Tem
David Hammond, Councilman
Matt Barton, Councilman
George Crowley, Councilman

ALSO: Eddie Peterson, City Administrator; Larry Vickery, Utilities General Manager; Paul Worley, City Clerk; George Govignon, City Attorney; Garry Moss, Police Chief; Jeff Defoor, Director of Electric Utilities; Jerry Crawford, Water and Sewer Director; Dr. Michele Taylor, Calhoun City Schools Superintendent; Don Hood, Finance Director; Tony Swink, Rhoda Washington, and Alvin Long with the Calhoun Board of Education

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. Councilman Hammond made a motion to approve the agenda, Councilman Barton seconded the motion. All voted aye, motion approved.
4. Councilman Barton made a motion to approve the minutes of the May 19, 2014 City Council meeting. Councilman Crowley gave a second with all voting aye, motion approved.
5. **Mayor's Comments:**
 - A. Mayor Palmer reminded the public that the second monthly City Council meeting has been moved from June 23rd to June 16th to allow the Mayor and Council to attend the annual GMA conference.
6. **Council Comments:**
 - A. Mayor Pro Tem Edwards gave the May report as follows:
 - 1) **Electric Department**
 - o Construction continues on the New Gordon County Career Academy.
 - o Construction is nearly complete on the GDOT Red Bud Road project. We are working with other utilities to transfer to the new poles so the old poles can be removed.
 - o Electrical installation continues for the Cherokee Mills Loft Apartment Complex. All Underground Primary wire is installed.

- Installation of Street lighting for West May Street continues and should be completed in June.
- Re-conductoring of primary lines on Park Avenue is complete. Re-conductoring has begun on North 41. This is part of our system reliability improvements, loss reduction and voltage stabilization program.
- Lighting continues on the New Calhoun Middle School Parking lot. Disconnect of the Old High School Power is set for June 9th and this will start the beginning of the demolition phase.
- Electrical Engineering continues as we work with the GDOT for approval of the Exit 312 lighting design.
- The City of Calhoun's Electrical load for May was 37,676,491 kWh.

Work orders in process or completed

- Newly created- 65
- Completed and closed- 46
- Consisting of:
 - Capital construction- 13
 - Street and security lighting-13
 - Distribution Maintenance-10
 - Meter maintenance/replacement- 12
 - New customer meter sets- 13
 - Monthly total system locate tickets processed- 233

2) Telecommunications Departments:

- Continued fiber construction for point-to-point connection for Gordon County School System and started fiber construction for new Internet customer.
- Repaired another main line fiber cut at the intersection of Red Bud Road and Curtis Parkway. These two cuts are directly related to utilities relocation construction to upgrade the interchange at I-75 and Red Bud Road.
- Provisioned new point-to-point circuit for Library.
- Relocated customer Internet connection to new facility.
- Increase customer Internet bandwidth by 15 Meg.
- Continue to work with phone vendor to complete main number port and identifying correct addresses for emergency calls.
- Held a training class on the new phone system for City School Central Office personnel and converted all their phones to the new phone system.
- Opened and closed 18 work orders.

3) Geographic Information Systems:

- In preparation of any future storm or emergency damage assessment situation, the GIS department has created a new mobile application layer for collecting and mapping disaster information. Hopefully, this never has to be used, but the goal is to quickly gather and map data and

put the information in front of the people that make the decisions to speed community recovery.

- Attended the Southeastern User Group Conference in Charlotte, North Carolina.
- Trained Electric Department personnel on setting up circuit maps for outages.
- Updated pre-fire plans for Fire Department.
- Updated fiber mapping for Telecom Department.
- Updated addresses from changes in billing account data.
- Continue to modify water backflow layer and train users.
- Updated City and GIS websites.

4) Downtown Development Authority

- Suzanne Smith will research the legalities of the DDA purchasing the Fox Ford Building with Hotel/Motel Tax funds, event space rental and tenant income as its methods of repayment.
- Suzanne Roland will research methods of financing other than typical bank and RLF, such as One Georgia as another option.
- The DDA will have a field trip to the City Hall fountain area during the July meeting to discuss ideas for improving the area. Suzanne Roland will get some cost estimates to compare regarding removing the fountain, repurposing the fountain with another type water feature, or repurposing without water.

B. Councilman Barton gave the May report as follows:

1) Water, Sewer, and Engineering

- The Brittany Drive Expansion Project- The project is approximately 86% complete.
- Clarifier Mechanism Replacement Project- The new mechanisms and troughs are on site. Installation has begun and will take about thirty days.
- I-75 & Red Bud Road utility relocate- Construction began on November 18th and the project is projected to be completed by August 2014.
- King Street and Pine Street replacement sewers. This project is ready for construction and is scheduled to start on June 9th.
- The design is complete for the flocculation and sedimentation control project at the Mauldin Road Water Treatment Plant. Bid opening was March 4, 2014.
- Coosawattee Intake Screen Replacement- The screens are on site and a pre-construction meeting was held on May 8th. Awaiting lower river flows.
- Water system modeling utilizing our GIS data base- proposals reviewed with CH2MHILL being the best and next to the lowest price.

2) Water Treatment Plant Facility

- Total gallons withdrawn: 308,160,000
- Daily average: 9,940,735

- Wells: 1,330,000
- Big Springs: 139,410,000
- Percent produced by Brittany Drive: 45.7
- Rainfall- 4.94"

3) Waste Water Treatment Plant Facility

- Treated a daily average of 5.765 MGD, with an average BOD effluent of 6, average suspended effluent of 9, and an average COD of 54.

4) Water Distribution

- 4 Water connections, 39 water service leaks repaired, 26 water main leaks repaired, 3 water meters changed out, 2 new fire hydrants installed, 14 water services changed from old 2" galv. line to larger line, 9 yards or roadway edges repaired due to previous work, 70 utility locates called in for work orders, 461 utility locates responded to, and 110 misc. calls
- Replaced old 2" galv. line along Little Pine Drive with 500 feet of 8" ductile iron pipe from Amakanata Road to Little Pine and 880 feet of 6" ductile iron pipe along Little Pine Drive, and installed a new fire hydrant on an 8" line.
- Completed installing 1000 feet of 2" black poly line along both sides of Meadow Ct off Shady Lane to replace old 2" galv. pipe.
- Installed 425 feet of 2" black poly line to end of Herrington Bend Road to catch 2 new water connections.

5) Waste Water Collection

- 2,400' Sanitary Sewer Services TV inspected, 310 utility locates completed, 3 lift station repairs completed, 7,300' sanitary sewer lines cleaned, 74 manholes opened and inspected, 2 new sanitary sewer connections, 6 sanitary sewer services repaired
- Set up sewer by-pass pump at site of sewer main damage at I-75 and Red Bud Road.
- Completed installing new 8" and 6" water lines along Little Pine Drive.

6) Building Inspection Department

- Issued 51 permits for an estimated cost of \$862,740, collected \$6,674 in permit fees. This included 3 new residential, 4 residential remodeling, 3 commercial remodel, 5 residential plumbing, 2 new residential, 1 industrial, and 3 commercial HVAC, 8 residential electrical, 4 commercial electric, 10 sign permits, 3 grading permits, and 150 total inspections.

7) Recreation Department

- **ASA NATIONAL QUALIFIER** – The Calhoun Recreation Department was host to a 57 team ASA National Qualifier May 16-18. 16 & under and 18 & under Girls Fast Pitch teams from across Georgia participated in this event which was played at Calhoun Recreation Department, Sonoraville Recreation Complex and Calhoun High School. During this event the economic impact to the Calhoun-Gordon County is estimated to be \$ 200,070.00.

Partnerships with Gordon County Parks and Recreation Department and Calhoun City Schools assisted in this event being a success for our community. Due to inclement weather Sunday was rained out and 6 teams came back to Calhoun on Sunday, May 25 in order to award berths to teams for the ASA/USA National Championships.

- **TSFA/GEORGIA ELITE FORCE FUND RAISER** – The Georgia Elite Force hosted a team fundraiser on Saturday, May 30. A total of 28 teams participated in their one day tournament with an estimated economic impact of \$54,600.00.
- **YOUTH BASEBALL AND SOFTBALL/ADULT SOFTBALL** – The Spring youth baseball and softball season was completed for the majority of the leagues May 29. A total of 127 games were played in May. There will be 7 Youth All-Star teams that will be participating in the GRPA District All-Star tournaments and 1 all-star team that will be competing in the Dizzy Dean District and State tournament. District tournaments for our all-star teams begin June 20.
- **SWIM** – The Swimming Pool opened to the public on May 24. There were 1,107 visitors to the pool May 24 through May 31. Adult Lap Swim is being offered Monday through Thursday 6:30am – 7:30am.
- Swim Lessons – Infant/Toddlers – Week 1 – 11 participants
- Lifeguard Certification Course – 27 participants
- **BLUE BARRACUDAS SWIM TEAM** – There are 123 boys and girls registered for the Blue Barracudas this summer. The first swim meet for the Barracudas was June 2.
- Website Usage – total visits 1,595

C. Councilman Crowley gave the May report as follows:

1) Police Department

- Made 426 cases with 6 DUI's
- Fines collected by Municipal Court - \$59,465.30
- Issued 742 warnings
- Investigated 62 highway accidents, 38 private property accidents
- Provided 74 escorts
- 1,466 incident reports
- Responded to 249 alarms
- Miles patrolled: 54,354
- Responded to 4,874 calls for service by E-911

2) Municipal Court and Probation

- Total Court cases- 426
- Court cases dropped- 80
- Number of Bond forfeitures- 171
- Number of Probation cases- 46
- Probation Payments- \$21,417
- Probation Revocations- 13
- Failure to appear- 45

- Prisoner transports- 25

3) Fire Department- Suppression

- Responded to 159 calls for service for the suppression division, 6 fire incidents for damages. (\$1,010 in estimated fire damage)
- Responded to 116 medical service calls
- Responded to 3 hazardous conditions incidents
- Responded to 13 false alarms or false calls, 17 good intent
- Continued flow testing and painting all fire hydrants maintained by the City.
- Participated with the Gordon Hospital disaster drill.

Training Division

- Department completed 706 hours of training.
- Training consisted of acting officer in charge class, supervision, physical ability testing, and inspectors attended NFPA 72 class.

4) Fire Inspection Department

- 128 total reported activities/inspections which included 34 annual inspections, 3 new business inspections, 26 requested inspections, 29 follow-up or re-inspections, and 31 consultations
- Conducted fire extinguisher training with on duty personnel at Gordon Health Care with 32 students and at Gordon County Health Department with 22 students.

D. Councilman Hammond gave the May report as follows:

1) Street Department

- Completed 23 shop and 8 street department work orders.
- Placed 8 new street signs.
- Inspected and maintained 103 miles of streets and storm drainage.
- Replaced a 20 foot by 14 foot section of sidewalk at the Depot.
- Repaired utility cuts and pot holes around town using 18 tons of asphalt.
- Paved East May Street from Linda Lane to Peters Street using 668.42 tons of asphalt.
- Councilman Hammond stated that the engineering for the Peter Street project, a \$4 million dollar joint City County project, is approximately 85% complete. The project is being divided into four phases which will include road improvements, curb/gutter, and sidewalks. Studies are currently underway for intersection improvements at Peters Street and East May Street. The three options being reviewed for feasibility and cost estimates are four way stop signs, red light with turn lanes, and a round-about.

2) Cemetery Department

- Performed routine maintenance on Fain and Chandler Cemetery.
- Supervised the opening and closing of 13 grave sites.

- Sold 19 new grave spaces.
- Worked 13 grave sites.

3) Animal Control

- Housed 31 dogs, and 10 cats
- Number of dogs adopted: 13
- Number of cats adopted: 6
- Number of dogs reclaimed by owner: 7
- Number of dogs euthanized: 3
- Number of cats euthanized: 2
- Number of warnings given: 12
- Number of bite cases: 1
- Citations issues: 2
- Number of inquiries: 46

4) Parks Department

- The Parks Department grounds crew picked up litter, hauled garbage to the dump, books from the library and maintained records at records room.
- Mowed and weedeated approximately 19 miles of sidewalk, 29 islands, and 42 other designated places in the City.
- The building and maintenance crew performed routine maintenance on designed city buildings and all fountains.
- Replaced banner on downtown light poles.
- Welded and painted hand rails on sidewalks.
- Planted flowers in downtown islands, City Hall, and at the Depot.

5) Safety Committee

- Safety topic- Seat belt safety
- Safety Inspection- Fire Department
- Vehicle Accidents: 1- meter reader
- Workers Compensation: 2- police; 1- street department; 1- water/sewer maintenance; 1- water construction

6) Northwest Georgia Regional Commission

- Councilman Hammond discussed that the Regional Commission (RC) oversees 15 counties in Northwest Georgia that helps to reallocate federal dollars to various programs that benefit the citizens such as meals on wheels, workforce training, and community planning. Councilman Hammond stated that the RC met two weeks ago and hosted State Representatives Phil Gingrey and Jack Kingston. Representative Kingston will be in a runoff with David Purdue on July 22nd. Also, Councilman Hammond attended a Peach State Whistle-Stop Safety Train event that was provided by Norfolk Southern and Operation Lifesaver. The event included elected officials and public safety members to ride aboard a special safety train to learn about highway-railroad crossings and pedestrian safety.

- Councilman Hammond announced that Northwest Georgia was among 12 regions named in the U.S. Commerce Department's "Investing in Manufacturing Communities Partnership." The U.S. Commerce Department-led program is designed to accelerate the resurgence of manufacturing in communities nationwide by supporting the development of long-term economic development strategies that help communities attract and expand private investment in the manufacturing sector and increase international trade and exports.

7) Tom B. David Airport

- The engineering plans to build a parallel taxiway to increase frequency of landing and takeoffs is coming to completion and land acquisition is in the final stages. The airport is the 7th largest permanent based aircraft airport in Georgia.
- The airport is finalizing a 10 year contract with the Life Force helicopter.

7. Public Hearings and Comments:

A. Mayor Palmer opened a public hearing for the City's annual operating budget and capital plan for the fiscal year July 1, 2014 through June 30, 2015.

- City Administrator Peterson gave an overview of the general government proposed budget. Starting on the revenue side we are proposing to maintain the current 1.98 millage rate, which is one of the lowest millage rates in the state. The tax digest should grow by two percent according to the Gordon County Tax Assessor's Office. Total revenues for the general fund stand at \$13,431,007, which includes some state funds such as \$400,000 for Streetscape phase IV, state paving funds, and library funds. The revenues from the state are accounted for on the expense side as well and are not a part of the day to day operations. Taking that into consideration the day to day operational budget for the general fund is around \$12.8 million. On the expense side one of the big factors is the group health insurance increase was 5.5% instead of a 20% increase. The City has added an additional employee to the animal control department during this current year and that will continue in the proposed budget. Also, there are funds for the addition of a resource officer for Calhoun City Schools, which will be funded jointly by the City and the City Schools. Mr. Peterson continued to review each individual department's expense budget proposals. The proposed budget's revenues and expenditures are balanced.
- Mayor Palmer asked for public comments and Laura Dobson asked to speak. Mrs. Dobson spoke concerning the proposed animal control budget and requested certain changes to help improve adoption rates and thereby reduce the euthanization rate. Mrs. Dobson asked for all medical care such as spay/neuter, shots, and wormer be given to every animal up front to help improve adoption rates. Also requested were more dollars allocated for travel and education to A grade shelters. Councilman Hammond stated that the City definitely has a goal of having a low-kill shelter and has made many improvements to reach that goal. Mayor Palmer stated that the proposed

budget has a 106% increase in animal control, which is indicative of the City's commitment to improving the department. There were 13 adoptions in May and another month this year there were 20 adoptions. Mayor Palmer thanked Mrs. Dobson for her comments and stated they would review her suggestions and proposal.

- There were no further comments and the public hearing for the General Government budget was closed.
- General Manager Vickery gave an overview of Calhoun Utilities proposed budget. The current budget proposal does not include any transfers and each budget is balanced. Also, some of the projects budgeted are paid for through a GEFA loan with a low interest rate to help fund important infrastructure needs. If you do not include the GEFA projects the overall water and sewer fund budgets are lower than the current year. Some GEFA loan project opportunities include King Street Sewer replacement, I-75 utility relocation, Mauldin Road Water Plant rehabilitation, and acceleration of the galvanized pipe replacement. The electric fund is balanced and has projects that include Streetscape IV lighting and also the lighting of exit 312, I-75 interchange. The Telecommunications fund is higher this year due to increased revenues from new services. The utility administration budget includes some adjustments and overall the utility budgets are balanced. There are also some capital equipment needs that will be purchased out of the 2011 SPLOST according to the referendum. Mr. Vickery stated that there was a last installment of a 3% minimum increase built into the proposed budget and there was also a recommendation to implement a 3% water and 3% sewer rate increase for each of the next three years. The rate increase revenue will be used repay the GEFA loans and debt obligations.
- Mayor Palmer asked for public comments on the proposed budget.
- There were no further comments and the public hearing for the Utility budget was closed.
- Calhoun City School Board Member Rhoda Washington reviewed some of the accomplishments of the City school system and also recognized Dr. Taylor for being selected as the State of Georgia Superintendent of the Year. Dr. Taylor was also a finalist for the National Superintendent of the Year. Many accomplishments were discussed such as being awarded the National Blue Ribbon Award in 2011 and CHS's graduation rate is 91.7% which is well above the state average. Calhoun has one of the lowest millage rates to support the local school system as compared to others in Northwest Georgia. Calhoun also has one of the lowest dollar expenditures per student in the region and at the same time able to achieve excellent student achievement. Calhoun City School Superintendent Michelle Taylor reviewed the budget proposal which includes a return to a full school calendar of 180 instruction days and 190 days for teachers in the upcoming school year. Some teacher positions are also being added due to growth in student numbers. Over the last few years, the school system has had a large reduction in work force and delayed various capital expenditures. Finance Director Don Hood discussed the federal, state, and local funding for the school system. Local revenues account for about 43% of the budget. State austerity cuts have cost the school system around \$13 million since 2003.

The proposed budget includes \$28,235,484 in expenditures and \$12,120,836 in revenues. Mr. Hood and Dr. Taylor also updated the Mayor and Council on the progression of the new middle school complex and aquatic center.

- There were no further comments and Mayor Palmer closed the public hearing on the Calhoun City School Board proposed budget.
- Mayor Palmer stated that the proposed budgets will be scheduled for a vote on June 16th.

8. Old Business: None

9. New Business:

- A. General Manager Vickery discussed the Municipal Electric Authority of Georgia (MEAG) Power Plant Vogtle Units 3 and 4 Amended and Restated Power Sales Contracts. Mr. Vickery stated that Pete Degnan, MEAG in house attorney and Jim Fuller, VP of Finance were in attendance at the noon work session to give expert opinions on the MEAG Power agenda item. The amended documents incorporate the changes necessary to allow MEAG to complete the U.S. Department of Energy loan guarantee financing, which will significantly reduce the financing costs of the nuclear power plant. Attorney Govignon stated he had reviewed the contract and made some suggested changes to the resolution, but was now ready to sign. Councilman Hammond made a motion to move forward with the Plant Vogtle Units 3 and 4 Amended and Restated Power Sales Contracts. Councilman Crowley gave a second with all voting aye, motion approved. (Resolution attached) (MEAG summary memo attached)
- B. Georgetta Frazier representing the Harris Art Center and the Roland Hayes Museum gave a presentation to seek petition support for a Roland Hayes Commemorative Stamp. The main goal of the Hayes Committee is to send 1,000 or more signed petitions to the U.S. Postal Service urging that a commemorative stamp be issued with Hayes' likeness. The Mayor and Council voiced their support of the Hayes Committee with each signing the petition and encouraged others to also participate in the worth cause.
- C. Mayor Palmer conducted the first reading of a taxicab regulatory license application for Hermelindo J. Davila Gonzalez D/B/A: Taxi Chapin at a location of 1116 South Wall Street. Councilman Crowley made a motion to set the public hearing for July 14th. Councilman Barton gave a second with all voting aye, motion approved.
- D. Mayor Palmer conducted the first reading of an annexation and zoning of R-1B for 0.65 acres at a location of 601 Linda Lane for Willbeam Properties, LLC. The ZAB meeting will be on July 10th and the public hearing will be on July 14th.
- E. Mayor Palmer conducted the first reading of variance requests by Harold Blalock and Caroline Pitts at a location of 139 Evergreen Place. The first variance request is for a 1,926 square feet variance on the proposed garage building. The second variance request is for a 15' variance from the required 20' rear setback. The ZAB will meet on July 10th and the public hearing will be on July 14th.
- F. Administrator Peterson reviewed the 3rd quarter General Government and special funds financial reports and Budget Amendment #1 for fiscal year 2014. Actual revenues through March 31, 2014 for the general fund came in at or above

projections. Property taxes were above projection at 108%. Actual expenditures came in at or below budgeted amounts for most departments. Budget amendment #1 included items such as an intoxilizer grant, DDA electric work orders, road safety stripping grant, and traffic light improvements at Pine Street and River Street. Administrator Peterson recommended the approval of the 3rd quarter financial statements and budget amendment #1 as presented. Councilman Hammond made a motion to approve the financial statements and budget amendment as presented. Councilman Barton gave a second with all voting aye, motion approved. (financial statements and budget amendment attached)

3rd quarter financial statements were also submitted for the electric, water/sewer, telecommunications, and utility internal service fund and reviewed by General Manager Vickery. Mr. Vickery stated that the funds were on track in both revenues and expenses through the third quarter and recommended approval as presented. Councilman Crowley made a motion to approve the Utility 3rd quarter financial statements. Councilman Barton gave a second with all voting aye, motion approved. (financial statements attached)

- G. Mayor Palmer read a recommendation of award to Tencarva Machinery Company in the amount of \$104,916 for the Coosawattee Intake Raw Water Pump, replacing a pump that is over 30 years old. The recommendation was submitted by the consulting engineers Peoples & Quigley, Inc. The bid was \$15,000 below the estimated cost. Councilman Barton made a motion to award the bid to Tencarva Machinery Company. Councilman Crowley gave a second with all voting aye, motion approved.
- H. Mayor Palmer conducted the first reading of a taxicab regulatory license application for Gustavo Ayala Bombela D/B/A: Taxi Aztlan at a location of 235 West Line Street Suite 7. Councilman Crowley made a motion to set the public hearing for July 14th. Councilman Barton gave a second with all voting aye, motion approved.


10. **Other written items not on the agenda:** None

11. **Work Reports:**

- A. City Administrator Peterson
- B. General Manager Vickery
- C. City Attorney Govignon

12. Councilman Barton made a motion to adjourn. The motion was seconded by Councilman Hammond with all voting aye, motion approved.

Approved:



James F. Palmer, Mayor

Submitted:



Paul Worley, City Clerk

**A RESOLUTION FOR THE CITY OF CALHOUN
AUTHORIZING THE EXECUTION AND DELIVERY
OF CERTAIN AMENDED AND RESTATED POWER SALES CONTRACTS
RESPECTING THE PLANT VOGTLE ADDITIONAL UNITS;
AND FOR OTHER PURPOSES**

WHEREAS the CITY OF CALHOUN (hereinafter "CITY") is a Participant of the Municipal Electric Authority of Georgia (hereinafter "MEAG Power"); and

WHEREAS the CITY is party to certain power sale contracts to support the construction of additional nuclear units for Plant Vogtle, to wit: (1) a certain Plant Vogtle Additional Units Non-PPA Power Sales Contract (hereinafter "Non-PPA Contract"); (2) a certain Plant Vogtle Additional Units PPA Power Sales Contract (hereinafter "PPA Contract"); and (3) a certain Plant Vogtle Additional Units PPA-2 Powers Sales Contract (hereinafter "PPA-2 Contract," and together with the Non-PPA Contract and the PPA Contract, hereinafter "the Contracts") with MEAG Power; and

WHEREAS the original versions of these Contracts have been previously approved by the Mayor and Council for the CITY, and each of the aforementioned contracts being dated as of June 15, 2008; and

WHEREAS the Contracts, along with substantially similar contracts between MEAG Power and certain other Participants, and the bonds and bond resolutions related thereto were validated in the Superior Court of Fulton County, Georgia in Civil Action File Nos. 2008CV159297 and 2009CV179503; and

WHEREAS the CITY and MEAG Power desire to amend the Contracts, and have caused

certain amendments and restatements thereof to be prepared (hereinafter "the Amendments"), to accommodate, among other things, the Department of Energy (DOE) Guaranteed Loan (as defined in the Amendments) in order to effect lower financing costs for the Plant Vogtle Additional Units Non-PPA Project, the Plant Vogtle Additional Units PPA Project and the Plant Vogtle Additional Units PPA-2 Project, drafts of which are attached hereto as Exhibits A, B and C respectively; and

WHEREAS the Amendments are intended to allow for a significant savings associated with the debt service for approximately \$1.8 billion of additional construction funding through lending with the Department of Energy that also protect the ownership and investment interests for the CITY while participating collectively with other municipalities through MEAG Power in this continued endeavor; and

WHEREAS the Amendments allow for the creation of three limited liability companies, referred to as Special Purpose Vehicles, to further protect the ownership and investment interests for the CITY while participating collectively with other municipalities through MEAG Power in this continued endeavor and protect the municipal government's interest against possible foreclosure that might be caused by other participants such as Jacksonville Electrical Authority and Power South; and

WHEREAS the Amendments call for an extension of the 2008 Contracts to permit and extension of the original term of 50 years as permitted by the Georgia Supreme Court in *City of Cartersville v. MEAG*, 277 Gab 575 (2004) and the requirements of Article IX, Sec. III, Paragraph I(a) of the Constitution for the State of Georgia;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL that the Mayor ("Authorized Official") is hereby authorized and directed to execute, and the Clerk, or

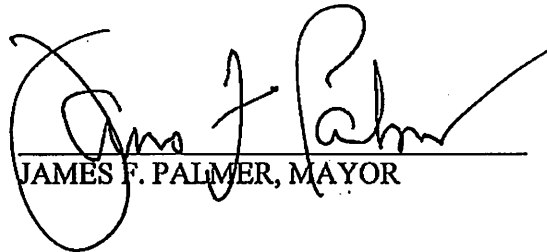
any Assistance Clerk, is hereby authorized to attest and deliver the Amendments, in substantially the forms thereof attached hereto, with such changes thereto as the Authorized Official deems necessary or appropriate, including changes requested by DOE (as defined in the Amendments) in connection with the DOE Guaranteed Loan, the execution of the Amendments by the Authorized Official being conclusive evidence of the approval of such changes; and

FURTHER RESOLVED that the City hereby authorizes the Mayor and the Clerk, or any Assistance Clerk, to take any further actions and execute and deliver any other documents necessary to carry out the purpose of this Resolution, as amended from time to time, including, but not limited to, executing all documents necessary for validation and confirmation of the Amendments and other matters respecting the DOE Guaranteed Loan.

This 9th day of June, 2014.

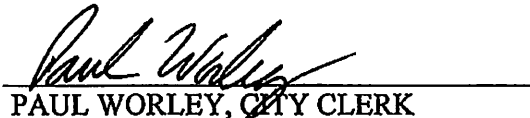
THE CITY OF CALHOUN, GEORGIA

BY:



JAMES F. PALMER, MAYOR

ATTEST:



PAUL WORLEY, CITY CLERK



To: MEAG Power Vogtle Expansion Participants
From: Bob Johnston
Date: May 15, 2014
Subject: Plant Vogtle Units 3 and 4 Amended and Restated Power Sales Contracts

Attached are the Amended and Restated Power Sales Contracts with respect to your participation in the Plant Vogtle 3 and 4 expansion units. These amended documents incorporate the changes necessary to allow us to complete the DOE loan guarantee financing, which in turn will significantly reduce the cost of our completion financing for these units.

One of our key objectives in negotiating the DOE loan guarantee was to maintain separate financing (without any pledging of assets across Projects) for Projects M, J and P. This was particularly challenging because the DOE regulations require that any Borrower provide a first priority lien of the asset being financed by a DOE loan guarantee. In order to avoid MEAG being required to pledge its entire ownership interest in the expansion units as collateral for each of the individual loan guarantees, we negotiated a structure where MEAG will create three special purpose entities (SPV) (each a Georgia limited liability corporation wholly owned and managed by MEAG). We will then transfer a proportionate share of our ownership interest to each SPV and the SPV, not MEAG, will be the DOE Borrower pledging only its ownership interest as collateral for its loan.

In order to accomplish the foregoing restructuring, the Amended and Restated Power Sales Contracts include the following additional provisions;

- (1) MEAG will purchase the power from each SPV and then sell the power to each Participant. Importantly, there will be no change to your existing entitlement or cost share obligation.
- (2) The contract provisions pertaining to the structure and payment obligations with respect to bond financing have been amended so that these provisions also incorporate the DOE loan guarantee financing. And,
- (3) The contract term has been extended by an additional 6 years (50 years from now) in order to allow financing over the 40 year operating license of each unit based on the current planned commercial operation dates of each unit.

Municipal Electric Authority of Georgia
1470 Riveredge Parkway NW
Atlanta, Georgia 30328-4686

1-800-333-MEAG 770-563-0300

Importantly, if for any reason we ultimately elect not to close the DOE loan guarantee all of these proposed changes to the Project structure – except for the term extension – will be rendered void and of no force or effect.

We were also successful in negotiating a “Standstill Agreement” with the DOE which provides that in the event of a monetary default by JEA or Power South with respect to Projects J and P, DOE cannot exercise its foreclosure rights until after the expiration of the term of the Projects J and P Amended and Restated Power Sales Contracts. This is a substantial concession on the part of DOE which it has not made to any other Borrower.

The DOE loan guarantee financing is projected to provide savings of hundreds of millions of dollars to the Projects based on current interest rates. If we move quickly we can take advantage of current favorable interest rates and capture these benefits. The entire MEAG staff is available to assist in your review and consideration of these documents so please feel free to contact us if we can be of any assistance.

City of Calhoun
GENERAL FUND
Budget to Actual Report - Modified Accrual Basis
For the Nine Months Ended March 31, 2014

Revenues	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	% USED
Property Tax & Intangibles	(1,472,150)	(1,472,150)	(1,588,782)	108%
Franchise Tax	(2,126,171)	(2,126,171)	(1,614,128)	76%
Local Option Sales Tax	(2,443,641)	(2,443,641)	(1,733,110)	71%
Excise Taxes	(2,159,800)	(2,159,800)	(1,810,218)	84%
Licenses & Permits	(205,100)	(205,100)	(339,698)	166%
Intergovernmental	(502,802)	(502,802)	(296,909)	59%
Charges for Services	(387,131)	(387,131)	(309,674)	80%
Fines and Forfeitures	(515,880)	(515,880)	(398,102)	77%
Interest	(4,500)	(4,500)	(2,710)	60%
Rents/ Royalties	(2,931,774)	(2,931,774)	(2,187,133)	75%
Other Revenues	(3,550)	(3,550)	(3,992)	112%
Total Revenues	<u>(12,752,499)</u>	<u>(12,752,499)</u>	<u>(10,284,456)</u>	
Expenditures				
Mayor and Council	230,402	230,402	113,902	49%
Elections	5,200	5,200	1,942	37%
City Administrator	657,620	712,620	515,047	72%
Tax Administrator	75,801	75,801	52,642	69%
General Teller	54,927	54,927	42,346	77%
Human Resources	140,235	140,235	106,050	76%
Risk Management	5,250	5,250	445	8%
General Admin	<u>1,169,435</u>	<u>1,224,435</u>	<u>832,374</u>	
Municipal Court	308,777	308,777	204,949	66%
Probation	138,899	138,899	101,179	73%
Custody of Prisoners	76,500	76,500	63,379	83%
Court Services	<u>524,176</u>	<u>524,176</u>	<u>369,507</u>	
Welfare Related	69,401	69,401	41,643	60%
Auditorium	213	213	81	38%
Depot	28,044	28,044	20,030	71%
Community Center	6,357	6,357	4,986	78%
Library	324,672	324,672	185,020	57%
Community Services	<u>428,687</u>	<u>428,687</u>	<u>251,760</u>	
Regulatory Inspections and Enforcement	279,090	279,090	213,729	77%
Downtown Development	106,688	106,688	90,591	85%
Airport	226,039	226,039	167,314	74%
Community Development	<u>611,817</u>	<u>611,817</u>	<u>471,634</u>	
Police Administration	359,911	359,407	276,288	77%
Detectives	563,010	561,510	428,858	76%
Patrol	2,373,489	2,376,243	1,798,472	76%
Special Operations	332,886	332,136	234,395	71%
Police Dispatching	108,312	108,312	81,761	75%
Police Department	<u>3,737,608</u>	<u>3,737,608</u>	<u>2,819,774</u>	

	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	% USED
Fire Administration	189,747	190,473	148,401	78%
Firefighting	2,593,026	2,599,937	1,985,700	76%
Fire Inspection	145,028	145,028	109,433	75%
Fire Training Center	91,137	95,000	68,745	72%
Fire Dispatching	54,156	54,156	40,881	75%
Fire Stations and Buildings	40,000	28,500	15,020	53%
Fire Debt Service	175,913	175,913	131,935	75%
Fire Department	3,289,007	3,289,007	2,500,115	
Animal Control	80,076	80,076	53,474	67%
Highways & Streets Admin.	111,063	111,258	115,278	104%
Highways & Streets	1,150,125	1,148,430	848,559	74%
Street Cleaning	93,492	94,992	67,845	71%
Street Lighting	187,216	187,216	136,533	73%
Traffic Engineering	263,745	263,745	283,739	108%
Maintenance and Parks	332,588	332,588	246,743	74%
Cemetery	172,838	172,838	130,016	75%
Parks Beautification	4,600	4,600	3,622	79%
Public Works	2,395,743	2,395,743	1,885,809	
Total Expenditures	12,156,473	12,211,473	9,130,973	
Excess of Revenues (Over) Under Expenditures	(596,026)	(541,026)	(1,153,483)	
Other Financing Sources (Uses)				
Transfer in	(72,204)	(72,204)	(86,057)	119%
Sale of Assets	(102,500)	(102,500)	(37,791)	37%
Proceeds from insurance reimbursement	-	-	(4,640)	0%
Transfer out	770,730	770,730	665,498	86%
Fund balance transfers	-	(55,000)	-	0%
Net Change in Fund Balance	\$ -	\$ -	\$ (616,473)	

City of Calhoun
Budget to Actual Report- Modified Accrual Basis
SPECIAL FUNDS-GENERAL GOVERNMENT
For the Nine Months Ended March 31, 2014

SPECIAL FUNDS	BUDGET	ACTUAL REVENUES	% USED	ACTUAL EXPENDI- TURES/ EXPENSES	% USED	NET CHANGE IN FUND BALANCE/ NET (INCOME) LOSS
UDAG	\$ (24,090)	\$ (23,717)	98.5%	\$ 2,500	10.4%	\$ (21,217)
Confiscated Assets	(6,600)	(8,860)	134.2%	55,802	845.5%	46,942
Hotel-Motel	(452,000)	(285,064)	63.1%	285,064	63.1%	-
Recreation	(1,004,287)	(752,550)	74.9%	653,585	65.1%	(98,965)
<i>Program Revenues</i>	(618,013)	(462,845)	74.9%			
<i>Gen Fund Transfers</i>	(386,274)	(289,706)	75.0%			
SPLOST 2011	(1,763,856)	(1,717,334)	97.4%	1,147,447	65.1%	(569,887)
SPLOST 2005	(10,000)	(9,043)	90.4%	216,509	2165.1%	207,466
2012 School Bond Const.	-	(1,609)	-	6,096,341	-	6,094,732
SPLOST Debt Svc. - Schools	(3,842,464)	(2,997,191)	78.0%	2,296,280	59.8%	(700,911)
Golf G. O. Debt	(371,456)	(371,456)	100.0%	343,324	92.4%	(28,132)
Golf Fund	(826,411)	(384,859)	46.6%	512,655	62.0%	127,796
Solid Waste	(715,000)	(557,230)	77.9%	476,696	66.7%	(80,534)
					0.0%	
School Tax	-	(12,618)	-	-	-	(12,618)
Municipal Court	(785,000)	(650,633)	82.9%	618,154	78.7%	(32,479)
Cherokee Loft Mills	-	(503,805)	-	493,878	-	(9,927)
Totals	\$ (9,801,164)	\$ (8,275,969)		\$ 13,198,235		\$ 4,922,266

City of Calhoun
ELECTRIC FUND

Budget to Actual Report - Modified Accrual Basis
For the Nine Months Ended March 31, 2014

OPERATING REVENUES	BUDGET	ACTUAL	% USED
Sales	\$ (36,905,165)	\$ (28,539,422)	77.3%
MEAG Year End Settlement	(300,000)	-	0.0%
Rent/Other	(24,200)	(19,400)	80.2%
Late Penalties	(140,000)	(114,542)	81.8%
Pole Rental	(110,000)	(166,000)	150.9%
Miscellaneous	(73,400)	(124,144)	169.1%
Total Operating Revenues	<u>(37,552,765)</u>	<u>(28,963,507)</u>	77.1%
OPERATING EXPENSES			
Personal Services	1,270,440	951,614	74.9%
Contractual Services	3,627,264	2,687,344	74.1%
Supplies	30,968,178	23,168,088	74.8%
Other	718,656	342,480	47.7%
Total Operating Expenses	<u>36,584,538</u>	<u>27,149,526</u>	74.2%
Net Operating Income	(968,227)	(1,813,981)	
NON-OPERATING REVENUES & EXPENSES:			
Interest Revenue	(102,000)	(124,751)	122.3%
Interest Revenue Interfund	(27,239)	(17,036)	62.5%
Capital Expense	1,052,000	262,861	25.0%
Sale of Assets	(1,000)	-	-
Meag Trust Account	(300,000)	(268,781)	89.6%
Transfers Out	375,666	40,755	10.8%
Transfers In	(29,200)	(532)	1.8%
Total Non-operating Revenues & Expenses	<u>968,227</u>	<u>(107,483)</u>	-11.1%
NET INCOME	<u>\$ -</u>	<u>\$ (1,921,464)</u>	

City of Calhoun
WATER & SEWER DEPARTMENT
 Budget to Actual Report - Modified Accrual Basis
 For the Nine Months Ended March 31, 2014

OPERATING REVENUES	BUDGET	ACTUAL	% USED
Sales	\$ (15,051,730)	\$ (10,874,240)	72.2%
Cost Recovery/Install	(123,500)	(250,890)	203.1%
Late Penalties	(132,000)	(102,175)	77.4%
Permits / Fees / Fines	(36,500)	(42,413)	116.2%
Sprinkler Charges	(280,000)	(221,474)	79.1%
Other	(154,300)	(112,655)	73.0%
Total Operating Revenues	<u>(15,778,030)</u>	<u>(11,603,847)</u>	73.5%
OPERATING EXPENSES			
Personal Services	3,570,775	2,573,978	72.1%
Contractual Services	2,381,612	1,603,049	67.3%
Supplies	3,635,225	2,437,248	67.0%
Other	2,429,803	1,503,179	61.9%
Total Operating Expenses	<u>12,017,415</u>	<u>8,117,454</u>	67.5%
Net Operating Income	(3,760,615)	(3,486,393)	
NON-OPERATING REVENUES & EXPENSES:			
Interest Revenue	(12,000)	(5,514)	46.0%
Interest Expense	572,676	354,611	61.9%
Principal Expense	1,962,577	426,329	21.7%
Capital Expense	6,660,942	2,044,071	30.7%
Transfers Out	1,193,916	6,372	0.5%
Transfers In	(1,004,554)	(18,537)	1.8%
Intergovernmental Revenue	(5,612,942)	(925,308)	16.5%
Total Non-operating Revenues & Expenses	<u>3,760,615</u>	<u>1,882,024</u>	50.0%
NET INCOME	<u>\$ -</u>	<u>\$ (1,604,369)</u>	

City of Calhoun
TELECOMMUNICATIONS FUND
 Budget to Actual Report-Modified Accrual Basis
 For the Nine Months Ended March 31, 2014

OPERATING REVENUES	BUDGET	ACTUAL	% USED
Sales	\$ (1,074,569)	\$ (848,193)	78.9%
Late Penalties	(5,000)	(3,790)	75.8%
Miscellaneous	<u>-</u>	<u>(1,294)</u>	<u>-</u>
Total Operating Revenues	<u>(1,079,569)</u>	<u>(853,277)</u>	79.0%
OPERATING EXPENSES			
Personal Services	295,234	215,615	73.0%
Contractual Services	326,639	222,856	68.2%
Supplies	83,150	71,226	85.7%
Other	<u>158,626</u>	<u>132,715</u>	<u>83.7%</u>
Total Operating Expenses	<u>863,649</u>	<u>642,412</u>	74.4%
Net Operating Income	(215,920)	(210,865)	
NON-OPERATING REVENUES & EXPENSES:			
Interest Revenue	(1,500)	(694)	46.3%
Interest Expense	10,215	7,762	76.0%
Principal Expense	107,680	80,659	74.9%
Capital Expense	90,000	72,013	80.0%
Transfers Out	9,525	-	0.0%
Transfers In	<u>-</u>	<u>(6,372)</u>	<u>-</u>
Total Non-operating Revenues & Expenses	<u>215,920</u>	<u>153,368</u>	71.0%
NET INCOME	<u>\$ -</u>	<u>\$ (57,497)</u>	

City of Calhoun
UTILITY INTERNAL SERVICE FUND
 Budget to Actual Report - Modified Accrual Basis
 For the Nine Months Ended March 31, 2014

OPERATING REVENUES	BUDGET	ACTUAL	% USED
Indirect Cost Allocations - Service Fees - General	\$ (453,656)	\$ (340,242)	75.0%
Indirect Cost Allocations - Service Fees - Utilities	(2,427,688)	(1,816,017)	74.8%
Miscellaneous	<u>(39,600)</u>	<u>(31,651)</u>	79.9%
Total Operating Revenues	<u>(2,920,944)</u>	<u>(2,187,909)</u>	74.9%
OPERATING EXPENSES			
Utilities Administration	416,119	327,594	78.7%
Finance	617,766	456,541	73.9%
Utility Tellers	180,649	138,695	76.8%
Purchasing	110,925	80,837	72.9%
Engineering	465,150	327,076	70.3%
Work Order Dispatch	47,571	35,934	75.5%
GIS	188,050	141,296	75.1%
Customer Service	192,609	151,343	78.6%
Meter Reading	280,147	231,548	82.7%
Billing	<u>261,028</u>	<u>198,148</u>	75.9%
Total Operating Expenses	<u>2,760,014</u>	<u>2,089,012</u>	75.7%
Net Income Before Non-operating Items	(160,930)	(98,899)	
NON-OPERATING REVENUES & EXPENSES:			
Interest Revenue	-	(283)	-
Principal Expense	71,633	53,658	74.9%
Interest Expense	8,697	6,590	75.8%
Capital Expense	41,000	62,798	153.2%
Transfers In	-	(2,494)	-
Transfers Out	<u>39,600</u>	<u>29,700</u>	75.0%
Total Non-Operating Revenues & Expenses	<u>160,930</u>	<u>149,969</u>	93.2%
NET LOSS	<u>\$ -</u>	<u>\$ 51,070</u>	

City of Calhoun
Amendment for 3rd Qtr. FY14

General Fund			Original	Revised	Budget	Amended
#1			Budget	Budget	Amendment	Budget
1323223	531600	SU-SMALL EQUIPMENT	\$ 3,000	\$ 9,880	\$ 7,998	\$ 17,878
1000000	334113	IG-HIGHWAY SAFETY	-	-	(7,998)	(7,998)
1107550	522200	SV-REPAIR AND MAINTENANCE DEPARTMENT	5,000	5,000	7,530	12,530
1000000	391126	TR-TRANSFER-IN-UTILITIES LABOR AND EQUIPMENT	(12,000)	(12,000)	(7,530)	(19,530)
1353570	531142	SU-SUPPLIES-REPAIR AND MAINTENANCE-BUILDING	20,000	8,500	11,500	20,000
1404210	542200-203	C0-VEHICLE	-	-	28,991	28,991
1404225	578001	OC-DAMAGES TO OTHERS PROPERTY	-	-	1,000	1,000
1404270	522204-205	SV-REPAIR AND MAINTENANCE-SYSTEM	-	-	78,890	78,890
1404270	531100	SU-GEN SUPPLIES	-	-	13,100	13,100
1404950	523850	SV-CONTRACT LABOR	-	-	2,531	2,531
1103226	522340	SV-INMATE HOUSING	75,000	75,000	35,400	110,400
1000000	334311-205	IG-HIGHWAY SAFETY-STRIPPING GRANT	-	-	(78,890)	(78,890)
1000000	321340	RF-ELECTRICAL INSPECTION	(8,000)	(8,000)	(7,908)	(15,908)
1000000	322111	RF-BUILDING PERMITS	(32,000)	(32,000)	(84,614)	(116,614)
					\$ -	

Budget Amendment #1 accounts for a grant for two intoxilizers for the police department and a grant for striping for the street department. In addition, the fire department and street department both purchased a new vehicle by selling assets on Gov Deals that they no longer use. Also, the street department needed a budget amendment to account for an accident insurance deductible, moving a body to a different location at the cemetery and traffic light improvements for the High School at River Street and Pine Street. Inmate housing was up for the fiscal year due to sending more probationers to jail for breaking probation. Lastly, internal work done at the Depot was more than anticipated and transfers in from the Electric Dept. were used to pay for them.

#2			Original	Revised	Budget	Amended
			Budget	Budget	Amendment	Budget
2103200	542200	CONF-CO-VEHICLES	\$ -	\$ -	\$ 51,000	\$ 51,000
2103200	351110	SUPERIOR COURT AWARDS	(1,500)	(1,500)	(10,594)	(12,094)
2103200	392101	GAIN ON SALE OF ASSETS(NON-TAXABLE)	-	(5,000)	(3,302)	(8,302)
2103200	399000	APPROPRIATION-FUND BALANCE	-	-	(34,862)	(34,862)
2103200	337004	SHARED REV-FED EQUITABLE	-	-	(2,242)	(2,242)
					\$ -	

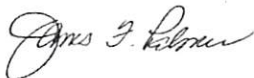
Budget Amendment #2 is to account for funds spent on the purchase of two new vehicles for Special Operations Department from Confiscated Assets.

#3			Original	Revised	Budget	Amended
			Budget	Budget	Amendment	Budget
5404585	522202	CONF-CO-VEHICLES	\$ -	\$ 13,177	\$ 11,604	\$ 24,781
5400000	344108	SV-GARBAGE PICKUP-RESIDENTIAL	(616,500)	(616,500)	(11,604)	(628,104)
					\$ -	

Budget Amendment #3 is to account for a vehicle accident in the Solid Waste Department.

ADOPTED this 9th day of June, 2014

City of Calhoun, Georgia



James F. Palmer, Mayor

Attest:



Eddie Peterson, City Administrator