

**CITY OF CALHOUN  
REGULAR CITY COUNCIL MEETING  
DEPOT COMMUNITY ROOM  
109 SOUTH KING ST  
JUNE 10, 2013 7:00 P.M.**

**MINUTES**

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

**ABSENT: David Hammond, Councilman**

**ALSO: Eddie Peterson, City Administrator; Larry Vickery, Utilities General Manager; Paul Worley, City Clerk; George Govignon, City Attorney; Garry Moss, Chief of Police; Jerry Crawford, Water and Sewer Director; Jeff Defoor, Director of Electric Utilities; Lenny Nesbitt, Fire Chief; Don McGinnis, Building Inspector; Dr. Michele Taylor, Calhoun City Schools Superintendent; Don Hood, Finance Director; Amy Atkinson, Calhoun Board of Education Chairperson; Rhoda Washington, Calhoun Board of Education**

- 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. Councilman Crowley 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 20, 2013 City Council Meeting. Councilman Crowley gave a second with all voting aye, motion approved. Councilman Crowley made a motion to approve the executive session minutes of May 20, 2013. Councilman Edwards 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 24<sup>th</sup> to June 17<sup>th</sup> to allow the Mayor and Council to attend the annual GMA conference.**
  - B. Mayor Palmer reminded the public of a sign variance request by the Harris Art Center to allow for a 4' by 6' sign to be placed on a 6' pole at a location of 212 South Wall Street. The ZAB will meet on June 27<sup>th</sup> and the public hearing will be on July 8<sup>th</sup>.**
  - C. Mayor Palmer reminded the public of an annexation and zoning request of C-2 for 2.07 acres and a zoning change for 0.918 acres from R-1 to C-2 by Kurt Kelly, William C. Kelly, Stephanie Lynne Robertson Sullivan Trust for a location of 845 Red Bud Road. Description of proposed use is possible expansion or additional parking for Gordon Hospital. The Zoning Advisory Board will meet on June 27<sup>th</sup> and the public hearing will be on July 8<sup>th</sup>.**

**6. Council Comments:**

**A. Mayor Pro Tem Edwards gave the May reports as follows:**

**1) Police Department**

- Made 764 cases with 6 DUI's
- Fines collected by Municipal Court - \$60,434.20
- Issued 690 warnings
- Investigated 44 highway accidents, 35 private property accidents
- Provided 82 escorts
- 1,797 incident reports
- Responded to 833 alarms
- Miles patrolled: 55,218
- Responded to 5,435 calls for service by E-911

**2) Municipal Court and Probation**

- Total Court cases- 376
- Court cases dropped- 98
- Number of Bond forfeitures- 231
- Number of Probation cases- 34
- Probation Payments- \$19,109.00
- Probation Revocations- 15
- Failure to appear- 47
- Prisoner transports- 23

**3) Fire Department- Suppression**

- Responded to 149 calls for service for the suppression division, 8 fire incidents for damages (\$55,000 in estimated fire damage)
- Responded to 102 medical service calls
- Responded to 4 hazardous conditions incidents
- Responded to 15 false alarms or false calls, 14 good intent
- Completing work on the rehab shelter
- Continued the ISO required flow testing of all fire hydrants in the City.
- Conducted an end of the year "Water Day" play day at Calhoun Elementary for the children.

**Training Division**

- Department completed 760 man hours of training.
- SCBA Air consumption drill, disoriented firefighter, streets and hydrant location familiarization.
- GSAR Search Specialist training

**4) Fire Inspection Department**

- 95 total reported activities/inspections which included 18 annual inspections, 25 requested inspections, 10 follow-up or re-inspections, and 37 consultations

**5) Downtown Development Authority**

- Thirty plus volunteers showed up for the first Project 312 clean up on Thursday (June 6) of last week. The goal of the first day was to clean up the South bound exit ramp and overpass. Several bags of trash were collected, the trees were trimmed and limbs removed, and mulch was spread at the tree bases. The Highway 53 overpass was trimmed and cleaned as well. Many different organizations were represented by volunteers such as the Gordon County Young Farmers, Rotary Club, Historic Preservation, Downtown Development, the Chamber of Commerce, Gordon County School Board, Gordon County Recreation Department, City of Calhoun, Gordon County Commissioners, and the Gordon County Sheriff's Department. Santek provided a dumpster for limb debris, Home Depot donated supplies used by the volunteers to pick up trash, and Huddle House provided volunteer workers and ice water for participants. The next volunteer day will be announced very soon and everyone is invited to join in when available.
  
- City Attorney Govignon also announced that Hamilton State Bank has sold the Oglethorpe Inn property as of June 7, 2013. The buyer has not been disclosed yet, but the stipulations in the closing included demolition of the structure which should occur in the near future.

**B. Councilman Barton gave the May as follows:**

**1) Street Department**

- Completed 24 shop and 21 street department work orders.
- Placed 5 new street signs.
- Repaired pot holes and utility cuts around town using approximately 15 tons of asphalt.
- Cut and removed fallen trees at the Recreation Department.
- Removed and rebuilt a section of rock wall at the First Methodist Church.

**2) Cemetery Department**

- Performed routine maintenance on Fain and Chandler Cemetery.
- Supervised the opening and closing of 10 grave sites.
- Sold 8 new grave spaces.
- Worked 10 grave sites.

**3) Rabies Control**

- Housed 7 dogs, and 15 cats
- Issued 8 warnings
- Answered 50 customer calls

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 sprinkler water valve and broken water lines at the Library.

5) **Safety Committee**

- Safety topic- Fall prevention
- Safety Inspection- Recreation Department
- Accidents: Vehicle Accident-0
- Workers Comp: 2- Police and Water Construction

6) **Recreation Department**

- **Youth Baseball and Softball/ Adult Softball** – The spring youth baseball and softball leagues were completed on May 28. A total of 177 games were played in May. Eight days of scheduled league games were lost due to flooding of the park on May 5-6 and May 19-20. During the month of May three scheduled tournaments were canceled due to inclement weather and flooding of the park. An estimated economic impact of \$175,501.00 was forfeited due to the cancellation of these events plus the rental revenue of \$4,500.00. There will be 7 Youth All-Star teams that will be participating in GRPA District All-Star tournaments and 1 team that will be participating in Dizzy Dean District and State. These tournaments begin June 22.
- **SWIM:** The swimming pool opened for the Summer on May 25. There were 827 visitors to the pool May 25 through May 31. We are offering lap swim each morning from 6:30am to 7:30am.
- **Blue Barracudas:** There are 93 boys and girls registered for the Blue Barracudas this summer. This year afternoon practices for the swim team began May 13. The first swim meet for the Barracudas was June 6.

**2013 EVENTS:**

- GRPA 5<sup>th</sup> District Baseball and Softball– 7-8 Boys; 11-12 Girls; 11-12 Boys – June 22-29, 2013
- ASA State – 10A and 18A – Girls Fast Pitch – July 12- 14, 2013
- USTA JR. TENNIS TOURNAMENT – Level 4 – Singles and Doubles – September 20 – 22, 2013
- USTA JR. TENNIS TOURNAMENT – Level 5 – Singles – November 2- 3, 2013
- GRPA State Championships – 9-10 Tackle Football – December 7; December 14-15, 2013

C. Councilman Crowley gave the May report as follows:

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

- The Brittany Drive Expansion Project- Pipe gallery installation is underway.
- Water and Sewer relocation for the Union Grove Interchange has begun and is approximately 90% complete. Minor items remaining are being coordinated with the grading contractor.
- Engineering design for the wholesale connection with Floyd County has been completed. Meter pit installation has been completed. Floyd County is installing new mains in the area.
- I-75 & Red Bud Road utility relocate- Notice to proceed from GDOT is expected soon.
- Linda Lane and East May Street water main upgrades are under construction and should be completed by early July.
- We will be coordinating with the Gordon County Fire Department regarding the locations of the new proposed fire hydrants throughout the county. The county is accepting bids for the fire hydrant installations on June 26<sup>th</sup>.

**2) Water Treatment Plant Facility**

- Total gallons withdrawn: 299,150,000
- Daily average: 9,650,000
- Wells: 37,180,000
- Big Springs: 93,760,000
- Percent produced by Brittany Drive: 43.8
- Rainfall- 7.63"

**3) Waste Water Treatment Plant Facility**

- Treated a daily average of 8.294 MGD, with an average BOD effluent of 6, average suspended effluent of 10, and an average COD of 73.

**4) Water Distribution**

- 6 Water connections, 24 water service leaks repaired, 18 water main leaks repaired, 23 water services changed from a 2" galvanized line to larger lines, 1 new fire hydrant installed, 13 water meters changed out, 10 yards of roadway edges repaired due to previous work, 68 utility locates called in for work orders, 351 utility locates responded to, 154 total work orders completed, and 108 misc. calls
- Continued work on 2" line replacement in the area of Kentucky Drive. Began changing water services to the new mainline and installed new fire hydrant.
- Continued 2" line replacement in Pine Street area of McDaniel Station Road.
- Completed work on I-75 at Hwy 136 Interchange improvements. Tied 8" line going up Hwy 41 to new 12" line by boring Hwy 41 at Hwy 136.
- Began water line improvements along East May Street to Linda Lane. Replaced old 6" cast iron line in road with 6" ductile iron.

5) **Waste Water Collection**

- 2,100' Sanitary Sewer Services TV inspected, 318 utility locates completed, 2 lift station repairs completed, 6,750' sanitary sewer lines cleaned, 83 manholes opened and inspected, 2 new services

6) **Building Inspection Department**

- Issued 27 permits for an estimated cost of \$155,600.00 and collected \$2,568.00 in permit fees. This included 2 Residential remodels, 3 commercial remodels, 1 residential plumbing, 1 new residential HVAC, 4 residential electrical, 6 commercial electrical, 2 sign permits, 1 pool permit, and 81 total inspections.

D. Mayor Palmer gave the May report as follows:

1) **Electric Department**

- Work continues on the New High School expansion with installation of decorative LED Courtyard and front parking lot lighting
- 17 High Pressure Sodium Street lights were replaced with LED's on Oothcalooga Street, or about half way as we relight from the High School to the new Agriculture Center
- Construction has begun on the new Gordon County Agriculture Center starting with ordering site lighting and the installation of 1,600 feet of three phase underground primary wire
- Construction continues on the AT&T pole change out on North 41 and Green Road
- Electrical Engineering has begun on Bentley Dye Expansion on River Street
- Electrical Engineering has begun with the traffic signal upgrade for the New Family Savings and Credit Union on Curtis Parkway
- Electrical Engineering has completed and submitted to GDOT an application for relocating a primary three phase line to serve the new Gordon County Career Academy
- Electrical Engineering has completed and submitted a GDOT permit application to light Exit 312

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Work orders in process or completed

- Newly created- 59
- Completed and closed- 48
- Consisting of:
  - Street and security lighting-12
  - Distribution Maintenance-6
  - Meter maintenance/replacement- 22
  - New customer meter sets- 9
  - Monthly total system locate tickets processed- 178

**Electric System supplied – 38,569,908 kwh in May**

**2) Telecommunications Departments:**

- Completed construction and finished network configuration for point-to-point circuit to support new school phones.
- Finished construction and upgrade for a 100 megabit connection to 200 megabit.
- Started placing new phone on desks at high school and city offices.
- Replaced failed email filter.
- Continued construction of fiber reroute at Union Grove Road and I-75.
- Install 10 computers
- Met and worked with several departments to determine best billing and meter reading upgrade project path.
- Opened 21 and closed 30 work orders.

**3) Geographic Information Systems:**

- Finished initial Electric inventory of lights, transformers and phasing.
- Started verifying traces on Electric secondary power line connectivity.
- Updated pre-fire plans for Fire Department
- Met with work order software vendor to work on GIS integration.
- Updated addresses from changes in billing account data
- Continue to clean ups water data connecting hydrants to valves and main lines.
- Assisted Engineering with ongoing wastewater inflow/infiltration project.

**7. Public Hearings and Comments:**

**A. Mayor Palmer opened the second public hearing for the City's annual operating budget and capital plan for the fiscal year July 1, 2013 through June 30, 2014.**

- Administrator Peterson gave a power point presentation for the general government proposed budget. Property taxes are budgeted at 1.35 million based on a tax digest of 720 million at the current 1.98 millage rate. The City has a millage rate that is in the lowest 10 percent for the State of Georgia. This will be the 18<sup>th</sup> continuous year that the millage rate has stayed below 2 mils. The City utility franchise fee, a 4% revenue from gross utility sales, is budgeted at \$1,587,000 which is a decrease of \$76,000 from the current budget due to decreasing water and sewer sales. The Local Option Sales Tax continues to show increases on the state, regional, and local level. The LOST tax has rebounded 26% from 2009 levels. We are projecting LOST revenues at \$2,443,000 for the upcoming fiscal year. Rents and royalties from the use of property assets by Calhoun Utilities, which is a 6% fee is budgeted at \$2,931,000. Total projected general fund revenues are \$12,844,475. This projection is a 1.5 million reduction as compared to the 2008 revenue budget. If you discount group health insurance and FICA the departmental budgets increased less than 2% for maintenance and operations. Group health insurance will increase by 14.3% from last year, and there are no new employees in the new budget. The solid waste fund has budgeted revenues of \$715,000 with expenses of \$697,465. In years past the City has had to transfer as much as \$360,000 from the general fund

to balance solid waste. Most of the capital improvements will be paid out of SPLOST dollars. SPLOST expenditures- asphalt truck, 20 golf carts, 1 fairway mower, 1 greens mower, and recreation projects and equipment as cash flow and needs are evaluated.

- General Manager Vickery gave the following overview of Calhoun Utilities proposed budget. The current budget proposal does not include any transfers and each budget is balanced to include only essential capital items from operating revenue. A minimum water and sewer charge adjustment is included and is necessary to balance the proposed budget. Residential monthly increases for water and sewer for City residents were originally proposed at \$1.00 and has been reduced to \$0.50. Residential monthly increases for water and sewer for County residents were originally proposed at \$2.00 and has been reduced to \$1.50. Any additional capital in water and sewer will require the use of low interest GEFA funding which has terms of 10 years at 0.5%. Electric Department revenues are budgeted at 38 million with expenses of 37.5 million. The Electric Department projects funded from operating revenue will be Calhoun High School, Red Bud Road and I-75 interchange project, stand-by generator at Calnet, phase 2 capacitor/loss, new Gordon County Agricultural Center, Cherokee Mill Loft, Executive Drive project, and priority capital construction. Telecommunications revenues are budgeted at 1.08 million with expenses of 1.06 million. Water and sewer fund revenues are budgeted at 18.5 million with expenses of 18 million. Sewer projects include screw pump, ret act sludge pump, one half pickup truck, tractor and bushhog, by-pass pump, lease of backhoe. Water projects include SCADA upgrade, intake pump, intake bar screen, one half pickup truck, F-150 pickup, dump truck, crew service truck, air compressor, lease of backhoe. Sewer and water projects funded from GEFA loan are King Street sewer replacement, Red Bud Road and I-75 interchange utility relocation, 2" galvanized line replacement, and concrete baffles/repairs at the Mauldin Road water plant. Total projects cost from GEFA loan of \$4,400,611.
- Amy Atkinson, Michele Taylor, and Don Hood gave a power point presentation for the Calhoun City Schools proposed budget. Calhoun City School Board Chairperson Amy Atkinson reviewed some of the accomplishments of the City school system. Calhoun City Schools educates 3,600 students. The City's school district expenditure per student is \$7,317, which is one of the lowest in the State of Georgia. The expenditures are below the state average per student and performance is above the state average. The City Schools are proposing no reductions in personnel or programming, as compared to surrounding schools that have to make drastic cuts. The Calhoun Online Learning Academy (COLA) is being launched to provide alternate educational opportunities for students. The school's graduation rate is 94.6% which is the third highest in the State. Calhoun has one of the lowest millage rates to support the local school system as compared to others in Northwest Georgia. The millage rate will remain at 17.762. Dr. Taylor also updated the Mayor and Council on the progression of the new high school and middle school complex.
- Mayor Palmer asked for public comments on the proposed budget.

- Harris Art Center Chairman Mike Davis gave a presentation concerning the attributes provided to the community by the Harris Art Center. The Harris Art Center offers free admission to the art galleries and the Roland Hayes Museum, where 300 visitors a month learn the inspirational story of Calhoun's native son. Five art shows rotated in the galleries, two of which were devoted entirely to the work of Gordon County and Calhoun City Schools students. The 7<sup>th</sup> annual String Band Festival, and other concerts, was held free of charge. Preschool POPS, a performance series tailored to 3-5 year olds, introduces preschoolers in Gordon County to live theater, beginning a life-long appreciation for the arts. 750 children were served this year a six performances. The Calhoun Little Theater sponsors four productions a year, a free home school drama class, Community Chorus, children's art and theater camps, and the art center hosts a total of over 17,000 visitors per year. Mr. Davis thanked the City for its past financial support and requested continued support in the future. Mayor Palmer thanked Mr. Davis, the art center volunteers, and the other representatives present from the Harris Art Center for their work and many contributions to the community. The City has funded the Harris Art Center at \$2,000 in the past and \$2,000 is also in the Fiscal Year 2014 proposed budget.
  - There were no further comments and the budget public hearing was closed.
  - Mayor Palmer stated that the budget will be eligible for adoption at the next council meeting on June 17th.
- B. Mayor Palmer opened a public hearing for an ordinance amendment to the Hotel/Motel Occupancy Tax to allow for an increase from 5% to 8% for the purpose of enhancing and promoting travel and tourism. The effective date would be July 1, 2013. Mayor Palmer stated that the City has already held meetings with local owners/operators concerning the ordinance change before the required public hearing to ensure that the owners/operators had input into the process.
- Mr. Peterson stated that all signs and advertising requirements have been met.
  - Mayor Palmer and Attorney Govignon reviewed the ordinance amendment and stated that at the 5% rate, the City of Calhoun has dedicated two percent to the Chamber of Commerce as the tourism promotion monies required by O.C.G.A. §48-13-51(a)(3). The remaining 3% is being provided for the purpose of continued industrial development, with 2% going to the Industrial Development Authority, and the remainder to the Chamber. Should Calhoun Municipal Code Section 86-34, now enabled by the enactment of Act 96, be amended to include a new rate of 8%, then the following proposed method would meet all of the statutory requirements as outlined:

3.5% to the Chamber of Commerce for the 2% promotion of tourism (a)(3) and the 1.5% DMO<sup>1</sup> required by (b)(5)(A) presuming as they are a specifically cited agency in the statute;

2% to the Industrial Development Authority for continued industrial development and these funds would not have to be specifically designated to the purpose of TPD<sup>2</sup> as these funds would constitute the City's remaining 3% under (a)(3) which is free of "tourism" requirements;

1% to the Recreation Authority and these funds would not have to be specifically designated to the purpose of TPD as these funds would constitute the City's remaining 3% under (a)(3) which is free of "tourism" requirements;

.5% to the Downtown Development Authority for TPD required by (b)(5)(B); and

1% to the City for general TPD use as required by (b)(5)(B).

- Mayor Palmer asked for comments
- Nick Patel with Holiday Inn Express and Himanshir Patel with Super 8 Motel addressed the Mayor and Council. Nick Patel stated he has been a local manager for 15 years and stated he felt like the tax increase would hurt business and take away from his guests' experience. Also, Mr. Patel asked the Council to consider only raising the rate by .5 or 1%, because the 3% increase raised the total tax to 15%. Mr. Patel is concerned that potential guests will travel to other hotels that might have a lower tax rate.
- Jacque Eells, with Country Inn and Suites, stated that she appreciated the projects and promotion of tourism that the hotel/motel tax provides, but was concerned that the total tax rate of 15% was too high and would hurt business. Mrs. Eells asked the Council to only raise the rate by 2%.
- Mayor Palmer read a list of cities and counties adjoining I-75 that are already at the 8% hotel/motel tax rate. Also, Mayor Palmer discussed the plans to light Exit 312 at I-75. The City is continuing to discuss the project with the Georgia Department of Transportation. The Exit 312 at I-75 lighting construction project and maintenance could be financed by hotel/motel revenue. Statistics show that lighted interchanges receive 18-20% more traffic due to the lighting, which can potentially increase occupancy rates.

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<sup>1</sup>Destination Marketing Organization

<sup>1</sup>Tourism Product Development

- Councilman Crowley stated he appreciated the comments, but also said that he viewed the issue in the light of you have to spend money to make money. The City has increased the amount of hotel occupancies due to a significant increase in tournaments hosted in the community by the recreation department. Also, the hotel/motel tax could be viewed as advertising for the hotels because the revenue is spent on economic development and tourism.
  - Councilman Barton stated that he is generally opposed to tax increases, but felt like the projects planned with the revenues will increase their business. Also, he use to work in the hotel industry and the most common question about a guests' bill was the room rate and not the tax rate.
  - Mayor Palmer read the proposed ordinance and asked if there were any more comments.
  - There were no further comments and Mayor Palmer closed the public hearing.
  - Councilman Crowley made a motion to approve the ordinance amendment to the Hotel/Motel Occupancy Tax to allow for an increase from 5% to 8% for the purpose of enhancing and promoting travel and tourism. Councilman Barton gave a second with all voting aye, motion approved.
- C. Mayor Palmer opened the public hearing for an annexation and zoning of R-1B for 1.39 acres at a location of 118 Spencer Drive for Wesley and Christy Brown.
- Mr. Peterson stated that all signs and advertising requirements have been met.
  - Mayor Pro Tem Edwards reported that the Zoning Advisory Board met on June 6<sup>th</sup> and based on the testimony from the Calhoun Fire Department and the City schools, the ZAB did not recommend the annexation of 118 Spencer Drive.
  - Mayor Palmer asked if there were any comments from the applicant or the public.
  - Wesley and Christy Brown addressed the Mayor and Council. Mrs. Brown stated that after she reviewed the zoning map there were a lot of parcels already in the City in her area. Mrs. Brown stated that they drive their kids to school and would not request bus services. Mr. Brown stated there were several alternate routes available to avoid the railroad track which was an issue with City Schools Transportation Director. Their son is already participating in City School's summer sports programs. Also, there are other City properties in the area that do not have adequate fire protection as determined by the fire department. Mrs. Brown stated they would be willing to put in a fire hydrant if necessary.
  - There were no further comments and Mayor Palmer closed the public hearing.

- Councilman Barton made a motion to table the annexation and zoning of R-1B for 118 Spencer Drive to allow more time for review. Councilman Edwards gave a second with all voting aye, motion approved.
- D. Mayor Palmer opened a public hearing for variance requests by Habitat for Humanity of Gordon County, Inc. at a location of 116 McConnell Road. Variance #1- Building a 960 sq. ft. house which is a 190 sq. ft. variance from the required 1,150 sq. ft. Variance #2- A 5' variance from required 20' rear setback. Variance #3- A 2' variance from the required 10' side set back on the south side of the house.
- Mr. Peterson stated that all signs and advertising requirements have been met.
  - Mayor Pro Tem Edwards reported that the Zoning Advisory Board met on June 6<sup>th</sup> and recommended that the three variance requests be granted.
  - Mayor Palmer asked if there were any comments from the applicant or the public.
  - Jesse Vaughn, Chairman of Habitat for Humanity of Gordon County, Inc., gave a presentation to the Mayor and Council concerning the variance requests. Mr. Vaughn stated that 116 McConnell Road was originally apart of the West Calhoun Revitalization project and the variances were necessary to fit the proposed house on the small lot. The lot is on the register list of properties and they have a unique single dweller applicant that would work well. By contrast, Mr. Vaughn stated that the last house they built was for a large member family, which required a larger home. The proposed client, Georgetta Frazier, put in many hours of service on that build and others as required by Habitat. The smaller housing design was modeled after rebuilt homes in Louisiana's Lower 9<sup>th</sup> Ward after Hurricane Katrina. The house design was very practical and fit similarly small lot sizes. Mr. Vaughn also stated that the proposed square footage of 960 is about the average of homes in this area.
  - Mrs. Mary Mays stated that she lived at 118 McConnell Road and was opposed to the variance requests. Mrs. Mays stated that the two foot variance on the south side of the house is bordering her property and was concerned the allowance of the variances could set a precedent for other variances to the building codes. Also, she stated that granting the variance would cause a fire hazard due to the close proximity of the houses. She asked if Habitat could build the house on another property. Mrs. Mays also inquired if habitat could purchase more property on the north side of the property to avoid the south side variance
  - Mr. Vaughn stated that Habitat tried to buy the property Mrs. Mays suggested, but the owners would not sell the property. Also, the 2 foot variance on the south side of the proposed house is the same distance that Mrs. Mays' house was from her north side yard setback.
  - Mayor Palmer asked for further comments and then closed the public hearing after hearing none.

- Mayor Pro Tem Edwards made a motion to approve the three variance requests by Habitat for Humanity of Gordon County, Inc. Councilman Crowley gave a second with all voting aye, motion approved.

**8. Old Business: None**

**9. New Business:**

- A. Mayor Palmer conducted the first reading of a variance request by Adrian Hice at a location of 106 Jackson Street. The variance request is for a 2' variance from the required 10' side yard setback for an awning addition to the existing house. The Zoning Advisory Board will meet on August 8<sup>th</sup> and the public hearing will be on August 12<sup>th</sup>.
- B. Mayor Palmer conducted the first reading of an annexation and zoning of R-1B for 1.03 acres at a location of 102 Jones Road for E.K. and Daryl West. The ZAB meeting will be on June 27<sup>th</sup> and the public hearing will be on July 8<sup>th</sup>.
- C. Mayor Palmer conducted the first reading of a pawn shop license request by Herberto Cortes DBA: Goldland Centenario Jewelry at a location of 355 Richardson Road #3. Councilman Crowley made a motion to set the public hearing for July 8<sup>th</sup>. Councilman Edwards gave a second with all voting aye, motion approved.
- D. Mayor Palmer read a request from the Public Works Department to declare items as surplus. Items include 2000 New Holland Backhoe model LB75, 1987 L8000 Ford tanker truck, 1995 Ford 7610 tractor, 1988 International F9370 truck, 1996 LowBoy trailer, 1992 Chevrolet Cheyenne pickup, chain saws, weed eaters, and various power tools. Councilman Edwards made a motion to declare the items as surplus. Councilman Barton gave a second with all voting aye, motion approved.
- E. Mayor Palmer stated that Mr. Ray Towers had decided not to continue with a new term on the Development Authority of Gordon County. Mr. Towers has served for many years. Mayor Palmer made a recommendation of Mr. Kenny Fuquea to replace Mr. Towers. Councilman Crowley made a motion to nominate Kenny Fuquea to the Development Authority of Gordon County to replace Ray Towers for a four year term. Councilman Barton gave a second with all voting aye, motion approved. Term length: May 1, 2013 through May 1, 2017. Mayor Palmer thanked Mr. Towers for his service and also thanked everyone who volunteers their time for the various committees in the community.
- F. Mayor Palmer read a recommendation of a sole source contract with Allen-Smith Consulting to Administer Grants for the City's FY 2011 Re-development Fund Project. (Cherokee Mill Loft Project) Bids were sent out to 7 qualified consulting firms with Allen-Smith Consulting being the only respondent. Allen-Smith Consulting was the lone Statement of Qualifications received through the Procurement process. Councilman Barton made a motion to allow the Mayor to sign the contract with Allen-Smith Consulting for grant administration services upon approval by the Georgia Department of Community Affairs review of the Sole Source request by the

City. Councilman Crowley seconded the motion with all voting aye, motion approved.

- G. General Manager Vickery discussed a recommendation of award for the clarifier equipment needed at the Waste Water Treatment Plant. The Sewer Treatment Plant has carried this Phosphorus SPLOST Funded Clarifier Rehab Project through 2013 budget. The budget estimates for this project were based on previous clarifier work done in 2007 and proved to be under-funded; \$180,000 budgeted vs. \$321,000 actual bid costs. Bids were taken when negotiated costs proved excessive. The two existing clarifiers needing rehab are necessary for added retention/process time for any phosphorus program we may under take. Our engineers have evaluated the four bids received and have separated the two major components, Sludge/Scum removal equipment and Effluent Troughs. The troughs were re-priced through local metal fabricators to reduce those costs by over \$80,000. The total cost for the recommended award for the two components is \$321,500. Calhoun Utilities recommends that low bidders, Amwell of Illinois, \$218,200, and United Hardware Direct of Cartersville, \$103,300, be awarded the material and equipment bids. Installation will be completed by internal utilities construction crews. Councilman Barton made a motion to approve the recommended contracts with Amwell and United Hardware and allow the Mayor to sign. Councilman Edwards gave a second with all voting aye, motion approved.
- H. Administrator Peterson stated that the third quarter General Government financial statements were presented at the work session and asked the Mayor and Council if there were any further question. Councilman Edwards made a motion to approve the third quarter General Government financial statements. Councilman Crowley gave a second with all voting aye, motion approved. General Manager Vickery stated that the third quarter Utility financial statements were presented at the work session and asked the Mayor and Council if there were any further question. Councilman Edwards made a motion to approve the third quarter Utility financial statements. Councilman Crowley gave a second with all voting aye, motion approved. (financial statements attached)

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

**11. Work Reports:**

A. City Administrator Peterson

B. General Manager Vickery

- Mr. Vickery gave a presentation concerning an upgrade to the City's 12 year old Harris billing system. Mr. Vickery stated that all interested parties had reviewed the options for an upgrade and recommended the City purchase the MeterSense and NorthStar Version 6.4 Upgrade. The upgrade should add another 5 to 10 years to the existing billing system. This would delay the need to purchase a brand new system, which would cost 1 to 1.3 million dollars. The upgrade will include Meter Data Management solutions to integrate the Sensus

AMI into billing. The upgrade should drive operational efficiencies, streamline administration functions, and create opportunities for enhanced customer service. The upgrade would be purchased over a three year period. The Fiscal Year 2013 budget already includes \$100,000 for the system upgrade and the balance would be allocated over the next two fiscal years. Councilman Barton made a motion to approve the NorthStar contract. Councilman Crowley gave a second with all voting aye, motion approved.

- Mr. Vickery stated he had a resolution to designate a voting delegate for the Annual MEAG Conference. The resolution has Mayor Palmer as the voting delegate for the City of Calhoun and General Manager Vickery as the alternate. Councilman Crowley made a motion to approve the resolution. Councilman Barton gave a second with all voting aye, motion approved.

C. City Attorney Govignon

12. Councilman Barton made a motion to adjourn the regular session. The motion was seconded by Councilman Crowley with all voting aye, motion approved.

Approved:



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James F. Palmer, Mayor

Submitted:



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Paul Worley, City Clerk

**City of Calhoun**  
**GENERAL FUND**  
**Budget to Actual Report - Modified Accrual Basis**  
**For the Nine Months Ended March 31, 2013**

	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	% USED
<b>Revenues</b>				
Property taxes and intangibles	\$ (1,619,198)	(1,619,198)	\$ (1,375,809)	85.0%
Franchise taxes (incl. payments from Utilities)	(2,195,987)	(2,195,987)	(1,534,977)	69.9%
Local option sales tax	(2,251,670)	(2,289,170)	(1,740,699)	76.0%
Beer, wine, and liquor taxes	(336,000)	(336,000)	(267,081)	79.5%
County excise tax	-	-	(2,668)	-
Business licenses and taxes	(1,124,375)	(1,135,875)	(1,024,516)	90.2%
Insurance premium taxes	(610,500)	(610,500)	(576,065)	94.4%
Intergovernmental	(603,413)	(653,413)	(556,791)	85.2%
Charges for services	(426,526)	(441,526)	(333,658)	75.6%
Fines and forfeitures	(471,974)	(471,974)	(391,232)	82.9%
Rents / royalties (incl. payments from Utilities)	(3,043,082)	(3,043,082)	(2,141,639)	70.4%
Interest	(10,500)	(10,500)	(3,359)	32.0%
Miscellaneous	(2,020)	(2,020)	(4,396)	217.6%
<b>Total Revenues</b>	<b>(12,695,245)</b>	<b>(12,809,245)</b>	<b>\$ (9,952,890)</b>	<b>77.7%</b>
<b>Expenditures</b>				
General administration	1,150,868	1,151,868	828,083	71.9%
Court services	464,206	464,206	339,890	73.2%
Community services and development	213,884	214,894	139,832	65.1%
Library	323,031	323,031	215,335	66.7%
Building inspection	273,190	273,190	210,282	77.0%
Airport	156,493	156,493	122,773	78.5%
Public Safety				
Police	4,290,876	4,329,376	3,423,781	79.1%
Fire	3,262,141	3,272,131	2,407,158	73.6%
Animal control	77,696	78,046	54,453	69.8%
Public Works				
Highways and streets	1,848,286	1,938,686	1,387,400	71.6%
Maintenance and parks	329,534	329,784	227,155	68.9%
Cemetery	165,680	178,680	118,101	66.1%
<b>Total Expenditures</b>	<b>12,555,885</b>	<b>12,710,385</b>	<b>9,474,243</b>	<b>74.5%</b>
<b>Excess of Expenditures (Over) Under Revenues</b>	<b>(139,360)</b>	<b>(98,860)</b>	<b>(478,647)</b>	<b>3.2%</b>
<b>Other Financing Sources</b>				
Interest	(10,500)	(10,500)	(3,359)	32.0%
Operating transfers in	(800,600)	(800,600)	(773,633)	96.6%
Sale of fixed assets	(5,000)	(60,000)	(67,996)	113.3%
Operating transfers out	955,460	969,960	825,315	85.1%
<b>Total Other Financing Sources</b>	<b>139,360</b>	<b>98,860</b>	<b>(19,673)</b>	<b>-19.9%</b>
<b>Excess Revenue Over Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (498,320)</b>	

**City of Calhoun**  
**Budget to Actual Report- Modified Accrual Basis**  
**SPECIAL FUNDS-GENERAL GOVERNMENT**  
**For the Nine Months Ended March 31, 2013**

SPECIAL FUND	BUDGET	ACTUAL REVENUES	% USED	ACTUAL EXPENDITURES/ EXPENSES	% USED	NET CHANGE IN FUND BALANCE/ NET (INCOME) LOSS
UDAG	\$ (23,500)	\$ (18,226)	77.6%	\$ 2,510	10.7%	\$ (15,716)
Confiscated Assets	(125,900)	(229,248)	182.1%	116,298	92.4%	(112,951)
Hotel-Motel	(275,000)	(211,626)	77.0%	211,626	77.0%	-
Recreation	(984,170)	(759,615)	77.2%	678,138	68.9%	(81,477)
<i>Program Revenues</i>	(581,776)	(457,819)	78.7%			
<i>Gen Fund Transfers</i>	(402,394)	(301,796)	75.0%			
SPLOST 2011	1,095,738	(721,606)	65.9%	412,996	37.7%	(308,610)
SPLOST 2005	(2,039,000)	(12,876)	0.6%	948,449	46.5%	935,573
2011 School Bond Const.	-	(4,424)	0.0%	11,696,057	0.0%	11,691,633
2012 School Bond Const.	(12,930,000)	(12,929,410)	100.0%	1,112,449	8.6%	(11,816,961)
School SPLOST	-	(28)	0.0%	-	0.0%	(28)
SPLOST Debt Svc. - Schools	(11,285,198)	(2,959,179)	26.2%	11,389,952	100.9%	8,430,773
Golf G. O. Debt	(368,928)	(368,928)	100.0%	334,404	90.6%	(34,524)
Golf Fund	(980,281)	(421,368)	43.0%	652,470	66.6%	231,102
Solid Waste	(866,966)	(678,154)	78.2%	628,350	72.5%	(49,804)
School Tax	-	(288,671)	0.0%	288,671	0.0%	-
Municipal Court	(782,424)	(596,988)	76.3%	627,386	80.2%	30,398
Cherokee Loft Mills	500,000	(818)	0.2%	1,310	0.3%	492
<b>Totals</b>	<b>\$ (19,578,614)</b>	<b>\$ (7,644,429)</b>	<b>39.0%</b>	<b>\$ 29,099,756</b>	<b>148.6%</b>	<b>\$ 8,899,409</b>

**City of Calhoun**  
**WATER & SEWER DEPARTMENT**  
 Budget to Actual Report - Modified Accrual Basis  
 For the Nine Months Ended March 31, 2013

<b>OPERATING REVENUES</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>% USED</b>
Sales	\$ (15,866,154)	\$ (11,367,764)	71.6%
Cost Recovery/Install	(120,000)	(116,832)	97.4%
Late Penalties	(130,000)	(102,539)	78.9%
Permits / Fees / Fines	(29,000)	(32,479)	112.0%
Sprinkler Charges	(260,000)	(214,432)	82.5%
Other	(137,742)	(132,575)	96.2%
<b>Total Operating Revenues</b>	<b><u>(16,542,896)</u></b>	<b><u>(11,966,621)</u></b>	<b>72.3%</b>
<b>OPERATING EXPENSES</b>			
Personal Services	3,471,896	2,633,643	75.9%
Contractual Services	2,093,048	1,505,487	71.9%
Supplies	3,270,858	2,340,258	71.5%
Other	2,459,228	1,545,741	62.9%
<b>Total Operating Expenses</b>	<b><u>11,295,030</u></b>	<b><u>8,025,129</u></b>	<b>71.1%</b>
<b>Net Operating Income</b>	<b>(5,247,866)</b>	<b>(3,941,492)</b>	
<b>NON-OPERATING REVENUES &amp; EXPENSES:</b>			
Interest Revenue	(24,000)	(9,534)	39.7%
Interest Expense	649,710	403,825	62.2%
Principal Expense	3,128,966	585,870	18.7%
Capital Expense	4,099,325	1,518,916	37.1%
Transfers Out	675,775	11,367	1.7%
Transfers In	(2,161,810)	(309,026)	14.3%
Loan from Electric	(495,000)	-	0.0%
Use of Fund Balance	(625,100)	(138,004)	22.1%
<b>Total Non-operating Revenues &amp; Expenses</b>	<b><u>5,247,866</u></b>	<b><u>2,063,414</u></b>	<b>39.3%</b>
<b>NET INCOME</b>	<b><u>\$ -</u></b>	<b><u>\$ (1,878,078)</u></b>	

**City of Calhoun**  
**Water Department**  
 Budget to Actual Report - Modified Accrual Basis  
 For the Nine Months Ended March 31, 2013

<b>OPERATING REVENUES</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>% USED</b>
Sales	\$ (10,608,680)	\$ (7,712,519)	72.7%
Cost Recovery/Install	(90,000)	(107,082)	119.0%
Late Penalties	(100,000)	(79,108)	79.1%
Permits / Fees / Fines	(28,000)	(27,722)	99.0%
Sprinkler Charges	(260,000)	(214,432)	82.5%
Other	<u>(129,600)</u>	<u>(126,979)</u>	98.0%
<b>Total Operating Revenues</b>	<b><u>(11,216,280)</u></b>	<b><u>(8,267,842)</u></b>	<b>73.7%</b>
<b>OPERATING EXPENSES</b>			
Personal Services	2,250,527	1,709,916	76.0%
Contractual Services	1,383,908	1,006,768	72.7%
Supplies	2,079,483	1,652,205	79.5%
Other	<u>1,437,978</u>	<u>937,303</u>	65.2%
<b>Total Operating Expenses</b>	<b><u>7,151,896</u></b>	<b><u>5,306,192</u></b>	<b>74.2%</b>
<b>Net Operating Income</b>	<b>(4,064,384)</b>	<b>(2,961,650)</b>	
<b>NON-OPERATING REVENUES &amp; EXPENSES:</b>			
Interest Revenue	(20,000)	(8,220)	41.1%
Interest Expense	285,924	202,869	71.0%
Principal Expense	1,515,460	176,819	11.7%
Capital Expense	3,228,725	1,456,492	45.1%
Transfers Out	675,775	3,665	0.5%
Transfers In	(879,000)	-	0.0%
Loan from Electric	(310,000)	-	0.0%
Use of Fund Balance	<u>(432,500)</u>	<u>(99,854)</u>	23.1%
<b>Total Non-operating Revenues &amp; Expenses</b>	<b><u>4,064,384</u></b>	<b><u>1,731,771</u></b>	<b>42.6%</b>
<b>NET INCOME</b>	<b><u>\$ -</u></b>	<b><u>\$ (1,229,879)</u></b>	

**City of Calhoun**  
**Sewer Department**  
 Budget to Actual Report - Modified Accrual Basis  
 For the Nine Months Ended March 31, 2013

<b>OPERATING REVENUES</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>% USED</b>
Sales	\$ (5,257,474)	\$ (3,655,245)	69.5%
Cost Recovery/Install	(30,000)	(9,750)	32.5%
Late Penalties	(30,000)	(23,431)	78.1%
Permits / Fees / Fines	(1,000)	(4,757)	475.7%
Other	<u>(8,142)</u>	<u>(5,596)</u>	68.7%
<b>Total Operating Revenues</b>	<b><u>(5,326,616)</u></b>	<b><u>(3,698,779)</u></b>	69.4%
<b>OPERATING EXPENSES</b>			
Personal Services	1,221,369	923,727	75.6%
Contractual Services	709,140	498,719	70.3%
Supplies	1,191,375	688,053	57.8%
Other	<u>1,021,250</u>	<u>608,438</u>	59.6%
<b>Total Operating Expenses</b>	<b><u>4,143,134</u></b>	<b><u>2,718,937</u></b>	65.6%
<b>Net Operating Income</b>	<b>(1,183,482)</b>	<b>(979,842)</b>	
<b>NON-OPERATING REVENUES &amp; EXPENSES:</b>			
Interest Revenue	(4,000)	(1,314)	32.8%
Interest Expense	363,786	200,956	55.2%
Principal Expense	1,613,506	409,051	25.4%
Capital Expense	870,600	62,424	7.2%
Transfers Out	-	7,702	100.0%
Transfers In	(1,282,810)	(309,026)	24.1%
Loan from Electric	(185,000)	-	0.0%
Use of Fund Balance	<u>(192,600)</u>	<u>(38,150)</u>	19.8%
<b>Total Non-operating Revenues &amp; Expenses</b>	<b><u>1,183,482</u></b>	<b><u>331,643</u></b>	28.0%
<b>NET INCOME</b>	<b><u>\$ -</u></b>	<b><u>\$ (648,199)</u></b>	

**City of Calhoun**  
**ELECTRIC FUND**  
Budget to Actual Report - Modified Accrual Basis  
For the Nine Months Ended March 31, 2013

<b>OPERATING REVENUES</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>% USED</b>
Sales	\$ (35,954,471)	\$ (25,577,889)	71.1%
MEAG Year End Settlement	(300,000)	(150,000)	50.0%
Rent/Other	(24,200)	(19,400)	80.2%
Late Penalties	(140,000)	(100,975)	72.1%
Pole Rental	(110,000)	(107,150)	97.4%
Miscellaneous	(77,400)	(53,218)	68.8%
<b>Total Operating Revenues</b>	<b><u>(36,606,071)</u></b>	<b><u>(26,008,632)</u></b>	<b>71.1%</b>
<b>OPERATING EXPENSES</b>			
Personal Services	1,277,402	965,962	75.6%
Contractual Services	3,876,895	2,637,385	68.0%
Supplies	29,233,999	22,064,521	75.5%
Other	797,788	382,017	47.9%
<b>Total Operating Expenses</b>	<b><u>35,186,084</u></b>	<b><u>26,049,885</u></b>	<b>74.0%</b>
<b>Net Operating Income</b>	<b>(1,419,987)</b>	<b>41,253</b>	
<b>NON-OPERATING REVENUES &amp; EXPENSES:</b>			
Interest Revenue	(97,646)	(84,274)	86.3%
Interest Revenue Interfund	(59,946)	(18,587)	31.0%
Capital Expense	979,000	236,608	24.2%
Sale of Assets	(1,000)	-	-
Meag Trust Account	(303,000)	(193,575)	63.9%
Transfers Out	1,816,779	327,487	18.0%
Transfers In	(914,200)	(26,141)	2.9%
Grant Proceeds	-	(424)	-
<b>Total Non-operating Revenues &amp; Expenses</b>	<b><u>1,419,987</u></b>	<b><u>241,094</u></b>	<b>17.0%</b>
<b>NET LOSS</b>	<b><u>\$ -</u></b>	<b><u>\$ 282,347</u></b>	

**City of Calhoun**  
**TELECOMMUNICATIONS FUND**  
 Budget to Actual Report-Modified Accrual Basis  
 For the Nine Months Ended March 31, 2013

<b>OPERATING REVENUES</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>% USED</b>
Sales	\$ (1,011,649)	\$ (825,623)	81.6%
Late Penalties	(5,000)	(4,793)	95.9%
Miscellaneous	<u>(650)</u>	<u>(1,126)</u>	173.3%
<b>Total Operating Revenues</b>	<u><b>(1,017,299)</b></u>	<u><b>(831,542)</b></u>	81.7%
<b>OPERATING EXPENSES</b>			
Personal Services	284,626	222,868	78.3%
Contractual Services	301,638	215,875	71.6%
Supplies	90,850	52,164	57.4%
Other	<u>182,032</u>	<u>133,544</u>	73.4%
<b>Total Operating Expenses</b>	<u><b>859,146</b></u>	<u><b>624,451</b></u>	72.7%
<b>Net Operating Income</b>	<b>(158,153)</b>	<b>(207,091)</b>	
<b>NON-OPERATING REVENUES &amp; EXPENSES:</b>			
Interest Revenue	(5,000)	(1,071)	21.4%
Interest Expense	16,961	8,556	50.4%
Principal Expense	100,936	79,866	79.1%
Capital Expense	55,000	153,008	278.2%
Transfers Out	-	1,071	-
Transfers In	<u>(9,744)</u>	<u>(2,532)</u>	26.0%
<b>Total Non-operating Revenues &amp; Expenses</b>	<u><b>158,153</b></u>	<u><b>238,898</b></u>	151.1%
 <b>NET LOSS</b>	 <u><b>\$ -</b></u>	 <u><b>\$ 31,807</b></u>	

**City of Calhoun**  
**UTILITY INTERNAL SERVICE FUND**  
 Budget to Actual Report - Modified Accrual Basis  
 For the Nine Months Ended March 31, 2013

<b>OPERATING REVENUES</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>% USED</b>
Indirect Cost Allocations - Service Fees - General	\$ (458,195)	\$ (343,646)	75.0%
Indirect Cost Allocations - Service Fees - Utilities	(2,487,883)	(1,865,762)	75.0%
Miscellaneous	(39,600)	(31,474)	79.5%
<b>Total Operating Revenues</b>	<u>(2,985,678)</u>	<u>(2,240,882)</u>	75.1%
<b>OPERATING EXPENSES</b>			
Utilities Administration	401,068	321,811	80.2%
Finance	616,699	444,509	72.1%
Utility Tellers	184,578	126,793	68.7%
Purchasing	118,966	81,224	68.3%
Engineering	455,130	330,795	72.7%
Work Order Dispatch	43,898	33,987	77.4%
GIS	177,551	141,052	79.4%
Customer Service	196,140	136,199	69.4%
Meter Reading	303,323	208,756	68.8%
Billing	262,795	188,126	71.6%
<b>Total Operating Expenses</b>	<u>2,760,148</u>	<u>2,013,252</u>	72.9%
<b>Net Income Before Non-operating Items</b>	<b>(225,530)</b>	<b>(227,630)</b>	
<b>NON-OPERATING REVENUES &amp; EXPENSES:</b>			
Interest Revenue	-	(370)	-
Principal Expense	51,887	53,131	102.4%
Interest Expense	28,443	7,117	25.0%
Capital Expense	135,000	40,033	29.7%
Transfers In	(35,000)	-	0.0%
Transfers Out	45,200	29,919	66.2%
<b>Total Non-Operating Revenues &amp; Expenses</b>	<u>225,530</u>	<u>129,830</u>	57.6%
<b>NET INCOME</b>	<u>\$ -</u>	<u>\$ (97,800)</u>	