

CITY OF CALHOUN
Regular City Council Meeting
Depot Community Room
109 South King Street
April 25, 2016

EXECUTIVE SESSION MINUTES

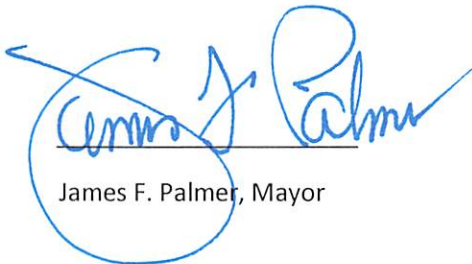
Present: James F. Palmer, Mayor
David Hammond, Mayor Pro Tem
Al Edwards, Councilman
Jackie Palazzolo, Councilwoman
Matt Barton, Councilman

Also: George Govignon, City Attorney
Eddie Peterson, City Administrator
Larry Vickery, Utilities General Manager
Paul Worley, City Clerk

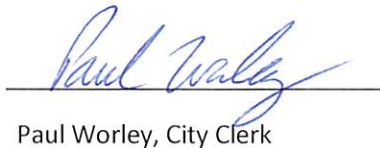
- A. Attorney Govignon advised that there was a need the governing authority to move into Executive Session pursuant to O.C.G.A. § 50-14-2 to discuss one issue to which Chapter 14 of Title 50 would not apply, to wit: (1) pursuant to O.C.G.A. § 50-14-3(b)(1)(A) the settlement of pending civil rights litigation. Also, for privileged consultation with legal counsel according to OCGA 50-14-2 on the issue. Councilman Barton made a motion to go into executive session. Councilman Hammond gave a second with all voting aye, motion approved.
- B. The executive session was opened and Attorney Govignon updated the Council concerning ongoing litigation and mediation proceedings in the Walker v City of Calhoun case.
- C. The discussions were concluded and no action was taken.
- D. Councilman Hammond made a motion to adjourn the Executive Session, Councilman Barton seconded the motion, all voted aye, motion approved.

Approved:

Submitted:



James F. Palmer, Mayor



Paul Worley, City Clerk

**CITY OF CALHOUN
REGULAR CITY COUNCIL MEETING
DEPOT COMMUNITY ROOM
109 SOUTH KING ST
APRIL 25, 2016 7:00 P.M.**

MINUTES

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

ALSO: Eddie Peterson, City Administrator; Larry Vickery, Utilities General Manager; George Govignon, City Attorney; Paul Worley, City Clerk; Garry Moss, Police Chief; Jeff Defoor, Director of Electric Utilities; Lenny Nesbitt, Fire Chief; Jerry Crawford, Water and Sewer Director; Linda Brookshire, Human Resource Director; Andrea Bramlett, Finance Director

- 1. Mayor Palmer called the meeting to order and welcomed everyone in attendance.
A. Councilman Edwards gave the invocation.**
- 2. Mayor Palmer led the group in the Pledge of Allegiance to the United States Flag.**
- 3. Councilman Edwards made a motion to approve the agenda, Councilwoman Palazzolo seconded the motion. All voted aye, motion approved.**
- 4. Councilman Hammond made a motion to approve the minutes of the April 11, 2016 City Council Meeting. Councilman Edwards gave a second with all voting aye, motion approved. Councilman Hammond made a motion to approve the Executive Session minutes of the April 11, 2016 City Council Meeting. Councilwoman Palazzolo gave a second with all voting aye, motion approved.**
- 5. Mayor's Comments:**
 - A. Mayor Palmer reminded the public that there will be a budget work session after the regular City Council meeting is concluded.**
 - B. The City of Calhoun will hold its first public hearing on the City's Annual Operating Budget and Capital Plan for the fiscal year July 1, 2016 through June, 30, 2017 at the next regularly scheduled City Council meeting on May 9, 2016.**
- 6. Public Hearings and Comments:**
 - A. Mayor Palmer opened a public hearing on a beer and wine package license request by Mayinampati Rathnam, D/B/A: Food Mart and Tobacco at a location of 1402 US Hwy 41 South.**

- Mr. Peterson stated that all signs and advertising requirements have been met.
 - Mayor Palmer asked for comments from the applicant or their representative. There were no comments and the public hearing was closed.
 - Councilman Hammond made a motion to approve the beer and wine package request. Councilman Barton gave a second with all voting aye, motion approved.
- B. Mayor Palmer opened a public hearing for a beer, wine, and liquor pouring license request by Chan Seng Yap, D/B/A: Wall Street Grille at a location of 117 South Wall Street.
- Mr. Peterson stated that all advertising requirements have been met.
 - Mayor Palmer asked for public comments. There were no comments and the public hearing was closed.
 - Councilman Edwards made a motion to approve the beer, wine, and liquor pouring license request. Councilwoman Palazzolo gave a second with all voting aye, motion approved.
 - Mr. Yap was in attendance and Mayor Palmer thanked Mr. Yap for his interest in locating in Downtown Calhoun.

7. Old Business:

- A. Mayor Palmer conducted the second reading of a taxicab license application for Jefry S. Calderon Paiz, D/B/A: Taxi Sigi at a location of 820 North Wall Street. The public hearing will be on May 9, 2016.
- B. Attorney Govignon stated that he has presented the Mayor and Council with updated options, options A through D, on the City's Organizational Charts as was instructed at the last meeting. (exhibits attached) Option A shows the current two division organizational structure updated and simplified, option B shows a single division of the current organizational structure and simplified, option C that shows a single division updated and simplified, and option D shows two divisions updated and simplified. Attorney Govignon stated that he needed some guidance on how to proceed before drafting a new personnel ordinance as these exhibits are not set in stone and only proposals at this time. With the presented updates there has been an effort to streamline the charts. For example, there has not been two separate finance departments as it shows now for several years. Also for example, there are currently 27 people appointed by the Mayor and Council, many of which report to supervisors who are above them. From a personnel policy standpoint, the goal would be to have only certain department heads that are appointed by the Mayor and Council every year and then everyone else reporting to the department head. The streamlined version cuts the appointments down to 10. Mayor Pro Tem Hammond stated that this is the third public discussion held on the organization of the City and this has allowed the opportunity for feedback from the community, individuals in government, public media, and social media that have weighed in on their thoughts. He also stated that there has been a

lengthy evaluation of multiple cities in Georgia and across the country in how they are organized. Mayor Pro Tem Hammond thanked Attorney Govignon for providing the great detailed information and multiple options to evaluate, which helps him personally make it very clear in determining which direction he would like to see the organizational structure go. Mayor Pro Tem Hammond started to make a motion, but then Mayor Palmer stated that he believed that everyone would like to review the chart and according to Mr. Hammond's schedule there would be a vote at the next meeting. Mayor Pro Tem Hammond stated that he kind of canvassed everybody and they changed their minds. Councilman Hammond made a motion to go ahead and go with option C. Councilman Barton gave a second. Mayor Palmer asked for discussion. Mayor Palmer stated that there has been very limited discussion on this topic that Mr. Hammond sent out to everybody to be voted on at the May 9th meeting to allow for additional discussion in between to see and know what they are looking at to make a decision. Mayor Palmer stated that Mr. Hammond in the minutes had stated that looks at operations from his personal experience as a career manager in industry and always looks at things from the business angle. City governments and industry are not all organized the same in terms of structure and management as one size does not fit all. Mayor Palmer stated that there have been businesses and industry fail regardless of the size. Mayor Palmer stated that currently the City has two divisions that answer to the Mayor and Council with one being utilities, a not for profit business to provide a commodity to the consumer, and the other is general government services and there is a vast difference between the two divisions. Mayor Palmer pointed out that Mr. Hammond stated that surrounding communities only have one city manager instead of two managers over two different divisions. This is true for some governments, but there are many different forms of government across the state and surrounding communities. For example, Dalton has a city manager over general government services, but Dalton Utilities is completely separate from the Mayor and Council and the city manager. The City of Rome operates under one city manager, but in utilities they only have water and sewer services to city residents only. Calhoun sells water county wide as well as to Chatsworth, Pickens County, and Floyd County. Mayor Palmer continued that an important part of the City is the Electric Department that makes up about one half of the city's overall budget. Another example given was Marietta, who has a structure similar to Calhoun's where the utilities answers to the Mayor and Council. Mayor Palmer stated that it was important to consider the millage rate. For example, in Calhoun the millage rate is 1.98, which means the taxes on a \$200,000 home is \$158, in Rome, with a city manager, it would be \$694.80 and in Dalton \$501.60. A Calhoun city resident gets all city services for that \$158. That includes one of the safest cities in Georgia and the number four city to raise a family. Utilities is an enterprise fund totaling \$60 million dollars and the General Government services budget is about \$14 million. Mayor Palmer stated that he believed it was important to have utilities run like a business by professionals who do it daily to get the best returns for the tax payers. We are well positioned in all areas of utilities, we are in the top 15 of water producers in the state and the only entity in Northwest Georgia expected to have adequate water supply in the year 2050. Also, we have made major improvements at the water and sewer plants to meet our needs for the next 40 years. Cartersville estimates their utility needs at \$80 million, Rome at \$60 million, and Bartow County expects to spend \$52 million to increase water and sewer capacity. Calhoun has some of the lowest utility rates in the entire state. Mayor Palmer stated that he believes

these goals have been accomplished due to the leadership of the Utilities General Manager and his departments with the oversight of the Mayor and Council. Also, we have excelled in all areas of management, general government, and utilities under the current structure. Calhoun maintains a AAA finance rating and the general obligation credit rating has been raised to AA-. This is based on finance and administrative stability. Mayor Palmer stated that it is the opinion of the Georgia Municipal Association and the Municipal Electric Authority of Georgia that these structure changes could affect the stability component of these ratings. Mayor Palmer stated that he believed in change when necessary or if it makes things better, but not for political reasons, personal gains, or change for the sake of change. Mayor Palmer reiterated that a vote tonight on restructuring does not meet the schedule Councilman Hammond put out initially. Mayor Palmer stated he sees no beneficial gain to the City of Calhoun as rate payers and as tax payers and is opposed to the restructuring. Councilman Barton stated that he agrees with the stated accomplishments and expertise that the City has, but he believes the restructuring will streamline operations, as the City Attorney pointed out, and also improve communications. Councilman Barton stated he knows of no political or personal gain that anyone would get from the change and we will continue to be a great city, but we just have a difference in opinion. Mayor Palmer said we had a motion and a second and asked if there was any further discussion. Mayor Palmer called for a vote. Councilman Hammond, Councilman Barton, and Councilwoman Palazzolo voted aye. The motion passed with three yes votes. Councilman Edwards did not vote.

8. New Business:

- A. Mayor Palmer conducted the first reading of the updated 2016 City of Calhoun Zoning Map. Councilman Hammond made a motion to set the public hearing for May 23rd. Councilman Barton gave a second with all voting aye, motion approved.
- B. Attorney Govignon updated the Mayor and Council on the need to approve the City to contract with a private probation provider for the City's probation services as the March 14, 2016 letter from the United States Department of Justice, Civil Rights Division, Office for Access to Justice has further hampered the ability to effectively supervise probation as a municipal department without operating at a significant loss in the budget. Under the new contract the private provider will take on all expenses and in addition return a portion of the revenues to the City. Attorney Govignon wanted to put on record that this move has nothing to do with the professionalism and competency of the current City Probation staff. They have done an outstanding job over the years, it is just no longer economically feasible for the City to run their own probation department. Attorney Govignon stated that the City's Municipal Court Judge has already signed off on the contract and the Council would need to authorize the Mayor to execute the probation contract as well. Councilman Barton made a motion to allow the Mayor to execute the Contract for Probation Supervision with Supervision Services, Inc. Councilman Hammond gave a second with all voting aye, motion approved. (copy attached)

9. Other written items not on the agenda: None

10. Work Reports:

A. Administrator Eddie Peterson

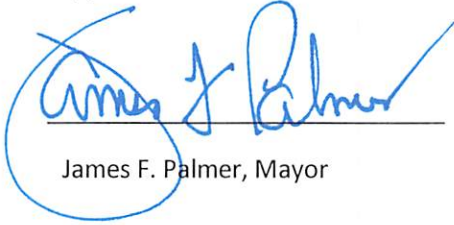
- Administrator Peterson reviewed the General Government monthly cash report with the general fund in a good cash position as compared to previous years. The 2011 SPLOST has committed funds to the Peters Street Project and recently Gordon County allocated their part to the project, so we now have almost \$3.2 million dedicated to the Peters Street project and there are uncommitted funds totaling \$652,000 which is being used for the phase one recreation project. The golf debt is \$40,000 less than last month and we hope we are trending up in our golf operations. The Revolving Loan checking account is at \$991,000. The fund is governed by the Georgia Department of Community Affairs and one of the stipulations is that you cannot have more than 30% of the total assets in cash. We made one additional loan recently and we have two more potential loans that would get us in compliance. Mayor Pro Tem Hammond stated that he is getting a lot of positive feedback from those who have recently played at Fields Ferry Golf Club at the great condition of the greens and compliments of new Golf Course Superintendent David Locke. Hopefully this will continue to show a positive impact on cash flows. Councilman Hammond made a motion to approve the cash report. Councilwoman Palazzolo gave a second with all voting aye, motion approved.
- Administrator Peterson updated the Mayor and Council on the proceedings of organizing the joint City/County meeting. A facilitator for the meeting has been identified. The County Commissioners are willing to proceed with the meeting at an out of town location as the Council had requested and thought best for a productive meeting. There are several venues as options that will be looked at for the meeting.

B. General Manager Larry Vickery

- General Manager Vickery reviewed the Utility monthly cash report with good reserve levels showing. The electric fund is at \$2.4 million, telecommunications at \$196,000, internal service fund at \$84,000, and water and sewer fund of \$3.3 million. There is a significant bond payment for the water and sewer fund that takes place at the end of June that will bring down the reserve number.
- General Manager Vickery stated that he attended a utility economic development conference with MEAG and Electric Cities of Georgia. There was a big emphasis on community development issues in retail, small commercial, and also industrial. Northwest Georgia has seen a lot of industrial activity. We partner with MEAG and ECG with GIS services through mapping of key accounts and large industry and retail. Also, Mr. Vickery stated that Calhoun hosted a monthly MEAG meeting. The participants were able to take tours of Mohawk Industries and Engineered Floors. They were all impressed with these operations. Mohawk also has a corporate showroom and corporate offices located in Calhoun and the group enjoyed touring those facilities. Mr. Vickery thanked Councilwoman Palazzolo for her support in making the event successful. Councilman Barton made a motion to approve the Utility cash report. Councilwoman Palazzolo gave a second with all voting aye, motion approved.

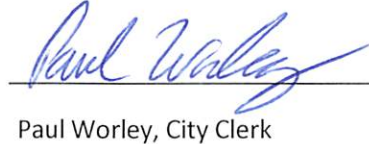
11. Attorney Govignon stated there was a need to go into Executive Session for privileged consultation with legal counsel according to OCGA 50-14-2. Councilman Barton made a motion to go into executive session. Councilman Hammond gave a second with all voting aye, motion approved.
12. Councilman Hammond made a motion to adjourn the executive session. Councilman Barton gave a second with all voting aye, motion approved.
13. Councilman Hammond made a motion to return to regular session. Councilman Barton gave a second with all voting aye, motion approved. Mayor Palmer stated that there was action needed following the executive session in which Attorney Govignon updated the Mayor and Council on mediation proceedings in the Walker vs. City of Calhoun case. Councilman Barton made a motion to allow the City Attorney to proceed forward with the case given the discussions and update of mediation proceedings, unless a new offer is brought forward. Councilman Hammond gave a second with all voting aye, motion approved.
14. Councilman Barton made a motion to adjourn. The motion was seconded by Councilman Hammond with all voting aye, motion approved.

Approved:

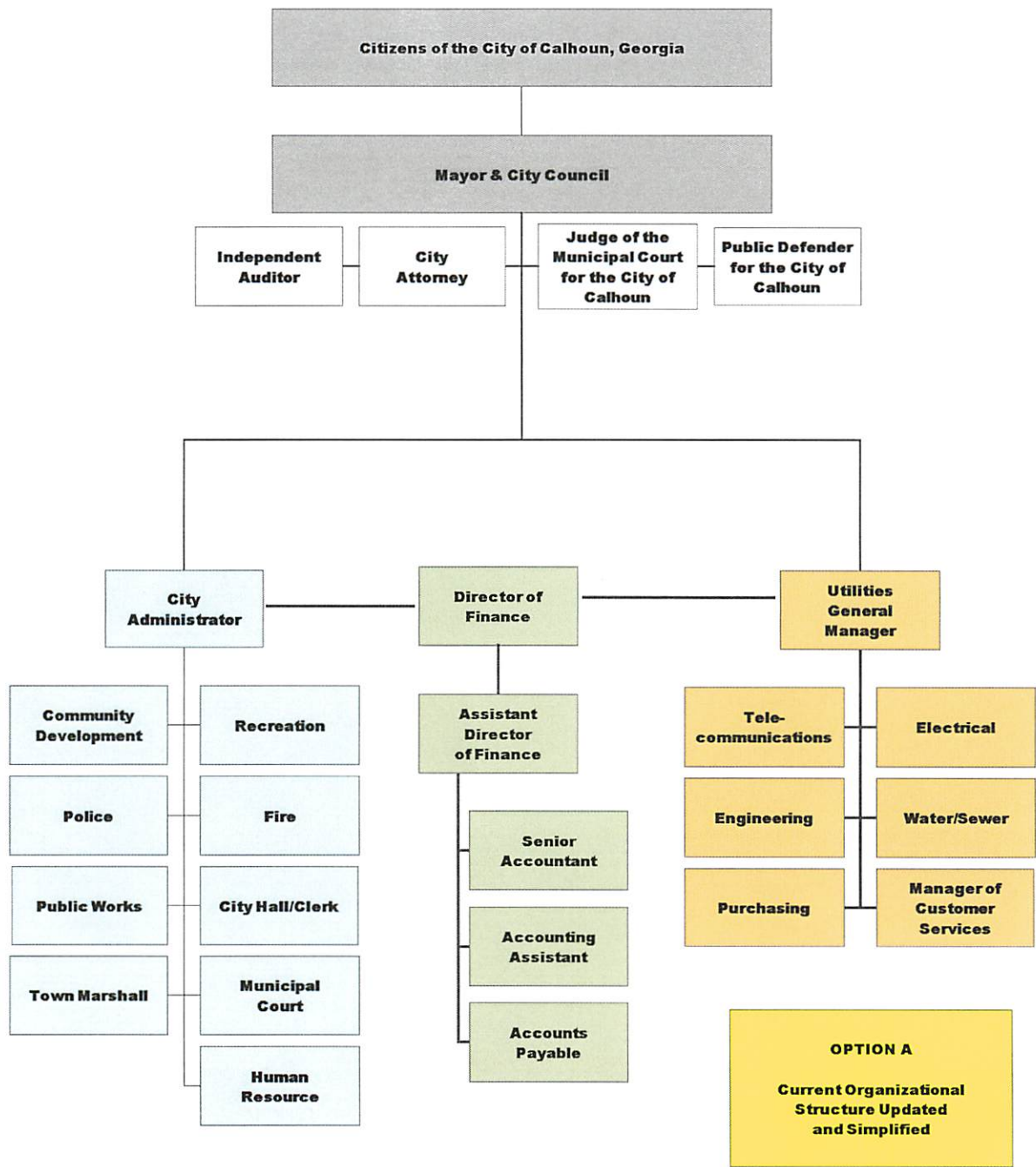


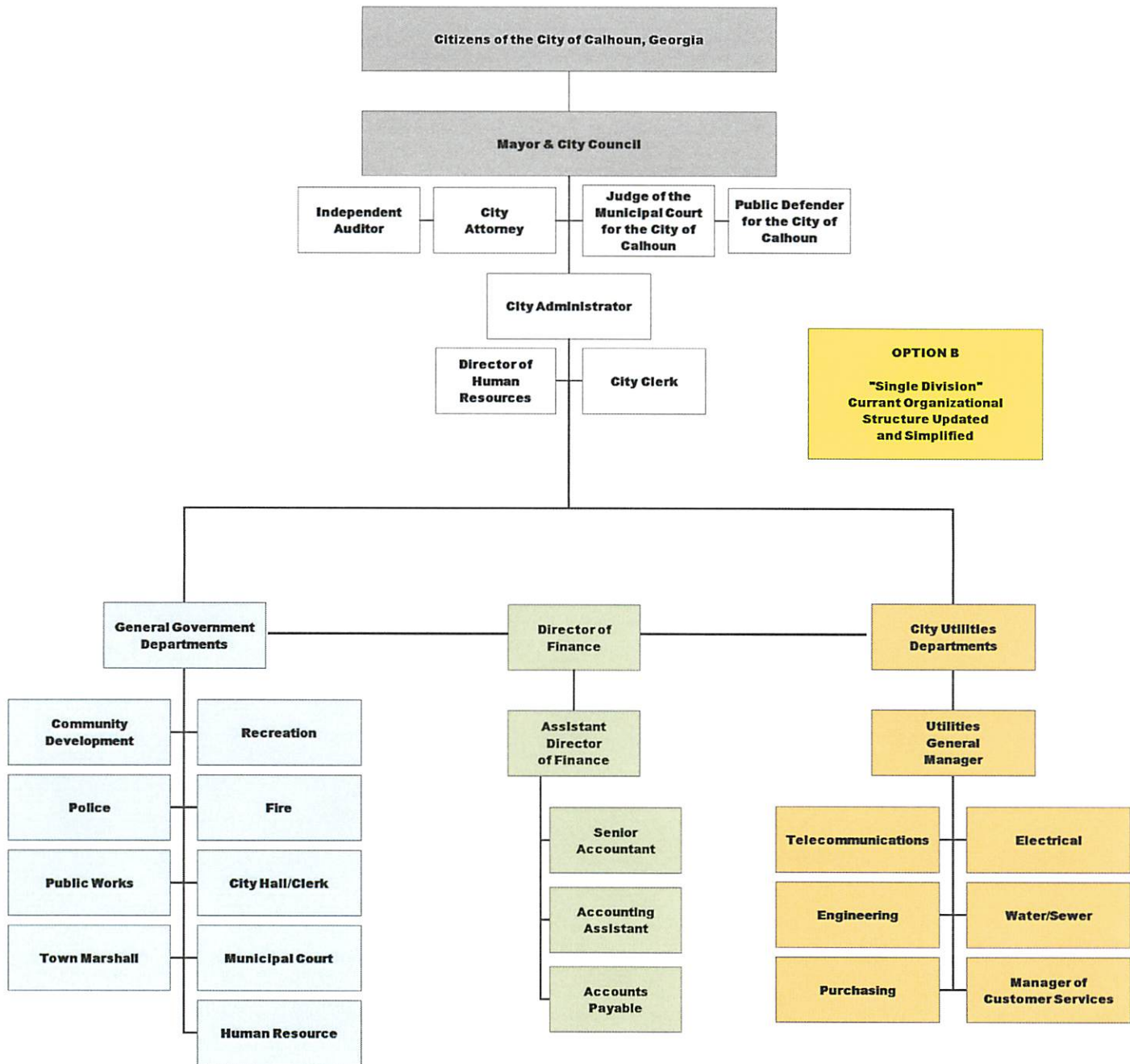
James F. Palmer, Mayor

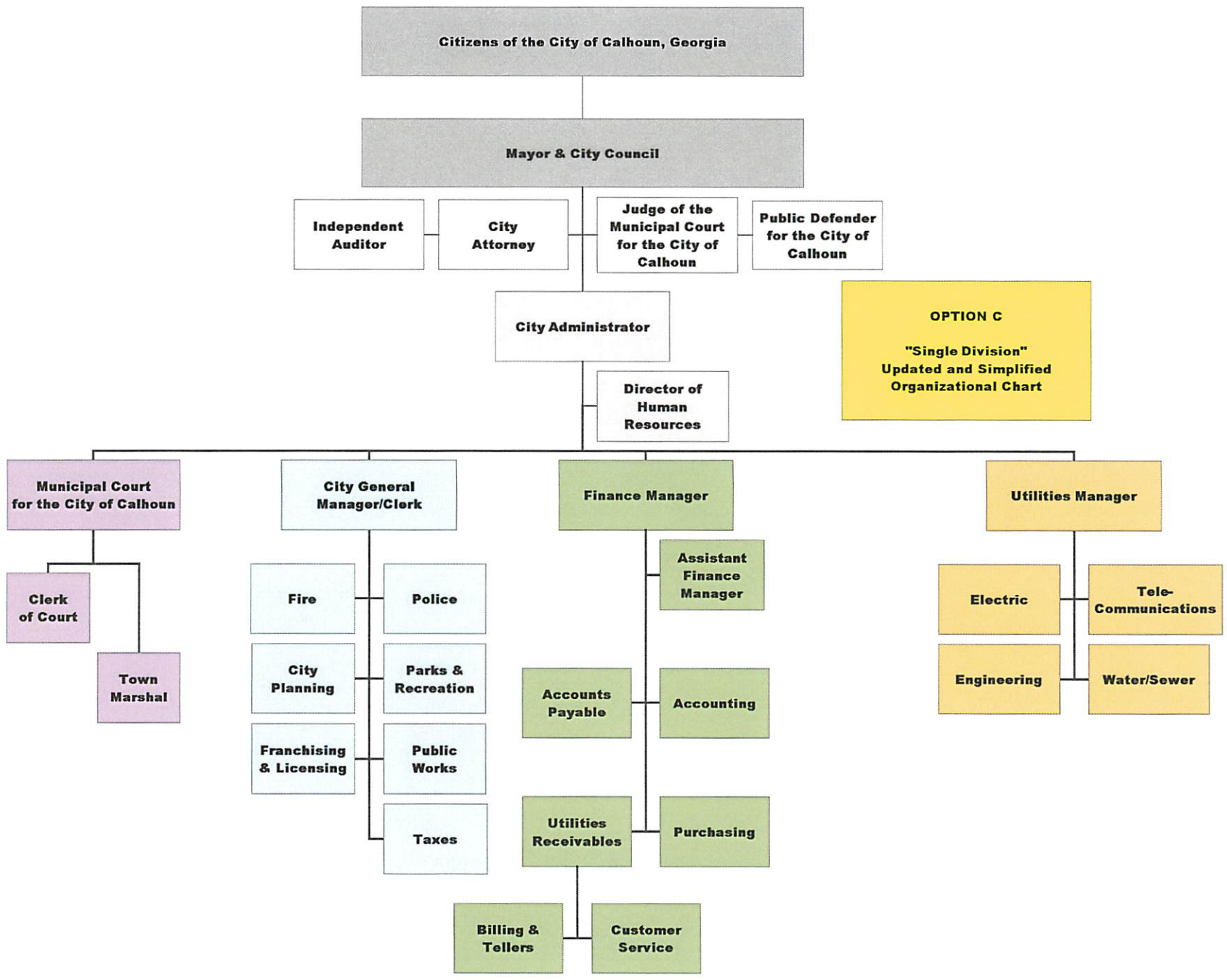
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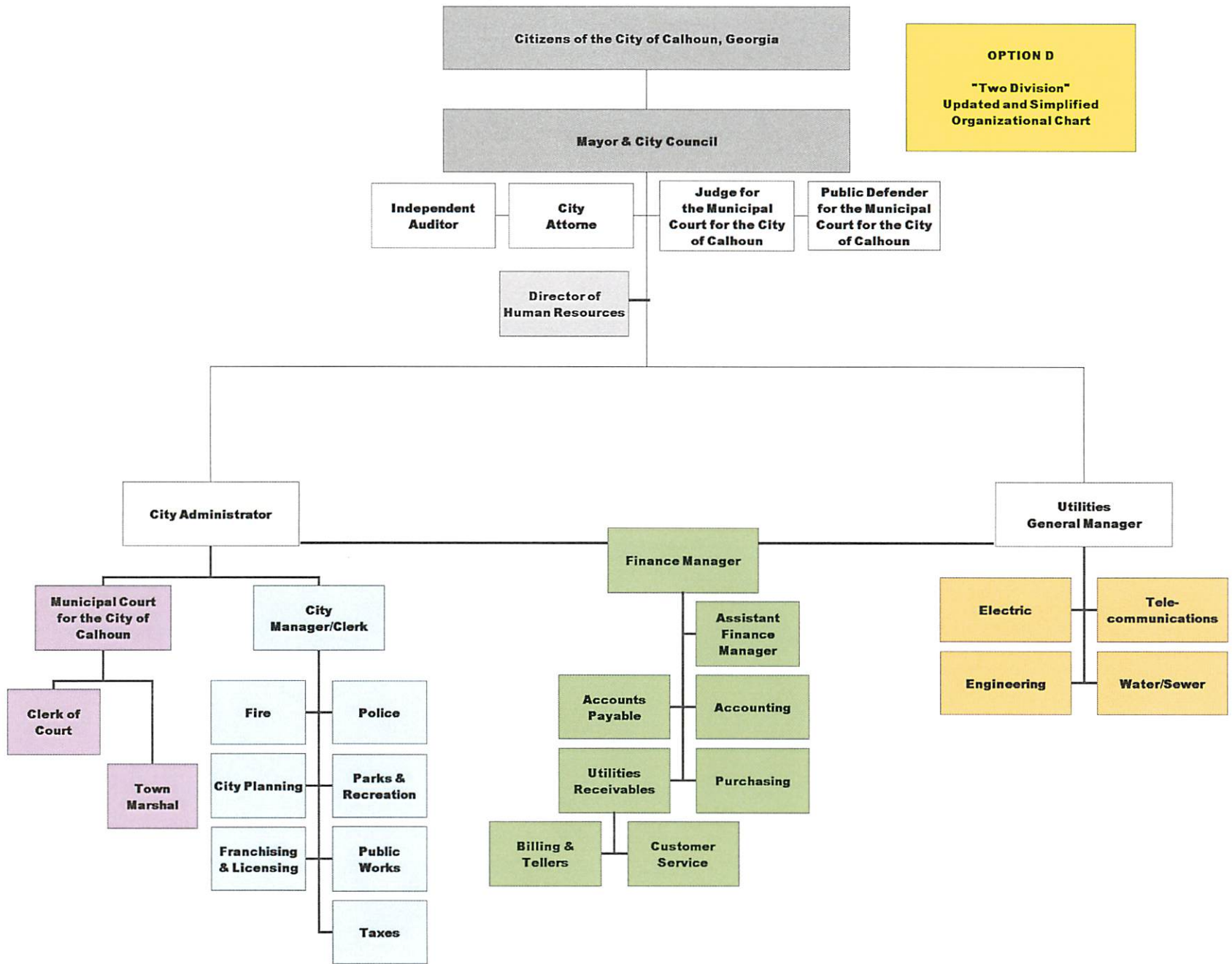


Paul Worley, City Clerk









OPTION D
 "Two Division"
 Updated and Simplified
 Organizational Chart

CONTRACT FOR PROBATION SUPERVISION

THIS CONTRACT made and entered into this 25th day of April, 2016
between The Municipal Court of the City Of Calhoun, Georgia (hereinafter referred to as
"Court") and
SUPERVISION SERVICES, INC., (hereinafter referred to as "SSI"),

WITNESSETH:

WHEREAS, The Municipal Court of the City Of Calhoun is authorized by O.C.G.A.
42-8-100 to
contract for general probation supervision, fine collection services, counseling and other
probation services for persons convicted of certain misdemeanors; and

WHEREAS, SSI is uniquely qualified and experienced in providing
comprehensive professional services and is willing to contract with The Municipal Court
of the City of Calhoun, Georgia.

in an effort to comply with O.C.G.A. Section 42-8-100 et. seq., as well as standards and
qualifications as set forth by the Department of Community Supervision;
and

WHEREAS, the parties hereto deem it in their best interests for The Municipal
Court of the City of Calhoun, Georgia
to enter into said Contract for the provision by SSI of such probation services as ordered
by the Court; and

NOW, THEREFORE, in consideration of the premises and the mutual benefits
and covenants provided under terms and conditions of this contract, the parties hereto
agree as follows:

1. DESIGNATION BY COURT

The Court designates SSI as the private entity to coordinate and provide direct probation and rehabilitation program services to offenders sentenced by and under the jurisdiction of the Court for state statutory offenses as well as violations of the Code of Georgia, Georgia

2. SCOPE OF SERVICES

SSI shall provide the services and programs for misdemeanor offenders placed on probation by the Court which shall include the following particulars:

A. Supervise all misdemeanor offenders placed on probation with SSI, to see that all conditions of probation stated in the applicable sentence are obeyed.

B. Comply with (O.C.G.A. 42-8-100 and following sections) and the standards and qualifications declared by the Department of Community Supervision.

C. Comply with the Uniform Professional Standards and Uniform Contract Standards specified in O.C.G.A. Section 42-8-102 and the Standards attached as Exhibit A hereto.

D. Maintain a permanent office within close proximity to the Court. The office shall be open (4) business days of each week pursuant to a set schedule to allow for the orderly reporting of probationers. A day will be not less than five (5) hours during usual business hours.

E. Provide not less than one (1) employee who will attend each Court session

and complete a case history of each offender and provide orientation and instructions regarding compliance with the Court's sentence on the date of the sentence.

F. Provide the Court with a written program of rehabilitation services SSI can reasonably offer to offenders as set out in Exhibit B attached hereto and to assist the Court in formulating services to address the particular needs of certain offenders.

G. Collect all fines, restitution and costs ordered by the Court pursuant to a schedule within the length of the probated sentence as may be determined by the Court and report to the Court any delinquencies at or before such time as it appears that the probationer will not complete full payment of such fines, restitution and costs before the end of the probated sentence.

H. Pay to the Court each month all fines collected during that month no later than the tenth (10th) of the following month. Fine collection shall take precedence over payment on any supervision fee ordered by the Court. SSI acknowledges the Court is vested with complete discretion in the determination of sentences for persons convicted in the Court.

I. Submit monthly reports to the Court on the amount of court fines, costs, and restitution, Court-ordered and collected from each probationer. The report shall include the services being provided, the total dollar amount applied to Court-ordered fines, restitution, and costs. The monthly reports shall be provided to the Court by the tenth (10) day of the following month.

J. Make all fiscal records available within ten (10) working days for review by the Court on request. Such financial records shall be consistent with generally accepted accounting practices.

K. Comply with all confidentiality laws relating to offender records.

L. Check the jail and jail lists daily for probationers arrested.

M. Not attempt to profit from any fines, restitution or Court costs collected from the probationers.

N. SSI will inform the Court should any offender engage in any conduct justifying revocation of the offender's probation. In the event of non-compliance with the terms of probation, SSI will promptly recommend termination of probation to the Court, and will prepare a Probation Warrant.

3. PERIOD OF SERVICE

The performance of services described in Section 2 of this Contract shall commence on the 1st day of May, 2016, and shall continue until the 1st day of May, 2018, at which time the Contract shall expire. Notwithstanding the date of expiration of this Contract, this Contract shall automatically renew under the same terms and conditions as provided for herein unless written notice to the contrary is directed to the other party within thirty (30) days prior to the date of expiration. Provided that, any renewal term shall be for a one (1) year period. Provided further, this Contract may be terminated without cause by either party upon thirty (30) days written notice to the other party and in accordance with OCGA 42-8-100 Subsection G 1. The date of notice shall be the mailing date of such written notice.

4. DEFICIENCIES IN SERVICE

In the event the Court determines there are deficiencies in the service and work provided by SSI, the Court shall notify SSI in writing of any such deficiencies. Within ten (10) working days of receipt of such notice, SSI shall correct or take reasonable steps

to correct the deficiencies complained of, including, if necessary, increasing the work force, equipment or modifying the policies and procedures used by SSI in performing services pursuant to this Contract. If SSI fails to correct or take reasonable steps to correct the deficiencies within ten (10) working days, the Court may declare SSI in default and this Contract shall be declared terminated upon receipt by SSI of notice thereof. This provision allows termination in 20 days instead of 30 as provided in Section 3.

5. DISPUTES

In the event of any controversy, claim or dispute as to the services and work performed or to be performed by SSI, or the construction or operation of or rights and liabilities of the parties under this Contract, each such question shall be submitted to a mediator agreed to by the parties for resolution. The party wishing to submit a matter to the mediator shall do so by written notice to the other party, which notice shall specify the nature of the controversy, claim or dispute. The parties shall meet within seven (7) business days of receipt of such notice by the complained party in an effort to resolve the matter or, alternatively, in an effort to mutually agree to a mediator. In the event either party disagrees with the decision of the mediator the decision of the Mayor and City Council will be final. In any event, the Mayor and City Council may terminate this contract after 30 days notice as provided in Section 3.

6. TERMINATION

The Court may immediately terminate this Agreement if SSI becomes insolvent or files for protection under any chapter of the US Bankruptcy Code. Additionally, the terms of this agreement are not assignable to any other provider of services, nor will the

contract continue if SSI is sold or if the merge with another provider where the current ownership of SSI would be surrendered without the supervision or control of the current executive staff.

7. TRANSFER OF OPERATIONS

In the event SSI defaults by failing to begin service at the time specified or discontinues a material portion of the service provided for by this Contract, the Court may, at its election and upon seven (7) working days prior written notice to SSI, take possession of the premises and equipment assigned by SSI and all records and other documents generated by SSI in connection with this Contract, and the court shall use the same in the performance of the services described herein. SSI agrees to surrender peacefully said premises, assigned equipment and records upon receiving an itemized receipt from the Court for said items.

8. RIGHT TO REQUIRE PERFORMANCE

The failure of the Court at any time to require performance by SSI of any provisions hereof shall in no way affect the right of the Court thereafter to enforce same. Nor shall waiver by the Court of any breach of any provision hereof be taken or held to be a waiver of any succeeding breach of such provision or as a waiver of any provision itself.

9. ACCESS TO BOOKS AND RECORDS

Representatives of The City of Calhoun shall have access, at all reasonable times and upon prior notice to SSI's representative, to all SSI's books, records, correspondence, instructions, receipts, vouchers, and memoranda of every description

pertaining to work under the Contract. SSI will be in compliance with O.C.G.A. Section 42-8-103 at all times.

10. INSURANCE

SSI shall provide and maintain during the life of this Contract, workers Compensation insurance and general liability with the following limits of liability:

Worker's compensation- Statutory

General Liability- \$1,000,000.00

Dishonesty Bond- \$100,000.00

11. INDEMNIFICATION/HOLD HARMLESS

With regard to the work to be performed by SSI, The Municipal Court of the City of Calhoun, Georgia shall not be

liable to SSI, nor to anyone who may claim a right resulting from any relationship with SSI, for any act or omission of SSI, its employees, agents or participants in the performance or services conducted pursuant to the terms of this Contract. In addition, SSI agrees to indemnify the Court and hold Court harmless from any and all claims, actions, proceedings, expenses, damages, liabilities, or losses (including, but not limited to attorney's fees and Court cost) arising out of or in connection with the services performed by SSI.

12. ASSIGNMENT

The duties and obligations assumed by SSI are professional services unique to SSI and are therefore not transferable or assignable without prior consent of the Court. Consent, however, shall not be unreasonably withheld.

13. VALIDITY

This Contract shall not be binding on any successor to the undersigned Official of the Court. The provisions enumerated in this Contract shall be deemed valid only in so far as they do not violate any county, state, or federal laws. The Judge of the Municipal Court of the City of Calhoun, Georgia executes this Contract only in their official capacity and not in any personal or individual capacity.

14. NOTICE

Any notice provided for this Contract shall be in writing and served by personal Delivery or by registered or certified mail addressed to:

Mr. William K. Davis
Mr. Tim Bockholt
Supervision Services, Inc.
216 S. Piedmont St.
Calhoun, GA 30701

15. FINANCIAL OBLIGATION

This Contract does not provide for any financial obligation from The City of Calhoun, The Municipal Court of the City of Calhoun, Georgia. and/or its Agents and employees to Supervision Services, Inc.

16. PROBATION FEE

The Court shall make payment of the probation fee a term and condition of the order of probation for each probationer assigned for supervision to SSI unless the Court determines the probationer to be indigent. Additional fees authorized to be charged to a probationer as ordered by the court per this contract include fees charged to offenders for certain services provided by SSI as described below:

PROBATION FEES: \$35.00 PER MONTH

PRE-TRIAL FEES: \$35 PER MONTH

DRUG TEST FEE: \$20 PER TEST

17. CONFLICTS

At all times SSI will be in compliance with O.C.G.A. Section 42-8-104.

18. ENTIRE AGREEMENT

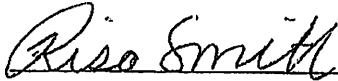
This Contract, including Exhibits A and B attached herein, and incorporated herein by their reference, constitutes the entire understanding and agreement between the parties hereto and supersedes any and all agreements, whether written or oral, that may exist between the parties regarding the same. No representations, inducements, promises, or agreements between the parties not embodied herein shall be of any force effect. No amendment or modification to this Contract or any waiver of any provision hereof shall be effective unless in writing and signed by all parties hereto.

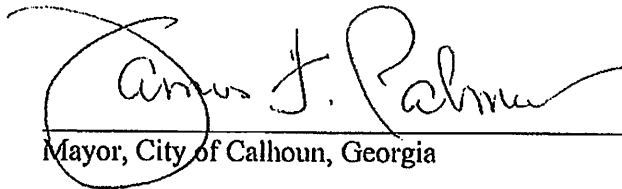
APPROVED:



Judge, Municipal Court of the City of Calhoun, Georgia

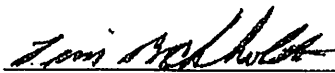
Attest:





Mayor, City of Calhoun, Georgia

Attest:



Tim Bockholt, President
Supervision Services, Inc.

Attest:





William K. Davis, Vice President
Supervision Services, Inc.

Attest:



EXHIBIT A

COMPLIANCE WITH THE DEPARTMENT OF COMMUNITY SUPERVISION

- A. All employees shall be at least 21 years of age at the time of appointment to the position of private probation officer.
- B. Employee(s) hired after July 1, 1996, for the position of private probation officer Should have a Baccalaureate degree with a concentration on Criminal Justice or related field. As a minimum requirement all private probation officers must have completed a standard two-year course at an accredited college or university, provided however, that any person who is currently employed as a private probation officer as of July 1, 1996, and who has at least 6 months experience as a private probation officer shall be exempt from such college requirements.
- C. Each candidate for employment must fill out an application for employment and Sign a waiver for release of information. This waiver will allow SSI to conduct a criminal records check in accordance with code section 35-3-34. In no event shall any person convicted of a felony be employed as or use the title private probation officer.
- D. Each private probation officer will undergo as a minimum; (1) one week of Company on the job training, and receive an initial 40 hours of orientation upon employment, provided however, that the initial 40 hour requirement shall not be required of any person who has successfully completed a probation or parole officer basic course of training certified by the Peace Officer Standard and Training Counsel or any private probation officer who has been employed by SSI for at least 6 months.
- E. Every private probation officer shall receive 20 hours of continuing education every year as approved by the Department of Community Supervision. The ratio of probationers to staff will be no greater than 300 to 1 which is sufficient for office supervision. SSI will routinely address and adjust staff allocation to meet the needs of the Court.
- F. SSI will require each probationer to report weekly during the initial month of probation. The Probation officer will make adjustments to their reporting schedule on a case-by-case basis. As a minimum, each probationer must be seen every 30 days. Probationers living out of the Court's jurisdiction must, as a minimum, report weekly by telephone and monthly in person.

- G. SSI will be responsible for handling indigent offenders irrespective of the ability to pay. The procedure for compensation to SSI will be committed to the Court's discretion.

EXHIBIT B

PROGRAM OF REHABILITATION SERVICES PROVIDED BY SUPERVISION SERVICES, INC.

SERVICES

SSI will have staff attend all Court sessions and be readily available in the event the Court needs its services. At the time of sentencing, each probationer will be instructed on the conditions of probation contained in the applicable sentence. SSI will document the probationer's case history and provide copies of all information to the probationer. During the initial office visit the probation officer will review at length the conditions of probation and enact the appropriate referrals. Officers are prepared to offer referrals for "special needs" such as alcohol/drug, mental or social service issues.

Unemployed individuals will be referred to the local Department of Labor and local employment sources. Current available job opportunities are posted in each SSI office and updated regularly.

Supervision will be provided through regular office and telephone contacts. Contact standards of one face-to-face contact weekly is required in the initial months of probation. Officers are required to document all case contacts and case actions as well as testify at hearings, if necessary.

Collection of fines, restitution, Court costs, supervision fees and supervision of community service is an integral part of the service. A payment schedule is established at the time of sentencing. Throughout the course of probation an ongoing assessment will be taking place. Probationers will immediately be advised of violations and arrearages and the consequences of violations, such as arrest and jail. We will remit to the Court on a monthly basis the monies collected unless the Court requests other arrangements.

ALCOHOL AND DRUG SCREENS

On occasion, the Court may order random drug screening. Those probationers ordered to submit to a drug screen will be billed at the time of testing. Screens are documented in the client's file with positive results being reported to the Court

In the event violations occur, delinquent reports to the Court will be submitted. Narrative descriptions of the violations will be provided. Petition of the Court for issuance of a warrant and revocation of probation may be requested when necessary.

ELECTRONIC MONITORING

Electric monitoring can be provided, should the Court deem it necessary.

PRE-TRIAL INTERVENTION SUPERVISION

SSI will administer and conduct a Pre-Trial Intervention program for those individuals referred to such program by the Court.

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