

**CITY OF CALHOUN
REGULAR CITY COUNCIL MEETING
DEPOT COMMUNITY ROOM
109 SOUTH KING STREET
MAY 12, 2003, 7:00 P.M.**

MINUTES

**PRESENT: James F. Palmer, Mayor
John D. Shelton, Jr., Mayor Pro Tem
Ronald H. Woods, Councilman
Ray M. Denmon, Councilman
Lorene Potts, Councilwoman**

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

1. Mayor Palmer called the meeting to order and welcomed everyone in attendance.
 - a. Mayor Palmer gave the invocation.
2. Mayor Palmer led the group in the Pledge of Allegiance to the United States Flag.
3. Minutes of the April 28, 2003 regular City Council meeting were approved as written.
4. Mayor's comments:
 - a. Mayor Palmer announced the official opening on May 12 of the Mahindra USA tractor assembly plant at 420 Marine Drive. He stated the plant will initially employ 25 people and they are very happy to be located in Calhoun, Georgia. They have one other location in the United States in Texas.
 - b. Mayor Palmer announced a successful listening session had been held by GMA in Ellijay on May 7, 2003. He stated he and members of the Council and staff had attended and had a successful meeting.
 - c. Mayor Palmer reminded the Council of the annual GMA business meeting in June which will include the city's normal regular meeting date on June 23, 2003 and he asked the Council to consider changing the second June meeting to either June 16 or June 30. Councilman Woods made a motion to change the second meeting in June from June 23 until June 16, 2003. The motion was seconded by Councilman Denmon, with Councilman Woods, Councilman Denmon, Councilwoman Potts and Mayor Pro Tem Shelton voting affirmatively, motion carried.
 - d. Mayor Palmer read a proclamation honoring the boy's soccer team for Calhoun High School. Following the reading of the proclamation, Councilwoman Potts made a motion to approve, second by Councilman Denmon, with Councilwoman Potts, Councilman Denmon, Councilman Woods and Mayor Pro Tem Shelton voting affirmatively, motion carried.
 - e. Mayor Palmer reminded the Council and public of a hearing set for May 26, 2003 at 7:00 p.m. for an application for a liquor and wine package license for a new location, 2261 Highway 41 North, Calhoun, Georgia by Ghulam Akbar Khan.

5. Council Comments:

a. Mayor Pro Tem Shelton stated:

- 1) The police department made 708 cases in the month of April 2003. They anticipated fines of \$110,155.00. They actually collected \$82,569.00 on previous cases. There were 16 DUI's cases. They issued 255 warning tickets, responded to 86 highway accidents and 37 private property accidents, with 2 injuries. They provided 83 escorts, completed 1,783 incident reports, responded to 151 alarms, and drove 57,215 miles on patrol. They received 6,307 calls for service via E-911.
2. The fire department responded to a total of 53 calls during the month of April, with estimated fire damages of \$9,250.00. They responded to 19 vehicle accidents, 8 false alarms. They responded to 2 private dwellings, 1 apartment, 1 industrial, 1 office, 2 vehicles, 4 brush, dumpster or outside fire calls, 5 mutual aid calls, 6 hazardous material leaks, 2 live wires and 4 other calls. During the month, they also completed training for all firefighters on water supplies. They completed the fire hydrant flow testing, fire hose testing, and began medical first-responder recertification through the Gordon Ambulance Service. They completed all station and vehicle maintenance work.
- 3) The fire inspector conducted 47 inspections, a public safety program on fire extinguisher use at Kerry Industries, attended 2 pre-construction meetings and participated in 24 hours of training.

b. Councilman Woods stated:

- 1) During the month of April, the electric department provided maintenance rebuild and new conductor installation on Red Bud Road. The electric crews replaced 38 poles. The primary electrical construction on Brian Wright's South Wall Street commercial project is continuing. The well pump project instrumentation and controls are expected to be in service before the end of May. The park project's electrical system, lighting, clock and chimes are in service. The recent storms have resulted in many power outages due to lightning and tree damage. The crews have responded to over 30 calls during the first week of May. There are additional projects in engineering and design phase, including the new Eckerd Drug Store. During the month of April, the crews worked 19 work orders for street and security lights, 25 for new businesses and maintenance and 15 after hour call-outs during the month of April.
- 2) The telecommunications department finished a new internet connection for Tri-state Communications and they are starting construction on an underground internet connection to Civil South. They completed IP connections to Calhoun MEAG power substations 2 and 4, increased the reliability of the commercial internet with installation of a new server, started implementation of a new fire wall and security configuration. They opened discussions with the Dixie Group for new service and revisions.
- 3) The generator is being prepared for the 2003 run season.
- 4) During the month of April, the electric department issued 23 permits, provided 112 inspections and set 18 meters. They purchased 29,095,327 kWh of electricity during the month from MEAG.

- 4) Councilman Woods stated he also attended the Coosa Valley RDC meetings during the month and one of the areas of discussion was continuing ACC-GMA joint meetings.

c. Councilman Denmon stated:

- 1) The water and sewer construction department made 22 water taps during the month and 4 sewer taps. They installed 1,000 feet of 2-inch PVC water line along Highway 53 in Scottsville. They made a 6-inch hot tap for a new development off Harmony Church Road and installed a fire hydrant on County Line Road at Bowman Road. They repaired 55 water leaks and 12 meters. They changed out 6 meters and responded to 67 miscellaneous calls.
- 2) The waste treatment plant treated a daily average of 8.647 million gallons per day (MGD.) The average BOD effluent was 12, the average suspended effluent was 21 and the average COD effluent was 94.
- 3) The water treatment plant treated a daily average of 11.837 MGD of raw water at the well and at the raw water intake.
- 4) The building inspection department issued 57 permits in the month of April for total construction estimated at \$4,091,110.00. This included 50 residential apartment units for \$1.2 million. They provided 159 inspections.

d. Councilwoman Potts stated:

- 1) The street sweeper cleaned 41 miles of curb and gutter. The street department hauled 68 loads of stone and put in 12 new street signs and completed 39 shop work orders. They dug out and patched roads on Curtis Parkway and Harlan Street. They worked at the old industrial landfill, hauling in 339 loads of fill dirt and grading. They started construction on the new recreation department pavilion, laying out the building and digging the footers. They continued work at the downtown park. The clock is installed, the bell is in place, bathrooms are complete, sprinkler system is in and the laying of sod is near completion. They built a 24 x 24 storm water box on Derby Lane. They ran storm water maintenance plan on April 21, checking all the pipes and grates inside the city.
- 2) The sanitation department ran their commercial trash routes and serviced vehicles. They put into service a new Freightliner brush truck with a 20-foot extended boom loader. They gained two 4-yard commercial dumpster accounts.
- 3) The parks department provided their routine maintenance on city property, water tank sites and right-of-ways. They installed floor tile and trim at Cal-net and painted bathrooms at the new gazebo in the downtown park.
- 4) The cemetery department marked and supervised the opening and closing of 14 gravesites and performed routine maintenance at Fain and Chandler cemeteries. They sold 19 burial spaces. They assisted contractors with the installation of 9 new monuments.
- 5) The safety committee inspected the recreation department. There were 3 workers' comp accidents and 3 vehicle accidents during the month.

- 6) Animal control housed 20 dogs and 12 cats during the month, and issued 1 first warning, 3 second warnings and 2 third warnings for leash law violations. They responded to 60 customer calls.
- 7) The Downtown Development Authority and the Main Street Partnership would be providing concerts in the new downtown park in May, June and July on the third Friday evenings with a fourth being scheduled later in the year. She also stated the Downtown Development Authority had lost two members: Ken Chapman, whose term had expired and Jim Hobgood, who had resigned. She stated the Downtown Development Authority recommended the appointment of Al Edwards to replace Ken Chapman and Jimmy Philips to serve the unexpired term of Jim Hobgood. Following consideration, Councilman Woods made a motion to appoint Al Edwards and Jimmy Philips to the Downtown Development Authority Board, second by Mayor Pro Tem Shelton, with Councilman Woods, Mayor Pro Tem Shelton, Councilman Denmon and Councilwoman Potts voting affirmatively, motion carried.

6. Public Hearings and Comments:

- a. Mayor Palmer stated at this time, public hearings on zoning matters would be held. The public would have the opportunity to make pro and con comments with a ten-minute maximum time limit for each side of the matter. Each person speaking would be required to have filed a Financial Disclosure Statement five days prior to the hearing, and each person would be required to give their name and address before speaking. An inquiry was made to determine if any of the elected officials had filed a disclosure statement regarding ownership or special interest in the agenda items. The response was negative.
- b. Mayor Palmer reviewed the Standards Governing the Exercise of Zoning Power, as follows:

STANDARDS GOVERNING THE EXERCISE OF ZONING POWER

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

- (8) Whether there are other factors relevant to balancing the interest in promoting the public health, safety, morality or general welfare against the right to the unrestricted use of property.

VARIANCE CONSIDERATIONS (ONE OR MORE)

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

- 1) Mayor Palmer gave a second reading of a zoning variance request by Dr. Box and Associates of Northwest Georgia Medical Park at 400 Timms Road for a 60-inch high by 120-inch wide sign for their business office located on site.
- a) A public hearing was opened.
- b) Harrison reported signs had been placed on the property and notices had been published in the local legal organ. However, no notices had been mailed to the adjoining property owners. Based on this failure, Councilman Woods made a motion to table the item until the Council meeting of June 9, second by Councilman Denmon with Councilman Woods, Councilman Denmon, Councilwoman Potts and Mayor Pro Tem Shelton voting affirmatively, motion carried.
- 2) Mayor Palmer gave a second reading of a request by Paul Lusk for rezoning from Industrial-H to R-2 of property at the corner of Edmond Street and Pine Street, the site of the old medical arts building and pharmacy, for conversion to apartments.
- a) A public hearing was opened.
- b) Harrison reported that notification to adjoining property owners had been completed, signs had been placed on the property and notices had been published in the local legal organ.
- c) Councilwoman Potts stated the Zoning Advisory Board had met on this item on May 8, 2003. The board members were concerned that the property in question is 2.95 acres and this would open up quite a bit of additional property for new apartments, including the remodeling of those two facilities. She stated the recommendation of the Zoning Advisory Board was to deny the request for a zoning change.
- d) Mayor Palmer inquired if there were any comments by the applicant. Mr. Lusk apologized for not being able to attend the Zoning Advisory Board meeting. He stated he would be willing to reduce the size of his request for rezoning to approximately 1 acre, which would allow him an opportunity to remodel the medical arts building for four apartment units and remodel the pharmacy for an

- office. The remaining portion of the property would remain at industrial zoning.
- e) The Council reviewed Mr. Lusk's request, asking him if he was aware of the minimum square footage that was allowed for 1, 2 and 3 bedroom units.
 - f) Mr. Lusk stated he might need to add on to the existing building in order to meet those codes.
 - g) Councilwoman Potts made a motion to table the request to allow Mr. Lusk sufficient time to have the parcel surveyed and for him to review and provide a proposed layout of the acreage and remodeling for the units. The motion was seconded by Councilman Woods, with Councilwoman Potts, Councilman Woods, Councilman Denmon and Mayor Pro Tem Shelton voting affirmatively, motion carried.
- 3) A second reading was given of a request for zoning of PRD and annexation of over 15 lots in the Blackwood Subdivision across from the Outlet Mall, by Russell Owen.
- a) A public hearing was opened.
 - b) Harrison reported that notification to adjoining property owners had been completed, signs had been placed on the property and notices had been published in the local legal organ.
 - c) Councilwoman Potts stated the Zoning Advisory Board had met on this item on May 8. The board members found that the criteria for PRD zoning had not been fully met by Mr. Owen and in order for the board to make a sound decision, those items would need to be addressed. She stated the Zoning Advisory Board had recommended this item be tabled until the June 9, 2003 Council meeting and the June 5 Zoning Advisory Board meeting to give the applicant sufficient time to comply with the PRD zoning requirements.
 - d) There were no other comments and Councilwoman Potts made a motion to table the item until June 9, 2003, second by Councilman Woods, with Councilwoman Potts, Councilman Woods, Councilman Denmon and Mayor Pro Tem Shelton voting affirmatively, motion carried.
- 4) Mayor Palmer gave a second reading of a request by L. P. Owens for rezoning from A-1 to Industrial-G of property located on Highway 41 South, 440 feet north of Union Grove Road. .
- a) A public hearing was opened.
 - b) Harrison reported that notification to adjoining property owners had been completed, signs had been placed on the property and notices had been published in the local legal organ regarding the request.
 - c) Councilwoman Potts stated the Zoning Advisory Board had met on this item at their May meeting and had reviewed the eight standards for zoning and the board felt this request was within those guidelines. They recommended the Council approve the change from A-1 to Industrial-G zoning based on the following:

- (1) The zoning proposal would permit a use that is suitable in view of adjacent and nearby property;
 - (2) The proposal will not adversely affect the use or usability of nearby property.
 - (3) The property in question has a limited economic use as currently zoned.
 - (4) The proposed change in zoning would not cause an excessive burden on existing streets or facilities.
 - (5) The capital costs for improvements would be borne by the developer.
 - (6) The rezoning request is in conformity with the policy and intent of the land use plan.
 - (7) There are no changing conditions which would affect the proposal.
 - (8) There are no other factors relevant to balancing the interest of promoting public health or general welfare.
- d) Mayor Palmer inquired if there were any comments regarding the request.
 - e) There were no comments by the applicant or members of the general public and the hearing was closed.
 - f) Councilwoman Potts made a motion to approve the zoning change from A-1 to Industrial-G, based upon the zoning standards as mentioned in item "c." The motion was seconded by Councilman Denmon and Councilman Woods, with Councilwoman Potts, Councilman Denmon, Councilman Woods and Mayor Pro Tem Shelton voting affirmatively, motion carried.
- 5) Mayor Palmer gave a request by Clark Scherer for a zoning variance regarding parking spaces at a new Eckerd Drugs at 200 Curtis Parkway.
- a) A public hearing was opened.
 - b) Harrison reported that notification to adjoining property owners had been completed, signs had been placed on the property and notices had been published in the local legal organ regarding the request.
 - c) Councilwoman Potts stated the Zoning Advisory Board had also reviewed this matter. Mr. Larry Surdege had stated that studies by Eckerd's engineers had recommended 50 to 70 parking spaces for the location. Councilwoman Potts stated it was the recommendation of the Zoning Advisory Board to grant the variance.
 - d) Mayor Palmer asked if there were any comments by the applicant.
 - e) Mr. Surdege reviewed the sketch plans for the new store. He also reviewed comments from the engineering department in which approximately 25% of the customers would be drive-thru customers. There would be approximately 247 customers per day with less than a 15 minute wait, which would allow the 50 to 70 spaces to be properly utilized without any problems or need for additional parking.
 - f) Mayor Palmer asked if there were any comments from the Council or the public. There were none and the hearing was closed.

- g) The findings of the Council were as follows:
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| <p>(a) There are no extraordinary or exceptional conditions pertaining to the particular piece of property.</p> <p>(b) The application of the zoning ordinance would create an unnecessary hardship</p> <p>(c) There are no conditions peculiar to the piece of property involved.</p> <p>(d) Relief, if granted, would not cause substantial detriment to the public good or impair the purposes and intent of this ordinance.</p> |
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- h) Councilwoman Potts stated based on these findings she would make a motion to grant the variance to allow between 50 and 70 parking spaces to be constructed for the facility. The motion was seconded by Councilman Woods, with Councilwoman Potts, Councilman Woods, Councilman Denmon and Mayor Pro Tem Shelton voting affirmatively, motion carried.
- i) Councilwoman Potts stated this would be an area the Mayor and Council might wish to review to grant relief for small, short stay commercial activity in the future.
- 6) Mayor Palmer gave a third reading of a rezoning request by Randy and Robin Freeman as agents for Jerry Phillips for property located at 307 Henderson Bend Road. The request is to rezone from C-2 to R-2 to expand apartments adjoining the property.
- a) A public hearing was opened.
- b) Harrison reported that notification to adjoining property owners had been completed, signs had been placed on the property and notices had been published in the local legal organ regarding the request.
- c) Councilwoman Potts stated the Zoning Advisory Board had also reviewed this matter. Mr. Freeman had stated he wished to build 7 townhouses on the property. They would have brick fronts on the bottom with vinyl on the top. The current owner's mother lives in one of the adjacent single-family houses and has no objection to the request. The other single-family house in the immediate area is rental property. She stated there was a split decision by the Zoning Advisory Board. Two members had concerns about existing R-2 property already in the city and two felt that after reviewing the area, the R-2 zoning would be appropriate for the area.
- d) Mayor Palmer inquired if there were any comments by the applicant.
- e) Mr. Freeman stated he did indeed wish to build 7 two-bedroom townhouses with 1,000 square feet each.
- f) Mayor Palmer asked if there were any other comments. There were none and the hearing was closed.
- g) Councilwoman Potts stated she was one of the votes in the Zoning Advisory Board meeting which had recommended the rezoning and she would now make a motion to approve the rezoning from

C-2 to R-2 based on the following findings of the Zoning Advisory Board:

- (1) The zoning proposal would permit a use that is suitable in view of adjacent and nearby property;
- (2) The proposal will not adversely affect the use or usability of nearby property.
- (3) The property in question as currently zoned has a limited economic use.
- (4) The proposal would not excessively burden existing streets or facilities.
- (5) The capital costs for improvements would be borne by the developer.
- (6) The rezoning request is in conformity with the policy and intent of the land use plan.
- (7) There are no existing or changing conditions which would affect the proposal.
- (8) N/A

The motion was seconded by Councilman Woods, with Councilwoman Potts, Councilman Woods, Councilman Denmon and Mayor Pro Tem Shelton voting affirmatively, motion carried.

b. Other Hearings and Comments:

- 1) Mayor Palmer opened a public hearing on the city's 2003-2004 budget. Harrison reviewed the proposed budget, which excludes the school budget at this time for a total of \$76,591,641.00, as per the attached comments. Councilman Woods stated in addition to Ms. Harrison's comments, he would point out that again there would be no property tax increase for the city's M&O portion of the taxes for this year, as in the last seven years. Mayor Palmer announced that a second hearing would be held on June 9, 2003, with a possibility of adoption on June 16, 2003.
- 2) Mayor Palmer opened a public hearing on an ordinance amendment on the Charter by "Home Rule" relating to Municipal Court. Attorney Bailey stated the amendment would increase the amount of punishment allowed from \$100.00 to \$1,000.00 and would move the Municipal Court from police to administration and would allow the personnel to be appointed following a recommendation of the City Administrator. There were no other comments and the hearing was closed. Mayor Palmer stated a second public hearing would be held on May 26, 2003 at 7:00 p.m.

7. Old business:

- a. Mayor Palmer stated the city had received no further documentation from Preservation First Development Company, LLC regarding their revolving loan request for renovation of the Calhoun Garden Apartments. Until additional information is received, no further action would be taken.

8. New business:

- a. Mayor Palmer stated the Calhoun High School had applied for a traditional parade permit for their Homecoming Parade on October 17, 2003 at 3:30 p.m. on the new

traditional route. Following discussion, Councilwoman Potts made a motion to approve the request subject to DOT approval, second by Councilman Denmon, with Councilwoman Potts, Councilman Denmon, Councilman Woods and Mayor Pro Tem Shelton voting affirmatively, motion carried.

- b. Mayor Palmer reviewed the 2003 general election calendar for the city and city school board for the election to be held on November 4, 2003. He outlined a few dates, the first being September 8, 2003, when candidates could first qualify and with the last day they could qualify being September 12, 2003. He stated the posts that would be up for election would be the post of Mayor; Council Post One presently occupied by Councilman Woods; Council Post Two presently occupied by Councilwoman Potts; City School Board Post 4 presently occupied by Al Edwards; and City School Board Post 5 presently occupied by George Crowley. Councilman Denmon made a motion to approve the election calendar, second by Councilman Woods, with Councilman Denmon, Councilman Woods, Councilwoman Potts and Mayor Pro Tem Shelton voting affirmatively, motion carried.

- c. Mayor Palmer stated the positions for the city's municipal non-partisan election would be as follows:

- Election Superintendent.....Cathy Harrison
- Election Manager.....Melissa Boyd
- Absentee Clerk.....Sandra Long
- Registrar.....Cathy Harrison

He asked for a motion to approve these election officials. The motion was made by Councilman Woods with a second by Councilman Denmon, with Councilman Woods, Councilman Denmon, Councilwoman Potts and Mayor Pro Tem Shelton voting affirmatively, motion carried.

- d. Mayor Palmer gave a first reading of a beer package license application by Sidney Collins for an existing location at 767 Highway 53 East. He stated the earliest date for a public hearing would be at the second Council meeting on June 16, 2003 at 7:00 p.m. Councilman Woods made a motion to set the public hearing for that date and time, second by Councilman Denmon, with Councilman Woods, Councilman Denmon, Councilwoman Potts and Mayor Pro Tem Shelton voting affirmatively, motion carried.

9. Other written items not on the agenda:

- a. Mayor Palmer asked Director Cornwell to review the city's recent property acquisition. Director Cornwell stated the city began negotiations for Big Spring over 10 years ago. However, during his time as Utilities Director, he has been working on the project since 1994. He stated based on the number of years of negotiations, the city has finally been successful in the proposed purchase of Big Springs, which would provide between 3 and 5 million gallons of water per day for the city's use. That, combined with the additional output from the well will allow the city to have the majority of its residential water supply coming from wells and springs. He stated this was a major accomplishment for the city. When both projects are complete, it would provide approximately 31.5 million gallons per day capacity, which will be in line with along the 15-year goals for the city. Mayor Palmer stated the Mayor and Council in Executive Session on April 14 had considered this purchase and during that meeting had authorized the Mayor to sign an agreement for the purchase and had also authorized a short-term loan from

BB&T until such time as the long-term financing through revenue bonds could be put in place. Attorney Bailey stated this was possible through Article 9 of the constitution which allows the city to use short-term financing until revenue bonds can be sold for long-term financing. There were no additional comments. Councilman Denmon made a motion to ratify the action taken by the Mayor and Council in Executive Session on April 14, 2003 to purchase Big Springs and to make those matters a part of the official record, as follows:

EXECUTIVE SESSION MINUTES

1. *Attorney Bailey stated he had received a proposed agreement whereby the City of Calhoun would purchase approximately 100 acres of property, including the Big Spring, from the estate of Forester Bates for a price of \$4,025,000.00. The agreement would provide an easement for the Bates estate to continue their operation of the bottling company, which utilizes spring water from Big Spring at the spring head, up to 250,000 gallons per day, with the understanding that they would be responsible for any permits needed for the operation. A security fence would be provided and the company would not be allowed to enter the fenced area around the spring without notifying the city. In turn, the city would also notify the company, should they do any construction which would cause any turbidity of the spring itself. The agreement would exclude 15.85 acres from the purchase of all the property owned by Mr. Bates in the 259th and 246th Land Lots in Calhoun, Gordon County, Georgia. Following discussion, Councilman Woods made a motion to approve the agreement and the proposed purchase and to authorize the Mayor to sign all necessary documents. The motion was seconded by Councilman Denmon, with Councilman Woods, Councilman Denmon, Councilwoman Potts and Mayor Pro Tem Shelton voting affirmatively, motion carried.*
2. *Attorney Bailey stated that in order to move forward with the project, it would be necessary for the city to obtain a short-term loan, not to exceed December 31, 2003 from BB&T, on an unsecured basis, with interest to be prime minus .50 %, floating daily, or one month LIDOR plus 2.25% floating monthly, or 3.75% fixed until maturity. Following closure, the city would need to move forward with a water and sewer bond issue for the long term financing of the project. Following discussion, Councilwoman Potts made a motion to authorize the temporary loan from BB&T. The temporary borrowing would be along the lines as outlined by Attorney Bailey and with the understanding that the loan would not exceed the period ending December 31, 2003 and would be replaced by permanent funding through a water and sewer bond issue within the December 31, 2003 time frame. The motion was seconded by Councilman Denmon, with Councilwoman Potts, Councilman Denmon, Councilman Woods and Mayor Pro Tem Shelton voting affirmatively, motion carried.*

The motion was seconded by Councilman Woods, with Councilman Denmon, Councilman Woods, Councilwoman Potts and Mayor Pro Tem Shelton voting affirmatively, motion carried.

- b. Another item that was brought forward from the work session was the continued report from Eddie Peterson regarding the Department of Transportation right-of-way to be affirmed by the city for the storm drain junction box and catch basin project for the downtown area, which is also associated with the Streetscape project, also funded by DOT. Attorney Bailey confirmed that he had signed indicating dedication of the streets as named in the agreement.

10. Work Reports:

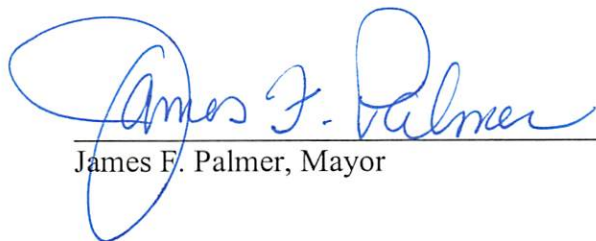
- a. Kelly Cornwell, Director of Utilities, stated:

- 1) In the sewer project with GEFA funding, bids had been obtained for a conveyer system. According to Peoples & Quigley, Inc., the city's outside engineering firm, there were two bids, one being from Spirac, Inc. for \$91,868.00 and a second bid from Serpentix Conveyers Corporation for a bid of \$70,000.00. He stated it was the recommendation of Bob Peoples to accept the low bid of \$70,000.00. Councilman Woods made a motion to accept the low bid, second by Mayor Pro Tem Shelton, with Councilman Woods, Mayor Pro Tem Shelton, Councilman Denmon and Councilwoman Potts voting affirmatively, motion carried.
 - 2). The downtown sewer rehab project had received four bids as follows:

Mid South Trenchless, Inc.	\$298,886.00
Portland Utilities Construction Company, LLC	\$237,338.00
C & S Construction.....	\$171,970.00
Southeast Pipe Survey, Inc.	\$165,264.00

Director Cornwell stated that based upon the low bid and based upon credentials that had been checked for the low bidder of Southeast Pipe Survey, Inc., it was the recommendation to accept the low bid of \$165,264.00. Councilman Woods made a motion to accept the low bid by Southeast Pipe Survey, Inc, second by Mayor Pro Tem Shelton, with Councilman Woods, Mayor Pro Tem Shelton, Councilman Denmon and Councilwoman Potts voting affirmatively, motion carried.
 - 3) The city water and sewer construction crews would begin working night shifts of approximately 12 hours to do the work in the downtown area when it would be less intrusive for the downtown merchants.
 - 4) Director Cornwell announced he had received a letter from the Department of Natural Resources announcing, effective June 1, 2003, a mandatory outdoor watering ban would begin. This would require odd and even watering for outdoor water use without any specific hours.
- b. Eddie Peterson, Director of Public Safety and Public Works: **no report.**
11. Attorney Bailey stated it was not necessary for the Council to go into executive session.
 12. Councilman Woods made a motion to adjourn, second by Councilman Denmon, with Councilman Woods, Councilman Denmon, Councilwoman Potts and Mayor Pro Tem Shelton voting affirmatively, motion carried.

Approved:


James F. Palmer, Mayor

Submitted:

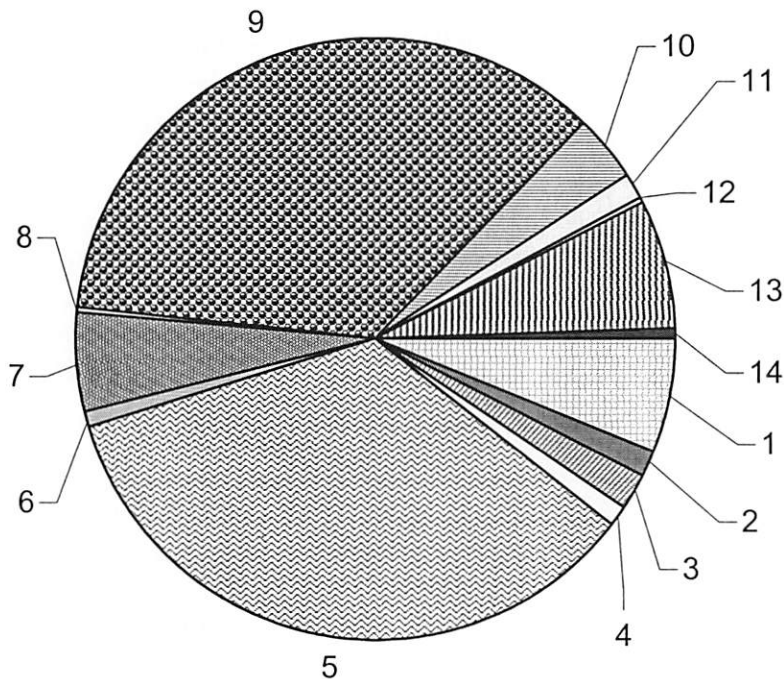

Cathy Harrison, City Administrator

"Exhibit A"

City of Calhoun

Budget

July 1, 2003 to June 30, 2004



#	DEPARTMENT	BUDGET
1	Administrative	\$ 4,600,695.00
2	Municipal Court	1,201,500.00
3	Recreation	1,408,213.00
4	Solid Waste	954,286.00
5	Electric	26,519,577.00
6	Telecommunications	693,872.00
7	Bond Debt	3,913,197.00
8	Economic Development	283,500.00
9	Water & Sewer System	27,164,250.00
10	Public Works	2,769,139.00
11	Golf	1,130,391.00
12	Library	182,921.00
13	Public Safety (Fire & Police)	5,413,968.00
14	Airport	356,105.00
Total Budget (Excluding School)		\$ 76,591,614.00

NOTES:

1.	Electric System - Sales of 365,286,790 kilowatt hours (kWh) of electricity; 4,500 customers; 155 miles of distribution lines; 17 employees.
2.	Water and Sewer Systems - 592 miles of water lines; 102 miles of sewer lines; water storage capacity of 21,550,000 gallons; average gallons of raw water treated yearly of 4,015,000,000; average sewer treated yearly of 2,737,500,000; 17,000 water customers; 4,900 sewer customers; 29 water employees; 31 sewer employees.
3.	Telecommunications - 48.2 miles of fiber-optic lines; 4 employees; 193 customers.
4.	Recreation and Golf - 337 acres of parks and golf course in four locations; Tennis courts; pool; walking trails; basketball, soccer, baseball, softball and football fields; 33,000 rounds of golf annually.
5.	Public Works - Maintain 86 miles of public streets, sidewalks, drainage system; 834 street lights; maintenance shop for vehicles and equipment; maintain right-of-ways on streets and public properties; 28 employees; maintain 2 public cemeteries with 2,000 spaces available for sale.
6.	Solid Waste - Provide commercial waste service; contract for residential pick up and disposal waste service; recycling drop-off center; 5 employees.
7.	Public Safety - Police patrol 13 square miles daily; respond to 6,500 calls monthly; make 12,000 cases annually for traffic and ordinance violations; operate joint city-county drug and gang task forces; provide traffic control for daily influx of approximately 60,000 vehicles to industrial and commercial areas of the city; 48 employees.

2003-2004 Major Income Changes

1.	A 10¢ rate increase per 1,000 gallons of water is projected to cover the debt service for the purchase of Big Springs. This would be a 50¢ per month increase for a family using 7,000 gallons of water.
2.	A 15¢ rate increase per 1,000 gallons of water is projected to cover the debt service costs. This would be a 75¢ per month increase for a family using 7,000 gallons of water.
3.	Water and sewer tap prices will increase by \$300.00 for each size of tap.
4.	Business license taxes will increase as follows:

Number of Employees	Current Price	Proposed Price
1	\$ 55.00	\$ 69.00
2	110.00	138.00
3 to 5	200.00	250.00
6 to 9	360.00	450.00
10 to 19	600.00	750.00
20 to 29	800.00	1,000.00
30 to 49	900.00	1,125.00
50 to 99	1,200.00	1,500.00
100 to 199	1,500.00	1,875.00
200 to 399	2,000.00	2,500.00
400 to 499	2,300.00	2,875.00
500 to 750	2,800.00	3,500.00
Over 750	3,100.00	3,875.00

Major Expense Changes

1.	No wage increases except for promotions, are projected for an average annual savings of \$300,000.00.
2.	Pension changes are projected which will increase cost by approximately \$125,000.00 annually.
3.	Water plant improvements and erection of two water tanks are planned for a cost of over \$5,500,000.00, with funding through the Georgia Environmental Facilities Authority (GEFA) for a loan at 3% interest.
4.	Sewer plant renovation regarding updating of the older section of the plant continues with an annual cost of approximately \$3,900,000.00. Funding will be through GEFA at a rate of 3% interest.
5.	Road and recreations improvements are projected from the SPLOST for approximately \$1.5 million.
6.	The Street Scape Project for the downtown area is projected to be funded by a \$460,000.00 grant.
7.	The Mill Village, Phase II Project is projected to be completed for approximately \$193,000.00 with a grant. The city will provide street and drainage improvements in the area from SPLOST funds.
8.	The sewer interceptor project is projected to be completed for a cost of \$2.4 million funded by a GEFA loan at 3% interest.
9.	Full-time employment will increase by 5 new employees and loss of one part-time employee. This includes two temporary construction jobs.

Service Improvements

1.	City Hall Business Hours - 7:30 a.m. until 6:00 p.m. on Monday, Tuesday, Thursday and Friday and from 7:30 a.m. until 5:00 p.m. on Wednesday, for a total of 51.5 hours per week open to the public.
2.	Customers with only water service will have meters read every other month and estimated every other month for a service cost savings of \$24,700.00 annually.
3.	Public Safety will incorporate fire and police services for an additional 266 acres annexed in the past twelve months; Police will continue to improve traffic patrols to reduce accidents and save lives; improve responsiveness to hazardous calls regarding spills, bomb threats, etc.; improve public communications and provide service 24 hours a day, seven days a week.
4.	Water, Sewer, Electric and Telecommunications will improve policies for coordinating increased development of the community, both public and private.
5.	Street department and building inspection will improve supervision of development projects, providing a better finished product for the public.
6.	Main Street Partnership will coordinate sponsored activities for the new community park and Depot area, designed to bring people to downtown Calhoun.