

**CITY OF CALHOUN
REGULAR CITY COUNCIL MEETING
DEPOT COMMUNITY ROOM
109 SOUTH KING STREET
JUNE 10, 2002, 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. 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 May 27, 2002 regular City Council meeting were amended regarding the starting time of Sunny Beach Street. Councilwoman Potts made the change, stating the time is 7:00 P.M. to 10:00 P.M., Friday night, June 14, 2002. Following this amendment, the minutes were approved on a motion by Councilman Woods and a second by Councilwoman Potts, with Councilman Woods, Councilwoman Potts, Councilman Denmon and Mayor Pro Tem Shelton voting affirmatively, motion carried.
4. Mayor's comments:
 - a. Mayor Palmer reminded everyone of the change in meeting dates in June from June 24 to June 17, 2002, in order for the Council Members to attend the GMA annual conference.
 - b. Mayor Palmer reminded everyone of the sewer plant renovation hearing scheduled for July 8, 2002 at 7:00 P.M.
 - c. Mayor Palmer reminded the Council and public of the hearing scheduled on June 17, 2002 regarding the beer pouring license request of Vickey R. Brown, doing business as Losposada Restaurant at the Knight's Inn on U. S. 41 North.
 - d. Mayor Palmer asked the Council to consider a request by the Calhoun Housing Authority to appoint Clinton Marshall to complete the term of the late Mr. Harold Thompson until May 10, 2004. Following discussion, Councilman Denmon made a motion to adopt a resolution appointing Mr. Clinton Marshall to fill the unexpired term of Mr. Harold Thompson, second by Councilman Woods, with Councilman Denmon Councilman Woods, Councilwoman Potts and Mayor Pro Tem Shelton voting affirmatively, motion carried. Mayor Palmer stated Mr. Harold Thompson had served on the Housing Authority Board for approximately

4 years and had been a very good member. He stated that he was pleased that Mr. Clinton Marshall was willing to serve on the board.

- e. Mayor Palmer reminded the Council the city will need to consider year-end budget amendments due to storm damage at the June 17, 2002 meeting.

5. Council Comments:

a. Mayor Pro Tem Shelton stated:

- 1) The police department made 622 cases in the month of May 2002, with anticipated fines of \$91,145.00. 14 cases of driving under the influence were made;, 163 speeding citations were issued; 308 warning tickets were issued. \$87,847 in fines were collected from previous cases. After the May 1 storm, the police department worked 1,175 hours in excess of regular duty hours. Officers and investigators worked 1230 incidents. They worked 80 highway accidents with 22 injuries and 32 private property accidents with no injuries. They provided 77 escorts and responded to 204 alarms. They logged 63,867 miles on patrol during the month of May.
- 2) The fire department responded to 17 accidents during the month of May with one fatality. They provided mutual aid to 4 calls and responded 14 other calls during the month. The firefighters assisted with traffic control and debris removal during the first few days of May.

b. Councilman Woods stated:

- 1) The electric department continued to perform many projects as a result of the May 1 storm. The department produced 360 work orders during the first 20 days following the storm and approximately 100 of these have been worked at this time. The system continues to experience abnormal outages due to reoccurring debris contact with the lines, either due to winds, rain and lightning or limbs falling. In the process of storm repairs in late may, the electric crews have constructed new services for Tires, Inc. on Industrial Drive, began new services for the training center near Coosa Valley Tech and multiple new residential services. Councilman Woods stated that many tree problems still exist in Calhoun, exposing the city electric system to many unknown problems. He asked the community for their patience and understanding during the next few weeks until all of these situations have been corrected.
- 2) Telecommunications continues to repair and correct service from their temporary quarters at the electric department. They continue to work on the city telephone system and the optic line routing. Plans are under consideration for a new replacement building, which will have a hardened vault for integral electronic equipment to provide maximum protection for the telecommunications department.
- 3) The generator operated 7 hours in May and produced approximately 132,000 kWh of electricity. The energy market has softened in June and the run time has already surpassed the May run time.
- 3) During the month of May, the electric department issued 14 permits, provided 59 inspections, set 17 meters and purchased at wholesale 29,877,526 kWh of electricity for resale.

c. Councilman Denmon stated:

- 1) The water and sewer construction department provided 59 water taps in the month of May and 16 sewer taps. They assisted in storm damage cleanup from May 1 through 10. They started work on a 6-inch water main on Riverview Drive off of Line Street. They repaired 55 water leaks, repaired 33 meters, changed out 13 meters and installed 43 new meters. They responded to 9 sewer calls.
- 2) The waste treatment plant treated a daily average of 9.362 million gallons per day (MGD.) The average BOD effluent was 11, the average suspended effluent was 12 and the average COD effluent was 75.
- 3) The water treatment plant treated a daily average of 12.475 MGD of raw water during the month. Well number 3 did not run at this time.
- 4) Councilman Denmon stated that during the month of May, the building inspection department issued a total of 79 permits for construction totaling \$3,314,631.00.

d. Councilwoman Potts stated:

- 1) The street department brush truck picked up 5,360 cubic yards of brush and leaves. The street sweeper cleaned 37 miles of curb and gutter. The department hauled 56 loads of stone and replaced 7 street signs and completed 25 shop work orders. They spent the month of May cleaning up storm debris from the tornado on May 1. The street and parks personnel, along with sub-contractors anticipate they will have the debris picked up by June 21. Residents are urged to have all of their storm debris out on the street by that time, as the city will resume its regular pickup of brush and leaves on June 24. After the 21st, there will be a charge for picking up the larger trees and stumps related to the storm.
- 2) The sanitation department ran their commercial trash routes, serviced and washed vehicles and gained one 4-yard dumpster account during the month.
- 3) The parks department personnel assisted with the storm cleanup and maintained their routine maintenance on city property, water tank sites and right-of-ways.
- 4) The cemetery department marked and supervised the opening and closing of 11 gravesites and performed routine maintenance at Fain and Chandler cemeteries.
- 5) The safety committee reported 2 workers' comp accidents and one vehicle accident during the month. They conducted a safety inspection of the water and sewer construction department.
- 6) Animal control housed 25 dogs and 25 cats during the month and responded to 46 customer calls. They issued 2 first warnings, one second warning and one third warning for leash law violations.

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.

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 read a zoning variance request by Lamar Advertising, Inc. as agent for Jimmy Payne to repair or rebuild a commercial sign on U. S. 41 South.
 - 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 met on this matter on June 6, 2002 at 4:30 P.M., had reviewed the report of the Zoning Review Committee and the Zoning Standards and Variance Considerations as outlined in the city zoning ordinance, as follows:

- (1) No.
- (2) The adjacent has mixed use of residential and commercial property.
- (3) Yes.
- (4) N/A
- (5) No cost to the local government.
- (6) The request is not in conformity with the zoning ordinance, sign ordinance or the land use plan.
- (7) No existing conditions that would support the request.
- (8) N/A
- (a) None.
- (b) No.
- (c) No.
- (d) Would not conform to the ordinance and is prohibited by the ordinance.

- d) Councilwoman Potts stated that while the Zoning Advisory Board understood Mr. Couch's situation regarding the request to rebuild the sign, the Zoning Advisory Board also felt the current ordinance in Section 10.11-6 states that a non-conforming sign that is down cannot be rebuilt in a non-conforming area. It was the recommendation of the board to deny the request.
 - e) Mayor Palmer inquired if there were any comments by the applicant. Mr. Johnny Couch and Mr. David Stone of Lamar Advertising stated the storm of May 1 was one of the most devastating to the Calhoun-Gordon County area in the past 50 years. He stated that he had 9 signs located within the City of Calhoun and with this sign being down, he has 8 remaining. He stated the sign had been located at 529 South Wall Street for the past 16 years and was in good condition until May 1. He stated he had not received any notification from the City of Calhoun that due to the sign ordinance being adopted, the sign was no longer a conforming sign. He respectfully requested the ability to replace the sign. He stated it would not be any higher than its original height but the sign face would be reduced slightly.
 - f) Mayor Palmer stated the city had advertised and held several hearings at the time the new ordinance was adopted.
 - g) Following discussion, Councilman Woods stated he felt the action by the Zoning Advisory Board was correct as it relates to the sign ordinance regarding signs that have been downed due to weather, etc. He stated based upon this, he would make a motion to deny the request, second by Councilwoman Potts, with Councilman Woods, Councilwoman Potts, Councilman Denmon and Mayor Pro Tem Shelton voting affirmatively to deny the request, motion carried.
- 2) Mayor Palmer gave a second reading of a request for zoning of R-3 and annexation of 10.5 acres on the east side of U. S. Highway 41 South and on the south side of Belwood Road by Flipper McDaniel as agent for D. F. Williams. The request is for an R-3 mobile home park. (Map & Parcel #GC46-008.)

- 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 also met on this matter on June 6, 2002 at 4:30 P.M., had reviewed the report of the Zoning Review Committee and the Zoning Standards as outlined in the city zoning ordinance, as follows:

- (1) No
- (2) Yes. It would adversely affect adjoining property.
- (3) N/A
- (4) It would have a negative impact on schools, utilities & transportation.
- (5) The immediate cost for extending infrastructure to the area would be at the expense of the developer.
- (6) The request is not in conformity with the land use plan.
- (7) As exhibited by various types of industry in the immediate area, there are conditions existing which could affect approval of the request.
- (8) There are no factors that would balance the interest in promoting public health, safety or morality. It was determined that approval could affect the general safety of additional residents in the area.

- d) Councilwoman Potts stated that several representatives from the local industrial community had addressed the request. They expressed great concern for a residential development to be located so near an ongoing industrial development. Based upon these reasons, the Zoning Advisory Board recommended the request be denied.
- e) Mayor Palmer asked if there were any comments by the applicant. There were none.
- f) Mayor Palmer inquired if there were other comments from the public.
- g) Attorney Ledbetter, representing Mannington, Mohawk and Fox Systems stated the current city ordinance would allow 10 mobile homes per acre or an equivalent of 100 mobile homes on the 10 acres. He stated most of the industries in the area operate 7 days a week, 24 hours a day, with heavy traffic that would be in conflict with a school bus on Highway 41. He stated Mannington is located south of the proposed property and the owners of Mannington are concerned with the environmental issues for future permitting. They are concerned regarding the capacity of the current sewer line which is located on the property. He stated Mannington currently has 140 acres and has property for future expansions but a residential development so near their operations would affect future expansion. He stated Mannington had spent over \$4 million on their facility in the last year and that Mannington and Mohawk had both contributed over \$190,000.00 to the community for worthy projects over the last few years. He stated the majority of the property in question is located in the

- flood plain area and he would respectfully request that the annexation and R-3 zoning be denied.
- h) Ms. C. Barton of Omnova stated their property is north of the property in question. They also operate a 24 hour per day, 7 day per week chemical plant operation. As a part of their operation, they have heavy lighting. There is extensive semi-truck traffic in the area. They are regulated through their permitting systems with a great deal of regulations being geared toward risk-sensitive groups. A residential area this near their property would certainly add to future permitting problems and would prohibit any growth. She stated Omnova currently owns a lot of property sufficient for expansion.
 - i) Mr. Jerry Barton of Pliant Corporation stated their property is located across from the proposed development. They have been at this location for over 30 years. However, they were formerly known as Huntsman prior to the current owners. They actively have rail and truck traffic for their operation, which is also a 24 hour a day operation. He stated this type of full time activity so near a residential area is detrimental to the business; it creates problems for both parties and it slows growth. He stated he would respectfully request denial of the project.
 - j) Councilman Woods stated he agreed the area is definitely an industrial area.
 - k) There were no further comments and the hearing was closed.
 - l) Councilwoman Potts made a motion to deny the request for annexation and zoning of R-3. The motion was seconded by Councilman Denmon, with Councilwoman Potts, Councilman Denmon, Councilman Woods and Mayor Pro Tem Shelton voting affirmatively to deny the request, motion carried.
- 3) Mayor Palmer gave a second reading to a request for a zoning change from R-1 to R-1B by Russell Owens for approximately 26.51 acres located at Harmony Church Road and Parks Place.
- 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 met on this matter on June 10, 2002 at 4:30 P.M., had reviewed the report of the Zoning Review Committee and the Zoning Standards and Variance Considerations as outlined in the city zoning ordinance, as follows:

(1)	The zoning proposal will be suitable to use of the adjoining property, as per the joint covenants with the adjoining housing development.
(2)	There will be no adverse affect to adjacent or nearby property.
(3)	Yes.
(4)	The request will add to the existing transportation congestion and to school usage.

- (5) The initial capital cost for infrastructure to be extended to the development will be at the expense of the developer. However, the long term cost effects on schools and other infrastructure will be for the city.
- (6) The request will conform to the land use plan.
- (7) There are no existing conditions affecting the use and development of the property.
- (8) N/A

- d) Councilwoman Potts stated that Cathy Mathews of the Zoning Advisory Board stated she agreed with the request for lower density. However, she was concerned with ongoing traffic congestion at the intersections of Harmony Church Road with Red Bud Road and Dews Pond Road. Based upon the request, it was the recommendation of the Zoning Advisory Board to recommend approval of the request.
 - e) Mayor Palmer inquired if there were any comments by the applicant.
 - f) Mr. Owens stated he had requested the zoning change in order to increase the lot yield. He stated the area is restricted for housing of 2000 square feet or more in the residential R-1B area. However, he said there are 6 acres that remain that are currently zoned R-2 and will remain R-2 on which he will build condos or townhouses with a minimum of 1500 square feet.
 - g) Mayor Palmer inquired if there were any other comments. There were none and the hearing was closed.
 - h) Councilwoman Potts made a motion to approve the request to change from R-1 to R-1B, second by Councilman Denmon, with Councilwoman Potts, Councilman Denmon, Councilman Woods and Mayor Pro Tem Shelton voting affirmatively, motion carried.
- 4) Mayor Palmer gave a third reading to the Brian Wilson request for zoning of PRD and annexation of tracts 3, 4, 5 and 6, consisting of approximately 29 acres off Highway 53 Spur and Harris Beamer Road. AND a request by Brian Wilson and Calhoun Realty & Development Co. for a change in zoning from R-1 and R-2 to PRD for Tracts 1 and 2, consisting of approximately 85 acres off Highway 53 Spur and Harris-Beamer 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.
 - c) Councilwoman Potts stated the Zoning Advisory Board had met on this matter on June 6, 2002 at 4:30 P.M., had reviewed the report of the Zoning Review Committee and the Zoning Standards as outlined in the city zoning ordinance, as follows:

- (1) Yes. The request will permit a suitable use for the surrounding area.
- (2) Will not adversely affect nearby property.
- (3) Zoning for the property will provide a reasonable economic use of the property.

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| (4) | The five-year development of the project will not cause an excessive burden on infrastructure and schools. |
| (5) | The immediate capital costs for infrastructure development will be borne by the developer. |
| (6) | The proposed development conforms to the intent of the land use plan. |
| (7) | The development will be a positive factor for the surrounding area. |
| (8) | N/A |

- d) Councilwoman Potts stated that Katie Blankenstein with Nile-Bolton Associates had made a presentation of the planned community development. She also stated each one was furnished a layout of the general plan for the development known as Brookstone. Following review, it was the recommendation of the Zoning Advisory Board to recommend approval of the request for annexation of the 29 acres and zoning of PRD for the entire 123 acre project. She stated the full development is approximately 123 acres. However, she stated there is one acre located on Highway 53 which is not included in the development layout. However, it is included in the overall 123 acre plan. She stated the developer may request that 1 acre parcel to be changed to commercial zoning in the future for commercial development.
- e) Mayor Palmer inquired if there were any comments by the developer.
- f) Mr. Brian Wilson stated that Brookstone will have 123 acres with one acre included which might be requested to be changed to commercial at some future time. He stated they had lowered the density in the single-family residential area. The garden homes area would be fee simple title; they would be built in groups of 3, 4 or 5 units; each would have a two-car garage. The luxury apartments would be located on 12 acres. There would be a clubhouse, a swimming pool and tennis courts with an abundance of walking trails over the entire development. These special areas would be open to all residents of the development community. He stated the work would be done in all areas at the same time so it would be completely developed over a 5 year period.
- g) Mayor Palmer inquired if there were any questions or other comments. There were none and the hearing was closed.
- h) Councilwoman Potts made a motion to approve the request for annexation of approximately 29 acres with zoning of PRD and rezoning of PRD of approximately 94 other acres. She stated as a part of the motion, she would ask the general plan for Brookstone be adopted as part of the motion. (See Exhibit 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:
- 1) Mayor Palmer opened a second public hearing on the city's 2002-2003 budget, which includes school funding: He stated there would be a presentation first by the school board.

- a) The City School Board Chairman, George Crowley, introduced other board members, Al Edwards and Ed Moyer, the school superintendent Judy Neal, and Don Hood, who were present. Chairman Crowley stated the city schools have had many increases mandated by the state, including a 3.25% pay increase for teachers and 2.25% pay increase for other personnel. However, their board had elected to make the increases 3.25% across the board for all personnel. He stated there were also increases needed for instructional material and other equipment. The net effect was a total increase in their funding of \$131,000 for the next year. He reviewed the current dollars that would be requested from the local government as well as funding from the state and from other sources, including \$450,000 being utilized from the school's fund balance. Mr. Crowley pointed out that of their dollars spent, over 80% goes to instruction of their youngsters. He reviewed the accomplishments of the just-graduated seniors, indicating that the school has a high level of training for their students. Chairman Crowley stated the board is presently reviewing plans for the construction of the new school complex and construction should begin by August with an anticipated completion date of June 2004.
- b) Administrator Harrison gave a presentation for the city's budget. She indicated that based upon changes at the work session regarding group health insurance, there will be an additional change to the budget prior to June 17, 2002. The presentation as presented by Harrison is attached as "Exhibit B."
- c) There were no other comments and the hearing was closed. Mayor Palmer stated the budget for the city and school system would be eligible for adoption on June 17, 2002.

7. Old business:

- a. Mayor Palmer stated at this time, the Council would consider the city's group health proposals. He stated the city recently took insurance proposals for its group health care and it was fortunate to have received 26 proposals. However, several were from the same companies but from different agents. The city had asked for coverage of the following:
 - All current employees who qualify;
 - Retired employees with 20 years of service who are over the age of 55;
 - Retired elected officials with a minimum of 4 years of service who are over the age of 55;
 - Retirees would be eligible to maintain coverage until they qualify for Medicare and with the understanding they would pay for all costs.
- 1) Mayor Palmer stated at this time he would ask Councilman Woods to review the summary of the proposals.
- 2) Councilman Woods stated the annual premiums for the city's current health plans with Alliant are \$1.2 million. The request from Alliant for renewal of the same coverage would increase those premiums to \$1.8 million. He stated, of the 26 proposals received, both for fully insured and partially self-funded, the proposal which most closely tracks the coverage the city currently has was the Blue Cross proposal number 64, which was

submitted by John D. Meadows and Jennifer Beason of Gordon County and also by Huffaker and Trimble of Chattanooga, Tennessee. He stated the proposal would be for 100% coverage within network and 70% coverage for out-of-network with a \$500.00 deductible. These were originally proposed at \$1,276,000. However, the plan had been reduced to a two-tier plan, reducing these costs even further. He stated that based upon a thorough review of the 26 proposals, he would make a motion to make the award for the Blue Cross proposal #64 for two-tiered coverage and would recommend the agents of John Meadows of Starr-Mathews Insurance and Jennifer Beason of Financial Directions. The motion was seconded by Councilman Denmon, with Councilman Woods, Councilman Denmon, Councilwoman Potts and Mayor Pro Tem Shelton voting affirmatively, motion carried.

8. New business:

- a. Mayor Palmer gave a first reading of a zoning variance request by Mitch Talley for 14 feet to allow construction of a garage at 114 Hillcrest Drive. He stated the earliest date for a public hearing would be July 8, 2002 at 7:00 P.M. Councilman Denmon made a motion to set the public hearing at that date and time, second by Councilman Woods, with Councilman Denmon, Councilman Woods, Councilwoman Potts and Mayor Pro Tem Shelton voting affirmatively, motion carried.
- b. Mayor Palmer gave a first reading of a zoning variance request by Gordon County Training Center for location of two mobile offices for a new training center on Highway 53 West on a portion of the old Experiment Station property. He stated the earliest possible date for a public hearing would be July 8, 2002 at 7:00 P.M. Councilman Denmon made a motion to set the public hearing at that date and time, second by Mayor Pro Tem Shelton, with Councilman Denmon, Mayor Pro Tem Shelton, Councilman Woods and Councilwoman Potts voting affirmatively, motion carried.
- c. Mayor Palmer gave a first reading of a zoning variance request by Larry Rhinehart, d/b/a L&D Computers, to allow a mobile unit office at 655 Red Bud Road until the office building has been repaired or rebuilt due to the May 1, 2002 storm. He stated the earliest possible date for a public hearing would be July 8, 2002 at 7:00 P.M. Councilwoman Potts made a motion to set the public hearing at that date and time, second by Councilman Denmon, with Councilwoman Potts, Councilman Denmon, Councilman Woods and Mayor Pro Tem Shelton voting affirmatively, motion carried.
- d. Mayor Palmer gave a first reading of a taxi license application by Ray Harrison Steelman, d/b/a Eton Taxi, 11599 Highway 411, Crandall, Georgia. The earliest possible date for a public hearing would be June 17, 2002 at 7:00 P.M. Councilman Denmon made a motion to set the public hearing at that date and time, second by Councilman Woods, with Councilman Denmon, Councilman Woods, Councilwoman Potts and Mayor Pro Tem Shelton voting affirmatively, motion carried.
- e. Mayor Palmer gave a first reading of a request for new zoning of R-1 and annexation by Lowell McKinnon for a house and lot on Fuller Street. He stated the earliest possible date for a public hearing would be July 8, 2002 at 7:00 P.M. Councilwoman Potts made a motion to set the public hearing at that date and

time, second by Councilman Denmon, with Councilwoman Potts, Councilman Denmon, Councilman Woods and Mayor Pro Tem Shelton voting affirmatively, motion carried.

- f. Mayor Palmer gave a first reading of an amendment to the utility fee resolution regarding water rates that would be increased for 2002-2003. He stated a second reading would be held June 17, 2002. At that time, the resolution would be eligible for adoption. He stated the city plans to make major improvements in the water system during the next couple of years and the water rates will assist with additional debt service and with these new improvements for the water system.

- 1) Councilman Woods stated that in spite of the proposed rate increase, the city will still be within the top 10% for low water rates in the state and would have the second lowest rates in North Georgia.

9. Other written items not on the agenda: **none.**

10. Work Reports:

- a. Kelly Cornwell, Director of Utilities:

- 1) Director Cornwell stated the City of Calhoun had received confirmation from the Department of Community Affairs regarding approval for the city to eliminate some of the bid items for the Mill Village project, with the city doing the work for the lateral lines for the water portion of the construction and to provide the paving associated with the contract. He stated the city had received four bids for the project on February 25;

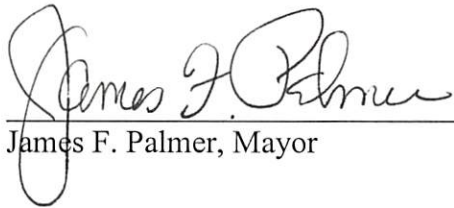
Company	Total Base Bid
J. W. Busbin, Jr of Summerville, GA	\$ 888,963.00
Cash Construction Co of Rome, GA	\$ 622,763.02
Mayse Construction Co. of Chattanooga, TN	\$ 605,228.49
Site Engineering, Inc.	\$ 941,986.00

He stated the city had bid the project with alternates and by taking advantage of the alternates and allowing the city to perform the work so the scope of the project remains the same, it would reduce the project total to \$492,744.29 for the low base bid of \$605,228.49 from Mayse Construction Company. He stated it would be his recommendation to affirm that bid. Following discussion, Mayor Pro Tem Shelton made a motion to approve the low bid of Mayse Construction Company for \$605,228.49, taking advantage of the alternates as previously outlined for a net proposal of \$492,744.29, with the understanding that the city would do the water line alternates and would do the paving, thereby providing the full, complete package as was originally bid. The motion was seconded by Councilman Denmon, with Mayor Pro Tem Shelton, Councilman Denmon, Councilman Woods and Councilwoman Potts voting affirmatively, motion carried.

- 2) Director Cornwell stated that the City of Calhoun is within days of issuing a notice to proceed to Butch Thompson, the construction company for the sewer interceptor project.
 - 3) Director Cornwell also stated the filtration project for the well is progressing extremely well and should be completed within the timeframe of December 2002.

- b. Eddie Peterson, Director of Public Safety and Public Works, stated that, as outlined by Councilwoman Potts, the deadline for pickup of storm debris is June 21. After that time, the city will resume its normal brush pickup routine, which would be for small items. The heavier storm related trees and debris would have a charge after June 21.
11. Mayor Palmer stated it was not necessary to move to executive session at this time.
12. Councilman Woods made a motion to adjourn, second by Councilwoman Potts, with Councilman Woods, Councilwoman Potts, Councilman Denmon and Mayor Pro Tem Shelton voting affirmatively, motion carried.

Approved:



James F. Palmer, Mayor

Submitted:



Cathy Harrison, City Administrator

"Exhibit A"

Budget Summary - 2002-2003-June 10, 2002

General Fund Income	\$	(13,844,080.00)
Fine Administration Income	\$	(90,000.00)
TOTAL GENERAL FUND INCOME	\$	(13,934,080.00)

General Fund Expense:			
Department	Division	Division Total	Dept. Total
Executive Expenses:	Mayor and Council	217,508.00	247,308.00
	Mayor and Council - Dues & Fees	29,800.00	
	Election Expenses	-	
General Administration:	General Administration - City Hall	2,757,768.00	5,557,237.00
	Finance	310,035.00	
	Tax Administration	50,574.00	
	Tellers	80,650.00	
	Purchasing	105,125.00	
	Human Resources	86,577.00	
	Risk Management	5,000.00	
	Gen. Admin. Buildings	5,000.00	
	Purchasing Building	1,000.00	
	Customer Service	102,846.00	
	Meter Reading	314,638.00	
	Utility Billing - (Postage Increase; Equipment Lease Increase for Return Envelope to Customers)	216,364.00	
	Welfare Related	57,176.00	
	Arts Council	2,000.00	
	Auditorium	1,500.00	
	Depot Building	30,000.00	
	McConnell Road Building	8,450.00	
	Library - (County to Reimburse Salaries & Fringe Benefits @ 65% = \$98,309.00)	179,297.00	
	Library Building	-	
	Airport - (County to Reimburse Salaries & Fringe Benefits @ 50% = \$33,110.00)	288,550.00	
	Downtown Development	102,158.00	
	Engineering	291,498.00	
	Public Utilities Director	303,684.00	
Public Works Director Building	2,000.00		
Public Safety Administration	105,951.00		
Building Inspection	149,396.00		

Department	Division		Dept. Total
Public Safety:	Police Administration Division	312,416.00	5,358,914.00
	Police Detective Division	523,735.00	
	Police Patrol Division	1,819,229.00	
	Police 911	67,949.00	
	Police Records Division	168,453.00	
	Fine Administration	90,000.00	
	Prisoner Custody	64,000.00	
	Police Stations & Buildings	5,500.00	
	Police Records Building	-	
	Fire Administration	143,297.00	
	Fire Fighting	2,026,624.00	
	Fire Inspection	74,421.00	
	Fire Stations & Buildings	10,500.00	
	Fire Debt Service	52,790.00	
Public Works:	Animal Control	58,389.00	2,770,621.00
	Animal Control Building	2,000.00	
	Highway & Street Administration	76,575.00	
	Highway & Street Maintenance	1,485,303.00	
	Street Cleaning	56,513.00	
	Storm Drainage	10,000.00	
	Street Lighting	212,000.00	
	Highway and Street Buildings	2,500.00	
	Traffic Engineering	80,800.00	
	Maintenance and Shop	552,257.00	
	Maintenance and Shop Building	7,800.00	
	Cemetery Department	154,980.00	
	Cemetery Building	14,000.00	
Parks & Beautification	19,800.00		
Highway & Street Debt Service	37,704.00		
GENERAL FUND TOTAL			\$ 13,934,080.00

Department	Division		Division Total	Dept. Total
Solid Waste Fund	Revenue	Fees, Penalty, Transfers	(873,197.00)	(873,197.00)
	Expense	Collection	456,699.00	873,197.00
		Disposal	278,900.00	
		Recyclables	27,998.00	
		Brush Grinding	45,000.00	
		Landfill Post Closing	64,600.00	
Recreation	Revenue	Taxes, Fees, Program Revenues, Grants	(1,024,943.00)	(1,024,943.00)
	Expense	Administration	57,720.00	1,024,943.00
		Recreation	956,123.00	
		Commission	1,100.00	
		Buildings	10,000.00	
Municipal Court	Revenue	Fines & Fees	(1,351,500.00)	(1,351,500.00)
	Expense	Operations, State and County Fees	1,350,500.00	1,351,500.00
		Buildings	1,000.00	
North Industrial Sewer Interceptor	Revenue	SRF Loan	(4,436,050.00)	(4,436,050.00)
	Expense	Contractor	4,436,050.00	4,436,050.00
Water Filter Project Fund	Revenue	Transfer of Funds	(1,400,000.00)	(1,400,000.00)
	Expense	Pump, Filters, Building	1,400,000.00	1,400,000.00
Sewer Plant Renovation	Revenue		(4,200,000.00)	(4,200,000.00)
	Expense		4,200,000.00	4,200,000.00
Mill Village II CDBG Special Project	Revenue	Grant from DCA	(493,970.00)	(493,970.00)
	Expense	Contractor	493,970.00	493,970.00
Revolving Loan Fund (Budget for Income)	Interest Revenue		(46,000.00)	(46,000.00)
	Deferred Revenue		46,000.00	46,000.00
Hotel - Motel Tax	Revenue		(230,000.00)	(230,000.00)
	Expense		230,000.00	230,000.00
Federal Dept of Justice Grant Fund	Revenue		(14,000.00)	(14,000.00)
	Expense		14,000.00	14,000.00
General Obligation Bond Debt Service - Golf	Revenue		(370,273.00)	(370,273.00)
	Expense		370,273.00	370,273.00
General Obligation Bond Debt Service - Schools	Revenue		(628,718.00)	(628,718.00)
	Expense		628,718.00	628,718.00
Confiscated Asset Fund	Revenue		(15,360.00)	(15,360.00)
	Expense		15,360.00	15,360.00
Downtown Park	Revenue	Downtown Loan - DCA	(300,000.00)	(300,000.00)
	Expense	Site Improvements	300,000.00	300,000.00
River Park Project	Revenue	SPLOST Funds - Transfer from County	(40,000.00)	(40,000.00)
	Expense	Site Improvements, Bridge, Lighting	40,000.00	40,000.00

Department	Division		Division Total	Dept. Total
Street Scape Special Project	Revenue	Transfer from General Fund	(497,648.00)	(497,648.00)
	Expense	Engineering & Technical Studies	497,648.00	497,648.00
Sewer Department	Revenue	Fees, Interest, Transfers, Misc.	(5,837,799.00)	(5,837,799.00)
	Expense	Sewer Plant Administration	75,335.00	5,837,799.00
		Maintenance	4,138,813.00	
		Buildings	5,000.00	
		Sludge Disposal	335,000.00	
		Sewer Construction Maintenance	853,188.00	
		Sewer Construction New Services	272,050.00	
		Sewer Construction Lift Stations	84,500.00	
		Sewer Construction Administration	73,913.00	
Sewer Construction Buildings	-			
Sewer Bond Debt Fund	Revenue		(135,990.00)	(135,990.00)
	Expense		135,990.00	135,990.00
Water Department	Revenue	Sales, Penalties, Connections, Interest, Misc.	(7,773,652.00)	(7,773,652.00)
	Expense	Water Plant Administration	96,030.00	7,773,652.00
		Water Plant Intake & Wells	389,600.00	
		Water Treatment	5,023,220.00	
		Water Distribution	218,200.00	
		Water Plant Buildings	3,000.00	
		Water Construction Maintenance	1,447,102.00	
		Water Construction - New Services	471,500.00	
		Water Construction Administration	105,000.00	
Water Construction Buildings	20,000.00			
Water Revenue Debt Fund	Revenue	Transfer from Sinking Fund - Interest	(1,223,905.00)	(1,223,905.00)
	Expense	Principal & Interest Expense	1,223,905.00	1,223,905.00
Water System Improvements	Revenue	SRF Loan	(4,000,000.00)	(4,000,000.00)
	Expense	Engineering, Contractor, Infrastructure	4,000,000.00	4,000,000.00
Electric Department	Revenue	Sales, Penalties, Service Additions, Rent, Interest, Misc.	(24,994,719.00)	(24,994,719.00)
	Expense	Electric Administration	171,144.00	24,994,719.00
		Electric Distribution	23,793,623.00	
		Electric Generators	810,188.00	
		Generator Building	1,000.00	
		Electric Buildings	161,000.00	
		Electric Inspections	57,764.00	

Department	Division		Division Total	Dept. Total
Telecommunications Fund	Revenue	Sales, Penalties, Rees, Rent, Misc.	(693,303.00)	(693,303.00)
	Expense	Telecommunications Maintenance	444,922.00	693,303.00
		Telecommunications Administration	89,381.00	
		Telecommunications - New Services	159,000.00	
Golf	Revenue	Green Fees, Cart Fees, Range Fees, Rent	(1,109,060.00)	(1,109,060.00)
	Expense	Golf Maintenance	554,651.00	1,109,060.00
		Golf Maintenance Administration	145,994.00	
		Golf Maintenance Buildings	1,500.00	
		Pro Shop Operation	336,102.00	
		Pro Shop Administration	64,813.00	
		Pro Shop Buildings	6,000.00	
School Trust	Revenue	Taxes	(8,161,576.00)	(8,161,576.00)
	Expense	Local Share Cost	8,161,576.00	8,161,576.00

Expense

General Fund Total	\$ 13,934,080.00
Special and Enterprise Funds	69,834,165.00
TOTAL BUDGET	\$ 83,768,245.00

Income

General Fund Total	\$ 13,934,080.00
Special and Enterprise Funds	69,834,165.00
TOTAL BUDGET	\$ 83,768,245.00