



**CITY COUNCIL MEETING
October 23, 2017- 7:00 PM
109 SOUTH KING STREET
DEPOT COMMUNITY ROOM**

MINUTES

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

ALSO: Eddie Peterson, City Administrator; Paul Worley, Assistant City Administrator; Sharon Nelson, City Clerk; George Govignon, City Attorney; Jeff Defoor, Director of Electric Utilities; Larry Vickery, City Planner; Garry Moss, Police Chief; Jerry Crawford, Director of Water & Sewer; Lenny Nesbitt, Fire Chief; and Chuck Poarch, Battalion Chief.

1. Council Meeting Called to Order

Welcome

Mayor Palmer called the meeting to order and welcomed everyone in attendance

Invocation

Councilman Edwards gave the invocation.

2. Pledge of Allegiance

Mayor Palmer led the group in the Pledge of Allegiance to the United States Flag.

3. Amendment or Approval of Proposed Agenda

Mayor Pro Tem Barton made a motion to approve the October 23, 2017, agenda as presented. Councilman Hammond gave a second with all voting aye. Motion approved.

4. Amendment or Approval of Minutes

Mayor Pro Tem Barton made a motion to approve the minutes of the City Council meeting of October 9, 2017. Councilman Hammond gave a second with all voting aye. Motion approved.

5. **Mayor's Comments**

- A. Mayor Palmer presented Mr. Donald Columbus Holsomback with a Proclamation and a key to the City, honoring him for his service to our Country as well as the citizens of the City of Calhoun and Gordon County, during World War II. Following the presentation Mr. Holsomback along with his family members and his friend, Don Bible, posed for pictures with Mayor Palmer and members of the City Council.
- B. Mayor Palmer announced that in conjunction with state and national efforts, Calhoun and Gordon County Red Ribbon Week will be celebrated Monday, October 23 through Tuesday, October 31. Red Ribbon Week is a nine-day drug awareness campaign that provides an opportunity to bring parents, schools, businesses and others together to help create a drug-free community. Red Ribbons will be displayed all over Calhoun and Gordon County during the week. We encourage your business or organization to display red. If you need a red ribbon for your business, please come by and pick one up at the Gordon County Chamber of Commerce. Over 11,000 Drugs Don't Work items will be delivered to all area school students. Wednesday, October 25 is designated "Wear Red Day" and everyone in our community is encouraged to wear red. We hope your company or organization will participate in "Wear Red Day".
Additionally, if you are interested in becoming a Drug-Free Workplace, please contact Kim Gallman at the Gordon County Chamber of Commerce. The Gordon County Chamber of Commerce's Drugs Don't Work Program assists companies in becoming a certified Drug-Free Workplace. Companies who are certified can save up to 7.5% on their Workers' Compensation Insurance. The process is simple and easy. If you are interested please contact Kim at the Chamber.
- C. Mayor Palmer announced the City of Calhoun will observe Halloween on Tuesday October 31st from 5:00pm to 9:00pm for ages 12 and under. Also, the downtown merchants and businesses will host Trick or Treat in Downtown Calhoun on Tuesday October 31st from 4:00pm until 6:00pm.
- D. Important dates to remember this election:
 - i. October 16th is the first day to mail or issue absentee ballots. Early voting also began on this date.
 - ii. November 3rd was the last day to mail or issue absentee ballots.
- E. Mayor Palmer announced a Referendum to gain the input of the Electorate of City of Calhoun pertaining to Charter amendments will be on the November 7th ballot for consideration. This will be a non-binding vote pertaining to term limitations of two (2) terms for Mayor and three (3) terms for Council members, as well as changing the number of Council members from four (4) to six (6).
- F. Mayor Palmer announced that voters will have the opportunity to continue the 1% special local option sales tax by voting on the 2018 SPLOST, to be used for the purpose of funding capital outlay projects within the City including the continuation of the Peters Street project, numerous recreation projects, and other projects which will be listed on the ballot. Mayor Palmer stated that this was a very important election when it comes to SPLOST and it is an opportunity to continue the progress that has been made and move the process along in many areas and make our community better. He pointed out that he had heard figures as high as 40%, and a minimum of 30% to 35%, of those dollars come from outside Gordon County. He stated this is getting people from outside your community to help support the

projects that you have ongoing and the projects you have listed on the ballot. He encouraged all of those present to get out and vote as they choose.

6. **Council Comments**

- A. Councilman Hammond stated that this would be the last meeting we have prior to the election. He noted that elections are always critical, and so many times we forget that this is a right that was given to us by members like Mr. Holsomback, who fought for the freedom to vote and to choose, and to have a difference of opinion. He noted there are two critical issues that he totally believes in that are going to be on the ballot and he wanted to take one more opportunity to address those watching on YouTube to give some specific data facts that may or may not be of interest. He stated the facts he would be talking about were listed two weeks ago and are available in the records at the City Hall for anyone wishing to have them. The first one has to do with expanding the City Council. He stated that there is a lot of debate, pro and con, as to why you would or would not do that. Councilman Hammond stated that he was an individual who liked to look at the numbers and let the numbers say a message to him. He stated that he had asked leaders at City Hall to pull some data out of cities that are size C, meaning their populations range from 10,500 to 16,400. Out of those 27 cities, six have four or fewer members. This would include Lilburn, Grovetown, College Park, Riverdale, and Calhoun. He stated that we also have Dalton, which is bigger, with a population of 30,000, which has four members. He noted that Rome, Cartersville, Perry, Dublin, Conyers, Buford, Douglas, Doraville, Vidalia, communities we all know, are five or more. This is 77.8% of cities our size in the state of Georgia that believe you should have more than four voting members. He also noted that MEAG was important to cities with electric and we are looking at needs being met for the next 50 years. He stated that MEAG cities were 48 cities of various sizes throughout the state of Georgia. The only thing they have in common is that they all sell electrical just like we do. Out of those 48 cities, 79.1% of those cities have more than four elected officials. It brings greater thought diversity to the Council. It can give you a range from ethnicity, to gender, to age, which in theory helps you make better decisions. He stated that he personally is in favor of expanding the Council.

Councilman Hammond noted the other area that is passionate to him is term limits. He stated that in 2010 and 2011 he served on the Board of GMA as the District 1 President and traveled to all 46 cities in District 1 and met with every Mayor and Council. He stated they left that meeting talking about term limits, but in 2011 we didn't think that would ever hit a ballot vote for a decade. It was not looked at fondly. This Council voted unanimously to put it on the 2016 ballot so that it would be on the presidential ballot so more people would have input on whether we should do this. We missed the deadline, according to the newspaper, by one day. So it did not make it on the ballot in 2016. He stated we got with legal staff and the staff at City Hall and started in January and did everything so that we would be on the ballot this year. The mayor mentioned it is non-binding. Non-binding means Representative John Meadows will have to take it to the floor for it to be bound as a Charter amendment. If the voters vote overwhelmingly to approve this he thinks it will happen. He stated that everyone has a different opinion over whether it should happen. At the political forum a few weeks ago Alvin was able to mention how he felt on it. Councilman Hammond stated that he didn't believe George was asked, Ed

was asked and answered, and he believed Matt volunteered. He stated you all have a right to choose. In 2016 forty cities across America had it on their ballot. These were cities; they weren't counties. They were either school boards or city councils. It passed by 100% across the nation. That has never happened before. In 2014 it was 97%. The city of Marietta passed it with an 81% yea vote. He stated that he was not sure how it would turn out here in Calhoun, Georgia, but he does think it is important. He stated that it would not impact any current officials and it probably wouldn't impact anyone sitting out in the seats. He stated that twelve years is a lot of time; we did do two terms for the Mayor because that is what the majority chose. Sort of like the executive at the governor and the executive at the president. So, it is there to choose; there is nothing wrong with choice. Hopefully, you will all go out and vote and choose, and make a recommendation based on what you think. He also noted that based on "no" votes the average service (in any elected office, or multiple elected offices) is 16 to 27 years. If you have been in office for 16 to 27 years your opinion is no. Your average age is 61 to 73. He stated he was sure that George or Ray could add clarity at some time later in some response. If you voted "yes", or if you believe yes, the average service is two to 13 years. You have been in one office or the other for two to 13 years, and your average age is 45 to 60. He noted there is some data there that can be interpreted in a lot of different ways, but he felt this is where America is going with the baby boomers retiring and the millennial generation coming on. You are going to see a change from what all of us are accustomed to; it won't be the same. That doesn't mean the ship is sinking it just means it's going to be a different day. He encouraged those watching on YouTube to be sure and vote; vote early, absentee, vote on Election Day. Vote for any of these worthy candidates. We have five people running for office this year; last election we had four. So, there is not a shortage of willing servants. He stated that his hat was off to each of the men out there that threw their hat in the ring. That takes stamina, backbone, and it sure takes tuff skin. He stated he didn't know if everyone had heard, but former Governor and President from the state of Georgia made a comment today about fake news being unusually harsh on elected officials that they didn't agree with. He said we have seen that play out in this community also. He said he would like to get all of the petty politics behind us and go on with running the City. Having a difference of opinion is perfectly okay. Make decisions and move on. Councilman Hammond apologized to Mayor Palmer and council members for being lengthy; however, he stated he felt passionate about this as he knew they did. He stated he appreciated the opportunity to speak to our citizens one last time that are watching on YouTube prior to the election (Councilman Hammond's presentation attached).

Mayor Palmer thanked Councilman Hammond for his comments and noted that as Councilman Hammond had said, a lot of that information is in the Minutes. He noted that concerning the MEAG cities, and also the city's population size, when you look at cities that have less than six members, which also includes, five, four, and one city (Buford) that has two; when you include those into those numbers, which is less than six, the percentage breaks down to about 50/50. In the MEAG cities that is cities of all size. He also stated that when we talk about term limits and we talk about the city of Marietta, it is very true the city of Marietta did vote them in. When they voted them in it did not apply to officials already in office. They voted it in but the people already there had the opportunity to serve three more terms. For instance, Mrs.

Palazzolo and Mr. Edwards would have an additional three terms starting in January. It doesn't take into consideration any time that has already been served. When you look at term limits, term limits are not the "norm" in Georgia. There are only approximately 20 cities in Georgia that have term limits. That is about 4% of all cities in Georgia that have term limits. Most of those are in the metro Atlanta area. Some of those term limits are for the Mayor only, the Council only, or for the combination of the two. So, they vary throughout the state. And, while Marietta passed it there was also one city that voted it out after about two elections. So, that is something else for you to consider when you are looking at those. Mayor Palmer noted that when Councilman Hammond was giving the figures you might make note of the fact that in the City of Calhoun, probably in the last 50 years, the average term on the Council is 7.5 to 8 years; and, the Mayors that served before me, Frank Dickinson, Billy Burdette, and John Meadows, all served 12 years, or three terms. That is just some extra information for your consideration.

7. **Public Hearing and Comments**

None

8. **Old Business**

A. **Annexation – Juan Jesus Lemus Garcia**

Mayor Palmer gave the second reading of an annexation and zoning request of R1-B for .812 acres at a location of 1409 Hwy 41 North, by Juan Jesus Lemus Garcia. The Zoning Advisory Board meeting is scheduled for November 9, 2017. The public hearing will be held November 13, 2017.

9. **New Business**

- A. Mayor Pro Tem Barton made a motion to allow the Mayor to sign a recreation trail grant application resolution. Councilman Edwards gave a second with all voting aye. Motion approved (resolution attached).
- B. City Administrator Peterson gave the Revolving Loan Advisory Committee report concerning a loan application by Racemark International, LLC, at a location of 1711 Hwy 41 South. Racemark is requesting a loan of \$500K for new equipment and expansion. They have a new contract with Honda for 400,000 floor pads per year for the Honda Accord; this will be in addition to the contract they already have for the Honda Pilot. They will increase their employees from 120 to 170. Initially, the equipment was going to be purchased through a capital company that they use and we would take a second. City Attorney Govignon stated that from a legal perspective, given the circumstances under which we stand, if we don't loan the money out to a business that can use it for further development and job creation within the community we are backed into a corner as of November 11th to have to start giving money back. As we stand right now, assuming the other two loans close, which should not be a problem; we would immediately have to return \$50K to get to the \$750K we are allowed to have. And, we currently have \$58K coming in quarterly on all serviced loans that we would not be able to keep because we would be in excess of the \$750K. It is a unique situation for us because within the last 12 to 18 months we have had two loans come in way early. Results Based Sustainability, which was for \$600K or

\$650K, was a ten year note; it came in after almost three years. Then we had one for Owens Detectron downtown for \$100K. It was again, another 10 year note. It came in within a year. That suddenly left us back with \$750K that we were not anticipating having returned back to our fund for at least another five to seven years. That left us in this position. Racemark's first loan was done in combination with DCA for \$500K; \$300K from the RLF and \$200K from DCA. We did a joint agreement of shared priority with DCA on the security deed. That was to buy the building, buy the equipment, and start the business. They have had an impeccable service with us. They are now down to \$67,500. Discussing it with Counsel for the Development Authority, since they have the DCA loan on it as well, taking a second on the equipment for 15 years takes us out of the effective life of that equipment. Instead, Bill Thompson will meet with the Development Authority acting as a conduit to the DCA to find out how much of their \$200K loan is still outstanding. We would issue a new security deed on this loan that would include the \$500K and the remaining balance. What that does is ensure priorities. Right now we are on equal priorities between ourselves and DCA. That is an unusual set of circumstances, usually vendors rank first, second, third. Right now we are in a shared first priority between the two. This deal would allow us to continue the share until DCA is paid in full, at which time that agreement would become void and slide the city back in to a first position on the property. Unless something unexpected comes up on the title inspection and insurance, it is free and clear. Again, they have had a very consistent history with us. This is not a new starting business. This is a business that is international having come to this community to form its international headquarters after previously relocating. City Attorney Govignon stated at this point he feels more secure as counsel for the City in using the security deed, and there seems to be no problems with that. We won't require the same personal guarantees that we did then, because we didn't even have a building. This would give us a priority on the building and property to secure that \$500K.

Councilman Hammond asked City Attorney Govignon if he had any idea or an approximate amount of the current balance on the loan right now. City Attorney Govignon stated that he has not looked at their terms. He stated he had discussed it with Bill Thompson this afternoon and the Development Authority is meeting tomorrow. He is going to advise them to cooperate with whatever paperwork we need. The easiest thing would be to leave the old security deed in place; leave the old shared priority agreement in place; and, go ahead and record a new deed. It's done all the time. You can have a security deed that continues to renew and add additional funds as it goes, keeping it a priority. He stated he felt secure in this situation. With the equipment, although they are a good credit, they would have essentially been an unsecured loan for half a million dollars. Since my E & O coverage is only \$1 million I felt we needed to lock it down. He stated that he went back and forth with Mr. Rosson via email. There was a last vestige of personal guarantees that he had not seen and with Eddie's permission he went ahead and struck that out. We don't need that at this point. These people are going to pay their bill or we are going to have their property. We will be primary after the DCA loan is paid down. Keep in mind, ours was \$300K and

we are at \$67K. The DCA loan was \$200K so it should be even less than that. He stated that he didn't believe it would create a problem.

Councilman Hammond made a motion to approve the loan contingent on the legal specifics being addressed at tomorrow's meeting and being satisfactory. Councilman Edwards gave a second.

Upon Councilman Hammond's request City Administrator Peterson informed those present that currently the criteria for job creation allows a loan of \$15K and the letter recently sent to DCA requested an increase to \$20K. DCA did approve this and suggested increasing it to \$25K. Also, some specifications that were included for downtown were not addressed and we intend to revisit that with them to see if there are some possibilities there such as second lofts and things of that nature. Mayor Palmer noted that in the same letter they did state that if this money is not loaned out DCA would expect a check by November 11th. City Attorney Govignon stated that the City of Calhoun is the star model for the RLF. DCA has had other attorneys contact him to find out how our RLF is handled.

Mayor Palmer called for a vote on the motion duly made by Councilman Hammond and seconded by Councilman Edwards. All members voted aye; motion approved.

- C. Mayor Palmer stated there was a request from the Calhoun Police Department to withdraw \$2,425.00 from the asset seizure account number one for the purchase of electronic equipment for the Special Operations Division. Mayor Pro Tem Barton made a motion to approve the request. Councilman Edwards gave a second with all voting aye. Motion approved.

10. Other Written Items Not on the Agenda

None

11. Work reports

- A. Eddie Peterson, City Administrator stated that the most notable item on the Cash Reports was that the final recreation bond payment had been paid on Fields Ferry Golf Course. The original bonds were issued in 1992 and refinanced in 2000. This was a \$370K per year debt that is now behind us. In the general fund day to day operating cash is \$1,304,000. We have \$423,000 total reserves in renewal and replacement savings and cash. Our general fund reserves are \$3,426,000, and since the school debt flows through our books the amount decreased by \$400,000 this month, which it does when that money is transferred. The amount of the Revolving Loan Fund in this report is \$1,022,642. Hopefully, we will get that down to an area that will allow us to meet our 30% and beyond and be able to loan even more money out for start up businesses.
- B. In the Utility Cash for September we had \$6,375,000 in day to day operations cash along with \$6,402,000 in reserves and unrestricted investments for a total of \$12,777,000. In Electric, Water, Sewer, and Telecom we have block investments in government securities

of \$15,791,000. We are well into our 2016/2017 CAFR and completion should be by the second week in December. Our cash is on solid ground.

Mayor Pro Tem Barton made the motion to approve the report. Councilwoman Palazzolo gave a second with all voting aye. Motion approved.

12. **Motion to move to Executive Session, if needed**

Mayor Palmer stated that he understood there was a need to go into executive session to discuss one item pertaining to a legal issue. City Attorney Govignon stated there was a need to move to executive session to discuss a proposed settlement in federal court.

Mayor Pro Tem Barton made a motion to move into executive session. Councilwoman Palazzolo gave a second with all voting aye. Motion approved.

Note: Two items pertaining to pending litigation settlements were discussed in executive session rather than one, which began at 7:40 pm and ended at 8:00 pm.

13. **Motion to return to General Session**

Mayor Pro Tem Barton made a motion to return to general session. Councilwoman Palazzolo gave a second with all voting aye. Motion approved.

Councilman Edwards made a motion to approve the amended settlement agreement with Skyway Towers. Councilwoman Palazzolo gave a second with all voting aye. Motion approved.

14. **Motion to Adjourn**

Councilwoman Palazzolo made a motion to adjourn. Mayor Pro Tem Barton gave a second with all voting aye. Motion approved.

Approved:

Submitted:


James F. Palmer, Mayor


Sharon Nelson, City Clerk

Years of service and GMA training as local candidates and elected officials

	School Board	City Council	Mayor	County Commission	Total	Age	Georgia Municipal hours of training	SUPPORTS Term Limits
Matt Barton	2	8			10	45	237	YES
George Crowley	16	12			28	67	135	?
Ray Denmon		12			12	68	84	?
Alvin Long	4			12	16	62	n/a	NO
Ed Moyer	7				7	58	n/a	YES
Al Edwards	12	10			22	61	153	NO
David Hammond		13.5			13.5	60	207	YES
Jackie Palazzolo		2			2	45	57	YES
Jimmy Palmer	4	4	19		27	73	114	NO
					SERVICE	AGE		
					16-27 YRS.	61-73 AGE	NO	
					2-13 YRS.	45-60 AGE	YES	

CITY OF CALHOUN, GEORGIA

RESOLUTION

WHEREAS, at the regular meeting of the Mayor and Council of the City of Calhoun, Georgia, held on the 23rd of October 2017, a motion was made and duly seconded that the City of Calhoun agrees to submit a grant application for funding from the Georgia DNR Recreational Trails Program.

NOW, THEREFORE, BE IT RESOLVED by the City of Calhoun in Gordon County, Georgia agrees that in the event the City of Calhoun application is approved for funding by the Georgia Department of Natural Resources, the City of Calhoun certifies and assures that it has the ability and intention to finance their 20 percent of the total project cost and will move forward with due diligence.

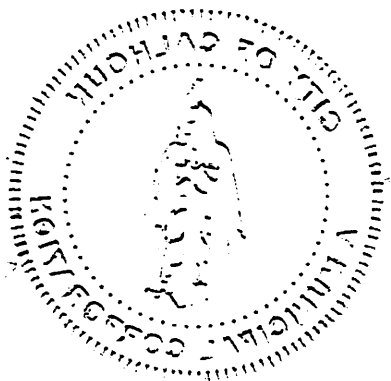
READ AND UNANIMOUSLY ADOPTED IN regular meeting of the City of Calhoun by the Mayor And Council on the 23rd day of October 2017.

PROJECT SPONSOR

BY: Jimmy Palmer
Jimmy Palmer, Mayor

ATTEST: Sharon Nelson
Sharon Nelson, City Clerk





STATE OF GEORGIA
COUNTY OF GORDON
CITY OF CALHOUN

CLOSED MEETING AFFIDAVIT

James F. Palmer, Chair of the City of Calhoun, City Council Meeting, being duly sworn, states under oath that the following is true and accurate to the best of his/her knowledge and belief:

1.

The City Council of Calhoun, Georgia, met in a duly advertised meeting on, October 23, 2017.

2.

During such meeting, the council voted to go into executive session.

3.

The executive session was called to order at 7:40 a.m./p.m.

4.

The subject matter of the closed portion of the meeting was devoted to the following matter(s) within the exceptions provided in the open meetings law:

Consultation with the county attorney or other legal counsel to discuss pending or potential litigation, settlement, claims, administrative proceedings, or other judicial actions brought or to be brought by or against the county or any officer or employee or in which the county or any officer or employee may be directly involved as provided in O.C.G.A. § 50-14-2(1)

Discussion of tax matters made confidential by state law as provided by O.C.G.A. § 50-14-2(2) and (*insert the citation to the legal authority making the tax matter confidential*) _____

Discussion or voting on

Authorizing a settlement as provided in O.C.G.A. § 50-14-3(b)(1)(A)

Authorizing negotiations to purchase, dispose of, or lease property as provided in O.C.G.A. § 50-14-3(b)(1)(B)

Authorizing an appraisal as provided in O.C.G.A. § 50-14-3(b)(1)(C)

Entering a contract for the purchase, disposal of, or lease of property as provided in O.C.G.A. § 50-14-3(b)(1)(D)

Entering into an option to purchase, dispose of, or lease property as provided in O.C.G.A. § 50-14-3(b)(1)(E)

Discussion or deliberation on the appointment, employment, compensation, hiring, disciplinary action or dismissal, or periodic evaluation or rating of a city officer or employee as provided in O.C.G.A. § 50-14-3(b)(2)

_____ Interviewing candidates for executive positions as provided in O.C.G.A. § 50-14-3(b)(2)

_____ Other (describe the exemption to the open meetings law): _____
_____ as provided in (insert the citation to the legal authority exempting the topic): _____

5.

_____ During the course of the closed session devoted to exempt topics, an incidental remark regarding a non-exempt topic or an attempt to discuss a non-exempt topic was made.

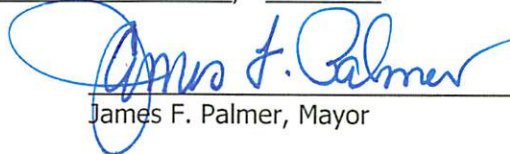
_____ The attempt was immediately ruled out of order and attempts to discuss the same ceased immediately.

_____ The attempt was immediately ruled out of order. However, the comments did not cease, so the closed/executive session was immediately adjourned without discussion or action being taken regarding any non- exempt topic.

6.

Minutes were taken of this meeting in accordance with O.C.G.A. § 50-14-1(e)(2)(C) and will be filed and held for inspection by an appropriate court only.

This 23rd day of October, 2017.


James F. Palmer, Mayor

Sworn to and subscribed before me this 24th day of
October, 2017.



Notary Public

My commission expires:

2/20/2017

