

JUNE 22, 1987 - 10:00 A.M. CITY COURTROOM

Meeting with Georgia Power officials regarding Electrical Territorial Agreement and other matters. Those in attendance, Jay Black, Georgia Power Executive; Mayor John Meadows, III; Mayor Pro-Tem Herbert King; Councilman Tom Bond; Councilman Paul McEntire; City Superintendent James Hobgood; City Electric Planner Jack Bell; Electric Superintendent Kelly Cornwell; City Attorneys Joe Campbell and Thomas L. Shanahan and City Clerk - Treasurer Cathy Harrison

1. Mayor Meadows called the meeting to order and expressed appreciation to Jay Black for his attendance. He stated the purpose of the meeting was to informally discuss the growth of Calhoun-Gordon County and the City's current financial problem of extending other utility services in areas where the City does not have electrical services. Mayor Meadows stated the City's electric sales currently provide funds for operating general services as well as utility expansions. He stated the City did not necessarily want out of the territorial agreement, but wanted to look at other avenues of funds from power suppliers such as a franchise fee or a business and occupation tax.
2. Mr. Black stated it raised several questions, one of legality and one concerning the City's obligation to furnish services for those who do not pay the cost.
3. Councilman McEntire stated that any town which does not grow dies. He said the City is presently producing large power users for Georgia Power and N.G.E.M.C. by expanding water and sewer services with a very long payback on it's investment. He stated the City must discontinue this practice or find other ways to recover the cost within a reasonable time period.
4. Mr. Black stated Georgia Power would look at the situation, and would be interested in finding a way which will not destroy growth. Georgia Power does not expect the City to carry all the load nor does it expect to carry all the load.
5. Mayor Meadows stated the City lost a business recently because the City could not afford to extend services which would have an extremely long payback. If the City could have served the power, it would have been a viable project.
6. Mr. Black stated that Georgia Power would look at the situation and ways which might help, not necessarily those two mentioned.
7. Mayor Meadows stated the end cost would be to the user, not to the City, Georgia Power or NGEMC. The City isn't interested in doing anything which will have a negative effect on the entire City, rather something fair to the users.
8. Councilman Bond asked if it was possible for some lines to be exchanged in order to square up the area and have a more efficient operation.
9. Mr. Black stated that he personally liked a clean territory, but regulations now require every customer to concur with any changes, or exchanges.
10. Mayor Meadows stated we need to consider bigger issues at this time. The territorial agreement was a good idea at the time it was signed, but no one expected the City to have the growth it has had.
11. Jack Bell stated the City had no idea that NGEMC OR Georgia Power would expand their facilities in the area. NGEMC has built two sub-stations within the Calhoun area, and the additional lines have added to the City's problem of having to go over and around them.

12. Mr. Black stated that whatever has been done within the territory should have been within the agreement, and if not then it needs to be addressed. A general question was voiced by Mr. Black regarding the County's participation in the growth.
13. Mayor Meadows stated the City has policy of not extending sewer outside the City limits, and most prospective customers need sewer. The County has never expressed any interest in extending lines, buying taps or etc.
14. Mr. Black stated as an outsider's point of view, the County might be induced to help with the cost since it increases their M & O tax base.
15. Councilman McEntire stated the City carries the expense of jobs created in the County.
16. Mr. Black stated he as well as other parties mentioned are aware of this fact.
17. Jim Hobgood asked if Georgia Power has any problem with the City serving its own facility outside the agreed boundaries.
18. Mr. Black stated that was a legal question, but as far as he understands under the territorial act a utility can always serve its own facility regardless of location, but what does the local agreement say and which supercedes. My personal interpretation is, you could serve your own facility.
19. Mayor Meadows expressed appreciation to Mr. Black for attending the meeting and for his input.
20. Mr. Black stated he appreciated the City's approach to the situation.

Respectfully submitted:



(Mrs.) Cathy Harrison,  
City Clerk - Treasurer