



AUGUST 6, 2013

CITY HALL

6:00 P.M.

I) Call To Order, Roll Call, Invocation, Pledge of Allegiance

Mayor Howard called the meeting to order. Mr. Melzie Mosley gave the invocation. Mayor Howard led the Council and guests in the Pledge of Allegiance. Let the record show that Mayor Howard, Councilman Middleton and Councilman Hutchins and Councilman Smith were present. Councilman Mills was not present. Also present were the City Attorney Tommy Coleman, City Clerk, Melinda Crook, and Fire Chief/Building Inspector, Kenneth Jones.

II) Approve Minutes

A motion was made by Councilman Hutchins and seconded by Councilman Middleton to approve the July 2nd and the July 18th minutes. The motion carried unanimously

III) Citizens And Delegations

Pam Helton – GMA – Hotel Motel tax audit agreement - Ms. Pam Helton spoke to the Council regarding GMA's revenue recovery services. She handed out information to the Council regarding their hotel motel services. She stated that GMA provides alcohol tax audits as well as hotel motel tax audits. She then stated GMA takes three years worth of data to look at trends for discrepancies. GMA will then make recommendations on the different sights. GMA will check the City's ordinances and forms to make sure that they are correct. She stated that they would look at the percentages charged and amounts returned to make sure that they have been reporting correctly. She also informed the Council that they would also provide ongoing management. She stated that they would make sure that the hotels/motels would be informed if they are reporting incorrectly, which would ensure timely payments to the City including penalties, if the City ordinance states they should be paid. She informed the Council that they have found that their service brings more revenue to the City's and that the City's and hotels have been pleased with their services. She then informed the Council that the cost would be \$900 per hotel, if the management services were accepted and \$500 per hotel, if the City only wanted the audit service. She informed the Council that they payments, from the hotels, would go to GMA and they would forward the payments to the City. The Mayor informed Ms. Helton that the City would like to take some time to consider this issue.

Wanda Hudson – REDLG Project - Wanda came before the Council to inform them of a REDLG project. She informed the Council that funds could be applied for up to \$1,000,000. She informed the Council that the City could require a guarantee from the applicant for repayment of the funds. She informed the Council that the project that was being considered was White Oak Pastures which is one of the area's largest employers, having over 85 employees, with over minimum pay. She stated that this project would take White Oak into the development and marketing of agri-tourism which could draw people from all over across the US and overseas. She stated that this project would be to construct a 24 room lodge for tourism. She informed the Council that there is a large draw, for this business, due to the fact that they raise the animals, process the animals and also prepare for ready to eat, on the farm. She stated that this is what made this a good project for agri-tourism and would be good for education. She stated that this project would create 25 new jobs which would benefit Blakely and Early County. She stated that her fee would be paid by the business, not the City. She stated that this is a 10 year loan with zero percent interest and that the business pays the City and the City pays REDLG. Wanda then answered questions from the Mayor and City Attorney. The Mayor then suggested that Wanda go back to White Oak and get a response regarding the letter of guarantee before the City commits to the project. The City Attorney stated that he would like some more information on REDLG.

Audit Report – Geer & Associates - Will Geer presented the audit report. He then reviewed the summary of management discussion & analysis. He stated that there were very few changes from 2011 but what has changed has changed for the better. He stated that current assets changed from \$6.4 million to \$6.7 million with a slight change to total assets. He then stated that the City's liabilities have decreased from \$11.4million to \$11.3 million and that total net assets have improved from \$11.6 million to \$11.7 million. He then went on to state revenues were down slightly but expenses had decreased also which explains the improvement in total net assets. He stated that there were no deficiencies noted in

the report. The Mayor questioned some changes that he had questioned previously. He brought to Mr. Geer's attention that the hotel/motel recipient had not been changed, as requested, and that the Early County Dept of Public Safety ex-officio members and appointed members had not been changed but that the figures questioned, on compensated absences, had been changed. The Mayor then question what the requirements are for the Chamber because they receive over half their revenue from the City and County. Mr. Geer then answered questions from the Mayor regarding the pension Plan and adopting a formal investment policy. Mr. Geer then briefly explained the figures in the audit for the pension plan, which comes from GMA, and that someone from GMA could better explain the standing of the City's pension plan. There was then some discussion between Ms. Helton, from GMA, Mr. Geer and the Mayor regarding the pension figures. The Mayor then asked Mr. Geer about the one audit finding, which is segregation of duties. Mr. Geer briefly explained this finding and why he continues to keep this finding in the audit report.

Todd Barnes – refinance of bonds - Mr. Barnes discusses with the Council refinancing of the City Hall bond. He explained in today's market the City could refinance at a rate of 2.5 to 3 percent. He stated that at 3 percent the City could save \$6,000 to \$12,000 per year for an overall savings of \$146,000 averaging out to about \$9,000 per year. He then stated that at 2.75 percent the savings would be about \$11,000, per year and at 2.5 percent the savings would be about \$13,500 per year. He stated that the cost of refinancing, about \$98,000 total, was factored into these figures. He then went through the cost figures of refinancing which would be paid out of the bond proceeds. Mr. Barnes then explained the process of the refinancing and when the percentage rates would be locked. There was discussion between Mr. Barnes and the Mayor regarding the refinancing costs and the percentage rate. Mr. Barnes stated that the City would be obligated to his firm once the City accepts the bids. Mr. Barnes also stated that the percentage rate would be locked once the City adopts the bond resolution and accepts a bid. The Mayor recommended that the Council look into all alternatives before entering back into the bond market. The Council took no action at this time

Travis Kegler – houses on Butler - Chief Jones spoke to the Council regarding the home repairs for Mr. Kegler. He provided pictures of the locations. He informed the Council that he has had several conversations with Mr. Kegler regarding repairs to the house. He stated that Mr. Kegler feels he can make the repairs for about \$20,000. The Mayor discussed with Chief Jones the facts of the case. He stated that on June 4th a plaque had been put on the house stating that it was unfit for human habitation and that there had been a conversation with Mr. Kegler on June 7th regarding repairs that had commenced without permits and that he had been ordered to stop work at that time. The Mayor then stated that the Council needed to decide whether they felt that this was a reasonable cost for repairs. The City Attorney informed the Mayor and Council that at this point they did not need to consider this at all and that this matter had to be left in the court system to finish the process. No action was taken by the Council.

Citizens to speak RE Alcohol License

- **Pastor Cynthia Edwards – RE alcohol license**

Ms. Edwards addressed the Council about the moral issue of the social club being considered. She stated that at the present time there are more clubs than places for the children. She stated that because of the size this would make it a multicounty social club. She then stated that our police force is not equipped (man power) to handle a club this size. She stated that at the present time the police are unable to contain Church St. they just control it and that with a club this size the situation would become worse. She stated that it is not a question of if something would happen but when it will happen because it will happen. She pointed out that this will not increase business because nothing is open at these hours. She pointed out that this did not need to be approved being only a ½ mile from historical downtown Blakely

- Linda Skipper – RE alcohol license – not present
- Marshall Hooks – RE alcohol license – chose not to speak about this issue
- Family Connections – RE alcohol license - sent information about underage drinking but were not present

IV) Administrative Committee Reports

Alcohol license – Pamela Sparks - Chief Jones spoke of the improvements needed at the location. He then informed the Council that he could not get a firm occupancy load because of the renovations. He informed the Council that work had been done without permits but that work has been stopped at the present time. He informed the Council that a 6" water line would be needed, for the sprinkler system, and at the present time there was not water line on GA Pine. The Council question Chief Jones about the parking. Chief Jones informed the Council there was parking across the street and he then went over some parking regulations. The Mayor asked law enforcement to speak on some of the citations issued to Ms. Sparks and Mr. Johnson on their other club on Church St. Tim Hardwick discussed the citations stating that one of the citations had been voided by the City Solicitor. The Mayor asked Mr. Hardwick about activity at Pokey's since 2006. Mr. Hardwick stated that there have been reports of shots fired and a few other things. The Mayor then questioned crowds in this area. Mr. Hardwick stated that in the

past there would be about 300 to 400 in the streets. He also stated that these crowds used to hinder emergency vehicles but that the City had placed no parking signs and that these had helped that situation. The Mayor then went over sections in the alcohol license for the Council to consider when making their decision. The Mayor then asked Ms. Sparks to speak to the Council. She stated that she does not serve underage citizens and that she feels she deserves to be granted the license. The Mayor questioned Ms. Sparks about how her establishment handles underage citizens coming to the club. She stated that she has security that is personally hired. She spoke regarding the citation of selling liquor. She stated that it was a birthday party and seeing as they had a brown bag license they did not realize that it was not allowed. Mr. Johnson stated that he is trying to cut the capacity to 300 with four security persons. Councilman Middleton agreed with Ms. Edwards as to the fact that it is not if something would happen but when it would happen. Councilman Smith felt that the negatives outweigh the positives on economic development. A motion was made by Councilman Smith and seconded by Councilman Hutchins to deny Ms. Sparks the alcohol license. The motion carried with Councilman Middleton abstaining and the Mayor voting "No". The City Attorney reminded the Council of a hearing due to the license being denied.

Adam Askew – update on treatment plant - The Mayor read Mr. Askew's report which stated that the flow at the plant was very high. The report stated that the average flow was 3.4 million per day and that our permit allows 2 million per day. The weekly average is about 4 million and the permitted amount weekly is 2.5 million so the City has been over its permitted amounts, however, the rainfall amount for July has been around 25" so it is to be expected. The Mayor stated that everything else at the plant was checking out OK as far as the testing downstream. The Mayor then stated that the lift station on Cedar Springs was completed and the line on Southside had been abandoned but we still have to use the generated diesel pump, which is keeping up. The Mayor stated that when rainfall gets back to normal we should be able to better see the effects of the completed repairs.

V) City Attorney's Report

Resolution – MEAG – Municipal Competitive Trust - The City Attorney briefly explained the MEAG Resolution. The City Clerk informed the Council that the resolution was for the individuals who could sign to withdraw funds from the Municipal Competitive Trust. The Clerk explained that this needed to be changed because of the change in staff. The Clerk informed the Council that the resolution would need to be amended to just state positions and not names for the signatures. She stated that the positions would be the Mayor, Councilman and Clerk and that the signature page would reflect all the Councilman signatures so that any Councilman could sign along with the Mayor and City Clerk. A motion was made by Councilman Middleton and seconded by Councilman Smith to approve the amended resolution with positions as designated and an amended signature page for all the members to sign. The motion carried unanimously

VI) City Clerk's Report

The Clerk presented the Council their financial reports. The Clerk informed the Council that the City finished the month with \$21,494.63 in the bank and did not have to transfer any additional funds. She then went over the yearly comparison reports. She informed the Council that the bond payments had been made and that at the present time the cash on hand was still at \$516,000. She reminded the Council that the Rev & Exp reports were not finals but that when they became final she would forward them at that time. The Clerk informed the Council that operations were moving smoothly at the present time, after the recent changes. The Mayor reiterated to the Council that the main reason for the expenses increasing was due to the trust credits funneling back into the trust this year and not against the bill but if needed it is still available to the City.

VII) New Items Proposed By Mayor And City Council

Quote from Oxford Construction for street repairs - The Mayor discussed with the Council the quote from Oxford for various street repairs. He explained that one of the estimates was for N. Church St. in the amount of \$24,950, the next one was for Westview Dr. in the amount of \$1,500, the next was Grove Pl. in the amount of \$4,300 and the final quote was for E. South Blvd. going to the jail. The Mayor explained the issues with E. South Blvd and stated that there were two quotes from Oxford, one being more extensive than the other, with the higher being \$27,780. The Clerk informed the Council that the full total for all repairs would be \$58,530 and that there the funds from the DOT LMIG program could be used for these repairs. A motion was made by Councilman Middleton and seconded by Councilman Hutchins to approve all the Oxford quotes for street repairs. The motion carried unanimously

USDA Loan & grant Program – Discussed by Wanda Hudson, REDLG program

Discuss water line issue at Birdsong - The Mayor explained that there is a fire hydrant which is not working. He then stated that there are several fire hydrants through Birdsong. He explained that they use these fire Hydrants to wash down their buildings, using a large amount of water. He informed the Council that he had questioned the City Attorney about what the City would need to do going forward regarding maintaining these lines. He stated that the City Attorney had explained that easements would need to be gotten in order for the City to continue maintaining these lines and hydrants. He then

informed the Council that the City had install a 2" meter, pumping 170 GPM, at one hydrant and had a 2" turbo meter, pumping 310 GPM, on order to install at another. The Clerk then explained that the City's current billing system goes back as far as 2008 and that no adjustments had been found on their accounts for any manual meter usage. She informed the Council that fire hydrants are not metered. She then informed the Council that she had sent the meter reader out to get the reading off of Birdsong's manual meter and 10,954 gallons had been used and when billed would be in the amount of \$13,000 to \$14,000. There are a couple of options that could be pursued. The Mayor stated that the Council needed to decide how they wanted to proceed. The Mayor stated that there are various lines because of additions over the years. He stated that the City could move forward with the easements, which would start with metering the fire hydrants so that the City could work on the lines and this would allow them to get away from the use of the fire hydrants. He stated that the City could meter from the beginning of the lines, however, Birdsong stated that their contractor does not have the equipment to work on a 6" line. There was then discussion between the Mayor, Council and City Attorney. He stated that his opinion was to move forward with the easements and meter the fire hydrants and only work on the 6" line with Birdsong paying the expense to do so. The Mayor then asked the City Attorney to contact Birdsong's attorney to start working on the easements.

Audit RFP's - The Clerk informed the Council that the last time the City had approved the audit firm it was for a three year time period which expired with the 2012 audit. She informed the Council that three proposals had been received but that she had not seen the proposals. The Mayor stated that this was not just a proposal regarding pricing and that the bids would be circulated for the Council's review to be addressed at the next meeting.

The Mayor spoke of the recent terminations briefly and that some of the information is subject for public review upon receipt of an open records request.

Councilman Hutchins requested that Chief Jones check with Jack Watson if a trench would be dug to lessen the collection of water on the property.

VIII) Public Comments

There were several members of the public that came before the Council to address water issues on Angus and Willow Glen. The citizens stated that they appreciated what the City was trying to do in their area with the work that has already been completed. The Mayor stated that Mr. Holman was working on a report regarding the elevations in the area. The citizens informed the Council that they were in touch with DOT as well to try to get some assistance regarding these issues as well. There was also discussion of water issues on Arnold and Southside Dr. Some citizens also discussed water issues on Old Lucille Rd.

Ms. Kay Slaye came before the Council to ask the Council's assistance regarding the noise issue from the Community Development Center. She presented a petition from citizens in her neighborhood regarding this matter.

IX) Executive Session

A motion was made by Councilman Middleton and seconded by Councilman Hutchins to enter into executive session regarding personnel matters. The motion carried unanimously

The meeting was called back in order. A motion was made by Councilman Middleton and seconded by Councilman Hutchins to approve the appointment of Randy McDonald as Fire Chief with the same starting salary as was offered to Mr. Joe Howard. The motion carried unanimously

A motion was made by Councilman Middleton and seconded by Councilman Hutchins to approve the rehire of Lavon Miskimen to the electric department at a starting pay of \$18.00 per hr and to move Danny White to the same pay. The motion carried unanimously

X) Adjournment

A motion was made by Councilman Middleton and seconded by Councilman Hutchins to adjourn the August 6th City Council meeting. The motion carried unanimously

Anthony Howard, Mayor