



**CITY OF SUMMERVILLE  
SPECIAL CALLED MEETING  
FEBRUARY 22, 2016  
6 PM**



**CALLED TO ORDER:** Mayor Harvey called the meeting to order.

**ROLL CALL:** Mayor Harry Harvey gave roll call. Council Members David Ford, Earl H. Parris, Mayor Pro Tem Lloyd "Buddy" Windle, Joe Money, Jr. and Zachary Martin were present. Also present was City Manager Russell Thompson and Finance Director Carla Rutledge.

**INVOCATION:** Mayor Harry Harvey gave the invocation.

**PLEDGE OF ALLEGIANCE:** Council Member Joe Money, Jr. led the pledge of allegiance.

**AGENDA:** Mayor Harvey asked if there are any changes to the agenda. Mayor Harvey stated that there are a few items to be covered under new business then discussion will be held about the mid year budget proposal. With no changes requested, Council Member David Ford made a motion to accept and approve the meeting agenda as presented. The motion was seconded by Council Member Zachary Martin and carried unanimously.

**VISITORS:** Mayor Harvey asked visitors to sign in noting that an opportunity would be offered at the beginning and end of the meeting for comments or questions. Mayor Harvey asked if anyone wanted to address Council. No comment was made.

**MAYOR'S COMMENTS:** Mayor Harvey stated that the meeting will be to work on the mid-year budget. Mayor Harvey stated that everyone should have received information on the upcoming GMA Annual Convention. Mayor Harvey asked that everyone look at the information so that the first, second, and third choices can be turned in. Mayor Harvey explained that classes and hotel rooms fill up quickly. Mayor Harvey informed Council that new pictures will be made of elected officials at the next Council Meeting.

**HOTEL/MOTEL TAX – SECOND READING:** Mayor Harvey stated that this is the second reading of the Hotel/Motel Excise Tax of 3% with an effective date of 3/1/16. Mayor Harvey read the ordinance aloud. Mayor Harvey explained that the ordinance has to receive approval from the State before the tax can be enacted. Mayor Harvey stated that State approval may delay the implementation of the ordinance. Mayor Harvey asked if there are any questions or concerns about the ordinance. Council Member Parris wanted to know if there is "point of sale" software to monitor this activity. City Manager Thompson responded stating that the State does not have software to monitor this tax. City Manager Thompson stated that occupational tax would be how the entities could be tracked for who should pay this tax. Council Member David Ford made a motion to approve and adopt the Hotel/Motel Excise Tax Ordinance as presented with 3% taxation and an effective date of 3/1/16. The motion was seconded by Council Member Joe Money, Jr. and carried unanimously. A copy of the Hotel/Motel Tax Ordinance is attached and becomes part of these minutes.

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**AMEND INTERIM FINANCING WITH GMA/BBT:** Mayor Harvey stated that the next item for discussion is authorization to amend the interim financing with the Georgia Municipal Association and BB&T bank. Mayor Harvey requested City Manager Thompson to provide information.

City Manager Thompson explained that the amendment does not change the dollar amount; it extends the maturity date to December 30, 2016. City Manager Thompson explained further that this will make the GMA/BB&T financing match the GEFA funding. Council Member Parris asked why a lease was done. City Manager Thompson explained that cities can only borrow money for one year. City Manager Thompson explained that a lease allows the city to extend the financing time. Mayor Harvey read the Addendum to Proposal from BB&T and the Amendment to Lease Supplement documents. A copy of these documents are attached and become part of these minutes. Council Member Earl Parris asked if the city borrowed \$805,715. City Manager Thompson responded stating that the bid for the radio read meters came in at around \$615,000 but the interim financing was set before the bond was approved by the USDA. City Manager Thompson explained that a draw down will be done for the difference and paid back against the principal. Council Member Joe Money, Jr. made a motion to approve the resolution to amend the interim financing with the Georgia Municipal Association through BB&T. The motion was seconded by Council Member David Ford and carried unanimously.

**GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION:** Mayor Harry Harvey stated that Council is being asked to authorize a resolution to apply for funding through the Georgia Department of Community Affairs for a \$500,000 block grant. Mayor Harvey explained that approval is needed for funds to begin the process. Mayor Harvey requested that City Manager Thompson provide information. City Manager Thompson explained that this would be Phase III of the sewer improvement project. City Manager Thompson explained that approval is needed for Allen Smith to proceed with the grant application at a cost of \$11,000. City Manager Thompson stated that Allen Smith has been successful with prior grant applications bringing in 1.5 million dollars in grant funds. City Manager Thompson stated that the grant would allow the city to spend \$50,000 to get \$500,000. Mayor Harvey read the FY2016 CDBG Application Resolution aloud. Council Member Earl Parris made a motion to authorize \$11,000 for Allen Smith Consulting to make application for a \$500,000 CDBG grant and approval of the CDBG application resolution. The motion was seconded by Council Member David Ford and carried unanimously. A copy of the CDBG Application resolution is attached and becomes part of these minutes.

**BREAK – A short break was held**

**MID YEAR BUDGET WORK SESSION:** Mayor Harvey stated that administration is here to answer any questions and make sure everything is clear concerning the budget amendments. Mayor Harvey explained that it is better to look at the budget numbers mid year and determine what adjustments need to be made rather than wait until the end of the fiscal year. Mayor Harvey explained that appropriated versus amended numbers will be reviewed in each section of the budget.

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**MID YEAR BUDGET WORK SESSION CONTINUED:** City Manager Thompson explained that usually municipal budgets are tax based but the City of Summerville doesn't have municipal taxes so our budget is utility service based. City Manager Thompson explained that he uses historical trends to come up with the best possible model. City Manager Thompson explained that weather is hard to predict and industry holds their future plans close so a moderate approach prevents huge swings in the budget. City Manager Thompson explained that the net gas margin is off \$100,000, water revenues are down \$250,000, and there was \$179,000 in unbudgeted expenditures which results in a deficit of about \$530,000. City Manager Thompson stated further that the reality is that if there is a lot of cuts made there will not be anything to work with. City Manager Thompson stated that the proposed mid year budget numbers are very conservative and are balanced. City Manager Thompson stated that the top sheet of the budget packet gives the FY 2015-2016 appropriated numbers along side of the FY 2015-2016 amended numbers. City Manager Thompson explained that the changes are due to unanticipated expenses, utility revenue being down, and some changes to SPLOST. City Manager Thompson reviewed each departmental budget highlighting the amended budget numbers. Council questioned items such as why the dumping fees were down at the Wastewater Treatment Plant to which City Manager Thompson explained that it is due to an agreement relating to the CDBG project. City Manager Thompson explained that where there were septic tanks and city sewer lines were installed the septic tanks had to be pumped out. City Manager Thompson explained that for every septic tank pumped out the hauler was allowed one free dump. The arrangement helped the city and helped the hauler. City Manager Thompson explained that the gas revenue went from 6.4 to 5.4 but is also down on the expenditure side. City Manager Thompson explained other line items that were adjusted to bring them in line with the actual revenue and expenses at this point in time for this budget.

**RAILROAD:** City Manager Thompson reported to Council that the railroad people would like the city to make an offer concerning sharing the revenue from train rides. City Manager Thompson reported that the railroad people stated that they anticipate going up on the price for Santa train rides this year. City Manager Thompson stated that he has no leverage to negotiate except up to what Council wants. Council Member Earl Parris stated that he thinks 10% of ticket sales are reasonable. City Manager Thompson stated further that the railroad is 100% non-profit so any money they take in goes back into the system. Council Member David Ford stated that he was under the impression that the city was supposed to get \$1.00 of each ticket sold.

**LIBRARY:** Council Member Joe Money, Jr. stated that it has been a while since someone from the Chattooga County Library has come to speak to Council. Council Member Money stated that he thinks someone should come to a meeting and give a presentation.

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**PENSION PLAN:** Council Member Earl Parris asked who finances the pension plan. City Manager Thompson responded stating that GMA recommends the funding requirements for the city's pension plan which is city funded. Council Member Parris stated that he thinks employees should have to contribute to the plan. City Manager Thompson stated that there are federal laws protecting pension plans and anything done would have to be set on a new hire date basis. Council Member Parris stated that mandating employee contributions would lower the budget. Mayor Harvey stated that the pension plan is a good benefit to draw quality workers.

**DRESS CODE:** Council Member Earl Parris asked if there is a dress code for the Recreation Department when they attend activities. City Manager Thompson responded stating that there is no set policy and that the dress code varies by department.

**WINDOWS – RECREATION DEPARTMENT:** Council Member Earl Parris asked if there is money in the budget for new windows at the Rec. City Manager Thompson stated that to have the windows replaced will cost approximately \$1,000 each. City Manager Thompson stated that he would recommend this be considered with the new budget.

**ENERGIZE RECREATION DEPARTMENT ACTIVITIES:** Council Member Earl Parris asked what can be done to "energize" activities for the Recreation Department. Council Member Parris wanted to know if Bo Chamlee can be "charged with hosting events" for the Recreation Department to bring people into Summerville. City Manager Thompson asked if Summerville Recreation Department does host a lot of activities and brings in people from out of town where are they going to stay. Council Member Parris expressed the opinion that people could stay in Rome and commute. City Manager Thompson stated that if that is something Council wants to do then it can be looked into.

**RADIO READ METERS:** Council Member Earl Parris asked what the status is on the radio read meter project. City Manager Thompson explained that there were some issues with the number of backflows required, some problems with installations, some issues with programming of meters, and some problems with engineering's oversight of the project. City Manager Thompson explained that the city is currently on a 90 day hiatus for the project to regroup and find out the exact level of completion, what is left to be done, and how the errors have impacted revenue.

**SEWER PLAN NEEDS TO BE DREDGED:** City Manager Thompson explained that the basins at the sewer plant need to be dredged. City Manager Thompson explained that these basins have not been cleaned out in quite a while; something to think about.

**AMENDED BUDGET:** Mayor Harvey stated that unless there are changes to the amended mid year budget for FY 2015-2016 Council will have the first reading at the next meeting. City Manager Thompson stated that the second reading can be done at the April meeting. City Manager Thompson stated that work on the 2016-2017 budget will begin soon.

**RECREATION DEPARTMENT INCOME:** Council Member Earl Parris stated that he wanted City Manager Thompson to "charge Bo with getting some money into the gym".

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**ADJOURN:** With all current business having been concluded, Council Member David Ford made a motion to adjourn. The motion was seconded by Mayor Pro Tem Lloyd "Buddy" Windle and carried unanimously.

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**HARRY HARVEY – MAYOR**

Attest:

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**JILL DURHAM – CITY CLERK, G.C.M.C.**