

CITY OF DAHLONEGA

WORK SESSION MINUTES June 20, 2013

The Dahlonega City Council held a Work Session on Thursday, June 20, 2013 at City Hall. Members present were Terry Peters, Gerald Lord, Bruce Hoffman, Ralph Prescott, Sam Norton and Johnny Ariemma. Also present was City Manager Ron Thomas and City Attorney Doug Parks. Mayor Gary McCullough called the Work Session to order at 4:00 p.m.

DISCUSSION OF REQUEST FOR CURBS, SIDEWALK AND CROSSWALKS ON BLOCK OF SOUTH MEADERS STREET:

Mayor McCullough requested that this item be discussed at a later time due to no representative being present from Dahlonega United Methodist Church.

DISCUSSION OF THE DISTRIBUTION OF TAVT REVENUES:

Tax Commissioner, Rachel Pruitt was present to discuss the distribution process set by the State of the TAVT revenues. Ms. Pruitt informed that initially the State will receive 57% of the monthly TAVT collections in 2013 but, this percentage will decline each year until it reaches 28% in 2022. The remaining 43% monthly revenues will be disbursed between the County, City and Schools. She further informed that sales tax on vehicles is now obsolete and TAVT on new vehicles will be 6 ½ % for 2013, 6 ¾ % for 2014 and 7% for 2015 with a maximum of 9% possible. After further discussion, Councilman Ariemma requested that City Manager Ron Thomas and Finance Director Kimberly Stafford report back the revenue totals to Council that the City receives. Mayor McCullough thanked Ms. Pruitt for attending and informing Council of the distribution process of the TAVT revenues.

BUDGET AMENDMENT – W. K. DICKSON CONTRACT:

City Manager Ron Thomas informed Council that this contract was not included in the current budget and funding will need to be moved from fund balance since the contract is related to water and not the general fund. Councilman Ariemma questioned the Phase 1 coverage area locations and asked if it was critical to use such a large area. City Engineer Ricky Stewart informed that the identified areas are where the risk of leaks was greater because of being high pressure areas. City Manager Ron Thomas also informed this will help isolate the problem areas, because the 33% of unaccounted for water cannot consist of only the meters in our system. This will help to discover leaks, failed meters and direct connects. After further discussion, Mayor McCullough requested that this budget amendment be added to the July 1, 2013 Council meeting agenda for approval.

SEPTEMBER COUNCIL MEETING DATE:

Mayor Gary McCullough informed that the September Council meeting date needed to be moved because the first Monday in September is Labor Day. After further discussion, it was the

consensus of the Council to schedule the Council meeting in September on Monday, September 9, 2013 at 5:00 p.m. The time was changed from 6:00 p.m. to 5:00 p.m. due to a possible Planning Commission meeting on the same date at 7:00 p.m.

SOUND SYSTEM REPAIR/REPLACEMENT:

City Manager Ron Thomas informed Council he plans to resolve the sound system in the month of July. He further informed that he would like to purchase and install two (2) speakers to see how much difference it makes in how the system works. This will also give additional information to include in the proposal.

COMMITTEE TERM LIMITS:

Councilman Prescott informed that the proposal was for City Commissions and Boards to have different term limits. He further informed that all Commissions and Boards be on a four (4) year term basis with a four (4) year renewal then set out for a two (2) year term before being re-instated. The proposal also suggested that these terms be set on the same cycle as the City Council elections. Councilman Norton questioned if a Charter amendment will be needed. City Attorney Doug Parks informed that HPC is mandated by statute and the Planning Commission is set by Council however; he will need to look at legislation for the duration of the Housing Authority and DDA Boards. After further discussion, it was the consensus of the Council to postpone until Mr. Parks can research and report back to Council.

AUDIT FOR RESTAURANT FOOD AND ALCOHOL RATIO:

City Manager Ron Thomas informed Council that he had met with GMA and discussed the cost of an alcohol audit. Mr. Thomas further informed that GMA quoted the cost to be \$125.00 per hour with a six (6) hour minimum which results in a cost of \$750.00 per establishment. He informed that he was concerned that any additional revenue above the cost would be gained. Councilman Hoffman informed he felt an audit should only be done if the City had complaints or reports showed abnormalities. Councilman Norton informed he felt the City should consider auditing a percentage of businesses annually instead of all at one time, in order to help regulate the cost. After further discussion, it was the consensus of the Council to include the cost of an audit in the 2014 budget.

AUDIT FOR HOTEL/MOTEL TAX REVENUE:

City Manager Ron Thomas informed Council that GMA requires a guaranteed minimum of three (3) properties for review. With combined fees of \$2,000 dollars which includes a flat \$500 dollars per property and the field audit fee of \$500 each, the City must collect \$10,000 dollars in unreported sales to recover the cost. Councilman Ariemma informed he felt this type of audit is extremely difficult to tract because of the charges being at least 90% paid with credit cards. Councilman Peters informed that auditors know the different trends to look for and can detect issues. After further discussion, Mr. Thomas informed that if Council decision is to move forward with the audit he recommended that the cost of the audit be deducted from the gained revenue.

AUDIT ON CITY BUSINESSES PAYING GEORGIA SALES TAX:

Planning Director Chris Head informed Council that when a business applies for a license with the

City, they must produce their sales tax number at that time. Ms. Head further informed that the State of Georgia would audit any sales tax reporting. Councilman Lord informed that a neighboring City found a large number of businesses who failed to pay sales tax. Councilman Hoffman questioned if someone had a business in their home and does not apply for a local or state license how would we know. Ms. Head informed that many home businesses, such as professional services are not required to pay sales tax. She further informed that she also checks the local paper and internet for new businesses that have not applied for a license. After further discussion, Mayor McCullough requested that all efforts be made to ensure that all businesses have applied for a local license.

CHESTATEE STREET AND MORRISON MOORE ROAD PROJECTS:

Public Works Director Ricky Stewart informed Council that bids were received for the Chestatee Street turn lane and the additional center turn lane on Morrison Moore Parkway. He further informed that the low bidder for the Chestatee Street project is Moore's paving at \$98,500 dollars and Colditz Trucking for the Morrison Moore project at \$167,024.49 dollars. Mayor Gary McCullough informed that GDOT had committed up to \$50,000 dollars toward the project cost for Chestatee Street turn lane and \$200,000 dollars toward Morrison Moore. Councilman Norton questioned the completion time frame of Chestatee Street. Mr. Stewart informed the expected time will be approximately October 1st for both projects. Councilman Norton questioned if any sidewalks would be lost in the projects. Mr. Stewart informed there will not be and actually will be gaining some footage. Mayor McCullough and Councilman Lord thanked Mr. Charles Trammell, Mr. Todd Long and Mr. Terry Gable with Georgia DOT for all their efforts in making these projects possible.

At this time, Councilman Prescott requested that Commander Robert O'Brien with Camp Frank D. Merrill be recognized at our July 1st Council meeting, for all his efforts while stationed here in Dahlonega. It was the consensus of the Council to add this recognition to the July 1st agenda.

The Work Session was adjourned at 5:30 p.m. to call a Special Called Meeting.

The Work Session was called back to order at 5:35 p.m.

CORKSCREW PHASE II:

Public Works Director Ricky Stewart informed the City street construction crew was now working into the parking lot on the North side of the square and will cross over and go in front of the McGuire House. Mr. Stewart further informed that they are now at three and one half months into the project which had been estimated to take approximately three (3) months. Since beginning the project on March 4th we have received 29.61 inches of rain, which cost about one and half weeks of work. There have also been some other factors that delayed the project one being, the road was almost lost from a storm drain issue on Oliver Drive that took the crew one (1) week to repair. Councilman Ariemma questioned if the Storm Drain Project was over budget. Mr. Stewart informed that the budget was \$90,000 dollars and as of Wednesday, June 19th a total of \$82,000 dollars had been spent. The budget was decreased heavily with the rental of an excavator that was needed to install manholes. He further informed that the storm drain should be completed in approximately three (3) weeks.

The Work Session was adjourned at 5:58 p.m.