



**CITY OF DAHLONEGA COUNCIL MEETING  
DECEMBER 5, 2016, 6:00 P.M.  
MINUTES OF MEETING**

**Call to Order and Welcome**

The Dahlonega City Council met Monday, December 5, 2016 at 6:00 p.m. in the Council Room in City Hall.

Council Members Michael Clemons, Roman Gaddis, Bruce Hoffman, Ron Larson, Sam Norton, Mitchell Ridley and Mayor Gary McCullough were present. The following staff were present: City Manager Bill Schmid, City Attorney Doug Parks, Finance Director Melody Marlowe, Planning Director Chris Head, Public Works Director Mark Buchanan and City Clerk Kimberly Smith.

Mayor Gary McCullough called the meeting to order at 6:00 p.m. and welcomed everyone.

**Prayer and Pledge of Allegiance to the American Flag**

Mayor McCullough led the prayer and Council Member Hoffman led the *Pledge of Allegiance to the American Flag*.

**Agenda Approval**

Mayor McCullough called for a motion to approve the agenda. Council Member Ridley made a motion to approve the agenda as presented, seconded by Council Member Larson. Mayor McCullough called for vote of those in favor to signify so by saying aye, like sign for those opposed. The motion carried with a unanimous vote in approval.

**Election for Mayor Pro Tempore for 2017**

Mayor McCullough called for a motion to approve appointment of Council Member Bruce Hoffman as Mayor Pro Tempore for 2017. Motion by Council Member Clemons, seconded by Council Member Gaddis. Mayor McCullough called for a vote of those in favor to signify so by saying aye, like sign for those opposed. The motion carried with a unanimous vote in favor.

**Announcements – Public Comments**

Mayor McCullough asked if there were anyone wishing to comment that they come to the podium, state their name for the record and keep their comments to three minutes.

Catherine Ariemma spoke regarding the Council considering a resolution to increase Hotel Motel Tax to 8%. Ms. Ariemma said she was not able to increase her rates in 2015 due to the \$5.00 tax the State imposed on lodging facilities and if bed tax increases, she will not be able to increase rates this year either. Ms. Ariemma said the tax increase would cause a room that rents for \$110.00 per night to cost consumers \$138.00 per night. Ms. Ariemma asked that the tax increase not be put into the General Fund of the City and instead be used for marketing, especially marketing targeted at boutique hotels as all of the lodging facilities on the Square are boutique hotels. Ms. Ariemma said the chain hotels all receive marketing from the chain and boutique hotels do not. Ms. Ariemma asked the Council to consider doing something different if the revenue is that necessary and suggested Dahlonega do as the City of Kennesaw has done and abolish Council retirement benefits.

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Joshua Saint of Hiker Hostel spoke regarding the proposed increase in hotel motel tax. Mr. Saint said this would be a 20% increase in total tax.

Mayor McCullough stated that Mr. Saint's facility is not located in Dahlonega.

Mr. Saint said he was attempting to be proactive and show support to the owners of lodging facilities in Dahlonega and has concern if Dahlonega passes the increase that Lumpkin County will do the same. Mr. Saint said that individuals, not corporations, own all lodging facilities in the city and county. Mr. Saint suggested, if the city needs additional revenue, they take it from the Chamber and not increase tax, which puts undue burden on lodging facilities.

**Minute Approval**

Mayor McCullough called for a motion to approve the minutes of the Regular Meeting November 7, 2016 at 6:00 p.m. and the Work Session Meeting November 17, 2016 at 4:00 p.m. Motion made by Council Member Larson, seconded by Council Member Hoffman. Mayor McCullough called for a vote of all in favor signifying so by saying aye, like sign for those opposed. The motion carried with a unanimous vote in favor.

**Departmental Reports**

Mayor McCullough said that all of the departmental reports were included in the agenda packet and asked if there were questions or comments.

Council Member Hoffman said he likes the new summary page on the first page of the monthly financial report. Council Member Hoffman said it is good information and thanked Finance Director Marlowe.

Council Member Gaddis commented on the increase of revenue in Planning and Zoning Department, saying it was a good sign.

Mayor McCullough said that permits, especially septic tank permits are up in the County as well.

**Consent Items**

Mayor McCullough called for a motion to approve the consent items as follow:

- Annual Appointment of Jane Tolbert to Dahlonega Housing Authority as Resident Board Member
- Approval of City Meeting Dates for 2017
- Bid Award for Local Maintenance Improvement Grant Installing Safety Items on Various City Roads LMIG02-187 LUMP-COD

Motion by Council Member Gaddis, seconded by Council Member Ridley. Mayor McCullough called for a vote of all in favor signifying so by saying aye, like sign for those opposed. The motion carried with a unanimous vote in favor.

**Ordinances**

City Attorney Parks told Mayor and Council that there were three changes to the Alcohol Ordinance since the first reading, the first being the section on hours of service will change effective upon adoption which will allow establishments that serve alcohol by the drink to remain open Saturdays until 1:00 a.m. on Sunday morning. City Attorney Parks said the other two modifications were minor one regarding payment time for licenses to be at time of application and adding language of Distilled Spirits to the type of alcohol allowed for transport for off-premise sales.

Mayor McCullough called for a motion to approve the second reading and adoption of Ordinance 2016-12 Alcohol Ordinance. Motion made by Council Member Norton, seconded by Council Member Clemons.

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Council Member Hoffman said while he agrees with some of the changes this ordinance brings, he does not agree with the increase in alcohol license fees.

Mayor McCullough called for a vote with those in favor signifying so by raising their hand, like sign for those opposed. The motion carried with a vote of Council Members Clemons, Gaddis, Larson, Norton and Ridley voting in favor and Council Member Hoffman voting in opposition.

Mayor McCullough called for a motion to approve the second reading and adoption of Ordinance 2002-7 Amendment One Noise. Motion made by Council Member Hoffman, seconded by Council member Larson. There was no discussion. Mayor McCullough called for a vote of all in favor signifying so by saying aye, like sign for those opposed. The motion carried with a unanimous vote in favor.

Mayor McCullough called for a motion to approve Ordinance 2006-3 Amendment 2, adoption of State Building Codes by Reference. Motion by Council Member Gaddis, seconded by Council Member Norton. There was no discussion. Mayor McCullough called for a vote of all in favor signifying so by saying aye, like sign for those opposed. The motion carried with a unanimous vote in favor.

Mayor McCullough called for a motion to approve Ordinance 85-4 Amendment 8 Sediment Soil and Erosion Control adoption of State and Federal Guidelines. Motion by Council Member Ridley, seconded by Council Member Norton. There was no discussion. Mayor McCullough called for a vote of all in favor signifying so by saying aye, like sign for those opposed. The motion carried with a unanimous vote in favor.

**Resolutions**

Mayor McCullough called for a motion to approve Resolution 2016-15, a Resolution of the City of Dahlonega establishing Hotel Motel tax rate of 8%. Motion made by Council Member Norton, seconded by Council Member Ridley.

Council Member Hoffman said increase in Hotel Motel tax has been in discussion since he has been on the Council. The Council agreed to stand with the County on this issue and because of that, he will not vote in favor of the resolution this time.

Council Member Norton said he would like to clarify to Ms. Ariemma that State law regarding how the revenue derived from this tax is utilized binds the city. The funds must be used to benefit lodging facilities. Because of the law, the funds will not go into the City's General Fund.

Council Member Norton asked Finance Director Marlowe to verify that the funds would be accounted for separately, be audited and reported to the Georgia Department of Community Affairs. Finance Director Marlowe verified the validity of Council Member Norton's statement.

Mayor McCullough said that there are projects that would improve Dahlonega for tourism that cannot be funded by the Chamber and the additional hotel motel tax would allow these projects to be funded.

City Manager Bill Schmid said he would like to verify that the revenue would allow capital improvements to enhance tourism that can only be undertaken by units of government.

Council Member Larson thanked Ms. Ariemma and Mr. Saint for attending the meeting and expressing their views. Council Member Larson said he is often astounded at the lack of attendance at Council Meetings compared to the increase in activity on social media regarding the meetings.

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Mayor McCullough called for a vote of those in favor signifying so by raising their hand, like sign for those opposed. The motion carried with a vote of Council Members Clemons, Gaddis, Larson, Norton and Ridley voting in favor and Council Member Hoffman voting in opposition.

**City Manager Comments**

City Manager Schmid said there were a few items for discussion the first being how or if to proceed with obtaining bids for remediation of hazardous materials at the old kindergarten building. Bids for demolition of the building have been received and the next step would be to obtain bids for cleanup of asbestos and lead in the building prior to demolition. City Manager Schmid said the cost of remediation of hazardous material could be anywhere from \$30,000 to \$70,000 which would bring the total project cost for demolition from \$150,000 to \$175,000. The project is not a budgeted item, and he would like clarification from Council if they want to proceed to the next step, which would be to proceed with remediation of the building so demolition can proceed safely.

Council Member Larson asked how much the remediation would cost. City Manager Schmid replied that he would guess it would cost somewhere between \$30,000 and \$70,000. Council Member asked if the amount was in the budget at this time. City Manager Schmid replied that it is not budgeted. There is contingency money in the budget of \$200,000. However, he is of the understanding there are other items Council may want to fund with the contingency money.

Council Member Norton said he would like to wait until the next budget cycle to proceed with this project because the additional parking is not an immediate need and the City should not expend contingency funds for this project.

Council Member Hoffman asked if the remediation company has to be certified by EPA, or if can the City hire anyone to demolish the building. City Manager Schmid replied the remediation company has to be certified and some of the contractors who have bid on demolition may or may not be certified in remediation. Council Member Hoffman asked if there was the possibility of hiring someone who would be willing to tear it down. City Manager Schmid replied that he would be very hesitant recommending anything other than doing it right.

Mayor McCullough said there might be someone who would demolish without remediation for less, but the City does not need to be breaking laws to save money.

Council Member Larson said with all the financial issues that will be coming down the pike this year; he would agree with Council Member Norton that this could wait until the next budget year. Council Member Larson said we should do what we can to clean up the property and make it more useable without demolishing the building.

Council Member Hoffman said the City would need to ensure that the building is secure at all times.

City Manager Schmid said that the property appearance could improve slightly with the painting of murals. City Manager Schmid showed a rendering of the proposed murals, presented at the last Parking Committee meeting to Mayor and Council and said they would have to be approved by the Historic Preservation Commission due to the zoning and age of the building.

Council Member Ridley said even though it is an eyesore, it can wait until next budget year for demolition.

Council Member Gaddis agreed with Council Members Norton and Larson.

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City Manager Schmid informed Mayor and Council that there is a change order for the Waste Water Treatment Plant refurbishment of \$26,000 to repair concrete. The amount is in budget and within the scope of the project. If the change order were not approved it would have delayed the completion of the project. The damage could not be discovered until the holding pools were drained, and is structurally necessary for the retrofitting of the work. City Manager Schmid said he just wanted to inform Mayor and Council that he is taking this action on their behalf and the change will come to Council in the form of a budget amendment.

City Manager Schmid said that DDA Director Rebecca Shirley would be a panelist on a morning program at the Fox Theatre this Thursday morning. The program, dedicated to entertainment is sponsored by the Atlanta Business Chronicle. There are three panels. Ms. Shirley will be on a panel moderated by LaRhonda Sutton and include Craig Dominey, Director of the State Camera Ready Program, the Director of the Macon Film Committee Terrell Sandifer, Jill Yoder with the Henry County Planning and Zoning Department and Location Manager Ryan Schitzel.

Council Member Norton asked if there would be an audience for this panelist discussion. City Manager Schmid replied that it is a ticketed event with ticket cost of \$90 to \$100.

City Manager Schmid said this would be good exposure for the city.

City Manager Schmid asked Public Works Director Buchanan to speak regarding the parking changes on Martin Street.

Public Works Director Buchanan said that the changes to parking on Martin Street are as follows: Martin Street between Meaders and Park Streets is now parallel parking on the south side of the street only with signage for no parking on the north side of the street. No parking signs are in place on Martin Street between Grove and Meaders Street and no changes will be made to the direction of traffic. The plan going forward will be to widen Martin Street in that area.

**Mayor Comments**

Mayor Gary McCullough asked Service Delivery Strategy Committee Members Council Members Norton, Clemons or City Manager Bill Schmid to bring the Council up to date on Service Delivery Strategy with Lumpkin County.

Council Member Norton said there were several meetings with the County and there is a memorandum for consideration of approval to proceed with the process to bring the City to the point of contracting with the County.

City Attorney Parks advised the motion should be stated for approval to execute the memorandum, conditional upon Lumpkin County presenting a like memorandum.

Council Member Norton said the memo points are as follows: the City of Dahlonega will pay Lumpkin County \$50,000 per year for supplemented fire services. City of Dahlonega will pay either \$2,000 per quarter or \$8,000 annually for law enforcement services and provide liability coverage to the deputies while in Dahlonega for extra duty. The jail will remain funded with the 10% fine addition through Municipal Court.  
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Member Norton said there are about thirty-five other service delivery items negotiated that will cost the city nothing.

Mayor McCullough called for a motion to approve execution of the memorandum for Service Delivery Strategy with Lumpkin County, contingent upon Lumpkin County presenting a like memorandum to the City. Motion by Council Member Ridley, seconded by Council Member Norton.

Mayor McCullough asked if there is any discussion on the motion.

Council Member Hoffman said he strongly opposes paying \$2,000 per quarter for law enforcement services. The proper way to fund law enforcement additional is through increasing the hourly rate paid to off duty deputies serving extra duty in Dahlonega. Council Member Hoffman said the quarter ending October 2016, the City paid \$1,090.00 to the County for law enforcement so \$2,000.00 per quarter will almost double what is currently being paid. Council Member Hoffman added that the City of Dahlonega is the only entity in Lumpkin County asked to pay for additional law enforcement duty.

Council Member Norton said the amount for law enforcement was negotiated to a much lower amount than the County originally asked for. The reason for paying \$2,000 per quarter to the county rather than raising the hourly rate paid to deputies was because the County, not the Sheriff's Office, provides vehicles and equipment for the deputies to use.

Council Member Clemons said we can not have a contract with the Sheriff, we can have an agreement, if we agreed to a \$2.00 per hour increase that money would go the Sheriff's Office and not the County. The County purchases vehicles and guns.

City Manager Schmid stated that the Sheriff's position is constitutional and not a County job therefore it does not fall under direction of the County Manager.

Mayor McCullough state that the City used to pay the County for the library, Sheriff and many other items that we no longer pay.

Council Member Larson asked if the Service Delivery Strategy Committee has a good sense of the County being in agreement with the memorandum. Council Member Norton replied that the County is in agreement and will have a Special Called Meeting tomorrow to approve their memorandum.

Council Member Ridley thanked the Mayor, Council Members Norton, Clemons and City Manager for going through this process for the City.

Council Member Clemons said he found the County to be very upfront with the City, they opened their books and I was pleasantly surprised with how well the negotiations went. Council member Norton agreed.

Mayor McCullough called for a vote of those in favor signifying so by raising their hand, like sign for those opposed. The motion carried with a vote of Council Members Clemons, Gaddis, Larson, Norton and Ridley voting in favor and Council Member Hoffman voting in opposition.

**City Attorney Comments**

None

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**City Council Comments**

Council Member Ridley said he watched the film *Christmas in Homestead* filmed in Dahlonega. It was wonderful and show cased the beauty of the City of Dahlonega.

Council Member Larson left the meeting at 6:55 p.m.

**Adjournment**

Mayor McCullough called for a motion to adjourn the meeting. Motion by Council Member Ridley, seconded by Council member Hoffman. Mayor McCullough called for a vote of those in favor signifying so by saying aye, like sign for those opposed. The motion carried with a unanimous vote in favor.

The meeting adjourned at 6:56 p.m.

APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2016.

\_\_\_\_\_ Gary McCullough, Mayor

Attest:

\_\_\_\_\_ Kimberly A. Smith, City Clerk