



CIVILITY PLEDGE

The way we govern ourselves is often as important as the positions we take. Our collective decisions will be better when differing views have had the opportunity to be fully vetted and considered. All people have the right to be treated with respect, courtesy and openness. We value all input. We commit to conduct ourselves at all times with civility and courtesy to each other.

ALAN HALLMAN
MAYOR

MIKE RAST
ALDERMAN AT LARGE

BRETT REICHERT
COUNCILMAN AT
LARGE

MARK ADAMS
COUNCILMAN WARD I

CHLOE ALEXANDER
COUNCILMAN WARD II

MAYOR AND COUNCIL REGULAR SESSION

Join in person at 700 Doug Davis Drive, Hapeville, GA 30354 Or, visit the City's Website for live stream at
<https://hapevillega.portal.civicclerk.com/>

March 4, 2025 6:00 PM

MINUTES

1. **CALL TO ORDER:** by Mayor Hallman at 6:07 PM
2. **ROLL CALL:** All members of the Council were present, except for Councilman Reichert, thereby constituting a quorum.
 - ☒ Alan Hallman
 - ☒ Mike Rast
 - ☒ Brett Reichert
 - ☒ Mark Adams
 - ☒ Chloe Alexander
3. **WELCOME:** Mayor Hallman welcomed all to the March 4th meeting.
4. **PLEDGE OF ALLEGIANCE:** The Pledge of Allegiance was recited in unison.
5. **INVOCATION:** Given by City Manager, Tim Young
6. **PRESENTATIONS:** There were no presentation items at this meeting.
7. **PUBLIC HEARING:**
 - 7.I. Consideration on FY2024-2025 Budget Amendment – First Reading

Background:

The Fiscal Year 2024-2025 budget was adopted on September 17, 2024. This adopted budget called for \$18.5M in General Fund expenditures with revenues listed as \$18.5M with no supplement by an apportionment from City Fund Balance.

As of March 4, 2025, Operating and Financing inflows are projected to be \$20.08M, an increase of \$1.55M from the original adopted budget of \$18.5M. The increased inflows consist of higher than projected collections in:

- Personal Property Taxes
- Building Permits Due to Additional Constructions
- Loan Proceeds from Financing Fire Vehicles

Details of these increases and each budget line are included in your package.

A review of the City's expenditure and budget realignment has allowed Finance to project an overall increase in General Fund uses of \$1.55M from \$18.5M to \$20.08M. Explanations of projected budget increase requests by department are listed below and included in your package.

Primary drivers of the increased uses are:

- Fire – Purchase of New Ambulance and 2 Replacement Vehicles - \$339,000
- Public Works – Technical Inspections on New Development Projects - \$500,000

- Recreation – Park Upgrades – \$100,000
- Fund Balance Additional Funding - \$400,000.

Additionally, the Enterprise Fund of Water & Sewer has experienced higher than normal water and sewer lines breaks, and the fund experienced approximately \$1 million more in repairs than anticipated. Collections from MOST help offset some of the expenditure. We will be reviewing this area closely to determine if we need other future adjustments in the Enterprise fund.

Staff requests your consideration and comments to on the FY2024-2025 amended budget requests.

The updated 2024-2025 amended budget will be uploaded to the City's Website after Mayor and Council Approval.

DICUSSION-

Staff Comments: Finance Director, Randy Brewer addressed the Mayor and Council, noting that while there was a \$1.5 million increase in revenue, there were also significant reductions in key areas. These included a \$700,000 decrease in real property tax revenue, a \$150,000 reduction in local option sales tax, a \$75,000 decline in court fines, and a \$150,000 decrease in the general fund portion of the hotel/motel tax. Mr. Brewer highlighted that despite the \$20.08 million total, these reductions impacted on overall revenue.

Public Comments: No public comments were made regarding this public hearing item.

No action was taken; this stood as the first reading of this item.

8. **QUESTIONS ON AGENDA ITEMS:** There were no questions on agenda items at this meeting.

9. **CONSENT AGENDA:**

- 9.I. Consideration and Action to approve February 18, 2025, Mayor and Council meeting minutes.
- 9.II. Consideration and Action to approve February 18, 2025, Executive Session meeting minutes.

MOTION: Councilman Adams motioned to approve the consent agenda; Councilman Alexander provided a second. **The motion carried with a vote of 3-0.**

10. **OLD BUSINESS:** There were no old business items at this meeting.

AMEND AGENDA:

MOTION: Alderman Rast motioned to amend the agenda to add Item 11.V. (Discussion of House Bill 492). Councilman Adams seconded the motion. **The motion carried with a vote of 3-0.**

11. **NEW BUSINESS:**

- 11.I. Consideration and Action to Approve the Board Appointments Ordinance. - *Moved to March 18th Meeting.*

MOTION: Councilman Alexander motioned to table Item 11.I. until the March 18th Meeting. Councilman Adams seconded the motion. **The motion carried with a vote of 3-0.**

- 11.II. Consideration and Action to Approve Agreement with the Department of Revenue for School Zone Speed Enforcement Cameras.

MOTION: Councilman Adams motioned to approve the Agreement with the Department of Revenue for School Zone Speed Enforcement Cameras; Councilman Alexander provided a second. **The motion carried with a vote of 3-0.**

- 11.III. Consideration and Action to Approve a budget amendment to accommodate the increased costs associated with the revised scope and budget for the completion of the Art District Sign Project.

MOTION: Alderman Rast motioned to approve a budget amendment to accommodate the increased costs associated with the revised scope and budget for the completion of the Art

District Sign Project; Councilman Alexander provided a second. **The motion carried with a vote of 3-0.**

11.IV. Discussion on the Juneteenth Celebration Event.

DISCUSSION: Mayor and Council were pleased with the proposal presented and expressed interest in collaborating with the theater to establish this as an annual event in celebration of Black History Month.

No action was taken; this stood as a discussion item only.

11.V. Discussion of House Bill 492.

DISCUSSION: Mayor Hallman provided an overview of the history and financial impact of Delta Airlines' long-term hotel stays on the city's hotel/motel tax revenue. With Delta consolidating its training operations in Hapeville, many hotel rooms are occupied for over 30 days, triggering a tax exemption that has resulted in significant revenue loss. While Delta contributes by funding off-duty police security, the city can no longer sustain the financial shortfall caused by the lost tax revenue.

To address this, City Attorney Andy Welch introduced House Bill 492, which seeks to close the tax loophole and restore lost revenue. Despite Delta's strong lobbying influence, state legislators have acknowledged the financial strain on the city. Mayor Hallman noted that the Georgia Municipal Association (GMA), the Association County Commissioners of Georgia (ACCG)—which represents both counties and cities—and members of the state tourism bureau have also expressed their support for the bill, providing unexpected but significant backing. While the bill's passage remains uncertain, Mayor Hallman emphasized continued advocacy efforts and turned the discussion over to City Manager Tim Young for further updates.

City Manager, Tim Young acknowledged Mayor Hallman's thorough explanation and expressed concern that legislative opposition may be formed against the bill. He emphasized that the city continues diplomatic efforts with Delta representatives, including Ms. Childers, to secure further discussions. Mr. Young highlighted historical data, noting that in 2018, hotel/motel tax revenue totaled \$40 million, with \$30 million taxable and \$8 million non-taxable. With more comprehensive data now available, the city is in a stronger position to demonstrate the financial impact and advocate for necessary changes.

No action was taken; this stood as a discussion item only. Updates on this subject will continue through the process.

12. **CITY MANAGER REPORTS:** City Manager, Tim Young provided updates on several matters.

1. **Audit Status**

- The audit for the July–September period (**Bridge Budget**) is progressing well, with fieldwork expected to conclude by the end of the month. The final **audit report is anticipated in May.**

2. **Butterfly Lantern Parade**

- This year marks the 3rd annual **Butterfly Lantern Parade**, scheduled for **Saturday, March 22nd**. The event will run from **5:00 PM to 10:00 PM**, with the **parade route and live music beginning around 8:10 PM**. Mr. Young encouraged the community to participate in this anticipated celebration.

13. **PUBLIC COMMENTS:**

1. Frank Cranford
2. Melvin Traynum
3. L'Tesse Reese
4. Charlotte Rentz

14. **MAYOR AND COUNCIL COMMENTS:**

Councilman Alexander had no comments at this time.

Alderman Rast had no comments at this time.

Councilman Adams thanked everyone for attending and encouraged them to enjoy the warmer weather and upcoming Daylight Savings on Sunday. He expressed appreciation for the community's engagement in local government and their continued participation.

Mayor Hallman thanked everyone for participating in local government, emphasizing that the city belongs to everyone, and their involvement is greatly appreciated. He reminded attendees about the Butterfly Lantern Parade on March 22nd, encouraging those who haven't experienced it to attend, describing it as a vibrant and exciting event, like a mix of Mardi Gras and St. Patrick's Day celebrations. The event will take place in the park from 5:00 PM to 10:00 PM.

15. **EXECUTIVE SESSION:** An Executive Session was conducted during this meeting.

16. **ADJOURN:**

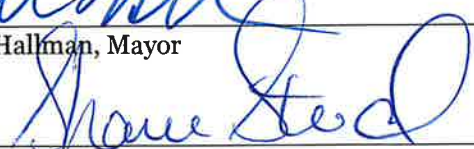
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MOTION: Councilman Adams motioned to adjourn at 7:10 PM; Councilman Alexander provided a second. **The motion carried with a vote of 3-0.**

Respectfully submitted,



Alan Hallman, Mayor



Sharee Steed, City Clerk