

**MINUTES
CITY COUNCIL REGULAR MEETING
MARCH 3, 2014
5:00 P.M.**

CALL TO ORDER: Mayor W. James Grogan called the meeting to order at 5:00 p.m.

ROLL CALL: Present were Mayor James Grogan, Councilmember Mike Sosebee, Councilmember Jason Power, Councilmember Angie Smith, Councilmember Chris Gaines, City Attorney Dana Miles, City Clerk Bonnie Warne, and Trampas Hansard, Roads Dept.

INVOCATION AND PLEDGE: Invocation and pledge was led by Dana Miles.

AGENDA: Motion to approve the agenda by: C. Gaines/J. Power. Vote unanimous in favor.

MINUTES: Motion to approve the minutes of the regular meeting held February 3, 2014: M. Sosebee/J. Power. Motion carried unanimously.

UNFINISHED BUSINESS:

Administrative Order – Howser Mill Retention Pond: Randy Davis, HOA President of Howser Mill Subdivision agreed on a match of up to \$4000 from HOA with the City's match of up to \$4000 to clean up the retention pond and lien the property for the value of work. Contractor is scheduled to start March 10, 2014 at 8:30 am. Motion to proceed and lien property by: M. Sosebee/ J. Power. Motion carried unanimously.

NEW BUSINESS:

Proclamation – Exceptional Children's Week: Mayor Grogan invited those forward and read the proclamation into the minutes. A copy of the proclamation was subsequently presented to Pam Gross. Exhibit "A"

Major Tony Wooten and Sheriff Billy Carlisle: Sheriff Carlisle and Major Wooten spoke on the crime statistics in the City, which are not bad, and are working on being proactive toward crime prevention.

Distillery Lease Agreement: Motion to approve the annual lease agreement to the Distillery for suite 110 and 120 of the Dawsonville Municipal Complex by: M. Sosebee/J. Power. Motion carried unanimously in favor. Exhibit "B"

Budget Amendment in Enterprise Fund for Farmington Woods reimbursement: Motion to amend the Enterprise Fund budget and pay \$129,534.76 for water and sewer infrastructure by: M. Sosebee/ C. Gaines. Motion carried unanimously in favor. Exhibit "C"

RFP 13-1A Landscape Design: C. Gaines recused himself. After discussion of the proposal amounts received, motion to approve Premier Landscape at \$8995 by: J. Power/ M. Sosebee. Vote carried unanimously 3-0-1 with C. Gaines recused. Exhibit "D"

PUBLIC HEARINGS:

ZA-12-13-272: Michael and Nancy Eason have requested a zoning map amendment, upon annexation, for the +1 acre at TMP 090 098, located at 598 Gold Bullion Drive West. Current County zoning is RPC (Residential Planned Community). Applicant requests to rezone to PUD (Planned Unit Development). 2nd Hearing/Reading

ANX 13-007: Michael and Nancy Eason have requested annexation, for the +1 acre at TMP 090 098, located at 598 Gold Bullion Drive West. Current County zoning is RPC (Residential Planned

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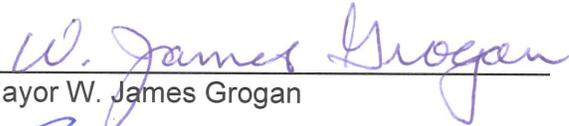
Community). Applicant requests to annex and rezone to PUD (Planned Unit Development). 2nd Hearing/Reading

Council approved to hear the annexation and rezoning application together for same parcel. Motion to open the public hearing was unanimous in favor: C. Gaines/M. Sosebee. Attorney Dana Miles presented the applications and mentioned that the County objected to the annexation. Mr. Michael Eason and Thayer Spencer spoke in favor of this application. Nobody spoke in opposition. Motion to close the public hearing was unanimous in favor: M. Sosebee/J. Power. Motion to approve ANX 13-005 and ZA-07-13-226 with the following conditions: this parcel is part of Gold Creek Master Plan, and the zoning or land use will not change from current use for one year by: M. Sosebee/J. Power. Vote unanimous in favor effective after County objection resolved.

Staff Reports: City Clerk Bonnie Warne reported that the financial reports for February 2014 are balanced and in good standing.

Mayor's Report: Mayor Grogan mentioned that the Assisted Living Facility is in the plan approval process and the Reach Church and Daycare plan to open soon.

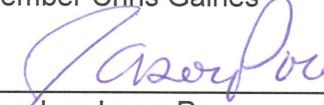
ADJOURNMENT: With there being no further business to attend to the regular meeting closed and adjourned at 5:49 p.m. The motion carried unanimously; J. Power/ M. Sosebee.



Mayor W. James Grogan



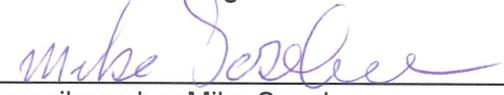
Councilmember Chris Gaines



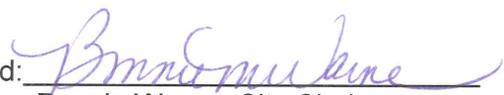
Councilmember Jason Power



Councilmember Angie Smith



Councilmember Mike Sosebee

Attested: 

Bonnie Warne, City Clerk



Proclamation

Exceptional Children's Week

March 10-14, 2014



Whereas, Exceptional children are active citizens who contribute much to the overall quality of life in this community; and

Whereas, greater public awareness and acceptance of these persons will increase their access to education, employment, housing, and social and recreational opportunities; and

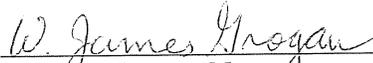
Whereas, it is the desire of our community to create a place where all people can explore and develop their varied abilities, can enjoy productive work, and can contribute by meaningful participation in the life of the community; and

Whereas, the Dawson County School System and the Dawson Support Group, on behalf of the Georgia Exceptional Children Council, have worked to secure this proclamation; and

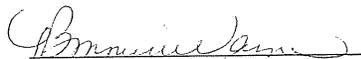
Whereas, it is the goal of the City of Dawsonville to instill positive perceptions of people with exceptional/special needs;

Now, therefore, I, W. James Grogan, do hereby designate March 10-14, 2014 as Exceptional Children's Week and encourage all our citizens to promote positive awareness and greater opportunities for persons with exceptional/special needs, and challenge the citizens of our community to look beyond a person's particular disability, and focus instead upon each person's diverse abilities and contributions to the community.

In Witness Whereof, I have set my hand and seal this 3rd day of March, 2014.


W. James Grogan, Mayor

Attest:


Bonnie Warne, City Clerk

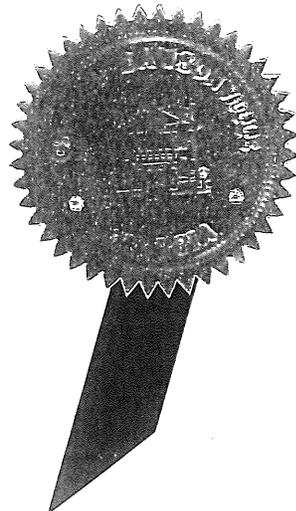


EXHIBIT "A"

SUB-LEASE AGREEMENT FOR DISTILLERY

This Sub-Lease agreement ("Sub-Lease") is entered into effective this 1st day of January, 2014, by and between **THE CITY OF DAWSONVILLE**, whose address is 415 Hwy. 53 East, Suite 100, Dawsonville, Georgia 30534 ("Lessor") and **FREE SPIRITS DISTILLERY, LLC**, d/b/a Dawsonville Moonshine Distillery, ("Lessee"), whose address is 415 Hwy. 53 East, Suite 110 and 120, Dawsonville, Georgia 30534.

WITNESSETH:

WHEREAS, the City of Dawsonville ("City") entered into a lease-purchase agreement ("City Lease") with the Downtown Development Authority of the City of Dawsonville, for the lease-purchase of certain property and facilities ("Facility") located at 415 Hwy. 53 East, Dawsonville, Georgia 30534, which is known as City Hall/Dawsonville Municipal Complex; and

WHEREAS, the Facility includes several tenant spaces, including a museum and a retail/manufacturing space, of which the retail/manufacturing space is available for lease and suitable for Lessee's use; and

WHEREAS, the City, as Lessee of the City Lease, desires to sub-lease a portion of the retail/manufacturing space, as fully depicted in Exhibit "A" attached hereto and fully incorporated herein ("Distillery Space"), to Lessee for the operation of Free Spirits Distillery, LLC, d/b/a Dawsonville Moonshine Distillery, which will be in general open to the public, pursuant to the terms and conditions of the City Lease and as allowed or provided by state and federal law.

NOW THEREFORE, for and in consideration of the mutual covenants and obligations set forth herein and in consideration of One Dollar (\$1.00) and other good and valuable consideration mutually exchanged this date between parties hereto, the receipt and adequacy of which is hereby acknowledged, the parties hereby agree as follows:

1. **Premises and Use.** Lessee shall be permitted to occupy and utilize the areas of the Facility depicted in Exhibit A, otherwise known as the Distillery Space, for the purpose of operating Free Spirits Distillery, LLC, d/b/a Dawsonville Moonshine Distillery, which shall be open to the public and maintain business hours as deemed appropriate by Lessee and as regulated by both state and federal law, so long as, such operations do not materially interfere with the business and operations of the City of Dawsonville.

2. **Subject to City Lease.** Lessee expressly acknowledges and understands the terms and conditions of the City Lease, and agrees that Lessee shall be subject to the terms and conditions set forth in the City Lease, which terms are expressly incorporated into this agreement, unless otherwise expressly stated herein.

3. **Lease Term.** This Lease shall commence on January 1, 2014, for the period of twelve months ("Lease Term") terminating on December 31, 2014. The Lease Term is NOT subject to an automatic renewal. This Lease shall automatically terminate, upon notice from the City, in the event that the City Lease is terminated.

4. **Rent.** Lessee covenants and agrees to pay Lessor a rent amount as rent for the Distillery Space during the Lease Term as follows: Lessee will pay to Lessor rent in the amount of Three Thousand and no/100 Dollars (\$3,000.00) for the Distillery Space Suite 110 and 120. For any late payment received after the 10th of the month Lessee shall

pay to the City a 5% penalty. Penalty payment shall be due immediately and must be included with payment of past due rent.

5. **Insurance and other charges.** Lessee agrees to and shall pay for general liability insurance and shall name the City of Dawsonville as certificate holder or additional insured under the policy of insurance. Lessee shall keep the general liability policy in full force and affect for the full Lease Term with coverage in the amount of at least \$1 million per person / \$2 million per occurrence. Lessee is responsible for all other forms of insurance (i.e. workers comp, etc.) as may be required by law.

6. **Improvements.** To the extent Lessee desires to modify, change or improve the Distillery Space for Lessee's intended use, all such costs shall be borne by Lessee, and no such costs shall be the responsibility of Lessor. Any plans for modifications or improvements must be presented to and approved in writing by Lessor prior to initiation of any change, modification or construction.

7. **Utilities.** Lessee is responsible for all utilities associated with its occupation and use of the Distillery Space including, but not limited to, water, sewer, natural gas, and electricity. Lessee shall install and maintain any necessary utility meters or sub-meters at Lessee's expense to Lessor's satisfaction.

8. **Security Deposit.** Contemporaneous with the execution hereof, Lessee has on deposit with Lessor the sum of five thousand dollars (\$5,000.00) paid on March 16, 2011 as a Security Deposit for the proper performance of all obligations of Lessee hereunder. Lessor shall hold the Security Deposit in an non-interest bearing account and shall return the same to Lessee upon the expiration of this Lease with all obligations of the Lessee fully performed and completed and the premises returned to

Lessor in broom clean undamaged condition, natural wear and tear excepted.

9. **Binding Effect and Severability.** The provisions of this Lease shall be binding upon and inure to the benefit of both parties and their respective successors and assigns. If any provision of this Lease or any application thereof shall be invalid or unenforceable, the remainder of this Lease and any other application of such provision shall not be affected thereby.

10. **Quiet Enjoyment.** Upon due performance by Lessee of its covenants and agreements under this Sub-Lease, Lessor covenants that Lessee shall and may at all times peaceably and quietly have, hold, and enjoy the Distillery Space during the Lease Term.

11. **Headings.** The Section headings are for convenience and reference only and shall not be used to limit or otherwise affect the meaning of any provision of this Sub-Lease.

12. **Counterparts.** This Sub-Lease may be simultaneously executed in two or more counterparts, each of which shall be deemed a fully enforceable original but all of which together shall constitute one and the same instrument.

13. **Governing law, Venue and Jurisdiction.** This Lease shall be construed in accordance with and governed by the laws of the State of Georgia. Both parties hereby consent to jurisdiction and venue in Dawson County, Georgia in any action brought to enforce any provision of this Sub-Lease.

14. **Relationship of parties.** Lessor and Lessee shall not be considered or deemed to be joint venturers or partners and neither shall have the power to bind or obligate the other except as set forth herein.

15. Default. Lessee shall be in default if it fails to pay any rent or any other obligation when due to Lessor or fails to comply with any of the requirements of this Sub-Lease applicable to Lessee. In the event Lessee defaults, Lessor may terminate this Sub-Lease and pursue such remedies as are allowed by law. Included among these remedies shall be the right of Lessor to recover all rents owed under the lease for the unexpired portion of the Lease Term. Upon a default and prior to exercising any remedy hereunder or allowed by law, Lessor shall provide Lessee written notice of the default and of Lessor's intent to exercise remedies unless the default is cured within ten (10) days following receipt of the notice of default. Should Lessee fail to cure the default within ten (10) days following receipt of the notice of default, Lessor will be immediately entitled to take possession of the Distillery Space. Lessee waives any further right to notice prior to Lessor pursuing remedies other than those contained herein.

Lessor shall be in default if it fails to comply with any of the requirements of this Sub-Lease applicable to Lessor. In the event Lessor defaults, Lessee's sole and exclusive remedy shall be to terminate this Sub-Lease without further recourse against Lessor. Prior to exercising that remedy Lessee shall provide Lessor with written notice of the default and of Lessee's intent to exercise its remedy unless the default is cured within ten (10) days following receipt of the notice of default.

16. Guaranty. Notwithstanding the fact that Lessee is a corporation or other legal entity, by execution hereof, the undersigned owners, operators, members or shareholders of Lessee ("Guarantor") hereby personally guarantee full, proper and satisfactory performance of all terms of this Sub-Lease by the Lessee. Upon written

notice of default of this Sub-Lease, Lessor shall have all right and remedies against Guarantor as are available against Lessee.

17. **Construction.** All terms used in this Sub-Lease, regardless of the number or gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and by other gender, masculine, feminine, or neuter, as the context or sense of this Sub-Lease or any section, subsection, or clause herein may require as if such terms had been fully and properly written in such number or gender.

18. **Modification.** No changes, additions, or interlineations made to this Lease shall be binding unless initialed by both parties.

19. **Non-waiver.** No delay or failure by either party to exercise any right under this Lease, and no partial or single exercise of that right, shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

20. **Time of essence.** Time is expressly declared to be of the essence of this Sub-Lease.

21. **Entire Agreement.** This Sub-Lease supersedes all agreements previously made between the parties relating to its subject matter. There are no other understandings or agreements between them.

In witness whereof the parties have executed this Sub-Lease effective as of the date first above written.

LESSOR:
CITY OF DAWSONVILLE


By: W. James Grogan, Mayor

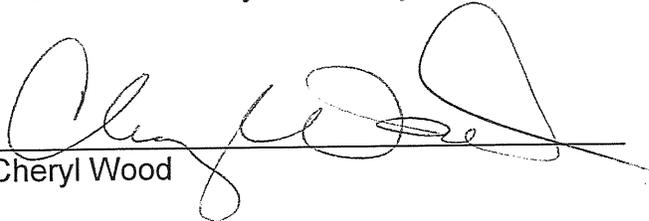
LESSEE:
FREE SPIRITS DISTILLERY, LLC

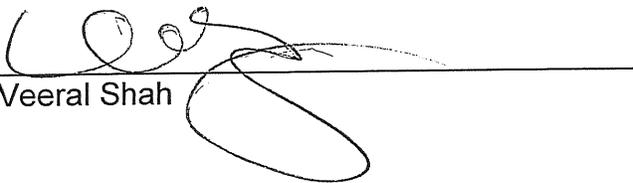

Cheryl Wood, Member

PERSONAL GUARANTY

The undersigned, being members of Free Spirits Distillery, LLC, d/b/a Dawsonville Moonshine Distillery, for valuable consideration received, hereby unconditionally guaranty all performance and payment obligations of Free Spirits Distillery, LLC, d/b/a Dawsonville Moonshine Distillery under the terms of this Sub-Lease.

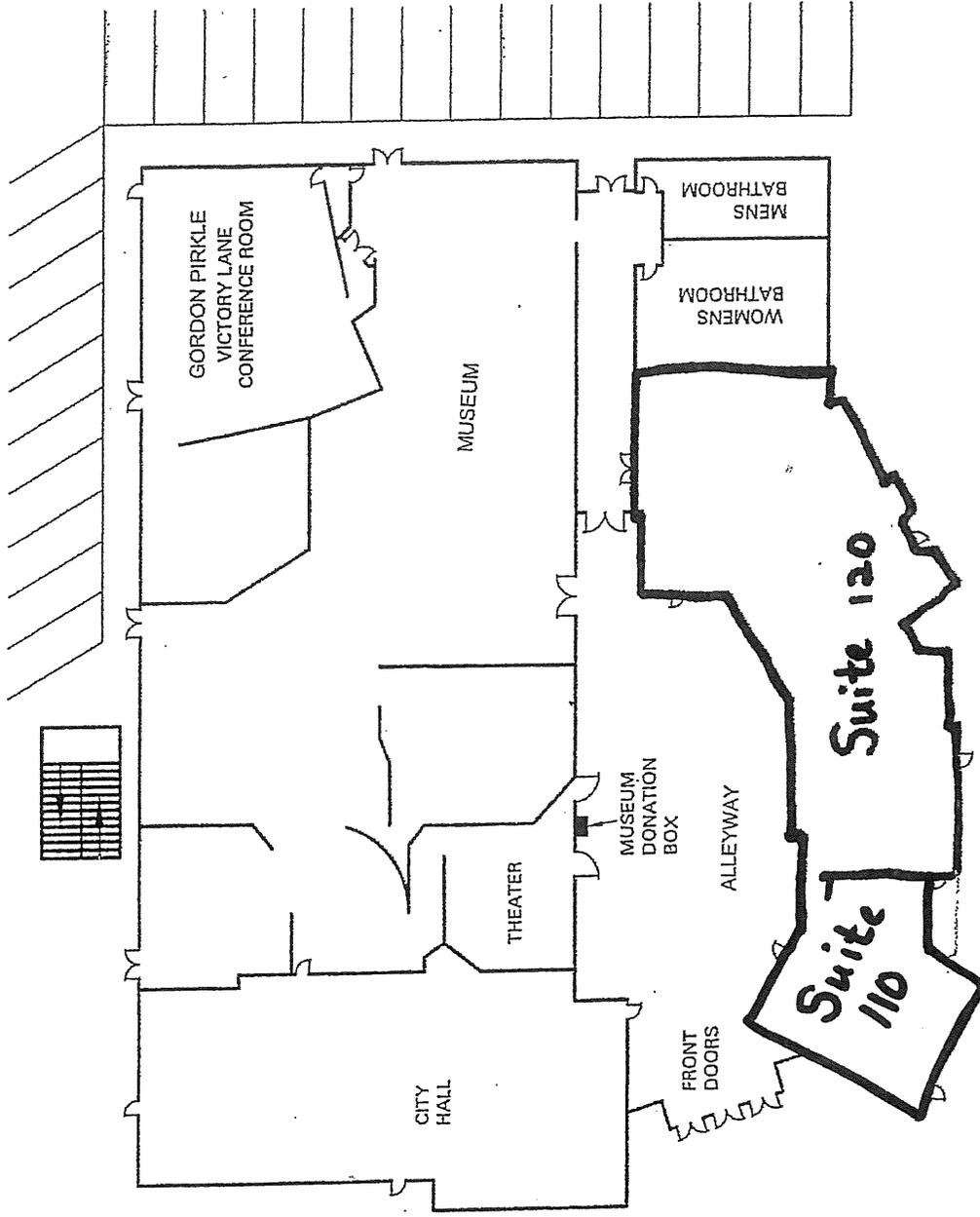
Effective on 1st day of January, 2014.


Cheryl Wood


Veeral Shah

3-24-14
Date

DUMPSTER



Dawsonville Moonshine Distillery

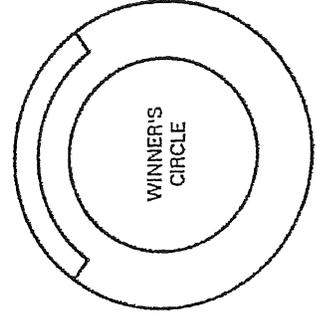
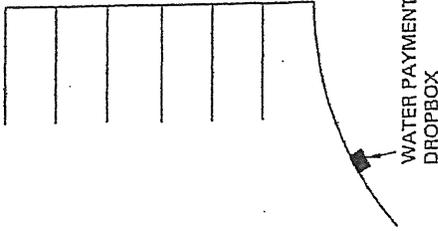


EXHIBIT "B"

Exhibit "A"

P.O. Box 6
415 Highway 53 E. Suite 100
Dawsonville, Georgia 30534



(706) 265-3256
Fax (706) 265-4214
www.dawsonville-ga.gov

W. James Grogan
Mayor

February 20, 2014

Michael C. Brandt, VP
Hunter's Walk Home Center, Inc.
3825 Paces Walk SE, Suite 100
Atlanta, Georgia 30339

RE: Farmington Woods reimbursement

Dear Mike;

After receiving the bills from Townley Construction for \$102,603.00 (offsite sewer work) and \$51,294.00 (off site water work) totaling \$153,897.00 and reviewing the minutes from the Council meeting, the City will reimburse you in the amount of \$129,534.76.

The reconciliation to arrive at this reimbursement amount starts with the original amount approved by the Council of \$150,000.00. From that, we deduct half of the cost of the erosion control bill of \$6,050.00, which would be \$3,025.00, and all the engineering bills in the amount of \$17,440.24. Thus, the total deduction is \$20,465.24 and the net payment to your company will be \$129,534.76.

I believe this is a fair assessment of the agreement made by Farmington Woods and the City of Dawsonville. If this reconciliation and payment amount is acceptable to you, please sign and return a signed copy of this letter to the City and we will immediately forward payment.

Congratulations on completing a successful project.

Sincerely,

A handwritten signature in cursive script that reads "W. James Grogan".

W. James Grogan
Mayor

Agreed to: Hunter's Walk Home Center, Inc.

A handwritten signature in cursive script that reads "Michael C. Brandt".

By: Michael C. Brandt, V.P.

2-24-14

Date

**REQUEST FOR PROPOSAL: (RFP-13-1A) LANDSCAPE DESIGN
 BID OPENING AT 11:00 AM EST FRIDAY, FEBRUARY 28, 2014**

COMPANY NAME	CONTACT PERSON/ REPRESENTATIVE	ADDRESS	PHONE NUMBER / EMAIL	
1 BENNETT LANDSCAPE INC	MEGAN ROBERTSON	1728 WAR HILL PARK RD DAWSONVILLE, GA 30534	706-216-1784 BENNETTLANDSCAPE@WINDSTREM.NET	NO SUBMITTAL
2 MORELAND ALTOBELLI ASSOCIATES, INC	CHRIS KINGSBURY	2211 BEAVER RUIN RD SUITE 190 NORCROSS, 30071	770-263-5945 CKINGSBURY@MAAL.NET	\$31,585
3 KECK & WOOD, INC	RICHARD D. GURNEY	2750 PREMIERE PARKWAY SUITE 900 DULUTH, 30097	678-417-4008 RGURNEY@KECKWOOD.COM	\$62,425
4 HUGHES-RAY COMPANY, INC	DARRYL D. RAY	6554 EAST CHURCH ST DOUGLASVILLE, GA 30134	770-942-0196 DRAY@HUGHESRAY.COM	\$25,000
5 PREMIER LANDSCAPE	EMILY MASON	PO BOX 1597 DAWSONVILLE, 30534	770-598-3041	\$8,995
6 ROOT DESIGN STUDIO	MICHAEL KIDD	5099 WOODRIDGE WAY TUCKER, 30084	404-895-2253 MKIDD@ROOTSTUDIO.COM	\$12,350 + \$7500= \$19,850
7 COOPER CARRY	GARY WARNER	191 PEACHTREE ST NE SUITE 2400 ATLANTA, 30303	404-237-2000 GARYWARNER@COOPERCARRY.COM	NO AMOUNT PROVIDED
8				
9				