

CITY OF PENDERGRASS

Regular City Council Meeting Minutes

October 28, 2025 – 7:00 p.m.

65 Smith Bridges St. Pendergrass GA 30567

1. Call to Order

The meeting was called to order by the Mayor at 7:00 p.m. on October 28, 2025.

A quorum was present. Motion to proceed with the meeting made by Bob Carter. Seconded by Laura Bigley.

The Pledge of Allegiance was recited, followed by an opening prayer.

| <u>Attendee Name</u> | <u>Position</u> | <u>Present</u> | <u>Absent</u> |
|----------------------|-------------------------------|----------------|---------------|
| Bill Ellis | Mayor | X | |
| Sylvia Basak | Council Post | X | |
| Gabriel Gomez | Council Post/Mayor Pro Tem | X | |
| Bob Carter | Council Post | X | |
| Michael Jones | Council Post | | Resigned |
| Laura Bigley | Council Post | X | |

2. Approval of Agenda & Minutes

2.1 Amendment to Agenda

The Mayor requested an amendment to add an **Executive Session** at the end of the meeting (after Public Comment) to discuss **personnel issues related to recent comments.**

- Motion to amend the agenda as requested made by Sylvia Basak
- Second by Bob Carter
- Motion carried unanimously.

2.2 Approval of Minutes – September 30, 2025 and October 14, 2025

- Motion to approve the minutes from the **September 30, 2025 and October 14, 2025** meetings made by Sylvia Basak
- Second by Laura Bigley
- Motion carried unanimously.

3. Treasurer's Report

Councilmembers were provided the Treasurer's Report for review.

- Motion to approve the Treasurer's Report as presented made by Sylvia Basak
- Second by Laura Bigley
- Nays: Gabriel Gomez
- Motion carried

4. Current Business

4.1 Car Show Event Report

The Mayor reported that the recent **car show** was a success:

- Organizers originally anticipated **75–80 cars**; more than **100 cars** attended.
- The event was well-received, and organizers have expressed interest in returning in the **spring**.

4.2 Purchasing Policy Review

The Mayor requested that councilmembers **review the draft purchasing policy** again and bring any corrections, additions, or changes to the upcoming **work session** for discussion and possible revision.

4.3 Police Chief Investigation / Resignation

The Mayor stated that the **investigation involving the Police Chief** has been completed and reported that:

- **Police Chief Billy McDaniels** submitted his **resignation** to the Mayor on **Saturday** prior to the meeting.

5. New Business

5.1 Budget Public Hearing & Schedule

The previously scheduled **public hearing on the FY 2026 budget** did not occur due to lack of quorum and no public attendance.

The Mayor proposed:

- Holding the **FY 2026 budget public hearing** at **6:00 p.m.** prior to the **work session at 7:00 p.m. on November 11, 2025**.
- Public input and a quorum will be required to discuss and adopt the proposed FY 2026 budget.
- The intent is to **vote on the FY 2026 budget** at the **November 18, 2025** regular meeting, if the hearing is completed.

5.2 Meeting Date Changes – November & December 2025

Due to the proximity of regular meeting dates to **Thanksgiving and Christmas**, the Mayor proposed adjusting the regular council meeting schedule:

- Discussion included:
 - Moving the **November meeting** from **November 25** to **November 18**.
 - Keeping the **December work session** on **December 9**.
 - Keeping the **December 30** regularly scheduled council meeting date.

The Mayor and council also discussed **Section 3-10 of the City Charter** regarding the timing for newly elected officials to take office:

- The charter states that **successors take office on the Monday following their election**.
- One special election was cancelled due to only one qualifying candidate; that candidate is eligible to be sworn in upon certification of results.
- Other contested seats will also follow the charter's Monday-after-election rule.

After discussion:

- Motion to set the remaining **2025 regular council meeting dates** as **November 18, 2025** and **December 30, 2025** made by Sylvia Basak
- Second by Gabriel Gomez
- Motion carried unanimously.

Restated For the Record

- The **next regular council meeting** will be **November 18, 2025** (not November 25).
- The **December regular meeting** will be **December 30, 2025**.
- The **FY 2026 budget vote** is planned for **November 18, 2025**, and **new building code first reading** is planned for **December 30, 2025**.

5.3 New Building Code

- The **new building code** will be brought forward as a **first reading on December 30, 2025**.

5.4 General Fund Checking Account – Fraud Incident

The Mayor reported on a **fraud incident** involving the City's **general fund checking account**:

- A check made payable to **WEX** (fuel card account) was intercepted and **did not reach WEX**.
- The account information from that check was apparently **exposed online**, a **fraudulent check** was attempted.
- **South State Bank** alerted the City, identified the legitimate check numbers and amounts, and blocked unauthorized transactions.
- The City left approximately **\$25,000 in the old account** to cover outstanding legitimate checks and established a **new general fund checking account** the same day.
- Another fraudulent attempt (~\$500) was also intercepted.
- The incident is believed to have occurred via the **mail**; the bank's security division and staff are monitoring activity.

Council discussion included questions on:

- Whether security video at the bank could identify the person attempting to cash the fraudulent check.
- Why the City is still using **physical checks** instead of **ACH / electronic payments** in some cases.
- The Mayor noted some vendors historically required checks, but acknowledged the risks associated with mailed checks.

6. Councilman Gomez – Inquiry into City Operations

Councilmember **Gomez** presented a series of concerns and questions related to **city finances, conflicts of interest, hiring practices, and purchasing procedures**, citing several sections of the City Charter.

6.1 Authority for Inquiries / Investigations

- Gomez read from **Charter Section 2-204 (Inquiries and Investigations)**, which authorizes the Mayor and Council to investigate city affairs and the conduct of any department, office, or agency, including subpoena power and evidence production similar to the Superior Court of Jackson County.

6.2 Vendor "Timber & Tools" / Payments to City Clerk's Family

Gomez reported that, while reviewing the Treasurer's Reports, he noted payments to a vendor named **"Timber & Tools."**

Key points raised:

- Finance Administrator **Jennifer** previously informed him by email that the husband of City Clerk **Renee Martinez** had not received any payments since July and was **not listed as a vendor** in the new system.

- Gomez later learned that **Timber & Tools** is a **DBA owned by Renee Martinez**, and that **payments were being made to Timber & Tools** after July for work performed by her husband.
- He stated that the clerk's husband had previously been paid approximately **\$15,000**, then an additional **\$10,000**, for **remodeling the police department**, prior to the DBA being created.
- Subsequent payments in **August and September** were made to **Timber & Tools** (~\$4,050 and ~\$420, per his remarks).
- Gomez expressed that he felt **misled** by the earlier response and asserted this arrangement raised **conflict of interest** concerns.

6.3 Charter Conflict of Interest Provisions

Gomez read from **Charter Section 4-41 (Conflict of Interest; Holding Other Offices)**, highlighting that:

- Elected officials, appointed officers, and employees must act in a **fiduciary capacity** for residents.
- They shall not engage in business transactions or have direct or indirect financial interests that are incompatible with their duties or impair independence of judgment.
- They are required to **disclose any financial interest** in contracts or matters before the City Council.
- Knowingly concealing such interests or violating this section can constitute **malfeasance in office**.

He argued the **Timber & Tools arrangement** appears inconsistent with these provisions, especially where **Renee, as City Clerk**, is **signing checks** to a business she owns that is being paid for work performed by her husband.

6.4 Mayor's Response – Vendor, Work Scope, and Process

The Mayor responded that:

- He was **aware** of the Timber & Tools / Ricardo arrangement.
- The clerk's husband had done **numerous projects for the City over several years**, including construction of the **amphitheater**, and was initially engaged to remodel the police department due to **urgent needs** (relocation from Rob Russell's building, evidence room modifications, etc.).
- Some work, including installing an evidence locker and security locks after GBI-related issues, was a **continuation** of the earlier project; the Mayor stated it was practical to retain the same contractor familiar with the building.
- Regarding the **DBA**, the Mayor suggested it may have been created as part of growing or formalizing the business; he stated he did not know why the name was changed but did not view continued payments as inherently improper.
- On **check signing**, the Mayor explained:
 - Bills come in and are entered by **Jennifer**.
 - The Mayor reviews and **approves** them for payment.
 - Checks are printed by the system.
 - **Authorized signers** on the account include **the Mayor, the City Clerk (Renee), and the Finance Administrator (Jennifer)**.

- Renee **can sign her own paycheck and her family's checks**, but only after the multi-step approval process.

6.5 Employment of the City Clerk's Adult Children

Gomez also questioned the **employment of Renee's adult children** with the City:

- He noted that Renee's daughter, is working at City Hall, and her son serves/served as a police officer.
- He expressed concern about **fairness** when other residents apply for jobs and do not receive responses, while one family has multiple city positions.

The Mayor and staff responded:

- **The clerk's daughter** has worked for the City in some capacity for **approximately eight years**, originally under prior administration. She had been a **contract worker** and was converted to an official **part-time employee** with a hire date on or about **June 30, 2025**, as part of a larger effort to move contract positions onto payroll and ensure taxes/benefits compliance.
- **The clerk's son** previously served as an officer before leaving, and later returned as an officer hired by **Chief McDaniels**, consistent with the Chief's authority to hire and fire in the police department.
- A councilmember acknowledged that while the family's service is valued, the **optics and ethics** of multiple family members employed by the City and the City Clerk signing their checks are **legitimate concerns** that should be addressed through **policy going forward** (for example, limiting family members working in the same department or building).

6.6 Hiring of Finance Administrator / Prior Practices

- The Mayor noted that when **Jennifer** was hired as Finance Administrator, the position was **advertised** and **multiple candidates** were interviewed; she was selected based on her recent college degree in finance and familiarity with the City's bookkeeping system.
- He further explained that many workers in street and other departments were previously treated as **contract workers** under prior administrations, with the City avoiding payroll taxes/benefits; under the current administration, many of those contract positions have been **converted to employees**.

6.7 Purchasing Policy & Charter Requirements

- The Mayor stated that the Charter places responsibility on the Council to adopt a **purchasing policy**.
- Gomez stated that previous failure to adopt such a policy has allowed questionable practices to continue.
- The Mayor and another councilmember emphasized that a **formal purchasing policy is now being developed** and will be discussed at the upcoming **November 11 work session**, including **spending thresholds** and **approval authority**, so that future purchases and hiring decisions are clearly regulated.

6.8 Debit Card, North Jackson Food Mart Account & WEX Cards

Gomez questioned the City's use of a **debit card** and a **charge account** at **North Jackson Food Mart**, and their consistency with staff explanations.

Items discussed:

- **Debit Card**

- Gomez read an email from Jennifer stating that the City had a **debit card** locked in City Hall, accessible only by **Renee and Jennifer**, and that department heads could use it for purchases after getting approval through the Mayor and staff.
- The Mayor described the debit card as a **temporary tool** obtained because some vendors required card payments; he stated it is **no longer in regular use**, and he would prefer to **cancel it** to limit exposure of the general fund.
- **North Jackson Food Mart Account**
 - The Mayor explained that the City has had a long-standing **charge account** at North Jackson Food Mart, primarily used by the **street department** for **fuel purchases** (lawnmowers, equipment).
 - Employees sign a **manual charge slip** at the station, and receipts are returned to City Hall.
 - If employees purchase **ice or bottled water** for city use, they are required to **note that on the receipt**; personal items are not allowed.
 - The station provides a monthly **statement**, and the City reconciles its stack of original receipts with the statement totals before paying.
 - Gomez expressed concern that some receipts do not clearly indicate what was purchased and that this method lacks transparency.
- **WEX Fuel Cards**
 - Gomez noted that Jennifer's email indicated **WEX cards** had not originally been available for equipment, but that after he began requesting bank statements and invoices, she "looked into it today" and WEX suddenly became available, with cards ordered and a decision to stop using North Jackson Food Mart for fuel.
 - The Mayor explained that when the City first inquired, they were told that WEX could not be used because equipment lacked license plates; they later learned this was incorrect, reapplied, and **WEX cards have now been ordered** (two cards for equipment).
 - The street superintendent had previously reported **fuel theft** when equipment and gas cans were stored at a private residence, which led to changing fueling practices and, ultimately, using the North Jackson account and now transitioning to **WEX cards** and the City's new street department building.

6.9 Changes Implemented Under Current Administration

In response to the suggestion that "nothing has changed," the Mayor reiterated that several reforms have been implemented during his tenure, including:

- Hiring a **city planner** to work on land use and applications.
- Hiring a **Finance Administrator** and migrating to a new **QuickBooks system**.
- Creating and maintaining **personnel files** and installing **time clocks**.
- Moving City operations out of **Rob Russell's building**.
- Updating the **personnel policy** and working on a **purchasing policy**.
- Obtaining and controlling **P-cards** (purchase cards) for City purchases.
- Progress on **parks and recreation projects**, including a **dog park**, **playground equipment**, **swings**, and a **train installation**.
- Providing **safety training** for street department employees.

- Establishing a dedicated **police department facility** and a new **street department building**.

A councilmember emphasized that:

- The immediate priority is to **formalize policies** (purchasing, ethics, hiring/family limits) effective going forward, via the **November 11 work session** and subsequent adoption, rather than retroactively penalizing staff where prior practices were not clearly regulated.

7. Public Comments

Bob Carter reminded attendees that **Election Day is next Tuesday** and encouraged everyone to vote. Public comment was then opened; speakers were limited to **two minutes** each.

7.1 Comment – Car Show & Fall Festival / Event Proceeds

A resident praised the recent **car show/fall festival**, noting that participants wanted to return and that the event was “amazing.” She asked whether the City received **proceeds or vendor fees**.

- The Mayor responded that the City **did not charge vendor fees** this year and **did not receive proceeds** from the event; the intent was to **establish the event** first and provide space.
- As a positive outcome, the City noted that “several hundred people” now know where **Fremont Street** is.

7.2 Comment – County Aquatic Center / Park Land

Monique Murphy referenced a **Jackson County survey** about possible parks and recreation projects and suggested:

- The City and County explore land for an **aquatic center** that Jackson County kids and families could use.
- She mentioned the difficulty of getting access to existing aquatic facilities and the need for more local options.

The Mayor responded that:

- The City owns (or is in the process of confirming ownership of) approximately **24 acres** off **Highway 129** between the warehouse and Allen Creek/subdivision, which could potentially be coordinated with the County for **park or recreational use** once paperwork is resolved.

7.3 Comment – Social Media / Personal Complaint

Justin Elrod:

- Believes his **picture and name** were shared publicly (referencing issues involving comments about Trump and ICE).
- He claimed his **life was put in danger** and asserted that a councilmember Gomez had posted his picture online.
- He says he has proof.

Others in the audience and on council responded that:

- The image in question appeared to have been posted by someone in a **neighborhood group**, not by the councilmember he accused.
- The councilmember denied posting his picture.

- No formal council action was taken; Bob Carter indicated more evidence would be needed.

7.4 Comment – Police Investigator Statement

Investigator Kirk Davis of the Pendergrass Police Department spoke:

- He described the extensive work he has done investigating the incident involving **offensive signs**, including time away from his family.
- He stated he is committed to **doing what is right** and **bringing the City together**, not dividing it.
- He defended the integrity of the investigation and disputed the accusation that the councilmember posted the resident's picture online.
- The exchange became emotional, but no formal action was taken.

7.5 Comment – Parks / Green Space Behind Apartments

Donald Roberts suggested:

- Utilizing the **60 acres of green space** behind apartments in one subdivision as a potential park site.
- He noted this would provide a park on that side of town and suggested the City coordinate with the **County**.

The Mayor responded that:

- He has spoken with the County about the green space and that it would be a good candidate for **park development**, but additional coordination is needed.

No further public comments were offered.

8. Executive Session

The Mayor requested to adjourn the regular meeting and enter **Executive Session** to discuss **personnel matters**.

- Motion to adjourn the regular meeting and enter Executive Session made by Laura Bigley
- Second by a Sylvia Basak

The council exited the public session and entered **Executive Session** at 7:59pm
Motion to reopen public session made by Bob Carter; seconded by Sylvia Basak

No action taken in executive session.

Motion to adjourn made by Sylvia Basak; seconded by Laura Bigley.


Renee Martinez