

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF CHATHAM COUNTY, GEORGIA, HELD ON FRIDAY, JANUARY 23, 2004, IN THE COMMISSION MEETING ROOM ON THE SECOND FLOOR OF THE CHATHAM COUNTY COURTHOUSE, LEGISLATIVE AND ADMINISTRATIVE BUILDING, 124 BULL STREET, SAVANNAH, GEORGIA.

I. CALL TO ORDER

Chairman Billy Hair called the meeting to order at 9:30 a.m., Friday, January 23, 2004.

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II. INVOCATION

Mr. Van Johnson gave the invocation.

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III. PLEDGE OF ALLEGIANCE

All pledged allegiance to the flag of the United States of America.

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IV. ROLL CALL

The Clerk called the roll.

PRESENT:	Dr. Billy B. Hair, Chairman Dr. Priscilla D. Thomas, Vice Chairman, District Eight Frank G. Murray, Chairman Pro Tem, District Four Jeffrey D. Rayno, District One Joe Murray Rivers, District Two John J. McMasters, District Three David M. Gellatly, District Six B. Dean Kicklighter, District Seven
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ABSENT:	Harris Odell, Jr., District Five
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IN ATTENDANCE:	R. E. Abolt, County Manager R. Jonathan Hart, County Attorney Sybil E. Tillman, County Clerk
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YOUTH COMMISSIONERS

Chairman Hair introduced the following Youth Commissioner who was in attendance: Lissy Isaacson, a Sophomore at Savannah Country Day School.

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V. PROCLAMATIONS AND SPECIAL PRESENTATIONS

None.

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VI. CHAIRMAN'S ITEMS

1. SETTING RIBBON CUTTING FOR PHASE III OF TRUMAN PARKWAY.

Chairman Hair said, we're going to delay setting the date for Truman until the February 13th meeting. We think it will be some time the end of February or the first week in March and we'll have a firmer time at that time, so we'll delay that until the 13th.

ACTION OF THE BOARD:

This action was postponed to the meeting to be held on February 13, 2004.

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VII. COMMISSIONERS' ITEMS

1. DEDICATION OF THE TRAIL AROUND LAKE MAYER AS THE JULIE BACKUS SMITH TRAIL (COMMISSIONER MURRAY).

Chairman Hair recognized Commissioner Murray.

Commissioner Murray said, we had a person that served on this Commission back in 1989 and represented the First District, Julie Backus Smith, who died over the Christmas holidays. She was a big advocate for a lot of different organizations and groups throughout this community and she did a lot of her running, which was one of her big hobbies, around Lake Mayer and I think it would only be appropriate if this Commission would name that bike trail after her and put a monument or a plaque or something out there dedicating that trail, and I would move that we do that and once it —, if this Commission approves it, that once it's done that we invite the family out once we have something appropriate in place for a ceremony. Commissioner Rayno said, I second that.

Chairman Hair asked, any discussion? All those in favor of the motion vote yes, opposed no. The motion carried unanimously. [NOTE: Commissioners Odell and Thomas were not present when this vote was taken.] Chairman Hair said, the motion passes unanimously.

ACTION OF THE BOARD:

Commissioner Murray moved that the trail around Lake Mayer be named the Julie Backus Smith Trail after a former Commissioner for the First District, who is now deceased, and that the County place an appropriate monument or plaque and then schedule a dedication ceremony with an invitation to members of her family. Commissioner Rayno seconded the motion and it carried unanimously. [NOTE: Commissioners Odell and Thomas were not present when this vote was taken.]

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VIII. TABLED/POSTPONED ITEMS

action is contemplated at today's meeting, staff report and file material has not been duplicated in your agenda packet. The files are available from the Clerk. Those on which staff is requesting action are indicated by asterisk (*).

- * **1. SAVANNAH AREA BEHAVIORAL HEALTH COLLABORATIVE (COMMISSIONER MURRAY). SEE ATTACHED MEMORANDUM FROM STAFF. *Tabled at December 19, 2003, meeting to January 23, 2004, meeting.***

Chairman Hair said, I'll need a motion to take off the item Savannah Area Behavioral Health Collaborative off the table. Commissioner Murray said, so moved. Chairman Hair asked, second? Commissioner Rayno said, second. Chairman Hair said, all those in favor vote yes, opposed vote no. The motion carried unanimously. [NOTE: Commissioners Odell and Thomas were not present when this vote was taken.] Chairman Hair said, the motion passes. Chairman Hair recognized Commissioner Murray.

Commissioner Murray said, yes. We had this on the agenda back on the 19th of December and tabled it until today trying to work out some funding issues. I see that Rev. Elliott and some of his staff are here, or Board members are here. If y'all would like to come up and bring us up to date on where we stand with it now.

Rev. Micheal Elliott said, good morning. We have done a great deal of work as we began assuming responsibility for adult behavioral health services in Chatham County on January 2nd. We have worked diligently with Eric Johnson's office to represent the level of funding in Chatham County with DHR Board Commission, we've had meetings with DHR Chairman of the Board Bruce Cook and those meetings continue as we address the funding level. However, at this time it remains at the \$948,000 that we originally received. We're hoping to have that amended at some point in the future, but at this point in time it remains the same. Therefore, we harken back to our original request for your assistance in renovating and for the Minis Avenue Property.

Chairman Hair recognized Commissioner Rayno.

Commissioner Rayno said, I have a suggestion. Since we don't —, the status of how that funding's going to be —, whether it's going to be reestablished or not is determined by what happens up at the Legislature between January and March. Is that correct? Rev. Elliott said, it could happen earlier, Commissioner Rayno. Should DHR internally make a determination to transfer money from one source to another for Chatham. Commissioner Rayno asked, would you be agreeable to this proposal, which would be that, let's say, I make a motion to temporarily do away with the funding, but should you get funding from Atlanta, that we could start charging you rent again, because I believe you told me in a previous discussion if you had that funding you wouldn't need this? Rev. Elliott said, if we had the full level of funding I think so. At the same time, as you and I have discussed on several occasions, in the State of Georgia county government is expected to be a partial funder of behavioral health services, so by granting the renovating it would give us significant political clout in Atlanta for perhaps additional resources coming to this County because the Commission has made an initial investment. If you will recall, when Gateway took over, the County Commission, as a sign of protest, said that they did not want to support an organization that was not part of Chatham running services in Chatham. Well, now that SABHC has assumed those services, Chatham is now in charge of services for Chatham and we will look to you to partner with us in the delivery of services for our most fragile citizens.

Commissioner Rayno said, well, I'm going to make a motion and see how it goes, and we've had discussions that you know my commitment to mental health —. Rev. Elliott said, absolutely. Commissioner Rayno said, — that I'm going to present to the Commissioners at a later date. So you know where my heart is. Rev. Elliott said, I do, and I appreciate your hard work with us on all this. Commissioner Rayno said, I'd like to make a motion that we temporarily abate the rent for SABHC with the understanding that should they get their funding from the State that we will start to charge them rent again at a future date.

Chairman Hair said, just one clarification of the motion because of what Rev. Elliott said. He said full funding. Do you want to specify full funding or suppose they get 25% of the money from the State. Do you still want to —? Commissioner McMasters asked, may I speak? May I? Chairman Hair said, go ahead. Commissioner McMasters said, it should be prorated perhaps relative to the funding level that they receive. Chairman Hair said, they get 45% of the funding, they get 25% reimbursement. I mean that —.

Commissioner Rayno said, if you're seconding that with that amendment, I would accept it. Chairman Hair said, okay, I just think we need to clarify it based on what. Chairman Hair recognized, County Manager Abolt. The Clerk asked, who did second that? Did you? Commissioner McMasters said, I will.

County Manager Abolt said, I'd ask the motion have a —, would have to have a funding source so if the motion is passed, we would know from whence the money comes, and Mr. Monahan's memo to me, which I forwarded to you, if you're looking at the full amount, which I'm assuming you are, we have to cover the cost of the bond payment at least and issues of maintenance lie this could be deal with as time goes on, but if you want to take it at cost or with maintenance, it would be \$2,800 a month, almost \$2,900 a month, and just for the bonds it would be \$2,400 a month. So I would ask that the motion say we draw it from contingency.

Commissioner Rayno said, yes sir, I would agree with that, that's fine. Chairman Hair asked, do you as second agree to that? Commissioner McMasters said, I do, but may I ask another question? Chairman Hair said, certainly. Commissioner McMasters asked, Jeff [Rayno], is this motion only for the remainder of this fiscal year? Commissioner Rayno said, yes, I think we should reestablish our relationship with the new budget. Commissioner McMasters said, we have a new budget process right ahead of us so I would suggest that this be —. Chairman Hair said, commit it to June 30th. Commissioner McMasters said, yes. Chairman Hair said, yes, and —. Commissioner McMasters asked, is that clear? Chairman Hair asked, anybody else —? Commissioner Rayno said, because it could be we could have this resolved in Atlanta by next week.

Chairman Hair said, all right, we have a motion and a second. Any more discussion? Commissioner Rivers said, let me, let me say one thing. Chairman Hair recognized Commissioner Rivers.

Commissioner Rivers said, and I'm glad that we're looking at it in the upcoming budget year, but if we are to proceed with this in the next budget year, I would to look for funding, a stream of funding to put in there rather than going to contingency from year to year.

Commissioner Kicklighter asked, and can I clarify one thing also? Chairman Hair recognized Commissioner Kicklighter. Commissioner Kicklighter said, I just want to clarify for the public out there that this is usually one of those things that the State takes care of and it's not the County's responsibility, so however this may look to people looking in, this is us actually doing something out of our realms of responsibilities so it's really a good thing what we're doing here, not a bad thing.

Commissioner Rayno said, if we fail to address the issues of mental health in this community, they'll end up in our jails, which will cost you four to five more times this right now.

Chairman Hair recognized Commissioner Murray.

Commissioner Murray said, I agree with the way the motion's been worded. At the same time I do know that this County has put substantial funding into programs throughout the years, one with Tidelands and then when Gateway took over, we went with Gateway, and we did not feel like we were getting the services or the citizens that were using —, the facilities were not getting the services they needed. I agree with you also the fact that this is a local group now doing it. It makes a tremendous difference, and I think that this Commission will support that, but we do need to know if you could keep us informed on a regular basis of where this funding stands, what needs to be done and what we can do to help with that also. I think it would help us, but I'm going to support the motion, but I agree also with Commissioner Rivers that while we're working on the budget, if this has not been resolved, then we need to work something out and start building something into next year's budget to offset that. So, I'll —. Rev. Elliott said, I appreciate that and, as you know, I have no problems keeping you all informed with the latest stuff.

Chairman Hair recognized Ms. Marianne Heimes.

Ms. Heimes said, my name is Marianne Heimes. I did serve as chair of the Tidelands Community Service Board so I'm somewhat familiar with the funding. The County for many years gave \$400,000 a year in support of Tidelands and the mental health and they continued that funding to Gateway until Gateway began to have some problems, and it was at that time it was withdrawn. There is something written in House Bill 100 that the counties are asked to support at least one-half to one percent of the budget. Chatham County went way above that. I would just say that the State may come through with the funding, but there's never enough funding for mental health. I would ask that you try to find a permanent funding, not at the \$400,000 level perhaps to start with. That was over and above, but I think we all know that mental health and the other behavioral self-help services are a problem in this community and there's nowhere else for the County and perhaps the City to go and the State is backing down all over the State so I don't think we can ever expect full funding again.

Chairman Hair said, thank you, Ms. Heimes. All right, we have a motion and a second. Any further discussion? All those in favor of the motion vote yes, opposed vote no. The motion carried unanimously. [NOTE: Commissioner Odell was not present at the time this vote was taken.] Chairman Hair said, the motion passes. Thank you, we appreciate y'all being here. Rev. Elliott said, thank you all very much. Chairman Hair said, thanks.

ACTION OF THE BOARD:

1. Commissioner Murray moved to untable this matter and place it before the Commissioners for consideration. Commissioner Rayno seconded the motion and it carried unanimously. [NOTE: Commissioners Odell and Thomas were not present.]
2. Commissioner Rayno moved to temporarily abate the rent for Savannah Area Behavioral Health Collaborative (SABHC) with the understanding that should they get their funding from the State that the County will start to charge SABHC rent again at a future date for the balance of fiscal year 2003-2004, prorated to the funding level that they receive, with funds being taken from Contingency, and that the Board will consider any funding for fiscal year 2004-2005 in the FY 2004-2005 budget. Commissioner McMasters seconded the motion and it carried unanimously. [NOTE: Commissioner Odell was not present.]

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IX. ITEMS FOR INDIVIDUAL ACTION

(Unless the Board directs otherwise, adoption of an Action Item will mean approval of the respective County staff report and its recommended action.)

1. **REQUEST BOARD APPROVE THE FOLLOWING: A TRANSFER OF \$100,000 FROM 1985-1993 SPLOST, GLADE STREET, TO CONSTRUCT A TURN-AROUND AT THE END OF EAST POINT DRIVE; AND APPROVAL OF A BUDGET AMENDMENT TO THE 1998-2003 SPLOST FUND TO RECOGNIZE \$88,683,756 FUND BALANCE AND \$16,405,885 REVENUE IN FY2004 AND TO AMEND PROJECT BUDGETS TO BALANCE TO ACTUAL REVENUES.**

Commissioner Murray said, motion for approval. Chairman Hair asked, second? Commissioner Thomas said, second. Chairman Hair asked, any discussion? All those in favor vote yes, opposed vote no. The motion carried unanimously. [NOTE: Commissioner Odell was not present at the time this vote was taken.] Chairman Hair said, the motion passes.

ACTION OF THE BOARD:

Commissioner Murray moved to approve the following: A transfer of \$100,000 from 1985-1993 SPLOST, Glade Street, to construct a turn-around at the end of East Point Drive; and approval of a budget amendment to the 1998-2003 SPLOST fund to recognize \$88,683,756 fund balance and \$16,405,885 revenue in FY2004 and to amend project budgets to balance to actual revenues. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioner Odell was not present at the time this vote was taken.]

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2. WRAP-UP OF PAYMENTS FROM SPLOST THAT ENDED THE 30TH OF SEPTEMBER 2003.

Chairman Hair recognized County Manager Abolt.

County Manager Abolt said, this is a function of making estimates five years prior to the last pennies collected. As you know, given our experience in this SPLOST section of collection, we've had about 11-point —, almost \$11.5 million less in revenues than were estimated. We've made those adjustments in the non-drainage areas. As you recall, drainage was a priority. That has been met. We feel that this is consistent with past alerts to each of the municipalities that we sent out over a year ago. We feel that given the situation of revenue coming in as it actually did, this is a very fair allocation of the loss.

Chairman Hair asked, any questions? Okay.

ACTION OF THE BOARD:

Received as information. No action required by the Board.

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3. SIX-MONTH REVIEW OF LAND USE HISTORY.

Chairman Hair said, we discussed that in pre-meeting. Any further discussion?

Commissioner McMasters asked, may I just make a statement so that the people in the audience as well as the people at home understand what our discussion was in the pre-meeting? And it was simply this. We're going to ask staff to give us by district an inventory of all properties germane to 11-3, and each Commissioner will then have the ability to, if they choose, talk to the MPC land planners or the community advocates in their neighborhoods and determine whether or not any further action on these 11-3, suspense is what I call them, properties may or may not occur. I think this is a reasonable and responsible fashion to address this burgeoning 600 properties that remain sort of unresolved under this ordinance. I appreciate the direction of staff and the support of fellow Commissioners.

Chairman Hair said, thank you, Commissioner McMasters.

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4. PRESENTATION BY FINANCIAL ADVISOR DIANNE MCNABB ON BOND RATING.

Chairman Hair said, I suggest we have the presentation first and then address any questions that might come from that. Chairman Hair asked, is Ms. McNabb not here? Do we know if she is here or we don't? Commissioner Murray said, she's coming. Why don't we just table it. Chairman Hair said, well, we don't need to table it. We'll just —, I'll just rearrange —. Ms. Linda Cramer said, I know she's in town. Chairman Hair said, I'll rearrange it. We'll just do five first and come back to that.

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Chairman Hair recognized Ms. McNabb.

Ms. Diane McNabb said, this is very exciting to be here for this occasion. I've been here for certainly when we've had discussions about the less favorable results and it's very exciting to be here for the positive ones and very exciting to hear Commissioner Rayno talk about shooting for the upgrade, especially to Triple-A. I can remember 10 years ago the first time I sat down with Cobb County, who's also one of my clients, there was not a single Triple-A rated government in the State, local government in the State of Georgia. The State of Georgia was Triple-A rated, but no one else and the County at that point said, "Your first task is to get us a Triple-A rating." So we started at that point and over the years since then we developed a strategic plan and began implementing it and did those things. We had the general obligation bond Triple-A ratings from all three rating agencies within a couple of years and then after that the water and sewer revenue bond, which they are still the only water and sewer revenue system in the country that's Triple-A rated, and as I was —, when we were talking about this the other day, I said, "You know, there's absolutely no reason why Chatham County cannot be Triple-A rated." You've got everything that any of the metro-Atlanta

counties have that can reach that point, and I can't say that about any other county. But you guys have got what it takes and if you choose to get there, you will.

Ms. McNabb said, a couple of other things —, I'm going to talk about a couple of things that in my dealings with the rating agencies over the years that I think you're going to need to think about in order to get up to that point. I'll tell you, Triple-A, right now you're A3 by Moody's and a Triple-A is four upgrades from this point, Double-A3, Double-A2, Double-A1, and then Triple-A. Now with S&P, Standard & Poor's, you're Double-A. That would be two steps from Triple-A, and there are some reasons why there's a distinction between the two, but I think that you're going to need to be at the same point to get those upgrades. So I think that realistically you'll be able to get upgrades from Moody's sooner than we will from S&P. For a little background information, we just passed out this Moody's packet, and this simply gives you the analysis that the analysts used in coming up with your last ratings. Just for your own information, and I'll talk about a couple of the items that I think are pretty important, the next sheet is simply an annual summary of certain key data, and one of the things, if you look at the fifth line down, you can see, the undesignated fund balance, and if you look back over the last 10 years, you can see how it kind of fluctuated, which is in keeping with the graph that Rick [Tindol] presented. Now right under that you can see my calculation of one month's expenditures. That's the equivalent of 8.33%. If your fund balance were at 8.33%, that's the amount that it would be. Now compare that to the amount that it was and you can see the differential. For example, for June 30th of '03, your undesignated fund balance was 2.7 million and one month's expenditures are 8.3% was 7.4 million, and so we're only about 5 million away, and that can take care of itself pretty quickly. I think that you can see that all the other figures, you know, your millage rate has obviously been decreasing. I'll tell you that one of the —, and you'll read it in the Moody's report —, one of the biggest issues that they had in reviewing the County was that you were spending more than you —, more money than you had and going into a deficit fund balance while at the same time you were cutting your millage rate. And that was —, that is not something that they consider to be good practice, and I would say that that was probably one of —, that was a real key factor in the downgrades. Now the County still has a negative outlook on the rating, and that comes from —, you know, we talked about the positives and being back in a positive, but they want to see, you know, kind of prove it to me. They want to see multiple years. The County has had a fund balance policy in the past, but it wasn't adhered to, and that's worse than not having a policy at all. So now we're going to have a new policy and we're going to work to develop a good reasoned policy, but we're also going to have to prove that it's going to be followed because, like I said, you've had one and it wasn't adhered to, so now we're going to go back and we're going to tell them again that we have a fund balance policy, but we are going to have to prove that it's going to be adhered to. So it's going to take a couple of cycles to convince them and, as Rick [Tindol] said, I think setting goals as far as at what point you'll reach that fund balance is part of that process. They don't expect —, you don't have to do it in one year. You don't have to do it in two years, but I think the point is to set a goal and then work toward it. Part of what they always talk about is political will, and that is to have the political will to ensure the financial position and the financial stability of the County.

Ms. McNabb said, a couple of the items, in addition to having a fund balance policy, one of the other items is a structurally balanced budget. In the past we've had some budgets that really had some line items in it that probably weren't the best —, weren't very well thought out or achievable. The budget balanced, but they were line items that just weren't going to make it. So, I think —, and plus we've historically used a lot of one-time revenues to pay for ongoing expenditures. If we use one-time revenues to pay for ongoing expenditures without identification of future one-time revenues that will pay those expenditures, then we don't really have a structurally balanced budget. We have a legally balanced budget, there's no doubt, but we really don't have one that is structurally balanced. There again, you can use one-time revenues to pay for expenditures, but at the same time you need to identify how you intend to fund those expenditures on an ongoing basis, and that's really part of adopting any sort of service that you intend —, or a new expenditure category for the future is to identify the funds that you expect to use to fund those expenditures on an ongoing basis. And then to the extent that you have excess fund balance, which may be jumping the gun a little, but at some point you will have excess fund balances, at that point you can use those excesses for one-time expenditures. Generally speaking, most governments use those excess fund balances for capital expenditures. You wouldn't want to take them and use them for some sort of new program because those monies won't be there again next year. So —, and those are the types of things that we need to be able to represent to the rating agencies are in place for the future. We really haven't talked about a budget policy and whether we can work something out in terms of a budget policy, but that would be, I think, second to a fund balance policy, a budget policy that addressed that issue, I think, would also be viewed very favorably by the rating agencies. And I think that —, of course, all of you know that I think Linda [Cramer] is the greatest thing since sliced bread and you've really come a long way in getting her on board. It really has been a substantial improvement and if I can just kind of give you —, put it in perspective. Now, I've spent 13 years in public accounting before I started doing what I do now and I think a lot of people don't appreciate the task of governmental accounting, but —, and that's what I specialized in with KPMG, but in governmental accounting you have to know basically two complete sets of accounting standards. You have to know private sector accounting and public sector accounting plus you have to know three sets of auditing standards. So —, and then on top of that, when you see all those funds, and, Commissioner Rayno, I thought I was the only one who actually enjoyed reading CAFR's, and people razz me about it all the time because I think it is so informative when you actually read those things from cover to cover. Every one of those funds is like a separate company, so your accounting department is not just accounting for one set of books. It's not the County's books, it's like they're keeping up with 10 or 20 different companies and having to do a consolidation. So, you know, to have a finance department that has to manage that many different companies, I think you really —, and of course you've already given them real kudos, but I think the people kind of miss that as part of the task that the governmental finance department has to take care of because it is a lot of different companies that have to all be accounted for separately and then consolidated together using a whole separate set of accounting standards. So it's a real job and they've done an exceptional job at this point. I think that, you know, having more interim reporting sooner is always a —, an ideal goal, but you've got to have the resources available to do that, and I can't speak to the resources. I know that the Finance Department hasn't had a lot of extra, but I think that management always benefits from additional interim reports on a more timely or shorter time frame.

So, I guess if I had to summarize the things that from a ratings standpoint that we need to be focused on is the fund balance policy, addressing the budgetary structure, hopefully through a budgetary policy, and then just being able to prove to those ratings analysts that not only are you going to pass those policies, but, by golly, you're going to adhere to them and you're going to take the action necessary on an interim basis to make sure that those things are —, stay in balance, and that's the, you know, keeping up with it during the year to ensure that you're doing what's necessary to cut expenditures or, you know, to make sure that it balances at the end of the year. I know we had a —, back when we had the hiring freeze to balance the budget, that didn't work because there was no adequate system in place to monitor the savings that occurred from the freeze, and so by the time we accumulated the savings, toward the end of the year we knew that the savings weren't there because the freeze had been overridden repeatedly. So it's those kinds of things that we need to make sure get monitored on an ongoing and interim basis.

Chairman Hair asked, any questions of Ms. McNabb? Chairman Hair recognized Commissioner McMasters.

Commissioner McMasters said, thank you for that exciting review. For the benefit of the people that are —, that will watch this repeatedly on the government channel, many of the —, many of the benchmark things that we were doing that you took exception to, things that we were not doing budgetarily correctly, would it be fair to say that those conditions existed in this time line that Mr. Tindol produced, did they correlate to the downtrend and the uptrend? Ms. McNabb said, oh, absolutely. Commissioner McMasters asked, they do, don't they? Ms. McNabb said, absolutely, and let me —, let me say —. Commissioner McMasters said, I didn't want to interrupt you in your presentation, but I —, it would have been great to have known rough points in a time line in terms of our —. Ms. McNabb said, oh, certainly. I mean, that's one of the reasons why it ends up where it is is because the expenditures —, the freeze didn't produce the savings that we had hoped that it would produce, and I'll say —, you raised a good point. You said we weren't doing things correctly. I want to make sure that you understand that the rating agencies are not trying to tell you what to do or tell you that what you're doing now is wrong. It's just not characteristic of a highly-rated government. Commissioner McMasters said, I understand that our budgets that we adopted were legal budgets. I understood that from your comments. I just think —, I needed to understand the correlation because I don't think we got to this positive position in one budget. Ms. McNabb said, oh, no. Commissioner McMasters said, yeah. So for the sake of everyone's appreciation here, this is really a cumulative effect really looking in my time line here between 1999 and 2000. Fair enough? Ms. McNabb said, uh huh. Commissioner McMasters said, okay, thank you for that.

Chairman Hair asked, any other questions on the report? Yes, Ms. Isaacson.

Youth Commissioner Isaacson said, I was just wondering what the ratings that you were talking about are and the Triple-A that you were talking about and are there rating agencies that rate each county and they get —, Triple-A, I guess, is the highest. Ms. McNabb said, yeah. There's three major rating services for municipal securities and what they're rating is your credit. They rate municipal debt, and it's kind of like Equifax or the other rating —, credit services that rate an individual's credit. And they kind of —, they assign a credit rating based on the financial position, the strength, the management practices, et cetera, that measure the financial strength of a government, and they assign a credit rating to anyone who requests it. Youth Commissioner Isaacson asked, so what's our rating right now? Ms. McNabb said, A3. Youth Commissioner Isaacson asked, and that, you said, was two away from Triple-A? Ms. McNabb said, that would be four steps away from Triple-A, and that's the Moody's rating. And, let me explain, that's still a very high rating. Most corporations would be not be rated in that A category. Most corporations would be well below that A category. I said A3, it's A1. I apologize, A1. So it's still a very high rating. It's just that there are four levels above it before you get to what's called the gilt edge. That's the gold standard of the Triple-A. With Standard & Poor's the County's rating is Double-A. The two —, that's only two steps away. It would be a Double-A-plus and then a Triple-A to get to that gilt edge rating.

Chairman Hair said, thank you. Thank you, Ms. Isaacson. I appreciate you being here Ms. McNabb. Ms. McNabb said, it's always a job. Chairman Hair said, thank you very much. Commissioner Thomas said, thank you. Chairman Hair said, okay.

ACTION OF THE BOARD:

Presentation received as information.

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5. OFFICIAL SUBMITTAL OF COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FY03. (Note: External Auditor will be present.)

Chairman Hair said, we have Mr. Tindol present. Ms. Cramer, do you want to make a presentation?

Ms. Linda Cramer said, thank you. I've very pleased to be here today to submit the official June 30, 2003, CAFR to you, and I just wanted to direct your attention for a few minutes to the Management's Discussion Analysis, which is found on page C-1 in your CAFR. And this discussion is intended to give you a good overall view of what happened in the past year here at Chatham County, and just briefly, if you look at the financial highlights, you'll see that our assets exceeded our liabilities on an entity-wide basis over \$284,000,000 and of this amount approximately \$10,000,000 is unrestricted net assets available for —, to meet your on-going needs. This represented an increase from the previous year by over \$28,000,000 and also in our governmental fund we reported strong combined fund balances of over \$151,000,000, also an increase over previous years. We did have some positive news in our general fund. We had an increase in our unreserved fund balance. Our unreserved fund balance went up to \$2,742,413, and

this was an increase of \$527,961, and also a slight increase in our total fund balance of \$49,464. The reason you have a different increase in your unreserved fund balance versus your total fund balance was because of the release of a lot of our PO's and encumbrances relating to implementation of the new financial system. There was a little bit of clean-up there. We went back and killed a lot of purchase orders and encumbrances that were in place. We did have an increase in long-term liabilities overall, and this was related to some debt that CAT took out, as well as the Mosquito Control building that the County funded, and more detail on that is on page C-4 —, oh, C-8, I'm sorry. You [inaudible] on that. The overall I'm bringing you good news, which is great for me just starting here. I'd rather do that than come up here and give you bad news, and our auditor, Rick Tindol is here with Derrick Cowart and they're going to give you a presentation. Chairman Hair recognized Mr. Tindol. Ms. Cramer said, and then I'll come back and answer any questions.

Mr. Rick Tindol said, thank you. Let me say first it is a pleasure to have someone of Linda Cramer's caliber on board. I just wish we had her about 18 months ago, but nonetheless she's doing a terrific job and I really applaud Russ [Abolt] and his staff for making a wise decision of getting one of our local people rather than going out of town, and again I'm looking forward to working with her. We have a couple of handouts that we —, I think you'll find at your desk there. One is color graphs. Commissioner Rayno told me I think some time back everybody likes to see charts and graphs, so we do have graphs of the fund balance for not only the General Fund, but also the Special Service District Fund. And just by way of quick commentary on these graphs, they're pretty much self-explanatory, but as Linda [Cramer] pointed out, the unreserved fund balance and total fund balance, the unreserved fund balance is shown in green on these graphs. That's the amount that you, as Commissioners, can appropriate for any legal purpose. The total fund balance is just that, a total which includes all your reserves and so forth. But don't get too carried away with the total because you can't really appropriate that total. It's just the green unreserved fund balance that you can appropriate or to balance a future budget for any lawful purpose. Those two sheets of graphs are shown on there and there is a third sheet attached to the back that will give you more detail on the actual number of revenues, expenditures with excess of efficiency for the individual year and also it shows the beginning fund balance, total fund balance and the unreserved fund balance. Those last two columns are what are depicted on the actual graph itself. That is one thing we wanted to present. The other thing is this selected financial ratios that I went over briefly with you last year. I think —, and this is something I find interesting —, it's something that I basically devised or designed myself last year when GASB-34 was first implemented by the County. The first four or five pages just go into what is the purpose of financial statements, the information that they provide, followed by a financial ratio explanation page, a scoring method, and here again, I devised this. It's purely judgmental, but I thought we need a mechanism where we can benchmark or compare what we as a County are doing year to year as well as how do we compare with other counties. If you recall, last year the data I had was from counties all over the nation, whereas this year I was able to go out on the internet and actually get some copies of other CAFRs, so I have compare on this last page how does Chatham County compare not only year to year with ourselves, but also with four other counties, and I chose counties that are more or less comparable in size. Of course, Gwinnett County is much larger, but in addition to Gwinnett County we're also comparing to Augusta, Bibb County, Athens-Clarke County, and it may be well to point out, I think most of you know, that Augusta is a consolidated government as well as Athens-Clarke County. So when you're looking at, for example, Item #10, which is the cost per individual in the County, you do have missing I guess from our County, which is not consolidated, the city figures which would tend to drive up that cost per person. The key things on here that I think, and Diane McNabb later on speaks to it from a ratio standpoint that I think that Moody's would be looking for is improvement in your fund balance. I think they're going to be looking for, number one, a policy, probably at least a range of fund balance in terms of your expenditures, your next year's budget expenditures. Currently we fall in the range of 3.1%. That's the General Fund unreserved fund balance as a percentage of the General Fund's budgeted —, or actual total expenditures. We've had these discussions before, well, how much of fund balance is enough and, as the Chairman rightly points out, everyone's got their own opinion as to how much fund balance is enough. I personally in scoring this chart, if you'll notice Chatham County gets zero points for that 3.1%. I personally think that you ought to have a minimum of one month's expenditures, which is roughly 8a%. So in order to get the two points for that particular ratio, and that particular ratio is Question #8 on that last page, which answers the question: Is the General Fund fund balance adequate? In order to achieve that ratio, you're looking at roughly \$5,000,000 to increase your fund balance. And, again, this could be accomplished in one year possibly. Probably not one year, but I would think two to three years would be a good goal for you as a Commission to set to achieve that goal. And, again, I think Moody's and Standard and Poor's would look very favorable at two things. One is the fact that you have a policy and probably the other thing would be a range rather than just saying we're going to come in with 8 or 8a%, maybe have a range of 7 to 10 or 8 to 11%, for example, initially is what I would suggest that you do. The other thing that caused us to score a little bit lower as the comparison to the other counties is your General Fund current ratio. This is your ratio of current assets to current liabilities, and here I feel like a good ratio is two to one. In other words, have twice the amount of current assets as you do your liabilities. In our case we're coming up with a 1.16 factor rather than that two to one, and consequently you get zero points for that. Mr. Tindol said, there are a number of other ratios on here and we could spend quite a bit of time going through those, but I think those are the two ratios that I think the County could improve upon and will improve upon with good budgetary constraints and coming up with realistic budgets and sticking within those budgets.

Chairman Hair recognized Commissioner Rayno.

Commissioner Rayno said, thank you. We went through times with Finance and it's just so refreshing to have an opportunity to take the time to thank Russ Abolt, as Mr. Tindol pointed out, for picking local talent, somebody of the caliber of Ms. Cramer to take the position of Finance and her assistant from Hilton Head, and to have two women in leadership positions that we can point to and say, "Here's a shining example of what they've done with this department, they've done a great job." And we are so appreciative of that instead of all the negative things that have happened in the past. To have something like this at this point in time is just —, is really refreshing and I appreciate all you've done. Thank you very much and thank you, Russ [Abolt] —. County Manager Abolt said, thank you, sir.

Commissioner Rayno said, — for making that decision. County Manager Abolt said, thank you, sir. Commissioner Rayno said, and also having read through the Management Letter, I'd just like to point out some of the responses that Ms. Cramer made, which I think are very forward thinking and deserve to be recognized. She very humbly went up there and kind of glossed over them, but I think it's important to know that these steps are in place and this is what she's done. For the example of retirement and resignation of key management personnel, which was a criticism by the auditor, she's going to work very hard to do cross-train in the department, something that we've been advocating for the past three years. It's easy to talk about doing that, but actually doing it is a whole different thing and it appears that Ms. Cramer is going to be doing that and this is a step in a positive direction. In terms of the access to the payroll computer records, she's going to work on the realignment of duties, which is something that needed to be done a long time, and this is a good example of positive good management, and she's so confident in her ability she wrote in here that she's going to have these changes done and have a review by the auditor within 60 days, which is incredible. I think that's great. Again, it's not lip service, it's action, which is what we've asked them to do for a long time and now they're doing it. Also, we talk about capital projects, tracking by the fund source. We're going to use computer technology and our staff working together to do this and be very efficient at it, and this is something we've advocated for three years and it hasn't been done, but now it is. And in terms of unapplied cash account, that's no longer going to be used. We're going to have classifications of money, we're going to know which account it's going into. We're going to track it, we're going to be accountable. The days of records being lost or mishandled are done, and this is all a credit to Ms. Cramer. Thank her for that very much. The segregation of duties, we're going to be strengthening the internal processes and now that Reese White is back in his position as an Internal Auditor, we're going to have a lot more opportunity to make sure that our money is handled in a proper and accountable manner, and we should thank them for that as well. That goes along with the anti-fraud programs as well. Now that Reese [White] is back in his position where he belongs I look forward to a lot of positive things coming out of both of those departments. And, again, Russ [Abolt], thank you for going through those hard times and taking the criticism that you did. We've lived through it and we've got a much better organization in the end. County Manager Abolt said, thank you very much. Commissioner Rayno said, we thank you very much. County Manager Abolt said, I agree with the morning's editorial also. Commissioner Rayno said, and we thank Mr. Tindol for his diligence in pointing out things to us and going over and above and beyond what he has done in the past to make these audits more readable, more understandable, more comprehensive and more revealing to us as to what we need to do in this organization to come back on track, and obviously it's helped. If you look at that fund balance chart, back in 1999 it was at an all time high and before this new Commission was composed, it went right down into the tanker, but we brought it back because of all of the steps that we had to take, and despite all the public criticism, despite some of the internal battles we've had on here, which are behind us now, we've worked as a team and we've come back to become a very viable organization. But we're not there yet, as Mr. Tindol rightly points out. We're only at 3.1% in sales ratio and what that means is we need to keep working on the path that we've been on. We can't become the candy store to everybody that comes to the well and asks for money. We still have to have that control over the expenditures to make sure that we get into that position we need to be in in case an emergency comes up. And also the other thing to point out in this Comprehensive Annual Financial Report, if you go to your statistical section you can see those past controversial decisions which people were so upset about, passage of the Stephens-Day Bill, people told you that it wasn't going to help Chatham County, it was going to hurt it, but right there in that statistical section you see property tax rates flat right across the board, they never increase, and despite of that —, in spite of that flat property tax rate, we still had increased revenues coming in and that's in another statistical section you see the revenue of the County increasing regardless of the fact that we cut things flat. And why? Because as soon as the Stephens-Day Bill passed, we had a trend in Chatham County of people leaving the County because the taxes were so high, but as soon as people found out the Stephens-Day Bill was passing, you can look in here in another statistical section that Mr. Tindol and his group were kind enough to put in, the population started increasing. As a matter of fact, between the year 1999 and 2000, 12,000 people moved into Chatham County, 12,000 people. That was the biggest bump, and I think you can attribute that to the passage of the Stephens-Day Bill. That's incredible and that number keeps increasing every year and we see the growth on the Westside over in Mr. Kicklighter's and Dr. Thomas' districts. Over the next 10 years, it's going to be astronomical and it's all because of these things that were controversial at the time, but now have paid off. And I would hope that this Commission would keep that in mind that we're going to keep on that track, and if anybody thinks that we're not overtaxed, Mr. Tindol pointed out one other thing that's very important to keep in mind is this fact, on this ratio page he pointed out that the cost per person in government, it says Chatham County \$638 per person, but then you look at Augusta, they pay \$975 and you might think to yourself, "Well, gosh, their cost per person is a lot higher," but they're a consolidated government. If you go back to Chatham County and you add in the cost per person in the City of Savannah, we're paying like \$1,200 and \$1,300 per person for our government compared to \$975 in Augusta, compared to \$813 in Bibb and compared to \$1,072 in Athens-Clarke. So we're paying a lot in taxes compared to other communities that are consolidated. They're saving money, they're more efficient in their operations because they're consolidated. Yes, it costs a little bit more at first, but in the long run it brings the cost of government down, it slows the pace of growth of government. It makes sense, and I would hope that this Commission would have the resolve and the commitment to move forward on a fund balance policy so that when Diane McNabb comes back in two years, she can say, "I'm happy to report to the County Commission and the people of Chatham County that you have a Triple-A bond rating once again." And I would move today, I make a motion that we direct staff to put together a proposal for a fund balance policy, working with Ms. Cramer and her able staff and also the auditing firm, so we may have some opportunity to move forward in this direction. Commissioner Kicklighter said, second.

Vice Chairman Thomas said, all in favor. Commissioner Kicklighter said, Russ [Abolt]. County Manager Abolt said, I certainly want to —. Vice Chairman Thomas asked, any discussion?

County Manager Abolt said, I want to again thank Commissioner Rayno for his comments. Also, I want to just assure you, and I appreciate your leadership in this as a Board, as you might get from the written staff work, we are already on track to do just what you've asked —, about ready to ask us to do. I've talked to Ms. Cramer as recently as yesterday. We plan to have before you on the 27th of February, which is approximately a month from now, that policy

and further that policy, in addition to using the able act of Ms. Cramer and her newly-hired staff, I have asked and received full cooperation from Mr. Tindol, Diane McNabb and Mike Stewart from ACCG. So it is our intent, come the 27th of February, it will not just be a staff product, it will be a product of the review and recommendation of all those fine people.

Commissioner Rayno asked, may I make an amendment to my motion that we make the range of the fund balance policy for the unreserved fund balance to be between 8 and 12%? Commissioner Kicklighter said, yeah, that's fine with me. I'll accept that.

Commissioner Kicklighter said, I just want to echo something Commissioner Rayno said. You know, in the beginning in 2000 when we —, some of us got here, really we had just a financial disaster that we inherited that in the process of trying to straighten the County finances out, we appeared really rough at times, but the fact of the matter back then was we had two options. We could make cuts that were really tough, that, I mean, you know, the people out from groups in wheelchairs and stuff that we had to reduce funding. People, I mean, it was a lot of tough cuts, but our choice was make the tough cuts or either raise taxes and, you know, all that in the beginning where we argued everything, you know, bold, we looked tough, mean. I think it's all paid off in the end that everything worked out good and financially we're —, really we've turned the ship around and, you know, I appreciate everybody up here working hard. We've turned, I guess, the ship around heading in the right direction now, and —. Commissioner Rayno said, be careful now. That's what Barnes said. Commissioner Kicklighter said, — and, you know, I thought about it, that's right. But I just thank the Commission for the, you know, it was tough, but it's now paying off and I appreciate the staff, all of you for everything you've done too.

Vice Chairman Thomas said, Commissioner McMasters and then Commissioner Gellatly.

Commissioner McMasters said, well, actually, Dr. Thomas, my comments are outside of the motion. Vice Chairman Thomas said, okay. Commissioner McMasters said, so maybe you can —.

Vice Chairman Thomas recognized Commissioner Gellatly.

Commissioner Gellatly said, thank you. You know, today's good news and we don't get a whole heck of a lot of that. I can remember that the first —, the year 2000 I retired from 20 years of work with the City of Savannah and ran for elected office and I was excited about it until I got there and I wasn't so excited any more, and it just seemed like the bad news just kept on coming. I'd like to echo what my fellow Commissioners have already said. I do compliment Russ Abolt and his staff. I would point out that, again, as I did before, that, Linda [Cramer], we've very happy to have you and I recognize that you come from good stock, namely the City of Savannah, and I think that someone —, another group that we need to compliment is we have a —, if you all recall, we had a few moments with the Board of Assessors at one time during our tenure. We've got a brand new Board of Assessors and there's —, that whole office, including the staff, has been radically and positively reorganized, and I appreciate that. I see members, Joe Vestal and Larry Lower out there now, and I want to say that I personally appreciate what you and your other board members and the staff in the Assessor's office do, and I'd also like to congratulate my fellow Commissioners. I learned a lot about each and every one of you when we went through some very tough times, and it was frustrating to all of us and we all handled it in different ways. I think that as the Board of Commissioners that we didn't always agree, but we always had the best —, the best welfare for the citizens, the taxpayers in mind, and I think we asked some hard questions. I think staff would agree that we asked some hard questions, and I think the Board of Assessors would agree that we asked some hard questions, and together by doing that, line by line, item by item, we resolved a lot of these problems. You know, a county budget is a very complicated document, inches thick, but it's very much what our problem was back then, it would be very much like a family that is making \$30,000 and spending \$35,000 a year, they're going to have problems if they keep on doing that. And, guess what? We were doing that and we did have problems, but we all came together and we corrected it, and I'm very proud to be a member of this Commission right now and I'm very proud of staff and I'm very proud of the Board of Assessors, and I appreciate your audit. Thank you.

Chairman Hair recognized Commissioner McMasters and then Mr. Pierce. Commissioner McMasters said, we actually have a —. Chairman Hair said, we have a motion on the floor. Commissioner McMasters said, well, I'll hold my comments, Mr. Chairman, until afterward. They're not on the motion. Chairman Hair said, okay. Chairman Hair recognized Mr. Pierce. Chairman Hair said, Mr. Pierce, come forward please.

Mr. John Saxon "Piccolo" Pierce said, Billy Hair, if you keep on rolling back the taxes, what we going to have? We ain't going to have nothing, cutting jobs. It ain't going to make no sense. Let's tell —, give the staff something to do. Don't roll back because when you roll back, cutting down, it don't make no sense. Let's —, let's work together and quit saying roll back the tax because roll back the tax don't make no sense. If you roll back the tax, put something in the tax, like childcare, daycare and all that. I ain't seen none of them work yet. Let's make it work and let's quite talking about it. Everything we can make work, childcare, baby care, all that, citizens care, y'all passed the bill and I ain't seen nothing work yet. But think it over. The government coming down here one of these days, y'all going to have to think it over. Make [inaudible] for the people. [Inaudible] you elect the people, you've got to do a job. The election's coming up and y'all going to want to —, you don't want to do the tax thing then. They're going to do the tax. May God bless.

Chairman Hair said, thank you, Mr. Pierce. Chairman Hair recognized Commissioner Murray.

Commissioner Murray said, yeah, I would just like to thank the Commission today for the comments that I've heard most of them make praising and thanking our staff for the job that they've done. I know it's been tough on the staff over the years because there's been a lot of criticism in these meetings rather than thank you's and I would just like

to thank the Commission for realizing what our staff is doing and what they've done on this particular —, their efforts on this, and —. That's all I wanted to say.

Chairman Hair said, Commissioner Rayno, do you want to restate your —, did it have a second? Commissioner Rayno said, yes. Chairman Hair said, okay. Any further questions on the motion?

Mr. Tindol asked, can I point out one thing or a clarification on the motion? The range, I guess, is just an estimated range for staff to look at and come back to the Commission with. Is that the correct understanding? Commissioner Rayno said, it's based on your recommendation. Mr. Tindol said, right, and I agree with it. I'm just saying that I think that the staff ought to have the flexibility to, you know, come back with a report, and also when you do make a final motion on this, I think that the —, at a later date —, along with this range, what is important is the time frame that we're going to achieve, be it, you know, again, one, two or three years. Commissioner Rayno said, right, because the last thing you want is to have it happen next year and someone say, "Well, they never reached their goal, they're failing in their mission." Mr. Tindol said, right, and then the range —, the range is a good idea because it allows you flexibility you can't pinpoint.

Chairman Hair said, okay, we've got a motion and a second. Any further discussion on the motion? All those in favor of the motion vote yes, opposed no. The motion carried unanimously. [NOTE: Commissioner Odell was not present when this vote was taken.] Chairman Hair said, the motion passes. Thank you, Mr. Tindol.

Chairman Hair said, now we have —, Ms. McNabb's arrived. We'll have the presentation by —. Commissioner McMasters said, excuse me. Chairman Hair said, Commissioner McMasters —, one second, Ms. McNabb. That's my fault. Chairman Hair recognized Commissioner McMasters.

Commissioner McMasters said, yeah, I just wanted to make my comments outside of the motion. I want to ask you relative to this trend graph that you supplied us with, I'd like to suggest that this be given to Pete Nichols and put on the cable channel if there isn't objection to that. I think it's a wonderful illustration for the people at home watching this and following our deliberations. They're not able to actually appreciate the —, what's obviously a turn around. Would that be a fair characterization, Mr. Tindol? Mr. Tindol said, definitely. I think you've reached a bottom point and you're —, the graph's coming back up. Commissioner McMasters said, granted, and we're not —, we're not home yet. We're sort of in between second and third heading to home, and hopefully with the adoption of the staff's recommendations and your guidance, we'll get there, and it might be one year and it might be two, but we're on the road to recovery. Is that a fair characterization? Mr. Tindol said, I think that's fair. Commissioner McMasters said, I'd very much like to share this with the public and I'd also like to acknowledge the fact that the general public has had to live through this turn around and we thanked you and staff and ourselves, but I don't want to let the public go unnoticed in this because they had to put up with and live through the turn around, and I hope they realize that our intentions at all times were to do this job and do it well and to create this sort of situation where you can come in and report to us that indeed we are on the road to recovery in Chatham County. So I just want to express here a great thanks and appreciation to the general public who oftentimes wonder what we're doing here. So, thank you.

Chairman Hair said, thank you.

ACTION OF THE BOARD:

Commissioner Rayno moved that we direct staff, working with the Finance Director, her staff and the auditing firm, to put together a proposal for a fund balance policy, with the range of the fund balance policy for the unreserved fund balance to be between 8 and 12%, so we may move forward in the direction of once again having a Triple-A bond rating. Commissioner Kicklighter seconded the motion and it carried unanimously. [NOTE: Commissioner Odell was not present when this vote was taken.]

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X. ACTION CALENDAR

(The Board can entertain one motion to adopt the below-listed calendar. Such motion would mean adoption of staff's recommendation. Any Board Member may choose to pull an item from the calendar and it would be considered separately.)

Chairman Hair said, that takes us the to Action Calendar. We are pulling Items 6, 9, 16 and G, and I'll entertain a motion to approve the balance of the Action Calendar. Commissioner Rayno said, so moved. Chairman Hair asked, second? Commissioner Thomas said, second. Chairman Hair said, all those in favor vote yes, opposed vote no. The motion carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

ACTION OF THE BOARD:

Commissioner Rayno moved that the Action Calendar be approved in its entirety with the exception of Items 6, 9, 16 and 17-G. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

[NOTE: ACTION OF THE BOARD IS SHOWN ON EACH ITEM AS THOUGH AN INDIVIDUAL MOTION WAS MADE THERETO.]

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1. APPROVAL OF THE MINUTES FOR THE PRE-MEETING AND REGULAR MEETING OF JANUARY 9, 2004, AS MAILED.

ACTION OF THE BOARD:

Commissioner Rayno moved to approve the minutes for the pre-meeting and regular meeting of January 9, 2004, as mailed. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

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2. CLAIMS VS. CHATHAM COUNTY FOR THE PERIOD JANUARY 1 THROUGH JANUARY 14, 2004.

ACTION OF THE BOARD:

Commissioner Rayno moved that the Finance Director is authorized to pay claims for the period January 1, 2004, through January 14, 2004, in the amount of \$2.279.028. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

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3. REQUEST BOARD APPROVAL OF THE 2004-2005 BUDGET CALENDAR.

ACTION OF THE BOARD:

Commissioner Rayno moved to approve the 2004-2005 budget calendar. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

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**4. REQUEST FROM EMC, ENGINEER FOR WILLOW LAKES PLANTATION, LLC, TO RECORD THE SUBDIVISION PLAT FOR WILLOW LAKES SUBDIVISION, PHASE 1, ACCEPT THE SUBDIVISION AGREEMENT AND FINANCIAL GUARANTEE AND CREATE A NEW STREETLIGHT ASSESSMENT DISTRICT.
[DISTRICT 7.]**

ACTION OF THE BOARD:

Commissioner Rayno moved to approve the request from EMC, engineer for Willow Lakes Plantation, LLC, to record the subdivision plat for Willow Lakes Subdivision, Phase 1, accept the Subdivision Agreement and Financial Agreement and create a new Streetlight Assessment District. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

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- 5. REQUEST BOARD APPROVAL OF A REVOCABLE LICENSE AGREEMENT WITH THE STATE PROPERTIES COMMISSION FOR TEMPORARY EASEMENTS ON PARCEL 2A FOR THE GEORGIA BUREAU OF INVESTIGATION SITE ON THE MIDDLEGROUND ROAD/MONTGOMERY CROSS ROAD WIDENING PROJECT.
[DISTRICT 6.]**

ACTION OF THE BOARD:

Commissioner Rayno moved to approve a Revocable License Agreement with the State Properties Commission for temporary easements on Parcel 2A for the Georgia Bureau of Investigation site on the Middleground Road/Montgomery Cross Road Widening Project. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

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- 6. REQUEST BOARD APPROVE A REVISED INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF SAVANNAH FOR THE TECHNOLOGY AND ENGINEERING CAMPUS ROAD THAT WAS EXECUTED ON MARCH 22, 2002.
[DISTRICT 7.]**

Chairman Hair recognized Commissioner McMasters.

Commissioner McMasters said, thank you, Dr. Hair. In the Facts & Findings narrative under number one, it says that SEDA had a shortfall of funds to meet their part of the local matching funds for the County contract estimated to be \$340,000. Is there any explanation from staff as to why SEDA had a shortfall? County Engineer Bungard said, that's a little misleading. Their total commitment under the intergovernmental agreement was \$340,000. If you read that sentence, their local matching commitment was a total of 340, not shortfall. That's how much they owe us as unreimbursed. Then there were problems. The consultant was designing the project for SEDA and there were some conflicts, if you look at the change order history, with sidewalks and fire hydrants and so —, and by one agreement GDOT —, SEDA went back to GDOT and they said, "Okay, we'll pick up an extra \$140,000" and the City of Savannah said, "Okay, some of that was our responsibility, we'll pick up an additional amount." Now SEDA's total estimated reimbursement to us is about \$66,000. So once we do the summary change order, finalize all the quantities, we're going to say, "SEDA, you owe the County \$66,000." Does that help explain that? I agree, it's a bit confusing in the write-up. Commissioner McMasters said, that helps. Do you know in the scheme of things with SEDA when they do a project like this, are any fees from SEDA sent to the County? Do we have an agreement with SEDA? County Engineer Bungard said, no sir.

County Manager Abolt said, no sir. Let me give you background that Mr. Bungard may not have available. You recall, I believe about the time you came on the County Commission, there was an issue in the audit as far as payments due in lieu of taxes from SEDA. It was something that Chairman Hair took leadership on and resolved it because when all is said and done, SEDA is the County's only option for industrial and community development. The County then decided, rightfully so, that that service is vital to the prosperity of this County. So, in effect, SEDA is treated specially from the standpoint of the mission that they have to do economic and commercial development. So, in effect, we do not charge SEDA. We expect SEDA to do certain things and by and large they do it very well.

Commissioner McMasters asked, does SEDA —, forgive me for not knowing this. Does SEDA get involved in residential projects? County Attorney Hart said, no. Chairman Hair said, no, they can't. County Attorney Hart said, no, they're forbidden. Commissioner McMasters said, strictly industrial and commercial. Chairman Hair said, yeah. Commissioner McMasters said, just by way of —, for my own edification, could I —, could you forward that to me. I don't remember being on the Commission when that was resolved. I'd like to know the history on that. Can you just send it in my packet that resolution so that I can know the history. County Manager Abolt said, there was a staff report and we'll go back and —.

Chairman Hair said, I'll entertain a motion to approve. Commissioner McMasters said, so moved. Chairman Hair asked, second? Commissioner Murray said, second. Chairman Hair said, all those in favor vote yes, opposed vote no. The motion carried unanimously. [NOTE: Commissioners Rayno, Rivers and Odell were not present when this vote was taken.] Chairman Hair said, the motion passes. Thank you.

ACTION OF THE BOARD:

Commissioner McMasters moved to approve a revised Intergovernmental Agreement with the City of Savannah for the Technology and Engineering Campus road that was executed on March 22, 2002. Commissioner Kicklighter seconded the motion and it carried unanimously. [NOTE: Commissioners Rayno, Rivers and Odell were not present when this vote was taken.]

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7. REQUEST BOARD APPROVAL OF AGREEMENT WITH THE CITY OF SAVANNAH TO CONTINUE PROVIDING TRAFFIC SIGNAL MAINTENANCE THROUGHOUT UNINCORPORATED CHATHAM COUNTY. [VARIOUS DISTRICTS.]

ACTION OF THE BOARD:

Commissioner Rayno moved to approve an agreement with the City of Savannah to continue providing traffic signal maintenance throughout unincorporated Chatham County. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

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8. REQUEST BOARD FIX AND PUBLISH THE QUALIFYING FEES FOR ELECTED OFFICES TO BE FILLED IN THE 2004 ELECTION.

ACTION OF THE BOARD:

Commissioner Rayno moved to fix and publish the qualifying fees for elected offices to be filled in the 2004 election. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

SETTING QUALIFYING FEES FOR 2004 ELECTION

WHEREAS, Section 21-2-131(a)(1) of the Georgia Election Code, as amended, requires that the governing authority of Chatham County shall fix and publish the qualifying fees for candidates seeking office in any general primary or election; and

WHEREAS, the Code requires that such fees for salaried positions shall be 3% of the current annual salary of the office, and for non-salaried positions shall be a reasonable amount not to exceed 3% of the income derived from such office by the person holding the position from the previous year.

NOW THEREFORE, BE IT ORDAINED, that the Board of Commissioners of Chatham County, Georgia, as the governing authority of Chatham County, does hereby establish the schedule of qualifying fees for the 2004 election, as follows:

Judge, Recorder's Court	\$3,824.10
Chairman, Board of Education.....	\$ 360.00
Member, Board of Education.....	\$ 240.00
Chairman, Board of Commissioners.....	\$1,320.00
Member, Board of Commissioners.....	\$ 435.00
Judge, Probate Court.....	\$2,245.12
Chief Judge, Magistrate Court.....	\$3,086.16
Judge, Magistrate Court.....	\$2,777.55
Chatham County Tax Commissioner.....	\$2,186.53
Clerk of Superior Court.....	\$1,762.32
Surveyor.....	\$ 0
Coroner.....	\$1,307.07
Judge, State Court.....	\$4,111.50
Sheriff.....	\$2,301.30

Adopted this _____ day of _____, 2004.

BY: _____
Dr. Billy B. Hair, Chairman
Board of Commissioners

ATTEST: _____
Sybil E. Tillman, Clerk

SEAL

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9. REQUEST BOARD APPROVE LAND SWAP FOR DRAINAGE EFFICIENCY, SGT. RODNEY JENKINS, 7 HAYDEN'S COVE-QUITCLAIM DEEDS.

Chairman Hair recognized Commissioner McMasters.

Commissioner McMasters asked, what number is that? Chairman Hair said Item #9. Commissioner McMasters said, I was really confused a little bit by this. As I understand it, Mr. Jenkins, the property owner, employed a builder to make an addition to his home. The addition was constructed in a manner so as to encroach within the public right-of-way of the Chatham County eliminating the ability of heavy equipment to have access for maintenance of a portion of the drainage canal. How did —, how did that happen? County Manager Abolt said, okay, if I may —. Commissioner McMasters said, sure. County Manager Abolt said, this is something that was discussed with the Board repeatedly. Commissioner Odell was very active in it and I certainly would explain, but if there's any desire not to act on this, I would ask that you defer it until Commissioner Odell comes back. The long and short of it is, Sgt. and Mrs. Jenkins employed a contractor to add an addition to their house. The contractor submitted erroneous information as to the location of that addition. They were the victims of a situation not of their own making. The County could have ignored it, which we chose not to do. We realize that it was truly between the Jenkinses and their builder, but the County took additional steps with the support and encouragement of Commissioner Odell to help this young couple out. That's what you see right now. They're coming up with additional money dealing with the acquisition of some land easements. The developer himself, through the leadership of Jon Hart, has also cooperated so in a very difficult situation we have what we believe is not only a fair, but a sign where government working with the private sector can come up to the benefits of the individual homeowners, Mr. And Mrs. Jenkins. The unsaid thing on this is again the continuing problem we have when people who purport themselves to be builders and in that business sell their services and they make mistakes or they do things in a wrong fashion and there's no recourse short of the courts for the individual citizen, and the only way I feel that we can solve that problem in the long term is through the licensing of contractors.

Commissioner McMasters said, Russ [Abolt], I'm thinking that the change that we made in our inspections ordinance relative to having Inspections ensure that foundations are placed on the property —. County Manager Abolt said, this came before that, sir. Commissioner McMasters said, I understand that it did, but my question is have we sort of put something in place that will possibly prevent this in the future. Are these two related? County Manager Abolt said, yes sir. Within reason this all predated that. Also you have though —. Yes sir, we can do that. Commissioner McMasters said, [inaudible] action that the Board took. County Manager Abolt said, yes sir. We specifically had the knowledge that we've given you in the past that shows that all of that occurred —, Mr. and Mrs. —, Sgt. and Mrs. Jenkins' matter occurred before that was put in place. Commissioner McMasters said, oh, absolutely. County Manager Abolt said, but again I do not want to —. I shouldn't say —, watch my words. I do not want to —, I cannot emphasize enough in my estimation the need to license the people in the business of selling these types of services to citizens. Government can only go so far and it should not be caveat emptor in a situation like this.

Commissioner McMasters said, Mr. Hart, you spent obviously a considerable amount of time on this. County Manager Abolt said, yes sir. Commissioner McMasters asked, is that true? County Manager Abolt said, yes sir. Commissioner McMasters said, in your June 23rd as part of the attachments you had extensive meetings with Coleman and Wardlaw and Robert Drewry and Vince Grevemberg. I'm curious —, I understand that the land swap, it says in Fact & Findings number three that the property conveyed by the County would be exchanged for property of greater value. How did we determine that indeed the property that we were receiving in exchange was of greater value? County Attorney Hart said, we knew what the lots in the subdivision were selling for, we knew we had no bases in the property that we received for the right-of-way, which was going to be a drainage ditch. We also knew that the property that we were giving the —, conveying to the owners basically had no functional value because it was small insofar as the ability to sell or use for any third party, including the County. It prevented the County from getting its equipment through there without knocking part of the structure down or damaging the foundation to the house and, therefore, the builder had defining prices on his property for a resale. He was willing to basically cut off the end of three lots so he shortened the lots that still met the minimum size, and when you figure the cubic square feet of what he was giving up, it far exceeded the bases which the County had in the property. Commissioner McMasters said, so we've got an addition built on a house that doesn't fall where it's supposed to fall on our property line, which in turn restricts and prohibits our servicing and cleaning of a community canal or drainage area. Correct? County Attorney Hart said, correct. Commissioner McMasters said, okay, and the result of this causes an awful lot of creative meeting and vision to get this resolved, right? County Attorney Hart said, correct. Commissioner McMasters said, okay. Well, it says that there's —, there's no cost to the County in all this. I want to know for all your meeting time and all the efforts that we've put into be visionary and corrective in this fashion, are the taxpayers paying for that or was there any remediation financially to the County for having to be visionary and proactive about all this? County Attorney Hart said, no, we just look at it as part of the function of government on a twofold basis. One is to help the citizen that was in a desperate situation that was unintended and was no fault of his own and, second, we felt that it was important for staff to spend an appropriate amount of time so as not to punish a developer for something that he had absolutely nothing to do with and at the same time ensure that the County was able to complete a structure that would benefit two major subdivisions to avoid a flooding problem. Commissioner McMasters said, I agree a hundred percent with that, but who was a fault? Who caused this problem originally? County Manager Abolt said, the builder. Commissioner McMasters asked, the builder? County Manager Abolt said, not the subdivider, the builder —. Commissioner McMasters said, okay. County Manager Abolt said, — who falsified the permit information. Commissioner McMasters said, which created this —. County Manager Abolt said, yes. Commissioner McMasters said, — additional cost and function of government to kick in. Was there any consideration about going after that builder to recoup our cost for having to do all this? County Attorney Hart said, there hasn't been and probably that would be a dry hole. Commissioner McMasters asked, based on what knowledge? County Attorney Hart said, based on the fact that you have a very small builder that's uninsured, probably has very little in the way of assets and, you know, you'd be going against an entity. If you got a judgment against you, he'd give us his corporate minute book. It would be worth about \$1.50.

Vice Chairman Thomas said, Commissioner Rayno and then Commissioner Gellatly.

Commissioner Rayno said, I think —, I can't remember if Commissioner Jackel asked one time a long time ago about a list of contractors who were doing practices that weren't correct and that we keep that list. Is there anything illegal about the County having a list of people who've had problems over the past so the public could access that list and say, "Well, I don't want to hire Contractor A, B or C because of —." County Manager Abolt said, again, if just practice —, the ability to administer that would be a nightmare. This is —, the County, and in direct answer to Commissioner McMasters's question, the County could have chosen to ignore this and just told the victims —. Commissioner Rayno said, oh, I have no problem with what you did. County Manager Abolt said, but I'm saying, but to go further is to create a Better Business Bureau for contractors, that is inappropriate, I think, for the County to do it. That should be done, as you've advocated so strongly, Commissioner Murray leading the charge, should be done statewide and you should, in effect —, you —, nobody in this room and no one in this County should expect to just go to the Yellow Pages and say, "Well, so-and-so says he's a builder, I'm going to go to that person." There has to be licensure, there has to be a way when things like this happen that you can effect them by pulling their licenses.

Chairman Hair asked, did you finish? Commissioner Rayno said, yeah. Chairman Hair said, okay, Commissioner Gellatly.

Commissioner Gellatly said, the comment as the builder who caused this and the fact that he's a small builder and it might be a dry hole, I think that there's been too many occasions in government where people do these things and they just walk away because it could be a dry hole. I'd like to recommend that we go after this person and that we determine what our reasonable costs were and let's take them to court, and I think that we might set an example for people in the future, and I'd like to put that in the form of a motion. Commissioner McMasters said, I'll second.

Chairman Hair said, we have a motion and a second. Mr. Hart, do you have any comments on that? County Attorney Hart said, I've just got to figure out how to do that. Chairman Hair said, okay. County Attorney Hart said, if it's —, we have no contract with the person.

Commissioner Rivers said, if we're going to begin to start regulating, isn't this going to take some staff and stuff to do that and to follow it and follow up on all of that stuff? Chairman Hair said, sure, sure. Commissioner Rivers asked, do we have adequate staff to do that? Chairman Hair said, well, I don't think anybody's proposing that today. I think that's down the road. I mean, certainly there would have to be a cost associated with that. I don't suspect it would be very high.

Commissioner McMasters said, this is not regulation motion though. This is —. Chairman Hair said, no, this is a separate motion from the issue. This is a motion —, Commissioner Gellatly's motion is to sue this individual contractor and it has a second, but the County Attorney has said that the reason I want to clarify is to make sure that the motion is a legal motion and says that we can do what the motion says, and I believe it would be more appropriate, Commissioner Gellatly, if you will accept this, is just to incorporate your motion with the County Attorney's remarks that, you know, to sue them assuming that we have legal recourse. I think that would —. Commissioner Gellatly said, yes. Chairman Hair said, okay, would you accept —, would the second accept that? Commissioner McMasters said, yes. Chairman Hair said, okay.

Chairman Hair recognized Youth Commissioner Isaacson.

Youth Commissioner Isaacson said, I was just wondering why the Sergeant can't sue the contractor. County Attorney Hart said, the Sergeant can. Chairman Hair said, yeah, he could. County Attorney Hart said, he chooses not to.

Chairman Hair said, okay, we have a motion and a second to pursue legal action assuming we have legal recourse. All those in favor of the motion vote yes, opposed vote no. The motion carried unanimously. [NOTE: Commissioners Odell and Thomas were not present when this vote was taken.] Chairman Hair said, the motion passes. Now I'll entertain a motion on the request to approve the land swap. Commissioner McMasters said, so moved. Chairman Hair asked, second? Commissioner Murray said, second. Chairman Hair said, all those in favor of the motion vote yes, opposed no. The motion carried unanimously. [NOTE: Commissioner Odell was not present when this vote was taken.] Chairman Hair said, the motion passes. Thank you.

ACTION OF THE BOARD:

1. Commissioner Gellatly moved that as to an encroachment by Sgt. Rodney Jenkins, 7 Hayden's Cove, and assuming we have legal recourse, that we determine what our reasonable costs were and that we sue the contractor, thereby setting an example for people in the future. Commissioner McMasters seconded the motion and it carried unanimously. [NOTE: Commissioners Odell and Thomas were not present when this vote was taken.]
2. Commissioner McMasters moved to approve a three-way land swap for drainage efficiency for Brandlewood Subdivision and Mills Run Subdivision and authorize the Chairman to execute a quitclaim deed to Sgt. Rodney Jenkins, 7 Hayden's Cove, and accept conveyance of land from Brandlewood Home Owner's Association and Jerry Wardlaw Development Company. Commissioner Murray seconded the motion and it carried unanimously. [NOTE: Commissioner Odell was not present when this vote was taken.]

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- 10. REQUEST FOR RENEWAL OF BEER, WINE AND LIQUOR POURING LICENSE FOR 2004. PETITIONER: CHARLES W. UPCHURCH, D/B/A FOREST CITY GUN CLUB, LOCATED AT 9203 FERGUSON AVENUE. [DISTRICT 1.]**

ACTION OF THE BOARD:

Commissioner Rayno moved to approve the petition of Charles W. Upchurch, d/b/a Forest City Gun Club, located at 9203 Ferguson Avenue, for renewal of beer, wine and liquor pouring license for 2004. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

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- 11. REQUEST FOR RENEWAL BEER AND WINE RETAIL LICENSE FOR 2004. PETITIONER: DEVEDA IRWIN, D/B/A ECKERD DRUGS #2471, LOCATED AT 487 JOHNNY MERCER BOULEVARD. [DISTRICT 4.]**

ACTION OF THE BOARD:

Commissioner Rayno moved to approve the petition of Deveda Irwin, d/b/a Eckerd Drugs #2471, located at 487 Johnny Mercer Boulevard, for renewal of beer and wine retail license for 2004. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

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- 12. REQUEST FOR NEW BEER AND WINE POURING LICENSE FOR 2004. PETITIONER: ANTHONY Z. ZADOR, D/B/A CAFÉ TONI, LOCATED AT 4-A WILMINGTON ISLAND ROAD. [DISTRICT 4.]**

ACTION OF THE BOARD:

Commissioner Rayno moved to approve the petition of Anthony Z. Zador, d/b/a Café Toni, located at 4-A Wilmington Island Road, for a new beer and wine pouring license for 2004. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

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- 13. REQUEST FOR NEW SUNDAY SALES OF BEER AND WINE POURING FOR 2004. PETITIONER: LOAN KIM TRAN, D/B/A LITTLE SAIGON, LOCATED AT 4700-F HIGHWAY 80 EAST. [DISTRICT 4.]**

ACTION OF THE BOARD:

Commissioner Rayno moved to approve the petition of Loan Kim Tran, d/b/a Little Saigon, located at 4700-F Highway 80 East, for a new Sunday Sales of beer and wine pouring license for 2004. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

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- 14. REQUEST FOR RENEWAL OF SUNDAY SALES OF BEER AND WINE POURING FOR 2004. PETITIONER: HEIDI ZHANG, D/B/A SAKURA PLACE, LOCATED AT 1190 KING GEORGE BOULEVARD. [DISTRICT 6.]**

ACTION OF THE BOARD:

Commissioner Rayno moved to approve the petition of Heidi Zhang, d/b/a Sakura Place, located at 1190 King George Boulevard, for renewal of a Sunday Sales of beer and wine pouring license for 2004. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

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15. REQUEST FOR BEER, WINE AND LIQUOR POURING AND NEW SUNDAY SALES LICENSE FOR 2004. PETITIONER: JOHN HENDERSON, D/B/A DRIFTAWAY CAFÉ, LOCATED AT 216-C JOHNNY MERCER BOULEVARD. [DISTRICT 4.]

ACTION OF THE BOARD:

Commissioner Rayno moved to approve the petition of John Henderson, d/b/a Driftaway Café, located at 216-C Johnny Mercer Boulevard, for beer, wine and liquor pouring and new Sunday Sales license for 2004. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

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16. REQUEST FOR RENEWAL OF SUNDAY SALES OF BEER, WINE AND LIQUOR POURING LICENSE FOR 2004. PETITIONER: HERMAN R. SHIRAH, JR., D/B/A THE ISLANDER, LOCATED AT 221 JOHNNY MERCER BOULEVARD. [DISTRICT 4.]

Chairman Hair recognized Commissioner Murray.

Commissioner Murray said, yeah, I know probably eight months or a year ago we had some problems and this particular business was supposed to be monitored as far as the closing times, people staying in the building after closing times. I just need to find out if —. Chairman Hair said, the Chief is here, so —. Chief, can you respond to that, sir?

Chief Bob Oliver said, yes, we have responded to it and we will continue to monitor it on a regular basis, as we do now on closing times. Chairman Hair asked, you're not aware of any serious problems? Chief Oliver said, we're not aware of any serious problems.

Commissioner Murray said, as a matter of fact, the Chief and I talked before we came in the meeting after I made a comment in the pre-meeting, and I think he was inbetween his retirement and new position again when this originally took place, but it was due to closings and a lot of people staying in the establishment after that. Also, an accident that someone was in when they left the place after closing time. But any way, if all that meets all the requirements, I don't think we have any choice except to approve it right now, but just keep monitoring that. I move for approval. Chairman Hair asked, second? Commissioner Thomas said, second. Chairman Hair said, all those in favor vote yes, opposed vote no. The motion carried unanimously. [NOTE: Commissioner Odell was not present when this vote was taken.] Chairman Hair said, the motion passes.

ACTION OF THE BOARD:

Commissioner Murray moved to approve the petition of Herman R. Shirah, Jr., d/b/a The Islander, located at 221 Johnny Mercer Boulevard, for renewal of a Sunday Sales of beer, wine and liquor pouring license for 2004. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioner Odell was not present when this vote was taken.]

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17. REQUEST BOARD APPROVAL TO AWARD BIDS AS FOLLOWS: (Please note that new purchase thresholds of \$10,000 or more have been enacted; however, contracts and change orders of a lesser amount still will appear.)

<u>ITEM</u>	<u>DEPT.</u>	<u>SOURCE</u>	<u>AMOUNT</u>	<u>FUNDING</u>
A. Declare as unserviceable surplus and sell at a public auction or dispose of as scrap material older vehicles which cannot be economically repaired	Fleet Operations	N/A	N/A	Revenue Producing
B. Contract for the demolition and removal of improvements on three parcels	SPLOST	T Clearing	\$18,000	SPLOST (1993-1998) - Whitfield Avenue Widening project

<u>ITEM</u>	<u>DEPT.</u>	<u>SOURCE</u>	<u>AMOUNT</u>	<u>FUNDING</u>
C. Change Order No. 2 to the monthly pest control service for various County facilities to include the Islands Expressway and the Diamond Causeway drawbridge attendant houses	Bridges	Ideal Pest Control	\$480	General Fund/ M&O - Bridges
D. Annual contract with automatic renewal options for four (4) additional one year terms to provide inmate health care	Detention Center	Prison Health Services	\$3,583,086	General Fund/ M&O - Detention Center
E. Renewal of one year lease for the property occupied by CNT and to recognize a fixed 3% CPI increase over the preceding 12 month period	CNT	Melaver, Inc.	\$81,616.91	General Fund/ M&O - CNT
F. Three (3) network switches for the Carnegie Branch Library	SPLOST	BellSouth (state contract)	\$14,689.50	SPLOST (1998-2003) - Library Technology Equipment
G. Contract for the purchase and installation of CAMA system software (Assessment Office and Land Development Office)	SPLOST	NovaLIS Technologies	Not to exceed \$780,000	SPLOST (2003-2008) - Assessor's computer and related hardware

As to Items 17-A through 17-F:

Commissioner Rayno moved to approve Items 17-A through 17-F. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]

As to Item 17-G:

Contact for the purchase and installation of CAMA system software (Assessment Office and Land Development Office); SPLOST; NovaLIS Technologies; Not to exceed \$780,000; SPLOST (2003-2008) - Assessor's computer and related hardware.

Chairman Hair recognized Commissioner McMasters.

Commissioner McMasters said, thank you, Mr. Chairman. In the Facts & Findings paragraph it says it was determined that this was an opportunity to introduce a fully integrated permitting and inspections solution by combining requirements. I'm really curious here. I know this is a Board of Assessors item, but I'm wondering where we are with MPC, SAGIS, Superior Court and anybody else that was going to buy into this, and I know that Mike Kaigler has been involved. Could we have a report on that? [Inaudible.] Commissioner McMasters said, and Engineering. Thank you. Mr. Michael Kaigler said, at the next meeting —, this is for Phase I, just the Assessor's portion, but at your next meeting we should be coming back to you with the other portion that includes, MPC, Engineering and Inspections.

Commissioner McMasters said, okay. Is anyone from —, is the Board of Assessors completely content with the —? Chairman Hair asked, Mr. Vestal, do you want to come forward and answer Commissioner McMasters' question, please sir? Commissioner McMasters said, I have a —, you know I've sat in on multiple meetings, public meetings at the Board of Assessors and I know that your department is very optimistic, enthusiastic about this and the last meeting I was at your attorney was going to review this contract for all the elements that were discussed in the meeting relative to potential change orders to it and I guess it's procedurally being routed through us as a purchase, but is your attorney and your board completely content with the way this is configured? Ms. Sheryl Snider said, the statement of work we are satisfied with. We have not seen the final draft of the contract. We're still waiting to see that. There were some revisions that were being made. Commissioner McMasters asked, okay, is this the contract that we're asking the Chairman to execute? Chairman Hair said, if this motion passes, that would authorize me to sign the contract. Mr. Kaigler said, yes sir, there are some revisions that will be made to the contract. We're asking for the authorization for the Chairman to sign the contract and authorize the purchase of the hardware and software. Commissioner McMasters asked, well, may I make a suggestion then, and I don't know if it needs to be a motion, but a suggestion would be that if there are some unknown contract elements to it, prior to giving it to the Chairman for signature should it not be referred back in its final form before the Chairman's signature to your board so that you guys are content that all the changes —?

Chairman Hair said, let me comment. I would —, let me comment since this deals with —, I would assume that no one would put a contract in front of me that had not received the blessing of the Board of Assessors and the County Attorney. I would —. Commissioner McMasters said, yeah, I would —. Chairman Hair said, I trust those folks to do that and I would think that they would not submit any contract to me for signature that has not been through all the legal review process and also the Assessor's process. Mr. Kaigler said, yes sir. Chairman Hair said, so I think what they're saying is approve the contract with the revisions that they're happy with and the County Attorney's says are legal revisions. Commissioner McMasters said, well, that's why I'm asking this and obviously there are some things that are not totally defined in this and it's a considerable purchase of taxpayer expense so I would —, I'm glad that we went and asked these things. Chairman Hair said, I just think —. County Attorney Hart said, the primary purpose that this

is put forward to the Board like this was the recommendation was made, you know, just to delay it until we get the other parts worked out for staff insofar as, you know, if you want to cross every "i" [sic] and dot every "t" [sic] in the situation. Unfortunately, the idea is to try to get the ball rolling in regard to the implementation and acquisition of this software and hardware. The issues that we're really at this point talking about are some funding issues about how you pay for some of this and —. Mr. Kaigler said, everything else is just —. County Attorney Hart said, how we're going to characterize some of the items that have been set forth in the budget. I've asked them to be re-categorized so that, you know, we can have some spending flexibility. Commissioner McMasters said, okay.

Chairman Hair recognized Commissioner Rivers.

Commissioner Rivers said, I just want to say, Mr. Chairman, if it's contingent upon the amendments and everything that has to be drafted, we just make a motion to go ahead with that. Chairman Hair said, well, I think that's what we're saying is the motion would be to authorize signing with revisions that the Board of Assessors had and —. Chairman Hair said, okay. So moved that —. Chairman Hair said, — the Attorney has —. County Attorney Hart said, we're trying to speed the process up and take it in phases. Commissioner Rivers said, so moved —. Chairman Hair said, okay, we have a motion. Do we have a second. Commissioner Thomas said, second. Commissioner Rivers said, so moved that that be signed. Chairman Hair said, all those in favor vote yes, opposed vote no. The motion carried unanimously. [NOTE: Commissioner Odell was not present when this vote was taken.] Chairman Hair said, the motion passes. Thank you.

ACTION OF THE BOARD:

1. Commissioner Rayno moved to approve Items 17-A through 17-F. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Rivers and Odell were not present when this vote was taken.]
2. Commissioner Rivers moved to approve Item 17-G subject to the approval of the revisions by the Board of Assessors and the County Attorney. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioner Odell was not present when this vote was taken.]

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XI. FIRST READINGS

Proposed changes to ordinances must be read or presented in written form at two meetings held not less than one week apart. A vote on the following listed matters will occur at the next regularly scheduled meeting. Comments, discussion and debate from members of the public will be received only at the meeting at which a vote is to be taken on one of the following listed items.

1. **AMENDMENT TO ARTICLE S. ENGINEERING FEES OF THE CHATHAM COUNTY REVENUE ORDINANCE.**

ACTION OF THE BOARD:

Chairman Hair read this item into the record as the first reading.

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XII. SECOND READINGS

None.

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XIII. INFORMATION CALENDAR

1. **PROGRESS REPORT ON GENERAL FUND CONTINGENCY ACCOUNT - M&O AND THE SPECIAL SERVICE DISTRICT (SEE ATTACHED).**

ACTION OF THE BOARD:

A written report was received as information.

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2. **LIST OF PURCHASING ITEMS BETWEEN \$2,500 AND \$9,999. *None for this meeting.***

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3. **ROADS AND DRAINAGE REPORTS. (Note challenges with Hardin Canal project).**

ACTION OF THE BOARD:

Written reports were received as information.

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EXECUTIVE SESSION

Upon motion being made by Commissioner Rivers, seconded by Commissioner Murray and unanimously approved, the Board recessed at 10:58 a.m., to go into Executive Session for the purpose of discussing litigation.

Following adjournment of the Executive Session, the meeting of the Board of Commissioners was reconvened at 11:04 a.m.

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ITEMS FROM EXECUTIVE SESSION

1. **REQUEST BOARD APPROVE A MOTION TO AUTHORIZE THE CHAIRMAN TO EXECUTE AN AFFIDAVIT THAT THE EXECUTIVE SESSION WAS HELD IN COMPLIANCE WITH THE OPEN MEETINGS ACT.**

ACTION OF THE BOARD:

Commissioner Rivers moved to authorize the Chairman to execute an affidavit that the Executive Session was held in compliance with the Open Meetings Law. Commissioner Kicklighter seconded the motion and it carried unanimously. [NOTE: Commissioner Odell was not present when this vote was taken.]

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RE: REIMBURSEMENT FOR HOUSING PRISONERS

County Attorney Hart said, two code sections basically say the State will pay certain amounts for the prisoners, but the problem we're bumping up against is that the legislation says you'll pay no less than, I think, \$7.50 or \$15 a day, something like that, but only to the extent that the money is appropriated, and the money obviously is never appropriated so they never pay it. One of this Commission's priority items was a request for legislation to try to bump that figure up. Commissioner Kicklighter said, there's someone now that just sponsored a bill. Is that what you're getting to? County Attorney Hart said, well, I don't know that there's a sponsor of the bill I'm fixing to sponsor. Commissioner Kicklighter said, okay. County Attorney Hart said, there's a bill sponsored out there to raise the rate, and I think that's a great idea, but realistically it's not going to pass because they don't have enough money. I talked to the guy that's the new Commissioner for the Department for Corrections this last week. I just happened to bump into him at the Atlanta airport. We have mutual friends so I knew who he was, and he said, you know, we have people on our payroll that haven't had a raise in three years and 65% of the people that work for us qualify for subsidized housing based on their what they're paid, and he said, you know, if we built a 1,000 bed facility every year for the next 12 years, we still would have a problem with the prison population. He said, you know, we just can't afford it, we don't

have the money, we're not going to get any money and whatever, and I think he's 100% true. He's even sympathetic to the situation. In the process of our litigation I made the Department of Corrections disclose all the contracts that they had with private entities for which they contracted to pay for the prisoners, and they are reimbursing private entities at a higher rather than they're reimbursing the counties. So my thought is, rather than trying to get the Legislature to appropriate money, which they're not going to do anyway, is to go up there and ask them to amend the code section that says that they will pay us the amount pursuant to the code section just as it is and then just sort of sneak in this sentence and say, "In no case shall any county be paid an amount less than the amount paid to non-governmental persons or entities for their costs for housing prisoners." And my thought there is it would do two things. One, it gives us the ability to claim under that we ought to get the same amount of money as those contracts for reimbursing private entities. Two, it will stop the State from probably entering into private contracts because they're going to end up lowering the amount, and when they lower the amount, the private people are not going to contract with them because there's no money. We've got to put pressure on them to have to deal with us on the money side, so I'd like a consensus to draw up some legislation and send it to our delegation with a letter for the Chairman's signature saying that the Commission unanimously supports the concept of stiffer sentencing.

Chairman Hair asked, does anybody object to that? Commissioner Gellatly said, I think that's very smart. [NOTE: No objection was made by any Commissioner.]

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RE: MPC APPOINTMENTS

Commissioner Murray said, I think we've already clarified this, but I got a call from Jane Fowler about MPC and she said that we had a policy where we would allow the MPC members to stay on until December rather than come off in April or March, or whenever the term is up. I told her we had that policy back when we first started the rezonings and everything else, that Bicentennial Plan or whatever they call it now, and we did that for that first year, but then the next year we appointed people at the time their term was up. And I think that's the way we, that's our policy now that when a term's up, it's up and we make appointments, but I told her I would bring it to the Commission and clarify that.

Chairman Hair said, I think you're absolutely right. I think that is just her attempt to try to stay on because she hasn't been able to get the commitment from the City of Savannah to appoint her in our absence of reappointing her.

Commissioner Murray said, well, we appointed a person to fill that term at our last meeting.

Chairman Hair said, I think you're absolutely correct and that is our policy. It was done just for the Tricentennial thing, or whatever it was, and does anybody remember it any different? Commissioner Murray said, there were two people that it affected.

Commissioner Kicklighter said, we didn't actually set a policy. That was just what was done.

Chairman Hair said, and we've already appointed somebody to replace here. The Clerk said, she had also already received her letter of thanks and telling her that her term ends. Chairman Hair said, so that is the policy and you can tell her that you brought it up and that is the policy.

Commissioner Murray said, I thought that's what we had and I thought it was pretty clear the last time it came up.

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ADJOURNMENT

There being no further business to be brought before the Board, Chairman Hair declared the meeting adjourned at 11:10 a.m.

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APPROVED: THIS _____ DAY OF _____, 2004

DR. BILLY B. HAIR, CHAIRMAN, BOARD OF
COMMISSIONERS OF CHATHAM COUNTY, GEORGIA

SYBIL E. TILLMAN, COUNTY CLERK