

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF CHATHAM COUNTY, GEORGIA, HELD ON FRIDAY, MAY 13, 2011, 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 Pete Liakakis called the meeting to order at 9:33 a.m. on Friday, May 13, 2011.

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II. INVOCATION

Chairman Liakakis said, I call on Commissioner Harris Odell for the Invocation.

Commissioner Odell said, Your Honor, it is my pleasure to ask our County Manager, Mr. Abolt, for the Invocation.

County Manager Russ Abolt said, thank you, Commissioner Odell. County Manager Abolt gave the Invocation.

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III. PLEDGE OF ALLEGIANCE

Chairman Liakakis said, I call on Commissioner Dean Kicklighter for the Pledge of Allegiance. Commissioner Kicklighter led the Pledge of Allegiance to Flag of the United States of America.

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IV. ROLL CALL

Chairman Liakakis said, I call on Janice for the roll call, please.

The Clerk called the roll.

Present: Pete Liakakis, Chairman
 Helen L. Stone, Chairman Pro Tem, District One
 James J. Holmes, District Two
 Patrick Shay, District Three
 Patrick K. Farrell, District Four
 Harris Odell, Jr., District Five
 David M. Gellatly, District Six
 Dean Kicklighter, District Seven

Not Present: Dr. Priscilla D. Thomas, Vice Chairman, District Eight

Also present: R. E. Abolt, County Manager
 R. Jonathan Hart, County Attorney
 Janice Bocoock, County Clerk

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Chairman Liakakis said, need a motion on the floor to excuse Commissioner Priscilla Thomas.

Commissioner Stone said, so moved, Mr. Chairman.

Commissioner Holmes said, second.

Chairman Liakakis said, all right. We have a motion on the floor. Let's go on the board. Motion passes.

ACTION OF THE BOARD:

Commissioner Stone moved that Commissioner Priscilla Thomas be excused from the Commission Meeting. Commissioner Holmes seconded the motion and it carried unanimously.

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CHATHAM COUNTY YOUTH COMMISSION

Chairman Liakakis said, and what I'd like to do now is recognize our three Chatham County Youth Commissioners who are here. We have Charvian Williams, who is the Youth Commissioner for Johnson High School; Samantha Zellner, who is the Youth Commissioner for Savannah High; and Brandon Sanders, who is the Commissioner for Windsor Forest.

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V. PROCLAMATIONS AND SPECIAL PRESENTATIONS

1. CHAIRMAN'S STATE OF THE COUNTY ADDRESS.

Chairman Liakakis said, Members of the County Commission, other elected officials, public servants, ladies and gentlemen. As a community, we are blessed with the generosity of our citizens and the resourcefulness of elected officials and administrative staff who have forged a team fueled by past success. Time does not allow a full accounting of what amounts to 28 pages of innovations and accomplishments that are contained in the proposed budget document that are to be received later on during this meeting. To organize my remarks, I chose separate categories of Public Safety, Crime Prevention, Economic Growth, Greenest County, Modern Facilities to Serve the Public, and Celebration 2010.

Chairman Liakakis said, on Public Safety, we have total one part crime decreased by 15% for the year with violent crime going down by 25%. Decreases were nearly the same in both the City of Savannah and unincorporated Chatham County. In the City of Savannah, violent crime decreased by 25% while total crime was down 14%. Within the City of Savannah, the total was the lowest since the 1970s. In Chatham County violent crime went down by 25% and total crime was down by 17%. Almost all crime categories had significant decreases. All precincts had decreases of more than 10%. The Chatham County Detention Center expansion project construction contract was awarded to Hunt Mills for the base bid, which included 852 beds and approximately 333,000 square feet of new and renovated space. Accepting the much needed housing alternate bid increases the project to approximately 396,000 square feet and the bed count to 1,136 beds. Construction started March of this year. In 2010 the County Narcotics Team undercover operations made 218 actual drug buys and conducted 923 drug operations. Forty-six were joint investigation with federal and state law enforcement agencies. CNT seized over \$5.7 million worth of drugs; 117 firearms; \$164,000 in currency, and 28 vehicles. CNT conducted a long-term investigation which concluded in May 2010 with a warrant sweep that was conducted. During the warrant sweep, agents executed eight warrants simultaneously in Savannah, Pooler, and Garden City area which led to the seizure of over 350 pounds of marijuana, various pharmaceutical medication, 17 hand guns, 8 rifles, about \$58,000 in currency, nine vehicles, and other items, including a computer, large screen television, four-wheel vehicles, and commercial air compressors. In addition to the drugs and property seized, approximately 50 subjects were indicted on federal and state drug charges. CNT saw a definite increase in the number of meth lab investigations in the year 2010 due to simpler manufacturing process called the shake and bake or the one pot method. Agents have responded to meth labs in vehicles, hotels, and residential neighborhoods. Two of the largest labs during the year were seized from mobile homes of which one was completely destroyed by fire. Under project Lifesaver, the Sheriff's Department, Mosquito Control, the Metropolitan Police Department, and Chatham Emergency Management have the ability to rescue wayward citizens suffering from dementia. Mosquito Control completed a five-year goal in selling an airplane, purchasing a helicopter, and training our pilot/mechanic to fly helicopters. Without adding additional staff, this will provide greater depth and flexibility to accomplish all Chatham County aerial missions to include the Mosquito Control, Chatham Emergency Management, and Savannah/Chatham Metropolitan Police Department Support Operations.

Chairman Liakakis said, under Crime Prevention, thirty-four participants were admitted into Drug Court. Of these, 21 graduated. In 2010 State Court's DUI Court monitored 87 DUI Court participants with a secure, continuous remote alcohol monitor for a total of 6,286 days. Of these 87 participants, only four have tested positive for alcohol. Participants stated this as their reason not to drink. Juvenile Court was awarded a \$349,000 grant from Office of Juvenile Justice and Delinquency Prevention for our Family Dependency Treatment Court. The Juvenile Mental Health Court has served 21 children and their families.

Chairman Liakakis said, under Economic Growth, the County has been guaranteed achievement of a 66% local participation on the Detention Center expansion project using the best value contract method. Further, the County has implemented an alternate bonding program to assist local and minority contractors. The Montgomery Street project further demonstrated Chatham County's commitment to its local construction companies. Under Phase 1A, the tunnel connectors, the County introduced best value contracting to obtain the services of TIC, The Industrial Company, in partnership with Harbor Construction to achieve 100% local construction and 38% minority participation in a local workforce rate of 90%. On Phase 1B and 1C, the County served as construction manager and bid individual construction packages. Except for specialty items not available locally, local construction companies provided 100% of the other goods and services. 2011 marked the 10th anniversary of the Savannah International Trade and Convention Center. The milestone recognized Chatham County's contribution in the project's development, funding, design, and construction. The facility has contributed to the enhancement of the community's international reputation. Chatham County continues to work with the Trade Center Authority on a convention center hotel to move the community towards the next level of national competition. Our own Mosquito Control aviation staff were principals in

bringing the annual meeting of the National Agricultural Aviation Association (NAAA) to Savannah which was hugely successful infusing the local economy with an estimated \$1.3 million. Subsequently, the NAAA has agreed to hold at least two more meetings in our community. We experienced 82% job placement for Construction Apprentice Program graduates; completed the delegated management contract with Veolia Transportation for management of the Chatham Area Transit. Truman Parkway Phase 5 construction is underway and scheduled for completion in December 2013. Whitefield Avenue plans are complete and ready for construction and will be let for construction in July of this year. The County resurfaced 224 miles of roads. Construction completed on Delaney Road, Bond Avenue, Catherine Street, and Adeline Street. 12,990 insurance policy holders in the special flood hazard areas received a 20% discount on their policy cost. That equates to savings total over \$200 million each year on flood insurance premiums on average of \$154 per policy holder.

Chairman Liakakis said, the Greenest County, Chatham County's land conservation program and – added Pennyworth Island, a 178-acre parcel and adopted land management plans for the Whitemarsh Preserve, a 150-acre parcel. The Resources Protection Commission, the citizens committee which identifies, evaluates, and rates property for land conservation, recommended the plans to preserve and protect these environ– environmentally significant properties. Within the next several months, the Board will consider land management plans for other conservation lands. Chatham County's conservation land program now exceeds more than 3,000 acres of property. Funds from the Energy Efficiency and Conservation Block grant secured by County staff will be used to calculate the carbon footprint of the entire County. A carbon footprint is a measure of the direct release of carbon dioxide and equivalent substances from human activities that have been linked with global warming. With the information gathered from County government and community records, we are beginning to look at trends in energy uses identifying the operation where the greatest resource in energy savings can be made. Collectively these early achievements and efforts will pay dividends in the years ahead. At the County's Wetlands Mitigation Bank, creation continues with 40 acres planted and reclaimed. Another 5,000 trees were planted in February 2011. Design is continuing to connect the Bank with the Bamboo Farm as part of the Coastal Georgia Greenway. Completed construction of 1.3 miles of multi-use trail on the Whitemarsh Preserve. The new trail connects to the existing multi-use trail around the Islands YMCA and ends at the existing bike lanes at the intersection of Bryan Woods Road and Highway 80. The future is filled with great potential. Plans for fiscal year 2011/2012 include financing a code amendment formally institutionalizing Chatham County's goal to require all new construction and major renovations to achieve LEED, which is Leadership in Energy and Environmental Design Certification. Construction of two new libraries will begin in the coming fiscal year, and these projects will also be planned and constructed to achieve LEED silver certification or better. Completed the final phase of the Westlake-Lamar Reforestation project which resulted in the planting of some 500 specimen quality trees on five acres to connect two existing County-owned forest lands of 21 acres and 10 acres. The project became a partnership with the Savannah Tree Foundation, Chatham County, the Georgia Forestry Commission, and neighborhood associations. Chatham County acquired the property for flood mitigation. With the planting of several thousand seedlings at the Litchfield track, Chatham County continues to surpass the goal in the Greenest County Plan of planting 365 trees annually. Partnered with the Savannah Tree Foundation to complete the Talahi Island median landscape project, the 2003-2008 SPLOST funding project landscaped the median on U.S. 80 between the Turner's Creek and Bull River bridges. At our Southwest library we have enhanced the area by creating a park next to the building. A partnership with the Trustees Garden Club has afforded us the opportunity to develop a spectacular outdoor setting that blends with facility and encourages residents to interact with us in a new and different way.

Chairman Liakakis said, Modern Facilities to Serve the Public. We opened the new Animal Control Shelter. The \$2 million project provides a state of the art facility of 14,000 square feet and the kennel areas represent almost 75% of the total space. Compared to the 38 cages in the old concrete building – building from the 1960s, the facility provides 116 kennels with dog runs, automatic water bowls, radiant heating, and a crematorium. Also open is the new records center. The \$3 million project renovated a 38,000 square foot building into a new records center to consolidate the location of all County records and documents, including many historical ones in a single location. The building which is located ten minutes from the courthouse was designed and certified to meet wind conditions and storm surge to withstand a category 5 hurricane. We now have the capacity for document imaging and destruction, and with this particular records, we can protect our citizens' records also that they have at the courthouse. Another opening was the courthouse project Phase 1. An \$8 million project which includes a new sallyport, and the first floor of the adjoining Chatham County parking garage for secure inmate transfer, two new tunnel connectors holding capacities for 190 inmates, and new offices for the Sheriff's Office Court Service Division. The project provides improved efficiency for court appearances for inmates and increased security since the number of inmate transfers from holding areas to court can be minimized and restricted with the latest in technological innovation. Completed design on the Commercial Building at 222 West Oglethorpe Avenue in lieu of a plan to renovate the old jail on Montgomery Street into an office building. We acquired the 84 Lumber Building on Ogeechee Road for a new Fleet Service Center. The 9-acre parcel includes the building of 25,000 square feet, and 20,000 square feet plus storage buildings will be designed to LEED silver certification in conformance with the Board's new policy. Rehabilitated and resurfaced the Julie Backus Trail around Lake Mayer.

Chairman Liakakis said, Celebration 2010. 2010 was the end of the first decade of the 21st century filled with an exceptional array of events in the history of this County. I've mentioned several ribbon cuttings and ground breakings in other parts of my remarks, but I want to conclude with a list of those remaining highlights for a quick inventory: Westlake-Lamarville Reforestation program; McQueens Trail restoration project; National County Government Month celebration; high level bridge ground breaking; the Diamond Causeway; Abolt-O'Brien Soccer Complex dedication; Truman Trail, Phase 2; the Live Oak Library and the Children's Books Festival; communications tower energizing ceremony; Juvenile Court expansion; Mother Mathilda Beasley Park and Interpretive Center; Safety Net Planning Council Health Information Exchange, and Multi-Use Trail on the Whitemarsh Preserve.

Chairman Liakakis said, in conclusion, what I have enumerated serves as but a sampling of what elected officials and professional staff are doing for the betterment of the citizens we serve. Each Commissioner must be recognized as integral to the exceptional group of elected officials. They continue to contribute as individuals and collectively to this

legacy of a bias for action that makes Chatham County a better place in which to live. Regardless of the challenges, the genuine worth of this County Commission and the quality of our workforce is an unbeatable combination.

Chairman Liakakis said, there's a little prayer I'd like to read to you now. One of my favorites: Oh, God, when I have food, help me to remember the hungry. When I have work, help me to remember the jobless. When I have a warm home, help me to remember the homeless. When I am without pain, help me to remember those who suffer. In remembering, help me to destroy my complacency and to stir my compassion. Make me concerned enough to help by word and deed those who cry out for what we take for granted. May you all be blessed and may Chatham County continue to prosper.

Chairman Liakakis said, and what I'd like to do right now is call on an individual who has been my partner and helped me in many things in this community and a lot of things that I go over with her about certain County things, and staying up late at night with me, sometimes after midnight to go over a number of things because she wanted me and the County Commission to be successful in everything we do. So now I'd like to call my wife, Mary Jean, to come forth.

[NOTE: Chairman Liakakis presented Mrs. Liakakis with roses. Mrs. Liakakis gave one back to Chairman Liakakis.]

Commissioner Shay said, well said, Mr. Chairman. Well, said.

Commissioner Odell said, good job.

Commissioner Kicklighter said, Mr. Chairman, I was watching on television, and all the public actually saw was you come back with one rose. So let the public know, he gave his wife a ton of roses and she handed one back. So.

Chairman Liakakis said, thank you, Dean.

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2. SWEARING IN OF JANICE BOCOOK AS CLERK OF THE CHATHAM COUNTY BOARD OF COMMISSIONERS. THE OATH WILL BE ADMINISTERED BY THE HONORABLE H. GREGORY FOWLER, CHIEF JUDGE, STATE COURT.

Chairman Liakakis said, under Proclamations and Special Presentations again, we now have the swearing in of Janice Bocoook as Clerk of the Chatham County Board of Commissioners. The oath will be administered by the Honorable Gregory Fowler, Chief Judge of State Court.

Chairman Liakakis said, she has some of her family here. Just come on forth by the podium. These are her four children. You want to?

Janice Bocoook said, yes, sir. This is Taylor, Madison, Reagan, and Harrison.

Judge H. Gregory Fowler said, I spent a lot of time yesterday getting their names all in my mind so that I wouldn't forget one. Are we ready?

Chairman Liakakis said, yes.

Judge Fowler said, are you ready, Ms. Bocoook?

Ms. Bocoook said, yes, sir.

Judge Fowler said, if you'll raise your right hand and repeat after me. I do swear that I will truly and faithfully enter and record all of the minutes and other proceedings of the Chatham County Board of Commissioners and all other matters and things which by law ought to be by me to be recorded. And that I will faithfully and impartially discharge and perform all of the duties required of me to the best of my understanding. So help me God. Congratulations.

Ms. Bocoook said, I do swear that I will truly and faithfully enter and record all of the minutes and other proceedings of the Chatham County Board of Commissioners and all other matters and things which by law ought to be by me to be recorded. And that I will faithfully and impartially discharge and perform all of the duties required of me to the best of my understanding. So help me God.

Chairman Liakakis said, do you want to say some words?

Ms. Bocoook said, I just wanted to say thank you to everyone. I can't fill Sybil's shoes, but I will do my very best.

Commissioner Farrell said, thank you.

Commissioner Shay said, thank you.

[NOTE: Judge Fowler, Chairman Liakakis, and Janice Bocoook signed the Oath of Clerk of Commission as administered by Judge Fowler.]

Chairman Liakakis said, thank you, Judge, again.

Judge Fowler said, thank you.

Chairman Liakakis said, and Janice, we thank you, and we appreciate all the hard work and long hours she's put in waiting for this.

Ms. Bocook said, thank you.

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3. PROCLAMATION DECLARING THE MONTH OF MAY 2011 AS MELANOMA/SKIN CANCER DETECTION AND PREVENTION MONTH. SORAHİ TOLOYAN, M.D., WILL BE ACCEPTING THE PROCLAMATION.

Chairman Liakakis said, we now have a proclamation declaring the month of May 2011 as melanoma/skin cancer detection and prevention month. Sorahi Toloyan, a medical doctor, will be accepting the proclamation, and Commissioner Helen Stone will do the presentation. Doctor, if you have any of your family members, they are welcome to come forth also.

County Manager Abolt said, Mr. Chairman, I – I'm going to preempt with your permission Commissioner Stone's – the official reading of the proclamation. With the help of some wonderful people that know Sorahi as Diane and I know, as a friend for well over a decade, we're putting one over on her. She thought she was coming to receive what the Chairman read so eloquently as recognition of melanoma/skin cancer prevention month. But County Staff has been blessed by an angel, and that is Dr. Toloyan. She had come forward years ago to say she could do something for County staff at no cost, no charge, that would make our workforce healthier. And it isn't just those that are currently seated on this Board, but those before who have always said our workforce not only was precious to us, but whatever we can do to keep them healthy, we want to do. And Dr. Toloyan has done that every year for over a decade. And with – with the help of her – her very special husband, Dr. Rahimi, who I must admit is – is – is a trouble maker and he's also a very close friend, I – I would like to have with – with permission of Commissioner Stone, have Dr. Toloyan come forward, and she can read the proclamation, but I want you to also realize that those behind Dr. Toloyan, those family members and friends, are very special to this entire workforce, but more importantly, Dr. Toloyan is our angel. Commissioner Stone?

Commissioner Stone said, thank you. This gives me great pleasure and honor to read this and to present this to you for all of your hard work.

Commissioner Stone read the proclamation as follows:



WHEREAS, some 27 years ago, after completing her education in the field of Dermatology in London England, Dr. Sorahi Toloyan Rahimi along with her husband and family moved to the United States of America, in order to provide a better life for herself and her family and to practice medicine in a professional and caring manner; and

WHEREAS, some 18 years ago seeking a permanent home to raise her children and establish her practice, Dr. Toloyan Rahimi's family chose to move to Savannah; and shortly thereafter fell in love with the beauty of Savannah and its people; and

WHEREAS, from the first day of her professional life in Savannah and Chatham County, in addition to providing medical services to patients in need with an open door and heart, Dr. Toloyan Rahimi engaged in community service and volunteered her time with the intent of providing service to others as the center piece of her practice; and

WHEREAS, May is recognized as Melanoma/Skin Cancer Detection Month, in collaboration with the American Academy of Dermatology, Dr. Toloyan Rahimi established the annual Cancer Screening Program in Chatham County in 1994 to raise awareness for preventive skin cancer and melanoma in the community; and

NOW, THEREFORE, I, Pete Liakakis, Chairman, on behalf of the Chatham County Board of Commissioners, do hereby salute:

DR. SORAHİ TOLOYAN RAHİMİ

for graciously volunteering her time to educate and provide free skin cancer screenings onsite to hundreds of Chatham County employees.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of Chatham County, Georgia to be affixed this the 13th day of May 2011.

Pete Liakakis, Chairman
Chatham County Commission

ATTEST:

Gail F. Gordon, Administrative
Assistant to the Chairman

Dr. Toloyan said, thank you very much. I'm honored.

Chairman Liakakis said, thank you, doctor. We really appreciate that because what you did for those employees where there was a particular problem, you brought that forth, and you know, and we know melanoma is one of those insidious cancer things, and it could have caused someone's death, especially if they had not had that screening by you to make sure it was treated.

Dr. Toloyan said, thank you.

Chairman Liakakis said, you're welcome.

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4. PROCLAMATION DECLARING THE MONTH OF MAY 2011 AS BUILDING SAFETY MONTH. GREGORI ANDERSON AND CLIFFORD BASCOMBE WILL BE RECEIVING.

Chairman Liakakis said, next we have a proclamation declaring the month of May 2011 as Building Safety Month. Greg Anderson and Clifford Bascombe will be receiving that.

Commissioner Farrell read the proclamation as follows:



WHEREAS, these guardians—dedicated members of the International Code Council—develop and implement the highest-quality codes to protect Americans in the buildings where we live, learn, work, worship and play; and

WHEREAS, the International Codes, the most widely adopted building safety, energy and fire prevention codes in the nation, are used by most U.S. cities, counties and states; these modern building codes also include safeguards to protect the public from natural disasters such as hurricanes, snowstorms, tornadoes, wildland fires and earthquake, and

WHEREAS, Building Safety Month is sponsored by the International Code Council and International Code Council Foundation, to remind the public about the critical role of our communities' largely unknown guardians of public safety—our local code officials—who assure us of safe, efficient and livable buildings; and

WHEREAS, "Building Safety Month: Commemorating a 30-year Legacy of Leadership," the theme for Building Safety Month 2010, encourages all Americans to raise awareness of the importance of building safety; green and sustainable building; pool, spa and hot tub safety; and new technologies in the construction industry. Building Safety Month 2010, encourages appropriate steps everyone can take to ensure that the places where we live, learn, work, worship and play are safe and sustainable, and recognizes that countless lives have been saved due to the implementation of safety codes by local and state agencies; and

WHEREAS, each year, in observance of Building Safety Month, Americans are asked to consider projects to improve building safety and sustainability at home and in the community, and to acknowledge the essential service provided to all of us by local and state building departments and federal agencies in protecting lives and property.

NOW, THEREFORE, I, Pete Liakakis, Chairman, on behalf of the Chatham County Board of Commissioners, do hereby proclaim the month of May, 2011 as:

BUILDING SAFETY MONTH

in Chatham County and encourage our citizens to join with their communities in participation in Building Safety Month activities.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of Chatham County, Georgia to be affixed this the 13th day of May 2011.

Pete Liakakis, Chairman
Chatham County Commission

ATTEST:

Gail F. Gordon, Admin. Asst. To Chairman

Commissioner Farrell said, congratulations for a job well done.

Clifford Bascombe said, thank you very much for this proclamation. Sorry Mr. Anderson was not able to be here today. He's on a very secret mission. Don't know exactly what that mission is, but it's secret. Maybe it's trying out for the SEALS. I don't know what seals, but that may be the case. But on a serious note, we have activities scheduled for this Saturday at Home Depot on Victory Drive, and we ask all of you to try and attend. The following Saturday we will be at Lowe's on Abercorn Street, and we'll have staff there, and we will try to educate the public. Of course you know these days just about every home builder is now a contractor, so we try to keep them on the right path. So we will be there to keep them on the right path. So we will be there. We have literature. We will be able to answer just about any questions they may have, and if we do not, we will find answers, and we hope that they will have a safe Building Safety Month.

Chairman Liakakis said, thank you, Clifford.

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5. PROCLAMATION DECLARING MAY 25, 2011, AS MISSING CHILDREN'S DAY IN CHATHAM COUNTY (COMMISSIONER THOMAS). A YOUTH COMMISSIONER WILL BE RECEIVING THE PROCLAMATION.

Chairman Liakakis said, we have one more proclamation, then I want to recognize some people that are in the audience, and that's a proclamation declaring May 25, 2011 as Missing Children's Day in Chatham County. A Youth Commissioner will be receiving the proclamation. Commissioner Thomas who is the – had that vision to start this and have the County Commission to put it into place, and now we'll have James Holmes, Commissioner Holmes to do the proclamation.

Commissioner Holmes read the proclamation as follows:



WHEREAS, according to the U.S. Department of Justice, in one year, there were an estimated nearly 800,000 children missing. There is an estimated average of 2,200 children reported missing to law enforcement agencies daily; and

WHEREAS, 58,200 of these children are victims of non-family abductions and more than 200,000 are the victims of family abductions; and

WHEREAS, the National Center for Missing and Exploited Children (NCMEC) exists as a resource to help prevent child abduction and sexual exploitation; help find missing children; and assist victims of child abduction and sexual exploitation, their families, and the professionals who serve them. The National Center for Missing and Exploited Children's recovery rate has grown from 62% in 1990 to 96% of domestically missing children, but too many children still remain among the missing; and

WHEREAS, this special day is a time to remember those children who are missing and give hope to their families. The Chatham County Youth Commission has enjoyed a long and mutually beneficial relationship with the National Center for Missing and Exploited Children and has sponsored several NCMEC initiatives locally, including the Annual "Take 25" Campaign on May 25th of each year.

NOW, THEREFORE, I, Pete Liakakis, Chairman of the Chatham County Commission proclaim May 25, 2011 as:

"MISSING CHILDREN'S DAY"

in Chatham County, Georgia and urge the participation of local government, law enforcement, schools, community-based organizations, and families in the protection and education of all individuals about child abduction and sexual exploitation, appropriate protective measures, and ways to respond and seek help from law enforcement, social services, and the National Center for Missing & Exploited Children.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of Chatham County, Georgia, to be affixed, this 13th day of May 2011.

Pete Liakakis, Chairman
Chatham County Commission

ATTEST:

Dr. Priscilla D. Thomas, Vice Chair
District 8 Commissioner

Commissioner Holmes said, congratulations, children.

Youth Commissioner Charvain Williams said, thank you.

Chairman Liakakis said, thank y'all very much.

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RECOGNITION OF GUESTS

Chairman Liakakis said, in our audience today I think most of you have seen them, we've got one of the best Chiefs of Police that we could have. You've heard what all my statistics were, that I read out. How the crime has dropped in the City of Savannah and also in Chatham County, and that's because of his leadership with – Chief Willie Lovett has done an outstanding job, and he has his command staff – a number of his command staff there on the front row going down there, and of course, these are the – his top staff people who have done an - you know, a great job in the community working really hard. And we know all those officers under them, they are dedicated and loyal as his staff is and really work hard for the protection of the people of our community. And Chief we thank you on behalf of the Chatham County Commission and to you and to all of the command staff and all officers of the Savannah/Chatham County Metro Police Department, thank you again, and may God continue to bless each and every one of you and protect you so that you can continue to do your jobs, and hopefully that it won't be dangerous.

Chairman Liakakis said, sitting next to the Chief is our new Commander of CNT. You heard some of those statistics that I wrote out, but what Everett Ragan has done taking over the Chatham County Narcotics Team and has done an excellent job working with the Chief and the other offices to make sure that we try to reduce as much as we can and arrest those purveyors, those distributors and those that are selling drugs on our street. And they have done a great job under the leadership, of course, of Everett Ragan, who has taken over, and we appreciate that. Because Everett now, he was with the police department for many, many years before he retired, but then he was called on by our great County Manager, Russ Abolt, that knew all about him, and they looked at all of the different, you know, things, the people that had put in the application, and saw that Everett had everything that we needed for a great CNT Commander. So to you and to all of your staff, the drug agents, we really appreciate, Everett, what you have done, and of course those officers that have worked really hard to protect our citizens and our community.

Chairman Liakakis said, and out in the audience – out in the audience we have the number one Sheriff in the USA, Al St. Lawrence, who has worked hard, and he has done many things with the Sheriff's Department, and we know that the things that the Sheriff has done with his leadership and all of his staff has been great. He was out there, but he had a call. I saw him with his phone, so he had to leave, probably for some emergency to take care of. But we thank him also.

Chairman Liakakis said, and on the front row here, we have Henry Lewandowski, who is the Director of the Mosquito Control, and we have I see one of the pilots with him that has worked with our police department. They have done great to keep these mosquitos from biting, you know, us, plus helping the police department and helping the fire, you know, work in the community. Because when there's been a fire, what Henry has done is dispatch his helicopter people with water and those other things that they might be able to help the citizens in our community.

Chairman Liakakis said, and also what I'd like to do, I know that Judge Harris was here. Are there any other Judges in the audience 'cause I know a few of them had to leave. Judge Fowler, because they had - some were here but they had to leave a little early 'cause they had court cases. But we thank each and every one of you here. And I see in the back that we have Julian Miller, who is the Director for Information for the Metro Police Department, who's done an excellent job also.

Chairman Liakakis said, to all the employees that are here, department heads and all, this County really appreciates what you do, and all of our employees for the service that you give to our citizens. We are the ones that set up the mission, the things, the protocol and all of the things that the County needs to do for the services to our citizens, but we got a great County Commission, and we all appreciate all of you that work for the County, the staff people, the department heads, and all, and we want to thank you again. And we can't thank you enough for the things that you do, for all the services that you give to our citizens. And of course, my thanks goes again to this County Commission who have been outstanding and the best County Commission in the entire USA also.

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CHATHAM AREA TRANSIT AUTHORITY

Chairman Liakakis said, okay, now we move on to – we will recess as the County Commission and convene as the Chatham Area Transit Authority. They've got a small agenda today, and we will reconvene as the County Commission as soon as the Chatham Area Transit Authority adjourns. That won't take long.

The Board recessed as the County Commission at 10:21 a.m., and convened as the Chatham Area Transit Authority. Following adjournment of the Chatham Area Transit Authority, the Board reconvened at 10:45 a.m., as the County Commission.

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VI. CHAIRMAN'S ITEMS

None.

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VII. COMMISSIONERS' ITEMS

None.

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VIII. TABLED/RECONSIDERED ITEMS

Unless 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 (*).

Chairman Liakakis said, there are no Tabled or Reconsidered Items.

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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. **TRANSMITTAL OF THE FISCAL YEAR 2011/2012 RECOMMENDED BUDGET AND DETERMINE BUDGET WORKSHOP DATES WITH COUNTY DEPARTMENTS AND ELECTED OFFICIALS. BUDGET BOOKS WILL BE DISTRIBUTED ON FRIDAY. SEE ENCLOSED STAFF REPORT. YOU ARE REQUESTED TO SET A WORKSHOP SCHEDULE AT THIS MEETING. (NOTE: COPIES OF THE PROPOSED BUDGET WILL BE PLACED AT ALL BRANCH LIBRARIES FOR EASY PUBLIC ACCESS).**

Chairman Liakakis said, Items for Individual Action, Transmittal of the Fiscal Year 2011/2012 recommended budget and determine budget workshop dates with county departments and elected officials. Budget books will be distributed on Friday, which we have in front of us now. And it includes the staff report. You are requested to set up a workshop schedule at this meeting. And all the particular copies of this proposed budget will be placed in all branch libraries that we have in Chatham County.

County Manager Abolt said, Mr. Chairman?

Chairman Liakakis said, go ahead.

County Manager Abolt said, if I may. This is the document. It is not the County's budget, it's a recommended budget, and as – as the entire Board is – is well familiar, we're – we're missing one major piece of information, and that has to do with the condition of the County tax digest, which of course, again as the Board is aware, we will not have till the end of this month, first part of June. My suggestion is rather than be specific as to workshops at this time, you are committed on your previously adopted schedule to hold your public hearing two weeks from today. My suggestion is that – is that you would proceed with that public hearing, and then once we have the real digest numbers in, we can look at how it might affect this spending plan, and then you can deliberate in whatever fashion you choose. But that would be after your public hearing.

Chairman Liakakis said, okay, we need a motion on the floor for the workshop, to – I mean –

County Manager Abolt said, you don't need to – no, sir, that's not – you already adopted your schedule for the public hearing and your adoption of the budget at the end of June. I – I would – permit me, if you would just receive this today.

Chairman Liakakis said, okay.

County Manager Abolt said, and – and then it becomes public, and as we mentioned in the past, it's very important from the standpoint of public familiarity. A copy of this spending proposal, not your adopted budget which will not be effective till the first of July, but will be placed in all of the branch libraries.

Chairman Liakakis said, okay. Thank you.

Commissioner Farrell said, Russ, is this also on line or just – just at the public libraries?

County Manager Abolt said, I'm going to defer to – to – to Ms. Cramer. Some of it can be on line as far as my budget message, but I'll defer to her technical knowledge.

Linda Cramer, Finance Director, said, well we're actually working on that, and we hope to have it up on the County's website the first part of next week. The Superior Court Clerk's office is helping us scan it, and try to get it, you know, into – onto the website.

Commissioner Farrell asked, so anybody in – that wants to look at this can go to the website perhaps by the end of next week and see what we're seeing?

Ms. Cramer said, that's our goal. Yes.

Commissioner Farrell said, good.

AGENDA ITEM: IX-1
AGENDA DATE: May 13, 2011

TO: Board of Commissioners

THRU: R. E. Abolt, County Manager

FROM: Linda B. Cramer, Finance Director

ISSUE: To transmit the Fiscal Year 2011/2012 Recommended Budget and determine budget workshop dates.

BACKGROUND: In January 2011 the Board approved the fiscal year 2011/2012 Budget Adoption and Millage Levy Calendar. In accordance with the calendar, the Fiscal Year 2011/2012 Recommended Budget is presented.

FACTS AND FINDINGS:

1. In compliance with State law, the 2011/2012 Recommended Budget shows proposed budgets for all County funds, excluding trust and agency funds. The document will be on file in the Finance Department and in all area public libraries for public viewing.
2. The County Manager's message provides a narrative explanation of current and upcoming challenges as well as a list of accomplishments.
3. The Recommended Budget assumes a four percent decline in the tax digest for both the consolidated digest (M&O) and the unincorporated area (SSD). Once firm digest numbers are received in June, the Recommended Budget will again be reviewed to ensure it is balanced in accordance with State law.
4. The budget calendar indicates that budget workshops will be held between May 16 and June 10, 2011. Specific dates need to be established by the Board of Commissioners.
5. A public hearing on the Recommended Budget will be held on May 27, 2011. The public hearing is open to comments from all citizens and external organizations. Proposed changes to the Revenue Ordinance will also be on the May 27th agenda as a first reading.

FUNDING: N/A

POLICY ANALYSIS: The conduct of budget workshops with departments and agencies is consistent with prior year practices.

ALTERNATIVES:

1. Determine budget workshop dates.
2. Postpone determination of budget workshop dates.

RECOMMENDATION: It is recommended that the Board set the calendar for budget workshops.

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2. THIRD QUARTER FINANCIAL REPORT.

Chairman Liakakis said, okay, under Item 2, the Third Quarter Financial Report.

County Manager Abolt said, I'd like to have – Mr. Chairman, Commissioner Stone, gentlemen, just have Ms. Cramer stand up – come back to the – the – the lectern. This is a – as the Chairman indicated, our third quarter financial report. I – knowing that the tax digest is the unknown, and we have some foreseen problems in that there is generally absent the property tax issue some – some good trends that are coming up beyond property tax. I want Ms. Cramer to take a few moments to highlight this third quarter financial report.

Ms. Cramer said, certainly. As the County Manager said, we are finally starting to see some good trends in some of our revenue categories. The property tax is pretty much where we thought it would be. Sales tax is still flat, but the other categories that we have at the County are – are all trending up for the most part. We're still a little bit fragile on the real estate transfer tax and tangible tax, that's still looking fragile, but our other revenue categories are all positive. All of our funds are in pretty good shape. You know, some of our smaller funds that we've been concerned about are seeing some turn arounds on their fees and – and fee collections. So, we're – we're encouraged.

Chairman Liakakis said, okay. Any – Helen?

Commissioner Stone asked, Ms. Cramer, are we seeing, as far as when the property tax bills went out, a lot – a large increase on the number of appeals?

Ms. Cramer said, I don't have that information yet. I know that this was the first year that everyone received a property tax change of value notice, and I think just because of the volume of – of notices that were distributed, you may see more action on appeals.

Commissioner Stone said, well I've received several phone calls from constituents that were unhappy one way or the other that their property either the value had gone down or gone up, and I just – I'm worried that we're going to see a much larger trend in the number of appeals, which would – I would assume would make it harder to predict what the digest is going to be.

Ms. Cramer said, yes, ma'am.

Commissioner Stone said, okay. Thank you.

AGENDA ITEM: IX-2
AGENDA DATE: May 13, 2011

TO: Board of Commissioners

THRU: R. E. Abolt, County Manager

FROM: Linda B. Cramer, Finance Director

ISSUE: To present the Fiscal Year 2011 Third Quarter Report dated March 31, 2011 to the Board for information.

BACKGROUND: Financial reporting conveys information concerning the financial position and activities of the County to its citizens and other interested parties. Interim financial reports generally are prepared for use by professional government managers and board members. Such reports monitor levels of year-to-date operations and determine compliance with budgetary limitations.

FACTS AND FINDINGS:

- 1) The Third Quarter Report covers various County funds and activities, and presents budget-to-actual comparisons. Adopted and amended fund budgets are presented as well as variance data. Prior year numbers are presented for comparison on the General Fund and Special Service District Summary reports.
- 2) Amended budgets shown herein represent budget transfers approved through March 31, 2011. In some cases, subsequent adjustments have occurred. Year-to-date expenditure and project balances are presented. Open purchase orders and outstanding contractual obligations are not included in the year-to-date expenditure amounts.
- 3) Notable items include the following:

General Fund M&O

- At the end of the third quarter, the General Fund had received 67% of budgeted revenues or \$100.4 million. The fund had expended \$110 million, 72% of budgeted expenditures. Although expenditures exceeded revenues by \$9.6 million, the fund's cash balance remained positive due to reserve levels.
- In almost all revenue categories, year-to-date revenues exceeded prior year amounts. In the aggregate, revenues were \$3.7 million above 2010 levels.
- General property tax collections were almost \$75 million, comparable to prior year amounts. This is 63.7% of the amount budgeted for the category. Positive collection trends are noted for real property tax collections, motor vehicle taxes and personal property taxes. Intangible recording taxes and real estate transfer taxes stayed sluggish.
- Sales and use tax revenue constitutes 7.3% of the General Fund's overall revenue budget. LOST collections were \$7.7 million through the end of March, showing little improvement from the previous fiscal year.
- Penalty and interest revenue on delinquent taxes continued trending upward with \$1.9 million collected through March.
- The County has billed and received payment through the month of January 2011 for City of Savannah inmates at the Detention Center.
- Investment income was below budget as market yields remained low.
- Unusual expenditure variances for the following departments are explained below:
 - County Commissioners – 46% – Encumbered funds for management consultant services and the County's legislative liaison have not been fully expended.
 - Communications – 53% – Most annual maintenance agreements are due and paid in the fourth quarter.
 - Grand Jury – 18% – Only four charges for advertising through the 3rd quarter.
 - Police activities – various – Subsequent payments to the city for police services should level out the variances shown. Expenditures through the end of the third quarter only reflect seven months of cost.

Special Service District (SSD)

- At the end of the third quarter, the SSD Fund had received 75% of budgeted revenues or \$19.2 million. The fund had expended \$19.6 million, 72% of budgeted expenditures. Although expenditure levels exceeded revenues by \$381,939, the fund retained a positive cash balance.
- The fund's revenue position improved from third quarter 2010 levels by over \$900,000. Current year expenditures decreased from prior year levels by over \$1 million.
- Current year expenditures decreased from prior year levels by over \$1 million.
- General property taxes were ahead of 2010 levels by \$526,790.
- Penalty and interest revenue on delinquent taxes showed a favorable budget variance through March as collections exceeded \$600,000.
- The County has received licenses and permits revenue of over \$1.1 million or 96% of budgeted revenues. Amounts received were in excess of prior year levels.

- Investment income in the fund trended low against the budget amount due to low market investment rates.
- Unusual departmental variances include the Traffic Lights department which shows expenditures at 56% of budget as a result of low repair costs year-to-date.

Multiple Grant Fund

- Grant drawdowns should eventually offset the difference between fund revenues and expenditures. Drawdowns are pending for the K9 grant and the Public Safety Interoperable Communications grant.

Land Disturbing Act Ordinance (LDAO) Fund

- Fee collections for the quarter totaled \$49,509. This revenue helped offset the fund’s use of reserves for operating expenditures. Due to the slowdown in this fund’s activities, some staff have been reassigned to other engineering activities.

Building Safety & Regulatory Services Fund

- Permit revenue collections improved as the fund extended permits for the detention center expansion project.

Capital Project Funds

- Project accounting schedules are shown herein for all of the County’s capital project funds, including the SPLOST funds.

Special Purpose Local Options Sales Tax

- Special purpose local option sales tax collections continue to lag behind budgeted revenue estimates. The impact of the shortfall will be reviewed during the fiscal 2012 budget process.

Health Insurance Fund

- Active employee medical expenses are at 70% of budgeted amounts, a favorable variance at the end of the third quarter. Although retiree health care costs are recorded in the OPEB Trust Fund, their impact is noted on page 34.

FUNDING: N/A

POLICY ANALYSIS: Interim financial reports provide revenue and budgetary oversight by comparing actual receipts or expenditures against budgeted amounts.

ALTERNATIVES: N/A

RECOMMENDATION: For information only.

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3. STATE LEGISLATIVE REPORT.

Chairman Liakakis said, okay. Next item, the State Legislative Report. Lee Hughes?

Lee Hughes said, thank you, Mr. Chairman and Commissioners. Each of you received a report from me about three weeks ago. I sent out an updated report yesterday because the Governor has been signing bills since that time. He has not to my knowledge vetoed any legislation today. I think it’s important to understand that he’s leaving the country after today. So today is presumably the last day he would sign or veto legislation. It’s also important to note that in Georgia if he does not sign legislation, it becomes law without his signature. Some states it’s a pocket veto, in Georgia, if he doesn’t sign it, it still becomes law.

Chairman Liakakis said, it’s still within – if he doesn’t signed it within forty days. Is that correct?

Mr. Hughes said, that’s correct.

Chairman Liakakis said, okay.

Mr. Hughes said, each of you should have this report in your – in your packet. I was going to go through the legislative priorities that you directed me to pursue at the Capitol this year. The first was to try to address the inequities in the franchise fee collection process. You’re going to see a recurring theme on a couple of these points, and that is that the legislature embarked upon a process – process last year of tax reform. They had a Special Council on Tax Reform and Fairness that met throughout the year, and then there was a committee that tried to take that and – and mold it into legislation with the idea that they would try to pass a tax reform bill. As a result of that, most efforts of addressing tax policy were caught up in that bigger picture, so a lot of things were put on hold under the auspices of let’s wait and see what the Tax Reform Council does. Franchise fee collection was one of those things. Our County Commission Chairman addressed that special council when they came to Savannah. We wrote a letter that the – the Chairman signed both before that address and later in the process asking that when they do the tax reform that they address this – this inequity. And – but they did not pass a bill this year, so franchise fee collection was not addressed. There was a part of the bill that was – almost made it passed the finish line that was called a Communication Fare Tax or Communication Sales Tax that would – I don’t want to go into all the details here, but it would have given some more revenue to counties through a fee that would have applied to all of the telecom industry and cable and etcetera in place of the franchise fee program. Again it did not pass. I think it’s important to note that the Governor said that he may call for the legislature to take up the tax reform process at the – during the special session that’s being called this summer for reapportionment. So we should keep our – our pencils sharpened on that issue and see if we can’t be a part of – a part of that process. That was your number one priority and – and I have skimmed over it because it’s a very complex issue, but if you have questions, I’m happy to answer them.

Chairman Liakakis said, any questions? Well on that franchise fees to let all the Commissioners know, I think a few of you know. I did contact some other Commissioners from around the State, especially those that don’t have it. Some of those Commissioners, in fact, all of them that I’ve talked to personally, said that they thought – they weren’t the ones that were – of those six counties that the cities were getting those distribution funds, they thought that those monies

should go back to the county as opposed to being distributed to those six cities. Because what happens if our citizens don't know this, they are paying for their – in the utilities where they pay for their electricity and gas bills, they're collecting these fees from our County unincorporated citizens, and that money, instead of comes into our bank account, is being distributed to the seven cities in Chatham County, which is, you know, really taxation without representation, and that situation is just way out of line. Now what we had here last weekend is we had the – the ACCG which is the 159 counties' association for the State of Georgia that met here for their annual meeting as they have for many years in the past, and what happened, the Executive Director for the ACCG invited a number of the GMA, which is the Georgia Municipal Associations, their president, their vice president, and also the – Higdon – Jim Higdon, who is Executive Director for the Georgia Municipal Association. So, I talked to some of them, and hopefully that we can have a meeting with them. And that the Georgia Municipal Association since it's not something that is being distributed on a state-wide basis, they will not object to us for legislation. Hopefully, that when that bill is presented, if we can get it in there, that that money will come to Chatham County. 'Cause that will help our budget. In fact if we had those franchise fees, we wouldn't be in the situation that we've got right now where we've got a tight budget with our \$622 million budget that is before us now. So I just – I will stay with that and keep lobbying and hopefully that that will come up in the next legislative session, and, of course, we'll go from there.

Mr. Hughes said, and – and, Mr. Chairman, you've been very helpful in that process, and you and I have agreed that this really is our best chance that this be part – to be wrapped into the tax reform proposal. So. Moving on to the next agenda item. Number two was seek revisions to the Transportation Tax law. As you know the T-SPLOST referendums would come up soon under the law that passed last year that it was made very clear to everyone at the Capitol that they were not going to address those issues during this session, so there was no opportunity to pursue this agenda item this year.

Mr. Hughes said, number three was related to LOST and SPLOST. Again, that was caught up in the tax reform bigger process. I will tell you that there was – there's one bill that passed that I worked with County Attorney Hart on to – that had to do with if you had SPLOST revenue that had been collected for a project that was later deemed – and I want to give you the quote here, "impractical – impracticable, unserviceable, unrealistic, or no longer in the best interest of the citizens," it give – it provides the ability to refund that through a rollback. That did pass but it has not yet been signed by the – by the Governor.

Mr. Hughes said, the next item was request reimbursement rate for prisoners in County Detention Center to cover the actual cost of housing inmates. That's been a – an issue that's been on our agenda a number of years. With the legislature cutting \$1.5 billion out of the budget for the second year in a row, there was no appetite for something that would have cost the state money, so there was just no opportunity to pursue that. There was some I guess you could call it reform in that process and there are some bills that will give us some small measure of relief, and they're outlined in the – in the report I've provided for you.

Mr. Hughes said, the fifth one was support ACCG-initiated revisions to laws regulating disposable cell phones. Commissioner Stone brought this to our attention through some work she did with ACCG. There are three bills that were proposed, all of which were supported by the counties, two of which passed. It used to be that if you bought disposable cell phones at a convenience store for instance you didn't pay a 911 fee. You didn't pay any money that would go towards the 911 system. With the passage of House Bill 256, now they will share in that burden. And that's – that will help fund local 911 offices. And also in addition to that, there's one that – that was also signed that provides for further ability of that 911 office to do additional things.

Commissioner Stone said, and –

Mr. Hughes said, so those were both wins for the County. Yes?

Commissioner Stone said, that will be collected at point of sale, and I think it's going to be roughly around eight to ten million dollars state-wide that will go back to the 911 centers. And so I certainly want to be on the lookout for that because I know we could use it for our 911 centers. But it was great that it – that it passed first time out.

Mr. Hughes said, the convenience store industry was opposed to that, but the – the counties were able to – working together were able to get that passed.

Commissioner Stone said, correct.

Mr. Hughes said, agenda item number six was to revise Coastal Marshlands Protection Act, to exempt political subdivisions in certain circumstances related to road and drainage improvements. We did not pass legislation on this this year, however, I did have a number of productive discussions with the new Commissioner of the Department of Natural Resources, who's from this part of the state who very much understood the situation as I explained it to him, and who was – I was very encouraged in those discussions that he wants his staff to work more closely with ours to help alleviate those problems. I would count that as a win frankly.

Mr. Hughes said, agenda item number seven, was passed when the Commission passed a Resolution unanimously supporting it, and it was to give the voters of Chatham County the opportunity to decide whether or not the Chairman of the County Commission could run for a third term, and that was passed. That local – the local delegation did pass that.

Mr. Hughes said, there was some other legislation that passed that I think is relevant to the County. House Bill 92 reduced the duration of early voting. Prior to the passage of this Bill, early voting lasted for 45 days, and they reduced that to 21 days. That brings it into compliance with several other states in the country. That seems to be the model that works the best. It does include one Saturday. I think it reduces the cost but it doesn't reduce the effectiveness of it. Again supported by ACCG and – and – and by us, Chatham County. It's not been signed by the Governor yet, but there's not a veto expected. House Bill 158 was change the dates for non-partisan judicial elections, and that passed. House Bill 238 restructured the Georgia Public Defender's Standards Council, and Michael Edwards from Savannah was at the Capitol during some of that debate, and I helped him through that process. House Bill 322 was – there was some language added to that that would allow for unidentifiable local sales taxes that have been collected to be redistributed by the – the Department of Revenue – the Georgia Department of Revenue. That has been going on for some time but the law that – that allowed for sums that had at the end of this year unless it was addressed by legislation. So that it helpful. It does redistribute some revenue throughout the state of which some of that we get here in Chatham County. That was a win for the County. Senate Bill 10 establishes a process by which local governments can hold referendums on Sunday alcohol sales. If the Board of Commissioners chose to pass a referendum on that, it could be on a county-wide ballot as early as November of – of this year, and the Governor has signed that bill. Some local municipalities have already done – taken that action.

Mr. Hughes said, there's a resolution by house – by Representative Craig Gordon and the other members of the Chatham County House delegation to set up a committee to discuss the proposal to truck LNG through the community, and that resolution originally was very narrow in scope. It was broadened in scope to include an appointee from Chatham County and for them to meet once a month through the rest of the calendar year. It's also relevant I think that I mentioned it before that there was a \$1.5 billion cut to the budget this year. There was money in the budget for the Savannah Harbor deepening project as recommended by the Georgia Ports Authority and was supported by the – by this – this Board of Commissioners through a Resolution before the session.

Mr. Hughes said, I ran through that pretty quickly and I'm happy to answer any questions. We do expect – there will be a legislative session in August for reapportionment, and we don't know yet what that will include, what the Governor's call will include. It could include tax reform, in which case, as discussed earlier, we will have something to work with.

Chairman Liakakis said, and the new incoming president of the Georgia Municipal Association's a personal friend of mine, and they will be meeting here next month. They'll have their annual meeting where the City Council people from all over the State of Georgia – a good many of them will be in our County – our County and City, and I will be talking to the new president and talk to him about these franchise fees and see if we can work it together so that it'll be fair for Chatham County and our residents. Okay. Helen?

Commissioner Stone said, just one real quick question. The changes in the legislation for the Public Defender. Is that going to have a negative affect on us?

Mr. Hughes said, I would defer to Michael Edwards on that.

County Attorney Jonathan Hart said, I – I really don't know. I've got a meeting next week with Michael Edwards to talk about what we need to do.

Commissioner Stone said, okay. I'm just a little bit concerned about that one. The legislation was vague, and I wasn't sure what that impact would be for the citizens of Chatham County.

Commissioner Kicklighter said, and I –

Chairman Liakakis said, yeah?

Commissioner Kicklighter said, if I may? I'm sorry, are you finished?

Commissioner Stone said, I'm – I'm finished. Thank you.

Commissioner Kicklighter said, I just want to thank you again. We send you year after year to Atlanta with the task of – most of our main objectives is to change State – change laws and – and policies of the State of Georgia that are state-wide policies with state-wide impact. I think we charge you to do a duty of possibly what the ACCG or the County Commissioners of Georgia should be paying you because your job has been state-wide changes, and I feel for you man. We've given you a task that's tough every year, and my hope is that on top of all the state-wide changes when next year rolls around that we can, you know, give you some requests, I guess, out there that will have local impact and not state-wide impact and maybe we can actually pull through on a little more of them there. But thank you for all your work. And it's – it's a tough task we give you. So I just wanted you to know we appreciate it.

Mr. Hughes said, thank you, Commissioner.

Commissioner Kicklighter said, thank you.

Chairman Liakakis said, thank you very much.

Mr. Hughes said, thank you.

AGENDA ITEM: IX-3
AGENDA DATE: May 13, 2011

TO: County Manager Russ Abolt and the Board of Commissioner

FR: Lee Hughes

CC: Michael Kaigler and Pat Monahan

RE: Updated Report on Legislative Activity

The 2011 Georgia General Assembly adjourned sine die at 11:40 P.M. on Thursday, April 14, 2011. Following is a report on legislation and activities at the State Capital that is relevant to Chatham County:

2011 Legislative Priorities

- 1. Seek correction to franchise fee collection and distribution system so that County unincorporated districts receive franchise fee revenue**

Update: Because the legislature created a Special Council on Tax Reform and Fairness in 2010, legislative leaders have discouraged any kind of tax policy reform that was not directly recommended by the Tax Council. In spite of letters from the Chatham County Commission Chairman and his speaking appearance at one of their meetings, the Special Council on Tax Reform and Fairness did not make any recommendations about franchise fee reform. There was however a proposal for what was called the Communication Service Tax as part of the tax reform package. Based on the support by ACCG of the proposal and after conferring with Chatham County staff we took a position of support for this part of the tax reform package because it would have established a more dependable and slightly larger revenue stream than the current franchise fee system. The tax reform bill was very high-profile and controversial. On the 38th legislative day the House Leadership decided to shelve the legislation. The Communication Service Tax was

supported by ACCG, GMA and the telecom industry and cable television. It may resurface in a future legislative session as it represents new revenue for the state. Governor Deal has indicated that he may call for tax reform to be reconsidered during the special session this August.

2. See revisions to Transportation Tax law to improve odds for passage in local region to ensure that Chatham County will benefit appropriately.

Update: In the weeks and months leading up to the session the Chairmen of the Senate and House Transportation Committees as well as the Georgia DOT Commissioner stated publicly and assured me directly in private conversations that the transportation funding law that was created by legislation last year would not be addressed in 2011 and they held to that position.

3. Change law to provide that unincorporated are qualifies for LOST and SPLOST revenue just as any municipality does

Update: The legislature created a Special Council on Tax Reform and Fairness in 2010 and legislative leaders have discouraged any kind of tax policy reform that was not directly recommended by the Tax Council. There were proposals about other potential changes to the way LOSTs and SPLOSTs are managed. One of those bills, HB 240 passed so that county commissions or city councils are now allowed to determine if one of their previously approved special purpose local option sales tax (SPLOST) projects has become infeasible because it is impracticable, unserviceable, unrealistic or no longer in the best interest of the citizens. If a resolution is passed by the governing authority determining infeasibility, the project could be abandoned if approved by the voters in a referendum. The money set aside for those projects could then be used to reduce general obligation debt and/or ad valorem taxes. As of May 12, 2011, HB 240 has not yet been signed by the governor. Chatham County joined ACCG in support of HB 240.

4. Request reimbursement rate for prisoners in County Detention Center to cover the actual cost of housing inmates.

Update: There are legislative proposals related to the transfer of state and federal prisoners, and also about the provision of medical aid to prisoners (HB 197) but there is no discussion ongoing about adjusting the reimbursement rate for state prisoners held in County jails. Considering the additional 1.5 billion dollars cut from the budget, it was very unlikely that the State was going to adjust this arrangement in favor of the counties for this year. There is some good news in the passage of House Bill 97 that limits the emergency care services in jails to Medicaid rates. Another measure, House Bill 503 may provide some savings for the county because it requires costs for medical examinations for victims of sexual assault to be paid from the Georgia Crime Victim's Emergency Fund rather than by county law enforcement. It was signed into law May 3, 2011.

5. Support ACCG-initiated revisions to laws regulating disposable cell phones

Update: House Judiciary Chairman Wendell Willard sponsored legislation requiring point of purchase fees to support the 911 system (HB 256). The convenience stores opposed it, but the cellular phone companies support it along with the ACCG, and it passed on the final day. The Governor has not yet signed HB 256. Another bill (HB 280) that passed will allow expanded use of funds collected as 911 fees. It was signed into law May 5, 2011. A third bill (HB 304) would have established additional regulations for disposable cell phones, but it did not pass.

6. Revise Coastal Marshlands Protection Act to exempt political subdivisions in certain circumstances related to road and drainage improvements

Update: The new Commissioner of DNR, Mark Williams of Jesup, indicated that he would try to help us with this issue but has said that he will not support related legislation. He has indicated that he has instructed his staff to work with Chatham County officials to work toward other, non-legislative solutions. Commissioner Williams has strongly encouraged us to seek assistance and support from his local staff.

7. Seek third term for Chair of the County Commission

Update: The local delegation ultimately agreed to address this issue by passing a local bill calling for a local referendum. As of 2 P.M. May 12, 2011, it has not yet been signed by Governor Deal.

Other legislation that passed the legislature and awaits final approval by the governor includes:

House Bill 92, reducing the duration of early voting from 45 days to 21 days. As of 2 P.M. May 12, 2011, it has not yet been signed by Governor Deal.

House Bill 158 changing dates for nonpartisan, judicial elections. As of 2 P.M. May 12, 2011, it has not yet been signed by Governor Deal.

House Bill 238, restructuring the Georgia Public Defender Standards Council. HB 238 was signed by the Governor May 3, 2011.

House Bill 322, re-authorizing the distribution of unidentifiable local sales tax proceeds by the Department of Revenue. ACCG had to amend this language to a bill originally developed to create a tax exemption for jet fuel used by Delta Airlines and Chatham County actively supported those efforts. HB 322 was signed by the Governor April 27, 2011.

Senate Bill 10, establishing a process by which local governments can hold referendums on Sunday package sales. If the Board of Commissioners so chooses, this could be on a countywide ballot as soon as November of 2011. SB 10 was signed by the Governor April 28, 2011.

House Resolution 615 was introduced by Representative Craig Gordon and signed by the other 5 house members from Chatham County. The resolution urges the creation of a local study committee to discuss the proposal to truck LNG through the community. The resolution originally did not reference Chatham County in any way, but at my request Representative Gordon agreed to reference Chatham County throughout the resolution, including language resulting in an official from Chatham County being added to the list of people on the committee. If the committee is formed it will meet once a month for the rest of the year. The bill passed the House and does not need the Governor to sign it, but it is non-binding resolution.

The budget for fiscal year 2011-2012 will be \$18.2 billion barring any line-item vetoes by the governor. This budget represents a 13.6 percent reduction from the 2009 budget, and the bond package is more than 100 million dollars less than the bond package of 2010 and 2011. Among the budget's bond projects is \$32 million for the Savannah Harbor Deepening Project as recommended by the Georgia Ports Authority and supported by the Chatham County Board of Commissioners by resolution.

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4. BOARD CONSIDERATION OF TRADE CENTER CONVENTION HOTEL (pending Trade Center Authority's Review).

Chairman Liakakis said, okay, next item, Board consideration of Trade Center Convention Hotel pending Trade Center Authority's review. And what I'm going to do first on this 'cause we don't want a four or five hour, you know, discussion on it, and what we're going to do this morning, we'll have County Commissioner Patrick Shay speak, then we'll have our Assistant County Manager Patrick Monahan speak, and then the developers and other people in the audience 'cause that's really important. We want to hear from people in the audience on this. We will not be voting on this today, but what we will be doing after we hear all this, since the – a number of our legislators were concerned about this particular issue, what we will be doing, the County Commission will then be meeting with the developers. Will be meeting with the Trade Authority people, so that we'll have additional information for the two senators, the six house members and all of that 'cause it's important that we meet on that particular subject. And like I said before, this will just be discussion because we want people to know that – that the County is not putting this off and delaying it. We're trying to move forward with it. Dean?

Commissioner Kicklighter said, Mr. Chairman, since we know that we're not voting today and this is for information purposes, could – although I love to hear Commissioner Shay speak, as well as he likes to hear me, I'm sure, could we keep it just mainly the people in the audience that – that maybe wants to speak. Because we know that we have a lot of new information that we want to digest? Or that –

Commissioner Shay said, I'll – I'll be very brief.

Commissioner Kicklighter said, that's fine. That's – I mean Pat, the Assistant County Manager. I don't – I don't need to hear a presentation right now if we're still not going to do anything.

Chairman Liakakis said, go ahead.

Commissioner Gellatly said, brief is good.

Commissioner Odell said, yeah I'm gonna follow up on that, David. If we could get an idea of in the audience the number of people who'd like to speak just by a show of hands. And if – I agree. I – I really don't think it's appropriate at this time for us to listen to a 30-minute presentation. That – that is not going to be something that I think that we will be able to digest. If there are written documents, if those could be referred to and distributed, that – that would probably be helpful. And I would really like to see us to limit the speakers to five, tops ten minutes at a time. And everyone says, woo, that's so difficult. Well Court of Appeals, we just saw the City of Savannah on their \$17 million case that went to the Court of the Appeals and oral arguments, as Rusty can tell you, you have an option of five or ten minutes. So the amount of time that I'm suggesting doesn't diminish the value of the speech, and I'd like to see us limit it to five minutes per person, and to eliminate it where possible any redundancy. You know, if – if you cannot tell us the same thing ten times, that would be appreciated and helpful.

Chairman Liakakis said, okay. First, Patrick Shay.

Commissioner Shay said, Mr. Chairman I'll – I'll be brief as I can. I guess I'm leading off because I am the vice-Chairman of the Georgia International and Maritime Trade Center Authority and therefore bring forward the Resolution. A real brief history. The purchase of Parcel 7 occurred ten years ago when Chatham County was afforded the opportunity by the State of Georgia to purchase that – that land. From that moment the idea of developing an expansion of the Trade Center campus has been continually moving forward. There was a – a very rigorous process to develop a master plan using a very public process including several shurats and a great many public meetings that began about five years ago to decide how Parcel 7 ought to be subdivided in the future and – and developed. One of the most prominent sites on that parcel was for a headquarters/convention hotel, but there are other development opportunities, many other development opportunities, that are also available to us on Parcel 7. The Georgia International Maritime Trade Center Authority resolved to pursue the headquarters hotel project actively about three years ago and engaged a series of consultants to help us to figure out how to approach capital markets and eventually developers and operators. That process culminated with the issuance of developer RFPs almost one year ago. That – that triggered a very rigorous process of evaluating multiple proposals from five different developers for the opportunity to bring forward a proposal for the actual development. The selection of the preferred developer occurred in December. That process was voted on unanimously by the Trade Center Authority, and the preferred developer is called Hutchinson Hotel Holdings, who's managing member is Journeymen Austin Development. And then it was culminated I guess to some extent yesterday, or not yesterday, Wednesday, with a Resolution from the Trade Center Authority to the County. The full body of the Resolution is included in your staff report. I'm not going to read the entire thing, but I do want to read into the record the – the "now therefore be it resolved by the Authority as follows: The Authority recognizes the desirability of having the Convention Hotel developed and constructed adjacent to the Authority's trade center facilities, and suggests consideration of the approval of the issuance of publicly supported revenue bonds in the principal amount not exceeding that which reasonably can be paid from any and all special revenue sources, other than hotel income, identified and available therefor, after the funding of reasonable reserves therefor and subject to reasonable debt service coverage requirements, the payment of which would be guaranteed

by Chatham County pursuant to an intergovernmental contract to be entered into between the Chatham County and the issuer of such revenue bonds.”

Commissioner Shay said, and it was adopted on May 11th. The word “suggests” was something that was talked about at great length in that meeting. The Authority wanted to make sure the Commissioners understand that they know that it is up to this body to decide what the amount of risk is that the County Commissioners and other participating entities are willing to participate in. I’d like to ask the – the – the other – my fellow County Commissioners here to please take time to hear through the complexities of this entire proposal, not just the financing, but the – the entire proposal from our Assistant County Manager Pat Monahan. Pat was the program manager for the design and construction of the Trade Center itself. There’s nobody on earth that has more experience in the complexity and the success of a public/private partnership that resulted in the development of the facility that’s on Hutchinson Island. He also acted as the facilitator of the negotiations of multiple incentives and the actual development agreement that made the Westin Hotel on Hutchinson Island possible. So he has a great deal of both specific and general experience in exactly this kind of an endeavor. But more importantly, he’s an unbiased agent for the County Commission and the County citizens. He doesn’t have a financial stake one way or another in the outcome. He represents and advocates for us. So it’s complex but it’s also something that can be explained, and I would encourage each of you Commissioners to take time and go through the entire project with Pat Monahan. He is an outstanding resource to all of us, and he has put a lot of time and effort and talent into listening to all of the advocates on both sides of this question and helped to boil that down into the staff report that he’s about to give. But there’s a lot more depth that you can gain from listening to Pat Monahan.

Chairman Liakakis said, okay. Pat?

Assistant County Manager Pat Monahan said, thank you, Mr. Chairman, Commissioners. I’ll be brief. Very brief. Probably no more than five minutes. In case I ever get called before the Court of Appeals I’ll be in full practice. I just want to address three points and place this into the framework of the public/private partnership that it has become. Because we keep hearing about these three items and I just want the Commission as we further deliberate this subject to have a – a full understanding of it. Let me address the first of these and that – that are the public incentives. Local governments offer public incentives to encourage private investment. These come in many forms. Property tax abatements, the ones we don’t like to hear about, but also credits and refunds and even the use of the incremental revenue generated by a new project. These are not uncommon. I will remind this Board that approximately two to three months ago Savannah Economic Development Authority came before this Board and – and on behalf of a major business in Chatham County wanted to expand to create 1,000 new jobs but as a condition to that, it required the cooperation of three governments – three local governments, and particularly, a favorable land lease; lease of public land, improvements to that public land, roadway improvements totaling \$6 million, and property tax abatements that are an average of \$5 million a year for ten years. Fifty million dollars worth of property tax abatements. The County Commission held a public hearing. Not one person appeared. Not one person said one thing, and it passed unanimously. City Council did the same. Airport Commission did the same. That project was the Gulfstream expansion. So there’s an example where we used public incentive to encourage our – probably our – our major – well definitely our major employer, but a major corporate citizen as well that not only contributes in other ways to the community as the largest employer, a very high wage paying employer, but also as a corporate citizen, because it happens to be the largest contributor of the United Way. So it’s – so – the other incentives that are available, if you take a look at Savannah River Landing and the East Downtown Savannah Tax Allocation district, the same incentives that are available for this convention hotel, would be available for a conference hotel at Savannah River Landing. There – it’s exactly the same. In fact a number of the hotels along Bay Street and MLK could have taken advantage of the State’s Job Tax Credit, one of the credits that we looked at for this project. But I don’t know whether they applied or not, but that is a credit that’s available to all of them. Most of the credits that we’re talking about here are actually credits on – from the State of Georgia, approved and authorized by the State of Georgia and are not necessarily local.

Mr. Monahan said, the second I want to address and I know a lot of hoteliers are here but it’s this – the – the notion of unfair competition because – and I hear what they’re saying that it’s not fair that we’re leveraging public dollars to construct – design and construct, operate a hotel which will compete against them. I – I learned something at the Trade Center workshop, and I read it but I really didn’t understand it. And that is this notion of unaccommodated demand. If you take a look at the occupation of hotels in Savannah, and you take a look at that period Saturday – in March, April, May, three of the busiest months, and you take a look at that period, which is Friday, Saturday, and even into Sunday, during those three months, the occupancy rates in area hotels exceeds more than 90%. Now if you take a look at that – those same hotels in the period Monday, Tuesday, Wednesday, Thursday, the occupancy drops to around 60%. Now you remember we went to Pennyworth Island a couple weeks ago, and we happened to bump into the cardiovascular/anesthesiology convention, they came in – they actually set up, but those who came in came in Monday, Tuesday, Wednesday. They’re not competing. All of you go to ACCG. When does ACCG start? Well there’s the weekend activities for the certification, but most of the people come in with the opening ceremonies Sunday – Sunday, Monday, Tuesday. So we’re not talking – we’re talking about the filling in that – that – increasing the entire community so that the occupancy rates increase for everyone during those periods.

Mr. Monahan said, the third one, and this is the one I want to focus on most – most, and that is the public safeguards. You know, I’m not a hotel expert. You know, other than my work on the – the Westin deal, I’ve never worked on another hotel. I’m not a hotel expert. I will tell you that. You know, when I hear the need for a 500-room hotel, you know, I have to listen to Joe Marinelli talk about that. If I hear the – on the proformers, yes I can read the proformers but despite what everybody thinks, the proformer’s not based on the independent analysis by HVS, it was actually done by Hilton Hotel. Hilton Hotel, which is a private – a private group which invests, looked at this project independently with their own group, their own – and – and decided that – that yes it is – it is a worthwhile investment and it does cash flow. That’s not the HVS study. That’s Hilton Hotel. Now, I’ll admit Hilton Hotel is the operator not the owner. Hilton Hotel will get an operating agreement which is probably worth somewhere in the area of \$3 million a year. So if they’re putting in, you know, a minimum of \$15 million investment, you know, that’s the way Hilton thinks about it. So there – there is some bias there, I’m not saying there’s not. But my job is to focus on the risk mitigation and how it affects this County and – and this Board. There are two ways we can take a look at the risk mitigation, and that’s the value of the dollar from the public incentives that we use to protect any County obligation. The second way is how those dollars are used and distributed. One of the things I thought that when Dick Layton, whose the consultant to the Trade Center Authority made his presentation, one of the – and I’m not saying he misrepresented it, maybe he didn’t read it correctly, but he definitely miscommunicated to the Trade Center Authority about the use of the – the public incentives and the tax increment dollars as well. Those go into a restricted fund that protect the county first before the developer – excuse me before the owner/operator can take advantage of them. So it – it goes into the county’s protection before it goes into – for private use. And – and I think that – I think that’s important.

Commissioner Kicklighter said, the way it’s worded in the staff report is different than what you’re saying, though, Pat.

Mr. Monahan asked, what's it say in the staff report?

Commissioner Kicklighter said, look on page two of the staff report. Page two, number – well it basically says excess funds from – from the sources will be required to be placed in a debt service reserve account.

Mr. Monahan said, correct.

Commissioner Kicklighter said, the word excess – does that mean that the front part –

Mr. Monahan said, this the – no –

Commissioner Kicklighter asked, they'd spend?

Mr. Monahan said, it – no, no, no. It goes into – into an account in which the – the – which protects the county first.

Commissioner Kicklighter said, okay. Well that – the wording needs to be looked at on page two –

Mr. Monahan said, well –

Commissioner Kicklighter said, and changed.

Mr. Monahan said, okay.

Commissioner Kicklighter said, 'cause that gives the direct appearance that – excess to me means the extra monies coming in. So that needs to be changed.

Mr. Monahan said, okay. That's a good point.

Commissioner Kicklighter said, okay. Sorry.

Mr. Monahan said, no, no, no, no. That's – that's – that's fine. The – the only thing I would say and I know Mr. Laydon's report is getting a lot of press. I – I found it a little bit troubling because I also participated on the same committee that he did as the technical review group for the – for the Trade Center Authority. We were appointed by the Trade Center Authority but none of the members of the technical review group – I shouldn't say none because two other members got the advantage of seeing that report two days in advance, because if I had gotten a chance to look at it, I would have made several comments. One is just to take a look at occupancy, and – and it's not just occupancy but the way he arrived at the occupancy. He used an – when I took statistics, he used a method called interpellation. What he did was he took the average of the three years and then applied it to – to a 500-room hotel as opposed to a 400-room hotel which he took the numbers from. So rather than taking, you know – a straight line average would have been 55%, he comes up with 51%. Now occupancy I will admit is probably the variable that – that changes the outcome of everything else more than anything else. But I would have also liked to see him take a look at the average daily rates and how the average daily rates affect. Now I know they're not going to have the drastic change occupancy will, but the average daily rates will have an affect. The more accepted way of looking at it would have been the rev. par. And that's the revenue per available room, which is a combination of occupancy and the average daily rate. We didn't see that. And the other thing is, I was hoping Mr. Laydon would be here today, because I would ask him this question; he serves as the financial advisor for the City of Savannah. The City of Savannah was looking at the Tax Allocation District, basically created from the new revenue growth of the – of Savannah River Landing. Did he do a risk analysis for that, on that for the City of Savannah? The City of Savannah issued 20.8 – \$20.5 million worth of bonds so far, plans to issue up to 60 and didn't take a look at the risk of issuing bonds during this time in which properties are declining – property values are declining? I – I mean that's – I just find that a little bit incredible. But I'll have to ask him that question. So any questions?

Chairman Liakakis said, okay. Thank you, Pat.

Mr. Monahan said, yes, sir.

Commissioner Odell said, yes, that is really good.

Mr. Monahan said, was that five minutes?

Commissioner Odell said, you may not – it was a little bit over. You may not be an expert but you have always – any assignment that we've given you come up to speed real quick, and I appreciate your effort.

Mr. Monahan said, thank you.

Commissioner Kicklighter said, me too, Pat.

County Manager Abolt said, for what it's worth ladies and gentlemen, I consider him an expert.

Commissioner Odell said, oh, he is.

County Manager Abolt said, he's – he's lived this project for 15 years.

Chairman Liakakis said, next we'll have comments from a developer.

Commissioner Kicklighter said, a developer?

Bob Swerdling of Swerdling and Associates said, I'll slip on my jacket and go directly to finance which I think is where the interest lies. Thank you again for the opportunity to come before you. I'd like to report that the activity in the investment community that all employ independent financial experts for the underwriting of their dollars going into this project are responding very favorably to this project, and we believe that we will be able to deliver a financing package to you shortly. When we were first hired – I'd like to recount a quick story of being told by the Authority that since there was going to be a significant amount of private equity coming into this transaction that the Authority would allow the private market to evaluate how the hotel will operate and the likelihood that they'll get paid back .

Commissioner Kicklighter asked, I'm sorry, did you introduce yourself?

Mr. Swerdling asked, I'm sorry?

Commissioner Kicklighter asked, did you introduce yourself? I – I –

Mr. Swerdling said, I'm sorry. I didn't. It's Bob Swerdling of Swerdling and Associates.

Commissioner Kicklighter said, okay. Thank you.

Mr. Swerdling said, I'm an advisor to the – to the development group and to the county.

Commissioner Kicklighter said, thank you.

Mr. Swerdling said, with that said, I'm pleased again to tell you that the market's reaction has been very favorable so far. The – the financing structure to give a quick review for convention center hotel that will provide the room block which will give the community control, so that the community can bring in groups two years and out. That – that is – the funding that we – that we've been able to – to put together and we hope to be able to present very shortly, will have the private sector paying for the entire hotel. All that's being asked of the community is some credit enhancement. The community will be paid for that credit enhancement. And, you know, the – you know, I've been asked to keep this short, most importantly I want you to know that we – we – we will be coming forward with a financing package. It will include over \$25 million of private money. As Pat mentioned, we've had from the hotel corporations offers as high as \$15 million to be invested in this hotel after the county's portion is paid back. So they're below the County in priority. And I'd like to correct one – one fact, and that is that that \$15 million is being invested for about \$1 million in management fee per year. So it's – it's quite an investment for them to be making with – with teams of their own feasibility people looking to see whether or not that investment is a good one for them. Are there any questions?

Chairman Liakakis asked, any questions?

Commissioner Kicklighter said, I have one question.

Chairman Liakakis said, go ahead.

Commissioner Kicklighter asked, did you say \$25 million in private investment?

Mr. Swerdling said, yes.

Commissioner Kicklighter said, the private project states at least 80 million in private investments, the report.

Mr. Swerdling says, well, there's a difference between equity and – and mortgage. If you include the mortgage it will be around \$80 million.

Commissioner Kicklighter said, 80 million total.

Mr. Swerdling said, the – the – the \$25 million portion that I pointed to is that portion that gets paid after the county. So that's \$25 million in endorsement for the – for the performers that are (inaudible).

Commissioner Kicklighter said, thank you.

Chairman Liakakis said, okay. Thank you very much. Next I'll call on others in there – Rusty? Would you come forth, identify yourself, and give your presentation? And then what I'm going to do. I'm going to call next on Mike Walters who came here before. We didn't have a regular open meeting on that subject but it's important that Mike speak today right after you do, Rusty. And then I'll ask other people in the audience also. Go ahead, Rusty.

Rusty Ross said, Mr. Chairman, Commissioners. My name is Rusty Ross for the record, and I represent a number of the hotels in Savannah who are going to be hurt if this project is built. Why they're opposed to this project is one very simple reason, unfair competition posed by our government subsidized facility. This is not business as usual for this county government in spite of what's being said. We're not talking about infrastructure development, we're talking about a county investing in a hotel that will be the largest ever built in Savannah that would directly compete with the other hotels. The hoteliers have not come together to oppose the construction of a competitor, that has never happened here in this community. The only reason they've come together to oppose this competitor is that – is to keep government out of their business. They're tax payers and do not deserve this sort of competition. This is not using public money to support Gulfstream or even using public money to build roads or river walks or utilities. Of course Hutchinson Island infrastructure has already been done, and that's been done on Hutchinson Island to the tune of over \$140 million of government money. Right now as we speak \$12 million of government money is being spent to basically make the hotel site and other parts of the Parcel 7 and Slip 3 shovel ready for development. You're already putting it in. We're here today to talk about an additional 50 million county subsidy to a financially questionable competing hotel. Although characterized as many – as merely additional infrastructure, please don't be fooled, the county is going into the hotel business. Not just going into the hotel business in competition with other tax payers but risking tax payer money. They're going in – you are going in if you do this as a junior partner. At best as a subordinated or second mortgage holder. I would respectfully suggest the County Commission needs to know all the facts and think long and hard before they provide any subsidy or make any investment in the hotel industry, particularly with tax payers money.

Mr. Ross said, at the Trade Center Authority meeting earlier this week, the Authority received an analysis of the financial plan presented by the developer which was – which is a newly formed corporation by the way, with questionable or at least unproven financial capabilities, and they're going to be the ones at risk for building this thing. The analysis provided by Dick Laydon of Robert W. Baird and Company pointed out the inherent risk and volatile nature of the hotel business. Each of you have or will receive a copy of this report. You should study it and have the opportunity to ask questions of the developer and Mr. Laydon. I think you said y'all were going to do that. In fact, a workshop has been requested by several people, and it sounds like y'all are planning to do that. I would recommend by the way that you have the hoteliers there and meet with them because they have a position in this as well.

Mr. Ross said, a few other points and I'll be away from the podium. Ten hotels in this community have failed, been foreclosed, gone into bankruptcy or receivership over the past several years. I understand that several others are on the edge. To introduce a new 500-room hotel in this market at this time would be irresponsible and potentially a financial disaster for these other hotels. The proposed hotel is simply not financially feasible at this time and in this place. As I said yesterday, the ultimate decision maker, the equity markets, and the lenders have said no to this

project. The only way a convention hotel of 500 rooms gets built is with extraordinary government intervention. Again, we're not talking about building roads, river walks or utilities, we're talking about investing in the hotel itself. Even the most optimistic feasibility study conducted by HVS indicates that new hotel would take away current business from the other hotels in town. I think the number was between 30 and 35,000. Thirty to 33,000 hotel room nights a year. Now it said this was only going to be temporary. But what if the existing hotels can't survive this reduction? HVS currently – or says in its study that at times of low demand for meeting rooms, it will be difficult for this new hotel to capture leisure and business travel due to inferior location. Again, this was a best case scenario that HVS – HVS proposed. What if the best case doesn't pan out? The HVS representative stated at the Trade Center workshop that not having a hotel was only one of three problems with the – with the Trade – with the Trade Center being able to get to that next level which seems to be what we all want to do. The biggest problem is air lift. We don't have enough plane flights in this town, followed by being on the other side of the river. That's a problem. The third problem is not having a convention hotel.

Mr. Ross said, now there's a lot of talk about jobs. And let's say that – you know, I – certainly this thing is going to produce some temporary stimulus-type construction jobs during the construction phase. The new hotel's going to hire people after it gets built, but what if the occupancy at the other hotels goes down? People will lose their jobs. Depending on whose feasibility study you believe, there may be little if any real permanent job growth from building this government subsidized hotel. How much convention demand is really out there? According to CVP – the CVB, Convention and Visitors Bureau, Savannah lost around 46,000 room nights due to not having a convention hotel next to the convention center over a four-year period of time; 46,000 a year. That sounds like a lot, but with a 500-room hotel, that's 182,500 rooms nights a year. Just to use up this – or to – if we got every one of those 46,000 rooms that we lost, it'd be a 24% occupancy. HVS is suggesting a 61 to 64% occupancy. That's if – if it's just 24% occupancy, that's 125 rooms out of 500. To get to the HVS study level of 61%, that's 305 rooms. Where you going to get those other 180 room nights each night of each day of the year from? I don't know.

Mr. Ross said, developers are now counting on having this new state-authorized sales tax refund. The author of the bill has issued a press release saying he never intended to use this to build a project that would compete against other businesses. He has reiterated this to me and questions whether the government has the complete discretion, whether he would award it.

Commissioner Kicklighter asked, Rusty?

Mr. Ross said, yes.

Commissioner Kicklighter said, in fairness to the County staff, they could get up and dispute – people could come up with numbers both ways, and I believe we have that in our packets, numbers showing both things. Could you kind of wrap it up? Because they could dispute – this could go – this is the part I was talking about –

Mr. Ross said, I have two more points.

Commissioner Kicklighter said, – could go back and forth all day long, and we're going to decide that in a workshop. So in fairness to them, let's be –

Mr. Ross said, well I agree with that, but as I said, right now, the workshop's only going to include –

Commissioner Kicklighter said, well we have the written stuff. Well we have everybody's written information, and, you know, we will go through all of that. So in fairness to them, if you'll –

Mr. Ross said, well, I was on the last couple of points.

Commissioner Kicklighter said, okay.

Mr. Ross said, okay. What happens if the hotel doesn't meet its projections or fails? Well the county's in an inferior position. They are not in first position. The \$50 million that the county is going to invest is going to be subordinated to the rest of the debt. The first lender's got a 43% loan to value. So what happens if it doesn't pan out? What's the business going to do? They're going to cut their rates. They're going to do everything they can to put people in those rooms, and that's where it starts hurting the other hotels. So in conclusion, all I'm suggesting is be very, very careful in making investments in businesses that you don't know anything about, particularly a business like this that is this volatile. Hoteliers – hoteliers in this town stand opposed to the county getting into the hotel business and certainly in this unfair nature by putting up the subsidy. Thank you.

Commissioner Odell said, Rusty, before you go. May I ask you just a question?

Mr. Ross said, certainly.

Commissioner Odell said, and just to make a couple statements too. Really, you've done a really thorough job on this, and I've gotten your emails and information, and I sincerely appreciate it, and I – I hope that your clients appreciate the substantial amount of work that you've done on this. It's really at a high quality, and it's – it's – to me it's good because on both sides we have really intelligent people who are able to present clearly their position, and I appreciate your doing that.

Mr. Ross said, thank you. I appreciate that. That's all we're trying to do is present both sides.

Commissioner Odell said, that's always helpful. I – I thank you for that.

Mr. Ross said, my – my good friend, Senator Eric Johnson, always told me he loved to listen to the lobbyists and the other people that'd come into his office because he'd hear all the different views and he always figured he'd find out somewhere in the middle where the truth was. So.

Commissioner Odell said, but I thank you.

Mr. Ross said, thank you.

Commissioner Odell said, that's all I wanted to say.

Chairman Liakakis said, okay. Next I'd like Mike Walters who came up the last time, and you understand now Mike because we want you to speak out and give you the opportunity before we have others since you did come at the last meeting. So go ahead.

Mike Walters said, thank you, Mr. Chairman and members of the Commission. My name is Mike Walters. I live at 8 Pineside Lane, and let me disclose I don't have a dog in this hunt. I'm an interested citizen and a tax payer. I'm also a retired – a professional actuary, retired. I've sort of followed this issue for months now. I read the original report, and frankly my opinion is the basic premise for building this hotel has potentially some major flaws to it from the material published. The major thrust that I read was the impediment to having more clients for the Trade Center was the lack of a large hotel to accommodate national conventions. Now before I was president of the National Actuarial Organization, I was head of programs. We booked national conventions, and I knew we had – by policy rotated around the country and Savannah/Hilton Head has never made the cut because as mentioned before they don't have easy access to major cities around the country. To leave that out of the original report, my objection or observation was, that's a major flaw. Whoever was producing that report advising you left out, failed to disclose, a major element. Secondly, in the report itself lest anybody think this convention center now was a disaster and the motivation is to somehow recoup from this disaster, in the report itself, it shows the average number of convention days booked for the last five years, including the down side of the economy was 366 days per year. Now that's more than one a day, obviously you book smaller conventions. You don't have national conventions. IBM is not coming in here. You are fairly successful, so why would you take on this extra risk? That was a perception on my part. Objectively, let's take a look at this from an interested party, why would you want to take on all this extra risk, when essentially you're satisfying a basic need, a regional and state convention center that's fairly attractive. Savannah is a very attractive city. They've got – most of the action is on the other side of the river with fine hotels and fine restaurants. So why would you expand? What – also in the report was a statement that other cities have tried this, Austin, Nashville, Baltimore. What it failed to disclose was those cities are five – four to five times the size of this metropolitan area, so the risk to their annual budgets is far less than that of Chatham County. And also easy to Google and find out some information on those other cities. Baltimore's convention center/hotel built with public/private is – has a less than 50% occupancy rate. It's not succeeding. Other cities have looked at this. Portland, Oregon looked into doing this, and they deferred this because the economy is in the doldrums right now for major, major reasons. And to not acknowledge that it seems to be remiss. Los Angeles County as published in the Los Angeles Times is potentially going to declare bankruptcy in the next three years because of unfunded pension liabilities.

Mr. Walters said, I was also contacted by an attorney for the City of San Jose, California, as an actuary. They had some problems, unfunded pension liability. They also expanded their convention hotel – their convention center by \$110 million a few years ago, and they're having trouble paying that back, coupled with their unfunded pension liability. I mentioned to the lawyer on behalf of the public employees, by the way, they've been asked to take 10% pay cuts because of all these financial problems. I said, you know, Chatham County is thinking of expanding in that area. He said, they don't have a convention hotel? I said, no. They don't have a convention center? They do have a convention center. They're thinking of building using public funds and backing a hotel. He said, do you have an unfunded pension liability? Yeah. I investigated. I went downtown and looked at the books as an actuary, you probably have an unfunded pension liability of at least \$100 million. His reaction to that quote was in this environment that's crazy. Unquote. Coupled with that, and this was in my Op Ed article in the Savannah Morning News, I think, April 24th, we're in the context of a national crisis. You've seen what's going on in Congress. This is not make believe. We have a \$14 billion public debt, probably most of which to foreign countries. We have an unfunded pension and social security, Medicare and Medicaid liability, present value of over \$100 trillion. Yes, trillion. Seven times the public debt held are promises made by Congress to US citizens that require in the bank now \$100 trillion. Now that's absurd. We can't possibly pay it. That's why this animosity's going on in Congress. No one's willing to take on the fact that we've over promised everything. Now what's likely to happen with that? We'll probably find out in the next two years. Can they cut back on the promises? Probably not all of it. They're going to have to raise taxes. By the way, to pay for that in taxes, you'd have to raise the taxes, the federal tax in the United States at least 50%, maybe 60%. That's not going to happen; they're going to cut services. What should local municipalities do in cognizance of this? They should be aware of it. To me taking on this responsibility without being aware of what's going to transpire in the next two years on a national level is irresponsible. To take on the risk of extra debt and hoping that corporations are going to go back to normal, everyone knows corporations – they cut conventions right away. Discretionary spending. The whole notion of conventions as a means of communicating information may be antiquated. With current technology, the internet, streaming video, frankly to base your future on a 30-year mortgage on something that may be waning is probably not wise.

Mr. Walters said, now, let's take on the issue of the Trade Center. I went to the meeting yesterday. My take on the Trade Center was you had an independent financial consultant who stress-test the assumptions by the acknowledged developer who is by definition optimistic. He took an objective look. He's independent, and he said let's ratchet down those optimistic occupancy rates of 64 to 71% over the next five years and back it off to 50 to 55%. In that scenario, the only person who gets paid is the bank, the first lien holder gets paid. Chatham County guarantees, they don't get paid. Even if you put in all these extra taxes, rebates and so forth, Chatham County is still at risk. Hence, their quote Resolution which was sort of a suggestion that, I think, I don't have the wording in front of me, my notes show, you ought to consider getting more private investments so the risk to the county, if you consider all the realizable outside sources and tax refunds makes your risk zero. Now in his second scenario, he had the possibility of using that state refund of state sales taxes. From my understanding, and maybe someone else can comment on that, that was never intended to be used here and it's probably not realistic to count on that. So have – has private investment come back and said endorse this as a viable product? I went to the previous Commission meeting, and I heard the Resolution, let's go get private sources. I heard the Trade Center people say yesterday, that the original intent in looking at this was let's get the private sector with minimum government involvement in this – minimum government risk. What I saw Wednesday at the Trade Center was not minimal government control, it was minimal private capital investment. Hilton whether the number's 1 million or 3 million, if the Hilton Corporation is getting a – an annual stipend out of this by managing it; the other one is Starwood, I don't know what they promised Starwood, but I think you ought to take a look at the money on this frankly. Who stands to make the money on this? The developer stands to make millions in my view. I heard a question from Helen Stone who said how can you guarantee these costs? Well, it's obvious. He never responded. You guarantee the costs – anybody who's built a house, if you have a fixed cost, you build in contingency amounts. The expected values are X, you put in contingency. If you meet expected value, your profit comes from how you adhere to those expected costs. So there's huge profits built into this, and – so they make on it. The bank, who gets the first lien, if they're interest rate, I think you can probably cover the first 50 million, but it's after that that the risk is, and Hilton and whoever goes in on it, they need to pony up. My expectation after the last Resolution was you're going to get significant risk capital not the 50 million from the bank. That's an investment. They get it off the top. It's minimal risk. We need to see, and I think I met with some people on the Board. We need to see 60, 70 million in private capital, not with any promises of annual management fees. If you asked Hilton would you put up the 15 million if we gave the management of this to some other account, I guarantee you they would say – they would rethink that. You need to get real investment looked at and not somebody who's counting on cash flows from subsequent

management. Those are my comments. I may have gone over ten minutes. I'd be glad to answer questions. Thank you for your time.

Chairman Liakakis said, thank you, Walter –

Commissioner Shay said, thank you.

Chairman Liakakis said, – Mike.

Mr. Walters said, yes.

Chairman Liakakis said, thank you very much.

Commissioner Kicklighter said, Mr. Chairman?

Chairman Liakakis said, yes?

Commissioner Kicklighter said, in fairness to staff on hand, the reason I proposed it was because we are going to have – because we are going to have upcoming discussions and meetings. I – I didn't want a public debate to take place at this point. But now in fairness to the County staff has worked really hard, I feel terrible to limit their time to nothing. But, you know, like I said, the numbers, everybody can go back and forth, that's why I believe we're going to have a meeting coming up to try to figure out where that middle was and what it is. So, you know, and – and at the point, and I'll tell the people that's been speaking, at that point, I'm not leaning towards this being a project that I would support over there. So I'm not against you that's speaking against it, I'm against anyone going against what we've requested which is a speedy presentation so we can move into the meetings on it. So having said that, if – if y'all would respect the time restraints, we would appreciate it.

Chairman Liakakis said, okay, well, we should, you know, if we've got one of the other people who's representing somebody that'd like to come up and speak right now. And I want everybody to know and the general public to know this. This particular thing about having a convention hotel came to the County Commission from the Trade Center. This was not something that the County Commission – this was not a – a particular issue, a project that the County Commission came up with. The – the – the people have been talking over at the Trade Center about their – they needed more of the big conventions to come here to put a lot more money into the economy and all of that. But we've got a concern too. About our, you know, our present hotels and all of that. So what – at this point if somebody else would like to come and speak right now, otherwise, we'll call off this because what we're going to be doing is having a meeting with all of these entities as I mentioned so that the County Commissioners can ask all those questions, get all the information they need, and from there they can make a decision.

Jeanne Seaver said, I'd like to go on and speak.

Chairman Liakakis said, and let's hold it down –

Ms. Seaver said, I'll keep it short, I promise.

Chairman Liakakis said, – because we really have to got to end this thing, and we have to go into Executive Session. So we really need to stay on board.

Ms. Seaver said, all right. Commissioner – or Chairman Liakakis and all Commissioners, my name is Jeanne Seaver, and I do want to commend all the staff here that are – Chatham County staff and they have done a wonderful job. There's been a lot of patience and feedback. Mr. Monahan took the time to meet with some of us about some of our input, and we really, really, really appreciate that. The one thing that I just wanted to get up and say was there's a lot of people out there that are not in support of this convention hotel. There has not been a lot of public being able to express their opinion to the County Commission or – this – this is the first opportunity that we've been given, and we very much appreciate that opportunity. I wanted to – back on March 9th, I had submitted to you some petitions of people that are against it, and they're from all over the community. All over Chatham County. Everyone was hand delivered one on March 9th. It's 100 – 175 signatures against the convention hotel. Public dollars, let me make that straight. Public dollars used for the convention hotel. And additionally as the co-founder of the Savannah Tea Party, I have an additional 75 signatures of people that are against public dollars being used for the convention hotel. We're not against the convention hotel, just the public dollars used. The one thing that I have a question about that – I think and someone correct me if I'm wrong, the Westin was built with some of our tax dollars. Didn't we put some money into the Westin? And wasn't the Westin hotel also built to help support the convention center? Could somebody answer that question for me? And if so, from what I've heard, and – and I'm not – I don't – I don't know everything, I'm just a mere – a citizen coming up here and speaking. But what happens if the Westin goes down under. What if the Westin goes bankrupt when the convention center hotel –

Commissioner Kicklighter said, SCAD dorms. I'm just kidding.

Ms. Seaver said, I mean – I mean what happens to the Westin? I mean how – how are we going to handle that? And another thing that I – I was at the chamber meeting yesterday, and there was a statement made by the developers that had said that Ron Stephens – made a quote from Ron Stephens, and I'm not going to speak on Ron Stephens behalf because I think that y'all have had your communications with him. But it is clear 'cause I got on the phone right after I left that meeting. He specifically said – the developer said that Ron Stephens – this sales tax revenue incentive was exactly meant for building a convention hotel. Well, I got on the phone immediately after with Ron Stephens, and he told me that was not what he had said, and that he had just finished with a meeting with the Governor that said the Governor would never support building rooms and interfering with free enterprise in the State. So I really appreciate your time. I really appreciate your patience with me, and I just want you to know that anybody that I ever go up to to talk about this convention center are against it. They think our public dollars could be used more for public safety. Why not – let's give our police officers higher salaries. The Georgia Ports Authority, why not go ahead and give some funding to that. Give some support especially with all the jobs that it creates. So I just wanted to give my two cents, and I very much appreciate it. Like I said, I'm not an expert. I don't have any skin in the game. I'm not being paid anything. We've got the Savannah River Front that's a pile of dirt right now. We had tons of contracts with that, and they all pulled out and it crashed and burned, and how much of our dollars did we spend for that project? But I would – I would very much appreciate a comment from you, Mr. Chairman, on what – just what if the Westin went bankrupt because of this convention hotel? I mean, what – what would you have to say to the tax payers on that?

Chairman Liakakis said, Patrick, go ahead. You are familiar with that project.

Commissioner Shay said, it's a private – it's a private hotel. I mean, it's a hypothetical question, and I don't want to debate you on it. I do – I do want to thank you for your advocacy, and it's a good question. You know that will be factored into it, and you put a lot of time, effort and – and your own treasure, I guess into researching the issue. I want to make sure though that you understand that just because we haven't as Commissioners heard testimony in a public meeting on television that we haven't been hearing from the public. I – I – I can't speak for my fellow Commissioners but I can assure you I've been getting an earful. So I've been hearing from the public quite a bit, and – and I'm going to consider all of it, and then I'm going to do what I was elected to do, which is make up my mind and vote. But I appreciate you taking time.

Chairman Liakakis said, thank you very much for coming up. We'll have one more person and that's it, and you have to make it very brief because we have to move on with this. We have to get something into the Executive Session.

Brett Hume said, I understand. Thank you, Mr. Commissioner, Chairman, Board members. Government doesn't create jobs.

Chairman Liakakis said, identify yourself.

Mr. Hume said, Brett Hume. I'm sorry. In fact the only growth in government comes from the demand side of the equation in consumption. But you can create an environment to create jobs for private as you did with Gulfstream, as the most recent example referred to earlier. This project now reduced to 50 million of the county's liability, this isn't any front money. There's no expenditure. There's no funding. This is a backing of government bonds. When the federal government backed the bonds up at Plant Volvo for the nuclear power, nobody said the government was in the energy business. So let's be fair and look at facts, okay? Nobody said the government – the county locally is in the jet liner business when they did Gulfstream or in the resort business when you developed Hutchinson Island. So let's call this as what it is. This is a potential project to bring our people to work. Jobs. The comment made earlier about temporary jobs, these temporary jobs are anywhere from one to two years. That could be the difference between our citizens losing their home and staying in their home. The figures reported by your own staff earlier say revenues are on the increase. The economy is starting to recover. So why this risk factor is so critical on this project specifically? We on our own surveyed some of the community. People in the tourism business; the hospitality business; the dry cleaning business; the lawn care business, in everybody's district, and last Thursday we submitted 900 signatures to County staff saying quote the County should move forward on a proposed convention hotel project on Hutchinson Island. This will create over 190 jobs – construction jobs immediately and over 200 permanent jobs upon completion. These figures were purposely discounted 75% of the projections that have been given to you. This is how hungry our community is for jobs. This is how hungry. Seventy-five percent discounted. And at this time, I'd like to add another 330 to staff consideration for y'all to consider. From everybody's district, from all walks of life, from all industries. Jobs is this community's concern and it's been dropped in your lap as one heck of an opportunity. I would ask this Commission to continue its consistency in what it has done in the past because consistency breeds security and credibility. Conversely, inconsistency raises doubt and questions. You've always done well by the citizenry here. I would ask you to continue with this opportunity to put our people to work. To borrow a phrase from Coach Holmes several months ago on a separate issue if you're given the choice between what is right and what is fair, right wins every time. This particular project, you have the luxury of both being right and fair to we, the tax payers. Thank you.

Chairman Liakakis said, thank you very much. Would you give those additional signatures over here to the County Manager? Hand him those, please.

AGENDA ITEM: IX-4
AGENDA DATE: May 13, 2011

TO: Board of Commissioners
THRU: R. E. Abolt, County Manager
FROM: Patrick Monahan, Asst. County Manager

ISSUE:

To present a resolution (for information) which conveys the Trade Center Authority's recommendation to the Board of Commissioners on pursuing a public-private partnership for the development of a convention center hotel.

BACKGROUND:

At its May 11 meeting, the Georgia International Maritime Trade Center Authority unanimously adopted a resolution that "suggests consideration" for the County to fund a convention center hotel through a public-private partnership. The hotel would be privately owned and financed but with some level of public credit enhancement to help guarantee an 80% room block agreement but also offer available public incentives to attract private investment which desires a competitive investment return. The resolution further suggests that any amount of County obligation be limited to the dollar value of known public incentives and incremental value of new tax revenues.

FACTS & FINDINGS:

1. **Resolution.** Attachment 1 presents the resolution which the Trade Center Authority adopted unanimously. The resolution:
 - 1.1 Confirms the desire for a Trade Center convention center hotel of 500 rooms with 30,000 square feet of meeting space and other program requirements to allow the community to compete for more group meeting business and conventions (by reference to its development plan).
 - 1.2 Urges the County to require the hotel owner/operator to commit to a room block agreement which commits 80% of its rooms two years away and at group rates to promote more conventions. This requirement distinguishes a convention hotel from other hotels and lends credence to its public purpose.
 - 1.3 Seeks reconciliation in the community for the amount of public financial support needed for the project. The Trade Center Authority will be setting up a joint workshop for its members, County Commissioners, and members of the Legislative Delegation to review the project.
 - 1.4 Suggests limiting any public funding obligation to those revenue sources based solely on public incentives and incremental new tax dollars and not any consideration of the hotel's net income.

2. **Funding Parameter.** The Trade Center Authority did not want to set limits on the amount of public participation but opted to defer to the County Commission to determine what amount of public credit enhancement would be prudent. However, the Trade Center Authority suggested that the annual debt service on any publicly-supported bonds should not exceed funds from “all special revenue sources” and cover reasonable reserves on debt coverage. In essence, this suggestion offers consideration that any amount of County obligation be limited to the dollar value of known public incentives and incremental value of new tax revenues and not count on net income payments from the hotel. These would include the following:
- a) Tourism Development Sales Tax Rebate encourages private investment for qualified projects, including specific reference to a “convention hotel.” Value would total between \$1.7 million to \$3.3 million annually for 10 years.
 - b) 3% Hotel-Motel Tax credit would refund half of the incremental value of the hotel-motel taxes generated by guests of the hotel.
 - c) Property Tax rebate which would increase as values increase.
 - d) The hotel operator would impose a resort fee.
 - e) Other sources which may be available once a determination can be made from the Georgia Department of Community Affairs about the job Tax Credit.
- These revenue sources would be used to protect any County obligation ahead of the owner/operator and include that excess funds from these sources be placed as a further safeguard into a Debt Service Reserve account which could be released upon pre-agreed limits. This provision would be written into the local covenants. These are similar to the on-going strategy from the start to protect any public obligation and limit the County’s risk.
3. **Private Project.** Despite the public participation, the \$130.5 million 500-room convention center hotel would be privately owned and operated. It would be secured by at least \$80 million in private investments.
4. **Public Participation.** The County would agree to help file applications with the State of Georgia for the incentives as well as enter into an intergovernmental agreement with the City of Savannah as sponsor for use of any incremental tax revenues. These funding sources remain consistent with Georgia law and can be viewed within the same scope as tax increment financing since the project captures incremental new values which lead to long-term economic objectives.
5. **Reaffirming the Strategic Vision.** In 2010, the Trade Center Authority implemented a strategic plan to move toward the next level of competitiveness and overcome lost opportunity in the market. The plan has two specific goals: 1) Meet current demand from convention center customers but who need more rooms near the convention center; 2) Create more demand, newer business.

FUNDING:

Chatham County would not fund any project expense “out of pocket” but would depend upon a pledge of public revenues to safeguard its annual debt requirement.

POLICY ANALYSIS:

Chatham County developed and funded the Savannah International Trade and Convention Center as an economic development project designed to increase convention and exposition visitors to this community. Through Chatham County’s investment to develop a first-class project in the Trade Center as the cornerstone to private investment on Hutchinson Island, prudent management by the Trade Center Authority and its day-to-day management by SMG, the Trade Center continues to meet its economic development mission. After 10 years, the record remains clear on the Trade Center’s economic impact on increased room nights, visitor spending and increased earnings; however, an economic analysis by Visit Savannah also indicates continued lost opportunity in the meetings market. The Georgia International Maritime Trade Center Authority, which the Georgia General Assembly created to manage the facility, began a focus in 2008 on how to increase the Trade Center’s competitive position. The cumulative recommendations from economic analyses target the need for a convention center headquarters hotel.

RECOMMENDATION:

For information.

Georgia Internal and Maritime
Trade Center Authority Resolution
(Convention Hotel Project)

WHEREAS, the Georgia International and Maritime Trade Center Authority (The “Authority”) in furtherance of its recognition of the desire for the development and construction of a convention center hotel (the “Convention Hotel”) on Hutchinson Island adjacent to the Authority’s trade center facilities, entered into a Memorandum of Understanding, dated December 2, 2010 with Hutchinson Hotel Holdings, LLC (“HHH”) relating to a plan for the development and construction of the Convention Hotel (the “Project”); and

WHEREAS, HHH has provided the Authority and Chatham County with a development plan for the Project, including a plan of financing the same; and

WHEREAS, the Authority also retained Robert W. Baird & Co. as its independent financial advisor (The “Independent Advisor”) for the purpose, *inter alia*, of making an analysis of the Project, including an analysis of the public financial support which would be provided for the Project; and

WHEREAS, the Authority believes that there needs to be a reconciliation among the community, the Authority, Chatham County and the City of Savannah with respect to the amount of public financial support which should be made available for the Project; and

WHEREAS, the Authority, having reviewed and discussed the development plan for the Project and the Independent Advisor’s May 6, 2011 analysis of the financial aspects of the Project, the Authority now wishes to again express its recognition of the desire for the Convention Hotel adjacent to the Authority’s Trade Center facilities and the extent to which it believes public financial support should be provided for the Project; and

WHEREAS, this is a public-private project, whereby a mutually agreed to booking agreement(s) satisfactory to the Authority addressing hotel rooms, meeting rooms, ballrooms, and catering is essential to protect the public purpose.

NOW THEREFORE, be it resolved by the Authority as follows:

The Authority recognizes the desirability of having the Convention Hotel developed and constructed adjacent to the Authority's trade center facilities, and suggests consideration of the approval of the issuance of publicly supported revenue bonds in the principal amount not exceeding that which reasonably can be paid from any and all special revenue sources, other than hotel income, identified and available therefor, after the funding of reasonable reserves therefor and subject to reasonable debt service coverage requirements, the payment of which would be guaranteed by Chatham County pursuant to an intergovernmental contract to be entered into between the Chatham County and the issuer of such revenue bonds.

Resolution adopted this May 11, 2011.

Georgia International and Maritime Trade Center Authority

By: _____
Chairman

CERTIFIED AS A TRUE COPY OF THE ORIGINAL:

/s/ George Jackson
GEORGE JACKSON, SECRETARY

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Chairman Liakakis said, okay, now do we want to go through this other? I think it'll take us about ten or twelve minutes for the rest of it? Or do you want to take that temporary break?

Commissioner Kicklighter said, we – we can – we can finish. You talking about the meeting?

Commissioner Farrell said, it's just the action calendar?

Commissioner Kicklighter said, yeah, let's finish the meeting.

Commissioner Farrell said, let's just finish.

Chairman Liakakis said, okay we'll go ahead on.

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Commissioner Stone said, Mr. Chairman?

Chairman Liakakis said, Helen?

Commissioner Stone said, I just wanted the opportunity to say one thing very quickly 'cause I've listened today and it's basically what I said on Wednesday over at the Trade Center, and I think that – I honestly believe that this Commission's not received all of the information that we need to make an informed decision. To me this is about risk and responsibility. The risk is the subordinate and second mortgage and how these bonds will be structured, the occupancy rates, the currently ten failed hotels, and the tax rebate that looks like was not intended for this project. The responsibility is the Trade Center Authority. Their technical committee, has not even reviewed Baird's report yet and has not given an opinion. I – as I said earlier, I think this Commission needs to attend, and I think it was going to be in conjunction with the State delegation, a workshop, and most importantly not put the tax dollars of our citizens at risk. So I want us to take our time and do our research before we make a vote. And I thank you.

Chairman Liakakis said, we're going to be doing a lot of research. We'll have a lot of information, and we'll have these – this meeting going on to carry over.

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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 Liakakis said, Action Calendar. One – we have items 1 through Item 4, and under Items 4, we have Items A through J. I'd like a motion on the floor to approve the action calendar unless you have a specific item that you'd like to take out.

Commissioner Shay said, move for approval, Mr. Chairman.

Commissioner Farrell said, second.

Chairman Liakakis said, all right. We have a motion on the floor and a – a second to approve the action calendar. Let's go on the Board. Motion passes.

ACTION OF THE BOARD:

Commissioner Shay moved to approve the action calendar, Items 1 through 4 and under Item 4, Items A through J. Commissioner Farrell seconded the motion and it carried unanimously. [NOTE: Commissioner Thomas was not present.]

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

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- 1. APPROVAL OF THE MINUTES FOR THE REGULAR MEETING OF APRIL 29 , 2011, AS MAILED.

ACTION OF THE BOARD:

Commissioner Shay moved to approve the minutes of the regular meeting of April 29, 2011. Commissioner Farrell seconded the motion and it carried unanimously. [NOTE: Commissioner Thomas was not present.]

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- 2. CLAIMS VS. CHATHAM COUNTY FOR THE PERIOD APRIL 21, 2011 THROUGH MAY 4, 2011.

ACTION OF THE BOARD:

Commissioner Shay moved to authorize the Finance Director to pay the claims against the County for the period April 21, 2011 through May 4, 2011, in the amount of \$5,584,148. Commissioner Farrell seconded the motion and it carried unanimously. [NOTE: Commissioner Thomas was not present.]

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- 3. REQUEST FOR NEW BEER AND WINE POURING LICENSE AND SUNDAY SALES LICENSE FOR 2011. PETITIONER: PATRICIA J. MARCHAND, D/B/A MICHAEL'S CAFÉ, LOCATED AT 326 JOHNNY MERCER BOULEVARD, 31410. [DISTRICT 4.]

ACTION OF THE BOARD:

Commissioner Shay moved to approve a request for a new beer and wine pouring license and Sunday Sales license for 2011. Petitioner: Patricia J. Marchand, d/b/a Michael's Café, located at 326 Johnny Mercer Boulevard, 31410. Commissioner Farrell seconded the motion and it carried unanimously. [NOTE: Commissioner Thomas was not present.]

AGENDA ITEM: X-3
AGENDA DATE: May 13, 2011

TO: Board of Commissioners

THROUGH: R. E. Abolt, County Manager

FROM: GREGORI S. ANDERSON, DIRECTOR OF BUILDING SAFETY AND REGULATORY SERVICES
WILLIE LOVETT, CHIEF OF POLICE

ISSUE
Request for approval for a new beer and wine pouring license and Sunday Sales license for 2011, **Patricia J. Marchand, d/b/a Michael's Café**, located at **326 Johnny Mercer Boulevard, Savannah, Georgia 31410**.

BACKGROUND
Ms. Marchand requests approval for a new beer and wine pouring license and Sunday Sales license in connection with a new restaurant.

- FACTS AND FINDINGS
- 1. The application was reviewed by the Police Department for compliance of the applicant and site distance requirements and approved.
 - 2. The returned application was reviewed by Building Safety. The County Fire Marshal inspected the site for compliance and approved the facility.
 - 3. The applicant and business meet the requirements of the Chatham County Alcoholic Beverage Ordinance.
 - 4. The applicant has been notified in writing of the date and time of the hearing.

RECOMMENDATION
The Savannah-Chatham Metropolitan Police Department and Regulatory Services recommend approval.

District 4

We verify that the attached report and attachments are complete and correct as to form.

 Gregori S. Anderson, CBO

 Chief Willie Lovett

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7. 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).

ACTION OF THE BOARD:

Commissioner Shay moved for 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. Commissioner Farrell seconded the motion and it carried unanimously. [NOTE: Commissioner Thomas was not present.]

<u>ITEM</u>	<u>DEPT.</u>	<u>SOURCE</u>	<u>AMOUNT</u>	<u>FUNDING</u>
A. Annual renewal contract for maintenance on the Document Imaging System	ICS	Palmetto Microfilm, LLC	\$32,447	General Fund/M & O - ICS
B. Two (2) servers and one backup system	ICS	Dell Marketing (State Contract)	\$32,130	General Fund/M & O - Sheriff
C. Annual renewal of System Z software support	ICS	Zortec International	\$10,000	General Fund/M & O - ICS
D. Professional services agreement to provide construction monitoring services of the new Public Works and Park Services facility	Public Works and Park Services	John E. Todd	Not to Exceed \$40,000	SPLOST (2003-2008) - Public Works and Park Services facility
E. Installation of a pumping station and irrigation system at Jim Golden Complex at L. Scott Stell Park	Parks and Recreation	Sustainable Resources Group	\$15,410	CIP - Parks and Recreation
F. Correction to previously approved Change Order No. 7 to the construction contract for the Records Center	Special Projects	Choate Construction	\$55,460	SPLOST (2003-2008) - Courthouse Project
G. Change Order No. 4 to the annual pricing agreement to provide oil and lubricants to recognize price increases	Fleet Operations	Stubbs Oil	Varies by item	General Fund/M & O - Fleet Operations
H. Declare items surplus and authorize the sale of four (4) outboard motors in return for a credit of \$6,500 to use towards future purchases	Fleet Operations	Burns Outboard Service	N/A	N/A
I. Task Order contract for various engineering, geo-technical, surveying and environmental services	Engineering	•Thomas & Hutton •McGee Partners •Moffatt & Nichol	Not to Exceed \$250,000	•SPLOST - (1985-1993), (1993-1998), (1998-2003), (2003-2008), (2008-2014) •CIP
J. Professional services contract to coordinate the FF&E component of the Detention Center Expansion Project	Engineering	Dam Smirl	\$85 per hour plus any pre-approved reimbursables	CIP - Detention Center Expansion project

AGENDA ITEM: X-4
AGENDA DATE: May 13, 2011

TO: BOARD OF COMMISSIONERS
THRU: R.E. ABOLT, COUNTY MANAGER
**FROM: MICHAEL A. KAIGLER, ASSISTANT COUNTY MANAGER/
 DIRECTOR OF HUMAN RESOURCES AND SERVICES**
SUBJECT: AWARD OF BIDS

ITEM A

ISSUE: Request Board approval of a \$32,447 annual renewal for Document Imaging System maintenance and support for servers and software for the Application Xtender from Palmetto Microfilm, LLC for I.C.S

BACKGROUND: This maintenance is for support for Application Extender software, WebExtender, ScanExtender and Data Manager from Palmetto Microfilm, Inc. for various departments within the County who scan documents into the document imaging system.

FACTS AND FINDINGS:

1. Chatham County I.C.S has purchased all Application Extender, or AX licenses from Palmetto Micro. I.C.S has recommended that all departments using document imaging use the AX software as a standard and annual maintenance is a requirement.
2. Palmetto Microfilm quoted staff a total cost of \$32,447 for the annual support for one year. This price is a 7% decrease from last year due to a server upgrade and a slight decrease in pricing from the vendor on AX Web Access, AX Server support and DX for Windows File System Manager for the server.
3. I.C.S recommends the maintenance renewal for support for this software for all users scanning documents into document imaging.
4. Staff believes the total cost of \$32,447 for annual maintenance and support renewal to be fair and reasonable.

FUNDING: General Fund/M & O - I.C.S
(1001535 - 52.22001)

ALTERNATIVES:

1. Board approval of a \$32,447 annual renewal for Document Imaging System maintenance and support for servers and software for the Application Xtender from Palmetto Microfilm, LLC for I.C.S
2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to provide the necessary support for applications they use for job productivity.

RECOMMENDATION: Staff recommends approval of Alternative 1.

I.C.S APPROVAL _____
LEWIS LEONARD

BUDGET APPROVAL _____
GLORIA SAUGH

ITEM B

ISSUE: Request Board approval of a \$32,130 purchase of one (1) Dell PowerEdge R610 Server; one (1) Dell PowerEdge R710 Server and one (1) PowerVault 124T LT05 Backup System, off the State of Georgia Contract, from Dell Marketing for the Sheriff's Department.

BACKGROUND: The IT staff at the Sheriff's Department has worked with ICS staff to get the Document Imaging program up-and-running at the Sheriff's Complex. It was determined that the following equipment would be necessary to implement and sustain the storage needs of the department.

FACTS AND FINDINGS:

1. State Purchasing awarded this contract through a competitive process based on requirements and specifications of the Georgia Technology Authority.
2. These servers and current software will be used within the County to have the capability to scan documents into the document imaging system.
3. The servers are being purchased from Dell Marketing with five (5) years of on site support and mission critical four (4) hour dispatch technical support

Staff believes the cost of \$32,130 to be fair and reasonable.

FUNDING: General Fund/M & O - Sheriff
(1003300 - 54.25001)

ALTERNATIVES:

1. Board approval of a \$32,130 purchase of one (1) Dell PowerEdge R610 Server; one (1) Dell PowerEdge R710 Server and one (1) PowerVault 124T LT05 Backup System, off the State of Georgia Contract, from Dell Marketing for the Sheriff's Department.

2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to approve the purchase of essential hardware to run needed software applications used throughout the County.

RECOMMENDATION: Staff recommends approval of Alternative 1.

I.C.S. APPROVAL _____
LEWIS LEONARD
BUDGET APPROVAL _____
RUSHEDA ADESHINA

ITEM C

ISSUE: Request Board approval of the \$10,000 renewal for System Z software support and updates from Zortec International Corp. for I.C.S.

BACKGROUND: System Z software has been in use by the numerous County offices for many years. The use of the County's Judicial Information Management System (JIMS) is written in System Z format and is the application that all the courts use.

FACTS AND FINDINGS:

1. System Z support has not increased over the years. It has remained \$10,000.
2. I.C.S. programmers, system analysts and support staff are knowledgeable in System Z application support and programming.
3. System Z is a legacy application system used by numerous departments and is proprietary with has many custom defined features within the programming by department.
4. I.C.S. believes the renewal cost of this software and maintenance agreement to be fair and reasonable.

FUNDING: General Fund/M & O - I.C.S.
(1001535 - 52.22001)

ALTERNATIVES:

1. Board approval of the \$10,000 renewal for System Z software support and updates from Zortec International Corp. for I.C.S.
2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to provide the necessary maintenance for hardware and software for the using departments.

RECOMMENDATION: Staff recommends approval of Alternative 1.

I.C.S. APPROVAL _____
LEWIS LEONARD
BUDGET APPROVAL _____
GLORIA SAUGH

ITEM D

ISSUE: Request Board approval of a "not to exceed" \$40,000 Professional Services Agreement (PSA) for 12 months with John E. Todd to provide construction monitoring services of the new Public Works and Parks Services Facility.

BACKGROUND: On 29 April 2011, the Board awarded a contract to Pope Construction to construct the new Public Works and Park Services Facility on Varnadoe Drive.

FACTS AND FINDINGS:

1. The County recognizes the need for additional support for large and complex construction projects to supplement County staff by providing oversight on capital projects. On occasion, the County will utilize former County employees to manage construction projects through a PSA for independent contractor.
2. John Todd was a Building Inspector for Building Safety and Regulatory Services before he was caught in a departmental budget cutback in March 2010. He is a certified inspector in building, electrical, plumbing and mechanical trades.
3. Mr. Todd's services will include monitoring construction of the new facility on behalf of the County. He will be compensated at a rate of \$40 per hour "not to exceed" \$40,000 in 12 months.

FUNDING: SPLOST (2003 - 2008) - Public Works & Parks Services Facility
(3234980 - 52.12003 - 32360433)

ALTERNATIVES:

1. Board approval of a "not to exceed" \$40,000 Professional Services Agreement (PSA) for 12 months with John E. Todd to provide construction monitoring services of the new Public Works and Parks Services Facility.
2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to approve Agreements that are in the best interest of the County.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
CHRIS MORRIS

ITEM E

ISSUE: Request Board approval to award a \$15,410 contract to Sustainable Resources Group, of Savannah, GA, for the installation of the Pumping Station and the Irrigation system for the four (4) baseball/softball fields at the Jim Golden Complex at L. Scott Stell Park for Chatham County Public Works and Park Services.

BACKGROUND: The Board set aside funds in 2009 to upgrade the Jim Golden Sports Complex. The first phase was the installation of lights for the two (2) ballfields which was completed in early 2010. These improvements will allow staff to schedule major high school tournaments.

FACTS AND FINDINGS:

1. Request for Bid were properly advertised and opened 19 April 2011. The bid responses are as follows:

*	Sustainable Resources Group (SRG) Savannah, GA	\$ 15,410
**	Turf Services Unlimited, Inc. Richmond Hill, GA	\$ 24,980
**	E & D Contracting Savannah, GA	\$ 60,940
	AKI Partnership, Inc. Bloomington, GA	\$ 67,305
*	MBE	
**	WBE	

2. Staff believes the bid from Sustainable Resources Group, (SRG), to be fair and reasonable.

FUNDING: CIP - Parks and Recreation
(3506100 - 54.25001 - 35030948)

ALTERNATIVES:

- Board approval to award a \$15,410 contract to Sustainable Resources Group, of Savannah, GA, for the installation of the Pumping Station and the Irrigation system for the four (4) baseball/softball fields at the Jim Golden Complex at L. Scott Stell Park for Chatham County Public Works and Park Services.
- Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to approve contracts to the low responsive, responsible bidder.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
CHRIS MORRIS

ITEM F

ISSUE: Request Board approval of a correction to previously-approved Change Order No. 7 for additional electrical work and to the close out the contract for construction of the Records Center.

BACKGROUND: At the 25 March 2011 meeting, the Board approved Change Order No. 7 to the contract with Choate Construction for the Records Center in the amount of \$44,585. The correct amount should have been \$55,460.

FACTS AND FINDINGS:

- The Board awarded a contract to Choate Construction in the amount of \$2,729,800 for the construction of the Records Center. The project remains at substantial completion with issuance of a Certificate of Occupancy. Administrative Services has relocated all of its records, and the Clerk of Superior Court is expected to complete relocation of all of its records within the next several weeks.
- The Board had authorized six (6) change orders because of County-desired additions to the original plans. In addition, a problem with Garden City's water line required the County to upsize it to the building and add a booster pump because of the fire protection standards.
- Change Order No. 7 would close out the project in the amount of \$55,460 for additional electric work and door replacement for a fire-rated door and added general conditions for the time delay in the water line extension and pump room and for additional details which County staff requested.
- Contract history is as follows:

\$2,729,800	Contract award (8-14-09)
\$ 28,151	Change Order No. 1 (1-15-10) for owner-requested add for training room
\$ -16,231	Change Order No. 2 (4-23-10) for value engineering credits

\$ 72,049	Change Order No. 3 (4-23-10) for rim boards/structural and add 48 days
\$ 110,460	Change Order No. 4 (6-25-10) for owner-requested addition for site lighting
\$ 253,613	Change Order No. 5 (6-25-10) for water line extension and pump room
\$ 68,166	Change Order No. 6 (10-8-10) for adding insulation, freeze board panel trim
\$ 55,460	Change Order No. 7 (3-25-11) for project close out and added electrical work—corrected
\$ 3,300,468	Final contract amount

FUNDING: SPLOST (2008-2014) - Courthouse Project
(3244980 - 54.13011 - 32460427)

ALTERNATIVES:

1. Board approval of a correction to previously-approved Change Order No. 7 for additional electrical work and to the close out the contract for construction of the Records Center.
2. Provide staff other direction.

POLICY ANALYSIS: Changes in contract amounts and terms requires the Board’s approval in conformance with the County’s Purchasing Ordinance and Procedures Manual requires Board approval.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
CHRIS MORRIS

ITEM G

ISSUE: Request Board approval of Change Order No. 4, to the annual contract for oil and lubricants, with Stubbs Oil, due to a manufacturer’s price increase effective 15 May 2011.

BACKGROUND: At their meeting of 4 December 2009, the Board approved an annual contract to provide oils and lubricants with Stubbs Oil.

FACTS AND FINDINGS:

1. New prices for items to be purchase from Stubbs Oil Company for Chatham County Fleet Operations is as follows:

Item	Size	Old Price	New Price
Motor Oil (SE 15W40) (CJ-4)	Gallon	\$6.47	\$7.47
Motor Oil (ASC 5W-30)	Gallon	\$7.46	\$8.66
Motor Oil Supreme 5-20 (1/55)	Gallon	\$6.03	\$7.03
2-Cycle Oil (L2C)	Gallon	\$9.67	\$10.87
Gear Lubricant (SAE 85/W/140)	Drum	\$1.145	\$1.285
Hydraulic Oil (HD46)	Gallon	\$4.87	\$5.87
Heavy Duty Truck grease (LAPG)	Pound	\$1.575	\$1.665
Heavy Duty Truck grease (LHPG)	Tube	\$1.555	\$1.695
Auto Transmission Fluid (Dextron III)	Quart	\$7.41	\$8.61
Auto Transmission Fluid (Dextron V)	Quart	\$10.33	\$11.53

2. Staff believes price increase to be fair and reasonable.

FUNDING: General Fund/M&O - Fleet Operations Inventory Account
(100 - 11.36003)

ALTERNATIVES:

1. Request Board approval of Change Order No. 4, to the annual contract for oil and lubricants, with Stubbs Oil, due to a manufacturer’s price increase effective 15 May 2011.
2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to approve Change Orders essential service contracts to recognize manufacturer’s price increase.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
RUSHEDA ADESHINA

ITEM H

ISSUE: Request Board declaration as surplus four (4) outboard motors and approval to dispose of as trade credit for Marine Patrol.

BACKGROUND: Marine Patrol is replacing two (2) Mercury 200hp OptiMax Outboard engines on Boar B-7. They have in inventory a Mercury 150hp OptiMax and a Mercury 225hp DFI that have been taken out or service due to extensive repair cost.

FACTS AND FINDINGS:

1. Marine Patrol currently has only one (1) Mercury 2-stroke OptiMax in its inventory with low hours. This motor is being kept as a spare.

- 2. Mr. Burns, owner of Burn’s Outboard Service in Springfield, has offered to give the Marine Patrol a \$6,500 credit in return for receiving these used motors.
- 3. Purchasing’s Fixed Assets Manager and Purchasing Agent have determined this is the least costly method of disposal and offers the County the best value.

FUNDING: N/A Unserviceable Surplus

ALTERNATIVES:

- 1. Request Board declaration as surplus four (4) outboard motors and approval to dispose of as trade credit for Marine Patrol.
- 2. Provide staff other direction

POLICY ANALYSIS: It is consistent with Board policy to declare unserviceable personal property as surplus to County needs and authorize its disposal in the most economical method.

RECOMMENDATION: Staff recommends approval of Alternative 1.

PURCHASING APPROVAL _____
 SYRINA ROBERSON
 BUDGET APPROVAL _____
 CHRIS MORRIS

ITEM I

ISSUE: Request Board approval to authorize professional services Task Order Contracts, for amounts not to exceed \$250,000, with various engineering, geo-technical, surveying and environmental services companies.

BACKGROUND: There are numerous small construction projects that can be done by a variety of professional engineer and technical services companies that are either pre-qualified by the Georgia Department of Transportation or have demonstrated their capability to accomplish quality and timely work for the County. To “slug” through the quality-based selection process for a host of companies that are all “qualified” on small projects is neither timely or cost effective.

FACTS AND FINDINGS:

- 1. The contracts will be managed by task orders. Each contract will be for a specified not to exceed amount. The task orders will be for specific tasks with deliverables for either lump sum or not to exceed amounts (e.g. time and materials).
- 2. The companies listed in this report is not intended to be all inclusive of “qualified” companies. Their selection is based on their prior experience with the County on projects or their GDOT pre-qualification. Most of the consultants are already the “consultant of record” on County projects.

Thomas & Hutton (transportation/civil) (NTE \$250,000)
 McGee Partners, Inc. (transportation) (NTE \$250,000)
 Moffatt & Nichol, Inc. (transportation, drainage) (NTE \$250,000)

FUNDING: SPLOST - (1985-1993), (1993-1998), (1998-2003), (2003-2008), (2008-2014)
CIP

ALTERNATIVES:

- 1. Board approval to authorize professional services Task Order Contracts for amounts, not to exceed \$250,000, with various engineering, geo-technical, surveying and environmental services companies.
- 2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to approve Task Order Contracts when it is in the best interest of the County.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
 ESTELLE BROWN

ITEM J

ISSUE: Request Board approval to award a professional services contract, at a rate of \$85 per hour plus any pre-approved reimbursables, with Dan Smirl to coordinate the FF&E components of the Detention Center Expansion Project.

BACKGROUND: Construction of the Detention Center Expansion has been awarded to Hunt/Mills. As a part of the project, there are certain items such as office furniture, fixtures and equipment (FF&E) that are not a part of the Hunt/Mills contract and are specified to be provided by the owner. The FF&E part of the project is estimated to be between 2 and 3 million dollars. To manage and coordinate the FF&E part of the project, additional staff is needed to work with the construction team to determine FF&E requirements, develop specifications and procure needed items.

FACTS AND FINDINGS:

- 1. Dan Smirl will assist in reviewing the proposed designs to determine FF&E requirements and develop suitable specifications and scope for each item.

- 2. Mr. Smirl will develop appropriate documentation and meet with vendors in order to prepare complete bid packages. He will work with the Purchasing staff to review quotes and issue appropriate purchase orders.
- 3. Mr. Smirl will review submittals/shop drawings and attend construction meetings to insure deliveries meet with the construction schedule. He will inspect and coordinate areas of the construction that are integral to FF&E installation in order to verify that they comply with the plans and specifications.
- 4. Mr. Smirl will supervise close-out procedures including startup of related FF&E equipment and the turnover of appropriate O&M manuals and warranties. He will also develop a project budget for each FF&E item and prepare reports that will be included in the project's permanent file.
- 5. If approved, Mr. Smirl will be paid at a rate of \$85 per hour for time spent for this project plus any reimbursables associated with this project. Please note that any reimbursables will be pre-approved by the project manager. Mr. Smirl will be provided office space at the Detention Center worksite which will enable him to work closely with the County's project team.

FUNDING: CIP - Detention Center Expansion project
(3803355 - 54.13009 - 38060407)

ALTERNATIVES:

- 1. Board approval to award a professional services contract, at a rate of \$85 per hour plus any pre-approved reimbursables, with Dan Smirl to coordinate the FF&E components of the Detention Center Expansion Project.
- 2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to award professional services contracts when it is in the best interest of the County.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
TOM DRANE

PREPARED BY _____
PURCHASING AGENT

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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. On first reading, presentation by MPC staff and discussion only by Commissioners will be heard. 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.

Chairman Liakakis said, there are no First Readings,

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XII. SECOND READINGS

- 1. **TO ADOPT THE COMBINED SAVANNAH/CHATHAM COUNTY SPEED ZONE ORDINANCE, WHICH HAS BEEN UPDATED TO INCLUDE CORRECTIONS AND ADDITIONAL ROADS THE COUNTY HAS ACCEPTED AS OWNERSHIP AND MAINTENANCE.
[All Districts.]**

Chairman Liakakis said, second readings. One, to adopt the combined Chatham County Speed Zone Ordinance, which has been updated to include corrections and additional roads the County has accepted as ownership and maintenance. Mr. Manager?

Commissioner Kicklighter said, motion to approve.

Commissioner Odell said, second.

Chairman Liakakis said, all right. We have a motion on the floor and a second. Let's go on the Board.

ACTION OF THE BOARD:

Commissioner Kicklighter moved to adopt the combined Savannah/Chatham County Speed Zone Ordinance, which has been updated to include corrections and additional roads the County has accepted as ownership and maintenance. Commissioner Odell seconded the motion and it carried unanimously. [NOTE: Commissioner Thomas was not present.]

AGENDA ITEM: ~~XI-1~~
AGENDA DATE: ~~May 13, 2011~~

AGENDA ITEM: XII-1
AGENDA DATE: May 13, 2011

TO: Board of Commissioners
THRU: R. E. Abolt, County Manager
FROM: A. G. Bungard, P.E., County Engineer

ISSUE: To adopt the combined Savannah/Chatham County Speed Zone Ordinance, which has been updated to include corrections and additional roads the County has accepted for ownership and maintenance.

BACKGROUND: The City of Savannah and Chatham County maintain a combined Speed Zone Ordinance which lists the roads and their associated speed limits that the Savannah-Chatham Metropolitan Police Departments (SCMPD) enforce with radar pursuant to Georgia Code 40, Article 9, Section 40-6-183 of the Uniform Rules of the Road Act. Any change to the road system or in driving patterns of the public may require the ordinance to be revised to incorporate these changes and/or additions to the existing speed zones.

FACTS AND FINDINGS:

1. The Board approved corrections and additions to the Combined Savannah/Chatham County Speed Ordinance on November 5, 2010.
2. The updated Speed Ordinance was sent to the Georgia Department of Transportation (GDOT) for approval. The GDOT returned two original copies of the approved Speed Ordinance to be signed by the Chairman of the Board and the Mayor of Savannah.
3. Once the two original copies are executed and returned to the GDOT, new radar permits will be issued to the SCMPD. These permits are required for the SCMPD to enforce speed limits on City and County roadways.

ALTERNATIVES:

1. To adopt the updated Savannah/Chatham County Speed Zone Ordinance.
2. To not adopt the changes.

FUNDING: None required.

POLICY ANALYSIS: The SCMPD can only enforce speed limits listed on the Speed Ordinance approved pursuant to Georgia Code 40, Article 9, Section 40-6-183 of the Uniform Rules of the Road Act.

RECOMMENDATION: That the Board adopt Alternative 1.

Districts: All

Prepared by: Nathaniel Panther, PE

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2. AMENDMENT TO SECTION 7-3(c)(5) OF THE CHATHAM COUNTY ZONING ORDINANCE TO REORDER THE SECTION AND TO PERMIT DIGITAL BILLBOARD TECHNOLOGY IN CERTAIN ZONING CLASSIFICATIONS. MPC STAFF RECOMMENDS APPROVAL. MPC FILE NO. Z-110315-00018-1.

Chairman Liakakis said, next item, amendment Section 7-3 of the Chatham County Zoning Ordinance to Reorder the section to permit digital billboard technology in certain zoning classifications.

Commissioner Odell said, move for approval.

Chairman Liakakis said, MPC recommends approval.

Commissioner Odell said, move for approval.

Commissioner Stone said, I – I –

Commissioner Kicklighter said, second.

Commissioner Farrell said, second.

Commissioner Stone said, I had a question.

Chairman Liakakis said, wait a minute. We have somebody in the audience that sent all of us that, and I'd like – your representing the --

Amanda Bunce said, MPC.

Chairman Liakakis said, MPC, right?

County Attorney Hart said, Commissioner Holmes I think –

Chairman Liakakis said, and Mr. Holmes?

County Attorney Hart said, you had a question?

Chairman Liakakis said, you wanted to make a statement on this?

Commissioner Holmes said, Helen.

Chairman Liakakis said, Helen?

Commissioner Stone said, I just have a question of how many billboards in the unincorporated area this would affect?

Ms. Bunce said, I don't have that number potentially. There are limited areas where existing billboards could be converted to digital. One of the standards in the Ordinance as proposed requires that it be on a four-lane arterial roadway and there are only four zoning districts in which the digital billboards could be located in, the heavier commercial and the industrial districts. So without analyzing a map of all our existing billboards and roadway and zoning –

Commissioner Stone said, so I really don't know where they're located or anything like that. Where they could be located?

Ms. Bunce said, potentially in West Chatham County, like along 21, and wherever there's unincorporated county jurisdiction. Possibly on President's Street just as you get out of the city's jurisdiction. That's another possibility. But a lot of the roadways – arterial roadways in the county are protected in which billboards can't be located there anyway. Except – there may be some there already that are non-conforming. So a good deal of the roadway in at least in the eastern part of Chatham County are protected or restricted and so you're not going to have billboards there anyhow. So it's just where you don't have a protected or restricted roadway, and then you have to have four lanes, and you have to be in one of those four zoning districts. There's also an increase in separation between digital billboards and standard billboards. For digital it has to be 5,000 feet from the next digital billboard on the same side of the street and 1250 as measured on the opposite side of the street. So it's a much larger separation between digital boards as there is for a static or standard billboard.

Chairman Liakakis said, okay, thank you. Go ahead, Patrick.

Commissioner Shay said, I don't know if this is an appropriate question for staff or not, but at Highway 204 where Abercorn intersects with Interstate 95, there's a cluster there of a lot of businesses and a lot of hotels.

Ms. Bunce said, yes, sir.

Commissioner Shay said, where people get off of the interstate and they may have a particular brand that they favor. They like staying in this kind or that kind, and it's very difficult because it all happens in one very tight location. For information purposes, literally, for somebody to be able to find the inn that they're looking for or the business they're looking for, would this area – would one of the areas that would allow this kind of thing be near the intersection of those two four-lane roads?

Ms. Bunce said, I – I don't – I – I can't recall specifically right at the interchange if 2 – if 204 is a protected roadway. I know just east of there it is. But I am uncertain, and I don't want to tell you something that is incorrect right there at the interchange. Now they could potentially convert billboards that are on 95. But I – I can't answer that specifically –

Commissioner Shay said, okay. Well –

Ms. Bunce said, – right at the interchange. I do know east of there going on towards 17 and into Savannah that it – that it is a protected roadway.

Commissioner Shay said, there's just an awful lot of businesses there and they would all like to be able to identify to someone getting off, you know, that they're at the right place, and I – I was wondering if this might be a way to help start them to be able to sort that out. Okay. It was just a for information question.

Chairman Liakakis said, okay. Now next – thank you very much. We have Ardis Wood who distributed to us the information concerning those digital billboards, so Ardis would you could come up to the podium? You've asked to speak.

Ardis Wood said, thank you. With regard to letting people know where to get off, we have what's called TODS that the federal highway folks let us use, travel oriented directional signs, and that plus all of the illegal moving signs, it's certainly enough information at that location. I'm here to ask you please to not allow digital billboards in the unincorporated part of this county. Here's the reasons why in case you haven't digested or read what I said, I'll very quickly go over them. Once you allow one of these digitals, you can never get rid of it. Why would it be there forever? Because in Georgia there is no sunset law, like in many countries. Australia, for example, says a billboard must come down after 20 years if the permit is not renewed. If Georgians want to remove a billboard for any reason, including widening a road or creating a scenic highway, they must buy out the owner. The cost of a digital bills is between a quarter and a half a million dollars. As much as five times that of a regular. On top of that payment is lost income, and that is added in. When a town in Wisconsin tried to buy out a digital for \$200,000 with tax payers money of course they were told the billboard company demanded two million. One proposal digital is on President Street right now between the Savannah Golf Club and the Savannah River Landing. If placed there essentially it could never be removed. Marietta, Georgia leaders were so shocked to find out that they couldn't afford to buy out one that they have not allowed any future ones. Reportedly Lamar Outdoor Advertising claimed damages of Marietta due to the city's improper denial of an alleged permit for a digital. In its pleadings Lamar claims that particular static face billboard has a value of \$840,000, while the same sign if converted into LED, light emitting diodes, would have a value of \$2,940,000. Excuse me. Some 40 cities across the US, many after letting a lot of digitals in have finally outlawed them, including St. Louis, Tacoma, Salt Lake City, and Knoxville. In fact 700 cities in our country have outlawed any new billboards period.

Ms. Wood said, the second thing you have to consider is the danger factor. This proposed Ordinance says such signs may be ordered modified by the County Manager or his designee based solely on accident statistics and/or reports which demonstrate a causal connection between increased accident levels and signs permitted under this section. Notice they said modified, not removed. Further hazards come from the cumulative affect of distractions, cell phones, texting, combing ones hair, etcetera. It's impossible to prove that the straw that broke the back of safety was due to a digital billboard. The National – the National Highway Traffic Safety Administration of 2006 says that anything that distracts you from looking straight ahead at the road for more than two seconds significantly increases your chance

of a crash. No one can reasonably argue that you would be looking at digital signs for fewer than two seconds. This we know, our brains are hard wired to look at the brightest thing in our view and moving objects. Digitals are brighter than regular signs, and they move every ten seconds. Even the attentive driver cannot not look at them. Their job is to divert your attention. If they don't, they aren't doing their job. As Paul Myerville, board industry president said, we are the one unavoidable media. There is no mute button. No off switch. You can't change the channel. We're there. As you may know this petition is also before the City of Savannah. They are asking some good questions, the Aldermen. One, however, they've asked cannot be answered. That is, what is your master plan for digital billboards? No entity, be it a hospital, a university, or government can be bound forever by a decision made through one particular time. If the door is opened today for one or six, the door is potentially open for many more. It is the nose under the tent, as you may have heard of that analogy.

Ms. Wood said, Lamar Outdoor Advertising is offering to remove 2.5 square feet of regular billboard for every 1 square foot of digital. This is an apples and oranges slight of hand. Billboards are not valued by square footage but by location of where the most number of people see them. They have no value, in fact, except for where they are placed, and those are on highways that we pay for. Typically boards have been put in poor neighborhoods where the rent is less expensive and residents aren't as knowledgeable about how to protect their property. It is no great concession to remove those that are less seen and often in disrepair. The proposal also offers to keep digitals only on four lanes highways and 250 feet at least from residential property. A 250-foot buffer is meaningless. The light and change of light every ten seconds can be seen for much farther away. What is more, brightness is not fixed. On a cloudy day, digitals look much brighter. Further these LED signs, L-E-D signs are environmentally destructive. One board can use as much electricity as that needed to power thirty homes and emits 180 tons of carbon dioxide per year. The Metropolitan Planning Commission has been persuaded by Lamar to recommend the zoning change because I believe they are not fully aware of all of the ramifications. Also, the MPC tries to moderate between businesses and the interests of the citizens. Archibald Bulloch was the first to read the Declaration of Independence in Johnson Square, Georgia. His words are appropriate now, "this is no time to talk of moderation. In the present instance it ceases to be a virtue." Please protect the safety, value, and special scenic beauty that draws us here in Chatham County. Deny this petition. Thank you.

Chairman Liakakis said, thank you very much. Mr. County Attorney?

County Attorney Hart said, yes, sir.

Chairman Liakakis said, is that true which was just stated about that – that if we wanted a billboard to be removed that it would cost us a huge amount of money, and we couldn't do it? It could be up there for a long period of time even if it's a safety hazard?

County Attorney Hart said, well if it's a safety – if it's a safety hazard that becomes a different issue, but insofar as people buying an interest in the billboard and having a location there, it's an income producing piece of property, and as long as they're within the regulations of your Ordinance, they have a right like everybody else, as long as they're following the ordinance. Now the – the County has the right to condemn them, and that's subject to money. Simple – simple equation.

Chairman Liakakis said, well, the concern, of course, is that, you know, what was just stated to us about the, you know, two seconds by a large organization making that comment about taking your eyes off the road for two seconds it could be very dangerous. But anyway, we go from there with – with that. Dean?

Commissioner Kicklighter said, can something like this be approved on a per spot approval? In other words because I can see where there would be certain areas that you wouldn't want it. In certain areas you would. I mean –

County Attorney Hart said, well, your question points out the – the problem, you said spot. And spot zoning is unconstitutional. I mean on it's face. You've got to create an ordinance that has standards and regulations, and zoning districts where you apply the law equally to everyone, as opposed to saying this spot's okay and this spot isn't okay because you have no standard by which you're making those judgments.

Commissioner Kicklighter said, so we can't come up with a planning – assigned planning zone?

County Attorney Hart said, well that's what this – that's what this ordinance is trying to do. It's trying to create zoning districts in which you will permit this, such as industrial versus residential, where you will not permit it. And it's really a – there's a lot of policy issues here insofar as you guys are concerned because some people will argue that this type of signage is better than the billboards that exist especially when you have an ordinance that you're taking down billboards to put up billboards. It's a question of, you know, do you want twenty billboards or do you want five of these type of billboards. And those are – like you said earlier, you know, everybody's got an opinion about that.

County Manager Abolt said, but we also have just for the sake of history, you know, with – through the SPLOST funds, we have many protected corridors in the unincorporated area. So that – that's why in some districts – I know Commissioner Farrell and I are very familiar with them, where you have billboard free areas.

Commissioner Kicklighter said, and we're covered those areas still?

County Manager Abolt said, we're covered in those areas.

County Attorney Hart said, like Johnny Mercer Boulevard, for example or Truman Parkway.

County Manager Abolt said, Truman Parkway, yeah, all that. I mean – there – y'all have no reason not – not to be proud in which your predecessors and yourself looked at this.

Commissioner Odell said, there are billboards. Savannah State has this type billboard. I think Armstrong has one. So in my district, they're already here. And we have MPC and MPC has reviewed it and –

County Attorney Hart said, yeah.

Commissioner Odell said, – their recommendation is that we enact the Ordinance. I understand that anything we do someone's going to be against it. I think rather than defer this, I would like to call the question, and we vote it up or down. Get on with something else. So I call for the question.

Chairman Liakakis said, do we have a second?

Commissioner Kicklighter said, second. Well, we don't have to call for the question.

County Attorney Hart said, you don't have to have a second.

Commissioner Kicklighter said, we already got a motion and a second.

Chairman Liakakis said, oh yeah. Okay. Motion passes.

Harold Yellin, said, thank you very much, and Mr. Chairman, just for the record, the handouts that were given to you, I was trying to save you all some time, but the handouts that I have given you do represent the 47 structures that have been taken down under the City Ordinance, which we're gonna do now for the County. And it also shows the six faces which we anticipate taking down in the County immediately, being four faces at Johnny Mercer and Walthour and two faces on the Island Expressway. And we anticipate that those will be the first to go. They are in residential neighborhoods and will come down.

Commissioner Kicklighter said, I just want – I want to state because we did call for the question, based on everything I read, I think it's going to clean up a lot of the signs in the area where some of them are dilapidated. I think it'll enhance things, and I will be quite honest, as far as driving down the interstate, sometimes it's nice to have something that might keep you awake going down, you know, so it ain't – advertising's great for businesses and it's a balance we're trying to strike. It's not that we want people, you know – we're trying to go against residents, we're trying to keep the balance here with businesses and residential. And –

Chairman Liakakis said, I've used billboards before on a number of occasions, but I can tell you this, when it was brought up that safety thing and what I read, that was my concern and that's why I voted like that until I get more information. And I still stand on that. Tom, did you want to –

Commissioner Kicklighter said, I wish you'd said it before the vote –

Chairman Liakakis said, yeah.

Commissioner Kicklighter said, because I respect your opinion.

Mr. Yellin said, also in your package, there's a CEMA – there's an understanding with CEMA –

County Manager Abolt said, you won.

Mr. Yellin said, yeah, we understand –

Chairman Liakakis said, let's do this.

Mr. Yellin said, in case of emergency you have use of digitals –

Chairman Liakakis said, it's over.

Commissioner Kicklighter said, I tell you what, it's not over. I voted in the prevailing side, I make a motion to reconsider. Now that I heard your opinion, we'll do this thing again.

Chairman Liakakis said, all right, do we – he made a motion to reconsider. Do we have a second for that?

Commissioner Kicklighter said, somebody second this thing.

Commissioner Gellatly said, second.

Commissioner Kicklighter said, because I may, now that I've heard the opinion of the Chairman, I may change my vote.

Commissioner Gellatly said, second.

Chairman Liakakis said, okay, let's go on the board.

Commissioner Kicklighter said, okay, Mr. Chairman, if you would please, you were saying why should we vote against this?

Commissioner Odell said, does the reconsideration – wait a minute –

County Attorney Hart said, you can make a motion to reconsider at this meeting, yes. It's got a second. You can vote on it up or down.

Commissioner Odell said, right, and that's to be reconsidered at a later date? Or are we gonna –

County Attorney Hart said, well, no, you – you – you can either reconsider it a later day, which is a Motion to Reconsider in place of the minutes, or you can make a Motion to Reconsider here and now.

Commissioner Odell said, you know, I don't – I'm not – I really don't want us to do this because it looks too much like hee haw if we continue to do that. Anytime that something is lost anyone of us can do that. I don't want to get in the habit of doing that. We heard what evidence is available. If we want to consider it two weeks from now, put it on the table so everybody can give us information.

Commissioner Kicklighter said, I – I would gladly hear it at the next meeting.

Chairman Liakakis said, in two weeks?

Commissioner Kicklighter said, yeah, at the next Commission meeting because I'd like time to study –

County Attorney Hart asked, you want a motion to reconsider and place in the minutes for the next meeting, then?

Commissioner Kicklighter said, absolutely, please.

Chairman Liakakis said, okay, so, we'll reconsider it and get the additional information that – that we have and just do it in two weeks. We need the rest of the vote.

Commissioner Stone said, is this to reconsider?

County Attorney Hart said, y'all – y'all don't need to vote on the motion to reconsider and place in the minutes. Y'all just call it up and then vote on it in two weeks from now.

Chairman Liakakis said, okay. Thank you.

ACTION OF THE BOARD:

- a. Commissioner Odell moved to approve an amendment to Section 7-3 of the Chatham County Zoning Ordinance to Reorder the section to permit digital billboard technology in certain zoning classifications. Commissioner Kicklighter and Commissioner Farrell seconded the motion and it carried in a 5 to 3 vote with Commissioners Holmes, Shay, Farrell, Odell, and Kicklighter voting yes and Chairman Liakakis and Commissioners Stone and Gellatly voting no. [NOTE: Commissioner Thomas was not present.]
- b. Commissioner Kicklighter moved to reconsider and place in the minutes the approval of the amendment to Section 7-3 of the Chatham County Zoning Ordinance to Reorder the section to permit digital billboard technology in certain zoning classifications. Commissioner Gellatly seconded the motion.

AGENDA ITEM: ~~XI-2~~
AGENDA DATE: ~~May 13, 2011~~
AGENDA ITEM: **XII-2**
AGENDA DATE: **May 13, 2011**

TO: BOARD OF COMMISSIONERS
THRU: R. E. ABOLT, COUNTY MANAGER
FROM: THOMAS L. THOMSON, EXECUTIVE DIRECTOR

LEGAL NOTICE/AGENDA HEADING:
Amendment to Section 7-3(C)(5) of the Chatham County Zoning Ordinance to Reorder the Section and to permit Digital Billboard Technology in Certain Zoning Classifications. MPC File No. 110315-00018-1.

ISSUE:

The petitioner is requesting an amendment to Section 7-3(C)(5) of the Chatham County Zoning Ordinance to reorder the section and to permit digital billboard technology in certain zoning classifications.

BACKGROUND:

Flashing, running light signs, illuminated signs with moving parts, and electronically controlled sign face and message boards are, with some exceptions, currently prohibited in the existing Ordinance. The exceptions include an announcement sign that displays time and temperature or signs that display room rates and restaurant specials at hotels and motels.

FINDINGS:

1. The petitioner is proposing an amendment to the Zoning Ordinance that would 1) reorder the existing wording of Section 7-3(C)(5) into subsections (a) and (b), and 2) would create a subsection (c) which will permit digital billboard technology in certain zoning classifications. Development standards are also proposed to be made a part of subsection (c).
2. Outdoor advertising is evolving toward use of digital billboard technology as a means to improve business use while conveying useful information to motorists.
3. Digital technology produces static image that are changed via a computer. The images do not scroll, flash, feature motion pictures or emit intermittent light.
4. Digital billboards are presently operating in communities large and small across the country. In late 2007, the City of Savannah amended its zoning code to allow digital billboards in the community. Most communities, including Savannah, have created development standards designed to limit the placement of such billboards and to protect nearby properties, particularly those of a residential character.
5. Common provisions of sign ordinances pertaining specifically to digital billboards include spacing standards; brightness levels; time of image display; spacing from residential uses; and most are only allowed in heavier commercial and industrial districts.
6. The proposed amendment has been crafted to mirror the existing Savannah Ordinance with minor changes. (An amendment to the City of Savannah Ordinance has also been filed simultaneously to assure compatibility between the City and County.)
7. As proposed, the amendment will require the removal of existing non-conforming billboards at a ratio of two and one-half square feet of billboard face for every one square foot of digital billboard face to be

erected. No digital billboards will be permitted until the appropriate number of the non-conforming billboard faces are removed and certified by the County Manager.

ALTERNATIVES:

1. Approve the petitioner's request to amend the Zoning Ordinance to allow digital billboards subject to development standards.
2. Deny the petitioner's request.

POLICY ANALYSIS:

As technologies have evolved, more and more communities are allowing the use of digital imagery on billboards. Provided that certain limitations and conditions are made a part of the Ordinance requirements, these signs can be an effective means of communication for the traveling public and the community as well. The proposed amendment has such limitations and does not provide for additional signage above and beyond that presently allowed. The amendment allows for a new type of signage and facilitates the removal of existing nonconforming billboards located in unincorporated Chatham County.

RECOMMENDATION:

The MPC and Director of Building Safety and Regulatory Services recommend...

Approval of the petitioner's request to amend Section 7-3(C)(5) of the Chatham County Zoning Ordinance to allow the use of digital billboard technology subject to said use meeting certain conditions and limitations as follows:

REPEAL

Section 7-3 Sign Standards

(C) Restricted Sign

- ~~(5) Flashing signs, running lights, illuminated signs with moving parts, and electronically controlled sign faces and message boards. This provision shall not apply to signs that are exclusively to convey public service messages such as time and temperature or as allowed under Sec. 7-3(B), "Illuminated Sign" standards for certain principal use signs. Hotel and motels may display room rates and restaurant daily specials on illuminated stationary signs that are not flashing signs, running light signs, illuminated signs with moving parts and electronically controlled surfaces and message boards.~~

ENACT

Section 7-3 Sign Standards

(C) Restricted Sign

- (5) Flashing signs, running lights, illuminated signs with moving parts, and electronically controlled sign faces and messages except as follows:**
- a. **Signs used exclusively to convey public service messages such as time and temperature or as allowed under Sec. 7-3(B) "Illuminated Sign" standards for certain principal use signs.**
 - b. **Hotel and motels may display room rates and restaurant daily specials on illuminated stationary signs that are not flashing signs, running light signs, illuminated signs with moving parts and electronically controlled surfaces and message boards.**
 - c. **A separate use sign that can be changed at intervals by an electronic mechanical process or a sign using light emitting diodes (LED) shall only be permitted with the following restrictions:**
 1. **The message must not change displays over a period of not less than ten (10) seconds, with all moving parts or illumination moving or changing simultaneously; and the sign cannot display any illumination that moves, appears to move or changes in intensity during the static display period. No auditory message or mechanical sounds may be emitted from the sign. Further, any such sign shall contain default design that will freeze the sign on one (1) position if a malfunction occurs.**
 2. **Such sign shall only be allowed within the B, B-C, I-L, and I-H zoning districts.**
 3. **Each sign structure shall have no more than one (1) digital display per direction with a maximum of two (2) signs per structure. Further, no cut out shall be permitted. Images shall be confined to the digital sign face.**
 4. **All digital signs shall be modulated so that from dawn to dusk, the brightness shall not be more than 7,500 NITS (Candles per square meter). From dusk to dawn, the brightness shall not be more than 350 NITS).**
 5. **New locations for signs under this subsection (as opposed to conversions of existing signs) shall not be permitted within 250 feet of a residential zone. Conversion of existing signs, whether conforming or nonconforming, to a sign permitted under this subsection shall not be permitted within 150 feet of a residential zone. The minimum distance between digital billboards shall be 5,000 feet on the**

same side of the street and 1,250 feet on the opposite side of the street. Distance shall be measured pursuant to the requirement of Section 7-3(L)(8)(g) herein.

6. Such signs shall be permitted only along four (4) lane or more arterial roadways as defined in Section 7-3(L) herein.
7. Such signs shall not be permitted inside the boundaries of any locally designated Historic District or Property or any Historic District as defined by the National Historic Register.
8. Such signs may be ordered modified by the County Manager or his designee based solely on accident statistics and/or reports which demonstrate a causal connection between increased accident levels and signs permitted under this section.
9. One (1) new digital billboard face will be permitted within unincorporated Chatham County when a number of existing nonconforming billboards within unincorporated Chatham County that correspond to a ratio is removed. The ratio shall be two and one-half (2.5) square feet of existing nonconforming billboard face space for every one (1) square foot of digital billboard face to be erected. Nonconformity shall be determined by applicable sections of this Ordinance. Final approval for new billboard faces shall not be granted until the number of nonconforming billboard faces are removed and certified by the County Manager and his/her designee. The petitioner shall be required to meet all other requirements of the County Code, unless otherwise permitted herein.
10. Each digital billboard shall have information attached identifying the agent or agency responsible for its construction and maintenance and the permit number issued by the Zoning Administrator for such sign.

PREPARED BY: Jim Hansen, AICP, Director
Development Services

April 5, 2011

Gregori Anderson, Director
BUILDING SAFETY AND REGULATORY SERVICES

Frances Rasmussen

From: Ray Wood [raywoodx@comcast.net]
Sent: Thursday, May 12, 2011 9:16 AM
To: David Gellatly; Dean Kicklighter; Helen Stone; Frances Rasmussen; Pat Farrell; Pete Liakakis
Subject: Digital Billboards

Dear Commissioner:

This Friday the 13th can be luck or unlucky for Chatham County. That is when you will be asked to permit more billboards to be converted to digital ones. Savannah City Council will be petitioned for the same thing on June 2. Here are some reasons why the answer should be "NO".

1. In the event of road widening or a scenic highway overlay, taxpayers are required to buy out the cost of a digital (5 times the price of a regular billboard), plus pay for lost revenue. We could easily be looking at more than a million dollars for one board! Unlike countries such as Australia that have a 20 year sunset clause, Georgia does not. Therefore, allowing digitals means you forever tie the hands of future generations to remove them.

2. Digitals are a safety hazard. The National Highways Traffic Safety Administration of 2006 says that anything that distracts you from looking straight ahead at the road for more than two seconds significantly increases your chance of a crash. No one can reasonably argue that you will be looking at those digital signs for fewer than two seconds.

3. Lamar Outdoor Advertising is offering to remove 2.5 square feet of regular billboards for every 1 square foot of digital conversion. However, this is an apples and oranges slight-of-hand. Billboards are not valued by square footage, but by location of where the most number of people see them. Typically boards are put in poor neighborhoods where the rent is less expensive and residents aren't as knowledgeable about how to protect their property. It is no great concession to remove those that are less seen and often in disrepair.

4. Although these billboards are slated only for 4 lane highways, the light and change of light every 10 seconds can be seen from many blocks away. What is more, brightness is not fixed. On a cloudy day, digitals look twice as bright.

5. Digitals are environmentally bad. One board can use as much electricity as that needed to power 30 homes and emit 180 tons of carbon dioxide per year.

6. The Metropolitan Planning Commission has been persuaded by Lamar to recommend this zoning change because, I believe, they are not fully aware of all its ramifications. Also, the MPC tries to moderate between businesses and the interests of the people. Archibald Bulloch was the first to read Georgians the Declaration of Independence in Johnson Square. I believe his words are appropriate now: "This is no time to talk of moderation. In the present instance, it ceases to be a virtue."

For more information on digital billboards, visit www.scenic.org

Sincerely,

Ardis Wood
232-7708

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XIII. INFORMATION ITEMS

Chairman Liakakis said, okay. The information items you already have.

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

ACTION OF THE BOARD:

A status report was attached as information.

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- 2. **LIST OF PURCHASING ITEMS BETWEEN \$2,500 AND \$9,999 (SEE ATTACHED).**
NOTE: None for this Agenda.

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Chairman Liakakis said, you now you each have a budget that we have been distributed by our County Manager, and what we'll do then, if you don't want to take it with you, we'll have the delivery staff, bring it to you, if you would like to do that because you might not be able to do it now.

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EXECUTIVE SESSION

Chairman Liakakis said, and now we need a motion to adjourn –

County Manager Abolt said, personnel – recess into exec session, personnel, litigation, land acquisition.

Commissioner Stone said, so moved.

Chairman Liakakis said, okay.

Commissioner Shay said, reset the board, please.

Clerk said, I'm sorry.

Chairman Liakakis said, motion passes.

ACTION OF THE BOARD:

After motion by Commissioner Stone to recess into Executive Session for personnel, litigation, and land acquisition matters. The Board recessed at 12:15 p.m. [NOTE: Commissioners Farrell and Gellatly did not vote. Commissioner Thomas was not present.]

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ADJOURNMENT

There being no further business to be brought before the Commissioners, the Chairman declared the meeting adjourned at approximately 1:00 pm.

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APPROVED: THIS _____ DAY OF MAY, 2011.

PETE LIAKAKIS, CHAIRMAN, BOARD OF
COMMISSIONERS OF CHATHAM COUNTY, GEORGIA

JANICE E. BOCOOK, INTERIM CLERK OF COMMISSION