

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF CHATHAM COUNTY, GEORGIA, HELD ON FRIDAY, JANUARY 13, 2012, 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 9:24 a.m. on Friday, January 13, 2012.

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II. INVOCATION

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

Commissioner Odell said, thank you, Mr. Chairman. It's my pleasure to call Reverend Richard Hall, Jr., who's the pastor of the Second Arnold Baptist Church to come and give the Invocation.

Reverend Richard Hall said, may we pray:

Blessed and eternal God our Father we come now in the precious name of Jesus and we thank you now for life, health and strength. We come because you said that we should pray for all men and especially for those that are in authority. We come this morning leaning not to our own understanding but asking that you would direct our pathway. Father, we thank you for the County Commissioners and their labor of love to make this community the best community that it can be. We ask that you would bless them as they come out and as they go in. We pray that you would keep us all, and we pray for mankind everywhere. In Jesus name. Amen.

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III. PLEDGE OF ALLEGIANCE

Chairman Liakakis said, I call on Commissioner Dave Gellatly to lead us in the pledge of Allegiance.

Commissioner Gellatly led all in 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 our county clerk, Janice, for the roll call, please.

The Clerk called the roll.

Present: Pete Liakakis, Chairman
 Dr. Priscilla D. Thomas, Vice Chairman, District Eight
 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

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

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V. PROCLAMATIONS AND SPECIAL PRESENTATIONS

None.

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VI. CHAIRMAN'S ITEMS

1. SET BOARD BUDGET RETREAT.

Chairman Liakakis said, okay. Under item six, the Board, we will be having the Board budget retreat shortly. As soon as I get with the – our county staff, I will call all of the Members and give you information. There'll be a couple of dates there because what we'd like to do to have as many if not all of the Commissioners for this important retreat so that we go over the budget.

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2. REQUEST FOR NEW BEER, WINE AND LIQUOR POURING LICENSE AND SUNDAY SALES LICENSE FOR 2012. PETITIONER: HERBERT W. HUBBARD, D/B/A FAT DADDY'S REST & LOUNGE LOCATED AT 444 JOHNNY MERCER BOULEVARD, 31410. [DISTRICT 4.]

Chairman Liakakis said, under item 2, request for a new beer, wine and liquor pouring license and Sunday sales license for 2012. Petitioner Herbert Hubbard doing business as Fat Daddy's Restaurant and Lounge located at 444 Johnny Mercer Boulevard.

County Manager Russ Abolt said, Mr. Chairman, because the – the – you were approached after the agenda was put together, your action today would be to take this item – we already have a staff report now prepared and just request the Board amend your agenda, put it on your calendar and then – with the assumption you're going to approve it. Put it on the calendar and when you move the calendar it will be adopted.

Commissioner Stone said, so moved, Mr. Chairman.

Commissioner Farrell said, second.

Commissioner Holmes said, second.

Chairman Liakakis said, okay all in – let's go on the board. Motion passes.

ACTION OF THE BOARD:

- a. Commissioner Stone moved to place item 2, request for a new beer, wine and liquor pouring license and Sunday sales license for 2012. Petitioner Herbert Hubbard doing business as Fat Daddy's Restaurant and Lounge located at 444 Johnny Mercer Boulevard, on the agenda under Items for Individual Action. Commissioners Farrell and Holmes seconded the motion and it carried unanimously.
- b. Commissioner Shay moved to approve new beer, wine and liquor pouring license and Sunday sales license for 2012. Petitioner Herbert Hubbard doing business as Fat Daddy's Restaurant and Lounge located at 444 Johnny Mercer Boulevard. Commissioner Odell seconded the motion and it carried unanimously. [NOTE: Commissioner Kicklighter was not present for the vote.]

AGENDA ITEM: VI-2
AGENDA DATE: January 13, 2012

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 a new beer, wine and liquor pouring license and Sunday Sales license for 2012. **Herbert W. Hubbard, d/b/a Fat Daddy's Rest & Lounge** located at **444 Johnny Mercer Boulevard, Savannah, GA 31410.**

BACKGROUND
Mr. Hubbard requests approval of a new beer, wine and liquor pouring license and Sunday Sales license in connection with a new restaurant/lounge. The business at this location meets the requirements of the Chatham County Alcoholic Beverage Ordinance.

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 and Sunday Sales 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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VII. COMMISSIONERS' ITEMS

1. REQUEST BOARD ELECT A CHAIRMAN PRO TEM FOR 2012.

Chairman Liakakis said, under Commissioners' Item, request Board elect a Chairman Pro Tem for 2012. As you know at the first meeting we have a Chairman Pro Tem position that we vote on. Need a motion from the floor for the Chairman Pro Tem. As we know, Helen Stone, Commissioner Stone, has been for the last year pro tem for the year 2011. So we need a motion from the floor now.

Commissioner Gellatly said, I – I make a motion that – that Commissioner Stone be reappointed for a second term.

Commissioner Thomas said, second.

Chairman Liakakis said, we have a motion and a second for Commissioner Stone. Do we have any other nominations? Nominations are closed. Let's go on the board. Motion passes. Congratulations, Helen [Stone].

Commissioner Stone said, thank you.

Commissioner Odell said, no speech. No speech.

Commissioner Stone said, none –

ACTION OF THE BOARD:

Commissioner Gellatly moved to reappoint Commissioner Helen Stone for a second term as Chairman Pro Tem for 2012. Commissioner Thomas seconded the motion and it carried unanimously.

AGENDA ITEM: VII-1
AGENDA DATE: January 13, 2012

TO: Board of Commissioners

FROM: R. E. Abolt, County Manager

ISSUE:
To elect a Chairman Pro Tem for 2012.

BACKGROUND:
The County's Enabling Act requires the action be taken during the first meeting of the Board in each new year.

FACTS AND FINDINGS:
Concerning the election of the Chairman Pro Tem, the Enabling Act states: *At the first regular meeting in January of each year, the Board of Commissioners shall elect from its members a Chairman pro tem. In the event of the absence of both the Chairman and the Vice-Chairman, the Chairman pro tem shall preside at meetings of the Board of Commissioners. Such a Chairman pro tem shall not have or exercise any of the duties or authority of the Chairman except to preside at meetings of the Board of Commissioners.*

ALTERNATIVES:

1. Elect a Chairman Pro Tem.
2. Postpone election of a Chairman Pro Tem.

POLICY ANALYSIS:

Compliance with the Enabling Act.

FUNDING:

Not applicable.

RECOMMENDATION:

Alternative #1.

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2. NORFOLK SOUTHERN GRADE CROSSING ON GULFSTREAM ROAD (COMMISSIONER KICKLIGHTER).

Chairman Liakakis said, next item under Commissioners' item is the Norfolk Southern grade crossing on Gulfstream Road. Commissioner Kicklighter.

Commissioner Kicklighter said, thank you, Mr. Chairman. Riding down the road over the last few times, I've just noticed that the CSX tracks near Gulfstream is in just terrible condition, and I think thanks to the actions of this Board before, we were able to get – I believe, CSX actually repaired the other tracks, and this is Norfolk Southern tracks that are just in terrible shape. So, I contacted Russ [Abolt], and he put it on the agenda, and I just want to see if he can update us and let us know where we stand or can we –

County Manager Abolt said, thank you, with your – with your permission, Mr. Chairman. Mr. Chairman, Dr. Thomas, Commissioner Stone, gentlemen. Commissioner Kicklighter as he said did call me and great team work. He was – he was actually on the scene, experienced the problem. I asked then – suggested to him to place it on the agenda under his item. In the interim, Jon Hart was asked – Attorney Hart was asked, along with the County Engineer, Mr. Bungard, and the Director of the Public Works and Park Services, Mr. Drewry. We've looked at it. I've been on the site. You have a resolution that – that you can adopt. There is – there is some limitations on what will happen in the near term. Mr. Drewry has been in contact with Norfolk and Southern people. They have a limited responsibility within the confines of the rails and two feet on – on either side, and then Mr. Drewry will provide some approach repairs, all with the understanding that in – in – in the near future, relatively near future, that roadway will be fully improved. So what – what will be done now to lessen the problem you've brought to our attention will be there'll be repairs that will be throw away repairs but much needed because, as you've seen and I know others have seen, it – it can jiggle your teeth.

Commissioner Kicklighter said, yes, sir. Well thank you, so –

County Manager Abolt said, so would you please pass the resolution.

Commissioner Kicklighter said, at this time I'd like to make a motion to pass the resolution.

Commissioner Thomas said, second.

Commissioner Stone said second.

Chairman Liakakis said, all right. Let's go on the board. And CSX and also Norfolk Southern unfortunately they have let – Dean [Kicklighter], you have seen it too, they have let that railroad tracks, there are several that go across that particular road, and on a number of occasions they – we had to contact them to make sure that they do this. And of course Dean [Kicklighter] has seen that and this is the latest one from Norfolk Southern because in the past they have not had those tracks repaired when they saw they were in bad shape.

ACTION OF THE BOARD:

Commissioner Kicklighter moved to pass the Resolution. Commissioners Thomas and Stone seconded the motion and it carried unanimously.

AGENDA ITEM: VII-2
AGENDA DATE: January 13, 2012



INTER-OFFICE CORRESPONDENCE

DATE: January 10, 2012
TO: R. E. Abolt, County Manager
FROM: R. Jonathan Hart, County Attorney
SUBJECT: Commissioner Kicklighter's Request for Correction Action by Norfolk Southern for grade crossing on Gulfstream Road.

Russ, per your request, County staff has inspected the grade crossing on Gulfstream Road and our ability, pursuant to O.C.G.A. §32-6-202, to force Norfolk Southern to improve the grade crossings from their present condition. As you are aware, the General Assembly, several years ago, granted the County limited ability to call upon railroads to improve defective grades. We have previously had some success with several of the local railroads. Unfortunately, the statute requires a finding by the County that the railroad crossing is defective and unsafe. The County Engineering department has inspected the premises and will not opine that the grade crossing, in its current condition, is unsafe, providing traffic slows down when crossing the grade. There is no doubt that it is in poor condition and will continue to deteriorate.

As you are aware, should the County move to force the railroad to make an inspection or improvement, it must submit a \$500 filing fee per grade crossing and include an order by the governing body seeking to repair the crossing.

I note that this is on the agenda for the Commission meeting scheduled for January 13. I am attaching a Resolution drafted based on information provided to the County Attorney's Office as to the condition of the crossing.

It should be noted that while this is a County road, it has been placed on the Georgia Department of Transportation's system as a state route on a temporary basis. I am not sure we are going to get a lot of cooperation out of Norfolk Southern or the Department of Transportation, given that there are planned road improvements at some point in the future. I expect the Department of Transportation will be lenient concerning major maintenance as it may be necessary to redesign the crossing as part of the new road improvements.

RJH/dkm
Encl.
Copy: A. G. Bungard, P.E., County Engineer

P.S. Subsequent to dictation of memo, Leon Davenport obtained a copy of a GDOT Directive indicating the State's approach to require railroad's maintenance of grade crossings. The essence of this is that the railroad must only maintain that portion that is between the rails and two feet to either side. See GDOT Directive. This would mean that Public Works would have the responsibility outside of this area, including the smoothing out of the approaches within two feet of the crossing.

RESOLUTION

WHEREAS, the Chatham County Board of Commissioners met at its regular meeting on this 13th day of January, 2012, and;

WHEREAS, the Board of Commissioners of Chatham County is charged with the responsibility for health, safety and welfare of the citizens of Chatham County; and,

WHEREAS, the Board of Commissioners is responsible to ensure that the roads of Chatham County which are part of the County road system are maintained for the safe and reasonable passage to public traffic; and,

WHEREAS, it has come to the attention of County officials that numerous complaints have been made by citizens as to the condition of railroad crossings over Gulfstream Road north of the intersection of R. B. Miller Road and Gulfstream Road, designated as County Road #4060 and railroad crossing identification number 620021E, that the condition of said crossing when traveled at or less than the posted speed limit results in a very rough ride for vehicles and rutting to the extent that it may cause or contribute to the loss of control of a vehicle.

NOW THEREFORE, be it resolved that this Resolution and Order is passed to place on notice Norfolk Southern Railroad as to the condition of its railroad crossings over Gulfstream Road described above. The Commission finds that the inadequate maintenance of the crossings presents issues of a very rough ride and rutting at the posted speed limit or below in such a manner so as to cause or contribute to unsafe driving conditions.

The condition of the crossing at said track is such that the approach aprons to the rails show "pushing up" of asphalt in uneven "bumps" so as to make the asphalt grade higher than that of the rails of the track creating this condition to public motorists.

The Department of Engineering has inspected the crossings of said location and has determined that the condition of the crossings is substandard for public traffic and recommends that corrective action should be taken by Norfolk Southern Railroad to correct this condition.

It is hereby ordered by the governing authority of Chatham County that Norfolk Southern Railroad take all steps necessary to complete the maintenance upon said crossing and that notice of the adoption of this Resolution will be sent by certified mail and/or statutory overnight delivery return receipt requested.

It is further ordered that should the railroad fail to remedy and comply with such notice and order within thirty (30) days of receipt of this order, that the County Attorneys be directed to request in writing a review of this matter by the Georgia Department of Transportation accompanied with the \$500 per grade filing fee and a copy of the Order herein, and request that the matter be investigated and that said Department of Transportation issue an order requiring the railroad to take those necessary steps to remedy, repair and maintain said railroad crossing and request that the Department of Transportation, should the railroad fail, to request the appropriate legal action including, but not limited to, a \$500 per day civil penalty.

BE IT RESOLVED, that the foregoing Resolution and Order has been read, considered, and unanimously passed, this ____ day of _____, 2012.

CHATHAM COUNTY, GEORGIA

By: _____
Pete Liakakis, Chairman
Chatham County Commission

Attest: _____
Janice Bocook, Clerk
Chatham County Commission

[SEAL]

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CHATHAM YOUTH COMMISSION

Chairman Liakakis said, okay, now before we go into our next item, we have three of our Chatham County Youth Commissions. The top Youth Commission in the entire USA. In fact before I introduce them, I want everybody to know here if you don't already know it, what has occurred that many counties around the country and some cities have adopted what the Chatham County has done. And this was the vision of our Vice-Chairman, Priscilla Thomas, and it's been going on for a number of years a lot of them have gone to higher positions and have been really successful. So we really appreciate Dr. Thomas and of course all of the Chatham County Youth Commissioners. Today we have on my left is Matthew Hodge, who is representing Johnson High School. In the middle we have Chris Howard who is the representative for Jenkins High School, and – and our lovely young lady there is Mallorie Holmes, is representing Windsor Forest. Nice to have the three of you here today.

Youth Commissioner Mallorie Holmes said, good morning. Thank you.

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RECOGNITION OF GUESTS

And while I'm introducing people too, I see just in the audience on the front seat right there is Lori Brady. She has been an outstanding member of the Chatham County School Board. She has represented her district plus the entire County on the School Board. She's done an excellent job, and we really appreciate the things she's done. I've been to Atlanta numerous times when she was lobbying for the School Board and did a good job to help our local School Board. Thank you for being here Lori.

Ms. Lori Brady said, thank you.

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CHATHAM AREA TRANSIT AUTHORITY

Chairman Liakakis said, all right. Next what we'll do, we're going to recess as the Chatham County Commission and convene as the Chatham Area Transit Authority. So what we will do is go ahead and get that – put that in motion right now and this should not last a long period of time, and we will reconvene as soon as the business is taken care for the Chatham Area Transit Authority. The Board recessed as the County Commission at 9:35 a.m., and convened as the Chatham Area Transit Authority.

Following adjournment of the Chatham Area Transit Authority, the Board reconvened at 10:15 a.m., as the County Commission.

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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 today.

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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. **TO REQUEST APPROVAL OF THE FOLLOWING BUDGET AMENDMENTS AND TRANSFERS: 1) IN THE GENERAL FUND M&O: A) A CONTINGENCY TRANSFER OF \$13,176 TO UTILITIES FOR AN OUTSTANDING TYBEE PIER WATER AND SEWER BILL, AND B) AN APPROPRIATION OF \$250,000 FUND BALANCE COMMITTED FOR THE EMERGENCY MANAGEMENT AGENCY TO ESTABLISH FUNDS FOR GRANT MATCHES, AND 2) INCREASE REVENUES AND EXPENDITURES IN THE MULTIPLE GRANT FUND \$606,000 FOR A GRANT AWARD TO THE CHATHAM EMERGENCY MANAGEMENT AGENCY.**

Chairman Liakakis said, we're on item nine, Items for Individual Action. One, to request approval of the following budget amendments and transfer 1) in the General Fund M&O a contingency transfer of \$13,176 to Utilities for an outstanding Tybee Pier water and sewer bill, and b) an appropriation of \$250,000 fund balance committed for the Emergency Management Agency to establish funds for a grant match, and increase revenues and expenditures in the Multiple Grant Fund \$606,000 for a grant award to the Chatham Emergency Management Agency. We need a motion.

Commissioner Stone said, so moved, Mr. Chairman.

Commissioner Holmes said, second.

Chairman Liakakis said, have a motion on the floor and a second. All in favor let's go on the board.

ACTION OF THE BOARD:

Commissioner Stone moved to approve the following budget Amendments and Transfers 1) in the General Fund M&O a) a contingency transfer of \$13,176 to Utilities for an outstanding Tybee Pier water and sewer bill, and b) an appropriation of \$250,000 fund balance committed for the Emergency Management Agency to establish funds for grant matches, and 2) increase revenues and expenditures in the Multiple Grant Fund \$606,000 for a grant award to the Chatham Emergency Management Agency. Commissioner Holmes seconded the motion and it carried unanimously.

AGENDA ITEM: IX-1
AGENDA DATE: January 13, 2012

TO: Board of Commissioners
THRU: R. E. Abolt, County Manager
FROM: Linda B. Cramer, Finance Director

ISSUE:
To request approval of the following budget Amendments and Transfers 1) in the General Fund M&O a) a contingency transfer of \$13,176 to Utilities for an outstanding Tybee Pier water and sewer bill, and b) an appropriation of \$250,000 fund balance committed for the Emergency Management Agency to establish funds for grant matches, and 2) increase revenues and expenditures in the Multiple Grant Fund \$606,000 for a grant award to the Chatham Emergency Management Agency.

FACTS AND FINDINGS:

- 1. The Deputy Director of Public Works and Park Services has requested a \$13,176 contingency transfer to cover an outstanding water and sewer bill for the Tybee Pier. Correspondence and a resolution are attached.
- 2. The Chatham Emergency Management Agency (CEMA) has been awarded a grant for an Emergency Operations Center. The grant award is \$606,000 and requires a local match of \$202,000 available in the SPLOST V Fund. An earlier grant for the center requires a local match of \$250,000. Matching funds are available in the General Fund M&O committed fund balance. Correspondence and a resolution to increase the Multiple Grant Fund \$606,000 are attached. The General Fund M&O resolution also appropriates matching funds.

FUNDING: Funds are available in the General Fund M&O and SPLOST V Fund for the transfer and grant match. The budget amendment will create funding in the Multiple Grant Fund.

ALTERNATIVES:

1. That the Board approve the following:

GENERAL FUND M&O

- a) Transfer \$13,176 from contingency to Utilities for Tybee Pier water and sewer bill.
- b) Increase revenues and expenditures \$250,000 fund balance committed for the Emergency Management Agency to establish funds for a grant match.

MULTIPLE GRANT FUND

Increase revenues and expenditures in the Multiple Grant Fund \$606,000 for a grant award to the Chatham Emergency Management Agency.

2. Amend or deny the request.

POLICY ANALYSIS: State law grants the Board authority to amend the budget during the year as it deems necessary.

RECOMMENDATION: That the Board approve Alternative 1.

Prepared by: Estelle Brown

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2. REPORT ON DRAFT NO SMOKING ORDINANCE.

Chairman Liakakis said, item two, Report on Draft No Smoking Ordinance.

County Manager Abolt said, Mr. Chairman, Dr. Thomas, Commissioner Stone, and Gentlemen, you will recall that you initially took testimony on – on this a few meetings ago. The direction of staff was to – to look at the proposal from an outside group and to in effect come back to you in advance of any first or second reading and to give you the opportunity to go through what will be advanced direction to us relative to policy issues. The County Attorney has done an excellent job in concert with Dr. Skelton and Chief Lovett to identify what those issues are. This is not first reading. This will allow you that time to say what you would like. I'll – I'll defer to Attorney Hart. We also have Captain Wilkins from the police department, who Chief Lovett tells me is our duty expert on the subject of no smoking regulations and also we have Randy McCall from the health department who are available to respond to questions. Jon [Hart]?

County Attorney R. Jonathan Hart said, sure. Well this is purely a policy issue from the standpoint of the Board. State law has adopted a statute that basically says that local ordinances can be more restrictive than State law, so that's up to – up to this Board. In my memo to you I outlined the general State law. Some of this has been simplified because you can just go on and on forever on some of this. And you will note that under State law the Act originally prohibited smoking in enclosed public places and then it sets – set forth a number of exemptions, such as private residence, hotel/motel or tobacco stores, certain types of long term health care facilities, outdoor areas and places of employment, international airports and place – and – and on and on and on. I've listed those ten on the first page of the staff report. The County currently has an ordinance. In April of 1995 this body passed a Smoking Ordinance, and the Smoking Ordinance again prohibited smoking in public places of employment, and in the process of defining places of employment it excluded dining areas of restaurants and bars and private residential homes. In addition the ordinance exempted that were 18 – were you served only 18 years and older; it exempted hotel rooms, which is just a carryover from the – the State statute; designated smoking areas in places of employ – of employment; and designated smoking areas in bowling alleys. I – that was kind of interesting. In any case, that got passed and now there's a proposed ordinance. The City of Savannah has adopted the proposed ordinance, and the proposed ordinance basically narrows or eliminates exemptions under State law or under your current – current ordinances. And on page 3 of my memo to you about one-third of the way up the page, you will see where it has eliminated exemptions on care facilities, outdoor areas of employment, except where a restaurant outdoor service is at least 50% of the size of the indoor service and then you must designate only 20% of that. It eliminates restaurants and bars, probably your biggest impact, and includes them as places of employment. Therefore, you know, you've eliminated that. And it also has included in there that it would include in the definition of smoking these E-cigarettes or E-pipes, where you inhale and get the nicotine through a – a device that satisfies the desire for nicotine. It's not actual smoking, but it releases a vapor, but it's been redefined as being smoking.

County Attorney Hart said, the other provisions in there of interest is that this provision would in fact affect private clubs. And when I talk about that, I'm talking about the country club, the Elk's club, Masonic lodges, the VFW, and those type of places. So you'd be going into regulating private clubs under this – this exemption. And it also says it prohibits all enclosed areas, places of employment without exception. The provision also contains a non-discrimination and retaliatory provision where somebody that is retaliated as an employee for trying to enforce the act they – they purportedly under this ordinance can have a fine up to \$1,000. I'm not quite sure how that would work or whether it would withstand legal challenge. It also provides a private right of action under a municipal ordinance, including up to an injunctive relief. Now private rights of actions are what you originally saw in civil rights legislation and most of that's usually pursuant to a federal statute. Quite candidly I haven't seen it on a private right of action off – on the proposal of a municipal ordinance.

County Attorney Hart said, all of this is policy. Basically you can adopt all of it, none of it, or some of it, and we will do whatever you tell us to do. I would – there – only one area that I strongly would have it – would have a position on, and I do not believe the County Manager should be the enforcing arm of this ordinance. He doesn't have the staff. He doesn't have the personnel to do it. And I would leave that – under State law it's left to the Health – Health Department or you could leave it to – and under your current ordinance it's – it can be enforced by a police officer if the event takes place in his presence. So, you know, we will redraft this however you wish for us to do it or adopt it as it is. There's a – a step up repeat offense provision in here that your first offense is \$100; second offense is \$200; third offense is \$500, and that repeat violations could result in the loss of your local license, which I would assume is – is – would probably be tied into your liquor license-type situation. And, you know, I'll be glad to answer any questions you might have. And certainly will be guided by your thoughts.

Chairman Liakakis said, Dean [Kicklighter]?

Commissioner Kicklighter said, thank you, Mr. Chairman. I agree and understand the fact that smoking is harmful and it should not be allowed anywhere that children are allowed. Children do not control their own destiny their – their parents do. So not allowing smoking in public facilities in which children are allowed, that's – that's definitely the right track to close loopholes in those type areas. But when you think of – when I think of this proposal, what comes to mind first is I – I pretty much – I think of losing freedoms. I think of losing our rights. I think of too much government. I think of the Big Brother-type government. I think this proposal lacks common sense. I believe it's another step forward in government telling adults what to do. And it – it actually enhances this nanny-state type government that we have. Is it common sense I ask to stop smoking in a tobacco shop or a tobacco bar? That's how these people make their living, selling this legal product, which is very unhealthy, and which adults may purchase not children 18 years old or older. Is it a little bit overboard to go with this ordinance and pass an ordinance with no scientific backing whatsoever or – or knowledge of any type of harm with the proposal to ban an E-cigarette, which emits nothing but water vapors? Is there any logic or sense behind that? I know government in general in this country has gotten really good at losing their common sense and passing laws just for the sake of passing laws, but, you know, in this instance with an E-cigarette, if banned, you're actually banning something that may help someone who's trying to quit smoking, which is hurting themselves and – and others in the areas. That's really no different than banning a short pencil in our schools because a kid puts it in his mouth and it looks like a cigarette. We're banning something because it looks like a cigarette. Nothing scientific saying it's hurting anyone around because it's water vapor coming out of the thing.

Commissioner Kicklighter said, to further elaborate, there's many things that we have in society that's unhealthy that we as adults make choices whether or not we do it, and thank God to this point the government hadn't told us this is what we have to do. You know, if we want to get down to it, even if we're trying to be healthy, we're not banning mayonnaise-type salad dressings. That's a lot of calories. Let's get rid of that one right off the top. That'll kill someone. You know, we – we have people out there that lacks a little bit of a education in our society and may not even know that mayonnaise-based salad dressings can hurt them. And although they're trying to do good, they've created themselves a salad with the bacon bits and everything else that it's more fattening then – then the chicken nuggets that we need to ban also. So, you know, at the very least, we need to take this and force McDonald's to serve grilled chicken nuggets only. Because again, we are the smartest. We are the government and we tell everyone of you what to do. You're all stupid in society. You vote for us because we're geniuses. So we know what's best for you, so, man, y'all should really listen. You know, thank God for the brilliant politicians of America. You know, bonfires, that could be harmful. You could breathe in the smoke so by God we need to get rid of the oyster roast. Nobody can roast oysters anymore 'cause somebody could inhale that smoke. Buffet restaurants, they need to go. Too much fat. Too much fat on a buffet, they should go. And Lord have mercy, don't let a kid in a restaurant that serves raw fish. They could develop e-coli and die. All of those needs to be shut down immediately. Vehicles. We should just get rid of all the cars, everything. I know it will be slower, but I've never heard of two people walking into each other and getting killed by the impact. So we'll be a much safer society. Probably not as productive, but, you know, we know what's best.

Commissioner Kicklighter said, in truth, these actions will save lives that I've just mentioned. I'm sure that further taking American citizens' rights away will save peoples' lives. But you took the rights away of why this country was established in the first place. If you want to make smoking illegal nationwide, so be it. I'll throw my cigarettes away and abide by the law. But nanny-government, tell me what to do government. No elected officials you're not smarter. We elected you to represent us the people, not to tell us what to do but to represent the people. If adults in this country cannot choose whether or not to walk into a bar that allows cigarette smoking, we – we're a – we would be a society full of stupid people, you know. I – I as an adult, I believe I can make the decision. If I have a bar, one no cigarette smoke and the other there is smoke, if I'm a non-smoker, I'll go right into that non-smoking bar. It's a – business is driven by the consumers so there will be no smoking bars for those that don't want it, there will be smoking bars for those that do. Again, we're talking adults here and their choices. People's God-giving rights in this country we were born in to open a business, provide legal services, and they're trying with this proposal to take those legal rights away. Again, and I'll close and end it. But why take rights away. As an adult, God, I hope you're smart enough that if there's a bar that people are smoking in and you don't like smoke, don't go in it. Go in the other healthy bar that's serving alcohol that people get killed driving home with – go in that healthy bar as an adult and have your drinks there. So, you know, if we're going to have two legal things that's bad for you, scientifically proven is not good for you to do, why take away one of them? 'Cause we're the government. We're smarter than you and God gave us the right and you – you people voted us in, and y'all better be happy for us 'cause we're going to tell you what's best for you. Where does it stop? It needs to stop today. Taking a stand, not giving in to what's cool, what's not cool, you know what we need to be banning today, this synthetic – synthetic marijuana. Let's figure out a way to get rid of that. No we're going to take on the poor people that got addicted to their cigarettes when it used to be cool, and just ban it further, hurt local businesses. Why don't we take on something that would actually really help and get rid of that stuff that's – that's turning people into robbers and it – it needs to go before it becomes an epidemic. And that's it. Thank you.

Commissioner Gellatly said, Pete [Liakakis]?

Chairman Liakakis said, James [Holmes]?

Commissioner Holmes said, thank you, Mr. Chairman. To my colleagues, I – I – I want us to remind that on our government health is our primary concern. One of them. And city government have their concern. But if we're going to look at our citizen, we should make decisions that will help our citizens. Is this a good ordinance? Is this a perfect ordinance? We know it's not perfect. It can be critiqued. It can be looked at. And I'm – I'm quite sure we all glanced at it, looked at it, and see what is best in here. I noticed some things in here about the \$100 – \$1,000 fine. I question the same thing. How – how do we come up with \$1,000? All that can be critiqued. But when we look at helping our citizen, I feel that we are stepping and going in the right direction. It is not that you're intruding on someone's privacy, it's doing what is right from under your government ordinance and you're governing that is best. And I walked on the campus of – in many hospital, and I notice employees at the hospital standing in areas taking a puff. Now are they have the right to be standing where they at? Are they within the footage that's in the guideline? I don't know, but I'm quite sure things like this can go to the hospitals so the employees and the CEO's can enforce that to make sure those people are in the right area doing their smoking. Because here again hospitals is vulnerable.

Commissioner Holmes said, Dean [Kicklighter], you mentioned about the youth. I'm so protective of youth. Anytime that I see somebody hurting a youth, I get angry. I have a grandson, and my grandson came home and told me that Pappa, my daddy was smoking in the car. I immediately called his daddy. I immediately called his daddy and asked him would you please stop smoking in the present [sic] of my grandson. You know what, the father said, Mr. Holmes, I will never do it again. Now that's protecting my grandson. Now how many of you all have grandson and son that are seated in a car, an adult is smoking a cigarette. So Dean [Kicklighter] you hit the nail right on the head, protection of our future, protection of the youth. So there's a lot of things in here could be critiqued, but overall, when you look at it, our concern about helping our citizen become better, healthy citizen in Chatham County. Thank you.

Chairman Liakakis said, Helen [Stone] and then Dave [Gellatly].

Commissioner Stone said, thank you, Mr. Chairman. I think my question is more of a technical question for the County Attorney, if – if my – my reading this I understand this that you've – you've given us the State law and then the 12 items on pages – on page 3 are the additional items that the City has put into place. Is that correct?

County Attorney Hart said, yes, ma'am.

Commissioner Stone said, and so we could – we could go down that list and decide which out of those we would want to keep?

County Attorney Hart said, yes, ma'am.

Commissioner Stone said, okay. Thank you.

Chairman Liakakis said, Dave [Gellatly].

Commissioner Gellatly said, thank you, Mr. Chairman. My – my concern is from a different perspective. I'm – I'm concerned about the enforcement of it, and I want us to really think that through very carefully. It – it bothers me when we think that we're going to use police officers a very costly, very limited resource to enforce this ordinance. Are we really going to have a call come in to our 9-1-1 system that someone at a bar or someone at the mall lit up a cigarette and we expect a police officer to respond and issue a ticket? Do we really want to do that? And I would – I would also point out that even in – in the most aggravated circumstances, if a police officer comes and writes a ticket, ultimately now they've got a right to go to court. You're – you're talking you're going to possibly collect a \$100 fine and – and that process is going to cost the tax payers over \$1,000 to process. I – I – I – I am really concerned that if – if this is going to be enforced, that somehow it's going to have to be done other than using police officers to – to enforce cigarettes. I – I – I think that there's something terribly wrong in a free country if someone lights up a cigarette in a mall or a bar and a police officer is going to show up and issue a ticket and government's going to spend \$1,000 to process that citation. I think it's a total – I think it's absurd, and I think it's a total waste of law enforcement manpower. Thank you.

Chairman Liakakis said, Harris [Odell]?

Commissioner Odell said, in addition to the items David [Gellatly] listed, I – I tend to agree that the retail tobacco stores, the outdoor areas of places of employment, and private clubs. If I belong to a private club, which I do not, and we decided to smoke a cigar, we're in a private club. I don't think anyone doubts that cigarette smoke ultimately is harmful, but alcohol is harmful. More Americans die because they over eat. I mean our biggest killer in America is food. I don't know I – I – I'm uncomfortable with regulating what happens at a private club, a retail tobacco store, either they're licensed or they're not licensed. If they're licensed, then – and the outdoor areas of places of employment. Most people who've never smoked do not realize that nicotine addiction is probably one of the greatest addiction and ranks right up there with crack cocaine and heroine. It is not a simple addiction, and I think the ordinance over all is good. I just think that we've taken it too far. Retail tobacco stores, outdoor areas of employment, people are on their 15-minute break. If they want to smoke, then – let's – they can smoke. I'm not encouraging them to smoke, wish they didn't smoke, but they should have a right to smoke. If I belong to a private club, it's a private club. Do we take that extension and say if David [Gellatly], Dean [Kicklighter] and I get together at my house and we decide to light a cigar and this officer's in the area, is he authorized because we are gathering to issue a \$100 citation? I'm kind of uncomfortable with that potential scenario, and I cannot support the ordinance the way it is.

Commissioner Thomas said, Mr. Chairman?

Chairman Liakakis said, it's – anyone – all right – Priscilla [Thomas]?

Commissioner Thomas said, yeah, I – I – I tend to agree with Commissioner Odell because that's my concern about the private aspect of it and some other things. Perhaps this ordinance as the Attorney has said, can be – you know, we can tweet it in – in some way where it would not reflect those issues that we are – we have concerns about – great concerns about, like the private clubs and so forth and so on. So I would be in favor of supporting the ordinance if we can tweet it to reflect those changes.

Chairman Liakakis said, go ahead.

Commissioner Kicklighter said, Mr. Chairman, at this time I'll make a motion to approve the recommended ordinance with removal of any reference to cigarette/tobacco shops or bars –

Commissioner Stone said, we've got to have a first reading.

Commissioner Kicklighter said, – private clubs, outdoors area, bars and restaurants where you have to be 21 years of age to enter.

Commissioner Odell said, and E-cigarettes.

Commissioner Kicklighter said, and E-cigarettes.

Commissioner Gellatly said, second that.

County Attorney Hart said, 21?

Commissioner Kicklighter said, twenty –

County Attorney Hart said, 21 years of age –

Commissioner Kicklighter said, one which is stronger than the State law and a restaurant, which is 18.

County Attorney Hart said, correct.

Commissioner Thomas said, oh, okay.

Commissioner Odell said, and E-cigarettes, Jon [Hart].

Commissioner Kicklighter said, and the removal of E-cigarettes.

County Attorney Hart said, okay.

Commissioner Gellatly said, and I second that.

Chairman Liakakis said, okay, anybody in the audience would like to discuss because we had some people that did discuss this with us about the smoking ordinance. Anybody? Did you want – you brought it because you work with Healthy Savannah, you know, on their ordinance?

Ms. Amy Hughes said, hi. Yes, sir. Amy Hughes representing Healthy Savannah. The Chairperson of the Breathe Easy Savannah-Chatham Committee. The changes that Mr. Kicklighter has proposed essentially gut the entire ordinance and there would be no need to pass the ordinance if you went that direction. I would recommend that we sit down and we take a look at it and we figure out – we look at the data about exactly how many private clubs you do have in the County, how many of them are already smoke free, and just take a look at that, just so that you have that information. And then take a look at the other points that the Commissioners have raised. Commissioner Gellatly I understand your points about enforcement, and I would encourage you to speak with Mr. Wilkins – Chief Wilkins about that as well, because I think he can reassure you that it's been a non-issue as Chief Lovett has said all the time. So it seems like we need to tweak the ordinance just a little bit prior to coming back for a First Reading, and I would request that we give – be given the opportunity to work with the County staff on those matters. But at the same time, I just want to point out that what Commissioner Kicklighter has raised completely guts it and there's absolutely no point passing it if you do that. Thank you. The point of the ordinance is about protecting all employees, and it only implies – only applies to places where you have employees or where the public comes in.

Commissioner Kicklighter said, Mr. Chairman? If I may. I do commend Ms. Hughes for coming forward with great intent, and again, it's great to protect all citizens of the U.S., but I offer and close with the following: if you work in an establishment that legally allows smoking and you feel as if it's harmful to your health, just as someone who may choose to work in a coal mine knows that there's a chance they will get trapped and can die. If you have fear of either of those two scenarios, do not work in that establishment, but do not take away private businesses God-given right to operate a legal business that generates revenues thus far enhancing the economy for the whole country. I close with that. There's many jobs out there that's dangerous, but by God if you're worried about it, get another job. Don't take that job. But don't in our country take the rights away from our citizens to make choices that they feel are best for themselves when they're legal choices. Again, if this country wants to make tobacco illegal, have at it, and smoking should just disappear period. But right now it's legal in the United States and us telling citizens what to do – adults, is not the right thing to do. As far as gutting this ordinance, it guts it as far as the areas of protecting people who are old enough to understand responsibility and protect themselves, however, the parts remain in place that enhances the current laws to protect the persons that can't protect themselves, which are our kids. That's one thing government should do, protect the kids and that's what we're doing here with the enhancements we'll approve today. With that I'll call for the question.

Chairman Liakakis said, the question has been called for, so the – you wanted to –

Commissioner Kicklighter said, I called for the question.

Commissioner Stone said, I – I'm just – I'm just –

County Attorney Hart said, the question's been called for.

Commissioner Stone said, – I just have a question.

Chairman Liakakis said, do you accept Helen's [Stone] – had her hand up.

Commissioner Stone said, I have a procedural question. Can we vote on something that without a first or second reading, I mean, isn't that what – today was just about discussion. Don't we –

County Attorney Hart said, all – all I need to know is what you want to do. Okay? You know the – the – I've – I've got a motion on the floor that – that's come out that's exempt – wants to remove some of the items that are on page three of my report. You look at that middle section of page three, that's really the checklist of things that do you want them or don't want them.

Commissioner Stone said, right. And –

County Attorney Hart said, okay? So, if this passes, I will – and I'm directed to write an ordinance, I'll write an ordinance deleting what I'm told to delete and putting in what I need to put in and then it will come back to you on First Reading, and if you want to tweak it again, that's up to you. You can add to or take therefrom. But I – I got to have a starting point from which to draft.

Commissioner Kicklighter said, okay. I've called for the question

Chairman Liakakis said, okay, the question has been called for so if you want to vote for that or if you want to hold off for whatever we can do that. Priscilla [Thomas]?

Commissioner Kicklighter said, you agreed in theory with this, please agree in vote.

Commissioner Thomas said, huh?

Commissioner Kicklighter said, I said you agreed in theory?

Commissioner Thomas said, oh.

County Attorney Hart said, I'm going to take that as direction to staff to go back and take the ordinance as it is written and modify it as outlined in the motion and then I will bring it back –

Commissioner Thomas said, bring it back.

County Attorney Hart said, – to you for First Reading for further consideration.

Commissioner Odell said, that is a raging majority.

Chairman Liakakis said, Okay. All right.

County Attorney Hart said, thank you.

ACTION OF THE BOARD:

Commissioner Kicklighter moved to approve the ordinance with the removal of any reference to cigarette/tobacco shops or bars, private clubs, outdoors area, bars and restaurants where you have to be 21 years of age to enter, and E-cigarettes. Commissioner Gellatly seconded the motion and it carried in a 5-4 vote. Commissioners Farrell, Odell, Gellatly, Kicklighter and Thomas voted yes. Chairman Liakakis and Commissioners Stone, Holmes and Shay voted no. County Attorney Hart will rewrite the ordinance and it will be brought before the Board for First Reading.

AGENDA ITEM: IX-2
AGENDA DATE: January 13, 2012



INTER-OFFICE CORRESPONDENCE

DATE: January 4, 2012
 TO: Chairman and Board of Commissioners
 FROM: R. Jonathan Hart, County Attorney
 Re: Local Smoke Free Ordinance Issue

The County Attorney was requested to review and comment in regard to the County adopting a local ordinance similar to or the same as that recently adopted by the City of Savannah entitled, "Ban or Restrict Smoking in Places of Public Accommodation and Repeal Ordinances in Conflict." The County Attorney has reviewed the state law regarding restrictions on smoking, Chatham County current local Ordinance, and the proposed Smoking Ordinance and request the Board of Commissioners provide instruction and policy direction as to whether they wish to adopt, not adopt, or partially adopt portions of the proposed ordinance.

BACKGROUND:

STATE LAW:

The General Assembly enacted the "Georgia Smokefree Air Act of 2005," ("Act") contained in O.C.G.A. §31-12A-1, et. seq., which prohibits smoking in "public places, including public buildings of the state agencies or political subdivisions of the state" (which would include counties). The Act prohibited smoking in all enclosed public places. The Act exempted from the smoking prohibition certain areas as outlined in O.C.G.A. §31-12A-6 which include:

- (1) Private residences, except when used as a licensed child care, adult day-care, or health care facility;
- (2) Hotel and motel rooms;
- (3) Retail tobacco stores;
- (4) Long term care facilities;
- (5) Outdoor areas of places of employment;
- (6) Smoking areas in international airports;
- (7) Workplaces of any manufacturer, importer, or wholesaler of tobacco products;
- (8) Private and semiprivate rooms in health care facilities;
- (9) All bars and restaurants to which access is denied to any person under the age of 18 and private rooms in restaurants and bars in such rooms are enclosed and have an air handling system independent from the main air handling system;
- (10) Private convention facilities and private clubs officer, clubs and non-commissioned officer's clubs.

O.C.G.A. §31-12A-10 provides that the enforcement of the Ordinance would be made through the Department of Health and county boards of health.

O.C.G.A. §16-12-2(a) and (b) provides for a fine of not less than \$100 nor greater than \$500 and that the general act be deemed to be "cumulative to and shall not prohibit the enactment of any other general and local laws, rules and regulations of state or local agencies, and local ordinances prohibiting smoking which are more restrictive than this Code section." (Emphasis supplied).

CURRENT COUNTY ORDINANCE

On April 15, 1995, the Chatham County Board of Commissioners, pursuant to O.C.G.A. §16-12-2(b) exercised their authority to adopt a local ordinance that was somewhat more restrictive than the ordinance adopted by the General Assembly. This local Ordinance is contained in Article IX, §21-901, et. seq., of the County Code.

Section 21-903 provides: "Except as otherwise provided in this Ordinance, smoking is prohibited in all public places and places of employment within Chatham County." The Ordinance excludes from the term, "Place of employment," a private residence, and the dining area of a restaurant.

Additionally, the Ordinance exempted the local Ordinance regulation of (1) bar areas (with limitations); (2) hotel and motel rooms; (3) retail tobacco stores; (4) designated smoking areas in a place of employment; (5) banquet facilities; and (6) designated smoking areas in bowling centers.

The Ordinance provides that enforcement could be obtained by the issuance of a warrant through the Chatham County Recorder's Court or by any officer of the Chatham County Police Department (should be Savannah-Chatham Metropolitan Police Department) for a violation that occurs in his or her presence. (See attached Ordinance "A").

PROPOSED SMOKING ORDINANCE:

The proposed Smoking Ordinance under consideration follows the Ordinance of the City of Savannah. (Attachment "B").

The proposed Smoking Ordinance has more restrictive provisions than that of the State Act or the current Chatham County Smoking Ordinance. The Board of Commissioners will need to make a policy decision as to whether it desires to adopt, not adopt, or partially adopt portions of the proposed Smoking Ordinance.

The proposed Smoking Ordinance either eliminates or narrows the exemptions from regulations allowed in the State Act and the current local Ordinance.

The State Act would be modified by the local Ordinance to remove as exempt the smoking prohibitions including, but not limited to, the following locations:

- Retail tobacco shops (were exempt under §31-12A-6(a)(3));
- Long term health care facilities (were exempt in part under §31-12A-6(a)(4));
- Outdoor areas of places of employment (except restaurants where the outdoor service area is at least 50 percent of the size of their indoor area may designate 20 percent of the outdoor area as a smoking section);
- Airport facilities, including areas of international airports designated by airport operator (were exempt under §31-12A-6(a)(6));
- Bars and restaurants (serving no one less than 18 years of age) §31-12A-6(a)(9));
- Convention facilities (were exempt under §31-12A-6(a)(10));
- Additionally, the proposed ordinance would include in the definition of smoking "E-cigarettes," "E-pipes," or other electronic device which produce vapors or simulated smoke;
- Smoking in a "public facility" has a broader definition;

Other provisions of note in the proposed ordinance include the following:

- The proposed ordinance would apply not only to public facilities; but would regulate "private clubs";
- Smoking would be prohibited in all enclosed areas of places of employment without exception (including bars and restaurants);
- Smoking in outdoor areas cannot be within 10 feet or a reasonable distance outside the entrance, operable windows or ventilation system of a building;
- The proposed ordinance provides for a non-discriminatory provision including barring retaliation against any employee exercising any rights. An employer may be fined under the ordinance of up to \$1,000.

Setting aside the above policy issues for the Board, the County Manager or his designee, should not, under the proposed ordinance, as is contemplated, be the responsible party for enforcement of the local ordinance. The County Manager and his departments are not sufficiently staffed for enforcement. Under the current State law and local Ordinance, the responsibility for enforcement has been the responsibility of the owners, law enforcement and the health department.

The proposed Ordinance also provides for a private cause of action and right to sue by any private citizen to enforce the Ordinance and obtain injunctive relief.

The proposed Ordinance has an increasing fine rate for the first offense of \$100; the second offense of \$200 and the third offense of \$500. A repeat violation could result in the loss of local County licenses (i.e., business, liquor).

The proposed Ordinance also provides that written notice of the provisions be given to all applicants for a County business license.

Finally, it should be noted that the proposed ordinance requires the County Manager to engage in a continuing program to explain and clarify the purposes and requirements of the proposed ordinance.

CONCLUSION

In light of the policy consideration at issue, the County Attorney requests direction from the Commission as to whether to proceed with drafting a revised County Smoking Ordinance as proposed or with modifications.

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3. TRANSMITTAL OF THE 2011 COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) AND RELATED DOCUMENTS INCLUDING THE AUDITOR'S COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE, SINGLE AUDIT REPORT, MANAGEMENT LETTER, AND RESPONSE TO THE SINGLE AUDIT FINDINGS & QUESTIONED COSTS AND THE MANAGEMENT LETTER. AUDITOR WILL BE PRESENT.

Chairman Liakakis said, next on the agenda, transmittal of the 2011 Comprehensive Annual Financial Report (CAFR) and related documents including the Auditor's Communication with Those Charged with Governance, Single Audit Report, Management Letter, and responses to the Single Audit Findings and Questioned Costs and the Management Letter. Auditor will be present.

County Manager Abolt said, Mr. Chairman, Dr. Thomas, Commissioner Stone and gentlemen, this is as always a very special time in your fiscal year. It's one that I always want to make sure that you have ample opportunity to ask of the external auditor any pending questions. As you know the auditor, in the presence of Derrick Cowart, works directly for you. His firm annually gives you a check and balance of what goes on within this \$660 million corporation. Our relationship, professional though it is over the years with this firm has resulted in recognition to my left, to your right

by the Government Finance Officers' Association of doing an excellent job of reporting to you and to the tax payers and – and the – those – those with vested interest in this county what we're doing in handling their money. But I – I want to back off now and let Derrick [Coward] speak to you because this is his time and it recognizes his special relationship. That relationship with his firm and you as the Board of Directors for this corporation. Derrick [Coward]?

Mr. Derrick Cowart said, good morning.

Chairman Liakakis said, good morning.

Commissioner Stone said, good morning.

Mr. Cowart said, over all the audit went very well. No major problems, and we have – and overall the County is in very sound financial condition. And – and – and I'm really here just to see if y'all had any questions or any concerns or anything.

Chairman Liakakis said, the statement you just made that the County is in good financial condition, that's the – that's one of the basic things and really important so our citizens know that. Helen [Stone]?

Commissioner Stone said, well first of all I'd like to commend our staff for making certain that the County is in solid – on solid financial ground. I want to point out what I pointed out in the pre-meeting and that is to work on the capital assets reporting, that I would like to see that corrected. That was noted in the audit, and I think that it is something that we need to pay close attention to, and I just wanted to go on record as saying that I – I want that to be addressed in the upcoming year.

County Manager Abolt said, it – it – it will be. And I also while – while he's passing out appreciation, – it starts with you as the Board of Directors. You know, without a Board of Directors who understands financial management, who understands multi-year forecasting, can – can makes difficult decisions with – with good information we would not be in the position we're in. Even though Ms. Cramer and her staff and all the department heads do an excellent job in working with – with the external auditor absence the sensitivity that you have as a Board of Directors, and what you've done in the last seven years have literally turned the direction of this organization, and I want to say thank you for it.

Commissioner Stone said, thank you.

Chairman Liakakis said, any other questions for the auditor? Well thank you very much –

Mr. Cowart said, thank you.

Chairman Liakakis said, – we appreciate your firm doing this and of course we still – want our citizens to know that this Commission has from day one has been concerned to make sure that – that – that we are doing the right things as far as the budget goes and to look at our financial situation and how the staff is operating with those directions, because then we know, especially with your report, that we are in good shape, and in the past we have received a number of – a number of many good things stated that the State and have given this awards for their due diligence and their hard work and to – because what has been done in the financial way, it's up at the top. Thank you.

Mr. Cowart said, all right. Thank y'all.

ACTION OF THE BOARD:

For information only.

AGENDA ITEM: IX-3
AGENDA DATE: January 13, 2012

TO: Board of Commissioners
THRU: R. E. Abolt, County Manager
FROM: Linda B. Cramer, Finance Director

ISSUE: Transmittal of the 2011 Comprehensive Annual Financial Report (CAFR) and related documents including the Auditor's Communication with Those Charged with Governance, Single Audit Report, Management Letter, and responses to the Single Audit Findings & Questioned Costs and the Management Letter.

Background: The 2011 CAFR reports the County's financial positions as of June 30, 2011. It has been submitted to the State of Georgia and the Government Finance Officers Association's award program.

FACTS AND FINDINGS:

1. The CAFR represents the audited financial report of Chatham County prepared in accordance with generally accepted principles. The CAFR presents the recorded financial transactions and activities of Chatham County for the period July 1, 2010 to June 30, 2011. It includes activities of three component units: Chatham Area Transit, Live Oak Public Libraries, and the Chatham County Health Department. The 2011 CAFR was mailed to the Board on December 28, 2011.

- At June 30, 2011 the main operating funds of the County were the General Fund and the Special Service District. Fund balance increased in both funds during fiscal 2011. Components of fund balance for these funds at year end were:

**General Fund and Special Service District
June 30, 2011
(in 000s)**

<u>Fund Balance</u>	<u>General Fund</u>	<u>SSD</u>
Components:		
Nonspendable	\$ 392	\$ 18
Restricted	27	\$ 0
Unrestricted	<u>33,558</u>	<u>7,012</u>
Total Fund Balance	<u>\$ 33,977</u>	<u>\$ 7,030</u>
Increase from Prior Year	<u>\$ 3,692</u>	<u>\$ 408</u>

- Unrestricted Fund Balance includes three categories: committed, assigned and unassigned. The new categories reflect the implementation of GASB Statement 54. Amounts shown within the Unrestricted categories include:

**General Fund and Special Service District
Unrestricted Fund Balance Categories
June 30, 2011
(in 000s)**

<u>Categories</u>	<u>General Fund</u>	<u>SSD</u>
Committed:		
For CEMA	\$ 479	
For financial policy reserve levels	24,784	\$ 4,462
Assigned:		
For subsequent year's budget deficit	-	1,171
For purposes of the fund	-	1,379
Unassigned	<u>8,295</u>	<u>-</u>
	<u>\$ 33,558</u>	<u>\$ 7,012</u>

- The amount shown in the General Fund as Fund Balance - Committed for financial policy reserve levels of \$24.7 million equals approximately two months of operating expenditures in compliance with fund balance policies.
- In the Special Service District, the amount shown as Fund Balance - Committed for financial policy reserve levels of \$4.4 million represents two months of operating expenditures in compliance with fund balance policies.
- The adopted 2012 SSD Fund budget appropriates use of \$1.17 million of fund balance. This is shown as Fund Balance – Assigned for subsequent year's budget deficit. This categorization is required under GASB Statement 54.
- Amounts shown as Fund Balance – Unassigned in the General Fund represent funds in excess of state reserve policies. These funds total \$8,294,469 at fiscal year end. Financial policies recommend that these funds, if appropriated, be used for one-time, nonrecurring expenditures. In the SSD Fund, these same type of funds are classified as Fund Balance – Assigned for purposes of the fund and total \$1,379,245.
- The CAFR includes the County's government-wide financial statements which present all activities of Chatham County on the accrual basis of accounting, including capital assets and long-term debt. Overall the County's net assets as shown on the government-wide statements total \$1,150,482,885, an increase from the prior year of \$18.5 million. Most of the increase resulted from revenues received in advance of capital project spending (e.g. SPLOST funds).
- The Management Discussion and Analysis reviews the changes in the County's overall financial position from 2012 to 2011 (begins on page C-1) and includes a discussion of changes at both the entity-wide and major fund level. For the County as a whole, revenues decreased \$3.9 million from 2012 levels while expenses increased \$31 million. Tax revenues declined \$4.8 million. SPLOST distributions to municipalities were \$22.9 million in the first year of distribution under the 2008-2014 referendum.
- Budget comparison scheduled for County funds are shown in the CAFR on pages E-1 to E-7, and also starting on page F-5.

11. The independent auditor prepares a Single Audit Report as required by *Government Auditing Standards* and *OMB Circular A-133*. This report includes a Schedule of Findings and Questioned Costs pertaining to fiscal 2011 activities (page 7). Responses to the findings are attached (pages 8-11). A status report on the findings and questioned costs for fiscal 2010 is also included in the report (page 12).
12. The Management Letter with departmental responses can be found beginning on page 16. The independent Auditor's Communication with Those Charged with Governance is herein transmitted beginning on page 22.

FUNDING: N/A

POLICY ANALYSIS: The Finance Department remains committed to the timely preparation of financial reports and to the elimination of findings related to processes and internal controls.

ALTERNATIVES: N/A

RECOMMENDATION: N/A

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4. REQUEST BOARD APPROVAL TO AMEND FISCAL 2012 BUDGET RESOLUTIONS TO: 1) RECOGNIZE AUDITED FISCAL 2011 FUND BALANCES FOR FUNDS THAT USE FUND BALANCE AS AN OPERATING RESOURCE AND 2) REFLECT FISCAL 2011 RESERVES FOR ENCUMBRANCES AND CAPITAL PROJECT BALANCES FOR THE NON-MAJOR CAPITAL IMPROVEMENT AND ENTERPRISE FUND.

Chairman Liakakis said, item 4, request Board approval to amend fiscal 2012 budget resolutions to: 1) recognize audited fiscal 2011 fund balances for funds that use fund balances as an operating resource and 2) reflect fiscal 2011 reserves for encumbrances and capital project balances for the non-major Capital Improvement and Enterprises Funds. Russ [Abolt]?

County Manager Abolt said, this just wraps up the accounting entries based on the audit. It – it carries forward stuff that should be carried over, and we ask you just to adopt it.

Commissioner Kicklighter said, motion to approve.

Commissioner Farrell said, second.

Chairman Liakakis said, have a motion and a second. Let's go on the board. Motion passes.

ACTION OF THE BOARD:

Commissioner Kicklighter moved to approve amendment of fiscal 2012 budget resolutions to recognize audited fiscal 2011 fund balances for funds that use fund balance as an operating resource and reflect fiscal 2011 reserves for encumbrances and capital project balances for the non-major Capital Improvement and Enterprise Funds. Commissioner Farrell seconded the motion and it carried unanimously. [NOTE: Commissioners Odell and Gellatly were not present for the vote.]

AGENDA ITEM: IX-4
AGENDA DATE: January 13, 2012

TO: Board of Commissioners
THRU: R. E. Abolt, County Manager
FROM: Linda B. Cramer, Finance Director

ISSUE:

To amend fiscal 2012 budget resolutions to: 1) recognize audited fiscal 2011 fund balances for funds that use fund balance as an operating resource and 2) reflect fiscal 2011 reserves for encumbrances and capital project balances for the nonmajor Capital Improvement and Enterprise Funds.

BACKGROUND:

The fiscal year 2012 Chatham County budgets were adopted on June 24, 2011. A subsequent independent financial audit has verified fiscal year-end 2011 fund balances and capital project balances. This report amends current year budgets to show the potential use of unreserved fund balance in those funds where it is considered an operating resource. The report also provides appropriations related to outstanding fiscal 2011 encumbrance balances ("carryforwards") and restricted fee reserves. Although a budget amendment to account for year end encumbrances is not a requirement of enterprise funds, enterprise funds are included in this report to facilitate effective management planning. Fund balance carryforwards for major capital project funds were approved on

December 16, 2011. Encumbrance carryforwards for the General Fund and SSD Fund were approved September 9, 2011.

Fund balance is not considered an operating resource in the General M&O Fund and the Special Service District. Audited fund balance information for those funds was presented to the Board with transmittal of the Comprehensive Annual Financial Report (CAFR).

FACTS AND FINDINGS:

- (1) The Chatham County Confiscated Special Revenue fund budget amendment increases the budget by \$448,021 to reflect a fund balance total of \$636,146. Appropriations are increased for expenditures in accordance with the resolution.
- (2) The Chatham County Sheriff Confiscated Special Revenue Fund budget amendment increases the budget by \$90,765 to reflect a fund balance total of \$90,765. Appropriations are increased for expenditures in accordance with the resolution.
- (3) The Chatham County Restricted Court Fees Special Revenue Fund budget amendment increases the budget by \$667,266 to reflect a fund balance of \$902,437. Appropriations are increased for expenditures in accordance with the resolution.
- (4) The Chatham County Inmate Welfare Fund budget amendment increases the budget by \$506,631 to add fund balance. Appropriations are increased for expenditures in accordance with the resolution.
- (5) The Chatham County Street Lighting Special Revenue Fund budget amendment increases the budget by \$116,746 to add fund balance. Appropriations are increased for expenditures in accordance with the resolution.
- (6) The E911 fund budget amendment increases the budget by \$1,491 to reflect fund balance of \$641,428. Appropriations are increased for expenditures in accordance with the resolution.
- (7) The Chatham County Land Disturbing Activities Ordinance budget amendment increases the budget by \$164,715 to add fund balance. Appropriations are increased for expenditures in accordance with the resolution.
- (8) The Chatham County Land Bank budget amendment increases the budget by \$5,663 to add fund balance. Appropriations are increased for expenditures in accordance with the resolution.
- (9) The Chatham County Sales Tax V Fund budget amendment decreases the budget by \$1,828,692 to reflect fund balance of \$106,506,185. The latest revised budget detail is available in the Financial Department as stated in the resolution.
- (10) The Chatham County Capital Improvement Program Fund budget amendment increases the budget by \$15,504,147 to reflect a fund balance of \$17,043,159. Appropriations are adjusted for expenditures in accordance with the resolution.
- (11) The Chatham County Capital Improvement - Series 1999 DSA Revenue Bond Fund budget amendment increases the budget by \$55,344 to reflect fund balance of \$149,344. Appropriations are increased for expenditures in accordance with the resolution. The latest revised budget detail is available in the Finance department as stated in the resolution.
- (12) The Chatham County Capital Improvement - Series 2005 DSA Revenue Bond Fund budget amendment increases the budget by \$639,005 to reflect fund balance of \$1,240,005. Appropriations are increased for expenditures in accordance with the resolution. The latest revised budget detail is available in the Finance department as stated in the resolution.
- (13) The Chatham County CIP Bond Detention Center Expansion budget amendment decreases revenues \$10,730,149 transfer in from Sales Tax V. Appropriations are adjusted for expenditures in accordance with the resolution.
- (14) The Hospital Authority Debt Service Fund budget amendment increases the budget by \$101,956 to reflect a fund balance of \$107,956. The appropriations are adjusted for expenditures in accordance with the resolution.
- (15) The Chatham County Water and Sewer Fund budget amendment adjusts revenues by \$28,260 to reflect encumbrance carryforwards. Appropriations are adjusted for expenditures in accordance with the resolution.
- (16) The Chatham County Solid Waste Management Fund budget amendment adjusts revenues by \$28,260 to reflect encumbrance carryforwards. Appropriations are adjusted for expenditures in accordance with the resolution.
- (17) The Chatham County Building Safety & Regulatory Fund budget amendment adjusts revenues \$38,239 to reflect encumbrance carryforwards. Appropriations are adjusted for expenditures in accordance with the resolution.
- (18) The Chatham County Computer Replacement Fund budget amendment increases the budget by \$94,997 to add fund balance.

FUNDING:

Funds are available in Restricted Fund Balance, Unrestricted Fund Balance and/or Net Assets for all funds.

ALTERNATIVES:

- (1) That the Board approve the following:

CONFISCATED SPECIAL REVENUE FUND

A budget amendment to increase fund balance appropriations \$448,021 with a corresponding appropriation for Public Safety expenditures.

CHATHAM COUNTY SHERIFF CONFISCATED SPECIAL REVENUE FUND

A budget amendment to increase fund balance appropriation \$90,765 with corresponding increase in expenditures.

RESTRICTED COURT FEES SPECIAL REVENUE FUND

A budget amendment to increase fund balance appropriations by \$667,266 with a corresponding increase in expenditures.

INMATE WELFARE FUND

A budget amendment to increase fund balance appropriations \$506,631 with a corresponding increase in expenditures.

STREET LIGHTING SPECIAL REVENUE FUND

A budget amendment to increase fund balance appropriations by \$116,746 with a corresponding increase in expenditures.

E911 FUND

A budget amendment to increase fund balance appropriations by \$1,491 with a corresponding increase in expenditures.

LAND DISTURBING ACTIVITIES ORDINANCE FUND

A budget amendment to increase fund balance appropriations by \$164,715 with a corresponding increase in expenditures.

LAND BANK FUND

A budget amendment to increase fund balance appropriations by \$5,663 with a corresponding increase in expenditures.

ONE PERCENT LOCAL OPTION SALES TAX V FUND

A budget amendment decreasing fund balance carried forward by \$1,828,692 with a corresponding decrease in expenditures. The latest revised budget detail is available in the Finance Department as stated in the resolution.

CAPITAL IMPROVEMENT PROGRAM FUND

A budget amendment to increase fund balance appropriations \$15,504,147 with a corresponding increase in expenditures. The latest revised list of projects is available in the Finance Department as stated in the resolution.

CAPITAL IMPROVEMENT - SERIES 1999 DSA REVENUE BOND FUND

A budget amendment to increase fund balance by \$54,344 with a corresponding increase in expenditures. The latest revised list of projects is available in the Finance Department as state in the resolution.

CAPITAL IMPROVEMENT - SERIES 2005 DSA REVENUE BOND FUND

A budget amendment increasing the fund by \$639,005 in fund balance with a corresponding increase in expenditures. The latest revised list of projects is available in the Finance Department as stated in the resolution.

CIP BOND DETENTION CENTER EXPANSION FUND

A budget amendment decreasing revenue \$10,730,149 transfer in from Sales Tax V with a corresponding decrease in expenditures. The latest revised list of projects is available in the Finance Department as stated in the resolution.

HOSPITAL AUTHORITY DEBT SERVICE FUND

A budget amendment increasing the fund by \$101,956 in fund balance with a corresponding increase in expenditures.

WATER AND SEWER ENTERPRISE FUND

A budget amendment in the amount of \$11,303 net assets for year end encumbrances with corresponding expense appropriations.

SOLID WASTE MANAGEMENT ENTERPRISE FUND

A budget amendment in the amount of \$28,260 net assets for year end encumbrances with corresponding expense appropriations.

BUILDING SAFETY AND REGULATORY SERVICES FUND

A budget amendment in the amount of \$38,239 net assets for year end encumbrances with corresponding expense appropriations.

COMPUTER REPLACEMENT FUND

A budget amendment to increase the fund by \$94,997 fund balance appropriations with a corresponding increase in expenditures.

- (2) Amend the transfers and budget amendments.

POLICY ANALYSIS:

The State Code grants the Board of Commissioners the authority to amend the budget as it deems necessary during the fiscal year.

RECOMMENDATION:

That the Board approve Alternative 1.

PREPARED BY: Estelle Brown

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5. REQUEST BOARD APPROVAL OF AN INDUCEMENT RESOLUTION AND TASK LIST FOR CHATHAM COUNTY'S PARTICIPATION IN A PROPOSED TRADE CENTER CONVENTION HOTEL.

Chairman Liakakis said, item 5, request Board approval of an Independent [sic] Resolution and Task List for Chatham County's participation in a proposed Trade Center Convention Hotel.

County Manager Abolt said, Commissioners – Commissioner, excuse me, Chairman Liakakis, Dr. Thomas, Commissioner Stone, gentlemen, this is – this is a moment of consideration brought forward by a lot of work done by staff and interested parties. I – I do want to take a moment just to introduce the subject to you even though you're well worth – you have known what's been going on. I first of all want to recognize Mr. Monahan, who was the author of the staff report now before you. I consider him in – in – in the strongest words I can find our duty expert in everything Hutchinson Island. He's been with this County for over 25 years and the results of his knowledge and his excellent advice and his impartiality is a great comfort to me and I know to you.

County Manager Abolt said, now the issue before you today, if I – if I may couch it in this context, through an extremely difficult recession that our entire country has faced, this County has been blessed with what I would refer to as 1, 2, 3, punch to fight the hard economic times. The first – the first punch in – in favor of – of turning us around in the economy is the Georgia Port, the second one is Gulfstream, and the third is tourism. The port, there's no doubt that this County has been a genuine friend to the Georgia Ports. On Gulfstream I will say with – with – with no reservations whatsoever, absent of behind the scenes leadership of the Chairman, the ability to retain Gulfstream here and see their expansion would have been questionable. And then we come to the issue of tourism. Even in the most difficult of times, tourism sees us through. Certainly something as recent as the Rock 'N Roll Marathon, but the continued resilience and vitality of tourism is a mainstay in economic recovery, and the issue before you right now underscores your commitment to that 1, 2, 3 punch and allows you to say that tourism is not going to go away. Tourism is just as – as constant as the Port and just as constant as Gulfstream. And might – one might even say because of the historic significance of this community on the coast of Georgia it's possibly the strongest resource we have in that 1, 2, 3 punch. So I would ask you to – to as you will, I know, allow Mr. Monahan to explain the options. But when it's all over you have to analyze the risk versus reward. In – in my professional opinion I believe that the risk is manageable, and I would encourage you before you end your discussion today, to consider a motion to adopt the resolution. Mr. Monahan?

Assistant County Manager Patrick Monahan said, thank you, Mr. Abolt. Good morning Chairman, members of the Board. The resolution before you presents one of three steps to continue to look at the proposed convention center hotel. Each step requires Board approval, just as it does today. Step one, and I'll outline the three steps briefly and then review them more in depth. Step one provides for the adoption of the resolution to complete the task list which is attached, which is primarily the due diligence items that – that this Board has previously discussed and wanted before the project moves forward and before any County commitment. And particularly it focuses on the – on – on the need to receive from the State a determination on the eligibility of this project for the Tourism Development Sales Tax Rebate. And the reason that's important is even though that would be an incentive to the developer, the County will assist with that as well as other funding sources that it go into a debt service reserve to protect the County first before any distribution to the developer. The Attorney General's office is supposed to promulgate the rules this month, and once that's done then a determination can be made but I plan on presenting the letter by the end of the month regardless and allow the Attorney General's office to complete its promulgation of the rules and then for the Department of Community Affairs to make a recommendation to the Governor and then, of course, for the Governor to make the final decision.

Assistant County Manager Monahan said, step two, will be a – will be more binding on the County, it's called a Definitive Agreement. For those of you who remember the development of the Trade Center, we called it the Development Agreement as part of our negotiations with the – Starwood and the Westin. This would be a binding commitment between the County and Hutchinson Hotel Holdings, the preferred developer and the – and the named developer within the Memorandum of Understanding. And this is – and – and just as – as a point of recollection, the Trade Center Authority selected the preferred developer after a competitive process and asked that the County accept the assignment of the Agreement which the County – which the Board did. The Development Agreement or the Definitive Agreement will also set terms between the developer and Chatham County. Now remember this – we're talking about step two. And including the structure of the financing and the County's obligations, the developer will obtain the term sheets for the private investment, which includes approximately 25 million dollar – \$10 million in equity, \$15 million MES loan, and then a \$50 million bank loan. In addition, it will allow the County to begin setting up the tax allocation district, which will be tax allocation district number 1 on Hutchinson Island and the reason the tax allocation district's important because the new revenues generated by the hotel, and just site specific to the hotel will then be used to – to guarantee the County's participation in this project. And – and I hear all this discussion about public taxes and let's don't use public taxes, but let me just review for you again what those public taxes are. It's a 3% hotel/motel tax generated by the hotel, not by any other hotels in the community. It's a – it's a – it's a pledge of a 2% resort tax, which of course the guests of the hotel will pay. Those two generate in the area between \$500,000 and \$800,000 annually. There's also payment in lieu of taxes, which generates between \$800,000 to \$1.2 million annually. The incentive known as the Tourism Development Sales Taxing, you can – when I mention the numbers, you'll understand it's importance. It will generate between 1.7 and \$3 million annually for the first ten years. And then depending upon how the Attorney General's office promulgates the rules, there's also the possibility of a job tax credit, which would generate approximately \$770,000 a year. The Job Tax Credit's important too because it allows the County to create what's

called an opportunity zone, and within the opportunity zone, which would be census track 1, and for those of you not familiar with the census tracks, it's basically Yamacraw Village and West Savannah. The employees – the employees within that census track would get – be given a preference for any of the jobs – any of the permanent jobs that will be created. Beyond the 800 construction jobs at the hotel there will be approximately 300 jobs created.

Assistant County Manager Monahan said, and then we get to – to step 3 which would be the – the Board approval of the bond resolution, which then confirms the issuance of the bonds. So that's – those are the three steps before us. The – the first step before you today is just the adoption of the resolution. Any questions?

Chairman Liakakis said, Dean [Kicklighter]?

Commissioner Kicklighter said, Chairman, just briefly my thoughts, and I commend the staff here and everyone for the creative work but my thoughts on this is I truly believe, and my thoughts that we actually we live, we have a consumer-driven economy. I think I stated that earlier. While the Hyatt was built before I imagine they thought they could make money so they built it. Every other hotel within the area, my thoughts would be that private industry built those hotels because they thought they could make money. My thoughts on this if there's – if there's some huge belief that there's money to be made over on Hutchinson Island with this hotel, private industry will come in and not need the government's backing. We have tons of hotels here, and to my knowledge, I don't think any of them are backed by the government. We're gonna face another situation in a second, goes back to what Commissioner Holmes said, protecting children, protecting people. The last issue we dealt with, we're being asked to do something similar, to back up one of the largest employer's in Chatham County to keep those jobs in the area. To keep people's health in order. Two totally different situations. Fact, we can't go back in millions upon millions upon millions of dollars for everyone around, and if you have to pick one of two, you know, I encourage this body, let's – let's pick the one that keeps all of the existing jobs. God forbid we lose those. We can talk about the jobs that a – a government-backed hotel would build over there, but you can sell that all day long. It won't be the monies generated – the high wages generated by an existing, thriving hospital that we have in the area. So again thanks for thinking outside the box. I – I really do think there's – I think y'all have really secured it pretty well as far as – as risk and everything, but jumping out there and supporting two major projects at this time in my opinion would be just a terrible thing to do with this economy we're in. So I just encourage everyone to, you know, help keep the existing jobs, high-paying jobs and the great hospital here. One of the only trauma centers anywhere around. Let's – let's – let's do our part and keep them here and let's let the private sector do what drives the economy nationwide, let the private industry invest in that. So.

Assistant County Manager Monahan said, Mr. Chairman, if I may, and not to get into debate on this, Commissioner Kicklighter. I – I – I appreciate your position. What distinguishes this convention center hotel from any other hotel in town, and I know we're building expansion of the meeting facilities from the Trade Center into the hotel, approximately 50,000 square feet of additional meeting facilities, but what distinguishes it, yes the County will own title to that, and – and that – when you – when you look at it, that's the appearance of what the County's investing in. What the County's truly getting in the public asset is the room block agreement. That's what distinguishes the convention center hotel from any other hotel. The – the County through a booking agreement, the Trade Center Authority, Visit Savannah, which is the Convention Visitor's Bureau, two years and out gets to control 400 of the 500 rooms. So that if there's a convention, they get first priority to book those two years and out.

Commissioner Kicklighter said, and – and I agree, and if – I also believe if there's money to be made through that type of booking system, then private industry should invest.

Assistant County Manager Monahan said, and – and the other is –

Commissioner Kicklighter said, I – in my other life when real estate actually sold, I sold quite a bit, and I experienced business person after business person purchasing properties and developing commercial properties to make money. When everything crashed, I experienced my sales crash, and again, why at this point as a government should we go in backing? If the money's out there for private industry, they will jump in there. If that booking is a brilliant way for a hotel to make monies, they'll come and invest their private dollars. But again I respect – I truly do, but at this time with the hospital also, it's just not good timing.

Assistant County Manager Monahan said, well in that case, I'll maybe I'll address the rest of the Commission on this next comment. You will notice in the task list – you will notice in the task list the number one item on the task list is to protect the County bond rating. That the guiding principle will be that the – that we'll follow the assumption that the County's bond rating will remain in tact until that time that the rating agencies actually evaluate this bond issue, and at that point, if there's a down grade or potential down grade in the County's bond rating, then the Commission will have that decision at that point whether the deal stops.

Chairman Liakakis said, okay. Harris [Odell] and then Helen [Stone].

Commissioner Odell said, okay. Just so that I'm clear. If I support Memorial Medical Center, it's not an either/or. Either Memorial or the hotel.

Assistant County Manager Monahan said, that's –

Commissioner Odell said, would you agree?

Assistant County Manager Monahan said, that's correct.

Commissioner Odell said, and it is your independent opinion, just as we did with the Rock 'N Roll Marathon, which was not – we were the smallest venue – we were the smallest and there was some concern why are we doing this?

Commissioner Kicklighter said, right.

Commissioner Odell said, we generated upwards of \$35 million. Is that true?

Assistant County Manager Monahan said, yes, sir.

Commissioner Kicklighter asked, Odell, who opposed that Rock 'N Roll Marathon? No, I –

Commissioner Odell said, I – I don't remember. I have no recollection. It was Kicklighter.

Commissioner Kicklighter said, that's good.

Commissioner Odell said, but – but – but my point is that Savannah is a very unique city. I honestly believe that people want to come to Savannah. So when I look at the hotel, I understand why people in the hotel business – I really don't, would oppose this because they're always spin offs and – but I think our ability to block rooms puts us two years down the road on the east coast in a very exclusive club. I think that since Katrina that – and the crime rate in New Orleans that – that that's not as great a venue and other major conventions are looking elsewhere. I think that with Miami, with its crime problem, that's not a major venue. Savannah to me has the beauty, the charm, and I really think people want to come here. That's that side of it. The other side is that I think that government should serve as an economic stimulus. There are contractors here, and they're not relatives of mines, they're not cousins of mines, I'm not doing this to protect family, but there are tradesmen, from carpenters to steelworkers, they're contractors who – 15 years ago we had 25/30 major firms, now they're down to four or five, if that. I think that there will not be a quid pro quo simply we're gonna instantly show a quick return, but I think long term the people who oppose this today will ten years from now take credit for it. They will take credit for it because it will be successful. It will be successful is whether we choose to believe it or not, our destiny rests in tourism, the Ports, and the military. This is – we have one of the greatest historic districts in this region. In America. I think that this hotel, our ability to block room is gonna generate local job, gonna stimulate the economy, and when the economy starts to recover, and it shall, this is still America, it shall recover, that we'll be in a position to attract substantial conventions who will come here. And I think that once you come here, that there's something mystical about this City, and I don't relate it to the Garden of Good and Evil. There's something that's really – it feels like home. This is a gorgeous City, and we are a good people. Although we debate and divide and – I believe that those of us who believe that we in order to progress we must do those things that in our – and there'll be people out there who say, you don't have the intelligence. You don't have that. Like they've tested us and they know. I mean – or that their opinion is overly important. But I'm not seeking to be – this has to be a decision where people can use it for me or against me. I can't control what people do. My best judgment is that we're in a down economy. Savannah's better than most places. This will serve as a stimulus. This will put us in a position to be the great City. It will attract venues here, and the city will prosper. This is a small piece of the puzzle. And with that I yield.

Chairman Liakakis said, Helen [Stone]?

Commissioner Stone said, thank you, Mr. Chairman. As I mentioned in the pre-meeting this morning, I am very concerned about the validity of the MOU and the liability that it puts on this Commission and the citizens of this community. I – I still don't know whether it's concrete or not concrete. I also have concerns about – with the changes in technology of how many businesses are going to be using conventions as a – as a means to educate and pull people together. We have so many other ways of doing that now and in a down economy, is that going to be a problem. In yesterday's paper it concerned me that we had a property on Bay Street that's going to be – to be renovated or torn down for a new hotel. The purchase price on it was over \$13 million but it sold for 2 million. That's telling you something. There was an article that was sent to me, Have We Got a Hotel To Sell for You – to Sell You, and this was in the Wall Street Journal, and if, Mr. Chairman, you will indulge me, I will read the last sentence – not the exact last sentence, but second to the last sentence and it says, this new metric, a city's amorphous brand value is a little more than a convenient way to ignore the failure of publicly-sponsored facilities to live up to the engaged projections. But as far as city officials are concerned, that failure's nothing that hundreds of millions more in tax dollars can't fix. I don't want that to happen to this community, and I feel a responsibility not to allow that to happen in this community.

Commissioner Stone said, as far as the employment that was mentioned, I understand and respect the idea to give – you said Fellwood Homes and –

Assistant County Manger Monahan said, Yamacraw.

Commissioner Stone said, – Yamacraw certain first choices, but I – I don't want to limit that to there, I mean there – there's citizens in this community that need employment that – that live outside of those areas.

Assistant County Manager Monahan said, it's the uniqueness of the law. It happens to be the census track with the 70% poverty rate that's located closest to Hutchinson Island.

Commissioner Thomas said, right. That's exactly right.

Commissioner Stone said, okay. Well then that's something I don't have any control over. I just want to make sure that everybody in this community had the ability to apply – to apply for jobs there. I also have expressed numerous times that I know that this – this County is – is in a situation where we need to help Memorial Hospital and that that is something that benefits all the citizens of this community and it needs to be done. I also am painfully aware of what this jail expansion might mean down the road. We've got a – we can build the jail with SPLOST money but the maintenance and the operation of that jail is going to come from this budget. So those are some of the concerns that I have, and I – I – I want to do the right thing and look at the big picture, but I think this economy is a very dangerous time to be leveraging County bonds and holding the tax payers of this community accountable. Thank you.

Assistant County Manager Monahan said, Mr. – Mr. Chairman, if – if I may ask for your indulgence. I had planned to save this next speaker till after the presentation, but based on the comments I heard from Commissioner Odell and Commissioner Stone, I think he can address all of those. Gregg Rockett is the vice president of Hilton Corporate, not the local Hilton, but Hilton Corporate and would like to make a brief presentation to the Commission. The Trade Center Authority issued an RFP for a hotel operator. Three hotel operators responded. The Trade Center Authority through an evaluation considered Hilton's proposal the best. There's been no agreement reached between Hilton and the developer but Mr. Rockett, who's interested in this project and particularly the success – how it would succeed in the local community wants to make a brief presentation. It shouldn't be more than 10 minutes.

Mr. Gregory Rockett said, thank you, Mr. Monahan.

Chairman Liakakis said, let me – while they are getting ready for this, our maintenance people are working on the air conditioning unit. There's a problem with that, that's why it's getting a little warm in here. Not by the debate but because of our air conditioning unit. Hopefully, they'll have it taken care of very shortly. William [Wright]? William [Wright]?

Mr. Rockett said, good morning Mr. Chairman, Commissioners, thank you very much for a few moments of your time. As Mr. Monahan said, my name is Gregg Rockett. I am vice president of development for Hilton Worldwide based in McLean, Virginia, which is our worldwide headquarters. My job with Hilton is to develop our full-service Hilton product around the United States. As part of that responsibility, I take a special interest in creating public-private partnerships. Was responsible for creating a partnership with Franklin County in Ohio, where there is a 532-room Hilton in Columbus under construction next to their convention center fully backed by Franklin County and Build America bonds. Happy to tell you about that experience, if you have any questions. I have – if the DVD-Rom works, I have a message from our CEO and from the people of Franklin County for you. Okay. Do we have sound?

Chairman Liakakis said, yes. And if – Gregg [Rockett], if you speak in between the two microphones, they'll pick you up better.

Mr. Rockett said, okay, thank you very much.

Chairman Liakakis said, yeah, just where you are, that'll work out great.

Commissioner Kicklighter said, I think he means sound on his presentation.

Mr. Rockett said, well we'll dispense with the DVD and we'll move on. I'll – that'll make this a little bit shorter for you. I've been involved in this process since the start. As Mr. Monahan said, Hilton Worldwide responded to the RFP that was sponsored by the Trade Center Authority. We were here six months before that RFP was issued to understand a little bit about the opportunity. A lot of the comments that Commissioner Odell made about the brand name that is Savannah have – has impressed us at Hilton. I've had our regional vice president of operations here. I've had our area vice president of operations here. We're very impressed with the opportunity, and we believe that a partnership between Hilton, Mr. Marinelli and Visit Savannah, Mr. Coffey at the Trade Center, and the stakeholders in this community would result in a very successful convention hotel. And we don't approach convention hotels as if it were just any hotel in the community. We approach convention hotels as an asset in raising the awareness of the community in group meeting markets. Our national sales and regional sales organizations get involved 18 months before the opening of the hotel to create additional awareness of the destination and the facilities in meeting markets nationally and regionally, and I want to show you a couple of illustrations of how that formula works on a one plus one equals three result.

Mr. Rockett said, I don't know how many total publicly-financed hotels there are in the United States. There's been a significant number. Hilton – the Hilton brand has more of those publicly-financed hotels in the United States than any other brand that we compete with. Amongst those hotels that we've opened in the last 10 years, an 800-room hotel in Austin, which is owned by the City of Austin. The Assistant City Manager's testimony was on that DVD, unfortunately you weren't able to see it.

Mr. Rockett said, but we've had an excellent partnership with the City of Austin and their convention hotel. And I want to show you what – something that happened in that community when Hilton came on board to manage their convention hotel, 100% owned by the City. I hope you can see this well, I think you can. What this shows is the first three years of operation of this Hilton, 800 rooms, in Austin and the group room nights that were generated, together with the City of Austin, their CVB and their convention center, in a collaborative, seamless effort to generate city-wide business to the destination. In those first three years, there were more than 350 events that were generated that came to the Hilton hotel. Most of these were generated in collaboration with the CVB. And as you can see, more than 40% – the statement at the bottom says that more than 40% of those group room nights in those three years were coming to Austin for the very first time. This is something we call latent or induced demand. And it's a product of our working with exclusive clients in the United States that want to be part of a rotation throughout the United States to meet in our hotels. And as soon as they knew that Austin was available as a destination, the brand Austin hadn't reached them, but by virtue of having our national sales selling the destination and the brand, it resulted in first time business to Austin. Now I want to point something out to you that's an interesting dynamic here. You can see in the two right-hand boxes the average room rate for the Austin Hilton versus the average room night for the competitive set, which included a Hyatt Hotel, a Sheraton Hotel, other brands that compete with us on the full-service tier. When the Hilton Austin opened up in 2004, it was not a good time to be opening up a convention hotel. As you all are probably aware, we were still feeling the effects nationwide of 9/11 and a down economy. But the Hilton Hotel opened up with the average rate that was \$11 higher than it's comparable set in the first year. It set a high bar for the market. That high bar was raised even further by \$21 the next year. This is the average rate of the group bookings to our hotel, our Hilton Hotel in Austin. The average rate of the comparable set rose up with that bar as it rose up, and in the third year we set the standard even higher with \$150 average room rate from 120 in the first year and the market followed. An example of how a

rising tide rise – lifts all boats. And we've seen this in other markets. The same is true in Omaha, Nebraska. We opened a 450-room hotel in Omaha in 2003, and I've got some statistics to show you about that, but this dynamic where the average rate of the hotel was higher than the comparable average rate in the market at the time was the same for the first four years in Omaha. The average rate of the hotel was higher than its comparable set and the average rate of the comparable set was raised significantly over that three- or four- year period. I – I wouldn't call that competition, I'd call that benefitting the community and the destination.

Mr. Rockett said, this is a graph that shows before and after of the Hilton Omaha. Now mind you it's 450 rooms, it's owned by the City of Omaha. It was opened in conjunction with the opening of the Quest Center, which is an arena and convention center connected to the hotel. In 2004 the graph shows group room bookings, that means rooms booked through city-wide events in the City of Omaha. In 2003, it was negligible 17,000. When the Hilton in Omaha opened in 2004, that was up to 21,000. Within four years, group room bookings to this destination of Omaha had quadrupled. It's phenomenal testament of the ability of a national operator to bring awareness of a destination through its group booking channels and its exclusive group client base, which – which we have great success at. Now Mr. Monahan mentioned a room block agreement. We have five – six publicly-owned hotels in our collection of convention hotels right now, Houston, Austin, Omaha, Baltimore, Vancouver, Washington, and Columbus, Ohio, which is under construction. We have a room block agreement on all – on all of those and the function of the room-block agreement is to guarantee focus to the convention center and first priority to the convention center for city-wide events and local events, and they work extremely well. It – it – it ensures collaboration between your hotel operator and the CVB and convention center and the other stakeholders in the community, and if appropriately structured and having your operator on board 18-24 months before the opening of that hotel, you're going to have phenomenal results, and let me show you a few examples of how that's worked for some other convention hotels we've been involved in.

Mr. Rockett said, Houston Hotel – the Hilton Houston Americas opened in 2004. Hilton was on board 24 months ahead of time. Our pre-opening sales effort, together with our on-property sales, regional sales, and national sales, confirmed almost 300,000 room nights before the hotel even opened.

Commissioner Kicklighter said, what year was that?

Mr. Rockett said, this was the entire activity of our pre-sales effort before the hotel opened in December 2004.

Commissioner Kicklighter said, 2004. Thank you.

Mr. Rockett said, now I wouldn't tell you that all of that is new to Houston. We don't have those statistics. We only have them for Austin because we specifically tracked it for the City's – at the City's request. But I can tell you that there's a lot of city-wide business there that was dying to go to the George R. Brown Convention Center but didn't have a hotel to stay at within even a quarter mile of the hotel – of the convention center. The City of Baltimore – the City of Baltimore owns the Hilton which opened up in 2009. Now I think all of you have in your possession Wall Street Journal article that says that that hotel lost money. Well that's a paper loss. That's after depreciation. It's an accounting loss. That hotel's been opened for two years. We've met the bond obligations of that hotel for both years. And in fact of all the public hotels that Hilton operates, we have never missed a bond payment. Always satisfied the debt obligations of those hotels. The Baltimore Hilton opened up with more than 300,000 room nights confirmed before the hotel even opened. I have lots of other examples of that, but I think I've made my point. I thank you for your time and if there are any other questions or if you'd like as a follow-up to meet with the Assistant City Manager of Boston, folks at Franklin County, the Mayor of Franklin – Columbus about his experience with Hilton. We have a goal of 80,000 room nights to sell for that Hilton which is under construction and opening in October before that hotel opens. We finished the year 2011 having sold 35,000 already, we're 15% above our goal at an average rate that's higher than our goal for that hotel. And – and it's a down economy.

Chairman Liakakis said, Gregg [Rockett], the Hilton Worldwide organizations – of course the Hilton is one of the most successful hotel operations of – of most of them in there. How many hotels does – are in the Hilton area – the, you know, business?

Mr. Rockett said, Hilton Worldwide has more than 3,000 hotels that's in – in its portfolio around the world in 80 countries.

Chairman Liakakis said, okay, and now you just mentioned that none of the hotels that the Hilton are involved in – all of those that is private/public money into that you've never missed a bond payment.

Mr. Rockett said, in Baltimore, at Austin, at Houston, at Omaha, Vancouver, Washington, I think I've got all of them, we haven't missed a bond payment.

Chairman Liakakis said, and you're – and you're organization that you're always trying to do – make a profit, and we can see how successful they are because a number of us in here have been in the Hiltons wherever they might be, the – so you looked into this, you had vice presidents come into our area to make sure the information and the expertise that they have, and that's why you are investing, if this happens to pass, some \$15 million into this particular enterprise, is that right?

Mr. Rockett said, now we haven't struck our deal yet with the developer, obviously they need to tie up the structure together with the County. Once that is done, and as part of the to do list, we will finalize our structure. But we are investing in the project, and our operations team is wildly excited about the opportunity to sell the Savannah brand, and we think we can do it in a fairly unique way and bring new business to this community.

Chairman Liakakis said, now, in a number of these hotels, like you mentioned, you had 300,000 pre-booked, and of course, what you do before the hotel's even opened, you've got anywhere from 20,000, 40, 50,000 or even more bookings for that hotel because of the way that you market it.

Mr. Rockett said, as I said in Columbus, our goal was to have 80,000 room nights sold before it opens in October, we're halfway there and ahead of schedule, and we opened up five convention hotels between 2008 and 2010, three in Orlando, one in Baltimore, one in San Diego. Between those five hotels, we sold more than 1,500,000 room nights at those five hotels before they even opened through our national sales organization and through our regional operations.

Chairman Liakakis said, Patrick [Shay]?

Commissioner Shay said, thank you, Mr. Chairman. I – I – I think it was about February because we've been at this for quite a while now, had the opportunity to go –

Mr. Rockett said, a little over two years for me.

Commissioner Shay said, yeah. Had the opportunity to go to Austin, Texas and to visit the Hilton Hotel there. To meet with elected officials that were from the City of Austin and with the director of the convention center there and talk with them about the dynamic that had been created by that particular hotel property. And the – the operator of the convention center, which is also owned by Austin, told me quite candidly that if we don't have a product that's like this in Savannah, that we may think that we're in the game, but we're not in the game. It takes this kind of a property in order to be able to do it. He said that where before the hotel was built quite frequently the convention center in Austin would have a dark night or one event in the convention center, and that the most frequent scenario after the hotel opened was that they would have two simultaneous or sometimes more than two simultaneous events, either of which could have been described as city-wide conventions. So I was very impressed by that.

Commissioner Shay said, he also immediately told me that he was aware that we had Joe Marinelli in our community in Savannah, and unsolicited he told me that we have an enormous asset to our community in the presence of – of Joe Marinelli, and that he knew that if we were to get in the game in the way that Austin has that we would be extremely successful. But he encouraged me that we as a community should not lose that asset no matter what we decided to do going forward. I also had the opportunity to look at the hotel itself outside of the convention center. They are, you know, adjacent to each other like what's been proposed here in Savannah, and I met your – your – your CEO there, your manager, your general manager, –

Mr. Rockett said, general manager, Leslie Pchola.

Commissioner Shay said, – and I – I was very, very impressed by her as a – as a person, by the way she conducted herself, by the – the fit and finish of the property even though it was not an old property, but I know that in hotel cycles they have to be refreshed quite often. This was a property that was mature and was in – in great shape. And after I had the front of the house tour with the management staff which I was very impressed about, I kind of let myself become a secret shopper and I got behind and into the back of the house, and I talked with the employees that work there. The people that were in the laundry, the people that were in the food service operations, the people that were in the housekeeping department, and I witnessed something that I was very impressed by, they were all in uniform, they were all uniformly very polite to me. They addressed me in very polite terms even though they had no way of knowing who I was. When I asked them about what they thought about working for Hilton Corporation, they – every single one of them, and I talked to dozen of people, said that they thought Hilton Corporation was a great company, that they had a great deal of loyalty to the company. I asked them if they had health benefits and those kind of things. They all did. And they all said that they looked forward as they matured in their relationship there of being able to grow and expand through the entire Hilton organization. Not just necessarily at the facility in Austin but that they would have a career. They – they genuinely look at their employment at this hotel as being a great career opportunity, and I was very impressed by that. And I just – I just want to say that, and say I think there may be other operators, I don't know, that are also capable of delivering that. I didn't have much time to go to many other cities, but I was extremely impressed by what I witnessed in – in Austin and I came back a believer in this entire endeavor. So thank you for being here.

Mr. Rockett said, I'll pass that along to our general manger –

Commissioner Shay said, now can she come here? Not a negotiation yet, right? Okay?

Mr. Rockett said, I – I can't make those guarantees. That's not my area. Bottom line is Hilton not only has 3,500 hotels around the world, we own something in the order of 40-50 hotels in the United States. We're a little bit different than some of our competitors. We've built beachhead in places like New York, San Francisco, Chicago. We own the Palmer House. We – sorry the Chicago Hilton and Towers; we own the New York Hilton; we own the Waldorf Astoria; we own the Hilton in San Francisco. We understand what it is to be the owner of a hotel, and when we operate the hotel on behalf of another owner, we have their interests in mind, and that's our priority, the bottom line. Making sure that the ownership appreciates its asset and its asset appreciates.

Chairman Liakakis said, thank you, Gregg [Rockett]. Appreciate you.

Mr. Rockett said, thank you, Chairman.

Chairman Liakakis said, Priscilla [Thomas]. No it's Priscilla [Thomas] and then Patrick [Farrell].

Commissioner Thomas said, thank you, Mr. Chairman. First of all let me preface my remarks with the fact that I'm fully aware of the concerns that many of us have and I want to state very vividly here that I for one and I believe my

colleagues have the same feeling and intent, that we would never, ever knowingly put our citizens at risk on any project and not just goes with what we are dealing with at this point. We have to consider everything that we do, not only just this – just this. Having said that, I am very pleased with what I have read in terms of the agreement for the protection of our citizens in this project. Having been an international meeting planner and travel consultant for many, many years, that is part of what I do. I travel all across the United States, Canada, the Virgin Islands, and etcetera, and I do planning and researching hotels to encourage the various entities that I work with to have their conventions in various places. Just to give you a short synopsis of what happened several years ago. I worked very, very hard for the last several years trying to get the National Association of Counties to hold their esteemed convention here in Savannah. Just as we were at the peak of having that done, something happened. I was very disappointed because we have not been able to accommodate our National Association body to come to Savannah because we did not have the facilities and the accommodations for them. Therefore, I feel that the steps that we are taking or hope to take today will be a positive one, and I feel very firmly that it will be successful, and we will be glad that we have made the decision that we have made. And that's what I wanted to say.

Chairman Liakakis said, Patrick [Farrell]?

Commissioner Farrell said, Mr. Monahan, you've mentioned on different occasions about the – the room block and how intrigal that was to this project moving forward.

Assistant County Manager Monahan said, yes, sir.

Commissioner Farrell said, and – have you tried to get a room block from the existing hotels or hotel on –

Assistant County Manager Monahan said, the –

Commissioner Farrell said, – that we already –

Assistant County Manager Monahan said, that's really not within my purview. The Georgia International Maritime Trade Center Authority has tried to negotiate a room block agreement. Has asked – has requested for a room block agreement, unsuccessfully.

Commissioner Farrell said, okay. My – I guess my – my question is, and it's my understanding that they have not been successful in getting a – a large room block, but also we don't currently have hotels that are quite large enough to provide this independently anyway. So my question would be, could there be an attempt to – to put together a consortium of existing local hotels that would – that would come up with a room block? For instance if you had five or ten local hotels and they each put up a certain number of rooms so that when our convention bureau goes to negotiate for future events, that they can say, yeah, we have a room block, it's a little scattered, it's not all in one spot right next to the convention center, but we do have it and we can guarantee the room rates for two years out and that sort of thing and that way not any one particular institution would feel like that they're, you know, selling out their hotel but that there would be some – some leverage there if the local establishments that we – that we have now could – could work together to – to – to assist in doing that. Has that been attempted or – or discussed?

Assistant County Manager Monahan said, I don't know that he expected to speak, but Joe Marinelli's in the audience, the president of the Convention Visitor's Bureau and he might want to address that question. I do know that all the hotels are – are cooperative in city-wide events. I know the Marriott will set aside rooms a night, the Hilton, most of the hotels participate, but I think the difference is in the – in the guarantee, and I think he can address that question better than me.

Commissioner Farrell said, by all means if he's willing to address it today, I'd – I'd like to here what he has to say.

Mr. Joe Marinelli, President of Visit Savannah, said, good morning Commissioners. You can imagine the position I'm in with many hoteliers and board members sitting behind me and – and the snickers that are going on, but I think – I think what you have to look at here – is the answer to your question Commissioner Farrell is, yeah we – we have that collaboration in place right now where we work with the Westin, the Marriott, the Hyatt and the Hilton to put the best possible room blocks together to accommodate the kind of business that we're able to attract today. Looking forward at the potential of a new hotel on Hutchinson Island would as somebody said earlier give us the opportunity to attract new business and larger business to our city and – and also would give us the ability to concentrate greater size room blocks on that side of the river. The greatest challenge that we have in – in the business that we lose often times is because of how spread out our hotel package is on both sides of the river and – and the ability to get people back and forth, whether it's speakers or – or convention attendees or whatever. So, you know we work very, very well together right now, and I have terrific support from the hoteliers that we have. We're able to attract small and regional conventions. Having a hotel like this would just open up opportunities for new business and larger business and – and – and concentrate that headquarters operation on one side of the river.

Commissioner Farrell said, thank you.

Chairman Liakakis said, what – Joe [Marinelli], hold it a minute. But one of the things the information that came to me, and I guess other Commissioners if they happened to ask, is that when those large conventions or conferences did come to Savannah to look to see about coming here for their particular event, that they wanted also more meeting rooms and a – a larger area because they did not want to come across the river. They wanted to be close by and – and so that the hotel in addition to having all those rooms, that they would have additional rooms, much larger space to meet in for their training, and all of that, because we've got a great international trade center, but when you have these large ones as was told to me by personnel over at the Trade Center that that was important too because they just could not handle it at the Trade Center. Now hopefully one day the Trade Center, you know, will be expanded so that they can have that, but we still – this situation with the room, the information that I had received, is that right?

Mr. Marinelli said, yes, sir, everybody in this room attends conventions, and we live in a world today of an all under one roof mentality. Convention planners and meeting professionals are always looking for the best package that – that brings all of their convention attendees or the majority of them all under one roof or closer to the convention center. It's better for the exhibitor traffic or the traffic on the exhibit hall floor. It's better for – for the – the hotel room blocks and so forth. So the – the notion of – of – of having more hotel rooms contiguous with our convention center certainly would make Savannah a more attractive destination for conventions versus our competitors. For example, there are – there are four hotels in Atlanta that can do all under one roof what it takes us in many cases three, four, or five hotels to do in terms of room blocking, convention center. We – we compete directly with – with hotel – single hotels in Atlanta, in Orlando, in Jacksonville, as well as places like New Orleans and so forth, who can do under one roof what it takes us multiple hotels plus the convention center to do. And that's a competitive disadvantage for us.

Chairman Liakakis said, okay. Thank you.

Commissioner Thomas said, that's correct.

Chairman Liakakis said, Dean [Kicklighter]?

Commissioner Odell said, may I – may I please ask him a question?

Chairman Liakakis said, oh, he wants to ask him a question.

Commissioner Kicklighter said, go ahead.

Commissioner Odell said, just – just – I just want to put it on the record if I could. Tell, for the record, what your position is.

Mr. Marinelli said, my position is president of Visit – Visit Savannah, we're the convention and visitor's bureau here in town and part of the Savannah Chamber.

Commissioner Odell said, and – and what is your background?

Mr. Marinelli said, my background is 17 years in the hotel industry with Marriott and Westin hotels, and I've been in the convention and visitor's bureau industry for about 17 years as well, 10 years in Columbus, Ohio, prior to coming here five years ago.

Commissioner Odell said, okay. Thank you.

Chairman Liakakis said, Dean [Kicklighter]?

Commissioner Kicklighter said, thank you. I don't think I have a question for you. I just want to say that we're talking about the public's money, risking their money. I think the Hilton's a great hotel chain. My thoughts would be that a Hilton, I wonder, which I know the answer I do believe, has a Hilton ever closed anywhere? I'm sure it has. And I would assume that one of the contributing factors to that hotel closing would be less monies than projected when the Hilton hotel was constructed. Fine when you're talking private money, but when you're talking about the public's money, that's a different thing in these times. The concern I have with the presentation was everything up there shown was going back several years. There – there was nothing showing once the economy tanked. Everything on there in fact went from like 2000, I believe 4 and ranged up to 2008. You know, I sold like \$9 million worth of real estate in 2007 but I sold 200,000 in '08. So, you know, charts from the glory days of – of our economy is – is – is kind of scary when we don't have the charts showing anything from our current day and time. And I agree with Dr. Thomas and Commissioner Odell when – when they said that this Commission would never knowingly put our County at risk, and with Odell over here when he said that we need to invest in our community. I'm sure that the past Commissions thought that, and I – I hope they researched and had some kind of stats showing that their logic – that what they were about to do was wise when they constructed that unused Indy race track across the river. That was a good investment in the community. I'm sure a stat somewhere had to show. God, I hope so. I hope somebody had something that they projected and showed them that –

Commissioner Odell said, no.

Commissioner Kicklighter said, no?

Commissioner Odell said, it was never thought as a good idea.

Commissioner Kicklighter said, but, again, that's one. The Mighty Eighth, very nice. When I first got on here, Commissioner Gellatly and myself got on here, we were facing, I believe a 12 or \$14 million deficit the first year. The Mighty Eighth Air Force, great investment. We had to pay it off. Thank goodness we figured out a way to do it with the SPLOST monies. That's when we started doing it. That was costing alone tax payers here 1.8 million I believe out of our operating budget every year. Henderson Golf Community, costing, I don't remember the exact figure, but coming out the operating budget every year. Nice investments but at that point, we were facing a major deficit, so either raising the tax payers – raising the taxes or, thank goodness we figured out we could pay it off with SPLOST funds. So we did that. Saved those monies every year. Good investment, yeah, I'm sure, but my question would be to the gentleman representing the Hilton, what is the benefit for the Hilton to be in a public/private partnership? Or I guess, what – what percentage of your hotels are in public/private partnerships?

Mr. Rockett said, as a percentage of our 3,000 hotels around the world it pales in comparison. As a component of our convention hotel stock in the United States, it's an important part. We have I mentioned to you six Hilton Hotels that are publicly financed that are convention hotels that we're operating today in the United States.

Commissioner Kicklighter asked, okay, so you feel that it would be profitable to public – do a public/private partnership? Let me ask you, why would that profit margin in – in your mind or on paper change if you did it solely on your own? What – what's – what's the risk to you doing it on your own?

Mr. Rockett said, the profit margin, which is a percentage of revenues doesn't change whether it's publicly owned or privately owned. We operate it the same. So our projections are done irrespective of who the ownership is. It's the market opportunity. If you're asking about return on investment, which is a completely different calculation, of all of the convention hotels built in an urban environment in the last ten years – in an urban environment, I'm not talking about resorts like Orlando or Scottsdale or Las Vegas, but only two hotels of all of the convention hotels burnt – built in an urban environment in the last ten years, have been done purely privately. And both of them in New York. All of the others have received some sort of public subsidy. And I get those statistics from Piper Jaffray, which is an underwriter of debt and equity for convention hotels. They're a specialist. We've worked with them on other public deals, and the reason that that is, Mr. Commissioner, is because this type of hotel is the type – is – is like the super tanker in the hotel industry. There's a lot of public space, meeting space and circulation dedicated to the meeting business within the hotel that doesn't exist in say our Hampton Inn brand or Hilton Garden Inn brand, or even the Doubletree, which is – you've seen downtown. It's a much bigger facility and therefore it take a larger investment, and a lot of that is for the public good, that meeting facility. And therefore, with equity returns requiring what they do in the order of 15, 17%, let's say as an example, these hotels often don't pencil as a purely private entity. That's why.

Commissioner Kicklighter said, okay. Out of the – the hotels you talked about, are the two that were built with private funds, are they successful to your knowledge or do you know?

Mr. Rockett said, I don't know anything about the economics of those two hotels.

Commissioner Kicklighter said, do you – do you know the stats of all of them that's been built that you've just said? How many of them's thriving and how many's not? I mean –

Mr. Rockett said, I don't have all the statistics on every other competitive hotel. I can only tell you my experience with our Hilton branded hotels, and as I said to you, the six that are publicly financed through tax exempt bonds have all met their debt payments and are operating totally successful today. They achieved more than 110% market share in terms of rev/par. They achieve very high profit margins. Our San Diego Bayfront Hilton, which is a public/private partnership with the Port of San Diego has the highest profit margin per available room of most of our convention hotels. They're very successful businesses which is why we are in that business. And why some public entities get in that business.

Commissioner Kicklighter said, thank you, sir. It's not even – none of the questioning is against you or your company. I think y'all are great –

Mr. Rockett said, I'm not agitated at all. I'm happy to be here.

Commissioner Kicklighter said, – and I think y'all would be so successful if you came out here and invite – invested all your money in that thing and opened that thing up. So.

Mr. Rockett said, happy to help you with your questions.

Commissioner Kicklighter said, thank you.

Mr. Rockett said, my pleasure. Thank you.

Commissioner Kicklighter said, thank you.

Chairman Liakakis said, okay, we're going to take about a 20-minute break. All – let's go in the Green Room, all of the Commissioners.

County Manager Abolt said, Mr. Chairman, ladies and gentlemen, technically you're recessing your meeting right now and returning in 20 minutes.

The Board recessed to the Green Room at 12:06 p.m.

The Board reconvened at 12:40 p.m.

Chairman Liakakis said, and, of course, we were on the participation of the hotel, item 5 on our Individual Actions, and let's see, Priscilla [Thomas], did you want to say –

Commissioner Thomas said, yeah. I mean if there are no further discussion on this, Mr. Chairman, I'd like to move that –

Chairman Liakakis said, – for the Inducement Resolution?

Commissioner Stone said, you've got people that want to speak.

Commissioner Shay said, we're not – we're going to speak.

Commissioner Stone said, okay.

Chairman Liakakis said, in other words, we're not – we're not voting on the hotel –

Commissioner Thomas said, right.

Chairman Liakakis said, – we're just – all we're doing today is voting on the Inducement –

Commissioner Thomas said, Resolution.

Chairman Liakakis said, – Resolution, that's it.

Commissioner Thomas said, yes. That's it.

Commissioner Shay said, I'll second that motion.

Chairman Liakakis said, all right. We have a motion on the floor and a second.

Mr. Rusty Ross said, are y'all not going to have public comments today?

Chairman Liakakis said, okay, go ahead.

Mr. Ross said, I'm sorry.

Chairman Liakakis said, sure, no, that's fine.

Mr. Ross said, I was understanding that there was going to be public comments today.

Chairman Liakakis said, no, no, you can speak. Anybody that wants to speak out in the audience can come right up to the microphone.

Mr. Ross said, the vote hasn't been taken yet, right?

County Attorney Hart said, correct.

Commissioner Stone said, correct.

Chairman Liakakis said, go ahead.

Mr. Ross said, okay. Mr. Chairman, Commissioners, just for the record, my name is Rusty Ross, and as you know, I represent a number of the existing hotels in Savannah that will be hurt by the construction of this County subsidized 500-room hotel on Hutchinson Island. I've appeared before you several times before and every time I do, when I see there's a presentation by the developer or others who are proponents to this hotel, I gotta stop and say, why? Why are you considering putting money into it? It sounds like such a great deal. Why doesn't the private investor come forward and invest in this thing? Yet we heard today that the current deal on the table is that \$10 million is all a private investor is going to invest. Oh, he's going to loan another 15, but he's only going to put \$10 million in it. Y'all are talking about putting 50 million.

Mr. Ross said, I've tried over the time to add some clarity to this very risky project and now a flawed process. We keep being told that everything is preliminary and don't worry a full review of the project's going to be made before the County moves forward. Well with all due respect, careful review has not happened, yet the Commission is to this point considering a Resolution which by it's own words declares the County's official intent to enter into a Definitive Agreement with the developer. I'll say that again. You're declaring your official intent to enter into a Definitive Agreement. I have only a few points. It'll only take a few minutes. As I stated at the – at the Commission meeting on December 16, the Memorandum of Understanding with the current developer, Hutchinson Holdings – Hotel Holdings, LLC, expired prior to that meeting. You had nothing to extend. The MOU the County accepted from the Trade Center clearly stated that it terminated on September 13, 2011. The County accepted this document – this MOU and agreed to extend it by your resolution for 90 days. That would make the new expiration date December 12th 2011. The December Commission meeting did not occur till four days later. The MOU has expired. This is not a trivial concern for you and could make everything that happens with respect to this project going forward suspect and subject to challenge.

Mr. Ross said, there's additional reason why it's important, and I'll put it in the words of the County Manager's office contained in the August 12, 2011 report to the Commissioners. In Alternative number 2, they stated that basically if the Board took no action and the MOU were to expire, said, in effect the Memorandum with Hutchinson Holdings – Hotel Holdings would expire September 13th. For Chatham County to pursue a trade center hotel would require starting the RFP process a new. Where are the studies and reports that were promised back in August of 2011 when the County assumed the MOU. The County is now talking about taking the significant step towards completion of the subsidy financing without any more information then they had back in August when the County Manager listed no less

than seven separate studies that needed to be performed before the County moved forward with a \$50 million expenditure.

Mr. Ross said, the current proposal now has a task list containing 13 separate items. And again my question to you, are you really ready to declare your official intent to enter into a definitive, binding agreement with the developer? There are several recent developments that you should consider also before you move forward. First, hotels are being built without large government subsidies. I point you to the new Jekyll Island Hotel to be located adjacent to the Jekyll Island Convention Center which has recently been approved and is in the process of development. It will not be subsidized. Also note the new hotel on River Street, 200 rooms, announced in the paper yesterday. It's not going to have a multi-million dollar subsidy. And again, I point to you, if it's as good as they say it is, why do they need \$50 million of our money?

Mr. Ross said, what's the state of the convention center hotel market? Well you heard some anecdotes a minute ago, let me give you some more. In that same Wall Street Journal article that was quoted earlier, it says back in 2007 before the recession began, before this current great recession began, a report from Destination Marketing Association International described America – America's convention industry as a buyer's market suffering excess capacity. This was in 2007. It's only gotten worse attracting just 86 million attendees in 2010 compared to 126 million in 2000. Meanwhile, the amount of convention space angling for business has increased to 70 million square feet up from 53 million in 2000 and up from 40 million two decades prior to that. We're in a situation where more supply is chasing a shrinking demand. Convention hotels are seeking larger and larger government subsidies for one reason and one reason only, they're too risky in this environment. You're being asked to provide up to \$50 million of full faith and credit bond financing for this project that's risky at best. The City of Savannah did the same thing at Savannah River Landings, and they're now paying the piper. They're paying those bonds off with our tax dollars and nothing to support them.

Mr. Ross said, yes, you're going to have reserves subject to a number of conditions, including if the hotel's viable, but in the end if it doesn't work out, the tax payers of this community are the ones that are put at risk for the purpose of this hotel. Thank you for your patience and your persistence on this transaction. I realize anything as contention [sic] as – as this is difficult to deal with, and I do appreciate that. We appreciate it. My clients appreciate it. It's not easy, but nonetheless, we feel like you need to have both sides before you when you make decisions like this, and that's our purpose. Thank you.

Chairman Liakakis said, Rusty [Ross], so that you'll know, no – we're not making a decision today to approve the hotel being built, and one of the things that when you were talking about it had on December – in December it has expired, the County Attorney can tell you, because it was not set up and to go in there. Jon [Hart] will you explain that to him –

County Attorney Hart said, yeah.

Chairman Liakakis said, – about how we've been doing this all these years, you know, concerning projects.

County Attorney Hart said, yeah, well, you – you inherited an agreement that was drafted by others and yourself, and there's four paragraphs in the agreement that when you try to read them chronologically, you know that you have some difficulty with the dates of – of them. Quite candidly, we think paragraph 17 of it basically says that the MOU is authorized to extend and shall be valid and enforceable from the time of execution and – and that you had the County execute the agreement on September the 22nd and Hutchinson Development on November the 22nd. So, we think that the ability to say that the agreement – you can make an argument that the agreement expired, but at the same time you can make a very strong argument that based on the language within the thing – agreement that it did not expire, and, you know, you've got three – three real parties here. You've got the Trade Center, you got Hutchinson Island Development, and you've got the County. And if you read the agreement in its entirety and if it's ambiguous, what's – what – what will happen is you'll try to enforce the intent, and it says three – three of these folks are going to go forward and try to put something together and work something out, and from your standpoint, as long as you're willing to continue and long as they're willing to accept you continuing, and the Trade Center's willing to continue, then those are the three parties to the contract, and those are the people who get to decide whether they wish to move forward or not. You – you and I can't contract and then say let some third party decide whether we have an agreement or not, okay.

County Attorney Hart said, so, I – I feel that that's the – the fundamental issue here is the people who are parties to the contract I haven't heard anybody say they don't want to go forward. Now let's assume for a second we didn't even have the contract. It didn't exist. You folks have fiduciary duty to the County, and if you're looking at a project, you have a fiduciary duty to look at it and see whether you've – you've done appropriate due diligence. And right now this Inducement Resolution is part of that due diligence process. The reason you have it is because it gives the people who are looking at the – the financing of this the potential to go out in the market and see what's there. It's just like what we're going to be doing with the Hospital Authority very shortly. Not tying the two together in any way, but, you know, the market needs to look and see what the deal may have the possibility of being. And the Inducement Resolution will help you ferret that out. So, you know, I – if somebody wants to challenge the agreement, that's up to them. We will – that's what I get paid for, defending those things. So, that's the way I see it. Is it a perfect agreement? No. But I think the intent of the people who are parties to the agreement is let's see if this is the deal we want to do.

Chairman Liakakis said, okay.

Mr. Ross said, well, and I – and I – all I say to that I guess that was the question to me, you can't have it both ways. The agreement either ended on December 12 or it ended on September 13. In the resolution you passed you accepted the assignment of the agreement and you extended it for 90 days. It's termination date in the form you accepted it was

September 13th, 2011. That's pretty plain, and I have been contacted by people who are very interested in challenging it. And if we do, we do, but.

Chairman Liakakis said, okay, and I understand that, Rusty [Ross] and I appreciate that but when I spoke to the County Attorney, it wasn't prepared in time so we had those days – some days to go further than the December 'cause that – on that he hadn't had the – all the documents prepared at the time. Is that right, Jon?

County Attorney Hart said, yeah, we've never – we've never –

Commissioner Odell said, a point of order, if I could.

County Attorney Hart said, sure.

Commissioner Odell said, I'm – I'm extremely concerned. We've been placed on notice that we might be involved in litigation. I'm extremely concerned that any Commissioner gives their thoughts and opinions as to what is or is not a particular fact, that to me concerns me. I think that it's the absolute wrong thing to do. If Rusty [Ross] wants to sue –

Commissioner Thomas said, sue.

Commissioner Odell said, – then the Courts await. I do not want us to get in a position of disclosing confidential attorney/client matters. That's my point of order.

Chairman Liakakis said, okay. Thank you, Rusty [Ross].

Commissioner Kicklighter said, Mr. Chairman?

Chairman Liakakis said, yes?

Commissioner Kicklighter said, I'm just curious did – someone just told me something on the break and I'm curious. Did this body in the past actually approve funding for the River Walk extension and hotel site preparation? Or did we just approve funding for the River Walk extension?

Assistant County Manager Monahan said, to my knowledge, the – the funding you're referring to appears in the – in the 2008-2014 sales tax program. \$4 million, because of the declining collections, it's \$3.4 million net. But the County consent – funded the Trade Center Authority for the River Walk extension project.

Commissioner Kicklighter said, right.

Assistant County Manager Monahan said, to my knowledge, no part of that's being used on the hotel.

Commissioner Kicklighter said, okay. That's – that's was my question.

Assistant County Manager Monahan said, there are some improvements related to Parcel 7, which is the 13 acres of uplands located west of the Convention Center, but to my knowledge all the money spent will go for the River Walk extension project.

Commissioner Kicklighter said, and that's the best answer you could give because I – I surely didn't remember approving site preparation monies or anything. So, thank you.

Chairman Liakakis said, anybody else in the audience would like to discuss the hotel? Wait. He's – he's next and then you can come up.

Mr. Tony Edgerly said, my name is Tony Edgerly. I'm the President of International Brotherhood of Electrical Workers, Local 508 right here in Savannah, and I've come here today to ask you to please vote yes for this project. Of course I'm speaking from a construction side. As a member of the construction community for 39 years and a member of Chatham County – resident of Chatham County for even longer than that, I see nothing but good from this project. The construction jobs that it will generate are much needed. The long term deal here is when the job's finished the – the – the – the people that that hotel will employ from our area desperately need jobs, so I mean people will go to work. I feel that it's gonna be a – a bonus because it will help boost Hutchinson Island. Maybe it can reach the potential that it was envisioned to be at that I don't think it's at right now. I feel very confident that our County Manager, Assistant County Manager and their staff has done their homework to ensure that the risk to the public is very minimal, and I feel confident that this thing's a win/win. And I ask you at the end of the day when you make this vote that we see more green lights up there than red. Thank you.

Chairman Liakakis said, come on up.

Mr. Jack Castor said, thank you, Mr. Commissioner. My name is Jack Castor and I haven't lived here for 39 years, I've lived for 20 years though in Chatham County, and I'm here as a tax payer and I have concern first off Mr. Monahan said that the primary concern was to maintain the Chatham County bond rating and to protect those bonds that we use to support this. I have another concern and it's the amount of taxes that would go that – to protect that – the payment of the bonds. I mean there are about four or five different taxes – tax incentives that go to this project that as a tax payer, I'm paying those as well. So it's – it's – there's no question there's a big, big incentive – well don't shake your head no, please. Are there no taxes that we'd be using?

Commissioner Shay said, not that you're paying now, sir. All the taxes that are pledged are –

Mr. Castor said, future taxes.

Commissioner Shay said, – taxes that are – would be generated from the project itself.

Mr. Castor said, I would guess that I would get some of those out of my pocket as well. Whether they come from the state, whether they come from the County, wherever they come from, there are taxes involved. Now, the other thing I'd mention is that I had gratuitously sent a copy of the Wall Street Journal to each of you. I hope you got it and looked at it, but it's been referenced so many times already this morning I won't go into much detail about it. But there – there are some things about it, number one is the – the creeping investments that are – get involved. Chicago spent \$1 billion in the early '90s to expand their convention space. In 2007 they opened a new building, McCormick West, that cost them an additional \$900 million. The result, according to the Chicago Tribune, the center operates at 55% capacity. Boston, they – they expanded the Hynes Center, Boston Convention and Exhibition Center was projected by consultants hired by the State to have Boston renting some 670,000 additional hotel rooms annually, within five years. Instead, there are 310,000 additional hotel room rentals in 2009. And – and that pattern just continues. Now – now Boston is thinking of spending 2 billion to double the size of the convention center and add a hotel. And that gets to the point that Mr. Ross quoted about the – the declining attendance and the increasing capacity. And I – I just think that we do well here in Chatham County to recognize that those are hard facts and they're the kind of things, the strong headwinds that we're sailing into when we think that we're going to compete and get the projections that everybody is – is saying we're going to get here. So, thank you for the time, and I definitely as you can tell, are voting for a no vote – hoping for a no vote. Yes, Mr. Commissioner?

Commissioner Odell said, good afternoon. I know you came here this morning, and I personally appreciate your coming. Most of the people do not know that you really did an outstanding job when you were a member of our Library Board.

Mr. Castor said, thank you.

Commissioner Odell said, and I don't know if I ever thanked you for that publicly. I've gotten your emails. I've read your emails, and I appreciate your sending those to me and what have you. I – I hope that Chatham County will ultimately evolve to a point where as reasonable people, reasonable people can have difference of opinion. That reasonable people can have difference of opinion. But I personally wanted you to know I appreciate your coming and I thank you.

Mr. Castor said, I thank you. I remember what I got previously a thanks for that at this site here was a king size can of WD-40 with the connotation that I exemplify the speaking [sic] wheel gets the grease. But your – your last point about people differing in view, I got a nice response from Commissioner Shay, and he's all wrong, but he's got a different point of view. So, thank you.

Commissioner Odell said, Jack [Castor], you've never held back your opinion.

Chairman Liakakis said, all right. Come up, and then you're next. You wanted to talk. Okay.

Mr. Jimmy Ray said, Mr. Chairman and Honorable Commission, my name's Jimmy Ray. I am a lifetime resident of Chatham County and the Savannah area. I am a registered voter, and I am also a construction worker. The construction industry since 2007 is always the first thing hit when the economy goes down. Where Georgia is showing now a 10% unemployment rate, construction probably has a 25 to 30% construction [sic] rate loss – loss of jobs. These developers have pretty well committed that if they build this project that they are going to use local contractors in every way possible and that will put local people to work. You're talking about 800 construction jobs. When this thing's finished, it's going to put over 300 people to work in that hotel. And my – I mean the tax payers – I think this is a no brainer. Everybody's done their homework on this thing. It don't sound like there's no way to lose on it. And it's gonna give people jobs. There's probably nobody in this room that hadn't got a friend, a relative, or a neighbor that has not been – that they don't know somebody that's not been affected by this recession. And to me this is just a no brainer. It's – it's good for the community. We got a beautiful civic center over there. Why – why don't we have a place over there where we can pack the people in and use it every chance we get? I thank you for your time.

Chairman Liakakis said, thank you. Come forward. Oh, come up.

Ms. Marilyn Overton said, Mr. Chairman, County Commissioners, I'm Marilyn Overton, and it's my first time before you, so please bear with me. But I wish to ask you to vote no on this project. You are talking about tax payers' money. And you say, oh, SPLOST will pay for it or the state's going to pay for it, or so and so's going to pay for it. It's me, it's you, it's everyone back here. We all pay those taxes, and we just heard that everyone is suffering in this economy, so why are we going to take tax payers' money, even though maybe it's not today, but we're going to need to use that, and I just urge you to consider what is going on today. I empathize with the unions. They want those jobs. How many jobs is the Best Western Hotel that is going on – that was announced yesterday? I think it's going to supply some jobs. And it's not asking the tax payers to help provide those jobs. And I think Hilton does a great job, and if this is a viable project, why doesn't Hilton take it on by themselves without asking us to put up \$50 million in bonds, and I think they're putting up \$10 million, and then we might loan them another \$15 million, but that will take precedence over our \$50 million bonds? I may have that incorrect, and if so, please correct me, but that is what I am understanding is going to take place. So I just urge you to please think about the tax payers. Is this the time to do it? We have all of the hotels in Savannah. It's going to hurt them because they're going to be building a new hotel, and so that's going to take business away from them. And it isn't just this hotel all by itself, it's the whole community. And Savannah is spatial. It is a wonderful place to come visit. And people come here and they stay in those hotels that are downtown, and they

go to those restaurants. Having the hotel on this side of the river is going to be a challenge for those restaurants and for those hotels. So I just ask you to please think about the total picture. Thank you.

Chairman Liakakis said, thank you.

Commissioner Shay said, thank you.

Chairman Liakakis said, come on.

Dr. Billy Jamerson said, good afternoon.

Chairman Liakakis said, good afternoon.

Dr. Jamerson said, Mr. Chairman, madams of the distinguished body in front of me, gentlemen. Commissioners, I rise as a third generation Savannahian. I'm Dr. Billy Jamerson, practice on Habersham and Henry Street for the past 30 years. My family has been in Savannah practicing as dentists since 1905. As a child I witnessed many things in Savannah. I could have gone anywhere when I graduated from dental school but I chose to come back to my hometown because I loved it. Because this City is incredible. It's off the charts. Anybody coming to Savannah now knows that we've got a lot of things going on. But as a little boy, I can remember walking down River Street with my father taking my hand and walking over the cobblestones and dirt looking at the abandoned warehouses that were all up and down that place. And then John Rousakis came along. Don Mendonsa came along. They decided to develop that River Street. That plaza now attracts thousands monthly, millions every year because of public money. Yes it came from the tax payers but look how much we have reaped – how much benefits we have reaped from that. You can't deny that Merritt Dixon fought a tall battle to have the Hyatt constructed right next to City Hall. I can remember as a child they said it was too tall, so he negotiated, brought it down. So now that stands as an edifice on the western part of Bay Street. Look on the other side, the Marriott. I was part of the group that brought in a large convention like Dr. Thomas, the Alpha Phi Alpha fraternity came in, our regional convention came in back in the early '90s when that building was first built. It was too small for our convention. They haven't been back since. I was south – I was president of the Southeast District Dental Society when we brought in three counties – district dental societies from three regions of Georgia over at the Westin back in the mid 19 – 1990 – 2004. The Westin was too small. They will not come back. We're getting things mixed up here. We're not talking hotels and hotels. We're talking about convention centers. Savannah does not have a convention center. It has excellent hotels, and yes, we're getting more because there is a demand. Those millions and millions of tourists that come to Savannah come here because there's something here. The mystique of what makes this a great City. Our forefathers before us when they invested their money in Rousakis Plaza, knew that we needed something else going on. When those few hotels that were downtown and downtown was not doing that well, once the infrastructure was laid, those hotels came. And now we're having hotels built all the time. This Hilton Convention Center is not your typical hotel. It's a convention center that has adequate meetings spaces so that there can be at the same time collateral dinners in one area, display space, exhibit space, and additional meeting rooms. That's the problem with the Alphas, there is no place in Savannah that can house us. That's the problem with the Georgia Dental Society, has never been here. It's no place in Savannah that can have that. Yes there are rooms set aside in all the hotels and that's wonderful, but the problem is that we're losing \$10 million plus per year in lost business. And if you extrapolate that according to studies that are in your – in your memorandum on page two – on page three, section five, five point two, Hunden Strategic Planners – Planners tell you that this projected investment of a 500-room full service convention center not strictly a hotel. We got to get out the hotel mentality, convention center will double convention business by introducing 83,000 new hotel room per year; creating 1100 new jobs. Jobs. Jobs. Jobs. It'll also increase visitor's spending by 29 million annually and a 114 million in additional personal income. Now in my mind \$50 million to get \$83 million dollars plus 29 plus 114 is \$226 million. And if you look at section five two alone, that's enough to say that this is an economic stimulus to our area. It's all about jobs. It's all about generating additional tax income, projected payroll increases. Not only will those come up, but the schools will also get half a million dollars. Chatham County and the City of Savannah will get \$4 million in additional taxes from outsiders coming in. So our taxes will not be raised. These will be outsiders coming in. The construction impact alone is going to be tremendous on this area. As a lifetime resident of Savannah, I urge you to support the passage of this Inducement Resolution as proposed by the brilliant, brilliant County Manager's staff and accept it as it exists. Thank you very much.

Chairman Liakakis said, thank you.

Mr. Mike Walters said, thank you. I don't have any prepared remarks. I listened to the presentation today. I'm Mike Walters. I think I had the chance to talk to you last July. I even submitted a suggested set of due diligence steps, which I think Pat Monahan has on his desk. I do want to make one observation. Anecdotes are not due diligence.

Chairman Liakakis said, excuse me, give her your name.

Mr. Walters said, Mike Walters. I'm a resident of –

Chairman Liakakis said, thank you.

Mr. Walters said, – Chatham County, have been for 13 years. I'm a professional actuary; past president of the Actuarial Society. I – before that, I think as I mentioned last summer, I was vice president of programs in charge of conventions, actually tried to get some conventions – national conventions here and the – the major impediment by far was the lack of airlift. So when I read the original strategic plan so to speak that heretofore reports that I guess we're going to get a peer review of instead of independent one, I was struck by the implication the major reason we don't get national conventions in here is our lack of a large enough hotel. Astonishing. The major reason is lack of air lift. They're not going to do two and three air trips to get in here. Also, there was nothing – no mention of the profile of the existing Trade Center. You had to work hard in that report to find out the average number of convention days a year over the

past five years, including after the crash was 366. So you are booking conventions in there now. Not every day. There are multiple conventions. They're not totally filled. They're filling hotels from regional and local conventions. So what would happen if you got a few national conventions in here? I can see why the local hotels might be opposed to it. Unless you landed major, major national conventions, you're going to displace the regional and local ones, they're going to put those people in the hotel that's there, and they're not going stay in the local ones.

Mr. Walters said, also, strikingly missing, and I reaffirmed by recently re-reading it, the assumptions about these glowing national conventions was prior to 19 – 2008. It was highlighted in the recent material. No update has been done since 2007. What we've had is a major economic crash. The great recession. Corporations are re-evaluating their commitment to conventions. That pessimistic report in the Wall Street Journal kind of said, yeah capacity's up 70%, demand is down 30 hasn't even fully evaluated what national convention planners are planning to do in the future. Part of my due diligence recommendations was go to these national associations and big national corporations and find out do they still plan to do business as usual. Even if they plan to restore some of the lost conventions, perks are out as a – as a advantage to employees. The major association I was involved in is sending way less than half people. That's out. Communication by means of convention is also passé. You've got video conferencing. It's a major game changer and everybody's talking about anecdotes from 2004 and 2005.

Mr. Walters said, now the presentation from Hilton, they're a very professional organization. I – I learned a lot from that as well. They have 50 hotels they own in the US. They manage total worldwide 3500. They're in the business of managing hotels. They're not really in the business of building brand new hotels. His comment about I'm not sure about profitability but basically on a cash flow basis they paid us enough so the bond didn't go down and this depreciation thing is not real. Astonishing. If you own and build a hotel the depreciation is part of the proformers and part of the financial statements on an accrual basis. You have to pay back. You have to repair. He's apparently oblivious to the notion of people who own hotels. The fact that they only own 50 and they manage 3500, they're in the business of managing hotels. The ones they have in the U.S. where it's owned on a public facility, they make their money by managing the hotel from owners who are not really in that business. That's a great business to be in. Why don't they pony up and offer to build the hotel and be aware of accruals and other things people who own. They want you to build – get this hotel built for \$130 million. They'll be glad to management [sic] for you. They're going to make a profit in what they do best. They are a vendor who has material interest in you getting this thing built and not necessarily a material interest in making the best decision for residents of Chatham County. They're a vendor. As I said last July do not do due diligence – do not rely on due diligence by vendors who stand to make a profit on this.

Mr. Walters said, the developers. I've heard lots of presentations by the developers. They're going to build this hotel for 130 million. They've got a cushion built into that contingency. They might make 10 or 20 million and then they're gone. They have a vested interest. Do not accept due diligence from those who have a vested interest in the outcome. That's asking the fox to build a chicken coop. Your responsibility as a – as a County Commission is to get independent analysis. Also suggest don't do a peer review of that very flawed report probably promulgated by those who had a vested interest in having this thing built. Get an independent report and do all of the due diligence that I recommended.

Mr. Walters said, one of the things Pat Monahan said was, well wanted them to find out whether corporations – truly national corporations will want to come here would cost \$40,000. That is the major question. Spend the 40,000. I also offered – I know lots of people who are former officers and executives of major corporations who would probably do it on a – on a free basis to help get it done if you can't find the 40,000. You found enough to build a – a pathway all around the – the convention center, millions of that. I think the major question, will national corporations come here especially since that Wall Street Journal report said the big cities that basically ignored private enterprise options and built these things and doubled-down their bets have a vested interest in making sure those cities that have major air lift are going to get those conventions. We're trying to venture into an area which we're not good at and the hopes based on anecdotes in the past. We ought to analyze our strengths and weaknesses.

Mr. Walters said, my final recommendation is if this had been a project going to a private corporation board of directors, it would have never seen the light of day. You need a project – I'll call it a product champion on this. Somebody who's willing to put their reputation on the line, analyze the due diligence, but more importantly put together a strategic plan on this. Now don't make the product champion somebody who is opposed to this, make it someone who probably thinks this is a good idea. I was going to suggest Pat Shay as the obvious one. But I now understand Pat Monahan has now sort of assumed that role [unintelligible]. He's extremely industrious and capable. He ought to be the product champion on this, put together the due diligence – put together the strategic plan. What are the strengths and weaknesses of Savannah and Chatham County? What are the opportunities and threats? And what has major changed since the last time these anecdotal stories have gone out? In order for you to even go on this – further on this, you need to have in place a strategic plan that's understandable, it's less than 15 pages, because right now in trying to research this you go through reams and reams of paper. It's totally confusing. As I said and again, if this were a private corporation this would not even before the board of directors. It would have to be vetted way before that. An understandable set of principles, everybody on this Commission can say, I agree with those assumptions, they've been validated and vetted and let's go forward on that basis. You need to do that. You're responsibility representing us the public and I appreciate the opportunity.

Mr. Walters said, members of the public can contribute on this. I'm not volunteering to serve on the Commission in the future, but I'm available as a professional actuary. I got help out on this, and I'm retired and I have lots of time on this so. I appreciate the chance to speak to you and I hope to be talking to you again about this. Also, I have extra copy of my open letter that I sent to the Commission that I sent this July in case any of you weren't able to open that – that document. I know Pat Monahan has it. Thank you.

Commissioner Kicklighter said, thank you.

Chairman Liakakis said, come forward.

Mr. Brett Hume said, my name is Brett Hume. A lot of the comments that have been mentioned earlier I'm – I'm not going to repeat so that should reduce some of my time – excuse me. I do have two – two quick questions for you for clarity before my comments. It is my understanding that before you is the first step of three in this particular project. Is that correct?

County Attorney Hart said, correct.

Commissioner Shay said, yes.

Mr. Hume said, okay. So, second question is, from inception when the County took over the Trade Center Authority's responsibility, the 50 million that is being asked is a bond guarantee. Is that correct?

Chairman Liakakis said, yes.

Mr. Hume said, so that means and correct me if I'm wrong there is no front money from Chatham County in this project. Is that correct?

Chairman Liakakis said, yes.

Mr. Hume said, so there's no tax payer money involved in this?

Commissioner Shay said, yes.

Mr. Hume said, okay. Just want to make sure I understand everything 'cause I've heard several things, and I'm not in the hospitality industry, certainly not an expert. I'm not an attorney, certainly not an expert, although I do enjoy their command of the English language. When I came before you in May, and I appreciate Commissioner Kicklighter's comments earlier about the citizenry not being as illiterate as some would have us think, 1,231 citizens signed a petition at a 75% reduction in job creations supporting this project. 75% discount. That's how hungry our community is to go to work. And Commissioner Kicklighter residing at 124 Arbor Village Drive in Pooler, I respectfully ask you to reconsider your position and support this project. A couple of things have come to light since May as we have heard. This project as a bond guarantee could be comparable to what y'all did unanimously for Gulfstream. That is really what y'all did. Gulfstream, top of the line company. You took their word that they were going to do right, and they did, except for the construction industry, which you probably didn't anticipate. But there is no local labor on the construction – Gulfstream job. The steel contractor's from North Carolina; the electrical contractor's from Colorado; the day labor people, the temporary help, is based out of South Carolina. So we kind of lost the deal in terms of the construction hands locally on that project. And I realize you don't have much control being private money but we learn.

Mr. Hume said, as was mentioned earlier, this developer I understand is willing to guarantee 70%, even more than the current detention center local participation. Not just in manpower but also suppliers. Another industry that has been overlooked. I'm also glad to report that I have been in personal contact with several of the corporate people for Southwest Airlines who have recently acquired Air Tran and Savannah is on the map for service to Savannah. Now that's between the Airport Commission and them, but I know that we have five gates that are open currently being unused. We've had some statistics brought to us since May that our citizenry, 25% are in poverty. 65% of children in the public school system are now on free lunch. And the staff in the kitchens are saying that they're seeing kids on free lunch that have not been there before. I'm not suggesting that this project will cure all this, put their parents to work, but it's a step in the right direction which is what you're being asked to do, take the next step. It also may prohibit some of our residents that are on the edge of falling into that category. Sunday's paper, the same folks that appear to be opposing this in the hotel industry, and I understand it, they've got theirs and they don't want anybody else to have any. I get it. That's business. But Sunday's paper said the tax from the room's they're generating is fixing to set record levels. The irony is a lot of our same residents would struggle to afford a room in these same folks' hotel. Thank you for your time. Please consider supporting this.

Commissioner Kicklighter said, Mr. Chairman?

Chairman Liakakis said, Joe Marinelli, would you please come up, I'd like to ask you a question, please.

Commissioner Kicklighter said, Mr. Chairman, may I address him real fast? I just would like to –

Chairman Liakakis said, yeah, Brett [Hume], come back up a minute. Just stand by a second, would you, Joe [Marinelli]? Let him come back.

Commissioner Kicklighter said, thank you, Mr. Chairman. I just want to clarify my position beings it was directly mentioned that this good, kind gentleman is a constituent in – within my district. There's nothing I'd like to do more than vote for this simply because of all the local jobs. As mentioned earlier, 800 local contractors would get this, and I truly, sincerely really want to vote yes for that reason, and that reason alone. I – I promise you that. But my thoughts is yes, just as our national stimulus – we've heard stimulus, stimulus, our national stimulus package benefitted a few, it did so at the expense of the large majority. 800 people getting a high-paying job, again, I want that for you, at the expense or possible expense of the 250,000 other people living here. Stimulus packages are great as far as stimulating the economy of a few at the risk of the large majority, and should this thing fail, 800 people, they'll be doing much better, which I would love, but the rest would be the ones picking up the bill. And that's where mine's coming from on this with the vote. And, you know, I'd love to for y'all but that's – that's the only benefit I see at this point. So. Thank you.

Chairman Liakakis said, thank you, Brett [Hume].

Mr. Hume said, thank you.

Chairman Liakakis said, Joe [Marinelli] come forth, please. Joe [Marinelli], in 2010 and I understand 2011, we had a larger amount of tourists coming into our community, is that correct?

Mr. Marinelli said, well we don't have any of those – those figures back yet, we probably won't have those until April or May. In 2010 we had 11.4 million visitors to our City.

Chairman Liakakis said, 11 million –

Mr. Marinelli said, yes.

Chairman Liakakis said, – 400,000?

Mr. Marinelli said, 6.3 million were overnight visitors and 5.1 million were day trippers. I don't have any of those statistics yet for 2011.

Chairman Liakakis said, okay. And so from what I understand in that 11 million, they spent one billion eight hundred – \$1,800,000,000, is that correct?

Mr. Marinelli said, just about 1.8 billion, yes, sir.

Chairman Liakakis said, yes. Okay. Thank you. And – oh, you wanted to ask a question?

Commissioner Odell said, no, no. Not for Joe [Marinelli].

Chairman Liakakis said, wait a minute. Go ahead then.

Mr. Trip Tollison said, good morning. Good afternoon. It's been here – I've been here for a while, I guess. I've been asked from some – I'm Trip Tollison, Savannah Area Chamber, Visit Savannah. Several folks have asked that I clarify the Chamber's position and Visit Savannah's position on the hotel project. And it's actually two pieces. We are very supportive of a new product that can take us to the next level in convention hotel business. There's no question. However, we are opposed to using any of public monies into the hotel project itself. We're very supportive of using public monies for the infrastructure, the parking and things like that that the hotel needs, but as far as taking public funds and putting them into the meeting space, the kitchen, and the lobby, we would have a difficulty supporting that. So, I just wanted to bring that up. Several folks have asked me to say that. So that's why I'm here. Thank you.

Commissioner Kicklighter said, he just simplified my thoughts.

Chairman Liakakis said, all right. Go ahead, Harris [Odell].

Commissioner Odell said, I think we can beat this to death, and I really don't want to. I call for the question, and I'm sorry – I'll yield, but I'll ask that you return it to me.

Chairman Liakakis said, okay. We know how important the hotel industry is in our community. You just heard \$1,800,000,000 spent, and I can tell you this talking to a lot of the hotel managers, their business was greater than it was in 2010, but they have to get all those figures together from all of the entities. But what I also did, I said I want information coming to this Commission that Patrick Monahan, our Assistant County Manger, and others to see about how that will affect our hotels, and that's really important because meeting with Gregg [Rockett], you know, from the Hilton – worldwide Hilton organization, and he talked about all of those that – that those 6 units that they've never missed a payment and what have you and they had a large amount of people coming in to those hotels, but the other thing too is the information that has come from a couple of different areas is that it shows that it will – and I saw the particular figures and all on that, that that will help bring in a lot more people into the hotels. For example, suppose this 500 – less – this 500 hotel, what they do is they reserve all 500 rooms and we have a convention coming in here, let's just take a small one, 400,000 people – I mean, 4,000 people coming into our community. So you take the 500 from that, and you have 3,500 other people that will be in the other hotels, and especially in the downtown area. And there – and what happened originally is that the Trade Center came to the County. They're the ones that brought this here because the information that came from their personnel was that we're losing a lot of large conferences and conventions coming into our community. That's – and it was brought to us. That was not our idea. Because those people that run the convention – run the Trade Center over there stated that there – a number of people for the larger conferences and conventions and quite a number of them, turned it down because they did not have this meeting set up – meeting rooms and all of the other amenities right there as the doctor spoke about it a while ago, is that they needed some help over there and – and that's what happened with it. So it's not like, you know, we're against the – you know, we are against hotels and that's not any way, shape or form. We're just looking at something to increase and do better for our overall citizens and the information that most of us have gotten it shows that it will be successful if we have a situation like the Hilton or whatever. But we are not voting today to approve the hotel at this time. All it is a resolution for the inducement and – and that's it. That's it. So Priscilla [Thomas] you wanted to –

Commissioner Odell said, well, I called the question.

Commissioner Shay said, Harris [Odell] called for the question.

Chairman Liakakis said, oh, excuse me. After Harris [Odell].

Commissioner Odell said, call for the question.

Chairman Liakakis said, all right. Let's go on the board. It passes. And we going into the next phase now concerning what's going to happen in this particular project, and we'll have more due diligence and a lot of other information will come to the public, to the hotel owners and all so that they fully understand. Because what we want to do is we want to encourage and make sure that we can help as many as we can with this project if it's passed. Or it could not pass. We don't know. Thank you.

ACTION OF THE BOARD:

Commissioner Thomas moved to approve the Inducement Resolution and Task List. Commissioner Shay seconded the motion and it carried in a 5-4 vote with Chairman Liakakis, Commissioners Holmes, Shay, Odell and Thomas voting yes; and Commissioners Stone, Farrell, Gellatly and Kicklighter voting no.

AGENDA ITEM: IX-5

AGENDA DATE: January 13, 2012

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

ISSUE:

Board consideration of an Inducement Resolution and Task List for Chatham County's participation in a proposed Trade Center Convention Hotel.

BACKGROUND:

At the December 16, 2011 meeting, the Board approved extending by 120 days a Memorandum of Understanding (MOU) with Hutchinson Hotel Holdings (HHH) for a public-private partnership to develop a convention hotel as part of the expansion of the Savannah International Trade & Convention Center (i.e. Chatham Conference Center). As part of extending the MOU, the Board agreed within 30 days to consider the adoption of an *Inducement Resolution* to declare its intent to proceed with the proposed project; however, moving forward would be contingent on the checklist of performance items by the County as well as by HHH as the hotel developer (Step 1), execution of a Definitive Agreement (i.e. Development Agreement, Step 2), and execution of bond documents (Step 3). Step 1 would be non-binding.

FACTS & FINDINGS:

1. The proposed *Inducement Resolution* (see Attachment 1 – Page 4) for a convention center hotel would be non-binding. This would be Step 1 and enable the County to continue its due diligence - including the important decision of whether the project would qualify for the state-incentive, known as the Tourism Development Sales Tax, and confirm other safeguards to minimize any public risk. Meanwhile, HHH would be able to obtain draft term sheets to secure commitments of the private equity and financing. The key will be whether both the County and the developer can successfully complete the checklist of 13 items on the Task List (see Attachment 2 - Page 8).
2. Besides adoption of the *Inducement Resolution* (Step 1), two more steps would remain before any final obligation, as follows:
 - 2.1 Step 2–Definitive Agreement: Both parties would enter into a Definitive Agreement (i.e. Development Agreement), which would become contingently binding (until bond issue) with performance guarantees and liquidated damages.
 - a) County's obligation–By the Definitive Agreement, the County would create a tax allocation district and take steps to issue bonds for expansion of convention facilities (i.e. Chatham Conference Center) through the Savannah Economic Development Authority. The County would not spend any general tax dollars on bond payments but rather rely on new on-site taxes (i.e. hotel-motel taxes, resort tax and hotel developer incentives) generated in the tax allocation district. The Chatham Conference Center would be leased to the private hotel owner. The public risk would be the hotel owner's default on its lease payment for the Chatham Conference Center and that on-site taxes and incentives would be insufficient to fund fully the Debt Service Reserve Fund.
 - b) Developer's Obligation–By the Definitive Agreement, the developer must deliver binding Letters of Intent on its capital investment, including its equity and private loans.
 - c) Room Block Agreement–The County, in concert with Visit Savannah and the Trade Center Authority, would need to approve the booking agreement, which commits the hotel to 80% of its rooms for conventions two years and out and at group rates to promote more community business. This requirement distinguishes a convention hotel from other hotels and lends credence to its public purpose.
 - 2.2 Step 3–Bond Issuance: The final step would be adoption of a bond resolution, trust indenture or other documents which set form terms for issuance of bonds for the Chatham Conference Center. Until this decision, the Board can exercise full discretion not to move forward with public participation in the project.
3. The proposed *Inducement Resolution* and Task List follow the same format as the Hospital Authority refinancing for Memorial Health University Medical Center. Likewise, the due diligence, review of financial analysis and sensitivity analysis and implementation of safeguards remain similar. The County's Financial Advisor, PFM, would be reviewing the financing structure and confirm adequate safeguards.

4. The proposed private-public development follows guidance from the Trade Center Authority, which initiated this project as part of a strategic plan to move toward the next level of competitiveness and overcome lost opportunity in the market. The Authority preferred limited public participation and by resolution suggested that the annual debt service on any publicly-supported bonds should not exceed funds from "all special revenue sources" and cover reasonable reserves for 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 from the State of Georgia 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 (Visit Savannah and the Trade Center Authority would receive the other half).
 - 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. The Job Tax Credit would generate \$770,000 annually for five years.

These revenue sources would be used to protect any County obligation ahead of the owner/operator and include the 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 loan covenants. These are similar to the on-going strategy from the start to protect any public obligation and limit risk.

5. In 2008, the Trade Center Authority implemented a strategic plan to move toward the next level of competitiveness and overcome lost opportunity in the group meetings 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. The key components include:
- 5.1 Hotel Feasibility and Economic Analysis—A contract with HVS proved the economic viability of a convention center headquarters hotel, its size (rooms), expanded and new business capture rate, cash flow analysis and cost. It would be a full-service hotel of 500 rooms with 400 rooms committable for a convention. Staff previously provided the HVS study.
 - 5.2 Economic, Fiscal and Employment Analysis—The Trade Center Authority contracted with Hunden Strategic Partners to determine the economic impact of a convention center hotel. The analysis projected investment in a 500-room, full-service convention center hotel would double convention business by inducing 83,000 new room nights (net) in area hotels, create 1,170 new jobs, add \$83 million in visitor spending, \$29 million in earnings and \$114 million in personal income. Staff previously provided the Hunden study.
6. Project Overview—The funding structure continues to evolve based principally on a capital structure dependent on private investment in a capital market with a growing favorable outlook. The basic structure calls for a privately-owned convention hotel with public participation to develop and construct the Chatham Conference Center next to the Trade Center. Key issues include:
- 6.1 Plans still call for a 500-room convention center hotel, with 400 rooms committable for conventions, but options include consideration of a smaller-sized hotel. The projected economic benefits of a full-service convention center hotel include doubling convention business by inducing 83,000 new room nights (net) in area hotels, creating 1,170 new job, adding \$83 million in spending, \$29 million in earnings and \$114 million in personal income (Hunden report).
 - 6.2 The proposed financial structure would be comprised of \$25M in private equity (hotel owners) and \$55 million in a senior loan (bank loan) obtained by the hotel owner. These are proposed amount and subject to private capital markets.
 - 6.3 The County would issue up to \$50M in bonds, mixed between tax-exempt and taxable, for the Chatham Conference Center and parking garage, which the County would own in title and lease to the private developer (through a capital lease). The Chatham Conference Center includes publicly-owned improvements such as the ballroom/meeting rooms through taxable bonds, and a parking garage and central plant as a tax-exempt. These are subject to final determination in the Definitive Agreement and pending review by bond counsel.
 - 6.4 To pay the annual debt service on the public bonds, the County would need to rely on the hotel's lease payments for the publicly-owned improvements. Before any distribution of tax incentives, such as the Tourism Sales Tax rebate, the incentives would secure the lease payment. The risk would be that the hotel does not generate sufficient net income and cannot make its lease payment to the County, and the required bond payment exceeds funds in the Debt Service Reserve Fund, which would require specific recourse to be negotiated in the lease agreement. This places the County's maximum risk in the first several years at about \$2.6 million annually.
 - 6.5 Some critics question any public participation and suggest that in several years, capital markets will return to allow full private investment. However, during th best times for hotel investment in 2000-20005, none of the convention center hotels became funded and built without some level of public guarantee.

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 11 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 lost opportunity in the meetings market. The 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 Trade Center hotel.

RECOMMENDATION:

For Board consideration.

COUNTY OF CHATHAM)
STATE OF GEORGIA)

A RESOLUTION TO CONSIDER FUNDING EXPANSION
OF SAVANNAH INTERNATIONAL TRADE & CONVENTION CENTER FACILITIES
BY DEVELOPING AND FINANCING THE CHATHAM CONFERENCE CENTER

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF CHATHAM COUNTY, GEORGIA, A POLITICAL SUBDIVISION UNDER THE LAWS OF THE STATE OF GEORGIA (HEREINAFTER REFERRED TO AS COUNTY), DECLARING ITS INTENT TO ENTER INTO A CONTRACT WITH HUTCHINSON HOTEL HOLDINGS, L.L.C., A LIMITED LIABILITY CORPORATION, INCORPORATED UNDER THE LAWS OF THE STATE OF GEORGIA (HEREINAFTER REFERRED TO AS HHH), TO DECLARE ITS INTENT TO ENTER INTO BINDING AGREEMENTS TO ISSUE REVENUE BOND SERIES 2012 THROUGH THE SAVANNAH ECONOMIC DEVELOPMENT AUTHORITY, THE PROCEEDS WHICH SHALL BE USED TO FUND CERTAIN PUBLIC IMPROVEMENTS FOR THE EXPANSION OF SAVANNAH INTERNATIONAL TRADE & CONVENTION CENTER FACILITIES, INCLUDING DESIGNATED PUBLIC IMPROVEMENTS FOR THE CHATHAM CONFERENCE CENTER ("PROJECT"), CONTINGENT UPON EXECUTION OF A DEFINITIVE AGREEMENT WITH HHH AND A ROOM BLOCK AGREEMENT, AND BASED UPON SAID EXECUTION, AND BY FINAL APPROVAL OF THE COUNTY, TO TAKE SUCH FURTHER ACTIONS WHICH ARE NECESSARY RELATING TO THE ISSUANCE OF THE BOND PROCEEDS FOR THE PROJECT; AND FOR OTHER PUBLIC PURPOSES.

WHEREAS, the laws of the State of Georgia authorize Chatham County to exercise certain powers to promote economic and community development and redevelopment of blighted areas to foster unrealized potential which serve the economic vitality and well-being of the community; and

WHEREAS, Chatham County developed, funded and equipped the Savannah International Trade and Convention Center ("Trade Center") in Savannah on Hutchinson Island to achieve community economic development goals in attracting conventions, group meetings and expositions, thereby increasing visitor spending and personal income; and

WHEREAS, by intergovernmental agreement, the County leases the Trade Center to the Georgia International Maritime Trade Center Authority ("GIMTCA"), an authority created by local act of the Georgia General Assembly to manage the facility and promote conventions, group meeting business and expositions (i.e. consumer shows) in the community; and

WHEREAS, GIMTCA undertook certain feasibility studies and economic and financial analyses to determine whether a convention center headquarters hotel (the "Convention Center Hotel") next to the Trade Center would improve the community's competitiveness for convention and group meetings business and thereby added improved economic benefit; and

WHEREAS, after public notice and competition, GIMTCA entered into a Memorandum of Understanding ("MOU") with Hutchinson Hotel Holdings, Inc. ("HHH") to develop the Convention Center Hotel, and said MOU was offered to and accepted by the County in recognition of the legal authority provided to counties, but not GIMTCA, under Georgia law to develop and fund capital development projects; and

WHEREAS, HHH has committed to certain private investment in developing, funding and quipping a Convention Center Hotel which will not only protect and expand the value of public projects on Hutchinson Island but also yield value-added dividends such as to increase employment and earnings, expand the ad valorem tax base and generate other sources of local and state government income; and

WHEREAS, to fulfill the requirements of a Convention Center Hotel, and in exchange for a Room Block Agreement, which commits the Convention Center Hotel to 80% of its hotel rooms two years and out for group meetings and conventions and at group rates to promote more conventions, the County finds that the investment of public dollars for public purposes in expanding convention facilities on Hutchinson Island will serve as a catalyst for job growth and economic improvement to the community, and thereby fashion a public-private partnership that will promote the economic vitality and well-being of the community; and

WHEREAS, the County proposes to issue Series 2012 Revenue Bonds, the proceeds of which shall be used to fund the Chatham Conference Center and related public improvements as part of the Convention Center Hotel, provide a debt service reserve fund and pay costs of issuance of the Series 2012 Revenue Bonds; and

WHEREAS, the County anticipates that revenues to be produced by a lease with HHH for the Chatham Conference Center and other incremental new taxes pledged will be sufficient to pay the debt service to become due on the Series 2012 Revenue Bond and provide and maintain any necessary debt service reserve in accordance with sound business principles; and

WHEREAS, the County has determined that the most feasible and economical way to issue the Series 2012 Revenue Bonds would be through the Savannah Economic Development Authority ("SEDA"), an authority created under the Constitution of the State of Georgia for purposes of promoting economic development, and to secure payment of the Series 2012 Revenue Bonds, in addition to pledging revenues to be produced by a lease agreement with HHH, will be for the County to enter into an intergovernmental agreement with SEDA, whereby the County will pledge its full faith and credit to pay the debt service on the Series 2012 Revenue Bonds as long as said bonds remain outstanding and unpaid; and

WHEREAS, the Series 2012 Revenue Bonds shall be issued under the terms of a bond resolution, trust indenture or other appropriate documents to be adopted or entered into by the County which document shall set forth the terms and conditions upon which such Series 2012 Revenue Bonds shall be issued, the revenues to be pledged to the payment thereof, and other matters relating to the issuance of the Series 2012 Revenue Bonds; and

WHEREAS, the County by this resolution declares its official intent to enter into a Definitive Agreement with HHH, whereby the terms and conditions will be agreed upon for each party's responsibility in developing, funding and equipping the Convention Center Hotel and the Chatham Conference Center, and the parties will execute the terms and conditions of the Definitive Agreement, upon which the County will take such actions necessary relating to the issuance of Series 2012 Revenue Bonds; and

WHEREAS, notwithstanding the above-stated provisions, until both parties agree to execute a Definitive Agreement, as shown upon the minutes and record books of the County, neither party shall be entitled to any performance guarantees and any expenditure of funds until execution of the Definitive Agreement, will not be compensatory to the other party.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Chatham County, Georgia, as follows:

1. The Board of Commissioners of Chatham County declares its intent to enter into a Definitive Agreement with HHH, subject to the preparation, review and approval of the Task List, and approval by County to all of the terms and provisions of the Definitive Agreement. The Definitive Agreement will be presented to the Board of Commissioners in final form for approval and execution.
2. Upon execution of the Definitive Agreement, the County declares its intent to enter into an intergovernmental agreement with the Savannah Economic Development Authority for the issuance of Series 2012 Revenue Bonds for which the proceeds shall be used to fund the Chatham Conference Center and related public improvements as part of the Convention Center Hotel, provide a debt service reserve fund and pay costs of issuance of the Series 2012 bonds.

Adopted this _____ day of _____, 2012.

FOR THE BOARD OF COMMISSIONERS
OF CHATHAM COUNTY

By: Pete Liakakis, Chairman

ATTEST:

Janice Bocook, Clerk

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6. UPDATE ON HOSPITAL AUTHORITY'S REFINANCING TASK LIST.

Chairman Liakakis said, okay. Item 6, update on Hospital Authority refinancing task list.

County Manager Abolt said, Mr. Chairman, Dr. Thomas, Commissioner Stone, gentlemen, this is just what it is. It's a commitment we made to you at your last meeting when you passed the inducement resolution that this is obviously a high priority for us. We're doing the due diligence. We're ensuring our fiduciary responsibilities are carried out to protect the tax payer. And we will continue to give you updates on the various tasks, 15 in number, until we're at the point of recommending official consummation of the arrangement. It's just information.

Chairman Liakakis said, okay. Any – any other comments? Anybody from the hospital would like to make comments?

Commissioner Odell said, I think it –

Chairman Liakakis said, I think this kind of covers it. What it says – Patrick [Shay]?

Commissioner Shay said, somebody circulated around to me earlier today a letter that had something in there about the governance structure, and I didn't get a chance to study it 'cause we got it in the meeting itself, I did read it, and it seemed to me at that time to be written sort of what a – I call fait de compli, it's like – it's already done. It's already set. And I – I – I – I think it's part of the over all package of what we're going to be looking at. I don't want the fact that we just got a letter handed to us to be interpreted as an affirmation that we accept that. We may very well, but I – I, you know, I don't like somebody to hand me a piece of paper and then say well we gave it to you, so you must have accepted it. I – I've seen it. It's good. Thank you. Appreciate it.

Chairman Liakakis said, yes?

County Attorney Hart said, yeah –

Chairman Liakakis said, go head. Just a minute, Maggie [Gill].

County Attorney Hart said, in response to Commissioner Shay's inquiry, I had written attorney for Memorial Health University, Mills Fleming, earlier the week. One of my due diligence requirements was to confirm the – the revised structure of the organization. And so I wrote and said, this is what I understand Commissioner Odell's resolution proposes, what's the hospital's position on this, and that letter primarily is – is to let you know that it appears to parallel for the most part Commissioner Odell's original concept. It is contingent upon, you know, the County actually doing the deal.

Commissioner Shay said, well and – and I – I just commend as always Commissioner Odell for taking the lead on this. Somebody had a term for it here a little while ago, some kind of champion thing, right? But when the matter first came up, I just want to remind you that one of the things that I thought was very vital to the governance structure was that there be a representative of the public health community, and, you know, that could be somebody from the Board of Health or somebody from Healthy Savannah or somebody from the Healthcare Collaborative, but I – when I saw this I – I was reminded that that doesn't appear in here, and I would like to encourage you to consider that. If we're as a community going to make an investment that is four times as much as we – we just discussed, that we have to all be willing to invest in the idea of wellness and the idea of how we can help people not to smoke and eat so many cheeseburgers along the way. Okay? So just leave it at that.

Chairman Liakakis said, okay. Maggie [Gill]?

Ms. Maggie Gill said, that's well said, Commissioner Shay. I just want to say –

Chairman Liakakis said, explain – give her your name and all and your position.

Ms. Gill said, Maggie – Maggie Gill, CEO of Memorial Health. That's well said, Commissioner. Just to clarify that the proposed revised board structure is not a fait de compli and has actually not been officially approved by either board. The boards have been working together in order to build the additional representation that was recommended by Commissioner Odell and this body, and we have come up with a proposal which you have in your documentation and pending closure of the refinancing and the final approval by both boards. The boards have been working together very well to come up with this. We've also polled other hospitals within the State that are similarly structured to Memorial to ensure that the – what we're proposing is similar to other organizations. So.

Chairman Liakakis said, okay. Thank you.

Commissioner Shay said, thank you for that clarification.

Ms. Gill said, thank you.

Chairman Liakakis said, okay.

Commissioner Odell said, are we finished with that or can other people speak on it?

County Manager Abolt said, it was meant purely for information. Obviously we're – we're not in a position to – I would not think from a staff's standpoint I know we're not in a position to debate this. We're just dealing with giving you – you information on where we are, and I committed to y'all and what I reaffirmed a few moments ago, we're going to continue to give those to you on your formal agenda until we're in a position to make a recommendation.

Commissioner Odell said, okay. Here's – here's what – may I, Mr. Chairman? Here's what I'd like to know. How long does County staff project it will take before it's in a position to give a recommendation? I think Shay wanted a staff – a traditional staff report as to whether or not we go forward, do it or don't do it?

County Manager Abolt said, it – it – it'll be sometime probably in the month of February. We understand the urgency of it.

Commissioner Odell said, okay.

County Manager Abolt said, I – what I – I – I want to make sure that the – the viewing audience realizes that this isn't a simple thing we're about. It obviously – when you use the term due diligence it sounds easy and it rolls off the

tongue, but – but this is extensive research, and there are allegations that are coming up, will come up possibly, who knows, but we want to make sure as – as – as your staff that when it comes time to making a recommendation and we're not backing off of that, that we can not only answer those questions but also answer any anticipated questions that might come.

Commissioner Odell said, yeah, I – I agree, but just to continue with my time, I do not believe that a) we will spend the \$200 million. We're – we're not – we're simply co-signing for Memorial Medical Center or the Chatham County Hospital Authority. It will not gravely impact our credit rating. What I know is that Memorial I guess the last 50 or so years since they've been bond have never missed a bond payment. So it's not a necessarily high risk. I do not want us to let a – the belief that we will have this imaginary co-signing which equals \$200 million, which it does not. That we have to look to be able to justify to our constituents that we will show some substantial financial amount to equivalent – to equal to that co-signing. It's never going to happen. The benefit is not that we're going to get \$200 million from Memorial. The benefit is that we hear people talk about jobs, and this – this is good that this follows the hotel. And I noticed an interesting thing, the people who are working and the working class people, who are by and large my constituents, they wanted the last item. The people who are retired, living on their pensions and probably at these exclusive neighborhoods, they didn't. The people in my community benefits from Memorial. The people in my community or my district benefits from jobs being able to be attracted to this community. A healthy Memorial means a healthy St. Joe's/Candler. I want to as much as possible without putting any strain on anyone to encourage this process to come to a final position at the earliest possible opportunity. That is my goal. That is my desire. You know.

County Manager Abolt said, permit me. Staff – we – we did not obviously back off of the commitment that you – you wish the County to make. I do want to keep in the context of works that must be done. At your last meeting you passed the Inducement Resolution. I realize that we had the holiday, but I've – I've assigned – I've assigned – just like I've assigned Mr. Monahan and the hotel, I've assigned Ms. Cramer, who I consider the best and the brightest in this field, partnered with Mr. Kaigler, Mr. Monahan, and the County Attorney. So we are not backing off of it, but there is a need in my estimation to let it breathe and by letting it breathe, I do not want you to adopt this and then six months later regret that you adopted it because there was some bit of information that we were not privy to or did not research for you and then you would feel very upset about that.

Commissioner Odell said, oh, I – I agree with you Russ [Abolt], and I'm – I'm not saying eliminate your due diligence, and I – I know under past executive directors for Memorial Medical Center, it was difficult to get them to return phone calls if we called them. But it's – I think it's a little bit different now. There's a absolute need on their part for us to do this.

County Manager Abolt said, yes, sir. Thank you, sir.

ACTION OF THE BOARD:

For information only.

AGENDA ITEM: IX-6
AGENDA DATE: January 13, 2012

TO: Board of Commissioners
THRU: R. E. Abolt, County Manager
FROM: Linda B. Cramer, Finance Director
 R. Jonathan Hart, County Attorney

ISSUE: Update on Hospital Authority Refinancing Task List.

BACKGROUND: On November 18, 2011 the Board discussed the County's possible role as a guarantor on refinanced Hospital Authority debt for Memorial University Medical Center. On December 16, 2011 the Board adopted an inducement resolution and task list for the refinancing transaction.

FACTS AND FINDINGS:

1. On December 16, 2011 the Board approved an inducement resolution and task list related to the refinancing on the Hospital Authority's debt for the Series 1996A, 2001A and 2004A revenue improvement bonds. The outstanding par amount of these bonds is approximately \$183 million.
2. An update to the Refinancing Task List is attached (page 2), showing the status of each item through January 6, 2012. The Task Lists incorporates commitments made by the Hospital's President and Chief Executive Officer in a letter dated December 13, 2011 and in subsequent conversations.
3. The County requested the Hospital's assistance in five areas. The five areas are I) County wellness programs, ii) Pharmaceuticals, iii) development of County Clinic, iv) SafetyNet/ChathamHealthLink, and v) provision of inmate health care. The Hospital's response to each of these requests is included on the Refinancing Task List as items 3, 4, 5, 6, and 7. In addition, Exhibit A provides a detailed response from the Hospital on inmate health care services (page 3).
4. County staff is continuing discussions with its financial advisor and Hospital staff to refine the transaction.

FUNDING: Any costs related to the refinancing transactions would be paid from bond proceeds.

POLICY ANALYSIS: Under the Georgia Hospital Authorities Law, the County can act as guarantor on hospital related debt and pledge up to a 7 mil limitation for debt repayments.

ALTERNATIVES: For information only.

RECOMMENDATION: For information only.

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7. REQUEST BOARD APPROVAL OF THE FISCAL YEAR 2012/2013 BUDGET ADOPTION AND MILLAGE LEVY CALENDAR AND SET A DATE FOR THE BUDGET GOALS SESSION/RETREAT.

Chairman Liakakis said, okay, next, item 7, request Board approval of the fiscal year 2012/2013 budget adoption and millage levy calendar and set a date for the budget goals session/retreat.

County Manager Abolt said, Mr. Chairman, Dr. Thomas, Commissioner Stone, members of the Board, please adopt this. As you do every year at this time, it just sets forth your schedule setting milestones between now and the time you'd actually adopt the budget and approve the millage. The only thing undone as the Chairman already has identified is the specificity as to when the budget goal session is, but please adopt the schedule. This is consistent with coincidentally what CAT has adopted earlier today. It's consistent with the preparation of the digest. And it's also sensitive to the needs of the school district. So I would ask a simple motion to approve.

Commissioner Odell said, motion to approve.

Commissioner Holmes said, second.

Commissioner Thomas said, second.

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

ACTION OF THE BOARD:

Commissioner Odell moved to approve the fiscal year 2012/2013 budget adoption and millage levy calendar. Commissioners Holmes and Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Gellatly and Kicklighter were not present for the vote.]

AGENDA ITEM: IX-7
AGENDA DATE: January 13, 2012

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

ISSUE: To request board approval of the Fiscal Year 2012/2013 Budget Adoption and Millage Levy Calendar, and set a date for the Budget Goals Session/Retreat.

BACKGROUND: The Budget Adoption and Millage Levy Calendar are approved by the Board each fiscal year to facilitate timely adoption of the budget and the millage levy.

FACTS & FINDINGS:

(1) The FY 2012/2013 (July 1, 2012 thru June 30, 2013) Budget Adoption and Millage Levy calendar is shown in completion on page 3-4 herein and contains the following major target dates:

- January 17, 2012 – Distribution of budget packages
- May 11, 2012 – Presentation of proposed budget to Board of Commissioners
- May 25, 2012 – Public hearing at regular Commission meeting
- June 22, 2012 – Adoption of the FY 2012/2013 Budget (including approval of fiscal 2013 CIP budget)
- June 22, 2012 – Year 2012 Tax Digest and 5-year history to Board as information
- July 6, 2012 – Adoption of Year 2012 M&O, SSD, CAT and Board of Education Millage Levy by Board of Commissioners
- July 27, 2012 – Tax Digest to Atlanta

- (2) Budget workshops with the Board are scheduled for May 14, 2012 through June 8, 2012.
- (3) The Board may elect to hold a Budget Goals Session/Retreat in late January or February 2012 where the Board's goals and priorities will be utilized by the County Manager to develop the FY 2012/2013 proposed budget. The Board could also have a series of workshops on CIP needs concurrent with the goal session.
- (4) Approval of the calendar does not preclude the Board scheduling additional workshops prior to budget adoption or amending the target adoption date.
- (5) The State of Georgia may enforce penalties against counties who do not submit their digest by August 1st.

FUNDING:

N/A

ALTERNATIVES:

- (1) Approve the FY 2012/2013 Budget Adoption and Millage Levy Calendar, and set a date for the Budget Goals Session/Retreat.
- (2) Amend the calendar.

POLICY ANALYSIS:

State law requires that an annual budget be adopted by the Board for the General Fund and all Special Revenue and Debt Service Funds while a project-length budget should be adopted for construction-in-progress funds. The calendar also provides for levy of millage rates to allow for timely submission of the tax digest to the Department of Revenue.

RECOMMENDATION:

That the Board approve Alternative 1 and set a date for the Budget Goals Session/Retreat.

**CHATHAM COUNTY, GEORGIA BUDGET CALENDAR
FISCAL YEAR JULY 1, 2011 THRU JUNE 30, 2012**

ORIGINAL DATE	BUDGET ACTIVITY	TAX DIGEST PROCESS
September 19, 2011	FY 2013/2017 Capital budget Packages distributed	
October 28, 2011	FY 2013/2017 Capital budget Requests due from departments	
November 14, 2010 – November 18, 2010	CIP Committee convenes to rate projects	
December 5, 2010 – December 9, 2010	Finalize FY 2013/2017 CIP - Identify emergency projects/finalize priorities	
December 6, 2010 – January 7, 2011	Prepare FY 2012/2016 CIP Workbook	
January 13, 2012	Fiscal Year ending June 30, 2013 Budget Calendar to Board for approval. Five-year CIP Plan submitted to Board	Year 2012 Millage Levy Calendar to Board for approval. Once approved, notice sent to Board of Education on Millage Levy Calendar
January 23, 2012 February 3, 2012	Revenue/Expenditure Data Entry Training with Departments	
January 23, 2012 – February 3, 2012	Goal Setting: Board of County Commissioners/County Manager	
January 17, 2012	FY 2012/2012 Budget Request packages distributed	
February 3, 2012	Revenue estimates due from departments	
February 6, 2012 – March 13, 2012	Complete Fiscal Year Ending 6/30/13 revenue estimates. All Funds	
February 10, 2012	Budget Request Packages and updated Five Year Goals due from departments	
February 13, 2012 – March 23, 2012	Analyze departmental budget requests/hold conference with Department Heads/Budget Staff (to run concurrent w/staff analysis)	

March 5, 2012 – March 23, 2012	Budget reviews begin – County Manager/Department Heads/Budget Staff (to run concurrent w/staff analysis)	
March 26, 2012 – April 13, 2012	Prepare budget workbooks for County Manager and Board of Commissioners – Final Internal Review by Finance Director-Budget Staff	
April 16, 2012	Advertisement to Savannah News Press for availability of proposed budget/public hearing	
April 16, 2012 – April 27, 2012	Final proposed budget goes to Printer	
May 11, 2012	Advertise availability of proposed budget and May 25, 2012 public hearing (State Law). Proposed budget document and budget message are transmitted to the Board	
May 14, 2012 – June 8, 2012	Board Workshops	
May 16, 2012	Advertise adoption FY 2012/2013 Budget	
May 25, 2012	Board conducts public hearing at regular Commission meeting	
June 1, 2012		Year 2012 Digest provided to Finance for Millage Levy calculations
June 4, 2012 – June 8, 2012	Final review/revisions of Proposed Budget by the Board	
June 7, 2012		Advertise 1 st and 2 nd Public Hearing on Millage Levy to be held on June 19th at 9:30 a.m. and 6:00 p.m.
June 8, 2012		Advertisement of 5-year history to newspaper (June 22, 2012 publication as required by State Law).
June 19, 2012		Hold 1 st and 2 nd Public Hearing on Millage Levy - 9:30 a.m. and 6:00 p.m.
June 20, 2012		Advertise year 2012 Tax Digest and 5-year history (two weeks prior to millage levy as required by State Law - House Bill 66, Act No. 478). Board of Education adopts 2012 millage rate.
June 22, 2012	Adoption of FY 2012/2013 budget by County Commissioners	Year 2012 Tax Digest and 5-year history to Board as information
June 25, 2012 – September 20, 2012	Prepare 2012/2013 budget book and complete FY 2012/2013 budget document	
June 25, 2012		Advertise 3 rd Public Hearing on Millage Levy to be held on July 6 th at 9:30 a.m.
July 1, 2012	Beginning of Fiscal Year 2012/2013 - budget goes into effect	
July 6, 2012		(1) Hold 3 rd Public Hearing on Millage Levy at 9:30 a.m. (2) Adoption of year 2012 Chatham County M&O, SSD, Chatham Area and Board of Education Millage Levy by the County Commissioners
July 27, 2012		Tax Digest to Atlanta
August 1, 2012		State Penalty assessed if digest not submitted to the State

September 202, 2012	Deadline for submission of adopted budget document for GFOA Award	
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8. TRANSMITTAL OF CHATHAM COUNTY 2012 CAPITAL IMPROVEMENT PROJECTS WORKBOOK FOR INFORMATION AND REFERENCE DURING FORTHCOMING BUDGET GOALS SESSION.

Chairman Liakakis said, item 8, transmittal of Chatham County 2012 Capital Improvement Projects Workbook for information and reference during forthcoming budget goals session. All the Commissioners received this particular document right here, and it's got the information that has been put together by our staff.

County Manager Abolt said, it's just homework between now and whenever the goal session is set. At the first part of the goal session, as we've done each year, Ms. Cramer and I will make a presentation to you on it, and you can use that for your reference as you adopt your spending plan for 2013.

Chairman Liakakis said, okay, and all of the Commissioners – we'll give you a couple of dates for that, and – and then see about going and proceeding with that session.

ACTION OF THE BOARD:

For information only.

AGENDA ITEM: IX-8
AGENDA DATE: January 13, 2012

TO: Board of Commissioners
THRU: R. E. Abolt, County Manager
FROM: Linda B. Cramer, Finance Director

ISSUE: To transmit the Chatham County 2012 Capital Improvement Projects Workbook for information and reference during forthcoming budget goals session.

BACKGROUND: In October 2011 capital budget packages were distributed to all departments. Submitted projects were rated by the CIP Committee in mid-November. The 2012 Capital Improvement Projects Workbook provides summary detail on submitted projects with priority ratings.

FACTS AND FINDINGS:

1. The Capital Improvement Projects Workbook represents a listing of capital requests and cost estimates provided by County Department Heads. Funded capital projects are not included in the document unless current funding is insufficient. The cost threshold for projects is \$25,000.
2. The 2012 Capital Improvement Projects Workbook lists 155 projects for consideration totaling over \$108 million. Summary lists are provided that sort the projects three ways within fund sources: i) by Rating Score, ii) by Service Level Priority, and iii) by Department/Agency. Further detail on each project is provided on a separate project detail sheet.
3. The CIP Committee scored each project and assigned a rating. Projects were scored based on six categories: Service level Priority, Policy Priority, Expected Useful Life, Number of Board Goals Met, Effect on Revenues, and Grant Availability. The maximum available score is 160 points. A sample rating sheet is attached.
4. On October 7, 2011 the Board of Commissioners amended the scoring model to incorporate policy priority criteria for roads and drainage infrastructure. Projects that met the criteria for public domain fixed assets such as roads and drainage systems were awarded 35 policy points.

FUNDING: Limited funding for capital improvement projects is available in the CIP Fund M&O and SSD Contingency Accounts. The Board may also consider transfers of unrestricted fund balance to provide additional resources.

POLICY ANALYSIS: In their October 2005 bond ratings, the rating agencies encouraged the County to provide consistent funding for its capital project needs. Adopted financial policies encourage funding to maintain asset quality and service levels.

ALTERNATIVES: N/A

RECOMMENDATION: For Board consideration during budget goals session.

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9. BOARD CONSIDERATION OF APPLICATION FROM FIRST CITY NETWORK FOR A SPECIAL EVENT PERMIT TO DISPENSE ALCOHOLIC BEVERAGES ON COUNTY-OWNED PROPERTY. THE PROPOSED EVENT IS A FUND-RAISER DANCE AT THE CIVIL RIGHTS MUSEUM ON FEBRUARY 11, 2012.

Chairman Liakakis said, item 9, Board consideration of application from First City Network for a special event permit to dispense alcoholic beverages on county-owned property.

County Manager Abolt said, Mr. Chair –

Chairman Liakakis said, the proposed event is a fund-raiser dance at the Civil Rights Museum on February the 11th.

County Manager Abolt said, Mr. Chairman?

Commissioner Odell said, they will not be able to smoke there, will they?

Commissioner Shay said, Mr. –

Chairman Liakakis said, all right, we need a motion –

Commissioner Shay said, I'd like to make a motion for approval.

Commissioner Holmes said, second.

Commissioner Shay said, so we have a motion and a second.

Chairman Liakakis said, okay. Let's go on the board. Motion passes.

ACTION OF THE BOARD:

Commissioner Shay moved to approve the application from First City Network for a special event permit to dispense alcoholic beverages on county-owned property. The proposed event is a fund-raiser dance at the Civil Rights Museum on February 11, 2012. Commissioner Holmes seconded the motion and it carried unanimously. [NOTE: Commissioners Gellatly and Kicklighter were not present for the vote.]

AGENDA ITEM: IX-9
AGENDA DATE: January 13, 2012

TO: BOARD OF COMMISSIONERS

THROUGH : R. E. ABOLT, COUNTY MANAGER

FROM: GREGORI S. ANDERSON, DIRECTOR, BUILDING SAFETY & REGULATORY SERVICES

ISSUE

Permit to dispense alcoholic beverages on county-owned property.

FACTS AND FINDINGS

1. The First City Network, a local non-profit organization has filed a special event permit application for a fund raiser dance at the civil rights museum. The organizers have an intent to dispense alcoholic beverages at the event.
2. Section 17-116 of the County Alcoholic Beverages Ordinance declares that it is permitted to sell or consume alcoholic beverages on any county-owned property with an approved special event permit and approval by the County Commission.

FUNDING:

Not applicable.

ALTERNATIVES

1. Grant permit to allow the consumption of alcoholic beverages in conjunction with a requested dance at the civil rights museum.
2. Deny permit.
3. Provide direction to staff.

POLICY ANALYSIS

The County Alcoholic Beverage Ordinance allows the sale and consumption of alcoholic beverages at county facilities with an approved special event permit and approval by the County Commission.

RECOMMENDATION

Board consideration.

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10. REQUEST BOARD APPROVAL OF APPLICATION FROM FIRST CITY NETWORK FOR A SPECIAL EVENT PERMIT TO DISPENSE ALCOHOLIC BEVERAGES ON COUNTY-OWNED PROPERTY. THE PROPOSED EVENT IS AN OYSTER ROAST AT LAKE MAYER ON MARCH 23, 2012.

Chairman Liakakis said, item 10, Board consideration of application for First City Network for a special event permit to dispense alcoholic beverages on county-owned property. The proposed event is on a – is an oyster roast at Lake Mayer on March 23, 2012.

Commissioner Shay said, move for approval.

Commissioner Thomas said, second.

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

County Manager Abolt said, wait a minute. Whoa. Whoa. May I please ask as – as –

Chairman Liakakis said, go ahead.

County Manager Abolt said, not objecting to the approval, I would ask as we – we elude to in the report and the strong recommendation from Mr. Drewry which I – I also concur in, that in this particular event, that the applicant be required to have police presence and that's because of proximity to young people.

Commissioner Odell said, oh, I agree. Good.

Chairman Liakakis said, all right, then what we'll do, is just require – just make a note to let the First City Network know about the officers.

County Manager Abolt said, the applicant know for this event at Lake Mayer.

Commissioner Odell said, make that part of the motion.

Commissioner Shay said, well I – my motion was for the staff report, so it's – it's included in my motion – inherent in my motion. So – so moved.

Chairman Liakakis said, okay. Let's go on the board. Motion passes.

Mr. Bobby Jeffery said, Mr. Chairman?

Chairman Liakakis said, yes?

Mr. Jeffery said, I just want to say, I'm here with First City Network, I'm Bobby Jeffery. I want to say I want to commend your staff, especially, the assistant County Manager, Mr. Monahan, Ms. Studer, and Ms. Ross, at the Building and Regulations – Regulatory Services. They were very, very helpful at helping us with our applications, so I appreciate that.

Commissioner Thomas said, thank you.

Chairman Liakakis said, thank you.

Mr. Jeffery said, thank you.

ACTION OF THE BOARD:

Commissioner Shay moved for approval of an application from First City Network for a special event permit to dispense alcoholic beverages on County-owned property. The proposed event is an oyster road at Lake Mayer on March 23, 2012. The First City Network is required to have police officers present during the event. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioners Gellatly and Kicklighter were not present for the vote.]

AGENDA ITEM: IX-10
AGENDA DATE: January 13, 2012

TO: BOARD OF COMMISSIONERS

THROUGH : R. E. ABOLT, COUNTY MANAGER

FROM: GREGORI S. ANDERSON, DIRECTOR, BUILDING SAFETY & REGULATORY SERVICES

ISSUE

Permit to dispense alcoholic beverages on county-owned property.

FACTS AND FINDINGS

1. The First City Network, a local non-profit organization has filed a Special Event Permit Application for an oyster roast at Lake Mayer. The organizers have an intent to dispense alcoholic beverages at the event.
2. Section 17-116 of the County Alcoholic Beverages Ordinance declares that it is permitted to sell or consume alcoholic beverages on any county-owned property with an approved special event permit and approval by the County Commission.
3. The public park at Lake Mayer will be open during the requested oyster roast. The park services staff is concerned about the proximity of the consumption of alcohol to children at play. The park services staff highly recommends that the event holders provide police presence during the duration of the event.

FUNDING:

Not applicable.

ALTERNATIVES

1. Grant permit to allow the consumption of alcoholic beverages in conjunction with a requested oyster roast at Lake Mayer.
2. Deny permit.
3. Provide direction to staff.

POLICY ANALYSIS

The County Alcoholic Beverage Ordinance allows the sale and consumption of alcoholic beverages at county facilities with an approved special event permit and approval by the County Commission.

Due to the park at Lake Mayer being open to children at play during the requested event, the park services staff highly recommends that police presence be provided by the event organizers through the duration of the event. The consumption of alcoholic beverages in the proximity of children at play in a public park warrants a level of caution and protection that police presence would provide.

RECOMMENDATION

Board consideration.

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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, we have Items 1 through 9 and under item 9, we have items A through I.

Commissioner Shay said, it's actually 1 through 10, Mr. Chairman.

Commissioner Stone said, yeah.

County Manager Abolt said, you also have – you added Fat Daddy too.

Commissioner Odell said, Fat Daddy?

Commissioner Shay said, let me – let me try this for you, Mr. Chairman.

Chairman Liakakis said, yeah, add Fat Daddy to it also.

Commissioner Shay said, Mr. Chairman, I'd like to make a motion that we adopt the action calendar items 1 through 9 plus 10 and all those letters through the letter I, plus whatever Fat Daddy is.

Chairman Liakakis said, that is the –

Commissioner Shay said, no, I know. Some kind of liquor – liquor license or something, right? Yeah, okay. Good.

Commissioner Odell said, it's an overweight daddy.

Commissioner Shay said, I guess, you know.

Chairman Liakakis said, okay. We need a second.

Commissioner Odell said, second.

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

Commissioner Shay said, I know what a fat daddy is 'cause I am one.

Chairman Liakakis said, motion passes.

ACTION OF THE BOARD:

Commissioner Shay moved to approve the Action Calendar, Items 1 through 10 and under Item 10, Items A through I, as well as the application for new liquor license for Fat Daddy's Restaurant and Lounge. Commissioner Odell seconded the motion and it carried unanimously. [NOTE: Commissioners Gellatly and Kicklighter were not present for the vote.]

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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 DECEMBER 16, 2011, AS MAILED.**

ACTION OF THE BOARD:

Commissioner Shay moved to approve the minutes of the regular meeting of December 16, 2011, as mailed. Commissioner Odell seconded the motion and it carried unanimously. [NOTE: Commissioners Gellatly and Kicklighter were not present for the vote.]

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- 2. **CLAIMS VS. CHATHAM COUNTY FOR THE PERIOD DECEMBER 8, 2011 THROUGH JANUARY 4, 2012.**

ACTION OF THE BOARD:

Commissioner Shay moved to authorize the Finance Director to pay the claims against the County for the period December 8, 2011 through January 4, 2012, in the amount of \$29,346,502. Commissioner Odell seconded the motion and it carried, unanimously. [NOTE: Commissioners Gellatly and Kicklighter were not present for the vote.]

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- 3. **REQUEST BOARD CONFIRM DAYS AND TIME FOR REGULAR COMMISSION MEETINGS FOR 2012. THE BOARD TENTATIVELY ADOPTED THE CALENDAR AT THE DECEMBER 16, 2011, MEETING.**

ACTION OF THE BOARD:

Commissioner Shay moved for the Board to confirm the days and time for regular Commission meetings for 2012. Commissioner Odell seconded the motion and it carried unanimously. [NOTE: Commissioners Gellatly and Kicklighter were not present for the vote.]

AGENDA ITEM: X-3
AGENDA DATE: January 13, 2012

TO: Board of Commissioners

FROM: R.E. Abolt, County Manager

ISSUE:

To set the days and time for regular Commission meetings for 2012. The Board will be asked to confirm adoption of the calendar at the first meeting of 2012.

BACKGROUND:

The County's Enabling Act requires the action be taken during the first meeting of the Board each year.

FACTS AND FINDINGS:

- 1. The Enabling Act states:

The Board of Commissioners shall hold two regular meetings each month except as may otherwise be determined by the Board of Commissioners, as the County seat for all matters requiring action of an administrative or policy nature, and for all matters advertised or scheduled for hearing in which the public will be asked to speak for or against the items under consideration, which meetings shall be open to the public. At the first meeting of the Board of Commissioners in January of each year, the Board of Commissioners shall set the days and the time when it will hold its regular meetings. Meeting hours for the public hearings may be changed by action of the Board of Commissioners and may be held at such hour as stated in the public notice of the date and time of such hearing. Special or additional meetings may be held as necessary upon call of the Chairman or any five members of the Board of Commissioners, provided all members of the Board of Commissioners have been notified at least 24 hours in advance of such special or additional meeting, and such notice shall specify the subject matter to be considered.

2. The Commission has met on the second and fourth Fridays of the month in the past except for November and December. The meetings in November and December are held on the first and third Fridays to allow for the holidays. There are five Fridays in August 2012. Changing to first and third Fridays beginning in September will allow at least two weeks between meetings for the remainder of the year.
3. The Chamber will hold Savannah Day in Atlanta on January 26, 2012. This will conflict with the second and fourth Friday schedule. Because of this conflict, there will be just one meeting on January 13, 2012.
4. The ACCG Capitol Connection Conference will be January 30 through January 31, 2012, in Atlanta. This will not be a conflict.
5. The NACo Legislative Conference will be March 3 through March 7, 2012, in Washington, D.C. This will not conflict with the second and fourth Friday schedule.
6. In 1998 the Board asked that in future years meetings not be scheduled on Good Friday. In 2012 Good Friday will be on April 6th. This will not conflict with the second and fourth Friday schedule.
7. The ACCG Annual Meeting will be April 28 through April 30, 2012, in Chatham County. This will not be a conflict.
8. The NACo Annual Conference will be July 13 through July 19, 2012, in Pittsburgh, PA. This will conflict with the second and fourth Friday schedule. Moving the meetings to the first and third Fridays will still allow two weeks between meetings because there are five Fridays in June 2012.
9. The ACCG Legislative Leadership Conference will be October 1 through 2, 2011, in Atlanta. This will not be a conflict.
10. Currently the pre-meeting is scheduled for 9:00 a.m. to be followed immediately by the regular meeting, generally at 9:30 a.m.
11. A calendar is attached showing County holidays for 2011 and tentative Commission meeting dates.

ALTERNATIVES:

1. Set meeting time to immediately follow 9:00 a.m. pre-meeting and set dates for the second Friday in January; second and fourth Fridays in February through June; first and third Fridays in July; second and fourth Fridays in August; and first and third Fridays in September through December, schedule to be confirmed at first meeting of the year, January 13, 2012.
2. Set meeting time and dates as designated by Commissioners, schedule to be confirmed at first meeting of the year, January 13, 2012.

POLICY ANALYSIS:

Compliance with the Enabling Act.

FUNDING:

Not applicable.

RECOMMENDATION:

Alternative #1.

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4. REQUEST BOARD FIX AND PUBLISH THE QUALIFYING FEES FOR ELECTED OFFICES TO BE FILLED IN THE 2012 ELECTIONS.

ACTION OF THE BOARD:

Commissioner Shay moved for the Board to fix and publish the qualifying fees for elected offices to be filled in the 2012 elections. Commissioner Odell seconded the motion and it carried unanimously. [NOTE: Commissioners Gellatly and Kicklighter were not present for the vote.]

AGENDA ITEM: **X-4**
AGENDA DATE: January 13, 2012

TO: Board of Commissioners
THRU: R. E. Abolt, County Manager
FROM: R. Jonathan Hart, County Attorney

ISSUE:

To fix and publish the qualifying fees for elected offices to be filled in the 2012 election.

BACKGROUND:

O.C.G.A. § 21-2-131(a)(1)(A) requires that the governing authority set the qualifying fees for elected county offices to be filled during an election year. The above Code section further states that the fee shall be 3% of the annual salary, if salaried. If not a salaried office, a reasonable fee not to exceed 3% of the income derived from holding of the office.

FACTS AND FINDINGS:

1. As mandated by O.C.G.A. §21-2-131, attached is a resolution that sets the fee for each of the County offices to be filled in the 2012 election. The figures represent 3% of the base or gross salary of each office in accordance with the provisions of O.C.G.A. §21-2-131.
2. The current salary information, depending upon the office at issue, was obtained from the applicable state statute, by the County’s Human Resources Department, the City of Savannah or the Chatham County Board of Education.

ALTERNATIVES:

1. Adopt the Resolution as presented.
2. Do not adopt the Resolution as presented.

POLICY ANALYSIS:

The Board should adopt the resolution to comply with State law.

RECOMMENDATION:

That the Board adopt Alternative 1.



SETTING QUALIFYING FEES FOR 2012 ELECTION

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

WHEREAS, for some positions, the qualifying fees are based on 3% of the minimum base salary and the qualifying fee for other positions are based on 3% of the total gross salary.

NOW THEREFORE, BE IT ORDAINED, that the Board of Commissioners of Chatham County, Georgia as the governing authority of Chatham County, does hereby establish the schedule of qualifying fees for the 2012 election, as follows:

Qualifying Fees Based on Gross Salary:

Coroner	\$ 1,636.37
Surveyor	0

Chairman, Board of Education.	480.00
Members, Board of Education.	360.00
Judge, State Court	5,277.81
Chief Judge, State Court	5,447.49
Chief Judge, Recorders Court	2,750.48

Qualifying Fees Based on Minimum Base Salary:

Chairman, Board of Commissioners.	\$ 1,260.00
Members, Board of Commissioners	460.00
Clerk of Superior Court	2,750.48
Sheriff	2,842.77
Chatham County Tax Commissioner	2,750.48
Judge, Probate Court	2,750.48
Chief Judge, Magistrate Court	2,750.48
Judge, Magistrate Court.	2,750.48

Adopted this _____ day of January, 2012.

BY: _____
Pete Liakakis, Chairman
Board of Commissioners

ATTEST: _____
Janice Bocoock, Clerk of Commission
[SEAL]

=====

5. REQUEST BOARD AUTHORIZE THE CHAIRMAN AND CLERK OF COMMISSION TO EXECUTE A REQUEST FOR TRAFFIC SIGNAL WITH THE GEORGIA DEPARTMENT OF TRANSPORTATION ON THE RAMPS OF THE PROPOSED STATE ROUTE 204/ KING GEORGE BOULEVARD INTERCHANGE. [DISTRICTS 6 AND 7]

ACTION OF THE BOARD:

Commissioner Shay moved to authorize the Chairman and Clerk of Commission to execute a request for traffic signal with the Georgia Department of Transportation on the ramps of the proposed State Route 204/King George Boulevard interchange. Commissioner Odell seconded the motion and it carried unanimously. [NOTE: Commissioners Gellatly and Kicklighter were not present for the vote.]

AGENDA ITEM: X-5
AGENDA DATE: January 13, 2012

TO: Board of Commissioners
THRU: R. E. Abolt, County Manager
FROM: Leon Davenport, P.E., Assistant County Engineer

ISSUE: To authorize the Chairman and Clerk of Commission to execute a Request for Traffic Signal with the Georgia Department of Transportation (GDOT) on the ramps of the proposed State Route 204/King George Boulevard interchange.

BACKGROUND: The GDOT is designing a new interchange at the intersection of State Route 204 and King George Boulevard. The construction of the new interchange is scheduled to begin in Fiscal Year 2016.

FACTS AND FINDINGS:

1. A signal warrant analysis was conducted by the consultant for the interchange project and reviewed by the GDOT. The GDOT determined that signals are warranted at the east bound ramp for the project.
2. The costs of electric energy and telephone service used to operate the signal will be at the expense of the County. Installation costs of the signal will be included in the cost of the construction contract.

ALTERNATIVES:

1. To authorize the Chairman and Clerk of Commission to execute a Request for Traffic Signal with the Georgia Department of Transportation (GDOT) on the ramp of the proposed State Route 204/King George Boulevard interchange.
2. To not authorize executing the request.

FUNDING: Funding for the cost of operation and maintenance of the traffic signal is available in the Special Service District – Utilities (Fund #2701577, Object Code 52.22001).

POLICY ANALYSIS: The Board must approve intergovernmental agreements.

RECOMMENDATION: That the Board approve Alternative 1.

District 6, 7

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6 REQUEST BOARD APPROVAL OF AN INTERGOVERNMENTAL AGREEMENT FOR THE DISTRIBUTION OF SPECIAL PURPOSE LOCAL OPTION SALES TAX (SPLOST) PROCEEDS BY CHATHAM COUNTY TO THE CHATHAM COUNTY-SAVANNAH METROPOLITAN PLANNING COMMISSION (MPC) TO GEO-REFERENCE AND RECTIFY THE COUNTY-WIDE PARCEL BOUNDARY MAP.

ACTION OF THE BOARD:

Commissioner Shay moved for approval of an Intergovernmental Agreement for the distribution of Special Purpose Local Option Sales Tax (SPLOST) proceeds by Chatham County to the Chatham County-Savannah Metropolitan Planning Commission (MPC) to geo-reference and rectify the County-wide parcel boundary map. Commissioner Odell seconded the motion and it carried unanimously. [NOTE: Commissioners Gellatly and Kicklighter were not present for the vote.]

AGENDA ITEM: X-6
AGENDA DATE: January 13, 2012

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

ISSUE: To approve an intergovernmental Agreement for the Distribution of Special Purpose Local Option Sales Tax (SPLOST) proceeds by Chatham County to the Chatham County – Savannah Metropolitan Planning Commission (MPC) to geo-reference and rectify the County-wide parcel boundary map.

BACKGROUND: The parcel boundary rectification will support the development of County-wide topographic mapping for more detailed flood hazard mapping and assessment and improve valuations of properties. The 2003-2008 SPLOST specifically provided for using SPLOST funds for digital mapping: *“A portion of the SPLOST funds may be utilized for information technology and geospatial information system technology suitable for mapping, for making engineering analysis, planning and design, for geodetic surveys, and for flood hazard mitigation and forecasting, which benefit SPLOST eligible projects.”*

FACTS & FINDINGS:

1. The Board of Assessors maintains a digital parcel boundary layer for the entire Chatham County. This boundary layer is used for property valuation for tax purposes, right-of-way acquisitions for County capital improvement projects and assessing and determining flood hazard zone boundaries. The current digital parcel boundary was created in 1998 by digitizing paper plats using the best available technology at the time. The result was a parcel boundary map that is spatially inaccurate and not precise.
2. The MPC will award and administer a contract to digitally correct the parcel boundary GIS layer. The MPC will administer the contract in close cooperation with Department of Engineering staff.
3. Correction of the parcel boundary layer requires scanning, digitizing, and geo-referencing paper plats and maps, as well as using available digital parcel boundaries from Chatham County’s digital plat and corrected right-of-way layers. Department of Engineering staff has developed a pilot area for a portion of the west side of the County. This area has the most digital parcel data currently available for Chatham County.
4. According to the agreement, parcel boundary correction will be completed for the pilot area before the remainder of project funds are dispersed to the MPC for project completion. Completion of the pilot area will help refine the methodology for completing the remainder of the parcels in the County.

- 5. The corrected parcel boundary data will be made available by the County and the MPC on SAGIS for use by the public.
- 6. The total project cost will not exceed \$500,000. The agreement requires initial disbursement of \$45,000 to the MPC. The remainder of funds will be disbursed after completion and acceptance of the pilot area data.
- 7. The MPC intends to approve the contract with the Carl Vinson Institute at their January 31, 2012 meeting. The data correction in the pilot area is scheduled to begin immediately with delivery in August 2012.
- 8. The County Attorney reviewed the agreement and found it acceptable.

ALTERNATIVES:

- 1. To approve an Intergovernmental Agreement for the Distribution of Special Purpose Local Option Sales Tax (SPLOST) proceeds by Chatham County to the Chatham County – Savannah Metropolitan Planning Commission (MPC) to geo-reference and rectify the County-wide parcel boundary map.
- 2. To not approve the Agreement.

FUNDING: Funding in the amount of \$500,000 is available in the 2003 - 2008 SPLOST, Drainage/Flood Hazard Mapping (Fund/Dept 3234250/Account Code 52.12003/Project 80433).

POLICY ANALYSIS: The Board must approve intergovernmental agreements.

RECOMMENDATION: To approve Alternative 1.

Districts: All

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7. REQUEST BOARD AUTHORIZE THE CHAIRMAN TO EXECUTE AN AGREEMENT WITH THE CITY OF SAVANNAH FOR WATER AND SANITARY SEWER SERVICE TO THE NEW CHATHAM COUNTY PUBLIC WORKS AND PARK SERVICES FACILITY ON VARNEDOE DRIVE.

ACTION OF THE BOARD:

Commissioner Shay moved to authorize the Chairman to execute an agreement with the City of Savannah for water and sanitary sewer service to the new Chatham County Public Works and Park Services Facility on Varnedoe Drive. Commissioner Odell seconded the motion and it carried unanimously. [NOTE: Commissioners Gellatly and Kicklighter were not present for the vote.]

AGENDA ITEM: X-7
AGENDA DATE: January 13, 2012

TO: Board of Commissioners
THRU: R. E. Abolt, County Manager
FROM: Robert W. Drewry, Director of Public Works and Park Services

Issue: Authorize the Chairman to execute an agreement with the City of Savannah for water and sanitary sewer service to the new Chatham County Public Works and Park Services Facility on Varnedoe Drive.

Background: The new Chatham County Public Works and Park Services Facility located at 7226 Varnedoe Drive will be served with the City of Savannah water and sanitary sewer services. In order to serve the site, commitments are made by both the County (herein known as the Developer) and the City of Savannah. Those commitments are outlined in a standard agreement required by the City.

Facts and Findings:

- 1. Attached is a five (5) page agreement.
- 2. The City required the County to loop a water main and extend a sanitary sewer main to serve the site. Once completed to the satisfaction of the City, those mains will be accepted and maintained by the City.
- 3. The County agrees to pay fees such as water and sewer tap-in fees and wastewater treatment fees calculated as equivalent residential units based upon the City Revenue Ordinance. The County also agrees to provide "as-built" drawings and the pay for the cost of televising the mains once completed.

4. Staff has reviewed the agreement.

Funding: Funds will be required to pay the water and sanitary sewer fees in accordance to the City Revenue Ordinance.

Policy Statement: Board approval is required to authorize the Chairman to execute an agreement on behalf of the County.

Alternatives:

1. Authorize the Chairman to execute an agreement with the City of Savannah for water and sanitary sewer service to the New Chatham County Public Works and Park Services Facility.
2. Board to provide staff with other direction.

Recommendations: Board approve Alternative #1.

District 3

SAVANNAH, CHATHAM COUNTY, GEORGIA

WHEREAS, CHATHAM COUNTY BOARD OF COMMISSIONERS hereinafter referred to as the Developer, the developer of the site at 7226 Varnedoe Dr., Savannah, Georgia and known as the CHATHAM COUNTY PUBLIC WORKS AND PARK SERVICES FACILITY, located within the PRESIDENT STREET SERVICE AREA, consisting of 6 equivalent residential units as shown on the attached drawing entitled Chatham County Public Works and Park Services Facility Water and Sewer Exhibit "A" prepared by Thomas and Hutton and dated December 1, 2011, scale 1"-200', desires certain commitments from the City of Savannah, hereinafter referred to as the City, in regard to extending and making additions to existing water and sanitary sewer systems, or in regard to the construction of water distribution and sanitary sewer collection and disposal systems to serve said development, and

WHEREAS, the engineering design for said water and sanitary sewer systems has been, or will be, accomplished by competent professional engineers registered in the State of Georgia, and bids for the construction of said systems has been or will be requested;

IT IS AGREED between the parties hereto that the City shall approve the designation of the engineer who shall be responsible for the engineering design and inspection in connection with the installation of the said water and sanitary sewer systems. The Developer shall be responsible to provide resident inspection during construction and to ensure the engineer's conformance to area planning, adequacy of design, and conformance to city requirements regarding location, size and depth of lines, capacity and arrangement of lift stations and quality of construction. The Developer shall provide to the City a statement from the project engineer certifying that the materials and workmanship including pipes, bedding, thrust blocks, valves, fire hydrants, manholes, lift station equipment and other related materials and work meet the City's specifications and standards. Upon request of the City, the certification shall be substantiated by material affidavits from suppliers and by applicable test results for inflow/infiltration, exfiltration, deflection, pressure, leaks, bacteria, compaction and other tests required by the City. All construction, engineering and inspection costs in connection with these systems shall be borne by the Developer. The City will provide only the sewage treatment facility and the water supply facility.

IT IS FURTHER AGREED that this agreement shall contain the following special conditions/requirements:

1. Any development which requires sanitary sewer main extension and/or involve storm sewer conduits will require televising by the City of Savannah televising crew. In accordance with the City of Savannah Televising Procedure Manual, the charge will be \$.85 per linear foot. This fee will be paid to the City of Savannah in addition to those fees as described in the most recent edition of the City of Savannah Revenue Ordinance.

IT IS FURTHER AGREED that upon completion of the systems and all related facilities including water and sewage fees fully paid by the Developer, except the sewer treatment facility and the water supply facilities, and the provision of two copies of "as built" drawings on Chronoflex Mylar, the City will, subject to approval of the City Manager, accept title hereto and assume responsibility for maintenance and operation of those portions located within public easements or rights-of-way. This acceptance shall include all rights, title and interest that the Developer has in the water and sanitary sewer systems serving the said project and also easements and/or rights-of-way required for the purpose of maintenance thereof.

IT IS FURTHER AGREED that the Developer will provide to the City a recordable plat(s) showing all utilities within public easements and/or rights-of-way to be owned and maintained by the City. This document shall be provided prior to construction. Should installation deviate from the original recordable plat, the Developer will provide to the City a revised recordable plat showing all utilities in public easements and rights-of-way. Should the Developer fail to provide the revised plat, the City will not release the project nor will a Certificate of Occupancy or water meter be issued.

IT IS FURTHER AGREED that as development proceeds under the terms of this agreement, and prior to occupancy, there will be a sanitary sewer tap-in fee paid to the City for each residential or equivalent residential unit, and there shall be a separate water meter installed and a water tap-in fee and a water meter

installation fee paid for each residential or equivalent residential unit based on those fees in effect at the time of the water and/or sewer connection, or as provided in the Revenue Ordinance.

IT IS FURTHER AGREED that the Developer shall pay to the City a proportionate share of the capital cost for expanding the wastewater treatment and/or transport facilities and of meeting discharge requirements as established by the Georgia Environmental Protection Division. The cost per residential or equivalent residential unit shall be \$2,000 for the President Street Plant, or as provided for in the Revenue Ordinance, whichever is greater. This additional connection fee will be paid by the Developer to the City Treasurer as each customer connects to the sewage system and shall be in addition to the sewer tap-in fee. Water meters will not be installed until all fees, including the additional connection fees, are paid.

IT IS FURTHER AGREED that this agreement between the City and the Developer may not be transferred or assigned in whole or in part without prior approval of the City being endorsed thereon, and that any violation of this limitation shall terminate the City's obligation and forfeit the Developer's rights thereunder.

IT IS FURTHER AGREED that all provision of law now or thereafter in effect relating to water and sewer service by the City of Savannah shall be applicable to this agreement.

IT IS FURTHER AGREED that this agreement shall finally terminate five (5) years after date of execution, after which the City shall not be liable for any further obligation thereunder. On this basis, this agreement shall expire _____, 2_____.

IN WITNESS WHEREOF, the Developer has executed these presents under seal, and the City has caused these presents to be executed by its proper officer its seal, affixed, this _____ day of _____, 2_____.

THE MAYOR AND ALDERMEN
OF THE CITY OF SAVANNAH

EXECUTED IN THE PRESENCE OF:

WITNESS

BY: _____
CITY MANAGER

NOTARY PUBLIC
Chatham County, Georgia

ATTEST: _____
CLERK OF COUNCIL

CHATHAM COUNTY BOARD
OF COMMISSIONERS

EXECUTED IN THE PRESENCE OF:

WITNESS

BY: _____
CHAIRMAN PETE LIAKAKIS

NOTARY PUBLIC
Chatham County, Georgia

ATTEST: _____
COUNTY CLERK [SEAL]

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8. REQUEST BOARD APPROVAL OF RESOLUTION ON MPC SHORT TERM WORK PROGRAM REPORT UNDER REQUIREMENTS OF GEORGIA PLANNING ACT 1989.

ACTION OF THE BOARD:

Commissioner Shay moved for approval of a resolution on MPC Short Term Work Program Report under requirements of Georgia Planning Act 1989. Commissioner Odell seconded the motion and it carried unanimously. [NOTE: Commissioners Gellatly and Kicklighter were not present for the vote.]

AGENDA ITEM: X-8
AGENDA DATE: January 13, 2012

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

Formal adoption of the Short Term Work Program (2011-2016) of the Chatham County-Savannah Comprehensive Plan.

The Chatham County Board of Commissioners recommended that the Short Term Work Program (2011-2016) of the Chatham County–Savannah Comprehensive Plan be submitted to the Coastal Regional Commission (CRC) and the Georgia Department of Community Affairs (DCA). The CRC and DCA have determined that the Short Term Work Program adequately address local planning requirements and require formal adoption by the Chatham County Board of Commissioners.

Prepared by: Dennis Hutton, Director
Comprehensive Planning

January 9, 2012

**RESOLUTION OF ADOPTION
BY THE CHATHAM COUNTY BOARD OF COMMISSIONERS**

Whereas, the Comprehensive Plan for Chatham County and the City of Savannah, Georgia, was adopted in November 2006; and

Whereas, the Minimum Planning Standards and Procedures for Local Comprehensive Planning established by the Georgia Planning Act of 1989 requires that Chatham County and the City of Savannah submit a Short Term Work Report of Accomplishments and updated Short Term Work Program at either one-year or five-year intervals; and

Whereas, Chatham County and the City of Savannah, Georgia, have elected to submit the Short Term Work Program Report of Accomplishments and Updated Short Term Work Program for a five-year interval; and

Whereas, a Short Term Work Program Report of Accomplishments and updated Short Term Work Program for the next five-year interval was submitted on October 31, 2011; and

Whereas, the Department of Community Affairs found that the Short Term Work Program updated adequately addressed Local Planning Requirements; and

Whereas, the Department of Community affairs requires written notice that the Short Term Work Program update was adopted;

BE IT THEREFORE RESOLVED, that the Chatham County Board of Commissioners does hereby adopt the Short Term Work Program (2011-2016) and authorizes the County Manager to transmit the Resolution of Adoption and the Short Term Work Program (2011-2016) to the Coastal Regional Commission as required by the Georgia Planning Act of 1989.

Adopted this ____ day of _____, 2012.

SAVANNAH, GEORGIA

By: _____

Pete Liakakis, Chairman Date: _____

Attest: _____

Janice E. Bocook, Clerk Date: _____

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- 9. **REQUEST BOARD APPROVAL FOR A NEW BEER AND WINE RETAIL LICENSE FOR 2012. PETITIONER: CHRISTOPHER F. GALLEA, D/B/A HENDERSON GOLF CLUB, LOCATED AT 1 AL HENDERSON DRIVE, 31419. [DISTRICT 7.]**

ACTION OF THE BOARD:

Commissioner Shay moved for approval for new beer and wine retail license for 2012. Petitioner: Christopher F. Gallea, d/b/a Henderson Golf Club located at 1 Al Henderson Drive, 31419. Commissioner Odell seconded the motion and it carried unanimously. [NOTE: Commissioners Gellatly and Kicklighter were not present for the vote.]

AGENDA ITEM: X-9
AGENDA DATE: January 13, 2012

TO: BOARD OF COMMISSIONERS

THRU: R. E. ABOLT, COUNTY MANAGER
 FROM: GREGORI S. ANDERSON, DIRECTOR OF BUILDING SAFETY AND REGULATORY SERVICES
 WILLIE LOVETT, CHIEF OF POLICE

ISSUE
 Request for a new beer and wine retail license for 2012, **Christopher F. Gallea d/b/a Henderson Golf Club** located at **1 Al Henderson Drive, Savannah, GA 31419.**

BACKGROUND
 Mr. Gallea requests approval of a new beer and wine retail license in connection with an existing restaurant/golf club. The business at this location meets the requirements of the Chatham County Alcoholic Beverage ordinance.

- 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.
 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 7

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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10. 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 except: (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 Odell seconded the motion and it carried unanimously. [NOTE: Commissioners Gellatly and Kicklighter were not present for the vote.]

<u>ITEM</u>	<u>DEPT.</u>	<u>SOURCE</u>	<u>AMOUNT</u>	<u>FUNDING</u>
A. Sole source purchase of 29 portable digital radios from State Georgia contract	I.C.S.	Motorola, Inc.	\$84,432	CIP - Detention Center Radio Equipment
B. Change Order No. 3 to the annual contract for trash collection services for Fleet Operations	Facilities Maintenance and Operations	Republic Waste Services of Savannah	(\$600)	General Fund/M & O - Various •SSD - Various •CIP - Various
C. Annual contract with automatic renewal options for four (4) additional one (1) year terms to provide water and wastewater system repairs	Water and Sewer	Savannah River Utilities Company	Varies	Water and Sewer Enterprise Fund
D. Overhaul of the turbine module of an engine for helicopter	Mosquito Control	Standard Aero, Inc.	\$50,842	General Fund/M&O - Mosquito Control

<u>ITEM</u>	<u>DEPT.</u>	<u>SOURCE</u>	<u>AMOUNT</u>	<u>FUNDING</u>
E. 120 days extension to the contract for bond counsel services	Finance	Gray & Pannell	N/A	General Fund/M&O - Finance
F. Contract for the Skidaway Road Beautification Project as part of the remediation for the Skidaway Drainage Project	Special Projects	Savannah Tree Foundation	\$4,000	SPLOST (2003-2008) - Open Space Greenway
G. Construction contract plus Alternative 2 (solar hot water heating) for the construction of the Oglethorpe Government Building	Special Projects	Catamount Construction	\$6,497,000	SPLOST (2008-2014) - Courthouse Project
H. Change Order No. 2 to construction contract for the Detention Center Expansion	CIP	Hunt/Mills, A Joint Venture	\$91,037	CIP - Detention Center Expansion
I. Confirmation of purchase order for relocation of Clerk of Superior Court's files to Records Center	Special Projects	Port City Logistics	\$21,021	SPLOST (2008-2014) - Courthouse Construction Project

AGENDA ITEM: X-10 A thru I
AGENDA DATE: January 13, 2012

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 an \$84,432 sole source purchase from the State of Georgia contract for twenty-nine (29) portable digital radios from Motorola, Inc. for the Detention Center.

BACKGROUND: The Savannah-Chatham Metro Police Department upgraded their radio system from analog technology to digital technology. The County continues the migration towards total compatibility with the upgraded technology with various purchases throughout the year.

FACTS AND FINDINGS:

1. The sole source justification for the manufactured Motorola XTS2500 is to maintain compatibility with law enforcement locally and statewide. Motorola is on the State of Georgia contract and the GSA Schedule 70 Homeland Security Contract.
2. Communications between the two agencies is critical and mandatory from a Public Safety standpoint.
3. Staff believes the cost of \$84,432 for twenty-nine (29) portable digital radios to be fair and reasonable.

FUNDING: CIP - Detention Center Radio Equipment
 (3503326 - 54.25001 – 35030518)

ALTERNATIVES:

1. Board approval of an \$84,432 sole source purchase from the State of Georgia contract for twenty-nine (29) portable digital radios from Motorola, Inc. for the Detention Center.
2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to approve purchases for necessary technology equipment for law enforcement in the interest of public safety.

RECOMMENDATION: Staff recommends approval of Alternative 1.

I.C.S. APPROVAL _____
LEWIS LEONARD

BUDGET APPROVAL _____
CHRIS MORRIS

ITEM B

ISSUE: Request Board approval of Change Order No. 3 in the *deductive* amount of \$50 per month, to the annual contract with Republic Waste Services of Savannah to recognize an administrative correction.

BACKGROUND: On 8 July 2011, the Board approved a container trash collection service contract with Republic Waste Services of Savannah.

FACTS AND FINDINGS:

1. Change Order No. 1 contained an incorrect amount for the upgrade in container size for Fleet Operations.
2. Staff requested an increase of \$95.00 per month to upgrade from a 4-yard container to an 8-yard container but did not take into account that \$50.00 per month was already in the contracted amount. Change Order No. 1 should have been for a \$45.00 increase instead of \$95.00.
3. Contract History is as follows:

Original Contract Amount (07-08-11)	\$58,848/Year
Change Order No. 1 (9-23-11)	\$ 3,588/Year
Change Order No. 2 (10-7-11)	\$(4,572)/Year
Change Order No. 3 (Pending)	\$ (600)/Year
Revised Contract	\$57,264/Year

FUNDING: General Fund/M&O - Various
SSD - Various
CIP - Various

ALTERNATIVES:

1. Board approval of Change Order No. 3 in the *deductive* amount of \$50 per month, to the annual contract with Republic Waste Services of Savannah to recognize an administrative correction.
2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to issue change orders to essential service contracts to recognize administrative corrections.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
RUSHEDA ADESHINA

ITEM C

ISSUE: Request Board approval to award an annual contract, with automatic renewal options for four (4) additional one (1) year terms, to Savannah River Utilities Company of Springfield, GA, to provide water and wastewater system repairs.

BACKGROUND: An annual contract is required to establish fixed pricing for specialized water and wastewater system repairs which cannot be handled "in-house" by the Water and Sewer maintenance personnel.

FACTS AND FINDINGS:

1. The bid was properly advertised and two (2) bids were received and publicly opened on 10 November 2011. Please see the attachment on page for details of the hourly labor rates, specialized equipment rates, and the percentage mark-up on materials.
2. Of the two (2) bids received, one (1) was deemed non-responsive because they did not have the required utility contractor's license. Bid responses are as follows:

* Savannah River Utilities Company
Springfield, GA

*MBE

3. The percentage mark-up on materials rate submitted by Savannah River Utilities was negotiated down from 50 percent to 10 percent.
4. Staff reviewed the bid and references and recommends contract award to Savannah River Utilities Company.

FUNDING: Water and Sewer Enterprise Fund
(5054400 - 52.22001)

ALTERNATIVES:

1. Board approval to award an annual contract, with automatic renewal options for four (4) additional one (1) year terms, to Savannah River Utilities Company of Springfield, GA to provide water and wastewater system repairs.
2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to award annual service contracts to the low, responsive and responsible bidder.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
CHRIS MORRIS

ITEM D

ISSUE: Request Board approval of a \$50,842 overhaul of the turbine module of the engine from Standard Aero, Inc. for one of Chatham County Mosquito Control's MD500E helicopters.

BACKGROUND: The turbine module in the engine of the MD500E helicopter is a "time limited" component. The engine in Chatham County's helicopter, N102CQ, requires a turbine module overhaul within 5 flight hours. If the service is not performed the helicopter will no longer be airworthy and must be grounded.

FACTS AND FINDINGS:

1. Chatham County owns and operates four aircraft: Three MD 500 helicopters are used for mosquito surveillance inspection flights, both immature and adult mosquito control missions, police operations, fire fighting, and several emergency support functions including search and rescue, and damage assessment; and, one Air Tractor airplane used for immature mosquito control and fire fighting.
2. The aircraft undergo FAA required annual, and 100 hour inspections. Time limited components are replaced in accordance with manufacturers requirements that are approved by the FAA.
3. Helicopter N102CQ is 23 years old and was purchased "used" by Chatham County in 1999.
4. The turbine module was installed by staff in June of 2002 and has been flown 1770 hours.
5. Mosquito Control is requesting to overhaul the turbine module. This is a scheduled and budgeted maintenance procedure.
6. The overhaul can only be completed at an FAA authorized Rolls-Royce model 250 maintenance facility. Standard Aero Inc. is our regional FAA authorized Rolls-Royce maintenance facility.
7. Staff will remove and reinstall the turbine module and the helicopter will be grounded during the overhaul process.

ALTERNATIVES:

1. Board approve a \$50,842 overhaul of the turbine module of the engine from Standard Aero, Inc. for one of Chatham County Mosquito Control's MD500E helicopters.
2. Provide staff with other direction.

FUNDING: General Fund/M & O - Mosquito Control
(1005144 - 52.22001)

POLICY ANALYSIS: It is consistent with Board policy to support environmentally sound, cost effective mosquito control operations.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
RUSHEDA ADESHINA

ITEM E

ISSUE: Request Board approval to extend bond counsel services for 120 days until solicitation can be completed for a new contract.

BACKGROUND: Chatham County's contract with Gray & Pannell for bond counsel services has expired. The timetable under an expedited solicitation for an award of a new professional services contract will require at least 90 days. Meanwhile, Gray & Pannell has already begun bond counsel services for the proposed Hospital Authority refinancing for Memorial University Medical Center.

FACTS AND FINDINGS:

1. The selection of bond counsel services will require about 90 days, including a month of advertising, reviewing and rating proposals and then presenting a recommendation for award of contract.
2. Two issues are affecting the typical procedure of selection of bond counsel services, as follows:
 - a. The Board has adopted an inducement resolution for the Hospital Authority refinancing for Memorial Medical Center. Gray & Pannell has already begun work as bond counsel on this bond issue. Either its work would need to cease, and therefore affect the schedule until award of a new contract, or the contract with Gray & Pannell would need to continue through completion of this bond.
 - b. The Board has declared its intent by resolution in the proposed Hospital Authority refinancing to split Disclosure Counsel services from Bond Counsel services. This could be addressed now in discussions with Gray & Pannell until solicitation of Disclosure Counsel services concurrent with solicitation Bond Counsel services.
3. The disadvantage of splitting Disclosure Counsel services from Bond Counsel services would be the loss of a single firm managing the entire bond transaction, and therefore the streamlining of document preparation, necessary approvals, validation and compiling the Transcript of Proceedings. The advantage would be independent Disclosure Counsel services to check the work of Bond Counsel and preparation of the Official Statement for potential bond investors.

FUNDING: Not applicable. Bond counsel receives compensation contingent upon each bond issue and derives payment from the bond proceeds.

ALTERNATIVES:

1. That the Board approve extension of a professional services contract with Gray & Pannell for 120 days while staff follows a solicitation process for bond counsel services. Gray & Pannell would remain as bond counsel until completion or termination of the proposed Hospital Authority refinancing for Memorial University Medical Center.
2. That the Board confirm its desire as expressed by resolution to separate Disclosure Counsel services from Bond Counsel services. This would be handled as a separate solicitation.
3. That the Board confirm its desire as expressed by resolution to separate Disclosure Counsel services from Bond Counsel services. This would be handled within the solicitation for Bond Counsel services but a law firm independent of Bond Counsel would serve as Disclosure Counsel.

POLICY ANALYSIS: Georgia law and *The Chatham County Purchasing Ordinance and Procedures Manual* provide authority for the Board to enter into agreements for professional services.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
CHRIS MORRIS

ITEM F

ISSUE: Request Board approval of a \$4,000 contract with the Savannah Tree Foundation for the Skidaway Road Beautification Project as part of the remediation for the Skidaway Drainage Project near Wormsloe.

BACKGROUND: In February 2007, the Board approved a pilot program with the Savannah Tree Foundation (STF) to manage various landscape projects. As project manager, STF follows Chatham County purchasing policy in soliciting contracts and provides construction administration services, including a three-year grow-in period with warranty. STF successfully served as project manager and contractor for Mother Mathilda Beasley Park, Julie Backus Smith Trail Xeriscape, Placentia Canal Beautification, the Westlake-Lamarville Reforestation and US 80/Talahi Island Beautification.

FACTS AND FINDINGS:

1. As part of the Skidaway Road Drainage Project, the Board approved execution of Memorandum of Agreement with the Georgia Department of Natural Resources for certain landscaping improvements on Skidaway Road as remediation for impact on Wormsloe property.
2. As a design project, the Cultural Landscape Lab at the University of Georgia designed a beautification project along Skidaway Road near the entrance of Wormsloe. The project, completed by graduate students under guidance of faculty, provided a plan of landscape treatment based on the U.S. Department of Interior's Standards for Treatment of Historic Properties.
3. The first phase of the contract with STF would move the design project from a conceptual plan to a finished set of construction documents for bidding. This phase will cost \$4,000.
4. Once STF completes the construction documents, the project will be let for construction.

FUNDING: SPLOST (2003-2008) - Open Space Green Space
(3234985 - 54.11011 - 3237810Z)

ALTERNATIVES:

1. That the Board authorize funding of \$4,000 to Savannah Tree Foundation for construction documents for the Skidaway Road improvements near the entry of Wormsloe as remediation for the impact of the Skidaway Road Drainage Project. Staff will return with Phase II for construction.
2. That the Board opt not to award the contract but solicit a professional services contract for the work.

POLICY ANALYSIS: As a purchase, 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 to award a construction contract in the amount of \$6,497,000 plus Alternative 2 (solar hot water heating) in the amount of \$9,222, for a total contract award of \$6,506,222 with Catamount Construction for construction of the Oglethorpe Government Building.

BACKGROUND: Chatham County Purchasing Office solicited bids for renovation of the Oglethorpe Government Building, which will become Chatham County's second largest office building. The renovation is necessary to begin work on the Courthouse since non-judicial offices will be relocated to the new Oglethorpe Government Building to provide space for courtroom expansion.

FACTS AND FINDINGS:

1. Chatham County advertised the design documents and specifications, as completed by Lott + Barber, in accordance with state law. Seven bids were received and opened November 10, 2011. The bids are as follows:

	Base Bid
Catamount Construction Savannah, Ga.	\$6,497,000
Choate Construction Pooler, Ga.	\$6,624,800
TQ Constructors Metter, Ga.	\$6,848,278
Paul S. Akins Co Statesboro, Ga.	\$6,946,000.
Y-Delta Statesboro, Ga.	\$7,090,000
The Pinyan Company Savannah, Ga.	\$7,127,000
Rives E. Worrell Co. Savannah, Ga.	\$7,264,000

- 2. The bid from Catamount Construction proved to be the lowest responsible bid. Staff reviewed the bid with the architect and apparent low bidder, verified quantities, and ensured contract compliance. Staff also checked references.

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

ALTERNATIVES:

- 1. Board approve to award the construction contract for The Oglethorpe Government Building to Catamount Construction in its bid amount of \$6,497,000 plus Alternative 2 (solar hot water heating) in the amount of \$9,222, for a total contract award of \$6,506,222.
- 2. Provide staff other direction.

POLICY ANALYSIS: As a purchase in excess of \$10,000, the County’s Purchasing Ordinance and Procedures Manual requires Board approval.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
LYNN STENNETT

ITEM H

ISSUE: Request Board approval of Change Order No. 2 in an amount not to exceed \$ 91,037 to the construction services contract with Hunt / Mills, A Joint Venture for the Chatham County Detention Center Expansion.

BACKGROUND: The Board approved a construction contract with Hunt/Mills, A Joint Venture on December 17, 2010 to construct approximately 330,000 square feet of new construction and renovation.

FACTS AND FINDINGS:

- 1. Change Order No. 2 compensates the contractor for excess grout work necessary to properly set the augered cast-in-place piles. The housing units (Buildings H and J) are being built on the piles.
- 2. Holes are augered and grout is pumped through the auger. As the auger is pulled, the pressure of the grout causes the bored hole to expand.
- 3. The contract documents list the grout factor as 130% for the augered cast-in-place piles as the basis of bid grout factor over the theoretical volume of the pile. The actual grout factor placed in each pile can vary as a result of variable subsurface soil conditions. The Contract allows for a unit cost over the excess grout actually placed in the ground for the auger cast piles over the 130% factor.
- 4. Contract history:

Original Contract (12/17/10	\$70,734,000
Change Order 1 (8/12/11)	267,214
Change Order 2 (pending)	<u>91,037</u>
Revised Contract Amount	\$71,092,251

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

ALTERNATIVES:

- 1. Board approval of Change Order No. 2 in an amount not to exceed \$ 91,037 to the construction services contract 10-6-8-4 with Hunt / Mills, A Joint Venture for the Chatham County Detention Center Expansion.
- 2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to approve change orders necessary for the completion of construction contracts.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
LYNN STENNETT

ITEM I

ISSUE: Board confirmation of previously-issued purchase order for relocation of Clerk of Superior Court records to the Records Center.

BACKGROUND: At the October 8, 2010 meeting, the Board authorized a purchase order to Port City Logistics for \$51,646 to relocate records from Administrative Services to the new Records Center. The award of bid resulted from advertising and selecting lowest responsible bid, although Port City Logistics exercised "local preference" to match the bid of an Atlanta company.

FACTS AND FINDINGS:

1. Subsequent to the award of bid which the Board approved, the Clerk of Superior Court needed to relocate its records to the new Records Center. The Purchasing Office coordinated with the Clerk's Office in receiving quotes from Port City Logistics on the same basis (based on the number of boxes and travel distance). Port City Logistics completed the work and presented an invoice.
2. The Purchasing Office issued a purchase order on the assumption that the work for the Clerk of Superior Court was covered under the original purchase order; however, in reconciling the project account, staff discovered the Board never authorized the additional work for an additional amount of \$21,021. The confirmation perfects the record.

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

ALTERNATIVES:

1. Board approve confirm of the purchase order to Port City Logistics in the amount of \$21,021 for the work to relocate the Clerk of Superior Court's records to the Records Center.
2. That the Board provide other direction.

POLICY ANALYSIS: As a purchase in excess of \$10,000, the County's Purchasing Ordinance and Procedures Manual requires Board approval.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
LYNN STENNETT

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's no first readings.

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XII. SECOND READINGS

1. **AMENDMENT TO THE PAWN SHOP ORDINANCE THAT WOULD CONSOLIDATE THE CHATHAM COUNTY AND CITY OF SAVANNAH PAWN SHOP ORDINANCES INTO A UNIFORM ORDINANCE FOR BOTH JURISDICTIONS.**

Chairman Liakakis said, there's a second reading, Amendment to the Pawn Shop Ordinance that would consolidate the Chatham County and City of Savannah Pawn Shop Ordinances into a Uniform Ordinance for both jurisdictions. All right, that's been distributed to all the Commissioners. Need a –

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

Commissioner Stone said, second.

Commissioner Odell said, what –

County Manager Abolt said, ladies – ladies and gentlemen, I do want to recognize the leadership of Commissioner Gellatly. This was brought to his attention by a constituent who saw that there was inconsistencies in what the County

has versus City of Savannah. And through the leadership of Chief Lovett, the County Attorney, we have brought them into unison.

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

Commissioner Shay said, thank you, Commissioner Gellatly.

Commissioner Gellatly said, you're welcome, sir.

Commissioner Farrell said, law maker.

Chairman Liakakis said, motion passes.

ACTION OF THE BOARD:

Commissioner Shay moved to approve amending the Pawn Shop Ordinance that would consolidate the Chatham County and City of Savannah Pawn Shop Ordinances into a Uniform Ordinance for both jurisdictions. Commissioner Stone seconded the motion and it carried unanimously. [NOTE: Commissioner Kicklighter was not present for the vote.

AGENDA ITEM: ~~XI-1~~
AGENDA DATE: ~~December 16, 2011~~
AGENDA ITEM: XII-1
AGENDA DATE: January 13, 2012

To: Board of Commissioners
 THRU: R. E. Abolt, County Manager
 FROM: R. Jonathan Hart, County Attorney

ISSUE:

A proposed pawn shop ordinance that would consolidate the Chatham County and City of Savannah Pawn Shop Ordinances into a uniform Ordinance for both jurisdictions.

BACKGROUND:

It has been brought to the attention of the County Attorney's Office that the City of Savannah and County both have pawn shop ordinances that have differing provisions as to the regulation of pawn shops. These differences complicate the Savannah-Chatham Metropolitan Police Department's ability to enforce the Ordinance as to the operation of the pawn shop and the potential recovery of stolen property. The proposed ordinance would incorporate the better parts of the Chatham County and City of Savannah pawn shop ordinances into a single ordinance. If approved, the County would need to amend the Revenue Ordinance to include specific regulatory fees for pawn shops.

FACTS AND FINDINGS:

1. Chatham County and the City of Savannah have pawn shop ordinances that have differing provisions.
2. The inconsistencies of the two pawn shop ordinances complicate enforcement by the SCMPD and the recovery of stolen property.
3. The proposed ordinance, which has been reviewed by the City of Savannah's attorney would make both ordinances consistent for enforcement purposes.
4. It is expected that should the Chatham County Commissioners adopt this ordinance, in all probability, the City of Savannah would adopt the same provisions.

FUNDING:

Not applicable.

ALTERNATIVES:

1. Place the proposed ordinance on first reading for Board approval.
2. Consider and modify the proposed ordinance's differing provisions for further consideration.
3. Reject the proposed ordinance.

RECOMMENDATION:

Adopt the ordinance

STATE OF GEORGIA)
)
COUNTY OF CHATHAM)

AMENDMENT TO THE CODE OF CHATHAM COUNTY, GEORGIA

AN ORDINANCE TO AMEND THE CODE OF CHATHAM COUNTY, GEORGIA 1993, AMENDED TO PROVIDE FOR THE REGULATION OF PAWN SHOPS.

BE IT ORDAINED BY THE CHATHAM COUNTY BOARD OF COMMISSIONERS IN REGULAR SESSION AS FOLLOWS TO WIT:

**CHAPTER 16
ARTICLE XI
THE CHATHAM COUNTY PAWNBROKERS ORDINANCE**

The Board of Commissioners of Chatham County do hereby amend Chapter 16 Article XI Sections 16-1104 to 16-1109, as follows:

To delete Section 16-1104 as currently written and substituting in lieu thereof the following language:

- §16-1104 Records to be Kept; Inspection by Law Enforcement Officers. Every pawnbroker shall maintain a permanent record book in which shall be entered in legible English at the time of each loan, purchase or sale:
1. The date of the pawn transaction;
 2. There shall be entered also the name of the person who sold or deposited the same;
 3. A description of the person selling or pawning including his name, address, color and estimated height and weight obtained from state driver's license, state identification card, military identification or other such card, license or document containing a reliable means of identification;
 4. An identification and description of the pledged or purchased goods, including, if reasonably available, the serial, model, or other number, and all identifying marks inscribed thereon;
 5. The number of the receipt or pawn ticket;
 6. The price paid of the amount loaned;
 7. If the payment is made by check, the number of the check issued for the purchase price or loan;
 8. The maturity date of the transaction; and
 9. The signature of the customer.

Entries shall appear in ink and shall be in chronological order. No blank lines may be left between entries. No obliterations, alterations, or erasure may be made. Corrections shall be made by drawing a line of ink through the entry without destroying its legibility. The book shall be open to the inspection of any duly authorized law enforcement officer during the ordinary hours of business or at any reasonable time. The record of each pawn or purchase transaction shall be maintained for a period of not less than four years.

To add a new section 16-1105 as follows:

§16-1105. Same - - When entries to be made. The entries required by the preceding section shall be made as soon after the pawn transaction as is possible and, in no event, more than one hour thereafter.

To add a new section 16-1106 as follows:

§16-1106. Same - - Inspection. The books required to be kept by section 16-1104 of this Code shall, at all times, be subject to inspection and examination by the police.

To add a new section 16-1107 as follows:

§16-1107. Same - - False Entries. It shall be unlawful for any person engaged in the business of a pawnbroker to make any false entry in any books kept as required by section 16-1104 of this Code.

The language of Section 16-1105 as it exists at the time of this amendment is repealed in its entirety and the language for this amendment and renumbered section is substituted as follows for 16-1108 and shall read as follows:

§16-1108. Daily Report to Police; Fingerprints, etc., to be Secured; Exception.

1. Every pawnbroker shall make a daily report, in writing, to the police department, in such form as may be prescribed by the police chief, of all property pledged to or bought by him during the 24 hours ending at 9:00 p.m. on the date of the report. Such report shall be typewritten using forms and format prescribed by the police chief or shall be transmitted by computer diskette in a format prescribed by the police chief. In addition to any other information required by the police chief, such report shall show the name and address of the pawnbroker; the time of the transaction; the serial number of the pawn ticket given; a full description of the article, including its kind, style, material, color, design and kind and number of stones in jewelry; and all identifying names, marks and numbers, including serial numbers; and the amount paid or advanced. There shall be entered also the name of the person who sold or deposited the same; the time when it was done; the amount paid or advanced; and a description of the person selling or pawning including his name, address, color and estimated height and

weight obtained from state driver's license, state identification card, or military card. A code number or other device must be used such that the person's fingerprint may be retrieved at any time desired by a police officer. Insufficient reports shall be rejected, and any pawnbroker making them shall be deemed guilty of an offense.

2. In addition to other records and information as called for above, each pawnbroker shall obtain from each person pawning any articles with such pawnbroker the fingerprint of the right hand index finger, unless such finger is missing, in which event, the print of the next finger in existence on the right hand of the person pawning the article or articles shall be obtained with a notation as to the exact finger printer. All prints shall be made on forms to be furnished by the County Police Department, and the pawnbroker shall obtain all other information called for on the said form furnished. Fingerprints and the information as required herein shall be obtained from all persons each time such persons pawn any article with a pawnbroker regardless of whether or not that person may have previously pawned an article with such pawnbroker and have been fingerprinted.

The language of Section 16-1106 as it exists at the time of this amendment is hereby amended to reflect the hours of operation to be 7:00 a.m to 8:00 p.m. and the language for this amendment and renumbered section is substituted as follows for 16-1109 and shall read as follows:

§16-1109. Hours of Operation. Pawnbrokers may keep their place of business open from 7:00 a.m. to 8:00 p.m., except Saturdays and the week before Christmas, when the hour of closing shall be midnight.

The language of Section 16-1107 as it exists at the time of this amendment is hereby amended to reflect that articles are not to be disposed of for 30 days, instead of 10 days and the language for this amendment and renumbered section is substituted as follows for 16-1110 and shall read as follows:

§16-1110. Articles not to be Disposed of for Thirty Days after Acquisition. Any pawnbroker or agent thereof who take pledged goods or who buys goods, taking full title thereto, shall hold such goods so taken in pawn or purchased for at least thirty (30) days before disposing of same by sale, transfer, shipment or otherwise.

The code number identifying Section 16-1108 as it exists as of the date of the amendment is repealed and renumbered to be Section 16-1111.

To add a new Section 16-1112 as follows:

§16-1112. Bond and Regulatory Fee. Applicants for a pawnbroker's license shall be required to give bond in the amount prescribed in the revenue ordinance, conditioned to make good all damages arising from carelessness or unlawful dealings of the pawnbroker. In addition, a regulatory fee will be levied as prescribed by the annual revenue ordinance.

To add a new Section 16-1113 as follows:

§16-1113. Pledges to be Openly Displayed. Every pawnbroker shall have his pledges openly displayed so that inspection authorized by this article may be easily made.

To add a new Section 16-1114 as follows:

§16-1114. Premises to be Open to Police. It shall be the duty of every pawnbroker to admit to his premises the police chief or any other police officer that may desire at any time to search for articles missing or stolen or to make any inspection authorized by this article, without the formality of a search warrant.

To add a new Section 16-1115 as follows:

§16-1115. Inspection of Pledged Goods and Purchases. All pledged goods or articles sold to pawnbrokers shall, at all times, be subject to inspection and examination by the police.

To add a new Section 16-1116 as follows:

§16-1116. Importation of merchandise; sale of items other than pledges prohibited. No pawnbroker shall import merchandise of any description whatsoever from without the county or offer for sale in his establishment any merchandise whatsoever other than that upon which an actual loan has been made and a ticket given.

To add a new Section 16-1117 as follows:

§16-1117. Transactions with Minors Prohibited. No pawnbroker shall receive any pledged goods or purchase any article for resale from any person under 18 years of age.

To add a new Section 16-1118 as follows:

§16-1118. Exporting or selling at wholesale. No pawnbroker doing business in the county shall ship any goods or unredeemed pledged goods out of the county; or sell any such goods or unredeemed pledges at wholesale, without first submitting to the county a list of the articles desired to be shipped out of the county or sold at wholesale and obtaining the county's sanction of the shipping of such articles or their sale at wholesale.

To add a new Section 16-1119 as follows:

§16-1119. Approval may be required for sale of firearms and ammunition. Whenever the Chief of the SCMPD (“Chief”) shall have served written notice upon any pawnbroker doing business in the county directing him not to sell, give away or dispose of any gunpowder, cartridges, guns, pistols or other firearms to any person within the period named in such notice, unless such sale, gift or other disposition of such articles is first approved in writing by the Chief, then it shall be the duty of such pawnbroker, so notified, to retain in his possession any such gunpowder, cartridges, guns, pistols or other firearms, which he may have at the time of the reception of such notice, and to sell, give away or dispose of the same only with written approval of the Chief.

The language of Section 16-1109 as it exists at the time of this amendment is repealed in its entirety and the language for this amendment and renumbered section is substituted as follows for 16-1120 and shall read as follows:

§16-1120. Effective Date. This Ordinance shall become effective on the _____ day of _____, 20____.

Effective this _____ day of _____, 2012.

CHATHAM COUNTY COMMISSION

Pete Liakakis, Chairman

CLERK OF COMMISSION

Janice E. Bocook

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XIII. INFORMATION ITEMS

Chairman Liakakis said, everybody has their information items.

- 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.)**

List of Purchasing Items between \$2,500 and \$9,999
That Do Not Require Board Approval

<u>ITEM</u>	<u>DEPT.</u>	<u>SOURCE</u>	<u>AMOUNT</u>	<u>FUNDING</u>
37 copies of Georgia Handbook on Criminal Evidence	District Attorney	Thompson West	\$8,769	General Fund/M&O - District Attorney
One (1) bracket for Unit 93 and one (1) cylinder for Unit 93	Fleet Operations	Blanchard Equipment Company, Inc.	\$4,618	Fleet Inventory Account
Officials for youth football games for Talahi Tigers and Island Pirates	Public Works and Park Services	Coastal Football Association	\$4935	General Fund/M&O - Park Services
One (1) handheld tablet computer for Engineering Department	I.C.S.	Group Mobile International, LLC.	\$3,667	CIP - Engineering

ITEM	DEPT.	SOURCE	AMOUNT	FUNDING
Eight (8) aluminum security fasteners for doors	Detention Center	McCarthy, Inc.	\$3,584	General Fund/M&O - Detention Center
Labor and materials to replace the selector cable on the elevator in the parking garage	Facilities Maintenance	Otis Elevator	\$3,600	Parking Garage

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EXECUTIVE SESSION

Chairman Liakakis said, we need a motion on the floor to recess to executive session.

County Manager Abolt said, personnel, litigation, land acquisition.

Commissioner Stone said, so moved.

Commissioner Holmes said, second.

Chairman Liakakis said, go on the board.

Commissioner Odell said, I think for a big agenda, we did relatively well.

ACTION OF THE BOARD:

Commissioner Stone moved to recess to executive session to discuss the matters of personnel, litigation and land acquisition. Commissioner Holmes seconded the motion and it carried unanimously. [NOTE: Commissioner Kicklighter was not present for the vote.] The Board recessed at approximately 1:50 p.m.

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ITEMS FROM EXECUTIVE SESSION

APPOINTMENTS

1. Metropolitan Planning Commission

ACTION OF THE BOARD:

Motion was made to approve the reappointment of Mr. Ellis Cook and Ms. Susan Myers to serve on the Metropolitan Planning Commission with terms to expire December 31, 2014. The motion carried unanimously. [NOTE: Commissioner Kicklighter was not present for the vote.]

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2. Chatham County Hospital Authority

ACTION OF THE BOARD:

Motion was made to approve the reappointment of Mr. E.G. Miller and the appointments of Dr. Frank Rossiter and Dr. E. Daniel Deloach to serve on the Chatham County Hospital Authority with terms to expire October 24, 2014. The motion carried unanimously. [NOTE: Commissioner Kicklighter was not present for the vote.]

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ADJOURNMENT

There being no further business to be brought before the Commissioners, the Chairman declared the meeting adjourned at 2:15 pm.

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APPROVED: THIS _____ DAY OF FEBRUARY, 2012.

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

JANICE E. BOCOOK, CLERK OF COMMISSION