

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF CHATHAM COUNTY, GEORGIA, HELD ON FRIDAY, MARCH 8, 2013, 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

The Deputy Sheriff opened the meeting at 9:40 a.m.

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II. INVOCATION

Chairman Scott said, today we have Father John Lyons of the Sacred Heart Church who will lead us in a devotion and a prayer. You may be seated until such time that Father Lyons indicate that he's ready to pray. At that time, please stand. Remain standing through the Pledge of Allegiance. I'm going to ask since Father Lyons brought with him some members of his eighth grade class, I'm going to ask if they would lead us in the Pledge of Allegiance after the prayer. Father Lyons. You may be seated until such time we are ready to pray.

Father John J. Lyons said, we can just remain seated during the prayer. Let us pray.

Father Lyons gave the invocation as follows:

Almighty God, Ruler of the Universe, by Your power we move and we have our well-being today. We are gathered here today to serve you and to conduct the affairs of Chatham County, so we pray for knowledge and strength to do your will with a proper balance of eternal values and present needs. We pray that we will accept our responsibilities acting with courage, considering the needs of our community. We pray for a sense of justice and stewardship both now and forever. Amen.

Father Lyons said, 33 years ago when I was ordained, I was trying find something for the cover of my invitation to invite family and friends to my ordination, and I had been doing wheel pottery in college and graduate school, and so my scripture today is from the 18th -- 18th Chapter of the Book of Jeremiah. *The word came to Jeremiah from the Lord. Rise up, go off to the potter's house where I will give you my message. So I went down to the potter's house, and there he was working at the potter's wheel. Whenever the object of clay which he was making turned out badly in his hand, he tried again, making of the clay another object of whatever he pleased. Then the word of the Lord came to me. Can I not do to you, house of Israel as this potter has done? Indeed like clay in the hand of the potter, so you are in my hand, house of Israel.*

Father Lyons said, if you've ever worked in wood, you know that if the wood cracks or something goes wrong there's not a lot you can do, you just have to discard it. Or if you've ever worked in stone and marble, granite, if it cracks, a lot of times you can't do anything with it, but why I chose this scripture for my ordination invitation was if you've ever worked with clay, if it doesn't [sic] turn out bad you don't throw it away, you just start it all over again and eventually you're able to have something that you desire. And so that scripture's always been one close to my heart, and I share it this morning just because of the importance, as the scripture says if we're willing to place our lives in the hands of God the potter and allow him to work with us, then he will continue to work with us and bring us to completion. So I think it's just a -- a good lesson.

Father Lyons said, I'd like to conclude with just a thought about the work that we do in our community. These are the words from Albert Einstein. He said strange as our situation is here on earth, each of us only comes for a short visit not knowing why yet sometimes seeming to have a divine purpose. From the standpoint of daily life, however, there is one thing we know that we are here for the sake of others. For the countless unknown souls of whose fate we are connected many times a day I realize how much my inner and my outer life is built upon the labors of people both living and dead, and how earnestly I must exert myself in order to give in return as much as I have received. We are very blessed people today, and so we ask God's blessing upon you our Commissioners, and I'm going to conclude asking Father Pat O'Brien just to have a special Irish blessing. Many of you don't know this, but Father O'Brien was granted a papal dispensation. He should be in Rome today 'cause they're starting to vote for a new Pope, but they're not able to -- to start the voting until he returns. So Father O'Brien thank you for being with us, and if you would conclude with a final blessing.

Chairman Scott said, will we -- will we stand at this time, please, for Father O'Brien, special prayer for the Marshal, the Marshal's aid, and a safe and successful St. Patrick's Day activity.

Father Patrick O'Brien said, thank you very much for inviting me to offer this prayer.

Father O'Brien gave a prayer as follows:

Loving and most gracious God, we ask you to bless our Grand Marshal, his Aids, his family, his Chaplain. We ask you to continue to bless our County administrators one and all that they will always realize the great blessings they have in serving our community. Be with them each day and help us that our parade next Saturday will be one that will be safe, enjoyable, and one that will be guided by the hand of Almighty God. May you always have work for your hands to do. May your pockets hold always a coin or two. May the sun shine bright on your window pane -- pane. May the rainbow be certain to follow each rain. May the hand of a friend always be near you. And may God fill your heart with gladness to cheer you. Amen.

Chairman Scott said, now -- I didn't mention but in addition to the eighth grade class, we also have the teacher of that class, and they will now lead us in the Pledge of Allegiance.

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III. PLEDGE OF ALLEGIANCE

Mr. Ian King's eighth grade class from Notre Dame Academy led all in the Pledge of Allegiance to Flag of the United States of America.

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IV. ROLL CALL

Chairman Scott said, the Clerk will call the roll.

The Clerk called the roll.

Present: Albert J. Scott, Chairman
 Dr. Priscilla D. Thomas, Vice Chairman, District Eight
 Helen L. Stone, Chairman Pro Tem, District One
 James J. Holmes, District Two
 Tony Center, District Three
 Patrick K. Farrell, District Four
 Yusef K. Shabazz, District Five
 Lori L. Brady, 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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PERSONAL PRIVILEGE -- CHAIRMAN SCOTT

Chairman Scott said, we -- we do not have the members of the Youth Commission present today, but I would like for the eighth graders to please stand and -- and tell the Commissioners who you are. Just give them your name, and also I'd like to -- and I was just introduced to the teacher, and I'm sorry I don't remember -- I'd like for you to introduce yourself as well.

Mr. Ian King said, I'm Ian King, a new resident of Savannah and a teacher at Notre Dame Academy.

The class introduced themselves, Israel Jones, Ryan Pollen, Samira Christopher, Jordan Young, Breanna Jones, Nyemah Mobley, Rayona Savage.

Chairman Scott said, thank you for participating and thank you for leading us in the Pledge of Allegiance. [Applause.]

Chairman Scott said, and thank you Father Lyons for bringing them with you.

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V. PROCLAMATIONS AND SPECIAL PRESENTATIONS

1. ST. PATRICK'S DAY CELEBRATION.

Chairman Scott said, normally I read all proclamations and special presentation, but as it is a delight today to have Grand Marshal Ray and his court, all of his aids, and although when I was at the installation I did not hear him sing aloud our former Chairman as one of his aids, but we are delighted to see the former Chairman, Pete Liakakis, here dressed in green participating in this process. So I -- I just thought that instead of my reading the proclamation to you, that we would bring somebody from the fatherland to read it to you. And so we've brought someone all the way from Ireland to present to you the Commission's proclamation for the St. Patrick's Day Celebration. At this time I would like to invite our special guest from Ireland to please come in and to read the proclamation for the Grand Marshal and his aids.

Leprechaun Steven Myer said, top of the mornin' to ya.

Grand Marshal Jimmy Ray and his aids said, top of the mornin'.

Leprechaun Meyer said, thank you. It is my great honor and pleasure to read the following proclamation on behalf of the Commission and Chairman Scott who is over here as I look over there. Shall I read into the microphone or to the -- I'll read it here then, okay. Fair enough.

Leprechaun Meyer read the proclamation as follows:



WHEREAS, one of the highest honors to be bestowed upon an Irish Catholic in Chatham County is to be elected Grand Marshal of the St. Patrick's Day Parade; today we salute with great pride the 2013 Grand Marshal, Jimmy Ray; and

WHEREAS, Chatham County is privileged to have among its citizenry many fine sons and daughters of Ireland that have made many notable contributions to Chatham County. Their illustrious ancestry has given to Chatham County their labor, their love, and their dedication; and

WHEREAS, Jimmy Ray, a 62-year-old Savannah native and former committee chairman, has served on the St. Patrick's Day Parade Committee for 40 years. His family has been a part of the Chatham County community for 150 years and he is following in the footsteps of his father, Charles Ray, Sr. who served as the 1989 St. Patrick's Day Grand Marshall; and

WHEREAS, his Irish heritage goes back to the Limerick and Cork era of Ireland. Jimmy Ray's ancestors came to Savannah seeking work in the 1800s. He attends Mass at the Cathedral of St. John the Baptist, works in printing sales, and is heavily involved with several local organizations including the Knights of Columbus, the Fourth Degree Knights of Columbus, the Friendly Sons of St. Patrick, the American Legion, Veterans of Foreign Wars and the Veterans Council of Chatham County.

NOW, THEREFORE, I, Albert J. Scott, Chairman on behalf of the Chatham County Board of Commissioners, do hereby proclaim Friday, March 8, 2013 as:

GRAND MARSHAL JIMMY RAY DAY

in Chatham County and salute him for having this prestigious title bestowed upon him and feel assured that Irish eyes will be smiling as he leads the 189th St. Patrick's Day Parade.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of Chatham County, Georgia to be affixed this the 8th day of March 2013.

Albert J. Scott, Chairman
Chatham County Commission

ATTEST:

Gail F. Gordon, Administrative
Assistant to the Chairman

Leprechaun Meyer said, yes, a good round of applause is fine. [Applause.]

Commissioner Thomas said, all right.

Chairman Scott said, any objections to adopting the resolution?

Commissioner Farrell said, none at all.

Chairman Scott said, hearing none, the resolution is adopted.

Grand Marshal Ray said, can I say something?

Chairman Scott said, yes, you may.

Grand Marshal Ray said, you couldn't stop me. Please be seated.

Audience Member said, oh this means it's going to be long.

Grand Marshal Ray said, no it's not going to be long, I promise. Ms. Helen Stone told me no, and Mr. Holmes, a brother Knight of Columbus member told me not long. It's great to be here in front of you leaders of our great county of Chatham. It's been a great ride for my brothers, my sister and my three other aids and the -- the parade committee and all of our friends that we've known all of our lives here in Savannah and Chatham County. One of the things I was kidding Father O'Brien since -- since Father O'Brien is here and Father John Lyons is here -- matter of fact I went to Benedictine with Father John Lyons. The -- you know, when the Pope became the Pope eight years ago, he said that he was going to have a great ride being the Pope of one billion Catholics in the world, and one of the newspaper articles was written by a foreigner that said how long do you plan on being the Pope of one billion Catholics? He said well as soon as Jimmy Ray is elected Grand Marshal, I'm quitting. So -- so he did, and I understand that if there's such a word as we're Pope-less, Father O'Brien will be leaving here shortly to fly over to the Vatican to -- to start that meeting. But again thank you very much all of you nice folks and leaders of our county and doing a great job, and Chairman Scott, I'd also like to congratulate you on your selection as being our leader, and I know that Pete Liakakis is just dying to know what's going on in your office. I'm sure. I'm sure, 'cause Pete is -- he always wants to know what's going on in my life. But thank you very much folks. I really do appreciate it. Now, may I introduce my aids?

Chairman Scott said, please do.

Grand Marshal Ray said, okay. My first aid sitting right here, is my brother, and a lot of you know him, retired police officer, Billy Ray.

Commissioner Holmes said, yes.

Grand Marshal Ray said, next to him is my beautiful sister, Nancy Marie Ray Johnson, and I think my -- my brother, Charlie Ray, Charles R. Ray, Jr., and then next to him is F. Bruce Arnsdorff, Charlie Russo, and he's going to try to get up and he can't he had a operation on his foot, Mr. Joe Cetti.

Mr. Joe Cetti said, how y'all doing?

Grand Marshal Ray said, we've been having a big time, and we've enjoyed -- we're half way done, and we got half more to go. So we got experience right now. But again I want to thank you and I want to thank the parade committee, Brendan Sheehan, for leading us this -- this whole -- this whole time. Thank you very much. [Applause.]

Chairman Scott said, thank you for participating. I recognize the County Manager.

County Manager Russ Abolt said, Mr. Chairman, Ladies and Gentlemen, I want to acknowledge that we have a special person we already -- already acknowledged, our Leprechaun, the Leprechaun -- our Leprechaun that every other day of the year is an animal control officer, Steven Meyer, a very talented young man for which we're most blessed, but I would also tell you that Mr. Nichols found Mr. Meyer in a box of Lucky Charms cereal.

Chairman Scott said, thank you so much. Thank you.

Leprechaun Meyer said, thank you Chairman and Commissioners.

Chairman Scott said, thank you. Any members of the Commission have anything to say about St. Patrick's Day?

Commissioner Farrell said, I'd like to say something.

Chairman Scott said, Commissioner Kicklighter you don't have anything you want to complain about? You've got Father O'Brien about how you were -- how you were treated in school or anything?

Commissioner Kicklighter said, (inaudible.)

Chairman Scott said, Commissioner Pat Farrell.

Commissioner Farrell said, well, it's a great tradition that we have here in Chatham County, and of course the City of Savannah and the State Legislature where the -- the Grand Marshal goes and visits and spreads the good will and good cheer of our community, and we welcome you and glad that you -- pleased that you're here again this year and wishing you all the best, Jimmy [Ray], and you richly deserve this honor. You've done a lot for our community, and -- and you're a man of great integrity and character, and I'm -- I appreciate knowing you and glad that you're -- you're here and representing us and look forward to a wonderful parade this Saturday, and I'm sure everyone in the community will -- will have a grand time. Again, thank you for all y'all have done and your committee and -- and the Chairman and all -- all the members that work so hard for this great event. Thank you.

Chairman Scott said, Commissioner Shabazz, Commissioner Stone, and Commissioner Center, in that order.

Commissioner Shabazz said, yes, Sunday I had an opportunity to go to your ceremony at the civic center. I really enjoyed myself. The choir -- the children's choir was very good. That was my first time attending any ceremony for the St. Patrick's Day, and I was very impressed, and I would like to say we honor Jimmy Ray and hope you have a successful St. Patrick's observance this year. Thank you.

Chairman Scott said, Commissioner Stone, our Pro Tem.

Commissioner Stone said, thank you, Mr. Chairman. I just want to thank all of the parade committee for all that you do every year for a successful parade, and to the Grand Marshal, I can't think of a better person that you all selected. It's been a pleasure to work with him with the World War II monument, and I just can't think of a better person to lead our parade, and thank you all very much.

Chairman Scott said, Commissioner Center, Third District Commissioner.

Commissioner Center said, as you'll note today it's Commissioner O'Center, but before my remarks, you know, former Chairman Liakakis is in the private investigation business, and there's no idea that he doesn't know everything that's going on in the office he vacated. I just have to say, you know, my dad for years came back so happy from the Hibernian Dinner with Danny Sheehan, and to me St. Patrick's Day is not just your celebration it's our celebration. When -- when the sun is out and the parade is going on, and there are 100,000 people in Chatham County and Savannah just having a good time, as you can see today, we just have smiles bubbling out of our mouth. The good will and the notoriety that your organization, your effort brings to this County and Savannah, it's just a happy week, and to see so many people having such a good time, and really with so few criminal incidents, it's just remarkable. And, it's just so much -- you know, on St. Patrick's Day, we are all Irish, and I want to thank you for continuing this tradition and just making us feel so good for such a period of time in our community. Thank you.

Chairman Scott said, anyone else? If not, Mr. Grand Marshal, thank you for being here, and we look forward to a very successful event. And I see that you're still wearing the County medallion, and that should keep you safe and please show that to the -- to the police chief if -- if you're stopped for any reason, and I can assure you that you'll have safe passage.

Grand Marshal Ray said, Mr. Kenny Porter downstairs, he and I have known each other, played football against each other, and I told him, I said, this gets me in here any time. He says, it sure does.

Chairman Scott said, thank you so much.

Grand Marshal Ray said, thank you. Thank you. I guess I have to leave. I've got to get used to this.

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VI. CHAIRMAN'S ITEMS

No.

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VII. COMMISSIONER'S ITEMS

1. COUNTY GOVERNMENT MONTH CELEBRATION (COMMISSIONER THOMAS)

Chairman Scott said, now for the less serious agenda. Let's go to item VII, Commissioner's Item, and we want to talk about the 2013 National County Government Month Celebration. Commissioner Thomas --

Commissioner Thomas said, thank you.

Chairman Scott said, -- vice Chair, is recognized.

Commissioner Thomas said, thank you, Mr. Chairman, members of the Commission, ladies and gentleman. Again it's -- it's a pleasure to speak in terms of National County Government month which is approaching and for the benefit of the new Commissioners, want -- I want -- it's on -- can you hear me? Yeah.

Commissioner Kicklighter said, he's saying lean in to it.

Commissioner Thomas said, oh, okay. All right. Thank you. All right. Thank you. For the benefit of the new Commissioners, National County Government Month started out with National County Government Week several years ago when it first started, and for the past two or three years, they decided that we needed to be more into National County Government by extending it the entire month of April rather than just a week in April. This is a great opportunity for counties to not only celebrate what is going on in the -- in their counties, but to make sure that we have an opportunity to partner with others in our counties so that we can make sure that our citizens are aware of what county government is all about. I have had the privilege of serving as Chairperson since its inception because at that time no one wanted to venture, but I will be very happy if anyone would like to chair this at this time, and if not, I will gladly continue with the able leadership of my co-chairperson, who has been the coordinator, Danielle Hillery. Let me tell you that county government month will be celebrated all over the United States, and this will give us an opportunity to showcase what we are doing in counties all across the nation. Another feature of National County Government Month is that we have partnered with Major Byron Stephens of the Bass Anglers Plus and Take A Soldier Fishing -- Fishing Wounded Warrior's Bass Tournament, and I'm going to ask in a few minutes if Major Byron -- Byron Stephens is here to come up and just briefly give you a little background on that.

Commissioner Thomas said, but I want to tell you that the theme for this year's celebration is Smart Justice, Creating Safer Communities. I had the pleasure of attending a workshop in Washington, D.C., just last week on this particular subject, and I'm asking that my fellow Commissioners join us in this celebration and help us to make sure that it's very successful. At this time if we have any questions? Commissioner Stone, Chairman Pro Tem.

Commissioner Stone said, yes. Commissioner Thomas, I would be happy to assist you in any way with whatever you need with this.

Commissioner Thomas said, thank you very much. Thank you. Any other --

Chairman Scott said, any other -- any other comments from any members of Commission? Commissioner Farrell.

Commissioner Farrell said, a wonderful program. My hat's off -- where's my hat? My hat's off to you. Doing a great job honoring the very folks that -- that do the dirty work to keep this country the greatest in the whole world and have paid a stiff price in some instances, so thank you so much for what you're doing and -- and --

Commissioner Thomas said, thank you.

Commissioner Farrell said, keep up the great work.

Commissioner Thomas said, thank you. If -- is Major Byron -- oh.

Chairman Scott said, before we recognize the Major --

Commissioner Thomas said, okay.

Chairman Scott said, does anybody else on the Commission have any comments? If not.

Commissioner Thomas said, thank you.

Retired Major Byron Stephens said, thank you Dr. Thomas. Thank you once again for allowing me to take and express the opportunities that we're doing for the military here in Savannah. Five years ago my son and I started a fishing tournament to take and raise funds in support of the wounded warriors, and there was two people that I went to first. First was the -- the -- Father Frank at Benedictine Military School and asked if we could get the use of the school, the facilitates, and second was Jimmy Ray. Now Jimmy Ray just left here, and

that conversation with Jimmy Ray put me in touch with the Veterans' Council of Savannah. I am a member of the Veterans' Council of Savannah, and I'm a -- I'm a retired military. But what we're doing, and this is our third year that we've had the opportunity to work with the county. It's been a great experience. The -- Dr. Thomas and the entire crew comes out. We do this. It's a joint venture at Lake Mayer. Our -- our position on this thing that -- that goes right along with -- with her theme is -- is that we have a fishing tournament in which we put twelve boats, and all these are voluntary, large boats in -- in Lake Mayer. They're all anglers, various -- very specially trained fisherman. In fact I have two pros coming in this year, one from Augusta and one from Greenville to assist with this thing, and we put wounded soldiers from all branches of the service, Army, Navy, Marines, Coast Guard, that's locally. This is a competition, not only amongst the boaters themselves but also amongst the -- the branches of the service. We have a Captain's night on Thursday night at the Lake in which we give them food; we give them rods, reels, tackle, fish insurance, and -- and Saturday morning, on the 6th of April we fish. We fish with patrolman motors only of course. Now you'll see boats out there that's bagging probably close to \$100,000 a piece. So if you get an opportunity, come out and take a look. It's a great event. We've had real good success. Two years ago, which was our first one at Lake Mayer, we caught 78 pounds of freshwater bass. This is all catch and release. All of the fish went back in the Lake. Last year we only caught like 21 pounds of freshwater bass. This is a little bit of a concern, but -- but then again, that's fishing. We -- we seem to think that last year with the warm weather that we had that the fished spawned earlier. So I'm hoping this year that the -- that the rise in the fish will be a little bit more. But that's not the point of this -- of this tournament. The point of this tournament is to take and do a joint venture with local sponsors throughout the city which I have anywhere from 15 to 16 plus I have 14 members of the -- of the American Legion's Post 36 and what have you also sponsoring. So it brings -- it brings the community, it brings the military which is past, it brings the military which is present, and it brings the military which is wounded. All the funds that we raise from this goes to the wounded warriors. This year we're expanding that. This year we feel like there's enough disabled veterans in the City of Savannah that we can assist them also. We don't know exactly how much -- how much money we'll make but it will be enough to take and let these people know that we're thinking about them.

Retired Major Stephens said, we also this year, we're going to have what is known as Walk for a Vet. No other place is perfect walking than Lake Mayer. That -- that will be set up on the same day. Now along with the city -- I mean along with the county, last year we had free food, we have a free band, we've got free music. We have displays from the -- from the various tables which will be a part of her program, and then, of course, we have the military units that come out and -- and set up theirs. The American Legions, and Catholic War Veterans, and the Vietnam Vets, and we recognize all of these tables and for people to come out and see what you've got right here in the city. The walk itself is going to be from about 9:30 to 11:30 or 12:00, and the funds from this walk will be -- will actually go to the DAV here in Savannah, as an additional. I -- I contacted Saint Leo University, and it happened to be that this year Saint Leo University is celebrating their 40th year of serving all branches of military with educations. So they're going to take and join us, and they will be the ones that will actually take care of the walk.

Retired Major Stephens said, so I ask you to come out. Continue to serve this. This has really been a great venture for us and the city, and I know that it has a tendency to grow a little bit more and a little bit more, and the only way you can do that is to participate. So thank you very much.

Commissioner Thomas said, thank you so very much. We appreciate all that you do and continue to do.

Retired Major Stephens said, thank you.

Commissioner Thomas said, I believe you have -- do you have your wife with you here today?

Retired Major Stephens said, yeah. I have my wife, Marilyn. Marilyn is known in the military as the cooking angel, and this is for real.

Commissioner Thomas said, okay.

Retired Major Stephens said, she's cooked -- she's cooked over 1,000 cakes and shipped to Afghanistan and Iraq. So, she's here with us.

Commissioner Thomas said, thank you so very much.

Retired Major Stephens said, thank you.

Commissioner Thomas said, looking forward to it. Mr. Chairman -- [Applause.]

Chairman Scott said, thank you.

Commissioner Thomas said, I would -- I would now ask for a, you know, vote to give us the provision to move forward.

Commissioner Stone said, so moved.

Commissioner Farrell said, second.

Chairman Scott said, now, it's -- it's my understanding that this -- what this motion will do is reconfirm Dr. Thomas as chair.

Commissioner Thomas said, yes.

Chairman Scott said, Commissioner Stone said she would like to work with you.

Commissioner Thomas said, she can be our co-chair.

Chairman Scott said, okay.

Commissioner Thomas said, and Ms. Danielle Hillery as the coordinator.

Chairman Scott said, okay.

Commissioner Thomas said, Ms. Hillery is -- is out here.

Chairman Scott said, all right. All in favor please indicate by voting yes. Opposed no.

Commissioner Thomas said, thank you very much.

Chairman Scott said, okay. You're -- you've been reconfirmed.

Commissioner Thomas said, thank you very much. We'll do a good job.

Chairman Scott said, carry on.

ACTION OF THE BOARD:

Commissioner Stone moved to reconfirm Commissioner Thomas as chair of the National County Government Month. Commissioner Farrell seconded the motion and it carried unanimously. [NOTE: Commissioner Kicklighter was not present for the vote.]

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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 Scott said, Item VIII, we don't have any Tabled items.

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IX. ITEMS FOR INDIVIDUAL ACTION

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

1. **TO REQUEST APPROVAL OF THE FOLLOWING BUDGET AMENDMENTS AND TRANSFERS: 1) in the LAND BANK FUND increase revenues and expenditures \$57,668, 2) in the 2005 DSA BOND FUND a) transfer \$13,834 from the Health Facility project to the South Annex project for the Pete Liakakis Building, b) transfer \$36,000 from the Aquatic Center Roof project and transfer \$5,000 from the Savannah Area Behavioral Health Collaborative (SABHC) project to the South Annex project for the Pete Liakakis Building, and 3) in the CIP 1999 BOND FUND transfer \$951 from the Parks and Recreation project to the Air National Guard (ANG) Property project.**

Chairman Scott said, and -- and now we're on to number 9 on the agenda. Item one, to request approval of the following budget amendments and transfer: in the Land Bank Fund increase revenues and expenditures by \$57,688 [sic], 2) in the 2005 DSA Bond Fund a transfer of \$13,834 from the Health Facility project to the South Annex project for the Pete Liakakis Building, b) transfer \$36,000 from the Aquatic Center Roof project and transfer \$5,000 from the Savannah Area Behavioral Health Collaborative project to the South Annex project of the Pete Liakakis Building, and then 3) in the CIP 1999 Bond Fund transfer \$951,000 from the --

Commissioner Center said, 51.

Chairman Scott said, \$951 from the Parks and Recreation project to the Air -- project to the Air National Guard Property project. Hearing --

Commissioner Farrell said, so moved.

Commissioner Thomas said, second.

Commissioner Stone said, Mr. Chairman, I have a question if it's --

Chairman Scott said, it's been moved and second. Any discussion?

Commissioner Stone said, yes.

Chairman Scott said, Commissioner Stone.

Commissioner Stone said, what did you say the recognized savings in rent would be on this?

Chairman Scott said, roughly \$5,000 a month. We just signed an extension that will run through March 31st and what some of these changes will do will allow us to get those folk out of rental property -- lease property that we're currently -- we've been leasing that property for a number of years.

Commissioner Stone said, thank you.

Chairman Scott said, any further discussion? Hearing none, all in favor of the motion, please indicate by voting yes. Those opposed no. The motion carries.

ACTION OF THE BOARD:

Commissioner Farrell moved to approve the following budget amendments and transfers: 1) in the Land Bank Fund increase revenues and expenditures \$57,668, 2) in the 2005 DSA Bond Fund a) transfer \$13,834 from the Health Facility project to the South Annex project for the Pete Liakakis Building, b) transfer \$36,000 from the Aquatic Center Roof project and transfer \$5,000 from the Savannah Area Behavioral Health Collaborative (SABHC) project to the South Annex project for the Pete Liakakis Building, and 3) in the CIP 1999 Bond Fund transfer \$951 Parks and Recreation project to the Air National Guard (ANG) Property project. Commissioner Thomas seconded the motion and it carried unanimously. [NOTE: Commissioner Kicklighter was not present for the vote.]

AGENDA ITEM: IX-1

AGENDA DATE: March 8, 2013

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

ISSUE:

To request the following budget amendments and transfers: 1) in the Land Bank Fund increase revenues and expenditures \$57,668, 2) in the 2005 DSA Bond Fund a) transfer \$13,834 from the Health Facility project to the South Annex project for the Pete Liakakis Building, b) transfer \$36,000 from the Aquatic Center Roof project and transfer \$5,000 from the Savannah Area Behavioral Health Collaborative (SABHC) project to the South Annex project for the Pete Liakakis Building, and 3) in the CIP 1999 Bond Fund transfer \$951 from the Parks and Recreation project to the Air National Guard (ANG) Property project.

FACTS AND FINDINGS:

1. The Land Bank Fund accounts for funds generated from the sale of surplus property. The attached resolution amends the funds to recognize \$58,668 in revenue that has been received. This will provide funding for outstanding commitments.
2. The Aquatic Center Roof project and the SABHC project in the 2005 DSA Bond fund are complete. A request is being made to transfer the remaining \$41,000 of the two projects and \$13,384 from the Health Facility Project to the South Annex project to cover construction costs related to the Pete Liakakis Building.
3. A transfer of \$951 from the Parks and Recreation project to the ANG Property project in the CIP 199 Bond fund is needed to cover expenditures.

FUNDING:

The budget amendment will establish funding in the Land Bank Fund. Funds are available in the 2005 DSA Bond and the CIP 1999 Bond funds for the transfers.

ALTERNATIVES:

1. That the Board approve the following:

LAND BANK FUND

Increase revenues and expenditures \$58,668.

2005 DSA BOND FUND

- a) Transfer \$13,834 from the Health Facility project to the South Annex project for the Pete Liakakis building.
- b) Transfer \$36,000 from the Aquatic Center Roof project to the South Annex project for the Pete Liakakis building.
- c) Transfer \$5,000 from the SABHC project to the South Annex project for the Pete Liakakis building.

CIP 1999 BOND FUND

Transfer \$951 from the Parks and Recreation project to the ANG Property project.

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. PRESENTATION OF HOTEL PEER REVIEW STUDY AND BOARD CONSIDERATION OF A DEVELOPMENT AGREEMENT FOR THE CONSTRUCTION OF THE PROPOSED TRADE CENTER CONVENTION HOTEL AND CONFERENCE CENTER.

Chairman Scott said, item 2 under Section IX of the agenda is the presentation of the hotel peer review study and Board consideration of a Development Agreement for the construction of the proposed Trade and Convention and Conference Center.

County Manager Abolt said, Mr. Chairman I'd like to --

Chairman Scott said, at this time I recognize the County Manager, Mr. Russ Abolt.

County Manager Abolt said, thank you, Mr. Chairman. Ladies and Gentlemen, I want to introduce Mr. Kaigler who has taken over the reigns of this project with a lot of support from his predecessor, Mr. Monahan, for which I appreciate that. But Mr. Kaigler is now our resident expert. Mr. Kaigler, please.

Assistant County Manager Michael Kaigler said, good morning, Mr. Chairman, Board. Before you today we're asking that you approve a draft Development Agreement subject to review -- final review by the County Attorney. This item before you today is a result of the previous Board. Your previous Board last October voted to extend the current MOU and also requested that a Peer Review Study be conducted of the previous studies that were commissioned by the Trade Center Authority.

Chairman Scott said, would -- would you for the benefit of the audience and -- and the Commission when you're in -- in reference to peer review, would you explain what a peer review is. It's actually a review of the potential competition for this.

Assistant County Manager Kaigler said, yes, sir. One component of the peer review was they wanted a -- another firm, an independent firm to review the financial analysis that were presented to the Trade Center Authority and subsequently -- subsequently presented to the Board. So they didn't conduct a new study, they took the previous study and did a review of that and made some conclusions to -- along those lines. Essentially there's really no new information but they confirmed the results from the previous study. So that's what you have before you today. We -- we have both of those studies, one deals with the financial implications of the -- the new hotel, proposed hotel. The other is more a qualitative kind of analysis. They conducted interviews of the -- the different stakeholders in the community, and we wanted that included so it could be documented in the report that's before you today.

Chairman Scott said, okay. I have a few questions of Mr. Kaigler, but before I entertain my questions, I want to entertain any questions from the members of the Commission. Commissioner Center, Commissioner Stone, in that order.

Commissioner Center said, thank you.

Chairman Scott said, Commissioner Brady.

Commissioner Center said, is this the time to ask definitive questions about the agreement or are we -- is there a set procedure, or just jump into it?

Chairman Scott said, yeah, you can ask -- I know that we have -- a couple people in the audience have indicated they wanted to speak on it, and we're going to do that, but what I want now is any questions that the Commissioner have for staff.

Commissioner Center said, thank you.

Chairman Scott said, again, Commissioner Center, from the Third District, and Commissioner Stone, who's our Pro Tem, and then Commissioner Brady from the Sixth District.

Commissioner Center said, thank you, and -- and Michael [Kaigler], you know, I got my package, we get our agenda package on Tuesday, and I -- I try. I'm a little jealous that Commissioner Brady and Commissioner Stone got through it before I did, but I haven't had an opportunity to read the entire package. It's a 52-page report in our package --

Assistant County Manager Kaigler said, yes, sir.

Commissioner Center said, -- and when I came by Wednesday to ask questions, I was given this three-ring binder of more stuff, and I have not been able to read it all, so I'm going to rely on some of the answers I get today.

Assistant County Manager Kaigler said, yes, sir.

Commissioner Center said, I'm reading now as -- as we go over this, the Attachment 1, the Development Agreement.

Assistant County Manager Kaigler said, yes, sir.

Commissioner Center said, as I understand, we're being asked today whether or not to vote on this Development Agreement?

Assistant County Manager Kaigler said, you're being voted -- you're being asked today to vote yes, sir, on the Development Agreement, and we're going to stipulate the fact that this is a draft Development Agreement, and it's still subject to review from the County Attorney. So there may be some modifications that the County Attorney has.

Commissioner Center said, all right.

Assistant County Manager Kaigler said, as to legal form.

Commissioner Center said, and I ask that because it was -- has been my understanding that today that if we get an affirmative vote from the Commission, it will just simply extend some time for the developer and will in no way bind the County at all financially.

Assistant County Manager Kaigler said, yes, sir. What we intended with this item today, the current MOU that's in place will expire on April the 8th. If that -- if the current MOU expires, then we'll be back to square one. So what we're presenting to you today is the Development Agreement which will supercede that MOU and the MOU will go away.

Commissioner Center said, all right, and --

Assistant County Manager Kaigler said, you're correct that it no way binds the County financially, all you have invested right now is the -- the amount of money that we spent on the -- the studies and staff time. So, if -- if it's the decision not to go forward, then the County's not out any -- any -- any additional money.

Commissioner Center said, all right. And as I say all the time, you make it simple enough for me to understand. I don't see definitive language in the agreement that says this in no way binds the County financially. That -- that helps me if that were in there, and I'm looking at responsibilities 2.1.1, page 7, I'm starting at, 2.1, the County agrees to provide the following as its investment in the project. 2.1.1 to develop and construct the necessary utility and road infrastructure. 2.1.3. guarantee a loan amount. 2.1.2 facilitate and issue bonds. That

language scares me. I -- I like to say very clearly in an agreement this in no way binds the County at this time financially.

Assistant County Manager Kaigler said, it -- it does say it in the Development Agreement, this in no -- this is a non-binding agreement.

Commissioner Center said, where -- where is that language that -- that says -- that slaps me across the face, this in no way binds the County financially? I -- I know you're not the lawyer in all this. I'd be much more comfortable if it would -- it said that very specifically in the agreement.

Assistant County Manager Kaigler said, and -- and -- I had that conversation with the County Attorney, and that is one of the things that he is going to spell out -- help me spell out in more greater detail.

Commissioner Center said, may -- is it okay I ask the County Attorney a question? Can -- can you add that language? I mean I'd like to see it.

County Attorney R. Jonathan Hart said, oh, sure.

Commissioner Center said, this in no way binds the County financially until x day.

County Attorney Hart said, we have got a lot of changes to this Agreement.

Commissioner Center said, okay.

County Attorney Hart said, and I've got a whole set of things that we want to modify to the Agreement. Some of it's just for clarity purposes, like the point you make, and some of it is -- is -- is things that we think we need to look at a little bit closer.

Commissioner Center said, and it -- and it scares me a little bit, you know, to vote for something that -- are we voting to authorize the County Attorney to do something? Are we voting on a written agreement? 'Cause I hate to vote for --

Assistant County Manager Kaigler said, what -- what --

Commissioner Center said, -- hate -- I don't hate, that's too strong.

Assistant County Manager Kaigler said, what staff is --

Commissioner Center said, I'm -- I'm -- I'm slow to vote for something if it's not in writing in front of me.

Chairman Scott said, Commissioner Center, that's something I'll have to speak to, but --

Commissioner Center said, okay.

Chairman Scott said, in terms of the voting, and -- and I'm going to speak to that whenever --

Commissioner Center said, thank you.

Chairman Scott said, -- you get through with the questions.

Commissioner Center said, all right. Yeah, I'm -- I'm -- I'm just saying --

Assistant County Manager Kaigler said, yes, sir. I understand.

Commissioner Center said, in -- in my practice I -- I've shaken hands with people a lot of times on agreement and got down to put the ink to paper and find out we really didn't know what we were agreeing to, and that -- that concerns me. I -- I -- I'd just like that language very bold, this in no way at this time binds the County.

Chairman Scott said, is that --

Commissioner Center said, thank you.

Chairman Scott said, is that clear to staff --

Assistant County Manager Kaigler said, yes, sir.

County Attorney Abolt said, yes, sir.

Chairman Scott said, -- what -- what Commissioner Center's trying to get at?

County Manager Abolt said, yes, sir.

Chairman Scott said, okay.

Commissioner Center said, thank you, Mr. Chairman.

Chairman Scott said, Commissioner Stone.

Commissioner Stone said, thank you, Mr. Chairman. First I -- I'm -- I really share the same concerns as Commissioner Center that we're being asked to vote on something that we can't even see the language. I -- I like Commissioner Center am very concerned about what this Development Agreement is going to say and if it is going to bind us in any way, shape or form, and it's very difficult to vote on something that you can't see. And I -- I have some real reservations about that because I don't think we should vote on something unless we can see it in print. The other thing, and I mentioned some of these in the pre-meeting, and I concur with the Chairman about what this could do to our bond rating, what liability it's going to mean to our bond rating for future endeavors of this County. As I mentioned earlier, and -- and some people agree, some people disagree, but in Washington, D.C., there is talk about all of the tax reform and what's going to happen with these interest free bonds. I think these are things we need to take into consideration. It may be a little pre-mature now but down the road, who knows what they'll do in Washington tomorrow. The other concern that I have and -- and I'll just be very brief because I know that there are people in the audience that want to speak, and I certainly want to hear what they have to say, but the last page of the report really sums it up and as -- as I told Commissioner Center, I said the end of the story is that in that last paragraph, and it says, this project was quite an education. I can find no justification for public bond finance hotel project anywhere in Savannah. The County may want to consider how funds could be used to improve the Civic Center. Savannah is an excellent tourist destination for a limited and appropriate group business. Until things change at the airport, and until some figures -- someone figures out how to make the Trade Center and Hutchinson Island, a true profitable destination, it probably best to take a deep breath and back off of any public funding for a hotel project. This is just too big of a reach. And I think that kind of sums up my concerns here today. Thank you, Mr. Chairman.

Chairman Scott said, Commissioner Brady.

Commissioner Brady said, thank you, Mr. Chairman. I would agree with Commissioner Helen Stone's comments, but I -- I do have a couple of questions. In reference to -- where they talk about in the event something happens that the County would have to come up with \$2.6 million to cover the debt --

Assistant County Manager Kaigler said, yes, sir. Yes, ma'am. That is the -- what we estimate that the County's liability would be in the event that the hotel goes belly up.

Commissioner Brady said, first of all, based on my little bit of understanding having only been here for 60 days, I -- I can't imagine that the County will have that money as we're bringing the jail on in the event that the hotel does go belly up. The other comment I would like to make is in reference to the peer review, every member of that review committee, if you will --

Assistant County Manager Kaigler said, yes, ma'am.

Commissioner Brady said, -- the other hotel owners, every one of them were opposed to this.

Assistant County Manager Kaigler said, yes, ma'am.

Commissioner Brady said, and I think you have to -- I think that's significant. Obviously it would be competition for them. I mean there's no question about that, however, there's so many missing pieces here. You've got the Civic Center, the arena situation, and I have to be absolutely, very candid, on this checklist of things to do, we are going to have to collaborate in some type of partnership with the City of Savannah. We have no commitment from them. Based on -- on what has happened recently, I don't know that we will get that commitment. I think that their arena is going to be in somewhat of -- of competition with the Trade Center as well. To me there's just too many moving pieces there. And I'm going to close by saying this, I don't think this should have ever come -- made it this far to this Commission. It should have been resolved. This has been going on since 2008. We're looking at five years of extensions on these -- these MOU's.

Assistant County Manager Kaigler said, yes, ma'am.

Commissioner Brady said, and -- and I think that all of the things that need to happen, if it's extended should have already been resolved by now. We should already know if we issued bonds how -- you know, what would happen to our bond rating, which is very important. And I -- I think it's gone on way too long, and I think those questions should have answered -- should have been answered a long time ago. Thank you.

Chairman Scott said, Commissioner Kicklighter and then Commissioner Shabazz in that order, please.

Commissioner Kicklighter said, thank you, Mr. Chairman, and I respect any desire -- possible desire of new Commissioners to possibly see this -- feel as if -- who may feel -- feel as if they need to do more due diligence, but as a member that has been here since the beginning, I've just -- want to state that I've seen quite enough. It's -- it's -- it's been dragging along. It -- it really didn't look like a, in my opinion, a good financial decision for the County from day 1, and I whole-heartedly agree with Commissioner Center, with his concerns, and -- and

should a member of this Board decide that they want to make a motion to approve the Development Agreement, I would strongly suggest that you amend the motion or make part of your motion the fact that this is a non-binding agreement on the County's behalf and not a financial commitment on the County's behalf as part of that, should you wish to extend it, but I would love to see this end today. Thank you, and that's it.

Chairman Scott said, our vice Chair, did you have your hand up?

Commissioner Thomas said, yes. I would just like to --

Chairman Scott said, I'm sorry, Commissioner Shabazz.

Commissioner Thomas said, yes.

Chairman Scott said, and then our vice Chair, Commissioner Thomas, in that order, please.

Commissioner Shabazz said, a \$2 million liability, you say, if the project goes belly up.

Assistant County Manager Kaigler said, yeah, approximately -- we're estimating a \$2.6 million liability --

Commissioner Brady said, annually.

Assistant County Manager Kaigler said, -- annually if the -- if the project goes belly up, yes, sir.

Commissioner Shabazz said, okay, so that's one of the cons.

Chairman Scott said, that's the bond servicing.

Assistant County Manager Kaigler said, that's bond -- yes, sir.

Commissioner Shabazz said, but in terms of pros and cons, how much would it generate in terms of tax revenues and other revenues that it would bring in. How would -- how would the county profit?

Assistant County Manager Kaigler said, that -- I'll be honest with you, I don't have that number in front of me but there is -- there is increased sales tax associated with this project, but if -- if I may, sir, the -- the prime benefit here, the prime benefit is, and this was expressed to the Board years ago, going forward with this project, number one, you'll get a guaranteed room block which we don't have. If it is the Board's desire to increase the business at the Trade Center, make the Trade Center a prime convention destination, then the Trade Center Authority felt that we needed to have a structure -- a -- a hotel -- convention hotel and extra meeting space located on Hutchinson Island. So that is the prime benefit. Now as part of the debt service, we would be asking the City to forego some of the incremental increase in the tax. I would -- I would -- we've had discussions with the -- with the City, I think the County Manager and -- has -- has talked with -- and County Manager and Chairman -- former Chairman had spoken with the Mayor and some of the Aldermen. That deal has not been finalized, but extending -- adopting the Development Agreement gives staff time to go and explore those -- those opportunities.

Commissioner Shabazz said, all right. So in terms of --

Commissioner Center said, I -- I have a question.

Commissioner Shabazz said, -- in terms of --

Commissioner Center said, sorry.

Commission Shabazz said, -- jobs, 'cause I'm very much concerned about that --

Chairman Scott said, so when -- when you were talking about benefit, what you were saying, you -- you also wanted to know in terms of the estimated number of employees --

Commissioner Shabazz said, yes.

Chairman Scott said, -- that this project generates?

Assistant County Manager Kaigler said, and -- and there is a stipulation in there that we're estimating that it would add approximately 200 jobs at the hotel and the convention center, and while they will be basically housekeeping jobs, it's the -- it's a plan to make sure that those -- those jobs are paid a certain wage and we're providing benefits for those employees.

Commissioner Shabazz said, and in terms of for the construction as well, jobs in terms of the construction.

Assistant County Manager Kaigler said, the developer has committed to a -- what I think is an aggressive minority and local participation package with -- in -- in construction of the hotel. So that's also a benefit to the community.

Commissioner Shabazz said, okay.

Chairman Scott said, okay, we have our vice Chair, Commissioner Thomas, and then we have Third District Commissioner Center, and then I -- I see to my left, our Sixth District Commissioner Brady. Commissioner Brady and Commissioner Center has additional questions after our vice-Chair, Commissioner Thomas.

Commissioner Thomas said, thank you, Mr. Chairman. Much has been said and I just want to reiterate the fact that several years ago when this was presented that there were some questions but many of those questions have been answered in terms of jobs, the breakout rooms and stuff like that. Let me just give you very briefly my background in terms of being an international travel and -- I mean travel consultant. We here in Chatham County are losing a lot of money because we do not have the facilities to accommodate the large contention of -- of associations that will come in. Just last week attending the National Association of Counties' meeting in Washington, D.C., talking with some of these persons in terms -- in the travel industry, and I can tell you right now, after this year, ACCG, which is our state association, perhaps will not be utilizing our facilities here because of the many, many inconveniences. There are other organizations who wish to come here and -- but we do not have the facilities to accommodate them. I see both sides, but I feel in my heart and from what I know that we will profit more then we will be in a negative mode. So I have no problems with what we are trying to do because I see it as a plus. Thank you, Mr. Chairman.

Chairman Scott said, Third District Commissioner Center.

Commissioner Center said, thank you, Mr. Chairman. Mr. Kaigler and -- and -- and I guess, Mr. Hart, could you have an agreement that addresses my concern within two weeks? I mean have a --

County Attorney Hart said, well, I -- I think this agreement's -- I mean I'll put whatever language you want in there, but if you look at Section 3.8 of the agreement --

Commissioner Center said, 3 -- 3 point what?

Assistant County Attorney Kaigler said, 3.8.

County Attorney Hart said, 3.8, it says, this agreement is a statement of intent and does not bind the parties to any -- in any material way except to the effective terms of the agreement and the exclusiveness of the developer. However, the developer and county agree to use their best -- best faith efforts to fulfill obligations, and then it goes on to say that both parties to the agreement waive any liabilities to each other or any penalties or cost incurred for the performance or non-performance of the agreement unless we commit fraud and intentional misrepresentation or malfeasance. I mean, I don't know what else to put there, but I'll be glad to put any language anybody wants to show that it's a non-binding agreement. The primary purpose of this agreement is to give the developer the ability to go out into the market and come back and say, hey, I can secure financing for this deal, and now I think I'm able to go forward. At the same time it gives us the opportunity to say -- still say we don't want to do the deal. So that, you know, we'll do -- we'll do whatever the Commission wants done. I mean staff can get it done. Staff cannot get it done, but we need some direction.

Commissioner Center said, thank you. Mr. Chairman. Will the developer be speaking? I'd like to hear from the developer that he understands there's no commitment too.

Chairman Scott said, we're -- we're going to allow some further comments from the audience.

Commissioner Center said, thank you, very much, then I'll --

Chairman Scott said, I can't say that it will be the developer --

Commissioner Center said, I -- I -- I --

Chairman Scott said, but we are going to allow further comments from the audience.

Commissioner Center said, thank you.

Chairman Scott said, I just want to know if there are any additional comments from staff. Commissioner Brady.

Commissioner Brady said, and I acknowledged in my earlier comments that this has been going on since 2008 and we've had all of these extensions. I guess I'm just having a hard time putting my arms around the fact that these are the same issues that have always been there the entire time, the bond rating for the County, you know, do you use public funding for a private hotel? And these are still questions that still haven't been answered. You know, I can't figure out why they haven't been answered. Can you shed some light on why?

County Manager Abolt said, the -- the -- the issue has -- and I believe the Chairman hit it right on the head in the pre-meeting, it's -- it's the -- it's the level of unanswered questions but also it was a majority of County Commissioners in spite of the unknown that wished to continue this relationship. If this Board does not wish to do it, obviously that is your choice, but as long as there's a decision by the County Commission, even the past County Commissions to keep a resolution -- a relationship, it's incumbent upon staff not to let that slip by. If you choose not continue it, obviously it ends. If you choose to continue, we'll do all these things. There's certain things though indicated by Mr. Kaigler, and you've hit them so well that -- that until the project matures further, we're not able to respond on point, and the Chairman hit it also right -- right on the spot when he talked about bond rating. A bond rating in and of itself will be determined by the proximity to the issuance of the bonds. So there are a lot of issues involved, and when you mention the dozen or so or 18 points it is no different, no different whatsoever as far as product of work that has to be done then when we entered into a multi -- several month commitment to work with Memorial Medical Center. This is so complex, and we're not shrinking from the complexity of it, but we also acknowledge to advance, if you choose to advance, there are still many things that have to be done, and they're time sensitive but they're also time sensitive from the standpoint of the proximity to the actual issuance of the bonds.

Commissioner Brady said, so -- so what you're ultimately saying is -- is that -- it sounds to me like even though these -- these MOUs were extended and extended and extended that the due diligence just wasn't being done at that point? Or why -- why --

County Manager Abolt said, I didn't say that. No.

Commissioner Brady said, well, that's what it's sounding like. But -- but restate your position because that's what -- that's my concern. You know five years out and we still don't have answers to the -- to the most important questions.

County Manager Abolt said, and the issue was the -- the level of commitment and -- and the significance of that commitment by the previous County Commission to in effect make a decision.

Commissioner Brady said, okay. Thank you.

Chairman Scott said, let me -- let me partially assist in the answering of your question, Commissioner Brady, because I've had this discussion. In order to get an affirmative opinion from a bond rating company as to the impact of your rating, you will have to pay them. They will not do that for free. The reason that I have since I've been here in January have not instructed staff to go out and do that is that until the developer has demonstrated that they've got the financing, and until the City or somebody has made a commitment on how they will service the bond indebtedness, I did not want to spend County money to get the rating answer. But before we would vote on a bond, we must have the rating answer. But if you -- there's no point in spending money to get a -- a hypothetical rating answer if there's no financing to service the bonds, and if the developer cannot get financing, then why would we spend money to determine the impact on the County's bond rating. Therefore, I have not instructed the County Manager, I have not asked him, I have not asked the Finance Director through the County Manager to pursue this until we can answer the first two questions, then we're going to answer the third question. If that makes any sense to you.

Commissioner Brady said, that -- that makes perfect sense. And I understand that, but you -- I hope you can hear my reluctance --

Chairman Scott said, oh yeah.

Commissioner Brady said, -- in supporting this because not only is that issue outstanding, but this developer has been trying to work on this, you know, for five years, why did they not ever come by and say we have this financing secured, you know, we're benefitting from this, we need you. Why haven't we talked about the City of Savannah and -- and agreements and -- and -- and collaboration with them? I mean those are other issues that could have been resolved before now. And I -- I'll -- I'll stop.

Chairman Scott said, I -- I'll agree with your assessment. The only thing I can say to you in -- in trying to further answer your question and -- and -- and assist Mike [Kaigler] in his presentation, yes, in my opinion as Chairman, the staff could have answered those questions but not with a Memorandum of Understanding. They needed to go to this point in order to get those questions answered. They never went to that point. Now you have to address that part of your question to the previous Chair and the previous Commission to find out why they never got to that point. I have my personal opinion, but I usually don't share my personal opinion. If I did they wouldn't be personal. If there's no further questions of Mr. Kaigler, does any member of the staff have anything further to say on this?

County Manager Abolt said, we're good, sir.

Chairman Scott said, then, our Finance Director would like to have a -- a brief go at it.

Assistant County Manager Linda Cramer said, a -- a little go here. On the issue of bond ratings what we found out when we -- when we did the Memorial transaction last year is I don't think that -- that we will see a real impact on our rating but what we need to be careful about is the impact on our ability to issue debt for ourselves.

So it's not just, you know, our bond rating, but our capacity to issue debt, and that's something we'll need to work with our financial advisor on and, you know, that would be part of structuring the transaction.

Chairman Scott said, Assistant Manager, is it not true though that if you were to go get an official opinion from a rating company, you would have to pay them?

Assistant County Manager Cramer said, that's absolutely true.

County Attorney Hart said, and you're going to have to have enough specific facts for them to be able to rate the bond.

Chairman Scott said, and you would also have to have for them how you are going to service the bonds.

County Attorney Hart said, and how much -- yes, sir, absolutely.

Chairman Scott said, yeah.

Assistant County Manager Cramer said, yes, and what we'd want to do is build in as much protection for the County in -- in terms of debt service and cash flowing that debt service just like we did with the Memorial bond issue where we set money aside in accounts -- asked them to set that money aside and pre-pay their debt service. So I mean, we'll -- we'll have to work through all of that but we'll of course if -- if we move forward, we'll work with you and communicate all that to you.

Chairman Scott said, okay. Any questions of the Finance Director?

Commissioner Center said, I have one more question for Mr. Hart.

Chairman Scott said, Mr. Hart is -- I'll -- I'll recognize you for a question. Is there any question of the Finance Director though?

Commissioner Center said, no, sir.

Chairman Scott said, okay. Commissioner Center from the Third District have a commission -- has a question for the County Attorney.

Commissioner Center said, as I was reading through it today and -- and you were ahead of me. Where is the term of the agreement specified in here 'cause it says in paragraph 8 that this is only good for the term of this agreement. Where is the term specified -- spelled out?

Chairman Scott said, my understanding of the term is it's not to exceed one year, but --

County Attorney Hart said, yeah, and I just couldn't find the provision. What you really are doing is the developer is -- if you sign the agreement the developer's going to go out and start spending a -- not an insignificant sum of money to do all of these things, and then when they come back, if they can show you to your -- to the Board's satisfaction and you desire to do it, then we're going to go into a Development Agreement. They do not want to go out and -- and do all this and not know that at least they're going to be considered for doing the project, and that we're not going to go out and get someone else to come in at the 11th hour and take their efforts and then try to usurp the project from them. So in order to get people to do the things that need to be done, to give us enough information so that you can make an informed decision, the rating agencies can make an informed decision, you -- you've got to gather this information. There's a timeline attached, or a completion attached to Attachment 2 that outlines in detail the steps. Now no dates have been put in there because it's practically useless to try to do that until you know either go or no go, and -- and -- and it's likewise with the Agreement. There's no sense in drawing an agreement for practice. So if we get the go, then this Agreement's going to have a lot of work done on it. If we get no, I'm going to put it up.

Assistant County Manager Kaigler said, Commissioner, the -- the term is specified in Section 1.3, and it talks about a one year --

Chairman Scott said, yeah. That's -- when I read that I -- I -- I took it not to exceed one year.

Assistant County Manager Kaigler said, one year, yes, sir.

Commissioner Center said, all right. Thank you.

Chairman Scott said, if there's no further questions of staff, I will entertain comments from members of the audience not to exceed two minutes. However, your time at the podium may be extended by questions from the members of the Commission. And please note that we're -- we will be keeping time, and we respectfully ask you to comply because we have a number of hands I see in the audience. And when you come to the mike please identify yourself, and if you're representing someone other than yourself, please identify who you're representing. We have a taker.

Ms. Liz Overton said, yes, sir, you do. Thank you very much for allowing me to speak. My name is Liz Overton, and I am here representing the tax payers of Chatham County.

Chairman Scott said, can you tell us your profession?

Ms. Liz Overton said, I'm retired.

Chairman Scott said, okay.

Ms. Overton said, but I'm involved politically, and I'm involved in trying to make things right.

Chairman Scott said, okay. You have two minutes.

Ms. Overton said, okay. One of the things is how can you ask for financing if you don't know what it costs? I haven't seen a cost anywhere that -- what it's going to cost, so how do you do that? One of the things that -- the 2.5 million is a year, not just a one time charge.

Commissioner Brady said, oh, I understand.

Ms. Overton said, okay. But what I feel like it's doing is that -- there are more experienced developers out there that can answer these questions in a much shorter part of time, okay? This started wrongly, and I think -- the recommendation I'm making is clean the slate, start over. If this is such a wonderful project, you will have developers lining up for this and won't go through all of this that you're going through right now, okay? I think the developer should play fair. They should play for -- pay for it themselves, and if you're going to do this, I think an amendment should be included in it stating that this action will not put Chatham -- Chatham property tax payers at risk whatsoever. You add that to it. And that's my recommendation. Any questions?

Chairman Scott said, anybody have any questions? Any members of the Commission have any questions?

Ms. Overton said, thank you very much for your time.

Chairman Scott said, thank you. You're very efficient. Only a minute and a half.

Mr. Robert Shipp said, my name is Robert Shipp. I'm a retired property tax attorney, so I understand government financing, and the strains that you're under now with all of the property values dropping drastically, and you're trying to keep the mill rate down. One thing that people tend to forget is priorities, and our public safety is number one, two is our medical care, and three is the economy. The biggest engine driving this economy is the Georgia Ports Authority. We're very fortunate to be blessed with it. If we got any extra bonding capacity, that's where the money needs to be spent. Washington has got a question mark over it from everything from medical care to -- to anything for state aid. So the money from Washington on deepening the port is going to come very slowly, but I read recently where the state can issue some bonds and advance some money and get theirs back. But there's only so much the state can do, and the county may have to kick in on this project, and the return on the investment for this is astronomical. That side of the river really, you know, it's -- it's just been a bomb. J.T. Turner went over there and built some houses. He's the best builder I've ever come in contact with. He couldn't make it over there. And this is a dying deal. I mean it -- it needs to be nipped in the bud. You folks need to spend your effort on deepening that harbor because that is the engine that will give us a return on investment, jobs, it's just incredible what that harbor can do to this city, and I just hope the city will scrap this cruise boat thing, you know, I mean that's a joke. I mean we need to focus on the harbor, deepening the harbor is the number one issue. And I'm just glad y'all are helping Memorial all you can because we all need good health care. I've been here twelve years. I want to die here. I chose this place because I like Savannah, and it's got a lot going for it, and I thank you people for your public service.

Chairman Scott said, one more -- I didn't catch your name. I didn't --

Commissioner Thomas said, Robert Shipp.

Mr. Shipp said, Robert Shipp, S-H-I-P-P.

Chairman Scott said, okay. Thank you, Mr. Shipp.

Mr. Shipp said, yes, sir.

Chairman Scott said, anybody have any questions of -- of Mr. Shipp? Mr. Shipp, let me -- let me just state the Georgia Ports Authority and -- and this is a little background for you, the Georgia Ports Authority manage and operate four ports in Georgia. The Port of Savannah is the one that everybody focuses on, but a even bigger driver, or not a bigger driver, but an equal driver is the Port of Brunswick. That's where most vehicles come in. And -- so the Port has a tremendous impact, but there's also a port in Columbus, which is a barge port, and there's a port in Bainbridge, and we -- the County and City at one point operated the Port of Savannah, but this -- that's been over 50 years ago, and it's now a state authority and the State is responsible for the financing of that. We do some time participate with the infrastructure leading up to the Port in terms of road improvements and etcetera, but we are -- I'm a past Chair of the Port Authority, and we appreciate your recognition of the

importance of the Port. It is an -- in fact a driver of the economy, and I don't think anyone can take exception to your comments along those lines. And thank you for your presentation.

Mr. Shipp said, and agriculture is very important to our state, and that's -- that's going to be one of the driving forces for the Port Authority.

Chairman Scott said, yes.

Mr. Shipp said, thank you, sir.

Chairman Scott said, and -- and thank you for coming to Chatham.

Commissioner Farrell said, can I make one comment? In reference to --

Chairman Scott said, yes, but we want to -- we want to get these questions and then I'll recognize you for comments.

Commissioner Farrell said, well it has to do with the port. It's just a comment.

Chairman Scott said, Commissioner Farrell wants to make a comment based on some information or comments that Mr. Shipp made.

Commissioner Farrell said, Mr. -- Mr. Shipp there -- I -- I was in Washington Saturday and Sunday on behalf of the County and -- and as my position on the port subcommittee for the Transportation Steering Committee on the National Association of Counties, and we crafted a Resolution that addresses a problem that we uncovered and have -- there's a harbor maintenance tariff charged to all the ships that come in to all the harbors in this country, and for some unknown reason, the federal government releases a very small fraction of the amount of money they raise, and through some digging, we discovered that there's approaching \$7 billion in that fund --

Commissioner Thomas said, right.

Commissioner Farrell said, -- for harbor maintenance, dredging that's unreleased, so -- just -- on the Ports Authority, you know, comments that the Chairman made, there -- there is a fund out there that nobody really talks about or really maybe not know about that's already funded all this stuff.

Commissioner Thomas said, right.

Commissioner Farrell said, and we just need to get the federal government to release those dedicated funds for the very purpose for which it took us nearly \$40 million of studies to get a -- and 15 years to get a permit. So I just, you know, since you brought it up, I just wanted to kind of mention that, you know, from this County we are doing what we can in conjunction with the State Port's Authority and the legislatures and many, many, many others throughout this state and this community, but it is ironic that there's actually a fund out there that's flush with billions of dollars, and, you know, hopefully, we can tap into that, and that would be a funding source for the very thing that's -- that potentially could hamper the growth of the -- of this particular port. Just wanted to share that with you and the audience.

Chairman Scott said, Mr. Shipp I think what Commissioner Farrell was asking you to do is please send a letter to Johnny Isakson, Senator Johnny Isakson, Senator Chambliss --

Commissioner Thomas said, right.

Chairman Scott said, -- and Representative Jack Kingston, who is on the House Appropriations Committee. That would be a big help if you did. We are all trying to urge them to do it. And thank you Commissioner Farrell for pointing that out.

Commissioner Farrell said, that -- that's exactly what I was trying to tell you.

Ms. Jeannie Seaver said, hello Mr. Chairman, County Commissioners. My name is Jeannie Seaver. I am a co-founder of the Savannah Tea Party. I have been with the Board -- before this Commission several times with thousands of people that are against this hotel deal.

Chairman Scott said, this is the first time that I've had a chance to offer you an opportunity to speak, and welcome.

Ms. Seaver said, thank you very much, sir. The other thing that I'm involved with is I have worked -- I work for a private equity firm where we buy and sell companies in aviation. We have our own equity. When we make an investment, we go out, we do our due diligence, we look into -- to every aspects of it, and whether -- the bottom line as to whether we're going to make a -- a dollar or not. So the -- the thing about it is if you can't get private investors to come to invest into building a hotel on Hutchinson Island, then there's a problem there. The Savannah Tea Party, myself, and the business world, we are not against building a hotel on Hutchinson Island. What we are against is building the hotel and putting our county tax payers' dollars at risk. I've been

-- I've been told that yes this has gone on and on, but I've been told that the Hilton who supposedly was supposed to be in this deal has discontinued discussions. Okay. This agreement is about go -- moving forward on due diligence, and I was in the green room, and Mr. Center asked about -- if we continue with this agreement, anybody knows that when you're doing due diligence, there are due diligence costs, and they're very, very costly. I know because I'm a transaction specialist. I know what the costs are to do due diligence. So I'd like to ask the Commission again or the County Attorneys, you're telling me we've spent \$25,000 --

Chairman Scott said, Ms. Seavers [sic], you're not allowed to ask the Commissioners a question at this point, the Commissioners are allowed to ask you questions.

Ms. Seaver said, okay. What I'd -- the question that I would -- I would like to know -- the answer that I would like to know is we've spent \$25,000 already for this study, okay? There's got to be more costs that's going to happen when this -- I think, and -- and correct me if I'm wrong, in this agreement it says that we will continue due diligence, and due diligence is not something that's done for free. All right. So that is another thing. And one other thing I'd like to make and it's -- it was written from one of your former County Commissioners, and I'm going to read it directly. Chatham County has already obligated our family in part to a \$57 million bond issue for Savannah River Landing in 2009. There were lots of promises made and guarantees that this project would be successful. This project was dead on arrival, so let's not repeat the mistake across the river on another speculative real estate hotel venture. Sensible Commissioners must vote against this. Sincerely, John McMasters, former Third District Commissioner. And I also wanted to say that I -- I -- I don't quite understand why Commissioners, like Commissioner Stone is going around and publicly saying -- publicly saying that the hotel deal is -- a dead -- it is dead in the water. I don't understand why that kind of information is being out there and told to the business world. I've heard it said a couple times. I don't understand it. You're my Commissioner. Why would you go out and say those kind of things when this is not the case. You've got to know more than we do. We expect people to be honest and to tell us what's going on. And I know I went over my time. Thank you very much for listening.

Chairman Scott said, okay. The -- you said you head the Tea Party?

Ms. Seaver said, I'm a co-founder of the Tea Party.

Chairman Scott asked, is that a local organization?

Ms. Seaver said, yes, sir.

Chairman Scott said, does it exist state-wide?

Ms. Seaver said, the Savannah Tea Party represents -- well it could exist state-wide, but we're --

Chairman Scott said, I was talking about the Tea Party, does it exist state wide?

Ms. Seaver said, the Tea Party is all over the nation.

Chairman Scott said, y'all are? And do -- are you affiliated with the State organization if it's -- if it's such a thing?

Ms. Seaver said, I'm not sure exactly what you mean?

Chairman Scott said, I mean are you affiliated with the State Tea party. Is there such a thing?

Ms. Seaver said, there's a National Tea Party. There's Tea Party's Chapters, organizations, non-profits, 501(c)(3)'s --

Chairman Scott said, mm-hmm.

Ms. Seaver said, -- 4's. Oops, I'm sorry, all over the -- all over the nation.

Chairman Scott asked, is there any kind of collaboration though throughout the State? I was just trying to learn more about it.

Ms. Seaver said, we communicate -- we communicate. We are very -- we are open and we outreach to everyone. Everyone is invited to us. We are all about, and this is kind of getting off the subject, but we're all about protecting the Constitution and less government in our lives.

Chairman Scott said, no, I was really in reference to public financing. I just heard where the tax payers was going to back building a new stadium for the Falcons, and I hadn't heard anything from the Tea Party on that. I was just wondering. And you read a -- you read a letter from a -- you lead a -- you read a letter from a past member, and maybe that explains why he's not here. But, the County never had anything to do with Savannah River Landings, that was city government, and I just want to clarify that for the record.

Ms. Seaver said, I was informed that there is -- after the City then -- then the County's going to be kicking in for that money. Wasn't -- there was a special district formed?

Chairman Scott said, no.

County Manager Abolt said, no.

Chairman Scott said, no. No. Any -- Ms. Stone has a question.

Commissioner Farrell said, well --

County Attorney Hart said, there's a tax allocation district.

Commissioner Farrell said, -- there's a tax allocation district was formed.

County Attorney Hart said, but it didn't --

Chairman Scott said, the city.

Commissioner Farrell said, can I answer that one sliver of the question?

Chairman Scott said, no, you can't answer any questions. You can ask a question.

Commissioner Center said, can you form your answer in the form of a question?

Commissioner Farrell said, what is this jeopardy? No. Forget about it. I'll talk to you later about it.

Chairman Scott said, she can't ask you questions so you can't answer a question. But you can -- you can -- you can ask her one. Commissioner Stone.

Commissioner Stone said, thank you, Mr. Chairman. To answer Ms. Seaver's question --

Chairman Scott said, to respond to it.

Commissioner Stone said, to -- to respond.

Chairman Scott said, yeah.

Commissioner Stone said, I was given from the Hilton folks that they had pulled out and that if they pulled out this project was dead in the water. And that was given to me, and I said at the time that that was my understanding that it was dead, and that I hoped that that was the deal, and that we still needed to follow it. So, I hope that answers your concern.

Chairman Scott said, any further questions? If not, Ms. Seaver, thank you for coming.

Ms. Seaver said, thank you.

Chairman Scott said, and I appreciate you tolerating my levity. I appreciate it.

Ms. Seaver said, I'm used to it.

Mr. Jack Castor said, good morning. My name is Jack Castor. I've been a resident of this area of Savannah for 21 years, and I've been at several of the meetings where you've discussed this issue before. It -- I guess my feeling is this that the base question, the base issue all along is would there be enough business generated at this hotel so it would throw off the money to satisfy the bond payments, etcetera, etcetera. Since the last MOU started, what information do we have, I wonder, toward answering that question? There was talk about doing a due diligence item of -- of just physically calling the IBMs, the GEs, the Caterpillars and so on that have big conventions and ask them what they would do. Would -- would that bring business to Savannah? Their business? And -- and this is in the face of by the way all these kinds of big corporations cutting back on conventions rather than expanding them. So I don't know if anything has been done relative to that question, which I think is the base question since the last MOU started. Given that, I wonder why we're going to have another MOU, and I would tend to go along with Commissioner Kicklighter and Brady and say, maybe we've had enough of this now. And I didn't get to read the 52 pages either, but I scanned a few of them, and I came up with a couple other questions that I had, that I maybe didn't understand right, but one of them has to do with picking up the legal fees if this thing doesn't gel. And I presume that means that the County would have to pay legal fees, and I wonder what the exposure is on that? How large a number that is to add to the additional studies we've had and so on. There's another thing that says that this thing could crater if our bond rating would slip. Now again based on your comment about the cost to get the bond rating, and that, I don't know when that would be solved, but meanwhile, the -- the meter is running I'm sure, not only for some of these external events, but also for the staff here, and it does cost money. So I would urge you to consider the suggestion that we just end this thing once and for all now. Thank you.

Commissioner Center said, may I ask a question?

Chairman Scott said, we have a question for you.

Commissioner Center said, Mr. Castor?

Mr. Castor said, yeah?

Commissioner Center said, hey. Thank you. I'm -- I'm Tony Center for the Third District. Are -- are you opposed to any hotel over there at all or just this development team?

Mr. Castor said, I'm opposed to any hotel that is backed by the County because I -- I for one, I do not feel with all the study that's gone on, I would not want to be an investor in a hotel there, from what I've learned about it. So I'm opposed to the idea of the County coming anywhere near supporting it.

Commissioner Center said, thank you.

Mr. Castor said, and this -- another thing that would be nice to see is a timeline of when this 2.3 million exposure is to cover the bonds. I don't know when the bonds would be issued. I don't know when the hotel would be constructed. I don't know when they'd start selling, but they're going to sell things out for two years, so there's a potential for quite a lot of time here, and if that clock is running at 2.3 million a year for several years before we even start having anything coming in, big exposure.

Commissioner Center said, thank you.

Mr. Castor said, think of the jail first.

Commissioner Kicklighter said, I have a question for him.

Chairman Scott said, you have one -- one additional question. Before -- yeah, one additional question from Commissioner Kicklighter from the Seventh District.

Commissioner Kicklighter said, thank you, sir. I -- I agree with you. I just was wondering before you came to your conclusion if you had any idea how wildly successful the Indy racetrack was on Hutchinson Island?

Mr. Castor said, yes, it -- it -- the first race was just, I think a year after I got here.

Commissioner Kicklighter said, yes, sir. Well, I --

Mr. Castor said, I -- I think we probably still own the bleachers, I guess or --

Commissioner Kicklighter said, unbelievable -- unbelievable how -- how successful that was, so this -- this gives a bunch of confidence that this should work too. So. Thank you, sir.

Mr. Roy Lynch said, I'm Roy Lynch, and a good government activist and a lobbyist for environmental issues at the State Capitol from time to time and a current Chatham County tax payer. I do have a piece of property in the City I'm involved with as well, but I only vote in the County, and I just want to bring to -- to mind a December the 20th article in the Savannah Morning News, editorial that said, and I quote, just say no. Using public money to help finance such a project is a bad idea. Hopefully the Commission will take and convene in January allow this project to die the death it deserves. County citizens are on the hook in part for the \$57 million bond guarantee on the Savannah River Landing. I don't think that's an -- an erroneous statement. I understand that County citizens are in part paying for a portion of that failed project, and as funds are continued -- continued to draw on, we are -- continue on the hook. Now, I'm not a magician or do I have a crystal ball, and neither does anyone here, but if it's a good idea, why can't a private enterprise fund their own project without public support? Are we here to -- to do that? I don't have to have a report from a -- and pay for a bond understanding. I know that as a tax payer I don't want to be on the hook for someone else's project, and the citizens of Chatham County, the tax payers don't want that either. And perhaps if you just let this thing die today, maybe an investor on a good, profitable project will come to Chatham County and want to do business here without putting their hand in the tax payers' pocket again. My pockets are really getting holes in them from so many people having great ideas that wants us taxpayers to fund.

Chairman Scott said, any questions --

Mr. Lynch said, that about covers it.

Chairman Scott said, any questions of Mr. Lynch? If not we appreciate you coming, and once again for the record, the County is not involved with the Savannah River Landings.

Mr. Lynch said, please don't duplicate that debacle and get involved in one that looks like it. Thank you.

Mr. Bob Swerdling said, Bob Swerdling with Swerdling and Associates. A quick comment just to clear up --

Chairman Scott said, you're with who?

Mr. Swerdling said, Swerdling and Associates.

(Inaudible) said, the developer.

Mr. Swerdling said, I'm a consultant to the developer.

Chairman Scott said, okay. So you're -- then would you classify yourself as representing the developer?

Mr. Swerdling said, I'm a consultant --

Chairman Scott said, as your comments -- with your comments?

Mr. Swerdling said, yes, I'm -- yes. I am representing the developer with my comments. Just to give some comfort, there is still interest --

Chairman Scott said, I -- I just wanted to make that clear for members of the Commission.

Mr. Swerdling said, the question as to whether or not Hilton is still committed to this project, I met with the Senior Vice President in charge of development for Hilton last week or the week before at a conference on public/private partnerships for hotels. Public/private partnerships for hotels, we had a discussion, they are still interested. The focus of that conference was to answer the question as to why the public sector gets involved in the hotel business if you will, and the portion of these deals that the public sector is getting involved in is not for the revenue profit making portion of the hotel, it's for the public portion of the hotel to serve the convention center so that you can book more events at the convention center. But I did want to clear that up, as well as to say that Sheraton and Marriott are still expressing interest in this project as well.

Chairman Scott said, before you leave, let's see if any members of the Commission have a question. Commissioner Shabazz and Commissioner Center in that order, please.

Commissioner Shabazz asked, yes, is there -- is there a precedent set for this project, like, say -- say for instance, public/private partnerships? Is there a precedent set anywhere else in the country for that where this has been successful in terms of public/private partnerships?

Mr. Swerdling said, the answer is yes.

Commissioner Shabazz said, where?

Mr. Swerdling said, in the City of Dallas, the City of Austin, the City of Houston, the City of Omaha, the City of -- of San Antonio. Most of those cities went much further than Savannah's being asked to go in order to bring in a convention hotel.

Commissioner Shabazz said, okay. What about -- what about projects of this magnitude that you're desiring to build over here in Hutchinson Island. Do you have something --

Mr. Swerdling said, this -- this is on -- probably on the lower half of the size of the hotels that have been built to serve as convention centers. Most of the convention -- convention center hotels that we've worked on have been between 800 and 1100 keys. This one is a bit more modest because the convention center isn't as large as some of the other. We've also worked on public/private partnerships with hotels as small as 160 keys, but again, the focus of the -- of the public has gone into the character that serves the convention center and not the private sector's pocket book.

Commissioner Shabazz said, may I ask you this question, how -- how would the County benefit from this project?

Mr. Swerdling said, well --

Commissioner Shabazz said, in terms of revenue?

Mr. Swerdling said, the convention center which the County has invested in as I understand was built on the other side of the river, and in order for it to be successful, there is not a large enough block that is proximate to that convention center. So the potential of that convention center is not being met because there's a lack of rooms. The lost business reports from the convention and visitors' bureau show that a lack of hotel rooms in close proximity is one of the reasons -- one of the primary reasons why that convention center is not utilized as much as it is. Economic activity associated with meetings is also good for -- for economic development purposes. Often people will bring businesses into a community that they visit that they enjoy. There will be money that -- the -- the projection is that there will be profits that come from this deal. The projection is not that it will be -- there will be money lost. In fact the projections show that even if the hotel under performs by about 25 percent, there's still not a hit on the County's money.

Commissioner Shabazz said, what's the numbers? What's?

Mr. Swerdling said, well the -- the numbers were developed, and I also want to clear up the point that there was a financial presentation with a bank commitment provided to the Commission approximately a year ago, I believe. Bank commitment, we had the capital speck together. It was not -- it was not that we did not provide a plan for people to consider. It was that it was chosen to be put off and to be put off. The markets have changed. I believe that if we were to go back to the markets today we would come in with a better deal since interest rates have gone down, but I couldn't give you exact numbers now because the numbers that we have are over a year old, but there is -- there is approximately 125 plus coverage on the County's obligation so that there's room for shortfalls without it hitting the pocket book.

Commissioner Shabazz said, last question. Why do you need the County?

Mr. Swerdling said, again, headquarter hotels for convention centers are not built like regular hotels. They have large meeting spaces; they have large -- needs for large parking; they have needs for large lobbies, so on and so forth. They're built in a certain manner to be a headquarter hotel and service a convention center. They are not being built anywhere in this country without public support because they don't pay for themselves. They pay for themselves with a reallocation of taxes, and for those of us that are concerned about tax expenditures, if -- if we go back and -- and -- and answer the question as to -- your question why, taxes distort economic decisions. I think every conservative in the room will agree with that. The more heavily something is taxed -- the -- the hospitality sector is taxed more heavily than almost any other sector because it's people from out of town that are paying those taxes. Taxes approach 20 percent by the time you have sales taxes and bed taxes, etcetera, 15 to 20 percent. This is not taking money out of the County, this is a reallocation of taxes that are being received by the community in such a manner as to make it work subject to the very high taxes that are imposed on hotels.

Commissioner Shabazz said, thank you.

Chairman Scott said, Commissioner Center and then Commissioner Stone.

Commissioner Center said, thank you, Mr. Chairman. Mr. Swerdling, on -- on behalf of the developer, do you agree for the record that if the Commission passes -- passes this agreement today then the County still has no financial obligation?

Mr. Swerdling said, with all do respect, we have not been here since 2008 but 2010, if there's anything that we understand it's that the County has no fiscal obligation to us whatsoever, that we are at risk for our efforts.

Commissioner Center said, even if we pass this --

Mr. Swerdling said, we --

Commissioner Center said, let me get the title -- let me get the title right, if we -- if we pass this Development Agreement today, the County is still not -- doesn't have any financial obligation --

Mr. Swerdling said, the County has no obligation imposed by this agreement.

Commissioner Center said, okay. What is the difference in this agreement and the -- and I'm sorry I haven't read, and the present Memorandum of Understanding that you want this agreement rather than an extension of that?

Mr. Swerdling said, I'm not sure that there is much of a difference outside of the title. We're still in a position where we have to bring back another financing structure to you since the last one that we brought. You'll still have the opportunity to review everything that we bring back. If anything this agreement is giving us the ability or at least the confidence to go out and start spending our money again in the pursuit of bringing back a deal for you to judge.

Commissioner Center said, and if -- if the County passes this agreement, enters into it, hypothetically, I -- I mean do you have the exclusive right to -- to develop something, develop a hotel on that property for a period of time?

Mr. Swerdling said, that's right, and the reason it says up to one year is because we fully expect to be able to answer the questions for you within that period of time, but our hope is that we don't have to count days every time we get close. It's up to one year, but our expectation is we'll be back to you long before that with answers to all your questions.

Commissioner Center said, thank you, and hypothetically, if an independent, private third party came in and said we want to build a hotel there, we don't need the County money, but y'all have got this agreement with Mr. Swerdling's group, Hutchinson Hotel or whatever, would they have to deal with you or could they just --

Mr. Swerdling said, well I would defer to counsel, but I don't know that -- that this agreement -- while we have an exclusive relationship with the County coming through this agreement, I don't know that it applies to others, but I would defer to counsel.

Commissioner Center said, so -- so there's a possibility even if we sign this agreement, someone could come in with a great deal not involving the County at all and supersede y'all and -- and go ahead and develop?

Mr. Swerdling said, I -- my answer to that would be I'd find it difficult to believe that it would be possibly financially.

Commissioner Center said, right.

Mr. Swerdling said, but --

Commissioner Center said, but hypothetically.

Mr. Swerdling said, hypothetically, I -- I don't believe, and I'm looking at your counsel as I say this, I don't believe a County agreement is going to bind any other party.

Commissioner Center said, what I'm asking --

Chairman Scott said, but you can't -- you can't instruct our counsel, only -- only we can to answer your question.

Mr. Swerdling said, okay.

Commissioner Center said, well let me ask you -- what I'm asking you -- okay, let me rephrase it, in your opinion, if we sign this, would that hinder an independent third party from looking at developing their own private project over there.

Mr. Swerdling said, with all due respect, I'm not qualified to answer that question.

Commissioner Center said, okay.

Mr. Swerdling said, I'm not an attorney.

Commissioner Center said, no. No. I'm asking you as a developer. If we sign this agreement with you and approve it, would that hinder an independent third party from coming forward and saying I like the idea, I'm going to do it? Sorry y'all got that agreement. I'm not going to use County money. I'll just build over there.

Mr. Swerdling said, I -- I -- I just am not qualified to give you an answer to that.

Commissioner Center said, I saw Mr. Rodriguez stand up. Did he have the answer? They're together.

Mr. Ruben Rodriguez said, Ruben Rodriguez with Journeyman Austin Holdings. No I don't have the answer, but I have an opinion. I'm also not legally qualified to answer that question, however, I cannot believe that anything could or should stop a private developer coming in with private money. If it doesn't affect the County or the City, they presumably with zoning and -- zoning and -- and planning approvals they can do whatever they like That's my opinion.

Commissioner Center said, so we're -- we're just saying if we sign this we're going to deal with you only up to a year on however how we do it.

Mr. Rodriguez said, I'm sorry?

Commissioner Center said, we're -- we're just binding ourselves to deal with you guys only for up to a year. We're not going to deal with somebody else.

Mr. Rodriguez said, oh, that's -- that's correct.

Commissioner Center said, okay.

Mr. Rodriguez said, yes. I mean we were awarded and I -- Commissioner Brady, likewise, I can't speak to the five years. We were awarded this project by the Trade Center Authority in November 2010 as the preferred developer with an exclusivity bring the best possible deal to the table which is what we've tried to do. I don't know what happened before that. I don't know what took up the five years. What I do know is over the last two years and four months, we have certainly delivered a financial package. We had previously, about a year ago delivered a development agreement. I -- I don't know why it hasn't moved forward. I'm as baffled as that -- as you are by that.

Commissioner Center said, thank you.

Chairman Scott said, well, and since y'all are tag teaming, Commissioner Stone has a question.

Commissioner Stone said, I do. Thank you, Mr. Chairman. Mr. Swerdling, did I hear you say that the hotel you do not expect it to pay for itself? You said these hotels do not pay for themselves.

Mr. Swerdling said, what I -- what I said is that without a public/private partnership, these hotels do not pay for themselves. The form of that partnership is a reallocation of taxes that are raised at the site. Without the support of some of the taxes that are raised that that site, the hotel would be uneconomic.

Commissioner Stone said, okay, but --

Mr. Swerdling said, there are other options that other communities have used that have made the hotels pay for themselves, but I don't think you have the appetite for the -- for the structure that most of the cities around the country have used.

Commissioner Stone said, I just wanted some clarification on that. And then to piggy back on something that Commissioner Center said that if we're bound to this for a year, having watched the jail expansion and realizing that the original bid that was put out there, it has since come in under bid, and is this the time to rebid this whole project? We might be able to save a whole lot of money here, and I'm just real concerned about a year from now being tied to this agreement when I know what happened with the jail expansion.

Mr. Swerdling said, I -- I understand your concern, and my opinion is you should not go out and rebid the contract.

Chairman Scott said, any further questions? Thank you. Anyone else want to speak? Please introduce yourself, and if you're representing somebody, please say who.

Mr. Rusty Ross said, sure, thank you. My name is Rusty Ross, and I'm -- excuse me -- a lot of paper, and I have been asked by the hotel group here in town to speak, and many of you are hearing this for the first time, and the first thing I want to make sure you understand is that the hoteliers here in town are not against building a hotel over there on Hutchinson Island, or on the east end of River Street or on the west end of River Street, or quite frankly any of the other eight or nine hotels that have been announced for construction in this town since this project began. If somebody wants to go over there and build a hotel, fine -- on Hutchinson Island, convention or otherwise, but do it with your own money. I was hoping that with this Commissioner [sic] we'd have a new beginning on this project because I think what you're hearing is a very complex situation politically, and amongst the various bodies that are going to be involved in this thing. The County's going to be involved, the City's going to be involved, SEDA's going to be involved, the Trade Authority's going to be involved. My suggestion is, and the suggestion of my client, is y'all ought to as somebody said earlier, take a step back. Pull this project off the table, go sit down with the other people who have been elected and appointed to represent this community, and y'all work out the best deal you think you can put together and then put it back out to bid. As Commissioner Stone just said, this thing was done several years ago, this particular project. Whether it's two years and four months or five years, the world has changed. We've just come through the worst financial time most of us remember, few of us remember back to the Great Depression, but most of us remember the Great Recession, and that's when this plan was conceived.

Mr. Ross said, I want to speak for a minute real quickly about the -- the consultants that you hired and paid for, or your prior Commission did. Mr. Lindgren did a survey, came out -- somebody read it a minute ago, this idea -- this hotel's a bad idea. Jones, LaSalle said, not feasible for a private developer. Could, this is the best word they could use, could be feasible with government support. And the development agreement you've been asked to sign -- to approve today, as -- as y'all have talked about and pointed out, is defective. It's got two exhibits it's supposed to have to it that aren't attached. The thing about the term, it says developer's time table will be provided as a schedule, attached Exhibit B, it's not here. And then the one year, all it says is the developer and County will work together diligently to financially close on the project within one year from the date hereof. That doesn't tell me that it's a one year contract. This is a binding agreement. It's exclusive. It's essentially any time frame you want to agree to, and I think there's some issues there. I think there's another issue you ought to take up before you approve anything. I know it's -- I'm close on time, but I got -- you -- you got to hear this. It's my understanding that the general contractor for this project's already been selected. You're supposed to own 1/3 of this project. How does that meet your County bidding requirements? I understand that architect has already been selected. I understand that the engineer has already been selected. How does this meet your bidding requirements? I think you need to think about that.

Chairman Scott said, any questions?

Commissioner Shabazz said, yes.

Mr. Ross said, yes, sir.

Chairman Scott said, Commissioner Center and then Commissioner Shabazz in that order.

Commissioner Center said, thank you, Mr. Ross. Why -- let me ask this, why can't the Commission approve this agreement and then still -- still down with the other agencies you mentioned, SEDA, the World Trade Center and the other communities. I mean what would prevent us from doing that and coming -- helping everybody come up to a good deal? Why if we sign this are we prohibited from doing that?

Mr. Ross said, two years and four months. You should have sitting in front of you right now a financing commitment. You should have sitting in front of you right now at least a letter of intent for financing. You should

have sitting in front of you right now at least a commitment for that \$25 million in equity from Hilton or whoever it is. You don't. This developer has not been able to produce period.

Commissioner Center said, right, we -- we don't have those, but what would prevent, if we approve this agreement, what would prevent the County and the developer from sitting down the SEDA and the World Trade Center and the other agencies you mentioned and trying to come up with the best deal possible?

Mr. Ross said, of course, nothing, Commissioner. They could do that.

Commissioner Center said, thank you.

Mr. Ross said, certainly. Anytime you want to. I think you should have done it already.

Commissioner Center said, well, I understand that. Thank you.

Mr. Ross said, I think -- I do think one other point on that -- that question though, I think it's a little bit different going and sitting down with them with a clean slate right now rather than going and sitting down with them and saying we already got the deal cut, this is what we need you to do. Just to mention that.

Chairman Scott said, Commissioner Shabazz.

Commissioner Shabazz said, what is -- what is your name, sir?

Mr. Ross said, Rusty Ross.

Commissioner Shabazz said, and what do you do?

Mr. Ross said, I'm a lawyer.

Commissioner Shabazz said, okay, but you represent?

Mr. Ross said, the hoteliers here in town.

Commissioner Shabazz said, the hotels?

Mr. Ross said, yes, sir.

Commissioner Shabazz said, what hotels?

Mr. Ross said, the Hilton, the Hyatt, the Marriott, and a whole slew of hotels that are owned by various people in the City.

Commissioner Shabazz said, okay you represent -- what -- what do you do -- what do you mean represent them? I mean how -- how do you represent them?

Mr. Ross said, I'm representing them in this matter --

Commissioner Shabazz said, mm-hmm.

Mr. Ross said, -- before you, and I have been for a couple of years now.

Commissioner Shabazz said, okay. Do they have an interest in doing something over?

Mr. Ross said, not to my knowledge, none of them do. They -- they have, as -- as I said earlier, they're not opposed to a hotel being built over there, they're opposed to an unfair, competitive advantage that you funding \$50 million worth of debt would give them. And by the way, all of the tax benefits that you're going to give this hotel, you're going to abate taxes. You're going to go to the City and get them to abate taxes. You're going to give them part of the sales tax. All sorts of things that they're asking for in addition to us as citizens, you as the County Commission, putting our name on that guarantee of \$50 million worth of debt. That's what the concern is. It's not the fact somebody wants to build. You haven't heard a word from any hotelier saying, Mr. Kessler, don't go build your \$140 million project on the west end of River Street, or North Point Hospitality, don't go build your two hotel facility on the east end. This is all about fairness.

Commissioner Shabazz said, okay. What --

Chairman Scott said, go ahead.

Commissioner Shabazz said, what are -- where did you get your information from about the contractor, the engineer, the architect, that this -- this company -- this developer has already secured those people? Where did you get your information from with that -- or is -- is --

Mr. Ross said, from -- from -- no actually both sides.

Commissioner Shabazz said, all right.

Mr. Ross said, the contractor actually came up to me at a Trade Center meeting and told me about it, and I congratulated him. That's pretty nice deal getting --

Commissioner Shabazz said, but that's just -- that's just his say.

Mr. Ross said, well, the contractor's say? Yes, it is. That's exactly who it is.

Commissioner Shabazz said, no, that's you saying that.

Mr. Ross said, I'm saying the contractor told me that.

Commissioner Shabazz said, okay. The contractor. So that's your source of information.

Mr. Ross said, I didn't -- listen, let me sit down and ask these gentlemen if they've already selected a contractor, an architect, and an engineer, and then you'll get the answer.

Chairman Scott said, any further questions?

Commissioner Shabazz said, I'd like to hear -- I'd -- I'd like to hear whether they did that or not.

Chairman Scott said, Commissioner Brady from the Sixth District has a question for you.

Commissioner Brady said, Mr. Ross, you indicated that you work for the Hilton.

Mr. Ross said, mm-hmm.

Commissioner Brady said, and there's been comments today about the Hilton pulling out.

Mr. Ross said, I don't -- I don't --

Commissioner Brady said, do you have any knowledge of that?

Mr. Ross said, I don't work for Hilton Worldwide.

Commissioner Brady said, okay.

Mr. Ross said, which is the industry that --

Commissioner Brady said, just the local Hilton.

Mr. Ross said, I work for the local Hilton, which is a franchise.

Commissioner Brady said, okay. Okay. Thank you.

Mr. Ross said, anybody else? Thank you, Mr. Chairman. Commissioners.

Chairman Scott said, okay. Any other presenters?

Mr. Brett Hume said, thank you, Mr. Chairman, County Commissioners. My name is Brett Hume. I'm with the Savannah Regional Central Labor Council. I represent about 2400 skilled craftsman in the area with the only United States Department of Labor certified training programs, and we're interested about jobs, and that's why we've been in -- interested in this project from the beginning. Let me also state for the record I am a tax payer here, and Ms. Overton does not speak for me. This project has been in the County's lap right at 12 to 13 months with respect to the time constraints mentioned. That would probably be a more appropriate question to the Trade Center Authority since they had it for so long. This whole project centers on convention business. The eight or nine hotels that are proposed to come here don't bring the first conventioner to this town, not one. If private money goes there, you're not going to see anything more than what's currently on the table being built, 300, 350 rooms. You do not address the business aspect of business coming here. What's in it for the County? The public meeting space has been mentioned. The Trade Center needs to be expanded. No doubt. You cannot have a convention over there with an exhibit of any magnitude and feed these people. Now I observed this at the Port -- State of the Ports address last December when Mr. Foltz got up and said there's 1250 people in the room. First thought that came to mind was where are these folks going to stay if they're from out of town. This convention -- proposed convention hotel is offering a room block for convention business of 400 rooms. These eight or nine online -- proposed hotels online, don't even meet that in number of rooms available. So obviously, they're going to benefit from the spill-over rooms. And I don't want to get too much into the merits because what's placed before you is exactly what's been mentioned multiple times. What's facing you today is a non-binding agreement on paper for the developer to seek financing to address the variables and the

unanswered questions that most of you appropriately have asked. Everything that's been presented has obviously been based on original information, 50 million. Well what if they come back and they say oh, we don't need 50 million in bond money, no front money, bond guarantee, we need 30; we need 25. The answer to those figures addresses the questions y'all have been asking. The bond rating figure, the effect, etcetera, etcetera. What's in it for the County is job creation, ownership of the public meeting spaces, which is in essence an expansion of the Trade Center. Thank you for your time.

Chairman Scott said, any questions? Any other presenters?

Mr. Chester Dunham said, it's still morning. Good morning.

Members of the Board collectively said, good morning.

Mr. Dunham said, Commissioners. My name is Chester Dunham and I wear several hats. The hat I guess I wear this morning will be the A. Phillip Randolph Institute. I'm connected with the Central Labor Council, the Labor Unions, radio station host, etcetera. But I'm concerned -- why I'm really concerned -- I want to piggy back on what Commissioner Pro Tem, Dr. Priscilla Thomas said earlier.

Chairman Scott said, vice Chair.

Mr. Dunham said, vice Chair -- I mean vice Chair, not Pro Tem. Thank you for correcting me, and Mr. Hume just a few minutes ago is by connecting with labor and traveling so much, dealing with conventions and dealing with bringing industries or people here who want to service here -- want to come to Savannah with multi-convention, international convention, and we just don't have the facility to service them. This is why it's so important. I recently -- the AFofL/CIO and a group that wanted to come here two time, we -- we didn't have a space to -- to -- to -- space for the people because they would have to switch up at least at four or five different hotels, and one of the key thing is that we are losing -- I mean it might sound in a sense because things are changing, it might sound like a lot of money here and there, but we got to look at the whole, overall big picture. We got to look at jobs creation and all of these things which will happen. So I just hope that you all in making your decision you would look at all of these things, and that's the main reason because Savannah is a tourist town. It's a place where a lot of people want to come, but we don't have the facility for large conventions and people want to come here, and that's one of the main thing -- think in terms of those things and job creation. Thank you very much.

Chairman Scott said, any questions of Mr. Dunham?

Mr. Dunham, do y'all have any questions for me?

Commissioner Shabazz said, I have a question.

Chairman Scott said, Commissioner Shabazz has a question for you.

Mr. Dunham said, yes, sir?

Commissioner Shabazz said, yes, sir. You said you were affiliated with the A. Phillip Randolph?

Mr. Dunham said, that is correct.

Commissioner Shabazz said, what -- what's that?

Mr. Dunham said, A. Phillip Randolph is one of the political arm of the AFofL/CIO. It's a non-partisan part of the AFofL/CIO. The AFofL/CIO is the American Federation of Labor and that's one of the constituent groups within that organization. Non-partisan but we are a part of that, and that's --- that's what it is, the A. Phillip Randolph Institute. It's a national organization. Can go online. You can see everything there is and read everything about it.

Commissioner Shabazz said, and you said you have a television show? Radio? What?

Mr. Dunham said, yes. I host a radio and television show right here in Savannah locally, the Dunham Report.

Commissioner Shabazz said, so then you --

Mr. Dunham said, they can -- they can go online -- you can catch that on -- we're on two stations which is every Saturday at 3:00 p.m. and that is 1290 am and 97.7 fm, 3:00 p.m. Right now we are negotiating again with Clear Channel 7 to go back on television, but we do -- we're doing both things.

Commissioner Shabazz said, so -- so, Mr. Dunham, do you -- you're in favor of this project over on Hutchinson Island? The hotel?

Mr. Dunham said, yes, I'm in favor of that. The reason I'm in favor of it is one of the main thing, especially with labor and especially with us we are talking about jobs created. I'm connected with the Port. The Port itself, and

a lot of people should realize that when we're talking about the Port, and I know our Chair know about this, that when we are talking about job creation, the Port itself ten years ago we said we -- we -- direct and indirect through the Port create something like 287,000 jobs and now it's over 300,000 jobs around the State of Georgia, and so this is another thing that we're talking about jobs. We are, you know, our people have need of more jobs, and the more we can create jobs, it mean more revenue, more taxes coming in and all of these things. So we got to look at the whole over all picture.

Chairman Scott said, any other questions? Commissioner Holmes of the Second District?

Mr. Dunham said, thank -- thank you -- thank you, sir.

Chairman Scott said, Commissioner Holmes of the Second District has a question.

Mr. Dunham said, Mr. Holmes, yes, sir?

Commissioner Holmes said, I -- I -- got -- I have a comment not for Mr. Chester, though.

Chairman Scott said, okay.

Mr. Dunham said, okay.

Chairman Scott said, there are no further questions.

Mr. Dunham said, thank you. Thank you, sir.

Chairman Scott said, any other members -- any other member of the audience wish to speak?

Dr. Billy Jamerson said, hello, I'm Billy Jamerson. Dr. J.W. Jamerson. I've had a dental practice in Savannah for the last 32 years. My family has been in Savannah for about 108 years. I'm a third generation dentist located in downtown Savannah. Very, very proud Savannah resident. Can't stand Savannah coming in second to any city. I don't care if it's Atlanta, Charlotte, New Orleans, whatever, but I hate it coming in second to Charleston, South Carolina particularly. I left Savannah for my education at Howard University but came back because I love Savannah.

Chairman Scott said, Dr. Jamerson, are you representing anybody?

Dr. Jamerson said, I'm representing myself, sir.

Chairman Scott said, okay.

Dr. Jamerson said, I'm not representing anybody. Not paid one penny. I wish I was but I'm not. I'm here just to say that Savannah needs -- first of all let me congratulate you, Chairman, I think you're conducting an excellent meeting, and all the new members on the -- on the -- on the -- on the Commission as well, and also all the old members. I don't look at five years as being too long. I look at -- you guys are doing due diligence in the process to make sure that all the questions are answered, so my hat goes off to you, and it's a little cold by the way. I want to say that one of the things that we need to look at is that Savannah needs to have diversity. We know that we have various communities, the Irish community; we have the Italian community; we have the Greek community, the African-American community, but we need diversity of our product. Yes we know Savannah tourism is going off the rack. We know 11 million tourists came here in 2011. We know 12 million came here last year, but what are we losing? We are losing thousands and thousands of jobs and millions and millions of dollars. To where? Places like Charleston. Places like those other cities that have the product that we don't have. Savannah is second class to Charleston when we talk about big business, bringing big tourism and -- and big conventions there because we don't have -- we don't have a -- we don't have -- we're not even suiting up for the game, and we're not suiting up for the game because -- I love all my hotel friends here, God knows I love you. I have had so much fun in the DeSoto Hilton for Lord knows how many years. Was at the Marriott when it first came here as a Radisson. Was at the -- the -- back over at the -- at the Westin when it first came here, but I found out as a person who was actively involved in my fraternity and other organizations that Savannah couldn't compete. When the Dental Association came here we couldn't even -- I couldn't even go to them and say why don't you all come to Savannah, the city I love. Too small. You don't have enough hotel rooms there for us. Millions of dollars.

Dr. Jamerson said, so I'll get off of that. The weakness that we have is in our financial plan. Diversity. Tourism over here is off the chart. The convention center hotel over is not because we don't have somebody suited up to play the game. How can you even score any points if you don't put the uniform on and get out there and play? We're not even suiting up, folks. A convention center is not a hotel. Two different -- we need to get out of that mentality. It's not a typical hotel. You're report, if you look at it, I did look at that report. On page 52 that you quoted Commissioner Stone was not from the -- the agreement that this County paid somebody to do, that was an addendum added to it. It was outside of the signature of the person that reviewed the due -- the peer review process. That was not their conclusion. That was from that -- that report that proceeded that. The report that you all paid for recommends that this thing go forward. The report that the Savannah Trade Association said recommends it goes forward. The only report of experts that has come about that says no was the report

that the local hoteliers participated in. The other reports say do it. I did look at that big binder. Thanks to the Freedom of Information Act I was able to look at it. Took me about three weeks to get through it, but I've looked at all the reports and all of them say the same thing. I've talked to experts in the area, not in this room, and they've also told me that this needs to happen. So I think that we're -- you know I want to congratulate you again for doing the due diligence because that was important because you are chartered with spending the tax payers' money, but this in turn is going to generate \$4 million a year for taxes coming back to us. It's going to generate 68,000 additional hotel rooms. 68,000. So I want to end at that because I know my time is short.

Chairman Scott said, any questions of Dr. Jamerson? Thank you, doctor.

Dr. Jamerson said, thank you.

Commissioner Shabazz said, thank you.

Chairman Scott said, are there any other members of the audience who would like to speak on this? I see none. So at this time I want to recognize Commissioner Pat Farrell, the Fourth District for some comments.

Commissioner Farrell said, I -- I know we're going to vote on this issue shortly, and I would like to -- to say I -- I believe that everyone that I've heard from in this room and in the community down to the last person has endorsed the idea of having a hotel and a convention center built in our community. What I have noticed is there's quite a bit of disagreement in our community about how to get there and how to do it and what part local government should play in it, and we were a number of years ago the previous Commission which I sat on was presented a request from the Trade Center Authority to look at the -- this bonding, and do to the number of years that we've been doing this and into it and the number of controversial ideas and differences of opinion in the community, I've come to the conclusion that maybe the best thing to do would be to let this MOU term out, give this concept back to the Trade Center Authority, the convention's bureau, the hoteliers, and the different people in the community that are experts in this area, come up with a -- you know, revisit it. The economy's getting better. Interest rates are -- are -- are more favorable. Let them -- having the benefit of all these months and years of experience in dealing with this and all the controversy, address all those issues in their committees and that sort of thing and then come up with a comprehensive plan that doesn't just target the County but perhaps involves the State of Georgia, the City of Savannah, some of the other municipalities, certainly the County could play some part, and bring us a package that's more acceptable to the entire community because this is -- has been very divisive and -- and very difficult, and as a representative, one of nine representatives that looks after 265,000 citizens of our County, I would just like to have a less controversial request come to this Commission if it actually ever makes it back to the Commission because there are a lot of different ways to get to the same goal, and I think there's a great goal out there, and I -- and I would like to see the -- I would like to see what our tourism representatives and our Trade Center -- Center Authority representatives suggest that we should have, but I would like to get there in a way that we have much more community support along all the different areas. And that -- that's what I'd like to -- that -- that's my opinion at this time. Thank you.

Chairman Scott said, okay. Any other Commissioner have any other comments? If not, at this time I'm going to recognize the Commissioner from the Third District for the purpose of a motion unless -- okay.

Commissioner Center said, thank you, Mr. Chair. I'm very glad everybody came here. I wanted to hear everybody's opinion today, and I wanted to hear it, and I want to bring finality to this also, but at the same time, I'd like to have a little time to tweak the language so I'm totally comfortable with ever it is we're going to vote on is before us before we vote on it, and I'd like to move that we postpone the vote on this issue until March 22, no later, and decide it on that day.

Commissioner Shabazz said, second.

Commissioner Thomas said, I'll second that motion.

Chairman Scott said, it has been properly moved and second that we postpone further action until March 22nd. Hearing the motion, any discussion?

Commissioner Kicklighter said, I would love to see --

Chairman Scott said, Commissioner Kicklighter.

Commissioner Kicklighter said, I would love to see that amended to state that there would be no further discussion on the 22nd. We've heard this thing quite enough. I would like -- well never mind. That's good. I'm just voting against it.

Chairman Scott said, I -- I will certainly take your comments under consideration on the 22nd.

Commissioner Stone said, Mr. Chairman?

Chairman Scott said, Commissioner Stone.

Commissioner Stone said, for point of order. If we wait until the 22nd what about the MOU, it expires, right?

Commissioner Brady said, in April.

County Manager Abolt said, April.

Commissioner Stone said, April.

Chairman Scott said, not until April.

Commissioner Stone said, not until April? Okay. Just wanted to make sure.

Chairman Scott said, I inquired about that when I had a conversation with the attorney. No further discussion, all in favor of postponing further consideration of this action until March 22nd, no later, please vote yes. Those opposed vote no. The yay's have it. It is postponed until March 22nd. I thank everybody in the audience for your participation and your input. Many -- I've made several notes, and I'm certain other Commissioners have, and we'll certainly take it into consideration when we're perfecting this item for consideration. Thank you.

ACTION OF THE BOARD:

Commissioner Center moved to postpone the vote on the Development Agreement for construction of the proposed Trade Center Convention Hotel and Conference Center until March 22, no later. Commissioners Shabazz and Thomas seconded the motion. The motion carried in a 5-4 vote with Chairman Scott and Commissioners Holmes, Center, Shabazz and Thomas voting yes and Commissioners Stone, Farrell, Brady and Kicklighter voting no.

AGENDA ITEM: IX-2

AGENDA DATE: March 8, 2013

TO: Board of Commissioners

THRU: R. E. Abolt, County Manager

FROM: Linda B. Cramer, Assistant County Manager

ISSUE:

Board consideration of a development agreement for construction of the proposed Trade Center Convention Hotel and Conference Center and presentation of peer review study which confirms prior economic analysis.

BACKGROUND:

At the October 5, 2012 meeting, the Board approved extending by 180 days (extension #3) 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 adopted an action plan, including funding, which included a peer review study of the hotel feasibility and economic analysis. Also, moving forward with the project would be contingent on completion of the checklist of performance items by the County, as well as by HHH as the hotel developer, which included Step 1 - execution of a Development Agreement; Step 2 - approve a Definitive Agreement, and Step 3 - execution of bond documents.

FACTS AND FINDINGS:

1. To provide detailed background information, including prior studies, financial analyses, proponent's views as well as critics' views, staff has compiled a historical reference divided into chapters. The notebook includes several hundred pages of documents in an attempt to provide a fair and complete reference of the issue to date. Pending the new Board's desire to move forward to continue to explore this project - and without any commitment nor penalty until Step 2 - the next step would be approval of a Development Agreement.
2. The proposed Development Agreement (see Attachment I - Page 6) for a convention center hotel would be non-binding. The agreement would supercede the Memorandum of Understanding. This would be Step 1 and enable the County to continue its due diligence 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 II - Page 11).
3. Besides adoption of the Development Agreement (Step 1), two more steps would remain before any binding decision. This time would enable new Board members to better understand the issues until the next steps and any final obligation, as follows:
 - 3.1 Step 2 - Definitive Agreement: Both parties would enter into a Definitive 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 on 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.*
- 3.2 Step 3 - Bond Issuance: The final step would be adoption of a bond resolution, trust indenture or other documents which set forth 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.
4. The proposed Development Agreement 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.
5. 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. HHH has agreed in the Development Agreement that should the state not approve the rebate, the developer would maintain \$3 million in an irrevocable line of credit with the County as named beneficiary to guarantee any shortfall. The coverage ratio, in addition to debt service reserves equivalent to requirements in the Memorial Health University bond guarantee, serves to safeguard against any County funding liability.
 - 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) Payment in lieu of taxes plan (PILOT).
 - 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.
6. The project dates back to 2008, when 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 room near the convention center; 2) Create more demand, newer business. The key components include:
- 6.1 Hotel Feasibility and Economic Analysis - A contract with HVS Consulting 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 to the Board.

- 6.2 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.
- 6.3 With the extension of the MOU, the Board adopted an action plan that included a peer review study of the hotel feasibility and economic analysis, including the size (i.e. number of rooms) of the hotel and planned meeting rooms. It would not duplicate but confirm the methodology and major findings. Included would be a sensitivity analysis to project the financial impact at varying levels should the hotel not perform financially as projected. A peer review study of the economic, fiscal and employment analysis would review the methodology and major findings of Hunden Strategic Partners in its study on behalf of the Trade Center Authority 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 in area hotels, create 1,170 new jobs, add \$83 million in spending, \$29 million in earnings and \$114 million in personal income.
- 6.4 Since questions arose about the HVS and Hunden projections, the Board in late 2012 funded a peer review (see Attachment III - Page 17). Completed by Jones, Lang, LaSalle, the study verified HVS' general findings. While JLL offered some professional differences of opinion, and also recommended the County look at complexing (i.e. common hotel flagships to take advantage of efficiencies and overall savings), its study did not veer away from HVS' and Hunden's findings. Besides the JLL study, the County also contracted with Lindgren Associates to determine impact on existing hotels. The narrative report echoes the sentiment of the larger hotel managers and owners, Tourism Leadership Council and other convention voices in opposition to the County's participation in the project.
7. 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:
- 7.1. 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 jobs, adding \$83 million in spending, \$29 million in earnings and \$114 million in personal income (Hunden report).
- 7.2 The proposed financial structure would be comprised of \$25 million in private equity (hotel owner) and \$55 million in a senior loan (bank loan) obtained by the hotel owner. These are proposed amounts and subject to private capital markets.
- 7.3 The County would issue up to \$50 million 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 tax-exempt. These are subject to final determination in the Definitive Agreement and pending review by bond counsel.
- 7.4 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.
- 7.5 Some critics question any public participation and suggest that in several years, capital markets will return to allow full private investment. However, during the best times for hotel investment in 2000-2004, 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.

ALTERNATIVES:

1. That the Board adopt the proposed Development Agreement for the construction of the Trade Center Convention Hotel and Conference Center.
2. That the Board take no action.

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 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.

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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 Scott said, Action Calendar. At this time I will entertain a motion.

Commissioner Center said, I move that we pass the Action Calendar.

Commissioner Farrell said, second.

Commissioner Holmes said, in it's entirety, second.

Commissioner Farrell said, in its entirety.

Commissioner Center said, yes.

Chairman Scott said, it's been properly moved and second that we adopt the Action Calendar. Any discussion?

Commissioner Farrell said, I'd like --

Chairman Scott said, Commissioner --

Commissioner Farrell said, I'd like to make one statement --

Chairman Scott said, -- Farrell.

Commissioner Farrell said, -- statement. Thank you. There has been a constituent that brought to my attention on several occasions that when we have these very large swimming events that the air quality at the Aquatic Center degrades although it's very good most of the other time. And staff is -- appears to be implementing a chlorine less way to sanitize the water which will improve the air quality for all the -- the children and adults that -- by the hundreds and -- and by the thousands that come in that facility, and I'm -- I'm just really glad to see that that's being -- taking place, and -- and can't wait to -- to hear about when it's implemented and hope the County Manager invites me to come breathe some nice, fresh chlorine free air in our Aquatic Center.

County Manager Abolt said, yes, sir.

Chairman Scott said, any further discussion? Hearing none, all in favor of adoption of the Action Calendar, please vote yes, those opposed no. We'll keep that vote open a few minutes just to see if any -- anybody who's out may return. Motion carries. The Action Calendar has been adopted.

ACTION OF THE BOARD:

Commissioner Center moved to approve the Action Calendar, Items 1 through 5 and under Item 5, Items A through L. Commissioners Farrell and Holmes seconded the motion and it carried unanimously. [NOTE: Commissioner Brady was 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 FEBRUARY 22, 2013, AS MAILED.**

ACTION OF THE BOARD:

Commissioner Center moved to approve the minutes of the regular meeting of February 22, 2013, as mailed. Commissioners Farrell and Holmes seconded the motion and it carried unanimously. [NOTE: Commissioner Brady was not present for the vote.]

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2. **CLAIMS VS. CHATHAM COUNTY FOR THE PERIOD FEBRUARY 15, 2013 THROUGH FEBRUARY 27, 2013.**

ACTION OF THE BOARD:

Commissioner Center moved to authorize the Finance Director to pay the claims against the County for the period February 15, 2013 through February 27, 2013, in the amount of \$8,996,715. Commissioners Farrell and Holmes seconded the motion and it carried unanimously. [NOTE: Commissioner Brady was not present for the vote.]

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3. **REQUEST BOARD APPROVAL TO EXECUTE AN UPDATED PROJECT FRAMEWORK AGREEMENT BETWEEN THE GEORGIA DEPARTMENT OF TRANSPORTATION AND CHATHAM COUNTY FOR JIMMY DELOACH PARKWAY EXTENSION FROM I-16 TO US 80 (PI#522790). [DISTRICT 7.]**

ACTION OF THE BOARD:

Commissioner Center moved for Board approval to execute an updated Project Framework Agreement between the Georgia Department of Transportation and Chatham County for Jimmy DeLoach Parkway Extension from I-16 to US 80. Commissioners Farrell and Holmes seconded the motion and it carried unanimously. [NOTE: Commissioner Brady was not present for the vote.]

AGENDA ITEM: X-3

AGENDA DATE: March 8, 2013

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

ISSUE:

To approve and execute an updated Project Framework Agreement (PFA) between the Georgia Department of Transportation (GDOT) and Chatham County for Jimmy DeLoach Parkway Extension from I-16 to US 80 (PI# 522790).

BACKGROUND:

This project is an extension of Jimmy DeLoach Parkway from I-16 to US 80. This project, in conjunction with the Jimmy DeLoach "Last Mile" project will provide connectivity from I-16 to the Georgia Ports Authority. It will provide safe, efficient movement of traffic through the area and reduce crash frequency and severity. Chatham County is under contract with Thomas & Hutton to develop construction plans for the project.

FACTS AND FINDINGS:

1. The revised concept report for this project was approved on January 17, 2013. A Preliminary Field Plan Review (PFPR) was held for the project February 5, 2013.

2. Staff is in the process of completing an environmental re-evaluation for the project. The re-evaluation is required before right of way activities can be authorized by the GDOT and FHWA.
3. This PFA commits Chatham County to fund the preliminary engineering (PE). Right of way costs for the project will partially be funded with \$4,000,000 of federal funds and \$3,169,000 of local funds. Construction will be managed and funded by the GDOT.
4. The County Attorney reviewed and approved the PFA as to its legal form.

ALTERNATIVES:

1. To approve and execute an updated Project Framework Agreement (PFA) between the Georgia Department of Transportation (GDOT) and Chatham County for Jimmy DeLoach Parkway Extension from I-16 to US 80 (PI# 522790).
2. To not approve execution of the PFA.

FUNDING:

No funding is required.

POLICY ANALYSIS:

The Board must approve intergovernmental agreements.

RECOMMENDATIONS:

To approve Alternative 1.

District 7

Prepared by: Nathaniel Panther, P.E.

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4. REQUEST BOARD APPROVAL TO EXECUTE AN UPDATED PROJECT FRAMEWORK AGREEMENT BETWEEN THE GEORGIA DEPARTMENT OF TRANSPORTATION AND CHATHAM COUNTY FOR JIMMY DELOACH PARKWAY INTERCHANGE PROJECT AT US 80 (PI#0007259). [DISTRICT 7.]

ACTION OF THE BOARD:

Commissioner Center moved for approval to execute an updated Project Framework Agreement between the Georgia Department of Transportation and Chatham County for Jimmy DeLoach Parkway interchange Project at US 80. Commissioners Farrell and Holmes seconded the motion and it carried unanimously. [NOTE: Commissioner Brady was not present for the vote.]

AGENDA ITEM: X-4

AGENDA DATE: March 8, 2013

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

ISSUE:

To approve and execute an updated Project Framework Agreement (PFA) between the Georgia Department of Transportation (GDOT) and Chatham County for Jimmy DeLoach Parkway Interchange Project at US 80 (PI# 0007259).

BACKGROUND:

This project is for construction for a new interchange where Jimmy DeLoach Parkway currently intersects US 80 at-grade. A planned extension of Jimmy DeLoach Parkway beginning at I-16 and extending north to US 80 is in preliminary design. When the Jimmy DeLoach, Phase II (PI# 522790) project is complete, the proposed interchange would facilitate the efficient flow for truck traffic along the Parkway by replacing the at-grade signalized intersection with a grade separate interchange. Chatham County is under contract with McGee Partners to develop final construction plans for the interchange project.

FACTS AND FINDINGS:

1. The PFA commits Chatham County to fund the preliminary engineering (PE), including \$50,000 for the GDOT Oversight of the PE process.

2. Right of way costs for the project will be partially funded with \$4,000,000 of federal funds and \$4,463,000 of local funds. Construction will be managed and funded by the GDOT.
3. The County Attorney reviewed and approved the PFA as to its legal form.

ALTERNATIVES:

1. To approve and execute a Project Framework Agreement (PFA) between the Georgia Department of Transportation (GDOT) and Chatham County for Jimmy DeLoach Parkway Interchange Project at US 80 (PI# 0007259).
2. To not approve execution of the PFA.

FUNDING:

Funds are available in the 2003-2008 SPLOST, Jimmy DeLoach Parkway, Highway 80 Interchange [Account/Fund 3234210, Project 32351033, Account Code 52.12003].

POLICY ANALYSIS:

The Board must approve intergovernmental agreements.

RECOMMENDATIONS:

To approve Alternative 1.

District 7

Prepared by: Nathaniel Panther, P.E.

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5. 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 Center moved for approval to award bids as follows: (Please note that new purchase thresholds of \$10,000 or more have been enacted; however, contracts and change orders of a lesser amount still will appear.) Commissioners Farrell and Holmes seconded the motion and it carried unanimously. [NOTE: Commissioner Brady was not present for the vote.]

ITEM	DEPT.	SOURCE	AMOUNT	FUNDING
A. Annual contract with renewal options for four (4) additional one (1) year terms, for tree trimming for various departments	Public Works and Park Services	B&D Clearing, Inc.	Varies	Various
B. Confirmation of emergency approval to perform kennel repairs at Chatham County Animal Control facility	Animal Control	Artley Company	\$24,918	2005 DSA Series Bond - Animal Control facility
C. Weapons simulation training system	C.N.T.	Ti Training Corporation (Sole Source)	\$36,000	CNT Confiscated Funds - Other Equipment
D. Construction contract to construct the Apache Avenue (Bell's Landing) Parking Area project	Engineering	Savannah Paving Co., Inc.	\$141,114	SPLOST (2003-2008) - Bell's Landing Boat Ramp
E. Extend the County's audit contract for an additional one (1) year term	Finance	Karp, Ronning and Tindol, C.P.A.	\$137,310	•General Fund/M&O - Audit Contract •SSD - Audit Contract
F. Change Order No. 2 to the Janitorial Service Contract for the Fleet Operations administration temporary site	Facilities Maintenance	Quality Cleaning Contractors	\$360 (\$30 per month)	General Fund/M&O - Facilities Maintenance

<u>ITEM</u>	<u>DEPT.</u>	<u>SOURCE</u>	<u>AMOUNT</u>	<u>FUNDING</u>
G. Three (3) year maintenance and services agreement for the Detention Center prisoner transport station	Detention Center	Accurate Controls	\$26,371	General Fund/M&O - Detention Center
H. Additional digital X-Ray scanner to be used at the employee entrance at Building A for the Chatham County Detention Center	Detention Center	Rapiscan Systems Inc., Torrance, CA	\$19,537	CIP - Detention Center Expansion
I. Change Order No. 1 to modify the warehouse control software currently used in the property room at the Chatham County Detention Center	Detention Center	Sapient Automation	\$15,625	CIP - Detention Center Expansion
J. Purchase and installation of an ultraviolet (UV) sanitation system	Aquatic Center	Leslie's Poolmart	\$64,615	1999 DSA Bond Fund
K. Agreement to provide services which will facilitate online payments of various Chatham County fees	•Finance •Parks and Recreation	Official Payments	N/A	N/A
L. Annual contract with renewal options for four (4) additional one (1) year terms to purchase gasoline and bio diesel fuel for use by various County departments	Fleet	•The Sommers Company •Strickland Oil Company	Varies	•General Fund/M&O - Various Departments •SSD - Various Departments
M. Probation Services for Recorder's Court	Recorder's Court	Southeast Correction, LLC	N/A	N/A

AGENDA ITEM: X-7 A thru L
AGENDA DATE: March 8, 2013

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 to award an annual contract with renewal options for four (4) additional one (1) year terms, to B&D Clearing, Inc., for tree trimming at various locations as needed for Public Works and various departments.

BACKGROUND: On January 11, 2013, the Board approved a tree trimming contract to Kelley's Clearing and Grinding, Inc. On February 5, 2013, Kelley's Clearing and Grinding, Inc., notified the County that they had elected not to sign the contract for tree trimming claiming they did not realize tree removal was not part of the tree trimming solicitation.

FACTS AND FINDINGS:

1. In the past, Public Works and Park Services obtained quotes when tree services were needed. This resulted in delays to having work accomplished in a timely manner and no consistency in costs for services. A solicitation was developed and properly advertised with three (3) bids being received and opened on December 18, 2012. Bids were received from Kelley's Clearing and Grinding Inc., Richmond Hill, GA, B&D Clearing Inc., Black Creek, GA, and Bartlett Tree Service, Savannah, GA. Please see attached page 15 for breakdown of costs.
2. Kelley's Clearing and Grinding, Inc., was awarded the contract, however they elected not to enter into a contract to provide services. The next low bid received is from B&D Clearing, Inc.
3. On March 27, 1998, the Board approved a "local preference" policy which states, when a firm from outside of Chatham County submits the "lowest bid" the policy allows the lowest local vendor to match the lowest "bid". If the local firm does match the "lowest bid", the local firm is awarded the contract. B&D Clearing, Inc. is a non-local firm. Bartlett Tree Service, a local firm, was asked if they would match B&D Clearing's bid, but they declined.
4. Staff reviewed the bid and references submitted by B&D Clearing, Inc., and believes their bid to be fair and reasonable. One of the specifications of the solicitation was that the firm have a certified arborist on staff. B&D Clearing Inc. has a certified arborist that is currently certified by the International Society of Arboriculture.

FUNDING: Various

ALTERNATIVES:

1. Board approval to award an annual contract with renewal options for four (4) additional one (1) year terms, to B&D Clearing, Inc., for tree trimming at various locations as needed for Public Works and various departments.
2. Provide staff other direction.

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

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
RUSHEDA ADESHINA

ITEM B

ISSUE: Request Board confirmation of a \$24,918 emergency approval for Artley Company to perform kennel repairs at Chatham County Animal Control facility.

BACKGROUND: At the April 25, 2009 meeting, the Board awarded a contract for construction of the Animal Control facility with Artley Company, which was completed in July 2010.

FACTS AND FINDINGS:

1. The kennels at the Animal Shelter are in need of repair. After meeting with the original design team, engineer and shelter staff, it was discovered that the deterioration of the kennels and floors are a result of issues in the initial design. As a result, the Animal Shelter has been cited by the Department of Agriculture (DOA), and given a limited time to make the necessary corrections.
2. The Artley Company, which is the original contractor, has provided a quote of \$24,918 to make repairs to the kennels, floor and joints. Due to time constraints from the DOA, scheduled relocation of the animals, and publicity in the media, work began Monday, February 25, 2013. If the Animal Shelter is not brought into compliance, the DOA will close the facility.
3. Staff requested emergency approval from the Chairman to expedite the kennel repairs. The Chairman concurred (see attached page 16) and directed staff to seek Board confirmation at their next scheduled meeting.

FUNDING: 2005 DSA Series Bond - Animal Control facility
(3703910 - 54.13011 - 37032297))

ALTERNATIVES:

1. Board confirmation of a \$24,918 emergency approval for Artley Company to perform kennel repairs at Chatham County Animal Control facility.
2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to confirm emergency purchases.

RECOMMENDATIONS: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
MELVA SHARPE

ITEM C

ISSUE: Request Board approval of the \$36,000 sole source purchase of a weapons simulation training system from Ti Training Corporation for Chatham County C.N.T.

BACKGROUND: On July 20, 2012, the Board approved the appropriation of Confiscated Funds to CNT in the total amount of \$44,300.

FACTS AND FINDINGS:

1. Ti Training Corporation is the sole source manufacturer and direct distributor of a training lab simulation system with proprietary configurations, lasers, and scenarios.
2. This weapons simulation training system has been selected based upon its design to accommodate the various different operations and custom scenarios along with the ability to include simulation integration to customize the simulator to the policies and needs of the County.
3. Staff believes the total cost of \$36,000 to be fair and reasonable.

FUNDING: CNT Confiscated Funds - Other Equipment
(2103222 - 54.25001)

ALTERNATIVES:

1. Board approval of the \$36,000 sole source purchase of a weapons simulation training system from Ti Training Corporation for Chatham County C.N.T.
2. Provide staff other direction.

POLICY ANALYSIS: Chatham County's Purchasing Ordinance and Procedures Manual requires Board approval for any purchases greater than \$10,000.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
GLORIA SAUGH

ITEM D

ISSUE: Request Board approval to award a \$141,114 construction contract to Savannah Paving Co., Inc., to construct the Apache Avenue (Bell's Landing) Parking Area project.

BACKGROUND: The project involves grading, paving and landscaping the parking area for the Bell's Landing boat ramp.

FACTS AND FINDINGS:

1. This project was properly advertised and six bids were received and opened January 23, 2013. The results are as follows:

Savannah Paving Co., Inc. Eden, GA	\$141,114
** RL Construction Group, Inc. Savannah, GA	\$176,892

Sitework Construction, LLC Savannah, GA	\$187,315
C. Merrill Construction Metter, GA	\$187,639
* GCI d/b/a ATK Paving Garden City, GA	\$216,125
** E&D Contracting Services, Inc. Savannah, GA	\$308,832
* MBE firm ** WBE firm	

- The contractor has 60 days after the notice to proceed is issued to complete construction.

FUNDING: SPLOST (2003-2008) - Bell's Landing Boat Ramp
(3234981 - 54.14009 - 32370437)

ALTERNATIVES:

- Board approval to award a \$141,114 construction contract to Savannah Paving Co., Inc., to construct the Apache Avenue (Bell's Landing) Parking Area project.
- Provide staff other direction.

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

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
CHRIS MORRIS

ITEM E

ISSUE: Request Board approval to extend the \$137,310 County's audit contract with Karp, Ronning and Tindol, C.P.A., for an additional one (1) year term. This rate is the same as the 2012 contract amount.

BACKGROUND: On April 25, 2008, the Board awarded the County's annual audit contract to Karp, Ronning and Tindol, C.P.A., which included four (4) additional one (1) year renewal options.

FACTS AND FINDINGS:

- Purchasing notified the Finance Department in February that the current audit services contract will expire April 25, 2013.
- Due to time constraints and issues with personnel changes in the Finance Department, staff believes it will be prudent to hire this firm again for the next year and issue an audit services RFP in the fall.
- Staff believes the total cost of \$137,310 for the annual audit contract to be fair and reasonable.

FUNDING: •General Fund/M&O - Audit Contract - \$113,967
(1001511 - 52.11001)
•SSD - Audit Contract - \$23,343
(2701511 - 52.11001)

POLICY ANALYSIS: Chatham County's Purchasing Ordinance and Procedures Manual requires Board approval for any purchases of more than \$10,000.

ALTERNATIVES:

- Board approval to extend the \$137,310 County's audit contract with Karp, Ronning and Tindol, C.P.A., for an additional one (1) year term.
- Provide staff other direction.

RECOMMENDATION: Staff recommends approval of Alternative I.

BUDGET APPROVAL _____
CHRIS MORRIS

ITEM F

ISSUE: Request Board approval of the \$360 Change Order No. 2 to the janitorial service contract for Fleet Operations with Quality Cleaning Contractors. The \$30 per month increase is needed to provide services at the Fleet Operations administration temporary site.

BACKGROUND: Fleet Operations has moved its administration department to a temporary location at 1335 Lynah Ave., Unit 107, Garden City, GA, until completion of the new Fleet Operations building.

FACTS AND FINDINGS:

1. Fleet Operations Staff has requested to have janitorial service at the temporary location, 1335 Lynah Ave., Unit 107, Garden City, GA, five (5) days a week.
2. Quality Cleaning Contractors, who is the current contractor has agreed per quote to provide janitorial services at the temporary administration building for an additional \$30 per month, \$360 annually.
3. Staff believes the price as quoted by Quality Cleaning Contractors to be fair and reasonable.
4. Contract History:

Original Contract Amount (9-5-08)	\$72,835/Year
Change Order No. 1 (07-22-11)	\$(3,264)/Year
Change Order No. 2 (Pending)	<u>\$360/Year</u>
Total	\$69,931/Year

FUNDING: General Fund/M&O - Facilities Maintenance
(1001565 - 52.21301)

ALTERNATIVES:

1. Board approval of the \$360 Change Order No. 2 to the janitorial service contract for Fleet Operations with Quality Cleaning Contractors. The \$30 per month increase is needed to provide services at the Fleet Operations administration temporary site.
2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to approve change orders necessary for departmental operations.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
MELVA SHARPE

ITEM G

ISSUE: Request Board approval to enter into a \$26,371 three (3) year maintenance and services agreement of with Accurate Controls for the Detention Center prisoner transport station.

BACKGROUND: The Chatham County Detention Center has a Prisoner Transport Station that requires maintenance and services.

FACTS AND FINDINGS:

1. The prisoner transfer station was constructed in the basement of the Judicial courthouse to facilitate the loading/unloading and holding of inmates in cells scheduled for court appearances. The equipment was installed by Accurate Controls, and is proprietary, and must be maintained by them.
2. The proposed cost for one (1) year of service is \$9,253, with an anticipated 3.25% annual increase. By locking in a three (3) year agreement now at the price of \$26,371, it will be a cost savings of \$2,300. The purchase order will be issued for the entire amount, however the maintenance will be paid annually.

FUNDING: General Fund/M&O - Detention Center
(1003326- 52.39001)

ALTERNATIVES:

1. Board approval to enter into a \$26,371 three (3) year maintenance and services agreement of with Accurate Controls for the Detention Center prisoner transport station.
2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to award service agreements necessary for the operation of the Detention Center.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
RUSHEDA ADESHINA

ITEM H

ISSUE: Request Board approval to award a \$19,537 purchase from Rapiscan Systems Inc., Torrance, CA, for an additional digital X-Ray scanner to be used at the employee entrance at Building A for the Chatham County Detention Center.

BACKGROUND: The Chatham County Detention Center has requested to purchase an additional X-ray scanner at Building A to maintain to safety and security of the facility.

FACTS AND FINDINGS:

1. The existing model was purchased from Rapiscan Systems, Inc., by the contractor on the Detention Center project. Staff requested quotes from vendors and the quotes are as follows:

Rapiscan Systems, Inc. Torrance, CA	\$ 19,537
Rapiscan System, Inc. (Hunt/Mills) Torrance, VA	\$ 21,829
Smiths Detection Edgewood, MD	\$ 35,273

2. The prices include delivery, installation and training, and a one (1) year, full system warranty.

FUNDING: CIP - Detention Center Expansion
(3803355 -54.25001-38060407)

ALTERNATIVES:

1. Board approval to award a \$19,537 purchase from Rapiscan Systems Inc., Torrance, CA, for an additional digital X-Ray scanner to be used at the employee entrance at Building A for the Chatham County Detention Center.
2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to approve the purchase of equipment necessary for the operation of the Chatham County Detention Center during the expansion and renovation process.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
GLORIA SAUGH

ITEM I

ISSUE: Request Board approval to issue a \$15,625 Change Order No. 1 to Sapient Automation to modify the Pick-Pro warehouse control software currently used in the property room at the Chatham County Detention Center.

BACKGROUND: On May 11, 2012, the Board approved the award of the contract to Sapient Automation for four (4) Sapient Horizontal Carousels for garment storage. The Chatham County Detention Center has requested that the software provided with the garment and valuables storage equipment be modified to simplify the put away and retrieval process of garments and valuables. Additional on-site training on the new program is also needed.

FACTS AND FINDINGS:

1. The original programming of the software utilized the JMS Phoenix system to assign slots for each garment and valuables bag whenever someone is booked into the CCDC facility. However, a large percentage of people that are processed through booking never actually have a need to a slot reserved for them in the property carousels since they are released or bailed out prior to actually entering the jail facilities. Therefore, slots are being reserved but never used, which eventually fills up the slots available in the system and prevents additional items from being logged in.
2. Software is to be modified to only allow manual assignment of carousel slots by scanning the inmate's bar coded wristband or typing in the inmates DIN # when they actually are being processed into the jail and need their garments or valuables stored for an extended period of time.
- 3 Contract History:

Original Contract (5-11-12)	\$ 619,278
Summary Change Order No. 1 (pending)	<u>\$ 15,625</u>
Revised Contract Amount	\$ 634,903

FUNDING: CIP - Detention Center Expansion
(3803355- 54.25001-38060407)

ALTERNATIVES:

1. Board approval to issue a \$15,625 Change Order No. 1 to Sapient Automation to modify the Pick-Pro warehouse control software currently used in the property room at the Chatham County Detention Center.
2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to approve change orders necessary to the operation of the Chatham County Detention Center.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
GLORIA SAUGH

ITEM J

ISSUE: Request Board approval of a \$64,615 purchase and installation of an ultraviolet (UV) sanitation system from Leslie's Poolmart for the Aquatic Center.

BACKGROUND: The Aquatic Center has a 25 yard recreation swimming pool that currently utilizes a UV sanitation system. This bid is to install a UV system for the 50 meter swimming pool.

FACTS AND FINDINGS:

1. Ultraviolet (UV) pool sanitation systems use a cutting-edge, non-chemical process that uses germicidal UV light rays to sanitize water, air and surfaces that may be contaminated. UV pool systems emit a high intensity germicidal light ray which alters or disrupts the DNA or RNA of targeted organisms such as algae, bacteria, viruses, cysts and protozoa.
2. Ultraviolet sanitation systems are very safe. The ultraviolet lamps are housed in a rugged high-impact polymer housing. UV cannot leave or escape the sterilization chamber, so UV never enters the swimming pool. UV is a physical process rather than a chemical process, making UV the most environmentally friendly choice in pool sanitation.
3. Bids were properly advertised and opened on February 7, 2013. The bid responses are as follows:

Leslie's Poolmart Doraville, GA	\$64,615
Worthy Pools & Spas St. Simon, GA	\$69,714
Duffield Aquatics, Inc. Anderson, SC	\$74,880

3. Staff believes the total cost of \$64,615 to be fair and reasonable.

FUNDING: 1999 DSA Bond Fund
(3606200 - 54.13001 - 36031187)

ALTERNATIVES:

1. Board approval of a \$64,615 purchase and installation of an ultraviolet (UV) sanitation system from Leslie's Poolmart for the Aquatic Center.
2. Provide staff other direction.

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

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
MELVA SHARPE

ITEM K

ISSUE: Request Board approval of an agreement with Official Payments to provide services which will facilitate online payments of various Chatham County fees including water bills, recreational park fees, permit fees and other fees as needed.

BACKGROUND: The Tax Commissioner has been using Official Payments to accept online payments for property tax bills via credit card or electronic check. Official Payments charges a 2.5% convenience fee to the customer paying the tax bill. There is no additional fee to the Tax Commissioner for the transaction.

FACTS AND FINDINGS:

1. Chatham County taxpayers have expressed a desire to be able to pay various fees online.
2. Online payments will decrease workload for the various departments who currently accept payments by phone.
3. The fee charged the customer by Official Payments will be a minimum of \$3.95 or 2.5 % of the bill for credit and debit cards, whichever is greater. The per transaction fee for electronic checks will be \$1.95.
4. The agreement will have an initial term of two (2) years to allow for set up and then renew annually unless terminated by either party no later than 60 days prior to the renewal term.

FUNDING: Not Applicable

ALTERNATIVES:

1. Board approval of an agreement with Official Payments to provide services which will facilitate online payments of various Chatham County fees including water bills, recreational park fees, permit fees and other fees as needed.
2. Provide staff with other direction.

POLICY ANALYSIS: It is consistent with Board policy to approve agreements which result in greater efficiencies and convenience to taxpayers.

RECOMMENDATIONS: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
READ DEHAVEN

ITEM L

ISSUE: Request Board approval to award annual contract with renewal options for four (4) additional one (1) year terms to purchase gasoline and bio diesel fuel for use by various County departments to The Sommers Company and Strickland Oil Company, of Savannah and Pooler.

BACKGROUND: The joint solicitation was a consolidation of the requirements of Chatham County, City of Savannah, Savannah-Hilton Head Airport Commission, Savannah-Chatham Board of

Education, Tybee Island, Thunderbolt, and Bloomingdale. Chatham County acts as the “lead agency” in this solicitation. The individual government entities are billed separately by the suppliers at the contract price and each entity is responsible for payment to the vendors.

FACTS AND FINDINGS:

1. The price of fuel purchase is based on Oil Price Information Service (O.P.I.S.) daily prices at the time of delivery, plus or minus overhead and delivery charges (per gallon), which are consistent for the term of the contract. Competition between offerors is based on overhead and delivery charges since all competing firms use the same O.P.I.S. fuel price prevailing at time of delivery.
2. The total yearly estimated fuel requirements for all participants is approximately 3.5 million gallons. Chatham County’s usage is approximately 684,200 gallons.
3. A significant factor affecting price is how much fuel is delivered to a location. If 8,000 or more gallons are delivered, the delivery is considered a “transport” load and a lower fee is charged. If a smaller delivery is made to a site, it is considered a “tank wagon” load and a higher fee is charged. For this reason, you will note that the same type of fuel (e.g. regular unleaded gasoline) is separately listed to reflect the price difference based on the number of gallons delivered.
4. The solicitation was publicly advertised and a pre-bid conference was conducted. There were six (6) vendors who responded to the solicitation. Bids were received from the following vendors: Strickland Oil of Savannah, GA; Barrett Oil of Savannah, GA; The Sommers Company of Savannah, GA; Great Lakes Petroleum of Cleveland, OH; Ports Petroleum of Wooster, OH; and Mansfield Petroleum of Gainesville, GA.
5. The Sommers Company and Strickland Oil Company, are the successful low responsive bidders. Sommers delivery charges have decreased slightly since 2009 and Strickland delivery charges have remained the same.
6. Staff recommends awarding of this bid to the low responsive bidders for each type of delivery as follows:

**Strickland Oil Company
Pooler, GA**

TANK WAGON LOADS (Less than 5,500 Gallons): MARK-UP:

Regular Unleaded (Regular Working Hours)	O.P.I.S.+ \$.099/Gallon
Regular Unleaded (Weekend/Holiday)	O.P.I.S.+\$.15/Gallon
Unleaded Premium (Regular Working Hours)	O.P.I.S.+ \$.099/Gallon
Unleaded Premium (Weekend/Holiday)	O.P.I.S.+ \$.15/Gallon
Mixed Unleaded (Regular Working Hours)	O.P.I.S.+ \$.099/Gallon
Mixed Unleaded (Weekend/Holiday)	O.P.I.S.+ \$.15/Gallon
Bio Diesel (off road) (Regular Working Hours)	O.P.I.S.+ \$.099/Gallon
Bio Diesel (off road) (Weekend/Holiday)	O.P.I.S.+ \$.15/Gallon

**The Sommers Company, Inc.
Savannah, GA**

TRANSPORT LOADS (8,000 Gallons or More): MARK-UP:

Regular Unleaded (Regular Working Hours)	O.P.I.S.+ \$.0025/Gallon
Regular Unleaded (Weekend/Holiday)	O.P.I.S.+\$.0025/Gallon
Unleaded Premium (Regular Working Hours)	O.P.I.S.- \$(-).0100/Gallon
Unleaded Premium (Weekend/Holiday)	O.P.I.S.- \$(-).0100/Gallon
Mixed Unleaded (Regular Working Hours)	O.P.I.S.- \$(-).0100/Gallon
Mixed Unleaded (Weekend/Holiday)	O.P.I.S.- \$(-).0100/Gallon
Bio Diesel (off road) (Regular Working Hours)	O.P.I.S.+ \$.0100/Gallon
Bio Diesel (Weekend/Holiday)	O.P.I.S.+ \$.0100/Gallon

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

ALTERNATIVES:

1. Board approval to award annual contract with renewal options for four (4) additional one (1) year terms to purchase gasoline and bio diesel fuel for use by various County departments to The Sommers Company and Strickland Oil Company, of Savannah and Pooler.

- 2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to combine municipality requirements whenever possible to assure the most competitive pricing.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
READ DEHAVEN

ITEM M

ISSUE: Request Board approval of a contract with Southeast Corrections, LLC, for private probation services for offenders sentenced to probation in Recorder’s Court.

BACKGROUND: The Recorder’s Court is jointly operated by the City of Savannah and Chatham County.

FACTS AND FINDINGS:

- 1. The City of Savannah issued a request for proposal for probation services for Recorder’s Court in January 2013.
- 2. Six proposals were received and evaluated based on their program, capability, proposed staffing and fee schedule.
- 3. The City of Savannah approved the award of the contract to Southeast Corrections, LLC, at their February 22, 2013 meeting.
- 4. There is no cost to Chatham County or the City of Savannah since the probationers pay for the probation services.

FUNDING: Not applicable

ALTERNATIVES:

- 1. Board approval of a contract with Southeast Corrections, LLC, for private probation services for offenders sentenced to probation in Recorder’s Court.
- 2. Provide staff other direction.

POLICY ANALYSIS: It is consistent with Board policy to approve contracts necessary for operations of the Courts.

RECOMMENDATION: Staff recommends approval of Alternative 1.

BUDGET APPROVAL _____
READ DEHAVEN

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 Scott said, First Readers there are none.

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XII. SECOND READINGS

Chairman Scott said, Second Readers there are none.

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

Chairman Scott said, you have with you some informational items, that's the Progress Report on the General Fund Contingency Account in M&O and Special Service District. You can see the attach.

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.)

Chairman Scott said, you also have a list of purchases of less than \$10,000 that's attached for your information.

AGENDA ITEM: XIII-2**AGENDA DATE: March 8, 2013**

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

ITEM	DEPT.	SOURCE	AMOUNT	FUNDING
One (1) pneumatic mast for satellite trailer	CEMA	North American Custom Specialty Vehicles, LLC.	\$8,291	Grant-CEMA Homeland Security Communications Trailer
24 IP telephones for Detention Center	I.C.S.	Mitel Business Systems, Inc.	\$4,023	General Fund/M&O - Detention Center
Knockdown charges for former Public Works administration modular building	Public Works and Park Services	Williams Scotsman, Inc.	\$8,008	SSD-Public Works
One (1) compressor for HVAC unit	Facilities Maintenance and Operations	Johnstone Supply Inc.	\$2,534	General Fund/M&O - Facilities Maintenance and Operations
Construction inspection services for Truman Linear Trail	Engineering	Thomas & Hutton Engineering Company (Sole Source)	\$8,000	SPLOST (2003-2008) Openspace/Greenway
Knockdown charges for former Public Works superintendents modular building	Public Works and Park Services	Williams Scotsman, Inc.	\$8,244	SSD-Public Works
Mailing of tag renewals for month of March	Tax Commissioner	World Marketing	\$6,392	General Fund/M&O - Tax Commissioner
Tax sale advertisements for months of January and February	Tax Commissioner	Morris Publishing Group	\$8,780	General Fund/M&O - Tax Commissioner

<u>ITEM</u>	<u>DEPT.</u>	<u>SOURCE</u>	<u>AMOUNT</u>	<u>FUNDING</u>
Field surveys and revision of right-of-way plans for Pipemakers Canal Phase III	Engineering	Thomas & Hutton Engineering Company (Sole Source)	\$2,500	SPLOST (1998-2003) Pipemakers Canal
As-built survey for Ogeechee Farms Phase III	Engineering	EMC Engineering Services, Inc. (Sole Source)	\$3,750	SPLOST (1998-2003) Ogeechee Farms Drainage
Installation of a projector and screen for Green Room	Facilities Maintenance and Operations	Rody's Music Enterprises, Inc.	\$5,880	General Fund/M&O - Facilities Maintenance and Operations
One (1) Cisco switch for CEMA satellite trailer	I.C.S.	Centrics IT, LLC.	\$3,407	Grant-CEMA Homeland Security Communications Trailer
Out of state prisoner transport	Detention Center	U.S. Prisoner Transport	\$3,188	General Fund/M&O - Detention Center
Rebuild and repaint existing motor actuators	Public Works and Park Services	Eco-Tech, Inc. (Sole Source)	\$8,220	SSD-Public Works
Six (6) multi-purpose immobilization devices	Sheriff	Karbon Arms, LLC. (Sole Source)	\$6,761	General Fund/M&O - Sheriff
Eight (8) service award rings	Sheriff	Terryberry Company, Inc.	\$3,847	•General Fund/M&O - Sheriff - \$1449 •General Fund/M&O - Detention Center - \$2,398
Two (2) scene light assemblies for mobile command vehicle	CEMA	North American Custom Specialty Vehicles, LLC.	\$2,548	Grant-CEMA Homeland Security Mobile Command Vehicle
One (1) dual band high power mobile radio for Sheriff's Dept.	I.C.S.	Motorola Solutions, Inc.	\$6,390	General Fund/M&O - Sheriff
Enrollment for Ford service publications	Fleet Operations	Helm, Inc.	\$2,750	General Fund/M&O - Fleet Operations
One (1) used truck bed for unit #130 - Public Works truck	Fleet Operations	LKQ Auto Parts of Savannah, Inc.	\$2,865	Inventory Account
Repair bucket on unit #5 - Public Works excavator	Fleet Operations	Yancey Brothers Company, Inc.	\$4,146	General Fund/M&O - Fleet Operations
Website application maintenance agreement	I.C.S.	Dotnetnuke Corporation	\$4,750	General Fund/M&O - I.C.S.

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EXECUTIVE SESSION

Chairman Scott said, and at this time, I'll introduce a motion on executive session.

County Manager Abolt said, the purpose would be for litigation, sir.

Commissioner Center said, I -- I move we go into executive session for the purpose of discussing litigation.

Chairman Scott said, and -- and consulting with the County Attorney.

Commissioner Stone said, second.

Chairman Scott said, it's been properly moved and second that -- that we adjourn to executive session. All in favor of the motion indicate by voting yes, opposed no. The motion carries. We are now heading for executive session. Thank you.

ACTION OF THE BOARD:

Commissioner Center moved to recess to executive session to discuss litigation and consultation with the County Attorney. Commissioner Stone seconded the motion and it carried unanimously. [NOTE: Commissioners Holmes and Shabazz did not vote.]

The Board recessed at approximately 11:55 a.m.

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ITEMS FROM EXECUTIVE SESSION

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

ACTION OF THE BOARD:

Commissioner Center moved to authorize the Chairman to execute an Affidavit that the Executive Session was held in compliance with the Open Meetings Act. Commissioner Holmes seconded the motion and it carried unanimously.

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2. **BOARD APPROVAL OF LOST AGREEMENT**

ACTION OF THE BOARD:

Commissioner Center moved to approve the acceptance of the LOST proposal of 22 percent for the remainder of this year and 23 percent beginning in January of 2014. Commissioners Shabazz and Thomas seconded the motion and it carried in a 6-3 vote with Chairman Scott and Commissioners Holmes, Center, Shabazz, Kicklighter and Thomas voting yes and Commissioners Stone, Farrell and Brady voting no.

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ADJOURNMENT

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

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APPROVED: THIS _____ DAY OF MARCH, 2013.

**ALBERT J. SCOTT, CHAIRMAN, BOARD OF
 COMMISSIONERS OF CHATHAM COUNTY,
 GEORGIA**

JANICE E. BOCOOK, CLERK OF COMMISSION