

WHITE COUNTY BOARD OF COMMISSIONERS

MINUTES FROM CALLED MEETING HELD JULY 21, 2008

AT 4:00 P.M.

The White County Board of Commissioners met in a called session with the representatives from the Cities of Cleveland and Helen, at 4:00 P.M. in the Grand Jury Room of the White County Courthouse, Cleveland, Georgia. Present were: Chairman Chris R. Nonnemaker, Post 1 Commissioner Joe R. Campbell, Post 2 Commissioner Craig Bryant, County Manager Alton E. Brown, Chief Financial Officer Vickie Neikirk, and County Clerk Jean Welborn. Also present were representatives from the Cities of Cleveland and Helen.

Chairman Nonnemaker called the meeting to order.

Commissioner Campbell made a motion to authorize the execution of the following:

- 1) Intergovernmental Agreement regarding the distribution of a proposed 1% Special Purpose Local Option Sales Tax between the White County Board of Commissioners and the City of Cleveland; and
- 2) Intergovernmental Agreement regarding the distribution of a proposed 1% Special Purpose Local Option Sales Tax between the White County Board of Commissioners and the City of Helen.

Cleveland Mayor Donald Stanley asked the Board of Commissioners why the proposed Agreement was changed from the last SPLOST Agreement. Mayor Stanley asked why it was changed from one agreement to two separate agreements and the term of the agreement.

Chairman Nonnemaker asked what the changes were. Mayor Stanley stated that the proposed agreements discussed the County holding up the funds for distribution; that he did not understand why there would be two separate agreements when there was only one SPLOST.

Alton Brown stated that each City could look at the other's agreement; that there was nothing hidden in the agreements; that there had been some minor changes in the SPLOST laws since the last SPLOST; that in O.C.G.A. Section 48-8-110 definitions of the SPLOST regulations, intergovernmental agreement was defined as a contract entered into between a county and one or more qualified municipalities located within the special district containing a combined total of no less than 50% of the aggregate municipal population located within the special district (county). Mr. Brown stated that Cleveland had more than 50% of the aggregate total; that the City of Helen had less; that they were calling the Agreement with the City of Cleveland was an Intergovernmental Agreement; that with the City of Helen, it would simply be an Agreement that the County would have with the City of Helen because it had less than 50% of the aggregate.

Dr. Stanley stated that that had nothing to do with making two separate contracts; that the new SPLOST laws state that you could use the same agreement with both municipalities; that he checked on the SPLOST laws with GMA and that their interpretation was that you could use the same Agreement.

City of Helen Commissioner Champaign asked Mr. Brown if he was saying that the County did not recognize the City of Helen as a government. Alton Brown stated that that was not what he said; that the City of Helen had less than 50% of the total aggregate population of the two cities. Mr. Brown stated that this had nothing to do with the amount of money going to the cities.

Chairman Nonnemaker stated that personally it did not matter to him what type of agreement was used; that if the cities wanted the same agreement as before, it was okay with him; that they just wanted to identify how the SPLOST was to be divided and to follow the law by earmarking those funds so that the people know what it will be used for. Mayor Stanley stated that they did not have any problem with what Chairman Nonnemaker said; that the proposed agreement had been changed to state that the funds would be held by the County until some point in time; that he did not know how the City of Cleveland could finance their projects while the County was

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holding the funds; that he would not want the State to hold the funds from the County, making it necessary for the County to go borrow money to finance the project until they were completed. Dr. Stanley stated that if the shoe were on the other foot, they would definitely not hold up the funds from the County.

Commissioner Bryant stated that, personally, he had no problem disbursing the funds to the cities and cutting the checks just like they currently did; that he had been thinking about it for the last few days and that having to keep up with the projects undertaken by the cities and keeping accounts on all those would be a nightmare; that he did not have a problem with disbursing whatever percentage was agreed upon; that if they did not collect but half of the proposed SPLOST, then the cities would get the agreed upon percentage of the actual collection just like the County would.

Alton Brown stated that the Board of Commissioners might not have a problem with the distribution to the cities today, but he did not want this group to leave with any misunderstandings; that the proposed changes in the agreements were the directives of the Board of Commissioners; that if the Board of Commissioners wanted to change their minds, it would be fine.

Chairman Nonnemaker stated that they needed a starting point; that they had talked at a meeting and came up with some issues; that it was an evolution.

Mayor Stanley stated that the cities were getting a lot less percentage-wise than they did with the last SPLOST; that there was nothing that they could do about that. Mayor Stanley stated that, however, they could at least give the funds to them as they were disbursed from the State. Chairman Nonnemaker stated that he did not have a problem with that; that that was the way that it was done presently.

Mr. Elkins stated that one of the questions was how could the cities finance the projects until they presented an invoice to the County for payment. Commissioner Bryant and Chairman Nonnemaker stated that they did not see how the cities could do that and that the accounting and separation of funds would be very complicated.

Commissioner Campbell stated that his suggestion and his desire for the SPLOST plan would be to plan on the collection of \$26 million and disburse 13% of the money to each of the cities within 15 days from receipt by the County. Chairman Nonnemaker stated that the \$26 million might be a larger amount than should be anticipated; however, they should shoot for a large enough number that you would not receive it short of the period of the SPLOST.

Chairman Nonnemaker stated that one of the biggest expenses facing the County was the jail expansion; that the cost of \$360,000 per year was being incurred for boarding prisoners; that it was not something that they wanted to do; that the cost of the expansion would be only a portion of the actual expenses when you included equipment, additional personnel, benefits, etc.

The question was asked as to the rationale in the reduction of the percentage going to the cities in the proposed SPLOST as opposed to the 2004 SPLOST. Commissioner Bryant stated that he participated in the 2004 SPLOST negotiations; that he and then Commissioner Bergin had voted to give each city 23%; that at the time, the County did not have the jail expansion as a proposed SPLOST project; that they knew that the jail overcrowding and boarding was becoming a real problem that the County would have to address soon; however, the County wanted to help the cities with some critical projects and postponed the jail situation; that the cities had come before the County with great projects; that he did not know what the answer was.

Commissioner Campbell stated that the projects that the County was considering would also benefit the cities; that the proposed annex, library, senior center, jail improvements, etc., all would benefit the cities. It was stated that the city projects also help the County. Commissioner Bryant stated that he knew that and that was one of the reasons that they gave the cities more money on the 2004 SPLOST in order to help the cities get some of their critical projects completed; that the County did not have a choice at this time in some of the projects facing them.

Chairman Nonnemaker stated that prior to the 2004 SPLOST negotiations, representatives from the cities were saying that all they wanted was the 20%; that the County gave the cities 23%

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because they knew how important the infrastructure needs were for the cities to provide the sewer and water; that unfortunately, this time the County had these projects that could not be put off.

The Board of Commissioners was asked about a section in the Agreement that had been prepared concerning the County keeping the interest from the SPLOST collections to defer the costs of administration. Commissioner Bryant stated that they had settled that a few minutes ago when they stated that they wanted the checks to be cut to the cities when the check from the State came in.

The question was asked if the County could change any projects of the cities. Commissioner Bryant stated that the cities had a list of what they could do with the money and that the County would not change them. Mayor Stanley stated that if they mirrored the last SPLOST Agreement, just changing the numbers, then all of the other would be a moot point.

Commissioner Campbell stated that it was his desire that the cities have exactly the same flexibility to use the money on the projects that they chose; that the County's SPLOST money was spent when they got it.

Mayor Stanley stated that most of the City of Cleveland's money was also spent; that the old roads and bridges SPLOST had had some controversy because there was just so many roads and bridges in the City; however, any money that was earmarked for water and sewer would be spent as fast as they could get it.

Commissioner Campbell stated that he thought that any of the downtown revitalization with sidewalks, streetlamps, etc. would work to be paid from the roads and bridges SPLOST. Mayor Stanley stated it was going to be spent.

The time frame of 5 years or 6 years was discussed. A show of hands indicated that the majority wanted to go with the 5-year SPLOST.

Mayor Stanley stated that if whoever was going to draft this Agreement should get together with the three entities and mirror the previous SPLOST Agreement, it was all in there.

Chairman Nonnemaker stated that Mayor Stanley was right; that as long as it met the current laws, they were all good with that.

Commissioner Campbell restated the motion to authorize the execution of an Intergovernmental Agreement among White County, The City of Cleveland, and The City of Helen for the distribution of a proposed continuation of a 1% Special Purpose Local Option Sales Tax, with each city receiving 13% of the collections received and the County retaining 74% thereof, with a maximum collection of \$26 million over a 5-year period, otherwise mirroring the current Intergovernmental Agreement, with the disbursement to the cities to be made within 15 days of receipt thereof by the County. The motion was seconded by Commissioner Bryant.

The vote to authorize the Intergovernmental Agreement as above set out was unanimous.

Chairman Nonnemaker stated that Chris Deming of the Trust for Public Land had asked if the Board of Commissioners wanted to look at the Webster Lake property, with no commitments. Chairman Nonnemaker asked if there was any interest in looking at it. Commissioner Campbell stated that he did not have any. Commissioner Bryant stated that he did not mind looking at it but he had some reservations about it. Commissioner Campbell stated that they did not have the money and that he did not think at this time that it was something they should do. Commissioner Bryant stated that he did not mind taking a look at it.

Upon motion made by Commissioner Bryant, seconded by Commissioner Campbell, a Resolution was unanimously adopted calling for the re-imposition of a one per cent (1%) sales and use tax specifying the purposes for which the proceeds are to be expended, the period of time the tax may be imposed and requesting a Call for a Referendum submitting the issue to the voters of White County.

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At 4:37 P.M., upon motion made by Commissioner Campbell, seconded by Commissioner Bryant, it was unanimously voted to enter Executive Session to discuss potential litigation. (See Closed Meeting Affidavit Attached.)

Upon motion made by Commissioner Bryant, seconded by Commissioner Campbell, it was unanimously voted to exit the Executive Session. It was stated that no decisions were made.

Upon motion made by Commissioner Bryant, seconded by Commissioner Campbell, the meeting was adjourned.

Chris R. Nonnemaker, Chairman

Joe R. Campbell, Post 1

Craig Bryant, Post 2

Jean Welborn, County Clerk