

SPECIAL CALLED JOINT MEETING

This Special Called Meeting of the Spalding County Board of Commissioners and the Board of Commissioners of the Cities of Griffin, Orchard Hill and Sunny Side was called to order at 4:00 p.m. on April 24, 2008 in Meeting Room 108 of the Spalding County Annex by Spalding County Commission Chairman Edward Goss, Jr. Also in attendance were: Spalding County Commissioners Johnnie McDaniel, Eddie Freeman, and Gwen Flowers-Taylor; City Commissioners Bill Landrum, Dick Morrow, Doug Hollberg, and Cynthia Reid Ward; Sunny Side Mayor Larry Gossett, Councilman Jerry Miller and Clerk Billy Slaughter; Orchard Hill Mayor Robert Morgan; and Allison Strueber from the law firm of King and Spalding, acting as bond counsel. County Manager William Wilson, Jr. and Griffin City Manager Kenny Smith were present, along with other officials from governmental agencies, general citizenry, and Teresa Watson acting as secretary to record minutes.

I. OPENING (CALL TO ORDER)

II. ORDER OF BUSINESS

1. Discuss, with Cities of Griffin, Orchard Hill and Sunny Side, projects for inclusion on Special Purpose Local Option Sales Tax (SPLOST) referendum to be held September 16, 2008.

William Wilson introduced Allison Strueber with King and Spalding, bond counsel. Current SPLOST collections are averaging a healthy 7.35% above estimates, but with the economic climate that may change. Several projects have already presented to the County: The Development Authority request was for \$25 million; Parks and Recreation's \$20 million; and \$8.5 million was Griffin Technical College's request.

Griffin City Manager Kenny Smith presented a handout detailing their requested projects, which were all transportation related except for one. The City of Griffin would like to give transportation in our community special attention, and they are currently negotiating with GDOT on several projects with which SPLOST would assist with matching funds. Signal timing/upgrades (Phases 1 and 2), intersection improvements (subdivided into two fiscal years 2008-9 and 2009-10), the Highway 155/Airport Road project, and the Sixth Street Bridge were detailed, and there is also a desperate need for resurfacing. Additionally, the Fire Station review of headquarters on the North Expressway suggests moving the facility further north, possibly to UGA land for better public safety services at an estimated cost of about \$3 million with a small police precinct component (price does not include land acquisition that might hopefully be donated by UGA). The right-of-way improvement program is in dire need, and the final priority is a 30-mile sidewalk program for \$1.75 million with areas identified where there are now literally footpaths. The projects total \$12,183,470 and are prioritized in order of need for City of Griffin.

Jerry Miller, Sunny Side Councilman, presented requests for \$10,000 for office equipment, a new pavilion at the community center park with a \$30,000 budget, additional upgrades to the park including a 950' rubberized surface to the walking track, drinking fountains, and benches for \$60,000. The grand total of the City of Sunny Side's request was \$100,000.

Robert Morgan, Mayor of Orchard Hill, presented a handout detailing their requests for walking trail improvements at \$220,605, parking lot improvements at City Hall estimated at \$120,000, and upgrades to City Hall in the amount of \$135,000 for a grand total of \$475,605.

County Commissioner Flowers-Taylor desired to see infrastructure improvements and the expansion of sewer in the northern area of the County.

County Commissioner Freeman advocated infrastructure (transportation) improvements, as well, and urged all to look at the big picture. As for Parks and Recreation, theirs is a viable request but may, in fact, warrant a closer look.

County Commissioner McDaniel noted there were good projects all around but one cannot squeeze all into a \$54 million SPLOST and there is not a lot of time to narrow down requests.

County Goss agreed it was unfortunate that all cannot be served, noting there would be more meetings and ideas with the involved entities. He further agreed with Commissioner Freeman that this would not be an easy SPLOST to pass and they must choose projects wisely to facilitate that passage.

County Commissioner McDaniel advised they should fund those projects providing the most benefit for the money that would serve the most people.

City Commissioner Bill Landrum stated that with the bad economy and jobs lost, he advocated a one-time SPLOST for the Development Authority's \$25 million request.

County Commissioner Goss noted that would, in fact, produce jobs down the road but advised that it was also true that new industry would come because of a well-trained workforce, so Griffin Tech's request would also be viewed as important in that arena.

County Manager Wilson said he would total all projects requested and contact bond counsel for the maximum benefit of a 72-month SPLOST. The County will respond to all participants. They will, he noted, need an intergovernmental agreement for a six-year SPLOST.

Much discussion followed regarding the spending of SPLOST collections to pay off interest versus the pay-as-you-go method. County Commissioner Flowers-Taylor noted it appeared wasteful to pay \$4 million in interest, considering all these great projects that could be brought on line if we didn't do spend collections on interest. That \$4 million, she advised, can fund a great many other projects and keep some entities from getting nothing.

County Commissioner Goss stated paving was a priority for him. City Commissioner Morrow agreed that bonding projects need to be minimized and that perhaps we need to be as much pay-as-you-go as possible.

Mr. Da'ood Amin and Mrs. Martha McDaniel of the Development Authority spoke on their already-scaled back \$25 million request, noting they cut \$10 million from their original plan. They will develop only about 50% of the acreage on Big Shanty property and that would be months down the road, considering that site preparation work will have to be done prior to any construction. There is no question that Griffin Technical College has made many work-ready through Quick Start and other programs for industry, but they urged the Board to find out how much, in fact, they would be eligible for with regard to state funding rather than placing all their requests in the County SPLOST basket. Mrs. McDaniel felt they should investigate their opportunities in the state arena, as well. Funds there are competitive but might be available.

In response to County Commissioner McDaniel, bond counsel Allison Strueber advised that the County could in fact, bond the purchase of property. The initial purchase of property for Green Valley Industrial Park was done through a bond purchase.

Mr. Wilson advised he will explore with Griffin Technical College and the Development Authority pay-as-you-go options. He noted that the existing SPLOST will expire on 12-31-08 with the last revenues posted in February 2009. The new SPLOST, if it passes, would start in January 2009 with the first month's collection distributed to the County in March 2009. His reporting is real time so that trends can be identified. It has proven difficult to estimate average collections as they swing wildly for no apparent reason. This SPLOST is projected at a zero percent growth for the next six years. With a six-year SPLOST, collections will continue to the end of the time period, no matter where collections are, as opposed to the current shorter SPLOST, which was for a set amount or a limited time with a maximum cap amount. Any surplus funds at the end of a six-year SPLOST would be distributed by the same percentage utilized in regular distribution. Excess funds can shift to other type projects as long as the outstanding debt on the bonds is satisfied. This was, in fact, done in the 1998 SPLOST. Conversely, if there is a shortfall in collections, the County cannot abandon the project and must find other funding sources to complete the projects. In such event, the County could also continue them into another SPLOST. The County is trying for a seamless transition for collections from the current SPLOST to a future one, if successful.

Griffin City Manager Smith stated that municipalities are basically at the mercy of the County for length and funding of projects. These will be tough decisions for county-wide projects and he urged careful prioritization and deliberation. Should Griffin not get the full \$12 million requested, they will have much work to do to accommodate projects in other ways.

County Manager Wilson noted that in the past, Development Authority projects were considered county-wide projects, as were UGA and 800 MHz. If funding is predicated for the Development Authority and for Griffin Tech, Mr. Wilson asked if the Boards would consider these county-wide projects, so he could move forward from that standpoint with bond counsel and develop strategies for structuring the SPLOST. City Commissioner Morrow felt these were county-wide projects and agreed with Mrs. McDaniel that Griffin Tech could perhaps leverage state money. Griffin is leveraging federal money to supplement transportation requests, as well. County Commissioners agreed these could be considered county-wide projects, with the exception of Chairman Goss who wanted to study the projects further.

County Commission Chairman Goss thanked everyone for attending.

III. ADJOURNMENT

Meeting adjourned at 5:05 p.m.

Chairman

County Clerk

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