

**THE EFFINGHAM COUNTY**  
**COMMISSIONERS' MEETING**

The Board of Commissioners of Effingham County, Georgia, Mr. C. D. Zeigler, Chairman, Mr. Reginald S. Loper, Sr., Vice-Chairman, Mr. Robert Brantley, Mrs. Vera Jones, Mr. Steve Mason, and Mr. Phil Kieffer met in a workshop at 4:30 p.m. on Wednesday, February 23, 2011 in the Large Conference Room at the Effingham County Administrative Complex.

**PERSONS ATTENDING THE MEETING**

Mr. Eric Gotwalt, County Attorney, Mr. David Crawley, County Administrator, Mr. Adam Kobek, Project Manager, Mrs. Patrice R. Crawley, County Clerk, Mrs. Joanna Wright, Finance Director, Mr. Tim Mathews, Mr. Joseph Wierbicki, Mr. Charlie Kea, Mr. James Scott, Mrs. Ruth Lee, Mr. Jim Presnell, Mr. Ricky Stille, and Mr. Darrel Hutcheson.

**CALL TO ORDER**

Chairman Zeigler called the meeting to order.

**INVOCATION AND PLEDGE TO THE AMERICAN FLAG**

Chairman Zeigler gave the invocation and led the Pledge to the American Flag.

**AGENDA APPROVAL**

Chairman Zeigler stated that the Board would need to go into Executive Session after the workshop.

Commissioner Kieffer made a motion to approve the agenda with the addition of Executive Session. Commissioner Jones seconded the motion. The motion carried unanimously.

**WORKSHOP**

**DISCUSSION OF WATER AND SEWER FINANCING:** County Administrator Crawley explained that at the direction of the Board of Commissioners, staff has been investigating refinancing alternatives for water and sewer debt. There are multiple issues that may play a part in the type and amount of money that will be refinanced. Currently, the County has borrowed a total sum of \$35,646,782.30 from GEFA comprised of four individual loan agreements. The principal owned as

of June 30, 2010 was \$32,885,293.55. The total monthly payment is currently \$201,758.56. The County currently maintains a debt service reserve account of \$3.5 million.

Finance Director Wright gave an overview of the water and sewer finance and funding and options for refinancing.

**DISCUSSION ON PUBLIC FACILITIES AUTHORITY:** County Administrator Crawley explained that a Public Facilities Authority could be established through a local act and would require legislation by the state legislators. The advantages to private sector financing are extended terms, negotiated flexibility in payment terms, no letter of credit, and reduce monthly payments. The disadvantages to private sector financing are a possible increase in reporting and documentation, more demanding on staff, increase upfront cost, and potential for required payments to rise depending upon conditions in the bond market.

**DISCUSSION OF SPLOST ALTERNATIVES UNDER HB 240:** County Administrator Crawley explained that the potential use of existing and future SPLOST revenue has been discussed as a way to pay all or portion of debt service for water and sewer infrastructure. In the current SPLOST term, \$2,453,206.55 remains in water and sewer category. It is staff's opinion that these funds can be used toward debt service for projects that were constructed during the current SPLOST term. There is a determination to be made as to which projects may qualify for SPLOST funds to be used toward debt service. The next SPLOST term has been approved by the voters and does not allocate any funds toward water and sewer for several reasons. The first was to concentrate the majority of funds to improve transportation infrastructure resulting in increasing growth. The second reason was that additional water and sewer projects were not proposed. The law governing SPLOST is vague as to how to amend an existing referendum. Staff has discussed proposed legislation that would amend an existing SPLOST referendum. House Bill 240 proposes to allow the amendment of an existing SPLOST referendum. The advantages to using SPLOST to service water and sewer debt are reduce or eliminate the need for property taxes to be used for water and sewer debt: reduce or eliminate impact fees, and additional growth will help

supplement SPLOST. The disadvantage to using SPLOST to service water and sewer debt will require the Board to wait for legislation to be passed before moving forward, requires voter approval and reduces the available funds for other projects.

**DISCUSSION OF ASH ROADS:** Civil Engineer Allen explained that core samples are being taken on the ash roads. Hopefully, with the core samples, we can have a better understanding on how to proceed forward on correcting the roads. More information will be presented at the March 1<sup>st</sup> meeting.

**EXECUTIVE SESSION**

At 6:36 p.m., Chairman Zeigler made a motion to go into Executive Session to discuss personnel, property, and pending litigation. Commissioner Kieffer seconded the motion. The motion carried unanimously.

**ADJOURNMENT**

At 7:27 p.m., Commissioner Mason made a motion to adjourn the meeting. Commissioner Loper seconded the motion. The motion carried unanimously.

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C. D. Zeigler, Chairman

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Patrice R. Crawley, County Clerk