

Hancock County Board of Commissioner's Minutes

And

Hancock County Council Meeting Minutes

August 22, 2011

Commissioners and Council met in special session. Those present were Commissioner Brad Armstrong, President, Commissioner Derek Towle, Vice President, and Commissioner Tom Stevens. Council members were President, William Bolander, James Shelby, Thomas Roney, Rosalie Richardson, Richard Pasco, Brian Kirkwood and John Jessup. Auditor Robin D. Lowder and Deputy Auditor Ginny Martin were also present.

Attorney Ray Richardson arrived at 4:06pm.

The meeting began at 4:06pm.

In The Matter of Sheriff's Department

Roof Repair - Sheriff Shepherd and Major Burkhart appeared before the Commissioners to request the following repair be considered for the Bond Issue. The Jail is in need of a new roof or roof repair. The cost for a complete roof replacement would be \$210,000.00. The cost for repairs which would include Sealing the edges of the roof and sealing around the sky lights would be \$60,000.00. The repair would give the roof approximately five to ten more years.

Jail Locks - Sheriff Shepherd, Major Burkhart and Andy Craig, Jail Commander appeared before the Commissioners to inform them of the need for a new updated Lock System. A total cost to repair the current system would be approximately \$10,000.00 to \$12,000.00. A new system that would update the system to a computerized system will Cost \$150,000.00. Mr. Craig wanted the Commissioners to know the old system is a problem due to the length of time it takes to get through the doors and is concerned that someone will get hurt due to delay in getting to them.

In The Matter of Revenue Bond

AT&T Expense - The Revenue Bond will cover the phone system expense for the E-911 Center. There will be a \$300,000.00 savings if it is paid at one time. The amount due to AT&T is \$960,000.00. There is a monthly contract until the end of 2011 at a cost of \$13,300.00 per month totaling \$66,500.00. Rosalie Richardson of the County Council stated the E-911 revenue is decreasing.

In The Matter of General Obligation Bond

Gallahue Mental Health Settlement - There is a settlement of a law suit with Gallahue Mental Health that is due by the end of 2011 in the amount of \$315,000.00. The Commissioners ask for proposals on how to pay this without a Bond Issue.

John Jester of the County Council stated it could be paid from the General Fund or Edit Fund after fall taxes.

Auditor Robin Lowder stated that paying for the Gallahue settlement out of the General Fund would run the General Fund to low and she would be more comfortable if it would come out of a different fund.

Gregg Guerrettaz, the County financial consultant, stated the General Fund should be an amount equal to 20% to 25% of operating expenses. The estimated balance at the end of 2011 is \$1,000,000.00. Mr. Guerrettaz cautioned the Commissioners not to spend the 'last dollar' and keep in mind that all revenue is down.

Commissioner Stevens ask if we could prioritize to avoid the bond and put some things off.

Software – Some members felt the Software should not be part of the bond expense and we should look for other funds for some of the items originally included in the General Obligation Bond.

Action on Bonds - Attorney Ray Richardson let the Commissioners know that they need to act on the AT&T and Gallahue Bond today. The process of hiring personal to begin the work and to sign the AT&T contract needs to be started. The Commissioners also need to decide if there are going to be two bonds. There is a discounted rate for two bonds.

Conclusion - Commissioner Armstrong determined that the County Council agrees to the following:

-Revenue Bond in the amount of \$960,000.00 is a necessity.
-General Obligation Bond would include the AT&T Balance of \$256,000.00, Gallahue settlement of \$315,000.00 totaling \$571,000.00. Also included in the General Obligation Bond would be the E-911 Radios at \$306,000.00 and the Jail Lock system at \$150,000.00 bringing the total to \$1,027,000.00.

The County Commissioner's discussed the Bond issue - Commissioner Towle stated that he feels we need the items for the Revenue Bond and General Obligation Bond and he doesn't see any other way to pay for the items. Commissioner Stevens stated he put the challenge to the County Council to find alternative funding and he is not convinced the bond is necessary so he is not in favor of the General Obligation Bond. Commissioner Stevens feels with prioritizing and putting some things off for a year or two, we can go without the Bond. Commissioner Towle stated he is not in favor of the bond either but does not see where the funds would come from to pay these things without it. Some things need immediate attention. Commissioner Armstrong stated that if we do nothing else but pay the law suit with Gallahue and the AT&T E-911 system that's \$571,000.00 we will need to find and after working on the Commissioner's budget he does not see where it can come from. He doesn't see where it can be done and does not want to raise taxes anymore than the next guy. If we don't do the bond we could wipe out the EDIT fund in one month.

Commissioner Towle moved to go forward with the Revenue Bond in the amount of \$960,000.00 and the General Obligation Bond in the amount of \$1.027 million. Commissioner Armstrong seconded the motion. The motion carried 2-1. Commissioner Stevens voted Nay.

Commissioner Stevens moved to enter into the Enhanced 911 Service Agreement with SBC Global Services, Inc, dba AT&T Global Services in the amount of \$1,151,500.00 to provide 911 services over a ten year period. Commissioner Towle seconded the motion. Motion carried 3-0.

Commissioner Towle moved to enter into the addendum #2 to the Enhanced 911 Service Agreement with SBC Global Services, Inc, dba AT&T Global Services to pay for the extension of current contract for all services for the last five months of this year (2011) at a cost of \$66,500.00. Commissioner Stevens seconded the motion. The motion carried 3-0.

Commissioner Towle moved to enter into an Agreement with Ice Miller, LLP to provide Bond Council Services at a cost of \$13,000.00 each for two bonds. Commissioner Armstrong seconded the motion. The motion carried 2-1. Commissioner Stevens voted Nay.

Commissioner Towle moved to enter into an agreement to perform professional services in connection with the proposed bond issue by Financial Solutions Group, Inc. at various hourly service rates estimated at \$12,000.00 to \$14,000.00 per bond for each bond issue. Commissioner Armstrong seconded the motion. The motion carried 2-1. Commissioner Stevens voted Nay.

Commissioner Towle moved to enter into an agreement with Attorney Ray Richardson to provide local council service on the issue of two bonds at a cost of \$11,500.00 per bond. Commissioner Armstrong seconded the motion. The motion carried 2-1. Commissioner Stevens voted Nay.

The meeting was adjourned at 11:17pm.

Hancock County Commissioners and Hancock County Council

Commissioner Brad Armstrong

William Bolander

Commissioner Derek Towle

Thomas Roney

Commissioner Tom Stevens

Rosalie Richardson

Brian Kirkwood

James Shelby

John Jessup

Richard Pasco

Attest : _____
Robin D. Lowder
Hancock County Auditor