

**HABERSHAM COUNTY BOARD OF COMMISSIONERS
WORK SESSION MINUTES
5:00 P.M., MONDAY, FEBRUARY 19, 2024
HABERSHAM COUNTY COURTHOUSE
JURY ASSEMBLY ROOM
295 LLEWELLYN ST, CLARKESVILLE, GA 30523**

The Habersham County Board of Commissioners held work session on Monday, February 19, 2024 at 5:00 p.m. in the Jury Assembly Room of the Habersham County Courthouse located at 295 Llewellyn St, Clarkesville, GA 30523.

Present was Chairman Ty Akins, Commissioner Bruce Palmer, Commissioner Bruce Harkness, Commissioner Jimmy Tench, County Manager Alicia Vaughn, County Attorney Donnie Hunt, County Clerk Brandalin Carnes, staff, members of the media and the public.

Absent was Commissioner Dustin Meador.

Chairman Akins called the meeting to order at 5:05 p.m.

Commissioner Tench lead the invocation.

Commissioner Palmer lead the pledge of allegiance.

TOPICS OF DISCUSSION

a. Guaranteed Energy Savings Performance Contracting (GESPC)

Chairman Akins invited Greg Icard and Ray Jordan with ABM to address the Commission.

Mr. Icard informed the Commission that he has met with elected officials and staff of county and city governments across the state. All have said that while they have seen increases in funding in recent years, the costs of materials and services have increased at an exponential rate compared to the funding increases, resulting in a funding gap.

The state of Georgia has legislation that allows for Guaranteed Energy Savings Projects. These projects allow companies like ABM to evaluate a county's operations, facilities, and infrastructure to look for ways to find efficiencies. Once these efficiencies are determined, these companies can then guarantee the savings that they have identified. For example, if a county is spending \$1,000,000 a year in utilities and ABM finds a way to save them \$200,000 a year, ABM guarantees that \$200,000 savings so that this money that would normally be part of the general budget can be reallocated to making the necessary facility renovations and/or upgrades. This legislation is very flexible so that it allows additional projects to be bundled into the energy savings to assist in funding operational needs of counties.

Mr. Icard informed the Commission that the first step in this process usually involves meeting with county administrators and staff. ABM met with County Manager Vaughn last May and Facilities Director Mike Beecham last August to discuss the services that ABM offers regarding GESPC. In December they conducted a preliminary assessment of the facilities. ABM visited the County Administration Building, Aquatic/Recreation Center, Courthouse, Detention Center, and Fire

Stations #9, #12, #13, #14, #16 and #17. This preliminary assessment is meant to give an overview only and so did not include all of the county facilities as a whole. While they could tell significant investments had been made and the facilities they assessed were clean and well maintained, the majority of the fire stations needed significant updates and renovations to the living areas and garage areas and the cost per square foot for energy usage in the facilities assessed is high. A few of the measures that they look at in regard to lowering the energy usage costs are reducing air leakage/infiltration, repairing/replacing/maintaining HVAC system for more efficient operation, water conservation measures, LED retrofitting, solar arrays, generators, and building automation upgrades that allow for the control of the heating and air conditioning from a central location as well as automatic reduction in the HVAC usage during times no one is in the building.

Commissioner Harkness inquired about the savings that have been generated thus far from having installed solar panels at the Recreation and Aquatics center. County Manager Vaughn informed him that she did not have that information on hand. Chief Financial Officer Tim Sims informed Commissioner Harkness that he and Public Works Director Jerry Baggett have a contact with HEMC that they can reach out to for this information on his behalf.

Mr. Icard showed the Commission several pictures of the facilities that they had visited and discussed potential energy saving measures as well as needed upgrades for the facilities. In particular, he wanted to point out that the \$5.58/sq ft annual utility cost for the detention center is extremely high. He stated that generally ABM is able to identify solutions for an average of 40% energy savings for jails and 30% for general county buildings. Later in the presentation Mr. Icard reviewed a utility data analysis that showed the average cost per square foot of the county facilities they assessed overall as being \$2.30/sq foot. He reviewed this with their electrical engineer, and they feel confident with an estimated post retrofit target of \$1.75/sq foot average utility consumption. He reminded them that this is a preliminary assessment only. Should the Commission choose to move forward with an investment grade audit, ABM would have to guarantee the identified savings. If they are wrong, then they would have to pay the county the difference.

Mr. Icard reviewed a capital volatility analysis of the equipment at the facilities that were assessed. As part of this analysis, a grade was assigned to the equipment based on when it was installed and its useful life. In the next five years the county will have around \$870,087 worth of equipment to replace. In the next six to ten years the county will have approximately \$1.38 million of equipment to replace. In the next eleven to fifteen years the county will have approximately \$266,574 worth of equipment to replace.

Mr. Icard stated that based on this preliminary assessment, they estimate that they can save the county around \$133,230/year in energy costs and \$70,822/year in repair costs for a total average savings of \$204,052/year. Over the 20-year term the total savings would be approximately \$4,081,040. He reminded them that these are preliminary estimates only and that an investment level audit is intensive and requires four to six months to complete. The funds from these guaranteed savings are what would be used to finance the necessary facility and equipment upgrades. Mr. Icard went on to explain additional benefits of partnering with ABM, informing the Commission that ABM has a team of grant writers who can assist county staff in pursuing alternative revenue and grant opportunities at no additional cost. Additionally, the solutions provided by ABM are turnkey solutions with a single point of contact for all parts of the process including design, engineering, implementation, and commissioning. There are also no change orders involved, as the legislation does not allow it. ABM must guarantee both the outcomes and the energy savings. If ABM makes

an error in their estimates then they would be the ones who have to pay the cost of covering the difference.

Mr. Icard informed the Commission that should they decide to move forward with an investment grade audit, state legislation requires that they post a request for qualifications (RFQ) on the Georgia Procurement registry for 30 days. If ABM is chosen from the RFQ's are submitted, then they would create a letter of intent for the investment grade audit. The investment grade audit lasts four to six months, after which all the data and findings are presented to the Commission for a decision on whether to move forward with a contract. The County would not be responsible for any payments until two years after they sign the contract. The first year is to allow for time to complete the energy savings projects, and the second year is to allow for one full year of energy savings to fund the projects. The cost of the work and the equipment needed for the projects are covered through a capital lease so there is no need for a GL or revenue bond. This capital lease can be done for a term of up to 20 years.

Commissioner Harkness wanted clarification regarding at what point in time the county would be responsible for paying ABM? He asked if the work they had done up to this point had been cost free? Mr. Icard informed him that the county has not incurred any costs for the preliminary assessment. Should the Commission put out an RFQ and choose to go with ABM, then they would need to sign a letter of intent for ABM to complete the investment grade audit. After this audit is completed, if the Commission decided that they don't want to move forward with the project then there is a break fee that runs around \$20,000 to \$35,000 on average depending on the engineering that was involved. The amount of this fee would be included in the letter of intent. It does not recoup all the costs that ABM actually incurs in completing the audit, which run around \$100,000. If the Commission moves forward with completing the energy savings projects with ABM this audit is included for no additional charge.

Commissioner Akins asked if the Commission would have the ability to pick what renovations and upgrades to move forward with completing? Mr. Ray Jordan informed him that they would be presented with all of the savings estimates and upgrade costs and that the Commission can choose which of the identified solutions to move forward with in a cafeteria style format.

b. ACCG Legislative Updates

Commissioner Palmer provided an update on some of the current state legislation being proposed:

- An additional \$200 million is being budgeted for a second LMIG allotment. He believes that Habersham County received around \$850,000 from the last allotment. This allotment would be an additional \$850,000 but there would be no required match. The application for this will take place in March.
- The threshold amount at which public works projects must be bid out increased from \$100,000 to \$250,000.
- Legislation is being proposed to no longer require the printing of the estimated taxes on the assessment notices. Commissioner Palmer reminded the other Commissioners that this has caused confusion in the past because the estimates on the bills are not always accurate.

- Legislation is being proposed to eliminate the three-year freeze on property assessment for frivolous appeals.
- Legislation is being proposed to reduce the wait time for starting SPLOST collections from 80 days to 50 days. This is to allow counties to go ahead and start collections as of January instead of having to wait until April.
- Legislation is being proposed to automatically set the fair market value of a property at the most recent sale price until there is a subsequent sale. Currently, the tax assessors are unable to assess based on the sales price or “chase sales”.
- Legislation is being proposed that is supposed to be in relation to protecting aquifers in the coastal region, however it is a matter of concern for all counties as it would potentially allow the state the ability to start regulating wells throughout the rest of the state.
- Legislation is being proposed to require that Automatic External Defibrillators (AED’s) include three doses of Narcan with the machine.
- Proposed House Bill 952 is specific to Habersham County. It is a magistrate technology bill that allows the magistrate court to charge a set \$10.00 technology fee on all of the cases that they hear to help recuperate some of their costs.

Commissioner Palmer reminded everyone that Crossover Day is February 29th. This is the day that bills that originate in the house or the senate must cross over to the other chamber if it is to be decided on during this legislative session.

ADDITIONAL COMMENTS

ADJOURN

Motion by Commissioner Harkness, seconded by Commissioner Palmer and voted unanimously (4-0) to adjourn the work session at 5:52 p.m.

Respectfully submitted,
 By: _____
 Commission Chairman Ty Akins
 Attest: _____
 County Clerk Brandalin Carnes