

The Central State Hospital Local Redevelopment Authority met in regular session on Wednesday, March 16, 2022, at 5:02 PM in The Grove Event Center.

Members present were Mr. Grant, Mr. Jones, Dr. Nelson, Mr. McMullen, Mr. Robinson, Mr. Pittman, Dr. Martinez, Dr. Stephens. Mr. Peters.

Mr. Grant called the meeting to order at 5:00pm by requesting an establishment of a quorum and asking the Board for the approval of the February minutes.

Mr. Pittman asked that the February minutes be amended to include the request to communicate with the OMEGA group after the Authority consulted with the Attorney Generals' office.

Motion to approve February minutes as amended

Mr. Pittman 1st motion

Dr. Stephens 2nd motion

On aye Mr. Grant, Mr. Jones, Dr. Nelson, Mr. McMullen, Mr. Robinson, Mr. Pittman, Dr. Martinez, Dr. Stephens, Mr. Peters.

Mr. Grant went on to state Brian Wright of Wright and Wright Attorney of Sandersville was in attendance. Mr. Wright was engaged in an audit for the Authority. Mr. Grant asked Mr. Wright to give an overview of his findings.

Mr. Wright provided all Board Members a copy of the audit. Mr. Wright stated the Authority is a component unit of the City of Milledgeville. Mr. Wright stated his audit was a complete audit for period of/before June 2021 which included his professional opinion. Mr. Wright noted pages four and five which included Government wide statements. Mr. Wright stated he likes to see a third-party fulfilling accounting needs. Mr. Wright noted the Authority's debts, cash receivables and paid out. Mr. Wright also noted several general notes that concerned the Authority using a third-party accounting firm. Mr. Wright closed his report by stating if any Board Members have questions, they can reach out to him.

Mr. Robinson asked why the PPP loan is noted in receivable and is not an asset.

Mr. Wright stated the line item in question is money owed to Authority from Dublin Gas and not a PPP.

Mr. Wright noted the PPP loan forgiveness was noted.

Mr. Robinson noted one of the two PPP loans was forgiven and not the second.

Mr. Wright noted the second PPP loan is not noted on the document seeing as how recent it was.

Dr. Nelson informed fellow Board members she has a real estate question that may require the board to enter executive session.

Mr. Grant stated they will place this matter between line items eight and nine.

Mr. Pittman stated he meet and invited Mr. Lewis, Assistant Superintendent of Hancock County Schools.

Mr. Grant asked Mr. Lewis to please stand and introduce himself.

Mr. Lewis introduced himself. Mr. Lewis noted he briefly spoke to Mr. Pittman regarding some of the projects that are happening on campus and wanted to see how he could extend some resources to the campus as well as to Hancock County as far as economic development.

Mr. Grant asked was it required to accept the audit.

Mr. Reynolds responded no.

Mr. Grant moved to line items six, Resolution R2203-1, a resolution to accept the Men's State Prison Tract which is the site where Bostick II will be located. Mr. Grant stated this formalizes the request.

Mr. Pittman stated he assumed this would be the last piece needed by Dr. Musso to continue the process.

Mr. Grant stated yes, the Board is required to have a resolution in place in order to transfer the property.

Mr. Robinson asked will they assume the entire sixteen acres.

Mr. Reynolds responded no; it will be eight acres on the northern half of the Men's Prison site including chapel two, not including the prison site.

Mr. McMullen asked was all the Authority's due diligence taken care of.

Mr. Reynolds responded yes.

Mr. Pittman questioned the length of the process and had it been well over three years.

Mr. Grant stated yes, but it was always Dr. Musso's plan to expand his footprint past Bostick I.

Resolution 2203-1

Mr. Pittman 1st motion

Mr. McMullen 2nd motion

On aye Mr. Grant, Mr. Jones, Dr. Nelson, Mr. McMullen, Mr. Robinson, Mr. Pittman, Dr. Martinez, Dr. Stephens, Mr. Peters

Mr. Grant moved to line item seven, a resolution to retain legal counsel for the CSHLRA Board. Mr. Grant noted while an entity of the City, the Authority was able to utilize the City's legal counsel. Mr. Grant went on to state the Board has been in conversation for over a year regarding finding legal counsel and asked the board to vote on securing the Roessing Law firm as counsel by accepting terms specified in provided contract.

Mr. Pittman stated he agreed with the need for legal counsel was needed but questioned whether or not others been interviewed.

Dr. Nelson stated she thought the Board had agreed to open a search for legal counsel.

Mr. Grant stated when the board last spoke on matter, he asked Board members to provide leads so that they could be reviewed. Mr. Grant stated no one from the Board provided him with any further information.

Mr. Pittman stated he assumed there would be a search for legal counsel.

Mr. Grant stated it is his understanding we do not have to receive bids. Mr. Roessing is a partner on campus and has a vested interest in the success of the campus.

Mr. Robinson asked would Mr. Roessing working for the Authority be a conflict of interest because he owns property on campus.

Mr. Reynolds stated it is not a conflict, but it may preclude him from purchasing additional property as a servant of the Board.

Dr. Nelson stated she feels it would be a conflict in interest. Dr. Nelson went on to state the Board was not able to interview him.

Mr. Reynolds stated Mr. Roessing was present at the previous meeting with the intent to answer all questions/concerns the Board may have.

Mr. McMullen noted he was not present at the previous meeting where Mr. Roessing was present.

Mr. Grant asked Dr. Nelson what questions she would like to ask.

Dr. Nelson stated she would personally like to ask if this would this be a conflict in interest along with several general questions.

Mr. Grant moved to the retainer agreement reciting item number eleven regarding having to recuse himself in representing the Authority in specified situations.

Dr. Nelson noted even if the board is not required to open the search, she would like for the Board to do so.

Mr. Grant stated he will leave the decision to the Board but reminded the Board that there is a resolution on the agenda. Mr. Grant stated he asks if the board decides to move forward than a motion should be made.

Mr. McMullen stated he would like to make a resolution for the Board to table the resolution. Mr. McMullen went on to say there are a great deal of issues that need to be resolved. Mr. McMullen suggested bringing Mr. Roessing in on an interim bases or as needed. Mr. McMullen stated he wants to only show the Authority showing fairness to the general public. Mr. McMullen reiterated he is split in his decision.

Mr. Robinson asked if we retain him are we required to use him.

Mr. Grant state we can terminate him at any time however, the deposit is nonrefundable.

Mr. Robinson asked where did/does his relationship with the Authority began. Mr. Robinson asked had the Authority used Mr. Roessing in the past.

Mr. Grant noted to his recollection, the Authority has not used Mr. Roessing for legal counsel prior.

Dr. Nelson asked has Mr. Roessing represented anyone on the Board past or present.

Mr. Grant responded to his knowledge, no.

Ms. Giles stated Mr. Roessing relationship was only as a renter and as he became more vested in the community he decided to "lay roots" on campus by purchasing property.

Mr. Grant state the Board has a motion to table Resolution 2203-2

Motion to table Resolution 2203-2

Mr. Pittman 1st motion

Mr. McMullen 2nd motion

On aye: Mr. Jones, Dr. Nelson, Mr. McMullen, Mr. Pittman, Mr. Peters

Opposed: Mr. Grant, Mr. Robinson, Dr. Martinez, Dr. Stephens

Passed to table motion.

Mr. Pittman noted since motion has been tabled the Board should devise a plan/solution to work through prior to next months meeting.

Mr. McMullen entered a motion to hire Mr. Roessing on an interim bases without the retainer of \$7,000.

Dr. Nelson pointed out Mr. Roessing retainer is \$7,000 and we are unable to speak to the fact he would be willing to waive fee. Dr. Nelson asked that the Board re-represent information to him with edited terms.

Mr. McMullen responded with potentially making an offer to Mr. Roessing for sixty days until the Authority decides on permanent legal counsel.

Mr. Reynolds suggested the Board make a motion to accept Mr. Roessing's proposal striking section three regarding the retainer fee of \$7,000. Mr. Reynolds went on to state at which point it would allow Mr. Roessing to accept of decline and allows Mr. Reynolds to negotiate a better agreement.

Mr. McMullen stated he is trying to propose not spending \$7,000 up front but instead is paid the hourly rate during the interim time. Mr. McMullen followed up with this allows the Board to see Mr. Roessing's work, it allows the Board to do their due diligence to open position.

Mr. Grant noted the current motion is to strike through the retainer fees and allow Mr. Roessing to work on an hourly interim basis.

Dr. Martinez stated he is aware there is a motion on the table but asks the Board to allow Mr. Reynolds to enter discussion with boundaries with Mr. Roessing. Mr. Martinez went on to say within these boundaries we allow Mr. Reynolds to negotiate on the Authority's behalf.

Dr. Nelson reiterated her wanting to be involved in the selection process and simply being able to question Mr. Roessing.

Mr. McMullen suggested placing an ad in the local paper for thirty days and have resumes sent to Mr. Reynolds.

Dr. Stephens stated if ad is in local paper, then you stand the chance of a local counsel has represented someone on the Board.

Mr. Pittman suggested simply placing a notice on the Authority's website. Mr. Pittman went on to say he is unable to support the current proposal knowing we have not tried to search.

Mr. Martinez stated his reason for entertaining the interim use of Mr. Roessing is to have him work with the Authority on some present matters.

Mr. Grant reiterated the city attorney was available to us for some time.

Mr. McMullen stated he wants someone to research the issue and present the Board with findings. Mr. McMullen went on to state he wants to be sure the Authority is fair with the process.

Alternate Motion to Resolution 2203-2 striking paragraph three and retain Mr. Roessing on an interim basis with termination at any time.

Mr. McMullen 1st motion

Mr. Robinson 2nd motion

On aye Mr. Grant, Mr. McMullen, Mr. Robinson, Dr. Martinez, Dr. Stephens

Oppose Mr. Jones, Dr. Nelson, Mr. Pittman, Mr. Peters

Passed Motion

Mr. Grant informed Board the amended resolution has passed and instructed Mr. Reynolds to present new terms on the Board's behalf to Mr. Roessing. Mr. Grant proceeded with line item eight asking Mr. Reynolds to proceed with his project reports.

Mr. Reynolds opened his report with informing the Board he has completed tours over the course of five days touring all facilities still held by the state of GA. Mr. Reynolds stated the tour group included several representatives from the State and City of Milledgeville. Mr. Reynolds noted he spent three days with DBHDD and their counsel and two days with the City of Milledgeville and their counsel. Mr. Reynolds moved to job creation and closings stating tomorrow the Authority will close on two properties, one of which is Discount Auto Air at Scott's State Prison maintenance shop with Mr. Harkins. Mr. Reynolds noted Mr. Harkins will create ten to twelve jobs, purchasing 1.30 acres. Mr. Reynolds reminded the board the price was discounted to \$54,500 from \$64,500 due to loss of electrical system. Mr. Reynolds went on to inform the board the funds received from sale will be used to pay down the line of credit at Century Bank because this property is within the property that was used for the security deed for that line of credit. Mr. Reynolds noted this payment will help save on interest on that line of credit and work towards paying that line of credit down. Mr. Reynolds moved on updating the Board on Trevena stating he plans to sign documents tomorrow for the sale of the ice plant with a formal closing on Friday. Mr. Reynolds stated Trevena will create one hundred and forty plus jobs on an 8.91-acre tract and the Authority will receive \$60,000 from the sale.

Mr. McMullen questioned will the job creation numbers be over a period or all at once.

Mr. Reynolds stated under his assumption currently there are two bills in the state legislature regarding the license process for production of marijuana which may delay the hiring process to well after the session ends. Mr. Reynolds stated the good news even with the licensing uncertainties, Trevena is still committed to acquire the property so that they can move forward once legislation has passed.

Dr. Martinez questioned will they produce other products, CBD oil.

Mr. Reynolds responded the primary will be low THC, high cannabinoid, medical grade oils.

Ms. Giles questioned would this be an opportunity to bring FVSU back into the conversation regarding low THC production.

Mr. Reynolds stated that is part of the conversation with the state legislation at this time as there are some revisions required to the original process to allow universities to have their own production facilities.

Mr. Pittman asked was the current property satisfactory to Trevena's needs.

Mr. Reynolds respond yes; this will accommodate their maximum square footage.

Mr. Peters asked what Trevena's plan is if they don't get the licensing as he understands there is a "battle" occurring over legislation and there may be no guarantees.

Mr. Reynolds stated because they were previously awarded licensing it would be a hard sale and the state could potentially open themselves up to several legal quandaries, breach of contract, etc. Mr. Reynolds reminded the Board in all contracts; the Authority has a buy back clause that specifies the Authority is allowed to buy back the property for no more than purchase price.

Mr. Pittman asked what the specified time on the buy clause is.

Mr. Reynolds stated the typical buy back time is eighteen to twenty-four months, we can extend if need be and can be extended if need be.

Mr. Reynolds proceeded with updating the Board on the Vinson Highway River Tract noting that a forty-five-day extension was needed for time to survey more lots for financing which extends the closing to the first of May.

Dr. Nelson inquired about the forty-five-day extension.

Mr. Reynolds responded a forty-five-day extension was requested about two weeks prior in order to survey individual lots.

Mr. Pittman inquired about backup offers.

Mr. Reynolds responded there were backup offers in place, but the current buyers earnest money was "hard" at this point, and it seemed reasonable to allow extension.

Mr. Pittman noted that he was not aware of the extension given as he is on the real estate committee.

Dr. Martinez asked will closing be in about thirty days.

Mr. Reynolds responded yes; it would be in that time frame.

Dr. Nelson asked what would have happened if the buyers were not given an extension.

Mr. Reynolds responded they would have lost their earnest money of \$10,000 placing us back at square one.

Dr. Nelson asked if that accounted for backup offers.

Mr. Reynolds responded we would start over even with the due diligence period which could push things out for an additional eight months.

Mr. McMullen stated he has no issue with providing an extension however was documentation provided stating this is what was needed.

Mr. Reynolds stated this information was provided to me by the Authority's realtor.

Mr. Pittman was any additional money received from providing the extension.

Mr. Reynolds responded no but if it is the wish of the Board, we will not provide any additional extensions past this point.

Dr. Nelson stated she was unaware of it and would have like to have been informed we were nearing the expiration, the extension was given, and the finance committee was informed.

Mr. Pittman asked that in the future Mr. Reynolds please reach out to someone on the Real Estate Committee.

Mr. Reynolds agreed.

Mr. McMullen stated his only concern is to make sure this extension is not a waste of time.

Dr. Nelson asked if the purchaser does not come back to the table in forty-five days, what will be our next course of action.

Mr. Reynolds stated that would be a decision for the Board.

Mr. Peters stated you would accept/reject the backup offers or you go back to the drawing board for new prospective buyers with increased price.

Mr. Reynolds stated he would be happy to do whatever the Board wishes to do forward going if the deals does not go through.

Mr. Grant noted the backup offers are considerably less than what is being offered currently.

Dr. Martinez noted there is no guarantee the offers will stay where they are.

Mr. Reynolds noted that metes and bounds may be used to move forward with the sale of the Bostick II site since the quit claim deed from the State Property Commission was delayed. Mr. Reynolds noted this information is needed to uphold their certificate of need and will be used for the site of Bostick II. Mr. Reynolds stated Waddell and Associates are currently putting together a "metes and bounds" description and this would be used until the quit claim deed is secured. Mr. Reynolds noted it does not include the Washington Building. They have been securing the property by zipping up holes in fences.

Mr. Reynolds informed the Board the back door to the nursing facility has been replaced as it was ripped off the hinges some time ago. Mr. Reynolds noted he is receiving help from a contractor Mr. Bailey to maintain grounds and make minor repairs on campus as needed. Mr. Reynolds expressed his appreciation of Mr. Bailey. Mr. Reynolds noted he is closing perimeters of the Frank Scott Prison as well as the previously mentioned Nursing facility. Mr. Reynolds noted all current site visits as well as monthly calls with City and County Manager. Mr. Reynolds noted a site visit with Georgia Power to discuss lighting upgrades and meeting with City Manager to plan for the next round of paving through LMIG funding and GDOT.

Mr. Grant asked does Board members or meeting attendees have any questions for Mr. Reynolds.

Mr. Griffith noted the city waived the fee for the demolition of the maintenance shop at Men's Prison. Mr. Griffith noted this shows the city supports and is interested in the growth of the CSH campus. Mr. Griffith also noted recently there was a severe water main break near on Colony farm road

Mr. Grant asked Dr. Nelson what the topic of discussion during the executive session is.

Dr. Nelson stated the topic is regarding an appraisal on a piece of property.

Mr. Pittman asked could Mr. Grant divulge details on the response received by email from the Attorney General's office.

Mr. Grant responded the just of the conversation was they cannot be our counsel, but they did say as a courtesy they would look at a proposal from our attorney how to resolve some of the issues from our past. Mr. Grant went on to say this is some of the reason why we wanted to move forward with finding an attorney.

Mr. Pittman asked is the OMEGA group understanding of situation.

Mr. Grant stated he has not had a conversation with the OMEGA group and cannot provide an answer.

Mr. McMullen stated there is a need for legal representation to continue those conversations.

Mr. Reynolds noted he agrees we will need legal representation to handle the matter.

Motion to amend the agenda to enter executive session.

Dr. Nelson 1st motion

Mr. McMullen 2nd motion

On aye Mr. Grant, Mr. Jones, Dr. Nelson, Mr. McMullen, Mr. Robinson, Mr. Pittman, Dr. Martinez, Dr. Stephens, Mr. Peters.

Motion to go into executive session

Dr. Nelson 1st motion

Mr. Peters 2nd motion

On aye Mr. Jones, Dr. Nelson, Mr. McMullen, Mr. Robinson, Mr. Pittman, Dr. Martinez, Dr. Stephens, Mr. Peters.

Oppose Mr. Grant

Motion to return from executive session

Dr. Nelson 1st motion

Mr. McMullen 2nd motion

On aye Mr. Grant, Mr. Jones, Dr. Nelson, Mr. McMullen, Mr. Robinson, Mr. Pittman, Dr. Martinez, Dr. Stephens, Mr. Peters.

Mr. Pittman asked that someone please reach out to OMEGA Group to keep the communication open regarding the matter.

Close meeting

McMullen 1st motion

Robinson 2nd motion

On aye Mr. Grant, Mr. Jones, Dr. Nelson, Mr. McMullen, Mr. Robinson, Mr. Pittman, Dr. Martinez, Dr. Stephens, Mr. Peters.