

BAKER CORRECTIONAL DEVELOPMENT CORPORATION
&
BAKER COUNTY CORRECTIONS MANAGEMENT CORPORATION

Regular Joint Board Meeting
Minutes

Wednesday, May 3rd, 2017 - 2:00 PM
Baker County Sheriff's Office – Training Room

The meeting was Called to Order at 2:05p.m.

Board Members Present were: Jack Baker, Ed Barber, Mark Broughton, Chris Gazes and Sharon Padgett.

Invocation was led by S. Padgett and the Pledge of Allegiance was led by C. Gazes.

Approval of Agenda – as a result of the email send by P. Dame relating t the status of negotiations with the bondholders, the Agenda will be amended to add item IV.(a.); the agenda was unanimously approved as amended.

Consent Agenda – Minutes were unanimously approved Approval of minutes of April 25, 2017, Special Called Meeting

Public Comment – Commissioner Anderson made the BCDC aware of the upcoming County commission budget workshop, tentatively scheduled fr the second BOCC meeting in June.

IRS Bond status – previously the Board approved a proposal for the transfer of the bonds from tax exempt to taxable, and the bondholders received tax advice relating to the taxability of the bonds for the prior years. The IRS will close the audit and highly unlikely that the audit would be re-opened. The bondholders want some protection about the potential taxability issue. The bondholders are asking for 30% indemnification of the redemption premium, which is still a better deal than if the bonds were deemed taxable. Additional discussion was had by the Directors. Explain the additional 1.5% is a contingent payment.

Also discuss pursuing legal action against original bond counsel – this issue will be discussed at the next meeting on May 17, 2017.

Motion to direct P. Dame to negotiate an annual roll off, and otherwise accept the current status of the offer made by C. Gazes, seconded by M. Broughton – unanimously approved.

Amending Articles of Incorporation and By-Laws – The Board of County Commissioners approved the Amended and Restated Articles of Incorporation and By-Laws for both the BCDC and the BCCMC at yesterday's BOCC meeting.

A motion was made by C. Gazes, and a second was made by M. Broughton to approved the BCDC Amended and Restated Articles of Incorporation and By-Laws – unanimously approved.

A motion was made by S. Padgett, and a second was made by C. Gazes to approved the BCCMC Amended and Restated Articles of Incorporation and By-Laws – unanimously approved

Amending Operating Agreement with BCSO – the Directors discussed proposed modifications. C Gazes asks about the Exhibit "A". Discussed facility revenue, C. Gazes wants to return to at a later time. Agree to remove the Hazardous Materials references. J. Cox explains some concerns with the references to the reimbursable expenses.

S. Padgett would like to see any contracts entered into on behalf of the BCDC.

E. Barber would like reports of split employees.

The Directors will review and compare the BOCC and the Sheriff's bid and procurement policies and procedures.

3:50pm - Break for 10 minutes

J. Cox discusses the budget process. Discuss variances in budget vs. actual expenditures, and possibilities of budget amendments.

End discussion at the end of Article IV; begin again at Article V.

Sheriff's Comments – none.

Board Comments – S. Padgett asks to invest in a recording device, and wants the Board provide for payment of legal fees. C. Gazes distributed information to the Board for review relating to financing. Mr. Gazes asked the Board to pay close attention to the amortization schedule.

J. Cox reported that the auditor cannot participate in the upcoming feasibility study. The Board will discuss at the May 17, 2017 meeting.

The meeting was adjourned at 4:35p.m.