



## City and county come to an agreement on impact fees

CNHI News Service

— City and county officials held a joint workshop on Monday night to discuss sewer tap and impact fees for businesses located in the Hamilton County/PCS Industrial Park.

In 2000 the County used grant money to run water and sewer lines from the City of Jasper to the Industrial Park and to build a water tower on US Hwy. 129. The City paid \$64,000 to the County for the water tower and the County deeded the water and sewer lines to the City, who operates and maintains the system and receives all service fees.

The City has imposed \$9,200 in sewer tap and impact fees on G.A.P. Roofing who is constructing a facility at the Industrial Park. The county disputes the fees, quoting a letter signed by then City Manager Ralph Bowers in 2002: "The County's contribution (the construction of the water and sewer lines and the water tower) will more than offset any contemplated connection fees."

The meeting began with a simple question from County Commissioner Chairman Mike Adams, "Will you lower or waive the fees?" City Manager Kent Cichon responded by explaining the history and the reason for impact fees.

City Council Chairperson Cecil Rowe said, "I feel the citizens of the city have paid enough. We fund economic development with impact fees - we shouldn't waive them."

"We know the city needs impact fees," Bob Poor, County Coordinator, said. "The County is not asking that all fees be waived, just the ones for the businesses in the Industrial Park. The City should honor the agreements that were made in good faith."

Poor explained the background for the agreement and described the incentives the County uses to attract new businesses to the area.

Vice-Mayor Edna Burnham asked the commissioners, "Where were you when Glenn Richards, Doug McGauley and Dollar General came in? If it's in the city limits, it doesn't matter to you. We will not waive or lower the fees."

Henry Shelton, City engineer, stated that the Industrial Park is an "operational liability" and that it costs the city to service it. According to Shelton the City will not make any money from businesses located in the park.

After more discussion about the intent of the original plans, the audience applauded when Adams said, "The point is to spur economic development in the county and have businesses come in. We want the city to waive the fees because we think 40 jobs is worth it."

Cichon asked why the County could not use the phosphate fees from PCS Phosphate in White Springs. Poor said that those funds were being used to develop an industrial park at Genoa for a business that would hire as many as 100 employees and to build a well, a water treatment, and a sewer treatment plant at the intersection of I-75 and SR 6.

The audience applauded two long-time residents of Hamilton County who addressed the commissioners and the council. Jack Vincent said, "We have to get this county together to amount to anything. I came to see you solve something, but it doesn't look like you will."

Lamar Royals added, "We need to do something to attract jobs. It is time to come to an agreement. Those of you who are sitting in those chairs up there have some hard decisions to make to keep our quality of life. The City and the County need to work together."

Cichon wanted to know how many jobs were guaranteed to Hamilton County residents. Poor responded that the county could not require a company to hire employees only from the county, as that would be a violation of the Equal Opportunity Employment Act.

Perry Ruthowski, General Manager of ESP, stated that 98% of their employees lived in the county. Cichon pointed out that Ruthowski was probably the highest paid employee at that facility and asked him where he lived. Ruthowski answered that

he lived in Valdosta, Ga., and explained that he moved from Atlanta, Ga., and his children wanted to continue going to school in a system that used the same scheduling they had been using.

A gentleman in the audience commented that if the city could hire only people from the county, Cichon would not have a job. When Jan Yancey, a member of the audience, suggested that the City forgive half the fees and the County pay the other half, Mayor Matthew Hawkins answered, "We can't afford to give away impact fees. We can't waive them because we might get sued by other businesses who have to pay the fees."

Cichon said the County could pay the impact fees with funds it will receive from the cardroom. He accused the commissioners of voting against the cardroom but it created a new source of revenue for the County. Adams stated that the commissioners allowed the voters to decide the cardroom issue and asked if the City was receiving any money from the cardroom.

When Cichon said no, Adams asked, "Where is the cardroom located?" Cichon answered that it is in Jasper. Adams then asked, "Don't they use the restroom and drink water? Then the City is receiving money from the cardroom."

County Commissioner Leon McGauley quietly broke into the debate, "The question is this - are you going to honor this agreement? I'm still honoring agreements made by Jack Vincent over 30 years ago. He is no longer a commissioner but I honor them. We had no agreement with Glenn Richards, Doug McGauley or Dollar General."

When Cichon answered that the agreement did not apply to impact fees, McGauley said, "It says fees. It is an official document signed by Ralph Bowers."

Cichon again mentioned the funds from the cardroom. Clerk of Court Greg Godwin explained that the cardroom would generate a only a small amount of revenue and the County would not know until September how much money they would receive from the cardroom.

McGauley broke in again and said, "I'm not talking about the cardroom. Does the fee have to be paid before the tap?"

When Cichon said yes, McGauley said, "Then it is a tap fee."

Cichon responded that a tap fee and an impact fee are not the same thing. Commissioner Randy Ogburn asked how much was the total fee and Cichon answered \$9,200.

Ogburn said, "It's silly to dispute over \$9,200. If G.A.P. had known about this, they would never have come here. I make a motion that the county pays it."

Jack Miley, a member of the audience, urged the County not to pay the fees. "The county is making every effort to get companies to come here but the City is saying we don't want you unless you pay more. The City will make money off the businesses! Is this genius or what?"

After more discussion, Mayor Hawkins made a motion to allow the County or the Development Authority to pay the fees. The motion was passed unanimously.

Adams then stated that the County wanted to discuss a related issue concerning ESP. "We want to settle it tonight and not wait for another workshop. ESP is a vital industry and we need to keep it here."

Ruthowski said the company wanted to spend approximately four million dollars to expand the facility in Jasper, but a water tower needed to be moved from the property. He said he wanted permission to move the tower.

Ruthowski pointed out that the company currently has 162 employees and reminded everyone that 98% of those lived in the county. He said that they would increase the employees to over 300. He added that they would hire students with a 3.0 grade point average part-time during the summer so they would learn to work and learn the value of staying in school and getting good grades.

Adams asked if the City would move the water tower. Cichon answered that they would have to check into it. Poor said the County would help the city get a grant to buy another water tower.

Ruthowski said ESP would provide the land for a new tower and would pay the costs of an engineer. Cichon responded that the City would work on it as quickly as possible and give an answer in a "couple of weeks." Ruthowski responded that "the sooner the better."

Shelton said that the tower was built in the 1920s and the master plan did not require that tower. It was actually costing the city money. "If we can get a new tank out of the deal, then I say 'yes,'" he added.

Adams pointed out that grants take time and the tower needed to be moved now. Ruthowski said ESP would pay part of the moving costs.

City Council member Kathy Avriett made a motion for the City to remove the tower, which was passed unanimously. Then Mayor Hawkins made a motion to also remove some gas lines in the same area. That motion passed unanimously also.

Adams made a motion for the county to help move the tower, which was passed unanimously.

As the meeting ended, Marion Turner, another long-time resident, stated that ESP had been a good citizen in the community and she was glad the commissioners and the council members had done something to keep them here.

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