

January 20, 2025
Meeting Canceled

Council Meeting
February 3, 2025

Members Present: Mayor Buddy Duke, members Terry McClain, Greg Paige, Walter Cowart, Celestine Hayes and Jody Greene.

Others Present: City Manager Mark Barber, City Clerk Rhonda Rowe, City Attorney Tim Tanner, members of staff and the public.

Invocation was given by Councilman McClain.

Pledge of Allegiance:

Approval of Minutes: Councilman Paige made a motion to approve the minutes of January 6, 2025 as presented. Councilman McClain seconded with all in favor.

Public Hearing (Rezoning Request): Councilman Paige made a motion to enter into public hearing to gain input on the rezoning request filed by Frederick Horne, George Horne and Christopher Horne. The application requests that property located on S. MLK Jr. Drive (Map A008 Parcel 098) be rezoned from R-8 (Residential) to GB (General Business) designation. The rezoning is requested to operate a used car dealership. The Greater Cook County Planning Advisory Commission met on January 30, 2025 and the request was denied by a 3-2 vote. There was no one present to speak for the application. Altheia Paige addressed the council in opposition to the request. She stated that she is on the planning board, which denied the request. The property is beside a house and if the zoning changes, anything can come in. She noted there are also two churches in the area and does not feel this is a good idea to be in this location in the community. She asked the council to vote "no". There was no further discussion and the public hearing was declared closed.

Ord. #25-01: This ordinance, rezoning property of Frederick Horne, George Horne and Christopher Horne on S. MLK Jr. Drive from R-8 to GB was read for the first time.

Police Vehicle Bids: City Manager Mark Barber advised the council that we are now entering into our 5th month of the current budget and are beginning to look at the capital purchases approved for this fiscal year. The first of these is the purchase of an SUV for the police department. They have a total of \$245,100 approved for vehicle purchases. Bids were obtained from Aikins Ford Dodge (the current state contract holder) as well as two other vendors. Bids were as follows for a police interceptor unit:

Cook County Ford	\$49,587
Akins Ford Dodge	\$49,607
Langdale Ford	\$50,246

He noted this purchase will not increase their fleet; vehicles will be moved down and resulting surplus will be sold. The recommendation was to award the bid to Cook County Ford. Councilman Cowart made a motion to approve the low bid of Cook County Ford. Councilman McClain seconded with all in favor.

New City Hall Modification Bids: The city manager reminded the council that late last year we purchased the building at 101 S. Maple for \$3.3M, fully furnished. The funding for the purchase did not come from the tax rolls; it did not affect anyone's taxes. It came from an accumulated rebate investment account we have with MEAG. We pulled it from that pool to make the purchase and each year when we get that rebate we are paying ourselves back into that investment account. He added that we went through each floor at the new building and said "this is what we would like", knowing there was a possibility the cost might be more than we could afford, but this is what we would like to see. Specifications for modification to the new City Hall were then made available to interested contractors on November 21, 2024. A preconstruction meeting was held on December 19, 2024. Responses to the Request for Proposals were opened on January 7, 2025. A single bid was received from Barber Construction in the amount of \$790,000. He noted to keep in mind this had been our "wants" for the building. We then asked the contractor to value re-engineer the bid for what we needed to do right now and hold off on some other things for a little bit later. We won't do anything right now on the 2nd floor. For the first floor, the modifications for the customer service area has to be completed. Third floor will be modifications for the mayor/council chambers. With that being said, that reduced the price to \$562,000 for 1st and 3rd floor modifications. He reminded the council that when we purchased the building, we took out an additional \$100,000 at that time from the investment account that we haven't used. This year's current budget includes \$300,000, which was a shot in the dark. This will leave us a little over \$150,000 short; however, since we're taking this from the account we already have with MEAG, it won't affect our bottom line of the budget. We will do an amendment on the revenue side and capital side so there will be no overall effect; it will be a wash. He also wanted to state publicly that the name of the contractor is Barber Construction Company out of Moultrie; however, there is no relation and he does not even know the owner of this company. There is nothing. He is the only one that bid. Some of the local contractors stated they had so many projects going on that they wanted to stay with those projects and those were larger projects than this would be; therefore, they chose not to bid. This is a single source bid. Councilwoman Hayes asked if we would still be able to have meetings, such as GMA meetings, at the new facility. She was advised yes, we could still have those on the 3rd floor. We could also utilize the 2nd floor as well, if needed. There is still room in the council chambers for meetings. She then asked if the Downtown Development people were going to be there? He replied yes, they will be moving in there as well. Altheia Paige then asked if we would have a drive-thru? Right now we will not have a drive thru but will have a drop box. There is a large electrical box where that whole set up would be so we'll have a shelter and drop box; hopefully that will turn into a set up where you have the tube and communication device with a customer service representative, but at first it will be a drop box. Mrs. Paige then asked about on-line payments. Mr. Barber advised we are working

towards that, and that would certainly be a help, but right now we've got a few more hurdles before we can get on-line payments. Councilman McClain then asked if we were given a time estimation on completion. We were not given a time but were told it shouldn't take that long once they get started. The 3rd floor will probably take the longest. Mr. Barber also advised that we have 2 of the offices on the 3rd floor that we had talked about renting out as incubator space already about to be rented. There is also potential that the remaining 2 offices will soon be filled as well. Councilman Greene made a motion to accept the bid from Barber Construction Company in the amount of \$562,000. Councilman McClain seconded with all in favor.

Library Report (Melinda Pettway): Branch Manager Melinda Pettway addressed the council expressing her appreciation for the City of Adel's contribution to the Coastal Plains Library System. She provided a snapshot of the activity of the local library which included a circulation of 18,115 items in 2024; patron visits of 17,640; and wireless sessions of 18,527. She thanked the council for the difference their contribution is making. The council expressed their appreciation to Ms. Pettway for the update with Councilman Cowart stating he was impressed with the numbers that had been presented.

House Bill 581: City Manager Mark Barber provided a presentation to the council on HB 581, a topic creating much discussion around the state with not much time to make a decision. He stated that legislature entered the 2024 session concerned with rising property value assessments and in turn property tax. Senate leaders wanted measures to control rapid increases in property assessments which lead to the House leaders looking to expand sales tax options. The various proposals ultimately resulted in HB 581. It was signed into law in April 19, 2024 and passed a statewide referendum in November 2024. The major components of the bill include (1) statewide floating homestead exemption (2) new local options sales tax and (3) property tax procedural changes. The referendum provided for a general state-wide homestead exemption that may differentiate among political subdivisions. The statewide floating exemption implements a statewide floating homestead exemption for all counties, cities and school boards. It is a special type of homestead exemption designed to offset or reduce increases in taxable value. It works by increasing the value of the exemption to offset inflationary growth. The floating exemption is unique because the base year is adjusted and will increase by a rate of inflation determined by the State Revenue Commissioner. The determination is based on the Urban Growth CPI. The new floating homestead exemption is in addition to and not in lieu of all non-floating homestead exemptions. This will not repeal/replace existing homestead exemptions. He provided an example of a \$100,000 piece of property with inflationary growth of \$10,000 with no floating homestead exemption compared to the same \$100,000 piece of property with inflationary growth of \$10,000 with a floating homestead exemption and prior year CPI growth of 2 percent. For the City of Adel, using our current tax millage rate, that resulted in a total difference of \$19 between the two options. As the legislation is currently written, all communities will be automatically "opted in"; however, legislation also provides for a community to "opt out" of the homestead exemption. Although a community can elect to opt out, the bill provides that your local delegation may pass a local act of the general assembly to implement a floating homestead exemption at any time. If the local government is considering opting out, three public hearings must be conducted. If the final decision is to opt out, a resolution must be adopted and filed with the Secretary of State by March 1, 2025. HB 581 also

revises the provisions of O.C.G.A. 48-8-6 which limits the percentage of local sales tax a jurisdiction may levy. It creates a new local option sales tax contingent upon having a base year value homestead exemption. The new sales tax is created for the limited purpose of property tax relief and may be levied in .05 percent increments up to one percent. To be eligible to levy the tax, both the County and Cities within the county that levy a property tax must have in effect a floating homestead exemption. School boards are ineligible to share in the proceeds. Approval by the voters will be required to levy the sales tax which can run up to 5 years and then must be approved by the voters for renewal. In summary, three considerations are (1) the floating homestead exemption can reward some homeowners, especially those that will reside in their residence for a long period of time once this goes into effect (2) taxes do not disappear – they only shift – the taxes are shifting from homestead properties to all other property types (commercial, agricultural, industrial and residential non-homestead properties) (3) taxation is a formula: taxable value multiplied by the millage rate produces the property tax revenue to meet local budgets. Since the floating homestead exemption slows growth in value for residential homestead properties, it will create upward pressure on the millage rate. The effects of a floating homestead over time may have a small impact in early years and a larger impact in the later years. Mr. Barber noted the complexity of each local government trying to determine the best option that will best serve the community. After a lengthy discussion and noting the City is in a neutral position concerning a decision at this time, it was the consensus of the council to schedule and hold the three public hearings so that we would be in compliance with the requirements should the council decide to opt out. If we opt out, we would hold a special meeting to adopt the resolution and it would have to be hand delivered to the State by March 1, 2025.

There was no further business and the meeting was adjourned.

Rhonda P. Rowe, City Clerk

Luther L. Duke III, Mayor
