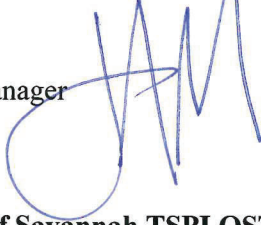


**MEMORANDUM**

TO: Mayor and City Council

FROM: Joseph A. Melder, City Manager 

DATE: July 11, 2022

SUBJECT: **Updated Proposed City of Savannah TSPLOST Program List**

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**I. PURPOSE**

This memorandum provides \*updated\* information related to the proposed TSPLOST program list and Intergovernmental Agreement on the regular council agenda this week for your consideration. This updated memorandum corrects calculation errors that occurred in the first memo, an update to the scope of the “Louisville Street Improvements” project listed under the “Local Roadways Traffic Mitigation Program” fund, as well as provides an update on the increased percentage the City of Savannah will receive after the first \$420 million in revenue is collected.

If approved, this program list would be incorporated into an Intergovernmental Agreement (IGA) with Chatham County and the other local municipalities in preparation for a ballot referendum by Chatham County voters on November 8, 2022.

Based on the proposed City of Savannah TSPLOST Program List, this revenue would provide the City of Savannah \$143,500,000 to fund and execute critical transportation related projects and priorities, including improved roadways, expanded sidewalks, enhanced pedestrian connectivity, safer streets and intersections, traffic calming, and local roadway traffic congestion mitigation that will lead to more reliable travel times across our most congested corridors.

**II. BACKGROUND**

A Transportation Special Purpose Local Option Sales Tax (TSPLOST) is a 1% sales tax collected for five years for specific program of transportation uses. For a TSPLOST to be enacted, it must be approved by voters in a referendum. There are also guidelines for how funds can be allocated:

**TSPLOST Guidelines**

- “Transportation projects” include roads, bridges, public transit, rails, airports, buses, and all accompanying infrastructure and services necessary to provide access to these facilities.
- Roads, streets, sidewalks, bicycle paths, and bridge aspects to include but not limited to the following:
  - acquisition of rights of way;
  - construction;
  - renovation and improvement of said facilities, including resurfacing;
  - relocation of utilities;
  - patching, leveling, milling, widening, shoulder preparation, culvert repair, and other repairs necessary for their preservation.

- Stormwater and drainage capital outlay projects, in conjunction with and adjacent to said transportation projects

See Official of Georgia Code (O.C.G.A) 48-8-260(5) for additional details.

### III. Proposed City of Savannah TSPLOST Program List

Below the is the proposed TSPLOST Program List for City Council review and approval. The program list is organized into two major sections: “Regional Tier 1 projects,” and “Local Projects.” Regional Tier projects are defined as projects that are for the use and benefit of the entire County, crosses multiple jurisdictions, and have been jointly identified by staff from all Chatham County jurisdictions. The City of Savannah, along with neighboring jurisdictions, is sponsoring \$26.5 million in Regional Tier 1 Projects.

Local Projects, on the other hand, are defined as eligible projects that directly impact our jurisdiction. For the “Local Projects” in the proposed City of Savannah TSPLOST Program List, we have organized our list around six (6) programs that would serve to fund specific projects within each program. Understanding that the City of Savannah consists of unique neighborhoods and communities with vastly different needs, these 6 Programs will cover an array of transportation safety and infrastructure needs across our city. Within the Program List, we have also specified several key projects that will be included in the IGA and represent our most critical transportation projects.

Under this Program List, in addition to the specified projects noted above, City Council will have the authority to review and approve new TSPLOST funded projects annually, based on real-time data and emergent needs, during the annual Capital Improvement Plan budget process.

Furthermore, the TSPLOST referendum includes a provision whereby the City of Savannah would receive nearly 48% of all funds collected above the \$420 million collected over the five-year period. The funds would be used to support transportation related projects in accordance with TSPLOST guidelines as indicated above. Again, City Council will have the authority to review and approve any additional TSPLOST projects associated with this additional funding.

The Proposed City of Savannah TSPLOST Program List is below:

City of Savannah TPLOST Program List	
Regional Tier 1	
Benton Boulevard, Phase II (South of JDP)	\$12,000,000
Benton Boulevard, Phase I (North of JDP)	\$12,500,000
Local Projects	
Local Roadway Resurfacing and Maintenance Program	\$20,000,000
<b>Local Roadway Congestion Mitigation Program</b> Additional Citywide Projects would be determined by City Council and include: <ul style="list-style-type: none"> <li>- Skidaway Road Widening &amp; Intersection Improvements</li> <li>- President Street Overpass Contribution (with Chatham County)</li> <li>- Louisville Street Improvements</li> <li>- Project DeRenne: Contributions for Right-of-Way Acquisition and Federal Construction Match</li> </ul>	\$41,500,000
<b>Transportation Related Stormwater Improvement Program</b> Additional Citywide Projects would be determined by City Council and include: <ul style="list-style-type: none"> <li>- Hayner's Creek Drainage Improvements: Montgomery Crossroads</li> <li>- Springfield Canal Drainage Improvements: Ogeechee and Victory</li> </ul>	\$7,000,000
<b>Transportation Safety/Signal Program</b> Additional Citywide Projects would be determined by City Council and include: <ul style="list-style-type: none"> <li>- Savannah Old Fort Rail Line Quiet Zone Safety Improvements</li> </ul>	\$12,000,000
<b>Sidewalk Expansion &amp; Maintenance Program</b>	\$18,000,000
<b>Pedestrian and Bicycle Safety &amp; Connectivity Program</b> Additional Citywide Projects would be determined by City Council and include: <ul style="list-style-type: none"> <li>- City wide crosswalks improvements</li> <li>- City wide bike paths improvement</li> <li>- Tide- to-Town: Middleground Road Section</li> <li>- Habersham Bike Lane Improvements</li> </ul>	\$10,000,000
<b>Traffic Calming Improvement &amp; Expansion Program</b>	\$7,500,000
<b>Bridge Repair Program</b>	\$3,000,000
<b>TOTAL</b>	<b>\$143,500,000</b>

#### **IV. Annual TSPLOST Needs Analysis and Project Selection**

In addition to the specific projects listed under certain programs in the chart above, City Council will have the authority each year to determine which additional transportation eligible projects are funded within each program. This approach allows City Council the flexibility to meet the needs of each district, adapt to changing growth conditions, and to utilize real-time data.

Details regarding each priority area and how projects meet those standards are provided below.

➤ **Local Roadway Congestion Mitigation Program**

Local Roadway Congestion Mitigation Program provides relief to roads that experience high volumes of traffic which can lead to an increase in neighborhood cut-throughs, lower emergency response times, higher vehicle emissions, and increase fuel and commuter travel times. Key project qualifying metrics include:

1. Public safety response routes
2. Intersection delay times
3. Traffic volumes
4. Interconnectivity with local and regional assets

➤ **Transportation Safety/Signal Program**

Transportation Safety/Signal Program will upgrade, replace, or modify safety features that reduce or improve the safety of pedestrians, bicyclists, and vehicle drivers, to include rail crossings. Key project qualifying metrics include:

1. Crash rates
2. User volume changes
3. Behavioral and/or conditional changes

➤ **Sidewalk Expansion & Maintenance Program**

Sidewalk Expansion & Maintenance Program will prioritize the construction of new sidewalks based on the following qualifying metrics:

1. Connectivity to community centers, senior centers, parks, and other community assets
2. Connectivity to schools (safe routes to schools),
3. Connectivity to transit
4. Pedestrian Safety
5. Proximity to senior housing
6. Identification as a primary route for person(s) with disabilities to travel
7. Overall sidewalk connectivity to facilitate ease of pedestrian movements

➤ **Pedestrian and Bicycle Safety & Connectivity Program**

Pedestrian and Bicycle Safety & Connectivity Program will prioritize safer pedestrian movements through projects that may incorporate safer crosswalk design, placement, or additional safety features. The projects would be prioritized based on the following qualifying metrics:

1. Pedestrian volumes
2. Analysis of previous pedestrian accidents (to include near misses)
3. Locations of existing crosswalks as it pertains to connectivity
4. Locations of existing bike paths as it pertains to connectivity

➤ **Bridge Repair Program**

The Bridge Repair Program will preserve and improve the condition of City owned bridges that are physically deteriorated or structurally deficient through replacement, rehabilitation, and/or preventive maintenance. The projects would be prioritized based on the following qualifying metrics:

1. Structural integrity and safety,
2. Conditional assessment
3. Vital for public use and safety

V. NEXT STEPS

An upcoming transportation referendum, TSPLOST, would be decided by the voters. With the growth our region is experiencing, additional transportation funding would allow Savannah to remain competitive, improve the quality of life of our residents, and respond to challenges of our dynamic growth. Remaining flexible in how we target our transportation needs will allow us to target our communities' most significant needs in an accurate and response manner.

I look forward to discussion this Proposed Program List with you, as you prepare for your consideration of this item on the July 14<sup>th</sup> Council Agenda. Please reach out to me with any questions or comments.

Attachments:

- TSPLOST Intergovernmental Agreement

STATE OF GEORGIA     )  
COUNTY OF CHATHAM )

**INTERGOVERNMENTAL AGREEMENT  
FOR THE USE AND DISTRIBUTION OF PROCEEDS FROM THE 2022  
TRANSPORTATION SPECIAL PURPOSE LOCAL  
OPTION SALES TAX FOR CAPITAL  
TRANSPORTATION PROJECTS**

**THIS AGREEMENT** (this “Agreement”) is made and entered this the \_\_\_\_ day of \_\_\_\_\_, 2022, by and between Chatham County, a political subdivision of the State of Georgia (the County), and the Mayor and Council of the town of Thunderbolt, a municipal corporation, the Mayor and Council of Bloomingdale, a municipal corporation, the Mayor and Council of Garden City, a municipal corporation, the Mayor and Council of Port Wentworth, a municipal corporation, the Mayor and Aldermen of Savannah, a municipal corporation, the Mayor and Council of Tybee Island, a municipal corporation, the Mayor and Aldermen of Vernonburg, a municipal corporation, the Mayor and Council of Pooler, a municipal corporation, and all political subdivisions of the State of Georgia (hereinafter the “Municipalities” or “Cities”) and herein collectively referred to as the “Governing Authorities”. acting pursuant to validly adopted resolutions by their respective governing bodies. The County and the Municipalities do hereby agree as follows:

**WITNESSETH:**

**WHEREAS**, Article 5A of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, as amended (the “Act”), authorizes the imposition of a single county Transportation Special Purpose Local Option Sales and Use Tax (the “TSPLOST”) to fund authorized transportation purposes for the use and benefit of the County and qualified municipalities within the County; and

**WHEREAS**, the governing authorities of the County and the Municipalities met together on June 16, 2022 to discuss possible projects and purposes for inclusion in the TSPLOST referendum in substantial conformity with the requirements of Section 48-8-262(a)(2) of the Act; and

**WHEREAS**, the County and Cities have negotiated a division of the TSPLOST to be collected in the event a majority of the votes cast in the election are in favor of imposing the TSPLOST; and

**WHEREAS**, the County may enter into agreements with the other municipalities in the County providing for the distribution of a portion of TSPLOST proceeds to such other municipalities to fund allowable capital outlay projects as authorized by the referendum to be held on November 8<sup>th</sup>, 2022, if passed; and

**WHEREAS**, the County, and the Municipalities, and all citizens of the County will derive substantial benefits from the proposed projects to be funded by TSPLOST proceeds distributed pursuant to this Agreement; and

**WHEREAS**, the County and the Municipalities desire to execute an intergovernmental agreement memorializing their agreement on the levy of the TSPLOST and the rate of such tax.

**NOW THEREFORE**, in consideration of the premises and undertakings hereinafter set forth, it is agreed by and between the County and the Municipalities as follows:

All recitals above are incorporated by reference into the body of this agreement.

**Section 1. Representation of the Parties.** Each party hereto makes the following representations and warranties which are specifically relied upon by all other parties as a basis for entering into this Agreement:

(a) The County agrees that it will take all actions necessary to call an election, to be held in all the voting precincts in the County on the 8<sup>th</sup> of November, 2022, for the purpose of submitting to the qualified voters of the County for their approval, the question of whether or not a TSPLOST of one percent shall be imposed on all sales and uses subject to the sales and use tax in the special district of Chatham County, as authorized by the Act for up to five years (20 calendar quarters) commencing on the 1<sup>st</sup> of April, 2023, for the purpose of funding specified Projects (hereinafter more fully referred to and defined), and whether or not the County shall be authorized to issue general obligation debt in the principal amount of \$50,000,000 to finance certain of the Projects. The City of Savannah shall be authorized to issue general obligation debt in the principal amount of up to \$50,000,000 to finance certain of the Projects. The City of Garden City shall be authorized to issue general obligation debt in the principal amount of up to \$15,000,000 to finance certain of the Projects. The Town of Thunderbolt shall be authorized to issue general obligation debt in the principal amount of up to \$3,000,000 to finance certain of the Projects. The amount of money to be raised by the TSPLOST is estimated to be \$420,000,000 (Four Hundred and Twenty Million Dollars).

(b) The Municipalities are legally chartered municipal corporations as defined by law and judicial interpretation and are each a “qualified municipality” as such term is defined in the Act. During a public meeting of its respective governing boards, each conducted in compliance with the Open Meetings Act, O.C.G.A. § 50-14-1, et seq., each of the Municipalities validly approved the execution of this Agreement.

(c) The County is a political subdivision of the State of Georgia created and existing under the Constitution and laws of the State. During a public meeting conducted in compliance with the Open Meetings Act, O.C.G.A. § 50-14-1, et seq., the County approved the execution of this Agreement.

(d) It is the intention of the County and the Municipalities to comply in all respects with O.C.G.A. § 48-8-260 et seq., and all provisions of this Agreement shall be construed in light of O.C.G.A. § 48-8-260, et seq.

(e) This Agreement is a valid, binding, and enforceable obligation of the County and the Municipalities; and

(f) The Cities are located entirely or partially within the geographic boundaries of the special tax district created in the County.

**Section 2. Conditions Precedent.** The obligations of all parties under this Agreement are conditioned upon the following prior events:

(a) The adoption of a resolution by the Board of Commissioners of Chatham County authorizing the imposition of the TSPLOST and calling the necessary election in accordance with the provisions of Section 48-8-262(d) of the Act.

(b) The approval of the TSPLOST by a majority of the voters in the County voting in the election (for those purposes) to be held in accordance with the provisions of Section 48-8-263 of the Act.

(c) This Agreement is further conditioned upon the collection of TSPLOST revenues by the State of Georgia Department of Revenue and its transfer of the same to the County for appropriate distribution to the Municipalities.

**Section 3. Rate of Tax; Estimated Amount; Effective Date and Term of the Tax.** The TSPLOST, subject to approval in an election to be held on the 8<sup>th</sup> of November, 2022, shall be imposed at the rate of one percent (1%). The total estimated dollar amount is \$420,000,000 (before deduction of collection fees by the State of Georgia Department of Revenue and management expenses by Chatham County). The maximum period of time for which the tax may be imposed is five years, beginning on the 1<sup>st</sup> day of April, 2023.

**Section 4. Effective Date and Term of This Agreement.** This Agreement shall commence upon the date of its execution and shall terminate upon the latter of:

(a) The official declaration by the Board of Elections and Registration of Chatham County of the failure of the election described in this Agreement; or

(b) The expenditure by the County and the Municipalities of the last dollar of money collected from the TSPLOST even if such expenditure is made after the expiration of the TSPLOST collection period.

**Section 5. Restrictions as to Use of Tax Funds.**

A. The Cities and the County shall comply with all requirements of Georgia law pertaining to all TSPLOST funds each receives, including but not limited to the following:

(i) All TSPLOST funds and interest received may only be used for projects described in Exhibit A which is attached hereto and made part of this Agreement.

a. If circumstances arise which dictate that a project which initially seemed feasible is no longer so, then the governing body to which the TSPLOST funds for such project was allocated under this Agreement may use its lawful discretion to make adjustments in its plan of capital projects.

b. In the event that the cost to complete a project is less than the amount allocated to that project, under this Agreement, then the governing body to which the TSPLOST funds for such project were allocated may use its lawful discretion to make adjustments in its plan of capital projects to utilize the funds for other projects provided for in this Agreement.

c. The lack of funds to complete a project contained on Exhibit A by any governing authority is not grounds to deem the project infeasible.

- (ii) All TSPLOST funds received shall be accounted for in a separate fund as more fully described herein and not commingled with other monies prior to expenditure for allowable uses.
  - (iii) Interest earned from the investment of TSPLOST funds prior to their disbursement for allowable expenditures shall be considered TSPLOST funds and used under the same restriction for TSPLOST funds as set forth in subparagraph (i) above.
  - (iv) No TSPLOST funds received may be used for general operating expenses. TSPLOST funds may be used to repay loans made to temporarily fund TSPLOST capital projects in anticipation of receipt of TSPLOST funds or may be used to pay debt service on any general obligation debt authorized in conjunction with the TSPLOST. In accordance with O.C.G.A. § 48-8-269.5, excess proceeds of the TSPLOST shall be used solely for the purpose of reducing any indebtedness of the County to the Cities other than indebtedness incurred pursuant to the TSPLOST election. If there is no such other indebtedness or if the excess proceeds exceed the amount of any such other indebtedness, then the excess proceeds shall next be paid into the general fund of the County or the Cities, it being the intent that any funds so paid into the general fund of the County or the Cities be used for the purpose of reducing ad valorem taxes.
- B. The County and Cities agree to proceed with the acquisition, construction, design, permitting, equipping and installation of the projects specified in Exhibit A of this Agreement, subject to the availability of funds.
  - C. The County and Cities agree to maintain thorough and accurate records concerning receipt of TSPLOST proceeds and expenditures for each project undertaken as required to fulfill the terms of this Agreement.
  - D. If after 5 years the collection of TSPLOST fund net proceeds falls short of the \$420,000,000 anticipated, the County and the Cities agree to only receive their pro rata share of the income based on the division percentages in Section 8 (c).
  - E. If after 5 years or after reaching the \$420,000,000 of the collection of TSPLOST funds net proceeds are greater than the \$420,000,000 anticipated, the County and the Cities agree to divide the excess funds as to their pro rata share of the income based on the division percentages in Section 8(d).

## **Section 6. Purposes and Projects, Priority and Order of Funding.**

(a) In recognition of the need for transportation improvements across the County and the Municipalities, the parties agree that the estimated total net proceeds (\$420,000,000) and any additional overage shall be utilized for the following transportation purposes (the "Purposes"): roads, trails, roundabouts, sidewalks, traffic signals, Chatham Area Transit, One Chatham, drainage, resurfacing, and all accompanying infrastructure and services necessary to provide access to these transportation facilities.

(b) The County and the Municipalities recognize the necessity of a County-wide mobility system that connects people to the places they need and want to go throughout the County and the area economic market. TSPLOST further prioritizes a system that offers choice to all and emphasizes the equity core that anchors the development and delivery of infrastructure that meets these aims. The County's transit partner, Chatham Area Transit (CAT) is embarking on a Master Transit Plan and Implementation Strategy development over the remainder of this year and early 2023 that will define the transit investments to enhance connectivity and mobility serving the County and the Municipalities as well as the region. County and Municipal TSPLOST support will include the appropriate consideration of transit supportive infrastructure such as sidewalks and shelters as well as partnership funding to leverage grants for system expansion, fleet and operations sustainability including EV, and a keen focus on connecting all of Chatham County

(c) The transportation projects to be funded in whole or in part from TSPLOST proceeds (the "Projects"), are listed in Exhibit A which is attached hereto and made part of this Agreement.

(d) All Projects and Purposes described herein shall be funded from TSPLOST proceeds as provided in this Agreement, and as specified in Exhibit A. No party shall be obligated to fund any Project or Purpose from revenues other than TSPLOST collections. Each party shall have the sole discretion to reduce the scope of a Project in the event of a funding shortfall.

#### **Section 7. TSPLOST Funds; Separate Accounts; No Commingling.**

(a) A special fund or account shall be created by the County and designated as the 2022 Chatham County Transportation Special Purpose Local Option Sales Tax Fund (the "County TSPLOST Fund"). The County shall select a local bank which shall act as a depository and custodian of the County TSPLOST Fund upon such terms and conditions as may be acceptable to the County.

(b) Each Municipality shall create a special fund to be designated as the 2022 [*Municipality name*] Transportation Special Purpose Local Option Sales Tax Fund (each a "Municipal TSPLOST Fund"). Each Municipality shall select a local bank which shall act as a depository and custodian of the TSPLOST proceeds received by each Municipality upon such terms and conditions as may be acceptable to the Municipality.

(c) All TSPLOST proceeds shall be maintained by the County and each Municipality in the separate accounts or funds established pursuant to this Section. TSPLOST proceeds shall not be commingled with other funds of the County or the Municipalities and shall be used exclusively for the purposes detailed in this Agreement. No funds other than TSPLOST proceeds shall be placed in such accounts.

#### **Section 8. Procedure for Disbursement of TSPLOST Proceeds.**

(a) Upon receipt by the County of TSPLOST proceeds collected by the Georgia Department of Revenue, the County shall promptly deposit said proceeds in the County TSPLOST Fund. The monies in the County TSPLOST Fund shall be held and applied to the cost of acquiring, constructing, and installing the Transportation Projects for the County listed in Exhibit A or, where applicable, disbursed to the Municipalities as provided in subsections (b) and (c).

(b) All funds received by the County from the Georgia Department of Revenue from the imposition of the TSPLOST up to \$420,000,000 shall be apportioned by the County according to the figures

provided herein in Section 8(c). The figures set forth herein are binding and not subject to change or modification except upon written agreement by all parties. The County, following the deposit of the TSPLOST proceeds in the County TSPLOST Fund, shall, within 60 business days, disburse the TSPLOST proceeds due to each Municipality according to subsection (c). The proceeds shall be promptly deposited in the separate funds established by each Municipality in accordance with Section 7(b) of this Agreement. The monies in each Municipality's TSPLOST Fund shall be held and applied to the cost of acquiring, constructing, and installing the Municipal Transportation Projects listed for that Municipality in Exhibit A.

(c) The parties will divide the monthly actual proceeds as follows:

1. Chatham County – 45.0695%
2. City of Savannah – 34.6007%
3. Pooler – 7.6565%
4. Garden City – 4.3891%
5. Port Wentworth – 4.6417%
6. Tybee Island – 1.3824%
7. Bloomingdale – 1.0831%
8. Thunderbolt – 1.1028%
9. Vernonburg – 0.0742%

(d) If after 5 years or after reaching \$420,000,000 of the collection of TSPLOST funds net proceeds are greater than the \$420,000,000 anticipated, the County and the Cities agree to divide the excess funds as to their pro rata share of the income based on the division percentages below:

The parties will divide the monthly excess fund proceeds as follows:

1. Chatham County – 31.97%
2. City of Savannah – 48.72%
3. Pooler – 8.01%
4. Garden City – 3.60%
5. Port Wentworth – 3.60%
6. Tybee Island – 1.54%
7. Bloomingdale – 1.47%
8. Thunderbolt – 0.98%
9. Vernonburg – 0.09%

## **Section 9. Project Monitoring, Record-Keeping and Reporting, Audits.**

(a) All parties to this Agreement shall promptly move forward with the acquisition, construction, equipage and installation of the Projects in an efficient and economical manner and at a reasonable cost in conformity with all applicable laws, ordinances, rules and regulations of any governmental authority having jurisdiction over the Projects.

(b) The governing authority of the County and the governing authority of each of the Municipalities shall comply with the requirements of O.C.G.A. § 48-8-269.5(a)(2), which requires that certain information be included in the annual audit of the County or each of the Municipalities. During the term of this Agreement, the distribution and use of all TSPLOST proceeds deposited in the County TSPLOST Fund and each Municipal TSPLOST Fund shall be audited annually by an independent

certified public accounting firm. The County and the Municipalities agree to cooperate with the independent certified public accounting firm in any audit by providing all necessary information. Each Municipality shall provide the County a copy of its annual audit.

(c) The governing authority of the County and the governing authority of each of the Municipalities shall comply with the requirements of O.C.G.A. § 48-8-269.6, which requires the publication of annual reports concerning expenditures for the Projects.

(d) The County and Municipalities agree to maintain thorough and accurate records concerning receipt of TSPLOST proceeds and expenditures for each Project undertaken by the County or respective Municipality as required to fulfill the terms of this Agreement.

#### **Section 10. Completion of Projects.**

(a) The County and the Municipalities acknowledge that the costs shown for each Project described in Exhibit A are estimated amounts.

(b) If a County Project has been satisfactorily completed at a cost less than the estimated cost listed for that Project in Exhibit A, the County may apply the remaining unexpended funds to any other County Project in Exhibit A.

(c) If a Municipal Project has been satisfactorily completed at a cost less than the estimated cost listed for that Project in Exhibit A, the Municipality may apply the remaining unexpended funds to any other Project included for that Municipality in Exhibit A.

(d) The County and the Municipalities agree that each approved TSPLOST Project associated with this Agreement shall be substantially completed or started within five years after the termination of the TSPLOST collection period. Any TSPLOST proceeds held by a County or Municipality at the end of the five-year period which is not already designated to be spent on a project in Exhibit A, be measured from the date of termination of the TSPLOST agreement shall, for the purposes of this Agreement, be deemed excess funds and disposed of according to O.C.G.A. § 48-8-269.5(f)(2).

**Section 11. Certificate of Completion and Termination.** Within thirty (30) days after the acquisition, construction or installation of a Municipal Project listed on Exhibit A is completed, the Municipality owning the Project shall file with the County a certificate of completion signed by the mayor or other chief elected official of the respective Municipality, setting forth the date on which the Project was completed and the final cost of the Project. The County shall file a completion certificate of County projects with the Chatham County Board of Commissioners.

#### **Section 12. The County Debt.**

(a) The TSPLOST election ballot shall contain language required by the Act for the authorization of general obligation debt of the County in the principal amount of up to \$50,000,000.00.

The County may use the proceeds of its debt for the purpose of funding County Projects, paying capitalized interest (if any), and paying the cost of issuing its debt. The County acknowledges that it is solely responsible for the payment of its debt, including any and all costs, interest, and fees associated therewith. The form of ballot will include the following language to provide for the authorization of general obligation debt:

“If imposition of the tax is approved by the voters, such vote shall also constitute approval of the issuance of general obligation debt of Chatham County in the principal amount of \$50,000,000.

(b) The County’s debt shall be paid first from the proceeds of its portion of the TSPLOST. In the event that there are insufficient TSPLOST collections to pay the debt from its portion of the proceeds, the County shall pay any shortfall attributable to the debt from its general fund.

(c) The County will be responsible for all facets of the debt issuance and repayment process. The County will select its own underwriter, bond counsel, local counsel, etc. The County will endeavor in good faith to be fiscally responsible in minimizing to the extent possible the costs and fees with the debt issuance process.

### **Section 13. The Cities Debt.**

(a) The Cities of Savannah, Garden City and Thunderbolt have each requested that the County include language in the TSPLOST election ballot for the authorization of general obligation debt. The form of ballot will include the following language to provide for the authorization of general obligation debt for such cities:

“If imposition of the tax is approved by the voters of the City of Savannah, such vote shall also constitute approval of the issuance of general obligation debt of the City of Savannah in the principal amount of \$50,000,000. If imposition of the tax is approved by the voters of Garden City, such vote shall also constitute approval of the issuance of general obligation debt of the City of Garden City in the principal amount of \$15,000,000. If imposition of the tax is approved by the voters of the Town of Thunderbolt, such vote shall also constitute approval of the issuance of general obligation debt of the City of Thunderbolt in the principal amount of \$3,000,000.”

- (a) The Cities may use the proceeds of its debt for the purpose of funding City Projects, paying capitalized interest (if any), and paying the cost of issuing its debt. The Cities acknowledge that it is solely responsible for the payment of its debt, including any and all costs, interest, and fees associated therewith.
- (b) The Cities debt shall be paid first from the proceeds of its portion of the TSPLOST. In the event that there are insufficient TSPLOST collections to pay the debt from its portion of the proceeds, the City shall pay any shortfall attributable to the debt from its respective general fund.
- (c) The Cities will be responsible for all facets of the debt issuance and repayment process. The City will select its own underwriter, bond counsel, local counsel, etc. The City will endeavor in good faith to be fiscally responsible in minimizing to the extent possible the costs and fees with the debt issuance process.

**Section 14. Expenses.** The County shall administer the County TSPLOST Fund to effectuate the terms of this Agreement. Furthermore, the County and the Municipalities shall be jointly responsible on a pro rata basis for the cost of holding the TSPLOST election. The County shall be reimbursed for the Municipalities’ share of such costs.

**Section 15. Default.** The failure of any party to perform its obligations under this Agreement shall constitute an event of default.

**Section 16. Liability for Noncompliance.** The County and the Municipalities shall comply with all applicable local, State, and Federal statutes, ordinances, rules and regulations. In the event that any Municipality fails to comply with the requirements of the Act (O.C.G.A. § 48-8-260 et seq.), the County shall not be held liable for such noncompliance. No consent or waiver, express or implied, by any party to this Agreement, to any breach of any covenant, condition or duty of another party shall be construed as a consent to, or waiver of, any future breach of the same.

**Section 17. Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

**Section 18. Governing Law.** This Agreement and all transactions contemplated hereby shall be governed by and construed and enforced in accordance with the laws of the State of Georgia.

**Section 19. Severability.** Should any provision of this Agreement or application thereof to any person or circumstance be held invalid or unenforceable, the remainder of this Agreement or the application of such provision to any person or circumstance, other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the full extent permitted by law.

**Section 20. Entire Agreement.** This Agreement embodies and sets forth all the provisions and understandings between the parties relative to the Projects and Purposes. There are no provisions, agreements, understandings, representations, or inducements, either oral or written, between the parties other than those hereinabove set forth. Any and all prior provisions, agreements, contracts or understandings, either oral or written, between the parties relative to the Projects and Purposes are hereby rescinded and superseded by this Agreement.

**Section 21. Amendments.** This Agreement shall not be amended or modified except by agreement in writing executed by the governing authorities of the County and the Municipalities.

**Section 23. Retention of Records.**

The parties agree to retain all records pertaining to the TSPLOST funds for a period of at least four years subsequent to the expiration of the TSPLOST and to make such records reasonably available to each other upon request.

**Section 24. Agreement Effective When Executed by the City and County.**

This Agreement shall be effective when executed by Cities and the County. The County may enter into separate agreements with other Municipalities that are not signatories to this Agreement and other organizations upon such terms as appropriate to insure that funds will be used for TSPLOST eligible projects and meet the requirements of the law. If there is an inconsistency between such agreements and this Agreement regarding the distribution and allocation terms, this Agreement shall govern.

**Section 25. Audits.**

- A. During the term of this Agreement, the distribution and use of all TSPLOST proceeds shall be audited annually by an independent certified public accounting firm in accordance with Georgia Law. The County and Cities receiving TSPLOST proceeds shall be responsible for the cost of their respective audits. The County and Cities agree to cooperate with the independent certified public accounting firm in any audit by providing all necessary information.
- B. The Cities shall annually provide County its comprehensive annual financial report showing the receipt and use of TSPLOST funds including a Schedule of Projects Funded with Special Sales Tax Proceeds.

**Section 26. Notices.**

All notices, consents, waivers, directions, requests or other instruments or communications provided for under this Agreement shall be deemed properly given when delivered personally or sent by registered or certified United States mail, postage prepaid, as follows:

If to County:	Lee Smith, County Manager Chatham County P.O. Box 8161 Savannah, GA 31412
If to Thunderbolt:	Dana Williams Mayor Thunderbolt 2821 River Drive Thunderbolt, GA 31404
If to Savannah	Van Johnson Mayor Savannah City Hall, 2 <sup>nd</sup> Floor 2 East Bay Street Savannah, GA, 31401
If to Pooler	Rebecca Benton Mayor City of Pooler 100 SW US HWY 80 Pooler, GA 31322
If to Port Wentworth	Gary Norton Mayor 7224 GA Highway 21 Port Wentworth, GA 31407

If to Garden City  
Don Bethune  
Mayor  
100 Central Avenue  
Garden City, GA 31405

If to Bloomingdale  
Dennis G. Baxter  
Mayor  
8 West Hwy 80  
Bloomingdale, GA 31302

If to Tybee Island  
Shirley Sessions  
Mayor  
403 Butler Avenue  
Tybee Island, GA 31328

If to Vernonburg  
James R. Hungerpiller  
Mayor  
P.O. Box 61512  
Savannah, GA 31420

**Section 27. No Consent to Breach.**

No consent or waiver, express or implied, by any party to this Agreement, to any breach of any covenant, condition or duty of another party shall be construed as a consent to or waiver of any future breach of the same.

**Section 28. Mediation.**

The County and Cities agree to submit any controversy arising under this Agreement to mediation for a resolution. The parties to the mediation shall mutually select a neutral party to serve as mediator. Costs of mediation shall be shared equally among the parties to the mediation.

(Signatures on the following page)

**IN WITNESS WHEREOF**, the County and the Cities acting through their duly authorized agents have caused this Agreement to be signed, sealed and delivered for final execution by the County as of the date set forth above.

CHATHAM COUNTY, GEORGIA

By: \_\_\_\_\_  
Chester A. Ellis, Chairman

Attest: \_\_\_\_\_  
Janice Bocook, Clerk of  
Commission

(Seal)

MAYOR AND COUNCIL OF THE  
TOWN OF THUNDERBOLT.  
GEORGIA

By: \_\_\_\_\_  
Dana Williams, Mayor

Attest: \_\_\_\_\_  
Clerk of Council

(Seal)

MAYOR AND ALDERMEN OF THE  
CITY OF SAVANNAH,  
GEORGIA

By: \_\_\_\_\_  
Van R. Johnson II, Mayor

Attest: \_\_\_\_\_  
Clerk of Council

(Seal)

MAYOR AND COUNCIL OF THE  
CITY OF POOLER.  
GEORGIA

By: \_\_\_\_\_  
Rebecca Benton, Mayor

Attest: \_\_\_\_\_  
Clerk of Council

(Seal)

MAYOR AND COUNCIL OF THE  
GARDEN CITY,  
GEORGIA

By: \_\_\_\_\_  
Don Bethune, Mayor

Attest: \_\_\_\_\_  
Clerk of Council

(Seal)

MAYOR AND COUNCIL OF THE  
CITY OF PORT WENTWORTH,  
GEORGIA

By: \_\_\_\_\_  
Gary Norton, Mayor

Attest: \_\_\_\_\_  
Clerk of Council

(Seal)

MAYOR AND COUNCIL OF THE  
CITY OF TYBEE ISLAND.  
GEORGIA

By: \_\_\_\_\_  
Shirley Sessions, Mayor

Attest: \_\_\_\_\_  
Clerk of Council

(Seal)

MAYOR AND COUNCIL OF THE  
CITY OF BLOOMINGDALE.  
GEORGIA

By: \_\_\_\_\_

Dennis Baxter, Mayor

Attest: \_\_\_\_\_

Clerk of Council

(Seal)

MAYOR AND ALDERMEN OF THE  
CITY OF VERNONBURG,  
GEORGIA

By: \_\_\_\_\_  
James R. Hungerpiller, Mayor

Attest: \_\_\_\_\_  
Clerk of Council

(Seal)