

Special Called Joint Meeting
CHEROKEE COUNTY BOARD OF COMMISSIONERS
AND
RESOURCE RECOVERY DEVELOPMENT AUTHORITY
TUESDAY, NOVEMBER 4, 2014
4:30 p.m. in Cherokee Hall

MINUTES

The Chairman called the meeting to order at 4:32 p.m. Those present included RRDA/BOC Chairman Ahrens, RRDA Member/Commissioner Jason Nelms, RRDA Member/Commissioner Raymond Gunnin, RRDA Member/Commissioner Harry Johnston, RRDA Member Robert Morrison and Commissioner Brian Poole. Others present included County Attorney Angie Davis, County Clerk Christy Black, staff members, members of the media and the public. (Note that County Manager Jerry Cooper was absent.)

1. Consider a request by Crimson Portfolio.

Chairman Ahrens asked Ms. Davis if she felt Executive Session was needed to discuss the agreement. Ms. Davis replied that it was not. She that what they had before them was an equipment release agreement made between Bobo Grinding, Inc., Bobo Grinding Equipment, LLC, BG Land, LLC, 13202, LLC, Wood-Tech, LLC, Jimmy L. Bobo, David G. Bobo, Cobb Mulch & Soil, LLC, BGR Trucking, LLC, and Cherokee Recycling, LLC (collectively, "Obligors"), Cherokee County, Georgia (the "County"), the Resource Recovery Development Authority of Cherokee County (the "RRDA") and Crimson Portfolio, LLC ("Crimson"). She explained that Crimson was the holder and grantee of certain promissory notes executed by Bobo Grinding related to loans that have been given with the property as collateral. The agreement provides for the bank to come on onto RRDA property for purposes of removing the this particular equipment identified in Exhibit 'A' with very specific titles, model, brand and by serial numbers. Sheriff's Office Investigator Bert Love has confirmed to us that equipment listed on Exhibit 'A' are not subject to bond proceeds or by anyway owned by the County.

Chairman Ahrens asked should we have two votes. Ms. Davis replied that one vote would be appropriate.

Robert Morrison made a motion to accept the release as provided; Commissioner Johnston seconded. Chairman Ahrens commented that he had been onsite recently with various parties last Thursday including the Chief Marshal, Bert Love, Ken Robbin and Mr. Bobo. He said that no one from the bank or Crimson was there, but the purchaser of the equipment, Old Castle, had a representative there.

Angie Davis asked to amend what she said earlier about one vote and change the motion on the table to be for the RRDA since Mr. Morrison sits on that Board. At that, Commissioner Johnston said that the motion on the table will be for the RRDA.

He then commented for the record that he was on both boards at the time when Jimmy Bobo came to the board and informed us that he was going to finance some equipment separately. Commissioner Johnston said the only concern he had and as far as he knew that anyone had, was once you start doing that how would we know what equipment is what. He said that they requested that inventory of the equipment be established and maintained denoting which equipment was owned by the RRDA and which equipment was separate. He added that while it may not have been flawlessly carried out, it was substantially carried out, so there was really never a question if this property was separately owned and paid for and financed.

Commissioner Poole asked Angie Davis what it would mean if we didn't approve the agreement. Ms. Davis replied that the bank has the right to come and take the property so this agreement is really in our interest to insure that the County, RRDA and other related agents and independent officials are released. If the bank just came and got the equipment, in the future we could be subject to Mr. Bobo saying that they were fighting with the bank and had a right to that equipment. She added it also gives us control over the removal and that we really could not say no.

Commissioner Poole asked if we owned the metal building or if we know. Chairman Ahrens stated that he believed it was paid for by bond monies but he wasn't sure. Commissioner Johnston stated that he tried to track through the forensic record we had to establish for sure where the payment came from for the building but he couldn't. He said he had always understood that it belonged to the RRDA. He added that Crimson is not asserting any claim to it.

Chairman Ahrens recalled the motion and second, and restated that only the RRDA would vote on the agreement. There was unanimous approval, 5-0.

Chairman Ahrens then called for a vote by the BOC. Commissioner Gunnin made a motion to approve the release of equipment identified on Exhibit "A"; Commissioner Johnston seconded and there was unanimous approval, 5-0.

2. Approval of Minutes from Joint RRDA/BOC meeting on October 21, 2014.

Chairman Ahrens asked for a motion for the RRDA approval. Commissioner Gunnin made a motion to approve; Commissioner Nelms seconded. Robert Morrison abstained due to being absent at that meeting. The vote was for unanimous approval, 4-0.

Chairman Ahrens then called for a vote by the BOC. Commissioner Johnston made a motion to approve; Commissioner Nelms seconded and there was unanimous approval.

Chairman Ahrens stated that he would like to bring up a topic up of several individuals who have made a lot of noise regarding consider noise about a right of redemption on property and it apparently expires today and we have chosen not to do anything about that. He asked Ms. Davis if it an update could be provided. Ms. Davis replied that it was not on the agenda but with no action items she would be glad to provide a brief public comment. She stated that indeed the right of redemption has received a lot of attention lately about a certain piece of property owned by BG land that was purchase by NR Deed. She stated that NR Deed provided notice to us based on the fact that we are adjacent property owners; also they provided notice because it is their practice to notify local governing authority of any county for whom purchase property; also they picked up our lawsuit in their title search and so for those reasons they notified us. We had researched this long before it was brought up in public and it was determined that we had no ownership right. As a potential creditor would be our only option to redeem, but with paying to redeem the property at the tax sale cost plus 20% and we don't get the property, it would go to BG Land, The Bobo entity that owned it originally. She added that down the road we cold attach a lien, but that is not fiscally responsible because there are more than \$2M in liens already attached to that property including approximately \$2M from Crimson. She said with liens superior to us, it would not be likely that we would ever recover anything for our investment. She stated that we've

heard, but don't know for sure, that Crimson redeemed the property. She stated that at her request, due to so much clamor, they got a second legal opinion from the attorney who assisted in the forensic audit. That attorney did render a second legal opinion that was consistent with mine and maybe even more direct to say it would be a bad idea to redeem because we don't have a chance of recovery of financial interest. She stated that that's where we are, the redemption period has now expired and we did not take any action to redeem based on all of these facts.

Commissioner Johnston commented that that's why we don't take legal advice from an angry mob and only from an attorney. We would have put out approximately \$150,000.00 with almost zero chance of every getting any of that back and that's what these people were asking us to do. Chairman Ahrens said that since there were so many wild accusations, he wanted to include the topic for discussion.

Chairman Ahrens said that this concludes the purpose of the special joint meeting and asked Ms. Davis if a special motion was recommended. She replied to state in the motion that the meeting would adjourn to regular Executive Session.

ADJOURN

Commissioner Nelms made a motion to adjourn the joint meeting to resume regular Executive Session at 4:52; Commissioner Poole seconded and there was unanimous approval.