

**SCHLEY COUNTY BOARD OF COMMISSIONERS**  
**Wednesday, November 16, 2016**  
**CONFERENCE CALL**

The Schley County Board of Commissioners held a conference call with USDA November 16, 2016. Those present were Chairman Greg Barineau, Vice-Chairman Doug Jamieson, Commissioner Sandra Kay Royal, County Manager, Bill Sawyer and County Clerk Kathy Bruer. Absent: Commissioner Smith and Commissioner Jones.

**ITEM 1. CALL TO ORDER**

Chairman Barineau called the meeting to order.

**ITEM 2. APPROVAL OF THE AGENDA**

Vice-Chairman Jamieson made a motion to approve the agenda, seconded by Commissioner Royal and all were in favor.

**ITEM 3. DISCUSSION CONCERNING USDA LOAN (WATER SYSTEM)**

Penny Douglas started the meeting asking for introductions of all who were on the call. Greg Barineau introduced the Schley County representatives; Donnie Thomas, Jack Staneck, Jackie Ponti, and Jill Stuckey were also on the call representing USDA. Penny stated that she had been caught up from her staff but wanted to hear from the Schley County perspective. Greg stated that he is completing his second term and that when he was first elected in 2009 he had a meeting with State/Federal legislature representatives to discuss the water situation and here it is eight years later we are still discussing the same things. He stated that he had talked to one person and she basically said we were not past due enough to worry about it at the time. Greg stated that the Phase II has been a problem this entire time and it should have never happened. Phase I is fine. Greg stated the numbers on Phase II do not match and will never match. Greg contends that USDA did not do due diligence with the loan and questioned the underwriting procedures. Schley County met with Georgia Rural Community Assistance and they agreed; the loan should have never been given. Greg asked with when there was a subdivision in Sumter County that has 200-300 houses that a change order was issued to not go there but to go to the extreme north end of Schley County for only eight houses; USDA approved that change. Penny stated that the loan had already been approved at that point. Greg stated that we are both in on this loan and there should be some lender liability; Greg contends that if we went to court we would win.

Penny stated that this program has been in place for 80 years and thousands of bonds, underwritten, have been issued. They try to help communities who are struggling. Penny stated that less than one percent have been written off. Penny said they want to do what they can to not send to collections; they try to work things out. They can send this to Treasury but they do not want to.

Greg stated he doesn't think USDA did a good job; Penny disagreed. Greg asked how the numbers that were presented were validated. Penny stated that each loan is individualized. Greg stated we are not wanting to not repay the loan; we are simply asking for forbearance on the interest that has been accumulated over the past eight years when we have been trying to work this out.

After much discussion, Penny stated that what they are offering us is the poverty rate of 1.375% for 40 years. Our payment would be \$14,285 per month. What we had seen before was an intermediate rate.

Penny said they cannot write off the interest; Greg asked if they would go back over the last eight years and give same interest rate; Penny said they would look at that. Greg stated that a concession is needed from both parties. Penny stated that they will run some numbers and see what they can do; they will get back to us by the end of the week.

**ITEM 4. MOTION TO ADJOURN**

Vice-Chairman Jamieson made a motion to adjourn the meeting, Commissioner Royal seconded and all were in favor.

Attest:

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Greg Barineau, Chairman

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Kathy Bruer, County Clerk

**SIGNED /APPROVED COPIES  
AVAILABLE ON REQUEST.**