

Regional Planning Commission of Greater Birmingham
Board Meeting Minutes
Center for Regional Planning and Design
9th Day of March, 2006

MEMBERS PRESENT

Hon. Valerie Abbott (Present by Alternate Martha Espy)
Hon. Stan Batemon
Hon. Mary Buckelew (Present by Alternate Paul McCaleb)
Hon. Billy Joe Driver (Present by Alternate Bruce Hamrick)
Hon. Bruce Hamrick
Mr. Reginald Holloway
Mr. John Hudson (Present by Alternate David Hoyle)
Hon. Larry Langford
Hon. Edward May (Present by Alternate Rick Owens)
Mr. Todd McDonald (Present by Alternate Reginald Hudson)
Hon. Sonny Posey (Present by Alternate Keith Pike)
Hon. Shelia Smoot (Present by Alternate Frederick Hamilton)
Hon. Gary White
Hon. James Whitfield (Present by Alternate Brad Watson)
Ms. Virginia Williams

MEMBERS ABSENT

Mr. Anthony Cicio
Mr. Richard Dickerson
Hon. Robbie Hayes
Hon. Michael Johnson
Hon. Bernard Kincaid
Hon. Royce King
Mr. Ed Lowe
Hon. Roger McCondichie
Mr. Waymon Pitts
Hon. Adam Stocks
Hon. Glenda Strength

OTHERS PRESENT

Mr. Shane Sumrall
Mr. Danny Patterson
Mr. Steve Sayler
Mr. Larry Watts
Mr. Tim Parker
Ms. Audrey Menniefield
Mr. Bill Foisy
Mr. Ray Morris
Ms. Emi Burton
Mr. Jason Fondren

Mr. Joey Hester
Mr. Brett Isom
Mr. Voris Williams
Mr. Scott Tillman
Mr. Bob Wilkerson

Honorable Bruce Hamrick called the meeting to order, roll was taken and he declared a quorum present.

MINUTES

A motion was made by Commissioner Langford and seconded by Mr. Watson to accept the minutes as printed. Motion Passed.

FINANCIAL REPORT AND PROPOSAL

Mr. Watts reviewed the memo and resolution that was sent to the Board prior to this meeting and stated that an alternate resolution could be presented.

Mr. Parker provided and reviewed a consolidated Income Statement ending January 31, 2006. He stated that over \$400,000 has been collected in dues.

Commissioner Langford asked what RPC debt is now. Mr. Parker presented a summary of the RPC debt as of March 9, 2006 indicating total obligations – see attached. Commissioner White commented that the debt keeps growing. Commissioner Hamrick stated that the debts are snowballing.

Mr. Parker provided an immediate needs assessment indicating that \$1.2 million is needed to come into compliance with federal and state funding agreements and project of vendors and contractors. He stated that this will include paying off the Line of Credit. He stated that this will get RPC on the front end of the cycle and bring RPC into compliance with funding agencies.

Commissioner Langford asked how many staff needs to be cut to make RPC solvent. Mr. Watts replied that the 2006 budget is reduced by 7 people. Commissioner Langford asked how much this saves? Mr. Watts stated that the 2006 budget will generate \$250,000 above expenses and includes maintaining the current level of staff. RPC would reduce staff further through attrition over the next several years.

Mr. Watts stated that RPC got into this position due to overestimating projected revenue that did not occur; a practice of expenditures in excess of budgeted projections; reimbursement that allowed amount unpaid vendors and contractors to build up; being behind in reporting to the Board with unclear reports.

Commissioner White and Commissioner Langford asked to see a plan. Mr. Watts presented his plan to secure a loan up to \$1,200,000. This would cover the costs of the immediate needs and the line of credit. Mr. Watts stated that he has met with Wachovia. They will extend credit of \$650,000 which includes folding the line of credit of \$300,000

into this loan and is based on receivables. Another option from Wachovia was a \$1.2 million loan, 5-year amortization, prime rate to .50% adjustable, payments on a graduated scale with a guarantor. Commissioner Langford stated that Jefferson County would not agree to these conditions and that there is enough strength in numbers to negotiate loan conditions. Commissioner Hamrick recommended talking to additional banks. Commissioner White stated that RPC still needed a plan and has asked Steve Sayler to look into this and make a recommendation.

Commissioner Batemon asked about the timing issues with ALDOT. Mr. Watts stated that he has met with ALDOT and this must be acted upon as soon as possible.

Commissioner Hamrick asked if the financials can be monitored closely if the money is borrowed. Ms. Williams stated that she has been talking with Mr. Parker and working to get off the accrual accounting system so it can be monitored. Mr. Watts stated that this issue needs to be resolved.

Commissioner Hamrick stated that by all reports there is a need to borrow money and suggested the Board vote on resolution and set up an oversight committee to move the process along. Ms. Williams stated that she would like to present a substitute resolution (see attached). A motion was made by Commissioner Batemon and seconded by Commissioner White to accept Ms. Williams' resolution and appoint a Resolution Committee to provide oversight to include Ms. Williams, Commissioner Hamrick, Commissioner Batemon, Commissioner Buckelew, Commissioner White, Judge King and a representative determined by the Shelby County Commission. There being no further discussion, motion passed unanimously.

DIRECTOR'S REPORT

A motion was made by Commissioner White and seconded by Commissioner Batemon to adopt resolution to provide 50/50 match for the EDA Administrative Grant. Motion passed.

A motion was made by Commissioner Batemon and seconded by Commissioner White to adopt a resolution to allow the Birmingham Regional Economic Development Corporation to amend the ARC/RLF regulations to increase the loan amount from \$50,000 - \$100,000. Motion passed.

A motion was made by Ms. Williams and seconded by Commissioner White to defer action on the Center for Regional Planning and Design Articles of Incorporation and refer this matter to the Resolution Committee. Mr. Watts asked if the Committee had the same authority to approve agreement on behalf of the Board. Chairman Hamrick clarified that was his intent. Motion passed.

The Board agreed that their next Board meeting will be April 12, 2006 and the RPC Quarterly meeting scheduled for that day will be cancelled.

There being no further business, the meeting was adjourned.

Honorable Shelia Smoot, Secretary

Date