

MINUTES OF THE HOUSTON COUNTY COMMISSION
REGULAR SESSION
September 8, 2025

PRESENT: Chairman Brandon Shoupe, Commissioner Curtis Harvey, Commissioner Tracy Adams, Commissioner Ricky Herring, Asst. County Tyler Reeder, Chief Administrative Officer Peter Covert and County Attorney Pres Register.

Chairman Shoupe called the 10:00 a.m. meeting to order and welcomed everyone to the September 8, 2025 Houston County Commission Regular Session and declared a quorum as a majority of the commissioners were in attendance.

The invocation was given by Commissioner Curtis Harvey and the pledge of allegiance was led by Commissioner Tracy Adams.

The minutes of the previous meeting were approved on a motion by Commissioner Herring and seconded by Commissioner Adams. The motion carried unanimously.

ABSENT: Commissioner James Ivey

ANNOUNCEMENTS AND COMMENTS FROM THE CHAIRMAN AND COMMISSIONERS

No announcements or comments.

AWARDS AND PRESENTATIONS

1. Special Presentation – “Growing Alabama Tax Credit Sewer Project” – Dothan Area Chamber of Commerce

Chairman Shoupe approached the podium and asked all elected officials that were present here today, for the presentation, to come forward. He began by saying that are a lot of days, months and sometimes years where it seems that they know that there are issues and problems they need to solve, but nothing happens. But then, all of a sudden, things start coming together because of the right people in the right place, as Mayor Saliba always says. Chairman Shoupe continued by announcing that today is a great day for Houston County! He stated that there has been a distribution park on the south side of the county for years and it has had a tremendous amount of potential for a long time but has been unrealized because it has never had the utilities that were needed to grow and attract business; but those days are coming to an end. Chairman Shoupe reported that a few years ago a 5-million-dollar water line was run almost to the distribution park but with inflation the money ran out. That brings us to today as the money we will receive today from grant funding and the generosity of several partners that are present today, it is going to put that park over the top. They already have a company looking at the distribution park and he is sure they will have others. At this time, Chairman Shoupe gave a special shout out to the leaders and the organizations that have partnered with this project to include the City

of Dothan, which we could not do it without them or Dothan Utilities, Houston County Water Authority, local partners to include Friend Bank, Great Southern Wood, Regions Bank, MidSouth Bank, River Bank and Trust, Synovus, Troy Bank & Trust, Wiregrass Electric Cooperative and Southeast Alabama Electric Cooperative. Chairman Shoupe stated that we would not be here today without every single one of these organizations and the people that lead these organizations and he thanked them. At this time, Chairman Shoupe asked for a round of applause for all the partners with this project. He added that they would also not be here without the law that enabled this program and made it all possible and he then called Senator Donnie Chesteen to the podium.

Senator Chesteen came forward and thanked Chairman Shoupe and said that it is always good to be herein Houston County and especially with the great news they have today. Senator Chesteen stated that Chairman Shoupe mentioned one thing that is key and, is so important as a region and who we are, and that is partnerships. He said it is very hard to do anything alone as he and his legislative colleagues know that as anytime you are trying to get something done, you have to have people working for you and people working with you. Senator Chesteen stated that that is what they have been able to do here in Southeast Alabama and they are excited to have this announcement today. He continued by saying that their delegation is always proud to support pro-business legislation and that is what they are here today to celebrate and that is what the Growing Alabama Program does. It is designed to provide funding and to help solve infrastructure challenges and that is what they have been faced with at the park in south Houston County. Senator Chesteen reminded everyone that you have to have water, sewer, power and broadband and they are all vital parts of having an industrial site ready to attract good businesses in the community. He continued and said that they are in a good position now with this announcement today. Senator Chesteen stated that now it is in the hands of the Chairman and Matt and Coleton from the Chamber of Commerce to help land the project. He added that the investment in these dollars for the distribution center will provide a better opportunity to attract industry and create jobs and that is what it is all about. Senator Chesteen said that over the last two years, the Dothan-Houston County region has been able to utilize over 1.5 million dollars of growing Alabama funds to help solve these infrastructure problems and with today's announcement he feels that they will move a lot further in being able to attract industry into Southeast Alabama. Senator Chesteen ended by saying that at this time he will step aside and let Representative Paul Lee share the really good news of why they are here today to celebrate. Applause was given by all.

Representative Paul Lee approached the podium and began by recognizing a few people in attendance to include Representative Rick Rehm, Representative Steve Clouse, who are some of the legislative delegates, but also Jeff Sorrells and Billy Beasley who are a part of the delegation. Representative Lee continued to say that they, in the State of Alabama, want to do pro-business laws and obviously they see businesses going in all over the state of Alabama so they have been working on this. He said that this did not just happen but this has been in the works for a year and half or two years to get it to the point that are able to have the funding for this plus those that are a part that are helping sponsor. Representative Lee stated that he has been in manufacturing for over 41 years and the fact that people that are looking for business locations have made their decisions six months ago. He said that those people did not make that decision today and then start looking, they already know. Representative Lee reported that this money gives this area the need to be shovel ready and to get sewage lines done and

power as those are the things that businesses are looking for. He then said that we are very fortunate today that in our tri-county area, they have already brought back 8 million dollars for pro-business legislation to recruit businesses. Representative Lee reported that they are doing their very best working together to recruit and attract. He continued to announce that today they are presenting the \$3,275,000.00 check to the county to help this project move along and to make everyone ready for that industry that already knows they are looking for a place; they just do not know where Dothan is yet. Representative Lee ended by thanking everyone and a round of applause was given.

At this time, City of Dothan Mayor Mark Saliba approached the podium and stated that it is great to be here and to be part of a Dream Team along with the Chamber and the Industrial Development Board along with all the other partners and that it is truly like being on the Dream Team. Mayor Saliba stated that they have talked about partnerships and have talked about working together and as he has been traveling around the state working with the League of Municipalities and the Big 10 Mayors that he sees in other places have these agreements written out about how they are going to work together with partnerships and have MOU's. Mayor Saliba commented that our MOU has been in place for decades and that is by handshake and word of honor and working together. He continued by saying that in this area that what is good for the City, what is good for the County, what is good for the neighboring counties, is good for them all. Mayor Saliba stated that when they work together, they are a better community and they can compete with anyone else in the state of Alabama. He added that this area does have some of the best shovel ready sites, and with this project, it gets this area to a platinum level with the Houston County Distribution Park. Mayor Saliba stated that he is so pleased to be a part of this and he reported that the Dothan Utilities Department will be helping to get the water line and treating the sewer as well out in that area. Mayor Saliba commented that there is nothing else that a company could say that we don't have at that site and he again thanked the state delegation for their help. (Applause was given by all) He ended by saying that he is grateful and appreciative and thanked everyone.

The check presentation and photos were then completed.

2. Recognition – Third Quarter Service Anniversaries – Sheri Garner, Personnel Director

At this time, Chairman Shoupe called Ms. Garner to the podium. Ms. Garner asked all that are in attendance for this recognition to come forward. Ms. Garner began by saying that she knows that there was an important group of people earlier, but these individuals are just as important.

The following employees were recognized (some were not in attendance)

Ken Vanlandingham	Sheriff's Dept.	5 yrs.
Michael Wilson	Sheriff's Dept.	5 yrs.
Lee Pace	Road & Bridge	5 yrs.
Elizabeth Gracy	Sheriff's Dept.	5 yrs.
Tami McNeil	Revenue	5 yrs.
Kameron Jackson	Sheriff's Dept.	5 yrs.
Tim Brackins	Road & Bridge	5 yrs.

Wes Gibbs	Sheriff's Dept.	5 yrs.
Brandon Barefield	Road & Bridge	5 yrs.
Rhys Griffin	Sheriff's Dept.	10 yrs.
Debbie Lewis	Probate	10 yrs.
Jacquelyn Kennedy	Jail	10 yrs.
Lester Grimsley	Jail	10 yrs.
Connie Kelley	Comm. Corr.	10 yrs.
Anthony Hatcher	Sheriff's Dept.	15 yrs.
Robert Reichert	Sheriff's Dept.	25 yrs.
Greg Holland	Revenue	30 yrs.

REGULAR AGENDA

1. Request to appoint Richard Byrd to the Southeast Alabama EMS Council

Commissioner Herring made a motion to approve the appointment of Richard Byrd to the Southeast Alabama EMS Council. Commissioner Adams seconded and the motion carried unanimously.

2. Request to re-appoint Bernard Ward to the Houston County Health Care Authority for District 1

Commissioner Harvey made a motion to re-appoint Bernard Ward to the Houston County Health Care Authority for District 1. Commissioner Adams seconded the motion and it passed unanimously.

3. Request to make appointment to the Houston County Health Care Authority for District 2

- a) Natalie Jeffcoat
- b) John R. McDaniel, Incumbent
- c) Kathy Meadows

Commissioner Adams made a motion to appoint Kathy Meadows to the Houston County Health Care Authority for District 2 and Commissioner Herring seconded. Commissioner Adams commented that the Healthcare Board did an outstanding job in submitting applicants for the board and he appreciated their due diligence in submitting these names.

Chairman Shoupe agreed with Commissioner Adams on this. When called for the vote, the motion carried unanimously.

4. Request to make appointment to the Houston County Health Care Authority for District 3

- a) Paula Carothers
- b) Lance Shepard
- c) Chester Sowell

Commissioner Herring made a motion to appoint Paula Carothers to the Houston County Health Care Authority for District 3. Commissioner Harvey seconded the motion and it passed unanimously.

5. Request to re-appoint Chris Suddarth to the Houston County Health Care Authority for District 4

Commissioner Herring made a motion to approve the re-appointment of Chris Suddarth to the Houston County Health Care Authority for District 4 and Commissioner Harvey seconded. Chairman Shoupe stated that Commissioner Ivey is out of town, but he made it clear on Thursday that he wanted to re-appoint Chris Suddarth for this board. When called for the vote, the motion carried unanimously.

6. Request to approve purchase of a food slicer for the jail utilizing \$6,187.06 of Emergency Capital Replacement Funds – Tommy Dixon, Maintenance Director

Commissioner Harvey made a motion to approve the request to purchase the food slicer for the jail. Commissioner Adams seconded the motion and it carried unanimously.

7. Request to award janitorial contract to McLemore Building Maintenance – Tommy Dixon, Maintenance Director

Commissioner Herring made a motion to approve the awarding of the janitorial contract to McLemore Building Maintenance and Commissioner Adams seconded. Chairman Shoupe commented that they spoke on this at Thursday's meeting. When called for the vote, the motion passed unanimously.

8. Request to adopt resolution regarding replat, rezone and transfer of real property to Houston County Public Building Authority

Commissioner Adams made a motion to adopt the resolution and Commissioner Harvey seconded. Chairman Shoupe stated that this item has to do with the Farm Center and building a new DHR building. When called for the vote, the motion carried unanimously.

9. Request to adopt resolution in support of the Alabama Legislature to oppose any legislative changes that would disrupt the SSUT program's operations or call the program's constitutionality into question

Commissioner Adams made a motion to approve adopting the resolution in support of the Alabama Legislature to oppose any legislative changes that would disrupt the SSUT program's operations or call the program's constitutionality into question. Commissioner Herring seconded the motion and it passed unanimously.

10. Request to award bid for crushed lime rock to the lowest bidder meeting specs – Road & Bridge

Commissioner Adams made a motion to approve the request to award the bid for crushed lime rock to the lowest bidder meeting specs. Commissioner Harvey seconded the motion and it passed unanimously.

11. Request to enter into a construction agreement with the State of Alabama for resurfacing a section of Old Webb Road – Road & Bridge

Commissioner Harvey made a motion to approve entering a construction agreement with the State of Alabama for resurfacing a section of Old Webb Road. Commissioner Adams seconded the motion and it passed unanimously.

12. Request to approve the 2025-2026 Budget – Peter Covert, CAO

Commissioner Adams made a motion to approve the budget and Commissioner Herring seconded.

At this time, Peter Covert, Chief Administrative Officer began by stating that before them they have an executive summary of the budget that was discussed at an open meeting back in August and modified by the few items that the commission had given him instruction relating to payroll and some other last minute items. One of those items was a new location for Sanitation Billing Dept., which is included, and some marketing dollars that needed to be added in due to continuance of a current contract for another quarter. Mr. Covert continued by saying that the commission will see that the major highlighted areas are labor, as it is a major portion of the overall expense budget, and in order to adopt the Sanitation Collection they needed an additional customer service representative. In addition, the IT support services will be utilized more in house than using outside consulting services. These are the two major labor changes. Mr. Covert said that labor related, they have built in a 1.5% COLA, as the commission has requested, and he pointed out that healthcare premiums will be rising by 4.71% this year. As this is lower than in the past, it is still an advancing cost. He also that one of the larger items that is contributing to expenditure increases is the increase to the Tier I and the Tier II benefits from RSA, as this is the number that is given to the county based upon the category that the employee falls in and the percentage of salary. Mr. Covert reported that last year it was 9.58% and this year it is almost a full 2% increase to fund the liability for retirement.

Mr. Covert continued by pointing out the major items that were included in the budget to include patrol vehicles for the Sheriff's Dept. and some transfer vehicle replacements for Community Corrections. He noted that with IT and computer interactions becoming more and more vital to the efficient processing of the services that are provided to the county citizens, just about every department is going to be touched in the years coming. Also, with the IT improvements, things are changed drastically and they are moving a lot of the software to Cloud based subscription software and they need to keep up with the operating systems as you cannot get by with old operating systems. The IT servers and hardware are all needing updating or replacing as well.

Mr. Covert reported that in the Road and Bridge Department, they will add some equipment as well as Sanitation will add 2 garbage trucks and a knuckle boom and a pickup truck along with the building expansion that was mentioned earlier for Sanitation.

Mr. Covert pointed out that the next slide is a summary of all the funds in the county. He added that the commission has descretion over the general funds. On the general funds page, he noted that they

anticipate, with the revenue and expenditures, that there will be a fund balance just under the 15-million-dollar target that was established, which is an internal target not a county policy. This exceeds the county policy requirements which is 11.5 million dollars. Mr. Covert also pointed out that the expenses are continuing to outstrip the revenues, but to be truthful, he conservatively forecast revenues as he does not want to have a situation where things do not come in as they are hoping and then he would have to go back to the departments and inform them of changes. He added that this is not a sustainable business model as they need to figure out a way where they can find other sources of revenue or find ways to cut back on expenditures. Mr. Covert stated that he and the Chairman have been discussing that and they are hopeful to have some ideas that they can present to the departments later in the year.

Mr. Covert then went into the revenue side of the budget and said that the majority of the revenue stems from the Revenue Commissioner office, such as the ad valorem tax and the next largest revenue is sales and use. Of the sales and use revenue, he stated that about 6% comes from the SSUT, and that is a very important item of revenue for the county that they need to preserve the best they can. He knows there has been a lot of conversation on that and it is a vital source of funding for the county. Mr. Covert then pointed out on a graph that the increase is flattening and he feels that it is because of the anticipation of the new law of the appraised value of properties but he does feel that the county is at an advantage, somewhat, compared to some of the larger counties that are seeing a tremendous amount of growth, because with the limitation on the new law it only applies to existing properties. For example, if someone purchases a new property, the assessed value gets re-assessed. This also pertains to new builds as well so for areas of large growth it is impacted more by the law. Mr. Covert stated that on the trends of the SSUT, he anticipates a 2.5% increase in the SSUT revenues; while trying to be conservative but it has also been adjusted for any sort of MOU's that could be in the works.

Mr. Covert then turned to the expense side of the budget and stated that the majority of the expenses are in salaries and benefits and that is clearly 50%. He stated that the county budgets on full positions in the budget even if there is a vacancy as they budget for full positions approved by the commission and they currently are looking to add two positions into this new budget. He did say that the commission needs to look at ways that they can approach the citizen's needs without adding people. He does realize that some services are people driven, such as Road & Bridge, the jail, the Sheriff's Dept., but in the other areas that services are provided they need to start thinking how they can provide them more efficiently and more effectively. Mr. Covert then turned to the operations expenses, which is what is used for each department to run and stated that even though they are leveled out; they need to find ways to be more effective and efficient in the way that the services are provided.

Mr. Covert then touched on the allocations that each community agency receives each year and they are steady as well. He then noted the non payroll items that money is being spent on and that includes contract services and loose spending as they are trying to pay more as they go as to not incur extensive debt into the future. Mr. Covert then stated that in the area of the bonds, this past year they had a general obligation bond, which was for the economic development and youth sports facilities funding from the lodging tax revenue. He mentioned that the principle and interest were pushed off until the beginning of the new fiscal year so that they would have an opportunity to grow into something that

would cover the debt service of that bond. Mr. Covert did state that the mortgage payment for the Sheriff's building is coming due in 2 years and he is in hopes that they can refinance that amount.

Mr. Covert continued by saying that the insurance costs are going up 4.71% for the next year for employee insurance. He pointed out that workman's compensation and liability insurance is coming down due to effective safety measures that are put in place as well as low experience mod that they are seeing pertaining to injuries and workman's compensation claims. The savings is significant as it is \$150,000. This was the conclusion of the presentation.

Chairman Shoupe commented and said that it is rare that there is a budget that he is happy with but this budget gives him trouble and he is really troubled by this budget. He feels this is due to the environment that we are swimming in due to federal money that has been circulating for years is gone and this is frightening. Chairman Shoupe said the country is still in an inflationary environment and that makes it difficult to do business as this affects heavy equipment, asphalt and other important items. He knows that the commission has some work ahead of them and within the next six months they have to come up with a solution concerning income for the county and there is no other choice. With that the fund balance has to grow, which makes it more difficult as they have to expand the jail and that is not an option. As it has been explained many times, Chairman Shoupe said they will figure out how to do it or it will be done for them and they will hand the county a bill. He added that they must come up with a time line and how it will be paid for.

Chairman Shoupe continued by stating that the head count growth makes sense at this point, but with the growth in head count looking forward, it is growing faster than the population of Houston County so they have to figure out ways to do things more efficiently and faster, better and cheaper and this will require the commission to make some potentially painful decisions in the near future. Chairman Shoupe said that if he had one prediction, it would be that 14 months from now the county will look a lot different than it does today. He does not think this is necessary by choice, as he does not think that they have a choice and some big decisions must be made.

At this time, Commissioner Harvey asked Mr. Covert about page 18 pertaining to non-related salaries expense at 7.6 million, he asked for more information and what does it consist of. Mr. Covert answered that this is for contract services, which is part of the 32 million dollars and is primarily for APAC, the contractor they use for the major paving projects for Road & Bridge. Their amount is 3.6 million and the 4.3 is for contract services for county buildings to include the janitorial contract, landscaping contract and other contracts. Engineer Reeder stated that \$800,000 is for sanitation land field fees. Mr. Covert reported that by the end of the month, he will have a full detailed budget ready.

Commissioner Herring asked Mr. Covert to explain why they will have a \$14.7 million end compared to the \$11.5 million that policy refers to. He wants the public to understand why there is not an additional \$3 million dollars to use wherever they see too. Mr. Covert explained that the county policy (#38) was put in to place 15 years ago and it is basically a formula and the idea of the policy is to be an emergency reserve. But in order to achieve the highest credit rating from the credit services and in order to lower their interest costs on any borrowing, such as the jail, it cost the county less to have a better credit

rating. He added that this past year the credit rating was stable for the general obligation warrant that went through, but there was a lot of conversation with the credit agency about the fund balance. Mr. Covert stated that they do not need to have those conversations. Chairman Shoupe stated that the difference in the borrowing cost is significant over time and when they borrow for the jail, it will be for at least 20 years and the interest rate is going to make a big difference. Commissioner Herring then asked Mr. Covert how long he thinks this will be in a negative if they have \$62 million dollars in revenue and \$72 million dollars in expenditures every year and how is the county going to sustain and how quick do they need to look at generating revenue and what they need to do for the best interest in the county. Mr. Covert answered that this needs to be a serious conversation next year. Chairman Shoupe commented that the county tends to budget very conservable with revenue and they count for full employment with the budget. He added that typically what happens is that the revenue comes in above what they budget and expenses come in below and he would not be shocked if they come in with a \$10 million dollar deficit at the end of this budget year. Mr. Covert commented that he should be fired. Chairman Shoupe stated that budgeting that much is unsustainable.

When called for the vote, the motion to approve the budget for the 2025-2026 year passed unanimously.

Administrative Officer – No report

County Engineer – 4 closed roads; Rice Rd., E. Cook Rd., Cedar Springs Rd., and Hollis Meadows Rd. They began the boat ramp project at the Gordon Boat Ramp today and will be closed 6 – 8 weeks.

County Attorney – No report

Adjourned