

**STATE OF NORTH CAROLINA  
COUNTY OF McDOWELL  
BOARD OF COMMISSIONERS  
REGULAR SESSION – JANUARY 14, 2013**

**ASSEMBLY**

The McDowell County Board of Commissioners met in regular session at 5:00 p.m. on Monday, January 14, 2013, in the Commissioners' Board Room, the usual place of meeting.

**MEMBERS PRESENT**

David N. Walker, Chairman; Barry E. McPeters, Vice-Chairman; Michael K. Lavender; Joshua R. Dobson, and Van Randy Hollifield.

**OTHERS PRESENT**

Charles R. Abernathy, County Manager; Carrie Padgett, Clerk to the Board; Ashley Wooten, Assistant to the County Manager (Filming); and reporter Mike Conley, for THE McDOWELL NEWS.

**CALL TO ORDER**

Chairman David Walker called the meeting to order. The invocation was given by Commissioner Dobson, followed by the pledge of allegiance led by Commissioner Hollifield.

**APPROVAL OF MINUTES**

Minutes of the regular session of December 3, 2012 were presented for approval.

Commissioner McPeters made a motion, seconded by Commissioner Hollifield, to approve the minutes as presented.

In discussion, with reference to the Presentation of Audit, Commissioner Lavender noted there had been discussion of MEDA contracts and of being more transparent in this area. He asked if approval of the minutes could be tabled until the next meeting to have more of this discussion referenced in the minutes.

The motion and second were withdrawn and, by consensus, the minutes were tabled until the next meeting.

## **APPROVAL OF AGENDA**

The County Manager advised the Tax Assessor would not be present due to sickness, and he would be handling the item concerning a Contract for Tax Assessing Assistance unless a question comes up that he could not answer, in which case the item could be rescheduled.

Upon motion by Commissioner Lavender, a second by Commissioner Hollifield, and by unanimous approval, the agenda was approved as amended.

## **BUDGET UPDATE/BUDGET AMENDMENTS**

The Finance Officer reviewed the budget amendments as follows:

GF 16 – Transfers the \$20,000 for the project that went into the Pisgah Yarn Building in Old Fort and totals \$60,000 over three years. The company is still improving the building. Funds will be released after jobs are created.

GF 17 – Allocates donations for the Explorers post in EMS.

GF 18 – Allocates the dollars that are paid for EMS forced collections, which come from the funds that are collected.

GF 19 – Workmen's comp went up considerably over the previous year, an expense that is not received until August and costs have not been covered. The amount of \$22,820 would be shifted from Unemployment Insurance which was under budgeted. The amendment also amends building and grounds to cover significant roof repair work that was required as well as the security system that was discussed.

GF 20 – This amendment is consistent with the one that is done each year in that it transfers all funds from salaries that are below 50% through December and an additional \$88,830 from property tax collections. The fund has consistently run \$200,000 in the red even when benefits have been reduced or fees increased.

GF 21 – Appropriates funds that are rolled over from the previous fiscal year to complete the scanning project in the Register of Deeds.

GF 22 – Appropriates additional state transportation funds.

GF 23 – Transfers funds within recreation and completes the restrooms at Maple Leaf.

GF 24 – Does the same thing that the EMS amendment does. The payment that goes out comes from the sale of foreclosed property and taxes collected.

GF 25 – Allocates additional DSS revenue received above budget.

GF 26 – Accounts for small amendments under the amount the Board allows the County Manager to handle with board notification.

SP 2 – Closes out prior years' activity in the school project funds.

SP 3 – Allocates the funds that were previously approved for the West Junior High renovations.

ENT 2 – Appropriates reserved funds in the Enterprise Fund and does transfer funds between several line items within the same account.

NWENT 1 – Transfers funds within the water enterprise fund. Insurance expense is being allocated to the enterprise fund which has not previously been done.

911 F1 – Amends the budget to the new reporting format as required by the 911 Board.

Three resolutions that close out old projects were:

**WHEREAS**, the County of McDowell began a project fund (46), and

**WHEREAS**, the County transferred sales tax in the amount of \$2,794,635 and ADM revenue received in the amount of \$1,233,045 from other governmental agencies to finance the school project fund, and

**WHEREAS**, the County desires to close certain school projects within the school project fund, and

**WHEREAS**, final payments have been made, and the projects the County will close are as follows:

Intercom \$57,000  
 High School Restroom and Concessions \$373,831  
 West Marion Roofing \$374,040  
 One to One \$103,322  
 AEC Water/Sewer \$275,000  
 Improvements \$2,844,487

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY OF McDOWELL BOARD OF COMMISSIONERS** that the County of McDowell School Project Funds listed above are complete and all documentation will be preserved in County files to comply with recordkeeping requirements.

**ADOPTED** this 14<sup>th</sup> day of January, 2013.

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**WHEREAS**, the County of McDowell began a project funds (49 and 50) for the Marion and Old Fort Senior Center Buildings, and

**WHEREAS**, the County received loan proceeds and donations to finance the project, and

**WHEREAS**, the County completed the project in fiscal year 2010, and

**WHEREAS**, final payments have been made.

**NOW THEREFORE, BE IT RESOLVED BY THE COUNTY OF McDOWELL BOARD OF COMMISSIONERS** that the County of McDowell Senior Center Building projects are complete and all documentation will be preserved in County files to comply with recordkeeping requirements.

**ADOPTED** this 14<sup>th</sup> day of January, 2013.

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**WHEREAS**, the County of McDowell began a project fund (\$54), for the Water Garden Project located in McDowell Technical Community College, and

**WHEREAS**, the County received a Water Resource Grant in the amount of \$77,740, and

**WHEREAS**, the County completed the project in fiscal year 2012, and

**WHEREAS**, final payments have been made.

**NOW THEREFORE, BE IT RESOLVED BY THE COUNTY OF McDOWELL BOARD OF COMMISSIONERS** that the County of McDowell Water Garden Project located at McDowell Technical Community College project is complete and all documentation will be preserved in County files with recordkeeping requirements.

**ADOPTED** this 14<sup>th</sup> day of January, 2013.

Brief comments were made on the Recreation facility and the improvements made there.

Commissioner Lavender made a motion, seconded by Commissioner Dobson, to approve budget amendments GF 16 through GF 26, SP 2 and 3, ENT 2, NWENT 1, 911 F1, and the three Close-Out Resolutions as presented. By unanimous approval, the motion carried.

The County Manager proceeded with his monthly budget update, advising this month's update could possibly be the bulk of things for the year, although that may not be the case. He provided the following revenue summary:

<u>Property Tax:</u>	Thru 1/8/13	\$15,598,431
	Budget	\$17,551,427
	Remaining to meet Budget	\$1,952,996
	Levy	\$18,054,981
	Add 5 months of Vehicle Bills	\$750,000
	Total Levy	\$18,804,981
	Expected Collections:	\$18,138,118
	<b>Possible Overage:</b>	\$666,863
<u>Delinquent Taxes:</u>	Budget	\$482,000
	Actual Thru December	\$326,706
<u>Sales Tax:</u>	Four Months (33.33%)	
	One Cent	-\$69,061
	Article 40 Half Cent	-\$19,248
	Article 42 Half Cent	-\$4,948
	Article 44	\$6,565
	Total Variance	-86,692
<u>Jail Lease Revenue:</u>	Budget	\$472,750
	Actual	\$222,724
<u>Register of Deeds Fees:</u>	Budget	\$374,167
	Actual Thru December	\$188,817
<u>EMS Fees:</u>	Budget	\$2,130,312
	Actual Thru December	\$1,024,135
<u>Building Inspections Fees:</u>	Budget	\$123,500
	Actual Thru December	\$46,824
<u>Budgeted from Fund Balance:</u>		\$324,991

A general discussion followed.

Mr. Abernathy then presented two Nebo Water System adjustments due to posting errors (Accts. #10570 and #10552, both in the amount of \$30.00).

Commissioner Lavender made a motion, seconded by Commissioner McPeters, to approve both water system adjustments as presented. By unanimous approval, the motion carried.

### **UPDATE ON SCHOOL CONSTRUCTION**

The County Manager advised some slight changes had been made from the previously approved schedule regarding financing the improvements to the High School. He had met with the school staff and had received their input on the following changes to the schedule:

January 31, 2013	Construction Bids Opened (on High School Addition)
February 4, 2013	Contingent School Board Approval on Contract
February 5, 2013	Advertise Public Hearing
February 8, 2013	Bank Bids Due
February 26/27/28, 2013	Public Hearing and Approval of LGC Application by Board of Commissioners and Approval of Bank Bids

Mr. Abernathy pointed out the staffs have tentatively set meetings after the School Board approval on the 4<sup>th</sup> and on Friday prior to the Public Hearing and will communicate updates. Also, the Joint Education Committee meets on January 22<sup>nd</sup> and February 26<sup>th</sup> and will be updated as well. Mr. Abernathy stressed the importance of timing with this process, noting the entities involved, specific dates for each step in order to comply with LGC regulations, etc. He asked the Board to set a date for the public hearing in accordance with the schedule.

### **SET LGC PUBLIC HEARING**

Following a brief discussion, the Board set the date of February 28<sup>th</sup> at 5:00 p.m. for the Public Hearing and approval of the LGC Application. County staff and the School Board will be present.

### **CONTRACT FOR TAX ASSESSING ASSISTANCE**

In the absence of the Tax Assessor Keith Renfro who was out sick, the County Manager presented this item to be Board.

Mr. Abernathy advised he has had several discussions with Tom Ebert about tax assessing assistance, and had meetings with Keith and Mr. Ebert, and Keith is certainly recommending it. Mr. Abernathy had also discussed the matter with the Finance Officer. He pointed out \$25,000 was budgeted for revaluation. He and the Tax Assessor had met with Mr. Ebert last week to discuss utilizing his services for in-house preparation for the next revaluation. Mr. Ebert is of the opinion that his work with us will enable the County to recover the cost through the discovery process. Therefore, Mr. Abernathy wanted to contract with Mr. Ebert for \$15,000 worth of services annually. He suggested using funds from the revaluation line item for the contract.

A general discussion followed.

Commissioner Lavender made a motion, seconded by Commissioner McPeters, to authorize staff to contract with Tom Ebert for \$15,000 worth of services annually from the budgeted line item for revaluation. By unanimous approval, the motion carried.

### **UPDATE ON LAKE JAMES PERMITTING PROCESS**

Briefly, Mr. Abernathy advised his memo references a half mile critical area and a one mile critical area—the one should have been one half mile critical area. He recognized Mike Dowd of McGill Associates who was present and noted the County is starting the permitting process with this discussion.

Ron Harmon, McDowell County Planner, presented a new map that reflects the proposed watershed boundary. He identified the line reflecting the Watershed 4 classification which the County has requested. This would basically require that we have within a half mile radius of the proposed intake the allowance of one dwelling unit per acre. Outside of that we would also be required one dwelling unit per acre. He addressed a 30-foot non-encroachment area, which is common on all watershed classifications in the County. The four steps required to begin reclassification of Lake James as a drinking water source would be:

- Use Attainability Study – water quality study done by DWQ may involve water sampling and analysis
- Local Government Resolutions – these resolutions should come from all governments with jurisdiction in the proposed WS watershed, and demonstrate support for the proposed reclassification and that the WS rules pertaining to new development will be implemented into those government's ordinances once the reclassification becomes effective (reclassification requestor to seek these resolutions)
- DWR Letter – this letter should reveal that the waters are treatable, and suitable as a public water supply source (DWQ requests this letter from DWR)
- NEPA/SEPA document (EA, EIS, etc.) – draft with agency comments and reclassification requestor's review is needed in order to make sure agency

comments can be satisfied while keeping the intake at the same location as proposed in the draft

Mr. Abernathy pointed out that if the classification stays a WS 4, it would not include the Town of Old Fort.

Discussion followed on the length of the process, which would include holding a public hearing, submission of forms, etc. The estimate of DWQ is three to six months with a year for the Environmental Management Commission aspect, which is to adopt the rule for reclassification.

Questions were raised concerning the criteria area, and the difference in the WS 3 and the WS 4. Mr. Abernathy stated a WS 4 has a five-mile distance from the intake; the WS 3 does the entire watershed which is why Mr. Harmon mentioned Old Fort. He pointed out this rating would include Old Fort and would go up into Avery County. The County is advocating a WS 4.

Further general discussion followed. Mr. Dowd said he feels good about the WS 4 rating and would accommodate facility should one be built.

Commissioner Lavender made a motion to authorize staff to draft a resolution requesting the State to change the water classification of Lake James to a WS 4, and that the Board be copied on the ruling once this occurs. Commissioner Hollifield seconded the motion. By unanimous approval, the motion carried.

### **TRAIL UPDATE**

Mr. Harmon advised the Trail Phase II is now complete and a walk-through was conducted. A power-point presentation of the Trail was shown. Mr. Harmon noted there were some minor issues to be discussed with the contractor and, according to the Finance Officer, once the final bills from him are paid, there will be minimal if any monies left in the grant funds.

Concerning signs for the Trail, Mrs. Shaver had informed Mr. Harmon that her students should have them complete within the next six weeks. Placement of the signs will be coordinated with the County. Mr. Harmon suggested having a dedication ceremony some time after the students work is complete.

Discussion followed on whether there should be a flashing light or a bump out at the road crossing with signage, ADA compliance, and having a press release to alert the public that the Trail is open

Mr. Abernathy advised he is thinking of a part-time fund for trail maintenance.

### **LITTLE SWITZERLAND SEWER LINE GRANT**

In reference to the Planning Grant to the Rural Center which the Board had authorized in the fall of 2012, the County Manager advised the grant would be administered by McDowell County and would be a joint project between businesses, Mitchell County, the Town of Spruce Pine and McDowell County. The grant will provide for a feasibility study to determine options, the costs and the potential benefits of the community being served with municipal sewer and connecting to the Town of Spruce Pine system. The project would also serve an area in Mitchell County between Little Switzerland and the Town. The businesses are participating and have indicated the possibility of expansions, job creation, and staying open through the winter months.

Mr. Abernathy advised he will create at least a letter that other entities will sign off on.

A brief discussion followed.

### **PSNC UNIVERSAL RIGHT OF WAY**

The County Manager advised PSNC Energy had requested a right of way across the Universal Property owned by McDowell County. This would not only benefit the County property but also the College, the facilities on Highway 221 South and the Prison facility with their service. He pointed out his understanding is that the line would cross the Interstate at the Spectrum facility on Barnes Road, would follow the drive on the east side of the building and then follow College Drive to the Community College. He asked that the Board authorize this process to occur with the coordination of the County Attorney.

Further, Mr. Abernathy advised that the area from the Bypass south on Highway 226 South to Love's and Hardee's is going to be served, and noted a desire to pick up Universal also.

Commissioner Lavender made a motion to authorize staff to work with PSNC's attorney and the County Attorney to work out details and necessary documents for PSNC's right of way request. Commissioner Hollifield seconded the motion and by unanimous approval, the motion carried.

### **DUKE ENERGY RIGHT OF WAY**

Mr. Abernathy advised the electrical service for the different sections of the Universal Building is being separated. This is necessary in order to have separate meters and to comply with grants that require separation as part of their process. As a result, he presented a right of way agreement that will run electrical line to the Total Quality Assurance section of the building from the Duke Substation, a very short right of way of a few feet.

Commissioner Dobson made a motion to approve the Duke Energy Right of Way Agreement for the Universal Property as presented. Commissioner Lavender seconded the motion and by unanimous approval, the motion carried.

### **NEBO WATER SYSTEM UPDATE**

In review, the County Manager pointed out the area of Lonesome Pine had been on the agenda for some time for a potential water line extension but it does not meet the guidelines. He asked that the Board allow staff to check with the City of Marion to do something different, noting they had looked at downsizing the line to bring the cost down and he thought this had been worked out. Although not asking for specific approval, he discussed other possible extensions moving forward. He said if agreeable, he would like to ask the Utility Committee to address this and needed direction.

Chairman Walker referenced a letter for distribution and asked for feedback. Discussion followed on what this will entail. Mr. Abernathy said he would have some other areas that he will want to facilitate with letters in February.

### **UNIVERSAL GRANT RESOLUTION**

The County Manager introduced two resolutions that he wanted the Board to consider. The Board had previously received information on both of them.

The first resolution was in regard to a Building Reuse Grant and the project had been discussed in closed session last month. The resolution would authorize the submission of the grant. The company could not be named. The grant amount is for \$349,000 which would be used for improvements to the Universal Building. The grant requires a match and the grant would largely pay for roof repair, sealing of the floor, and the construction of 2,000 square feet of office space.

General discussion followed.

Commissioner McPeters made a motion to approve the resolution entitled *RESOLUTION FOR THE COUNTY OF McDOWELL APPLICATION FOR NORTH CAROLINA RURAL ECONOMIC DEVELOPMENT CENTER FUNDING FOR THE BUILDING REUSE PROJECT* as presented. Commissioner Dobson seconded the motion and by unanimous approval, the motion carried.

The second resolution is for the Economic Infrastructure Grants Program and is designed to extend the water line to the property and make improvements to the access road, including extending the road across the front of the building. The grant amount is for \$230,000 and this grant also has to be matched. The utility line estimate is \$260,000 and Mr. Abernathy wants to have included in the grant the cost to convert the sprinkle system. There are additional costs that the grant will not cover involving tap fees. The insurance carrier wants the County to proceed and get the building on municipal water

and off the wells. He said timing is good to have this and that Representative Mitch Gillespie will assist in this effort.

Commissioner Lavender made a motion to authorize passage of the Economic Infrastructure Grants Program as presented. Commissioner Hollifield seconded the motion and by unanimous approval, the motion carried.

### **TAX MATTERS**

The monthly listing of tax releases and refunds were presented for the Board's approval, including those to correct a C102 System Rate error for the months of July and August 2012. Motor vehicle renewals were incorrectly billed at the rate of .45; the correct rate for Old Fort C102 is .32. In summary, tax releases and refunds were:

Releases Under \$100.00	Released amount of \$245.53
Releases Over \$100.00	Released amount of \$1,823.09
Motor Vehicle Releases Under \$100.00	Released amount of \$1,231.31
Motor Vehicle Releases Over \$100.00	Released amount of \$1,627.28
Release Refunds	Refunded amount of \$364.92
Motor Vehicle Releases Under \$100.00 (to correct error)	Amount released \$310.68
Release Refunds (to correct error)	Amount refunded \$292.29

Commissioner Lavender made a motion, seconded by Commissioner Hollifield, to approve the tax releases and refunds as presented. By unanimous approval, the motion carried.

### **PROPERTY MATTER IN OLD FORT**

The County Manager explained that years ago the County had deeded a piece of property to the Town of Old Fort for the purpose of the Town operating a convenience center type facility. The facility was never constructed. The approximate acre of property is located just west of Old Fort toward the Interstate and drops off around 20 feet with the usable frontage being on West Orchard Street.

The Town of Old Fort received an offer on the property and in processing the sale they realized the property has a reversion clause stating that the property would return to McDowell County in the event that the property was not used for the stated purpose. Therefore, the property reverts to the County since the Town cannot transfer the property.

Mr. Abernathy said he has not received an offer yet but if there is one, he will place it on the agenda.

In discussion, the Board basically felt it would be best to have the property on the tax rolls since the County has no use for the property.

Commissioner Lavender made a motion to allow staff to receive bids on this property at a minimum of \$6,000. Commissioner Hollifield seconded the motion and by unanimous approval, the motion carried.

### **PLANNING WORKSHOP DISCUSSION**

The County Manager said if agreeable with the Board, he would like to have a lunch meeting with department heads (11 in all) in February. He had discussed this with the Chairman and suggested the third week, meeting between 11:00 a.m. and 1:30 p.m.

Discussion followed on how this will differ from Budget matters. The Board set the date of Wednesday, February 27<sup>th</sup>, for the workshop.

### **ROAD ABANDONMENT REQUEST**

The County Manager advised the property owner on SR 1752 (Deacon Road in McDowell County) had submitted a request for abandonment of a portion of this road. A petition from the property owner was included with the request to the Department of Transportation. The DOT in turn asked, if the Board of Commissioners was in support of the request, to submit a resolution recommending the abandonment to their office. The request relates to maintenance only.

Commissioner Dobson made a motion to approve the small section of Deacon Drive (SR 1752) for abandonment for maintenance. Commissioner Hollifield seconded the motion and by unanimous approval, the motion carried.

### **CATAWBA FALLS TRAIL GRANT**

The County Manager pointed out the County had coordinated in a significant manner with the Forest Service to provide for the improvements to the Catawba Falls Access area. He advised that a request had been received from the State Trails Specialists "inviting" us to submit a grant application for a foot bridge that would be constructed across one of the larger stream crossings. The County would be a conduit for the grant and there would be no County money involved (only federal money). Mr. Abernathy asked if the Board would authorize the County to participate in the same manner as with the parking area and the restrooms.

Commissioner Lavender made a motion to authorize the County to submit the grant application for the footbridge as requested. Commissioner McPeters seconded the motion and by unanimous approval, the motion carried.

## **BOARD APPOINTMENTS**

Chairman Walker reviewed current board/committee vacancies. There were two vacancies on the Agriculture Advisory Committee, presented on second reading, with two applicants (Casey McKissick and Alvin Lytle). There was one vacancy on the Nursing Home/Adult Care Advisory Committee, presented on first reading and with one applicant for reappointment (Leah Robertson).

Concerning the Nursing Home/Adult Care vacancy, Commissioner Lavender advised he would be in favor of waiving the requirement for a second reading and making the appointment tonight as the Clerk had suggested. He pointed out there was a qualified applicant who had been serving and, as noted by the Clerk, there were only five members serving between the two Committees. The Board indicated consensus and proceeded to vote, by written ballot. The vote resulted as follows:

Agriculture Advisory Committee: Casey McKissick – Unanimous Vote  
Alvin Lytle – Unanimous Vote

Nursing Home/Adult Care Advisory Committees:  
Leah Robertson – Unanimous Vote

## **IMAGES OF MARION BOOK DISCUSSION**

The County Manager advised the McDowell House Committee had submitted a proposal concerning a fundraiser for the McDowell House. The proposal involves the purchase of books that have the City of Marion as the topic. He referenced a book written by Dr. James Haney as a similar version. The Committee is recommending that the County and City purchase each purchase 200 books and the Chamber of Commerce purchase 50 books. The County's portion of the agreement would be \$1,892 upfront and the books would then be resold. The potential profit would be \$12.53 per book. If the Board agreed, Mr. Abernathy stated he would do an amendment for the suggested amount.

Commissioner Lavender made a motion to authorize the County to purchase 200 of these books and allow the sales to go toward the McDowell House entirely. Commissioner Dobson seconded the motion and by unanimous approval, the motion carried.

## **REPORTS AND COMMUNICATIONS**

There were no reports or communications to be given.

**RECESS PRIOR TO CITIZEN COMMENT**

With Citizen Comment being the last item of business, Chairman Walker called for a brief recess, after which he called the meeting back to order and proceeded with the last item of business.

**CITIZEN COMMENT**

Chairman Walker checked the sign-up sheet but no one had signed up; therefore, no comments from citizens were heard.

**ADJOURNMENT**

There being no further business to transact at this time, upon motion by Commissioner Lavender, a second by Commissioner Hollifield and by unanimous vote for approval, the meeting was adjourned.

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DAVID N. WALKER, CHAIRMAN

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CARRIE PADGETT  
CLERK TO THE BOARD