

**STATE OF NORTH CAROLINA
COUNTY OF McDOWELL
BOARD OF COMMISSIONERS
REGULAR SESSION – SEPTEMBER 12, 2011**

ASSEMBLY

The McDowell County Board of Commissioners met in regular session at 5:00 p.m. on Monday, September 12, 2011, in the Commissioners' Board Room, the usual location for the meeting.

MEMBERS PRESENT

Barry E. McPeters, Vice-Chairman; Andrew K. Webb; Michael K. Lavender; and Joshua R. Dobson

THOSE ABSENT

David N. Walker, Chairman

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

In the absence of Chairman David Walker, Vice-Chairman Barry McPeters called the meeting to order. The invocation was given by Commissioner Webb, followed by the pledge of allegiance led by Commissioner Lavender.

APPROVAL OF MINUTES

Minutes of the June 29, 2011 adjourned session, the July 11 and August 8, 2011 regular sessions were presented for approval.

With no corrections being made, upon motion by Commissioner Dobson and a second by Commissioner Lavender, the minutes were approved by unanimous vote as recorded.

APPROVAL OF AGENDA

The County Manager advised there had been discussion of taking the closed session off the agenda.

Commissioner Webb made a motion, seconded by Commissioner Lavender, to approve the agenda as amended. By unanimous vote, the agenda was approved as amended.

At this time, Vice-Chairman McPeters advised Chairman David Walker was not present because he was on vacation this week.

RECOGNITION OF REGIONAL SOFTBALL WINNERS

Chairman McPeters welcomed the McDowell All Star Girls Softball Team. At Commissioner Dobson's request, this team was being recognized as winner of the Regional Softball Team. Chairman McPeters asked the team to come forward, introduce themselves, and tell the position they play. The girls were joined by their coach, two assistant coaches, and some parents.

The Commissioners individually congratulated the team for their accomplishments and for being such a positive example to others. The Commissioners thanked the coaches and parents for their hard work in teaching and training these young girls. Concerning the banner they had received, Chairman McPeters pointed out it would be displayed in the foyer at the Recreation Department.

TAX SETTLEMENT

Tax Collector Phyllis Ryan came before the Board to present the 2010-2011 fiscal year Tax Settlement for 2010 County property taxes and district taxes. Also submitted was a single bound copy of each of the following related items:

1. List of unpaid 2010 taxes on real property at the close of the 2010-2011 fiscal year
2. List of unpaid 2010 taxes on personal property at the close of the 2010-2011 fiscal year (Insolvents List)
3. List of unpaid 2010 taxes on registered motor vehicles at the close of the 2010-2011 fiscal year

Mrs. Ryan advised the overall collection rate for county ad valorem taxes for the 2010-2011 fiscal year was 96.07%, a .07% increase from the previous year collection rate. Further, the overall collection rate (96.07%) represents a separate collection rate of 97.45% for real and personal property and a collection rate of 81.45% for registered motor vehicles. Mrs. Ryan pointed out that due to the nature of the current motor vehicle billing cycle, many of the 2010 motor vehicle taxes outstanding at the end of the 2010-2011 fiscal year will be collected during the 2011-2012 fiscal year. Legislation that will implement the combined process of vehicle registration and vehicle taxation is now expected to take effect July 1, 2013.

Continuing, Mrs. Ryan advised delinquent (prior years) tax collections for the 2010-2011 fiscal year totaled \$705,969.65 including interest, an increase of \$172,592.55 compared to last fiscal year. Due to the current economic situation, the Collector's Office has had to rely more heavily on forced collection procedures such as attachment and garnishment and foreclosure of real property. As of September 1, 2011, they have 293 active bankruptcy cases with an additional 165 that opened and closed this fiscal year. Further, Mrs. Ryan advised that since placing their tax rolls online October 25, 2010, they had processed \$200,000.00 plus electronic tax payments. She pointed out the convenience of this service had received very positive feedback.

A brief discussion followed.

Commissioner Lavender made a motion to approve the Insolvents List and to accept the Tax Settlement as presented. Commissioner Dobson seconded the motion. By unanimous approval, the motion passed.

The Board asked Mrs. Ryan to express to her staff their appreciation for the fine work they do.

BUDGET UPDATE/AMENDMENTS

Finance Officer Alison Morgan presented the following budget amendments for the Board's approval:

GF1 – Miscellaneous – To appropriate sales tax charged on invoices and the revenue for the same

FHPP1 – Foothills Pilot Plant – To amend the fund due to the anticipated expenditures

EECG1 – Energy Efficiency and Conservation Project Fund – To amend to the budget to reflect actual revenue and expenditures

PROJECT BUDGET ORDINANCE STATE ENERGY PROGRAM RENEWABLE ENERGY GRANT PROJECT

BUDGET EXPENDITURES

Equipment	\$129,785
Insurance, Permitting, and Office	112,747
Personnel	70,539
Travel and Subsistence	<u>20,676</u>
Total	<u>\$333,747</u>

BUDGET REVENUES

FLS Energy	\$266,998
State Energy Office Grant	<u>66,749</u>
Total	<u>\$333,747</u>

ADOPTED this 12th day of September, 2011.

Discussion followed on the Duke Energy reimbursements. Ashley Wooten, who coordinated the energy project, advised the project is finished and the County may actually be able to do a few more things.

Commissioner Dobson made a motion to approve the budget amendments and the State Energy Project Budget Ordinance as presented. Commissioner Webb seconded the motion. By unanimous approval, the motion carried.

Mr. Abernathy presented as information a listing of McDowell County leased properties, carried over from the budget process. The properties having tenants who produce revenue for the County included:

Foothills Mental Health (RHA, Inc.)
 Senior Center Basement (McDowell Internal Medicine and Davita)
 Baldwin Avenue (ESC and Isothermal)
 McDowell House (EMPTY)
 Tower Rent (US Mobility and Sprint)

The properties with tenants that have no monetary lease amount were:

North Garden Street (American Red Cross and Ham Operators)
 State Street (Juvenile Probation)
 Highway 226 South (Bridal & Saddle Club)
 County Administration (Housing Coalition, Guardian Ad Litem, Project
 Challenge, and Smithson Mills)
 County Annex (Section 8 Housing [HUD])

Next, Mr. Abernathy presented the 11th month (May) of sales tax received, noting the County's receipts had gone from about \$35,000 "in the hole" to \$7,500 "in the black". He made reference to the tax collection report which showed a collection rate of 43.45% as of 8-31-11, compared to 47.25% for the same date in 2010.

The final budget related item was in reference to the purchase of new side arms for the Sheriff's Department, with the ability to trade in current side arms as well as confiscated guns with little or no additional monies involved.

Sheriff Greene asked for approval of a resolution to purchase new side arms, noting that several officers have retired and have been given the opportunity to purchase their weapon upon retirement. The Sheriff mentioned that since the “shootout” back in 2008, they had discussed the possibility of going to a different caliber of weapon, one that would be a little more effective in that circumstance. The new guns would be bought on State contract.

Discussion followed on how they have dealt with destroying weapons previously, with Chief Deputy Sam Arrowood explaining the process.

Commissioner Webb made a motion to approve the *Resolution Authorizing Sale of Personal Property*. Commissioner Lavender seconded the motion and with unanimous approval the resolution was adopted as follows:

RESOLUTION AUTHORIZING SALE OF PERSONAL PROPERTY

WHEREAS, the County of McDowell desires to trade-in all currently used firearms as well as firearms that have been confiscated which are currently being used by the Sheriff’s Office; and

WHEREAS, to trade-in all currently used firearms as well as firearms that have been confiscated in the purchase of new firearms for the Sheriff’s Office;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of McDowell County that:

To trade-in all currently used firearms as well as firearms that have been confiscated in the purchase of new firearms for the Sheriff’s Office; this resolution shall become effective upon adoption.

ADOPTED this 12th day of September, 2011.

PUBLIC HEARING – CLOSEOUT FOR HOUSING GRANT

Chairman McPeters declared the Board in public hearing and asked Paula Kempton, Grant Services Assistant Manager with Isothermal Planning and Development Commission, to come forward.

Mrs. Kempton explained the purpose of the public hearing was to receive comments from the residents regarding the County closing out a 2008 Community Development Block Grant Scattered Site Housing Project. McDowell County received \$401,000 as amended in CDBG funds from NC Department of Commerce for the purpose of completing substantial repairs and emergency repairs for approximately 12 homes belonging to low to moderate income qualified homeowners who reside in the County. The County used the funds to complete rehab activities and pay administration

and service delivery costs. The County expended \$399,674.64 and will de-obligate remaining funds.

A general discussion followed.

Chairman McPeters opened the floor for comments from the public; however, no comments were heard.

Commissioner Lavender made a motion to approve the formal closeout of the 2008 Community Development Block Grant Scattered Site Housing Project. Commissioner Dobson seconded the motion and with unanimous approval, the motion carried.

A brief discussion followed.

PUBLIC HEARING – ECONOMIC DEVELOPMENT PROJECT

Chairman McPeters declared the Board in public hearing concerning proposed economic development incentives for a local industry expansion as authorized under NCGS 158-7.1.

Economic Development Director Chuck Abernathy advised the industry expansion would create 41 new jobs at wages exceeding the average local wage, similar to the one considered last month. A public hearing is required in order for incentives to be granted. The proposed incentive is \$196,000 to be paid over five (5) years. Based on the taxes to be paid by the company, the County has determined that the value of such benefit would be at least equal to the benefit provided. A One North Carolina grant application has been submitted which requires a match. Mr. Abernathy explained that the company must perform prior to any state or local funds being expended and there is a period during which those jobs have to be maintained (for the County it is a five-year period). If they fail to comply, they are subject to the County exercising its ability to take back those funds.

Chairman McPeters opened the floor for comments from the public; however, none were heard.

Commissioner Lavender made a motion to close the public hearing. Commissioner Webb seconded the motion and by unanimous approval, the motion carried.

For the benefit of the public, Mr. Abernathy further explained requirements with this project. Discussion followed on the guidelines and how they compare with other projects.

Commissioner Webb made a motion to approve the local industry incentive package as presented on this \$17 million investment, paid out over a period of five (5)

years. Commissioner Lavender seconded the motion and with unanimous approval, the motion carried.

SPAY AND NEUTER PROGRAM PARTICIPATION

As an introduction, the County Manager advised that Gwen Straub of the Mercy Fund had contacted County staff to propose that the County participate in the state's Spay and Neuter Reimbursement Program. With this item and the next one being related, he had scheduled them back to back.

Ms. Straub then proceeded with details about the Spay and Neuter Program offered to cities and counties by the State of North Carolina. The program allows for free spay and neuter for pets owned by persons that either receive public assistance or otherwise meet the income requirements as set by statute. The Animal Hospital of Marion, Inc. has agreed to provide surgical services for the program and they hope Crestview Veterinary Hospital, Inc. will join them. If the program is approved in McDowell County, DSS will administer the program and issue vouchers to persons who qualify for services. Once their eligibility is determined, the pet owner can schedule an appointment with the veterinarian of their choosing. The veterinarian performing the surgery would then bill the County. The Finance Department will pay for the service at the vet's office and the County can receive reimbursements through the State.

Discussion followed on how soon the program could be implemented. Mr. Wooten advised there were some logistical matters to complete, noting the involvement of the Animal Shelter, etc. He said they hoped to be ready by the middle of next week. The Board was adamant about allowing sufficient time to ensure that everything is handled prior to starting the program. By consensus, the Commissioners agreed to start the program two weeks from today (September 26th).

Adoption fees, reimbursement costs, etc. were discussed. There was some concern expressed in regard to funds being depleted with the County left "holding the bag".

A motion was made by Commissioner Lavender to authorize the Spay and Neuter Program as presented, with an amount not to exceed \$25.00 for those adopting an animal at the shelter. Commissioner Dobson seconded the motion and by unanimous approval, the motion carried.

ANIMAL SHELTER CONTRACT

The County Manager pointed out the County has had a longstanding agreement on this subject, noting that he would liken it to matters associated with the Trails Association in that the people involved are passionate about their programs.

Marsha Carroll, with McDowell County Animal Outreach, first introduced her co-workers and commended Ms. Straub on her presentation and the undertaking she has gone through.

Mrs. Carroll then advised that Animal Outreach would like to contract with the County to do all the services at the Shelter and would expect to be paid for their services. She pointed out they would like to open a shelter and contract with the County for doing so.

The County Manager then summarized what the State's, and County's, expectations would be for compliance with all the requirements set forth by the State of North Carolina as far as feeding, permits to operate, air quality, working with two Sheriff's Department employees, etc. He pointed out the County would still have some liability in reporting, etc. On the financial side, he addressed the value to the County regarding 1) a \$5,000 savings, 2) the facility that the County owns and operates was built in 1981, the cost avoidance on the County's part, as well as other issues, and 3) the County is understaffed. He pointed out that Animal Outreach can operate at a level that the County just cannot handle or manage. Therefore, this arrangement would require a contract, etc.

A general question/answer session followed regarding the length of the contract, how Animal Outreach plans to manage their resources, what their operating budget is currently, the number of employees, and how they will operate by contract.

Commissioner Lavender made a motion to authorize staff to proceed with negotiations with Animal Outreach regarding a contract. Commissioner Dobson seconded the motion and, following a brief discussion, the motion carried by unanimous approval.

PRESENTATION BY FAMILY SERVICES

Megan Webster, Executive Director of Family Services in McDowell County, came before the Board to give a presentation on the agency and their services. She explained they are a 501-3(c) organization and are not a part of the Mission Ministry. She addressed some of the legal mechanisms they use, such as restraining orders, and the fact that they handle a lot of cases in the office because some of their clients do not want to go through the court system. Ms. Webster asked that one of the Board members be on their Board of Directors.

Commissioner Webb suggested having some discussion prior to deciding who might be on the Board. A question was raised concerning collaboration with the Mission Ministry for staffing efficiency purposes, management level, etc.

WATER UPDATE

The County Manager advised that both sections of line in Nebo are finished and that certification forms had been signed. Copies of those forms were provided for the Board's review.

Discussion followed on the date for customers to tie on before having to pay tap fees. The date of November 15th was agreed upon.

Continuing, Mr. Abernathy advised he did meet with Ms. Hendrix two weeks ago and that the meeting had gone well.

Mr. Wooten advised he had finished the RFP and would provide copies to the Board for its review. He noted his conversation with McGill Associates about providing information on some other areas for projects that have been discussed, including costs on these areas for looping of lines, etc. He pointed out people are happy with this opportunity, noting that future projects will certainly be challenging since some of the funding sources have pulled back and will no longer be available.

A brief discussion followed on the success of this project, the benefit of having fire hydrants near by in the event of structure fires, etc.

RESOLUTION REGARDING ARCHITECT SERVICES/MAPLE LEAF

The County Manager advised he wanted to use Chuck Hamrick who had designed both Senior Centers and who did the original drawing for the restrooms at Maple Leaf. Therefore, he would ask that Mr. Hamrick be authorized as the architect at a rate of 8.9% of the project.

Concerning a time frame, Mr. Abernathy advised he would like to advertise for bids in January, open bids and award in late February and begin construction in late March. During this time he will evaluate the budget, etc. He noted that this project might be tacked on to Ashworth Road. Further, he said he would look into the possibility of using the College and School System to contract with them to build in accordance with Mr. Hamrick's specifications.

Commissioner Lavender made a motion to authorize staff to work with Chuck Hamrick in proceeding to get the project going. Commissioner Webb seconded the motion and by unanimous approval, the motion carried.

YMCA TRAIL UPDATE/AMENDMENT

The County Manager noted there would be a bid opening on September 16th on one section of the YMCA Trail, roughly \$180,000 in County dollars. He stated a ground breaking would be held on October the 6th. Further, Mr. Abernathy stated he had met with Tim Blenco at YMCA and they had agreed on maintenance of the two trails in a

proper manner. Each would obtain additional insurance, and would alternate upkeep of the trails, etc.

TAX AND WATER RELEASES AND REFUNDS

The Finance Department requested an adjustment to the account of Helen Haynes for late fees associated with the Nebo Water System. They felt the request was warranted since the check was received before the late fees were to be applied.

Commissioner Lavender made a motion, seconded by Commissioner Webb, to approve the waiver of late fees for the stated account associated with the Nebo Water System as requested. By unanimous approval, the motion passed.

The usual listing of tax releases and refunds were presented for the Board's approval. In summary, they were:

Motor Vehicle/Releases Under \$100.00	Released amount of \$790.20
Motor Vehicle/Releases Over \$100.00	Released amount of \$306.03
Releases/Under \$100.00	Released amount of \$929.40
Releases/Over \$100.00	Released amount of \$33,159.22
Release Refunds	Refunded amount of \$7,016.72

Commissioner Lavender made a motion, seconded by Commissioner Webb, to approve the tax releases and refunds as presented. In discussion of releases under \$100.00, a question was raised as to why an individual's taxes (Greene) would be exempt. Mr. Abernathy pointed out a couple of examples that could be a reason for granting an exemption to an individual, but advised he would have to check with the Tax Assessor for a definite explanation.

When put to a vote, the tax releases and refunds were unanimously approved as presented.

BOARD APPOINTMENTS

Vacancies on the Library Board of Trustees and the Tourism Development Association (TDA) were presented on second reading. Each had one applicant.

The Board voted by written ballot on the two vacancies, with results being:

Unanimous vote for **Richard Liebeck** for **TDA**

Unanimous vote for **Anne Allen** for the **Library Board of Trustees**

CITIZEN COMMENT

Mr. Bob Barnes, a resident of Marion, had requested to speak. He addressed concerns in regard to property going to conservancies in which there is a loss of revenue and without public access.

Commissioner Lavender pointed out there are situations that occur in which the County has no say.

Mr. Barnes questioned what will be the result as far as a fire and the emergency services people having to go into the property, which may be a gated community.

GOLDEN LEAF DISCUSSION

The County Manager addressed the public process that is underway, noting that it is going well. He said the question has been asked whether the County should have its goal put out as far as projects, etc., but he noted he was advised by Pat Cabe, Golden Leaf Foundation, that the County should not get too far ahead of the game. Mr. Abernathy noted three items that would be economic development, utilities, and education. He mentioned Ashworth Road and the expectation of appointing a committee that will be charged with recommendations that would be considered as a Golden Leaf goal.

Commissioner Dobson advised he felt Ashworth Road should be part of the discussion, and secondly, made reference to the questions that were asked at the last meeting on internet access. He said he felt this should be a part of economic development and would be answered at the next meeting. Commissioners Lavender and Webb wanted to withhold ideas or judgment on any items to allow the committee to do its work. Chairman McPeters said he thought full consideration should be given to what will be good for the County.

REPORTS AND COMMUNICATIONS

The County Manager provided dates for the following:

Training for public officials on Emergency Management with Director Terry Young - 6:00 p.m. at McDowell Tech on September 20th

Tentative date for the YMCA Trail Groundbreaking is October 6th at 2:00 p.m. (to involve both City and County officials)

Board's regular meeting at Historic Carson House on October 10th

Open House/Ribbon Cutting for the new 911 Center – October 15th (no time yet)

Survivors Celebration with Emergency Medical Services – October 20th, 6:30 p.m. at the Senior Center

Chairman McPeters advised he had received a call this date from a Wildlife Officer about the Trail at Catawba River Park. The Officer had stated the Park looks good, is very family oriented and very positive.

ADJOURNMENT

There being no further business to transact at this time, upon motion by Commissioner Lavender, a second by Commissioner Dobson, and by a unanimous vote, the Board adjourned until October 10th at 4:00 p.m. for the next meeting.

BARRY E. McPETERS, CHAIRMAN

CARRIE PADGETT
CLERK TO THE BOARD