

**STATE OF NORTH CAROLINA  
COUNTY OF MCDOWELL COUNTY  
BOARD OF COMMISSIONERS  
REGULAR SESSION - DECEMBER 9, 2013**

**ASSEMBLY**

The McDowell County Board of Commissioners met in regular session on Monday, December 9, 2013, at 5:00 p.m., Commission Board Room of the County Administration Building, 60 East Court Street, Marion, North Carolina.

**MEMBERS PRESENT**

David N. Walker; Barry E. McPeters; Michael K. Lavender; Van Randy Hollifield; and Joseph R. Kaylor

**OTHERS PRESENT**

Charles R. Abernathy, County Manager; Carrie Padgett, Clerk to the Board; Ashley Wooten, Assistant to the County Manager (Filming); and Mike Conley, Reporter for The McDowell News

**CALL TO ORDER**

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

**APPROVAL OF AGENDA**

Commissioner Walker advised he was informed Kathy Atkinson, CPA with Johnson, Price and Sprinkle would not be present as was originally planned and instead of having a presentation of the audit tonight, there would be an update on the audit and fund balance under item "C" of the appointment schedule.

Commissioner Lavender made a motion, seconded by Commissioners Hollifield, to approve the agenda as amended. By unanimous vote, the motion carried.

**APPROVAL OF MINUTES**

Minutes of the November 12, 2013 regular session were presented for approval.

Commissioner Lavender made a motion to table approval of the minutes until the next meeting. Commissioner Kaylor seconded the motion and by unanimous approval, the motion carried.

Commissioner Walker advised Commissioner McPeters would be arriving momentarily and, until then, they would postpone selection of Chairman and Vice-Chairman until he arrived. Therefore, they would proceed with the next item of business.

### **BUDGET AMENDMENTS, RESOLUTIONS AND WRITE-OFFS**

The County Manager presented the following budget amendments for the Board's approval:

- GF 8 – Splits the debt service on the Universal Property to the Universal Fund due to fixed asset allocation
- GF 9 – Allocates funds received to assist with Emergency personnel training
- GF 10 – Allocated revenue received from the Rural Center program that provided us the intern over the summer
- GF 11 – Transfers Kate B. Reynolds grant funding for the driver position to the Health Dept.
- GF 12 – Receives the two grants from the State for company expansions (previously approved by the Board). The grants flow through the County's books.
- GF 13 – Tax discounts are in the budget as an expenditure (1% discount offered for July and August) and the estimate was slightly lower than occurred.
- GF 14 – Receives State Transportation grant funding which is specifically allocated to Foothills Industries
- GF 15 – Allocates loan proceeds received in fiscal year 2013 that were incurred in the previous fiscal year. The loan includes an ambulance, sheriff's vehicles and EMS equipment. The Board has previously approved each of these allocations.
- GF 16 – Transfers funds within the Soil Conservation Budget.
- GF 17 – Allocates funds received from a grant and for delinquent tax audits. An amendment for the audits is made after the discovery occurs.
- GF 18 – Receives donated funds from the Trails Association to share in the cost of mowing equipment.
- GF 19 – Receives grant funding for various emergency equipment including radio and law enforcement equipment.

GF 20 – Is the county match for engineering on the Lake James intake project.

The Finance Officer then reviewed the following amendments project budget ordinances, close-out project resolutions, etc:

DS1 – Is the debt service side to GF 8.

DS01 – Is the debt service side of the High School project.

SP1 – Is the off-set of DS 01 on the High School and a new roofing project on the High School.

ENT1 – Transfers monies within the fund to cover equipment and technical Services (installation of cameras).

UENT1 – Records the debt payments in the Universal Fund to match GF 8.

Amended Budget Ordinance for Universal: Amends the Universal Capital Budget to match what Golden Leaf wanted to see in the way of a budget breakdown.

Amended KBR Old Fort Improvements: Amends funds and moves funds from the swimming pool repairs to the tennis/basketball courts in the KBR grant for the Old Fort Park.

Project Budget Ordinance KBR Master Planning Grant: Records the grant received from KBR to conduct a recreation master planning grant.

Close Out Project: Closes out the Hospital Generator Grant received and completed in 2013.

Close Out Project: Closes out the ARRA Housing Assistance Grants received by the County/DSS.

Project Budget Ordinance KBR Gym Floor: Records the grant received from KBR to replace the gym floor at the Recreation Center.

Commissioner Lavender made a motion, seconded by Commissioner Hollifield, to approve budget amendments GF 8-20, DS1, DS01, SP1, ENT1, UENT1, Amended Budget Ordinance for Universal, Amended KBR Old Fort Improvements, Project Budget Ordinance KBR Master Planning Grant, Close Out Project for Hospital Generator Grant, Close Out Project for ARRA Housing Assistance, and the Project Budget Ordinance for KBR Gym Floor as presented. By unanimous approval, the motion carried.

## **SELECTION OF CHAIRMAN, VICE-CHAIRMAN**

Commissioner Walker asked the Clerk to handle nominations/votes in the selection of Chairman and Vice-Chairman for the coming year.

The Clerk asked for nominations for Chairman. Commissioner Kaylor nominated Commissioner Hollifield and Commissioner McPeters nominated Commissioner Walker.

Commissioner Lavender made a motion for nominations to cease.

The Clerk asked for a show of hands from those in favor of Commissioner Hollifield, and for Commissioner Walker as Chairman. The vote resulted with Commissioners Kaylor, Lavender and Hollifield voting for Commissioner Hollifield as Chairman and Commissioners McPeters and Walker voting for Commissioner Walker.

The Clerk then asked for nominations for Vice-Chairman. Commissioner Lavender nominated Commissioner Kaylor and Commissioner Walker nominated Commissioner McPeters.

Commissioner Lavender made a motion for nominations to cease.

The Clerk asked for a show of hands for those in favor of Commissioner Kaylor and for Commissioner McPeters as Vice-Chairman. The vote resulted with Commissioners Hollifield, Kaylor, and Lavender voting for Commissioner Kaylor as Vice-Chairman and Commissioners McPeters and Walker voting for Commissioner McPeters.

By a vote of 3-2, Commissioner Hollifield was selected as Chairman and Commissioner Kaylor as Vice-Chairman.

Commissioner Hollifield assumed control of the meeting at this point, and proceeded with the next item of business. The Finance Officer presented write-off accounts in the amount of \$9,188.98 considered as non-collectible for the Board's approval.

Commissioner Lavender made a motion, seconded by Commissioner Kaylor, to approve the nine (9) non-collectible accounts presented for write-off. By unanimous approval, the motion carried.

## **AUDIT STATUS AND FUND BALANCE**

The County Manager pointed out plans were to have the audit presented at this meeting; however, the document had not been sent to the LGC for approval and he had decided to wait for the State's approval. He noted last year the audit was presented to the Board prior to hearing from the State and the audit was approved by the Board pending State approval and they had to wait for this to occur to have an official document.

Mr. Abernathy then gave information on the fund balance, noting there was a slight decrease in fund balance from last year (26.08% as opposed to 26.50% last year).

### **UPDATE ON TWO ECONOMIC DEVELOPMENT PROJECTS**

Economic Development Director Chuck Abernathy provided an update on two economic development projects, one of which wants to lease space in the Universal Building with the creation of 30 jobs. Representatives of the company were here today as well as last week. He will get back with them regarding the lease and plans to have the project on the January agenda for a public hearing.

Chairman Hollifield had a question about the lease. Mr. Abernathy addressed this. Discussion followed on Mr. Abernathy's effort involving these projects, signing of documents, etc., and of allowing him authority to do certain things and bring the necessary items back to the Board.

Commissioner Walker made a motion to that effect and Commissioner Kaylor seconded the motion. By unanimous approval, the motion carried.

### **FIRE DEPARTMENT FINANCIAL REVIEW**

Fire Commission Chairman Brad Ledbetter was present to update the Board on steps that had been taken as a result of the investigation involving the former Chief of the Ashford-North Cove Fire Department to ensure that an occurrence like this would not happen in the future. Mr. Ledbetter pointed out that after learning of this incident the Fire Commission began conversation with the County Manager to see what measures needed to be put in place. He had met with Mr. Abernathy and other county staff to receive their input and, as a result, had produced a document which they feel will create greater oversight of the financial activities of the volunteer fire departments and ensure greater control and oversight over public monies. The guidelines they have initiated include:

- Receiving an annual financial report from a CPA for the previous year for each agency that will be submitted to the County by September 30. It is recommended that each department use "best practices" for monthly financial reports, reconciliation of all bank accounts, payroll, etc.
- Checks will be required to have two signatures for amounts over \$250.00.
- Minutes of departmental meetings will reflect what was discussed to include any purchases outside the normal budgeted items. Minutes will reflect that the Chief and Board are working together for such purchases and have share this with the department.
- Annual "best practices" training will be held for treasurers, board members and Chiefs of non-municipal departments to review any changes and to give guidance to personnel new to the position. Training will be conducted by the County Finance Officer and a representative from the NC Office of State Marshal.

- Reporting of any large expenditure (trucks, buildings, etc.) will be discussed with the County Board of Commissioners during the Fire Commission's annual meeting.
- A financial report from each department will be submitted to the County for this fiscal year by September 30, 2014. If an extension is needed, documentation will need to be presented.

Mr. Ledbetter said these guidelines were voted on and all votes were unanimous.

Commissioner Walker stated he appreciates the Fire Commission working through these items to eliminate any future happenings.

A general discussion followed with each Commissioner commenting on the steps that had been taken. Commissioner Lavender suggested reporting on various fund raisers, etc. to follow up on monies collected for whatever comes in. Mr. Ledbetter responded to this, noting other options they have in mind to utilize.

Commissioner Walker made a motion, seconded by Commissioner McPeters, to receive and approve the recommendations presented by Mr. Ledbetter. By unanimous approval, the motion carried.

Mr. Ledbetter thanked Mr. Abernathy and Mrs. Morgan for their approach and assistance in dealing with this unfortunate happening.

### **PUBLIC HEARING/ECONOMIC DEVELOPMENT**

Chairman Hollifield 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 explained what information could be disclosed and what could not be disclosed. The standard \$3,000 job incentive is being offered and the owner has lowered the number of jobs from 38 to 37 with average wages that exceed the wage test for the State. The investment in machinery and equipment would equal \$1,960,000, and the County's proposed incentive is \$114,000 paid over three (3) years.

Chairman Hollifield opened the floor for any comments from the public.

Michelle Harris asked a question regarding the lack of information being given concerning this project. Mr. Abernathy responded, noting why it is in the best interest of the County to cooperate with a company until a decision is made and to allow the State to make the announcement when ready to do so.

Commissioner McPeters made a motion, seconded by Commissioner Walker to go out of public hearing. By unanimous approval, the motion carried.

Commissioner Walker then made a motion, seconded by Commissioner Lavender to approve the incentive package as presented. By unanimous approval, the motion carried.

Commissioner Lavender asked about our ranking with the State and how this will affect us in economic development projects such as this. Mr. Abernathy addressed this and how the companies will be affected.

### **WATER INTAKE SALE/UPDATE**

The County Manager advised the survey on the Hendrix property will occur by the end of the month and there will be two payments made as had been requested. He pointed out the procedural items that need to be worked through, such as handling the property line, as well as other logistical items that will need to be worked out.

Mr. Abernathy said in February, maybe January, he can do an update with the engineers on waterline extensions, noting a request from Dr. McCall, the need to determine areas, have a community meeting, etc. to see how successful we will be. He said he thought it is time for the County to go further with this project and see that it is manageable.

Mr. Abernathy said closing on the property is on schedule, and noted that the engineers and staff had met with Duke Energy to review the draft application to withdraw water from the Lake and updated them on the process. He also noted the informal sessions with Mr. Gillespie and the people with his agency.

### **PUBLIC HEARING PARTF/APPLICATION**

Chairman Hollifield declared the Board in public hearing for the purpose of receiving public input on the NCDENR Parks and Recreation Trust Fund (PARTF) and Recreational Trails Program grant application.

Mr. Abernathy advised the grant application deadline is January 31, 2014 and that two public hearings are required. The second one, to be held at the January meeting, will have details noted as the project is currently in the process of being defined.

This section of the project will involve an extension from the current trail parking area in a west direction to Tom Johnson's and would follow the south side of the river. The thought is to cross onto the north side of the river around Tom Johnson's property. Mr. Abernathy said the current trail is about four miles and this section is a major undertaking and the grant is capped at half a million.

At this point, Mr. Abernathy recognized Chris Amsberry, grant writer with grant writing firm that is contracted by the County. She said she was present in support of the grant.

Mr. Abernathy continued on the local match and how the County will address this, using the value of land as a match, noting the involvement of the City of Marion and other ways to do the match. Again, Mr. Abernathy noted that a second public hearing will be held in January.

Chairman Hollifield asked if there were any comments from the public. Chris Amsberry said the greenway is a wonderful idea, is a nice place that is heavy utilized and she applauds the County for doing this.

In further comments from Board members about use of the park, Mr. Abernathy said maybe the County needs to look into doing a pet park.

Commissioner McPeters made a motion, seconded by Commissioner Walker, to go out of public hearing. By unanimous approval, the motion carried

### **HOUSING CONTRACT**

The County Manager asked his Assistant, Ashley Wooten, to address this item.

Mr. Wooten said the County will select 3 or 4 houses for the project, noting the County will pay a small amount to get started but it will benefit us since Isothermal will provide their services as the program moves forward.

Commissioner Lavender made a motion, seconded by Commissioner McPeters, to approve the Service Agreement with Isothermal Planning and Development Commission as presented. By unanimous approval, the motion carried.

### **MENTAL HEALTH UPDATE**

Shelly Foreman, from the Smoky Mountain Center, came before the Board with an update on their activities and the transition that is taking place in the district. This has occurred as a result of Governor Pat McCrory's "Partnership for a Healthy North Carolina" and the Western Regional Partnership formed with CenterPoint Human Services, Partners Behavioral Health Management and Smoky Mountain Center, and in taking over services for eight (8) western highlands counties for Medicaid service.

Ms. Foreman spoke at length on the phenomenal work this has involved, the process of forming a new board of directors, the support they have received from the Governor's Office and from Secretary Wos of the Department of Health and Human Services.

A general discussion followed, with questions from the Board.



### **JAIL CONTRACTS**

The County Manager said it is apparent some pages of the contract with Hempill-Randel Associates got garbled in the process of copying. However, he advised the contract is very standard and very routine but he would suggest putting it on the January agenda. He noted the schedule is pushed back, with a 90-day period. He asked that the Board grant notice to continue.

Commissioner Lavender made a motion to go ahead and approve the contract since it is routine and to give notice to proceed. Commissioner McPeters 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. In summary they were:

Releases Under \$100.00	Released amount of \$187.44
Releases Over \$100.00	Released amount of \$1,616.92
Motor Vehicle Releases Under \$100.00	Released amount of \$968.20
Motor Vehicle Releases Over \$100.00	Released amount of 2,750.25
Release Refunds	Refunded amount of \$15.10

The NCVTS Pending Refund report showed a refund total of \$960.16.

Commissioner McPeters made a motion, seconded by Commissioner, to approve the tax releases and refunds as presented.

In discussion, Mr. Abernathy said he would like to have Chad Phillips, the Vehicle Specialist in the Tax Department, come in to share information to see if collections are better with the new system than before. He said he would report in January.

By unanimous approval, the motion carried.

### **TIER RANKING DISCUSSION**

The County Manager advised notification was received from the Department of Commerce that McDowell County will change tiers in the coming year from its current Tier 1 to Tier 2. He said this is interesting in that they used to use four counties and they

now use three. He pointed out when the initial notice of the change was received he called to confirm the information. They checked and said the information is accurate.

Mr. Abernathy reviewed the variables used in determining the County's tier ranking, advising this does suggest that what we are doing is right. However, he said he wanted to better understand what the negative impacts of this change might be and how it affects current activity.

### **McDOWELL HOUSE UPDATE**

Ashley Wooten, Assistant to the County Manager, said about a year ago the McDowell House Committee began working with consultant John Horton to develop a historic structure report and restoration plan for the House. The consultant has now reported back and said our conclusions are the same as his and is suggesting that the first steps in restoring the House should be the removal of the 1970's era wings as well as the vinyl siding. He said once the siding and additions are removed, a comprehensive exterior renovation can be planned.

At the Committee's last meeting, Mr. Paul Carson with the National Park Service had indicated that he may be able to make \$50,000 available for this first phase under the condition that the local partners (County, City, Chamber, and TDA) provide a local match. At their most recent Committee meeting, it was suggested that each local partner provide \$5,000 to match the NPS funding. The \$70,000 would then be used to carefully deconstruct the additions and remove the siding, and then perform archaeological studies of the newly uncovered areas, and to provide a protective cover for the exterior of the House. They would hire a contractor to do work and an archaeologist to do archaeological studies. Some of the local partners have already agreed to contribute toward the match. Mr. Wooten said while the project has lain dormant for a while, they now feel things will continue to move forward.

Commissioner Lavender made a motion, seconded by Commissioner Walker, to approve the \$5,000 match as requested and to authorize Phase I of the project. By unanimous approval, the motion carried.

### **KBR GRANT UPDATE**

The County Manager noted the information already received in a press release of the County being awarded a grant to replace the gym floor in the Marion Recreation Facility. He also noted the Project Budget Ordinance approved by the Board earlier in the meeting to use the grant in conducting a recreation master plan.

Mr. Abernathy asked the Board to vote to accept the Grant Award, noting that he wants to have the Recreation Director in to give a report in order to see what the County has obligated itself to do.

Commissioner Walker made a motion to accept the grant and to accept the capital statement as presented. The motion was seconded by Commissioner Lavender and by unanimous approval the motion carried.

### **CITIZEN COMMENT**

The County Manager suggested having Citizen Comment prior to the closed session to avoid people having to wait.

Chairman Hollifield asked if any one present would like to speak at this time. No one responded.

### **CLOSED SESSION: PERSONNEL MATTER**

Chairman Hollifield called for a closed session on a personnel matter in accordance with G.S. 143-318.11 for a new DSS Director.

The County Manager updated the Board on the application/screening process to this point and discussion followed.

Commissioner Walker made a motion, seconded by Commissioner McPeters, to go out of closed session. The motion carried by unanimous approval.

### **REGULAR SESSION RESUMED**

When back in regular session, the Chairman stated the Board had just come out of closed session to discuss hiring of a new DSS Director. The applicants had been narrowed down to three and the Board will hold a special session in early January to continue the process.

### **ADJOURNMENT**

There being no further business to transact at this time, upon motion by Commissioner McPeters and a second by Commissioner Kaylor, the meeting was adjourned.

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VAN RANDY HOLLIFIELD  
CHAIRMAN

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CARRIE PADGETT  
CLERK TO THE BOARD

