

**STATE OF NORTH CAROLINA
COUNTY OF MCDOWELL COUNTY
BOARD OF COMMISSIONERS
REGULAR SESSION – JUNE 9, 2014**

ASSEMBLY

The McDowell County Board of Commissioners met in regular session on Monday, June 9, 2014, at 5:00 p.m., Commission Board Room of the County Administration Building, 60 East Court Street, Marion, North Carolina.

MEMBERS PRESENT

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

OTHERS PRESENT

Charles R. Abernathy, County Manager; Ashley Wooten, Deputy Clerk to the Board; and Theresa Strickland, Public Information Technician (Filming).

CALL TO ORDER

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

APPROVAL OF MINUTES

Commissioner Kaylor made a motion, seconded by Commissioner Lavender, to approve the January 13, 2014 Regular Session and the May 12, 2014 Regular Session Minutes as presented. By unanimous vote, the motion carried.

Commissioner McPeters made a motion, seconded by Commissioner Lavender, to approve May 19, 2014 Adjourned Session, May 22, 2014 Adjourned Session, and the May 30, 2014 Adjourned Session Minutes as presented. By unanimous vote, the motion carried.

APPROVAL OF AGENDA

Commissioner Walker made a motion, seconded by Commissioner McPeters, to approve the agenda with an item entitled Mental Health added under Old Business. By unanimous vote, the motion carried.

RECOGNITION OF NJROTC STUDENTS

The Chairman recognized Captain Ross of the McDowell High School NJROTC program. Captain Ross presented an overview of the recent academic accomplishment of the four students present, Karaline Bird, Carlos Chavez, Cody Delorme and Taylor DeHart.

Commissioner Walker praised the students for their hard work. He read a resolution entitled *McDowell County Resolution of Appreciation Honoring the McDowell NJROTC on their Recent Academic National Recognition.*

Commissioner McPeters motioned, seconded by Commissioner Kaylor, to approve the Resolution of Appreciation. By unanimous approval, the motion carried.

Alan Mainer of American Legion presented a Certificate of Appreciation from Post 56 recognizing the NJROTC students for their assistance in placing American flags during the Memorial Day ceremonies.

BUDGET UPDATE AND AMENDMENTS

The County Manager presented an update on the county's expenditures and revenues through this point in the fiscal year.

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

GF 64 - This amendment receives donations, addresses EMS loan proceeds and transfers dollars within the EMS budget..

GF 65 - This amendment transfers funds within the DSS. This program was implemented by the previous director and this amendment allows Isothermal to handle the administration.

GF 66 - This amendment receives donations and transfers funds within the Senior Center Budget.

GF 67 - This amendment receives a grant that Soil Conservation was awarded.

GF 68 - This amendment transfers funds within the Tax Assessing Department.

GF 69 - This amendment allocates State funding for the Juvenile Crime Prevention Program. The fund balance allocation is reserved from previous year revenue.

GF 70 - The amendment allocates the donations that were collected for the Relay for Life.

GF 71 - This amendment pertains to the sales tax agreement with the City. The amendment allocates \$39,000 out of excess sales tax.

GF 72 - This amendment carries forward reserved funds for the maintenance of watershed dams.

GF 73 - This amendment primarily allocates funds from the Sheriff Reserve Fund. The County is allocating \$21,500 from the property tax line item due to overages in the Jail Medical line item. The Sheriff agreed to pay for half of the \$48,000 overrun.

GF 74 - This amendment transfers an additional \$150,000 to the Universal Project in the continued effort to meet our local commitment.

GF 75 - This amendment pays for the electronic sign at the Universal Building.

GF 76 - his amendment transfers funds in the EMS Department to cover employee call-ins.

GF 77 - This amendment records the building inspection vehicle.

GF 78 - This amendment transfers \$110.00 in soil conservation. The ordinance does not allow for transfers that involve a travel line item.

FD 1 - This amendment recognizes actual allocations to the fire departments and their individual districts.

SP 1 - This amendment allocates school reserve capital funding for roofing projects undertaken by the school system.

CP 1 - This amendment allocates \$145.00 more for the Champion Tower Lease. This is a CPI increase.

PARTF 1 - This amendment allocates PART F funds for the Senior Center/YMCA project.

911F 4 - This amendment transfers funds within the 911 fund and reflects the recorded activity in a report format.

UENT 3 - This amendment reflects the activity in the Universal Project Fund.

SI 2 - This amendment concerns the self-insurance fund. No additional funding is being added. The amendment receives employer and stop loss payments and balances the fund.

The Finance Officer also presented a resolution closing out the Foothills Pilot Plant Project.

Commissioner McPeters made a motion, seconded by Commissioner Lavender, to approve budget amendments GF 64-78, FD 1, SP 1, CP 1, PARTF 1, 911F 4, UENT 3, and SI 2 as well as the closeout resolution. By unanimous approval, the motion carried.

FINANCE MATTERS – VEHICLE FINANCING, SALE OF COUNTY PROPERTY, SALES TAX AGREEMENT AND RESCUE SQUAD AGREEMENT

The Finance Officer informed the Board that they had authorized the purchase of a new building inspections vehicle when they approved the current year's budget. They were now being presented with financing bids in order to move forward with the purchase of a Jeep Patriot.

Ms. Morgan recommended that the Board approve the bid of Carolina Alliance Bank who responded with a term of 2.25% over four years with eight semiannual payments beginning January 1, 2015. Other banks that responded were Capital Bank at 4.35% and BB&T at 2.59%. PNC also responded but with unfavorable financing terms. Bank of America, Fifth Third, Wells Fargo, SunTrust, and First Citizens did not respond to the RFP.

Commissioner Kaylor motioned, with a second by Commissioner McPeters, to approve the ***RESOLUTION APPROVING FINANCING TERMS*** which authorizes the County to enter into a debt financing arrangement with Carolina Alliance Bank at an annual percentage rate of 2.25%. By unanimous approval, the motion carried.

The Finance Officer also presented a resolution that authorizes the McDowell County Sheriff's Office to trade in seized vehicles or vehicles purchased using inmate housing funds in order for those funds to be used to purchase new vehicles.

Commissioner Kaylor asked if the vehicles could not be used by other departments. The County Manager replied that other departments are given a chance to use the vehicles before they are disposed.

Commissioner Walker motioned, with a second by Commissioner McPeters, to authorize the ***RESOLUTION AUTHORIZING SALE OF COUNTY OWNED PROPERTY***. By unanimous approval, the motion carried.

The County Manager presented an update on the sales tax distribution agreement with the City of Marion. He reviewed the existing distribution method that was changed in 2009 from the per capita method to the ad valorem method. He noted that this change was in the county's favor. He added that the city and county adopted an agreement that mitigated the effect in order to adversely affect the city's financial situation.

He recommended that the county renew the sales tax distribution agreement for another two years in order to study the issue further.

Commissioner Walker motioned, with a second by Commissioner Kaylor, to renew the Sales Tax Agreement for another two years. By unanimous approval, the motion carried.

The Finance Officer provided the Board an overview of the existing collection agreement with the McDowell County Rescue Squad, stating that the county retains 40% of the collected revenues. The Squad had looked at using an outside collection company. The Rescue Squad requested a reduction in the county's collection fee, which county staff had found to be a justifiable request. County staff recommended that the fee be reduced to 15%.

Rescue Squad Chief Corey Loftis spoke about the recent changes at the Squad and why they were making the request. EMS Director William Kehler praised the Rescue Squad for their assistance with transporting patients.

A general discussion of the reasons for change followed.

Commissioner Walker motioned, with a second by Commissioner McPeters, to reduce the collection fee to 15% for McDowell County Rescue Squad bills. By unanimous approval, the motion carried.

PUBLIC HEARING ON FY 2014-15 BUDGET

The Chairman declared the Board into public hearing as required by North Carolina General Statute 159-12 in order to receive comments about the proposed budget for FY 2014-15. He then asked the County Manager to review the highlights of the budget.

No one from the public spoke about the budget.

Commissioner Walker motioned, with a second by Commissioner McPeters, to go out of public hearing. By unanimous approval, the motioned carried.

Commissioner Kaylor motioned, with a second by Commissioner Walker, to approve the FY 2014-15 budget as recommended by the County Manager.

Commissioner Lavender stated his opinion that there are several questions related the Legislature and other unknown factors. The County Manager stated amendments could be made after the budget is approved. He added the only change could not be made was the tax rate.

The budget was approved by a 4-1 vote with the following votes:

AYES:	Hollifield	NOES: Lavender
	Kaylor	
	McPeters	
	Walker	

RIGHT OF WAY / HENDRIX PROPERTY

The County Manager presented an overview of the water treatment plant site history including the purchase of the Hendrix property as well as the larger site owned by Crescent

Communities. He mentioned that the company has an interest in securing a permanent right of way to the property in order to facilitate its sale or development.

The County Manager presented three road alignment options developed by the county's engineer. He stated that the preferred option would be number 3 since it avoided the area of the farm house.

Commissioner McPeters motioned, with a second by Commissioner Kaylor, to authorize the right of way with Crescent Communities and to select an option that would not interfere with the property use. By unanimous approval, the motion carried.

NON-PROFIT REPORTING POLICY

The County Manager stated that there had been ongoing discussions regarding the accountability of funded agencies. He introduced the county's summer intern, Randall Conley, who had worked with him and Ms. Morgan to develop the policy.

Mr. Conley presented an overview of the policy to the Board. He stated that the county has a policy for funded agencies, which the existing policy would enhance.

Commissioner McPeters and the Chairman praised Mr. Conley for his work in preparing the policy.

The County Manager suggested that the Board review the policy over the next month, and to allow time for funded agencies time to review it.

A general discussion of the benefits of the policy followed.

Commissioner Walker motioned, with a second by Commissioner McPeters, to receive the policy as presented by Mr. Conley and treat it as a first reading. By unanimous approval, the motion carried.

WATER LINE EXTENSION TO THE INTERSTATE

The County Manager presented an update on the water line project that would extend a line to the Exit 90 interchange area. He informed the Board that the County had received an invitation to apply letter from the Appalachian Regional Commission office. The county's engineer and Isothermal Planning and Development Commission would help prepare the application, which is due June 20.

Mr. Wooten asked that the Board authorize the submission of the grant and agree to match the grant with \$300,000 of local funds. He added that staff would continue to seek grant funds to offset the local match, but in the event that effort is unsuccessful, the county would be on the hook for the entire match.

Commissioner Lavender motioned, with a second by Commissioner McPeters, to authorize the submission of the grant and to the match of \$300,000. By unanimous approval, the motion carried.

UNIVERSAL UPDATE

The County Manager presented the Board with a brief update on the Universal renovation project. He stated that the project was scheduled to be complete by the end of October. He has invited the Governor, as well as the administrators of the Golden Leaf Foundation to attend the ribbon-cutting ceremony.

Mr. Abernathy also presented a proposed design of the large sign that is to be constructed in front of the facility.

He also noted that more of the cost was being seen in the current fiscal year than anticipated.

KBR GRANT UPDATE

The County Manager presented an update on the Kate B. Reynolds grant process and the proposed afterschool program. He also added that the use at the renovated gymnasium has been phenomenal.

Mr. Abernathy stated that there had been several discussions with school administrators and KBR staff about how to best develop the program. He stated that initial interest had been extremely high amongst parents and school staff. He noted that the pool grant and the afterschool grant would be decided by mid June.

Commissioners Kaylor and Commissioner Walker spoke of a need for improved lighting in the gymnasium.

MENTAL HEALTH

Commissioner Walker asked about the status of the funds from the sale of the former Foothills Mental Health buildings. The County Manager stated that he had inquired about the status of the funds, but the board had not met to make a decision.

Commissioner Lavender stated a decision on releasing the funds was waiting until a decision was made for the Caldwell crisis center grant was made.

A general decision of the status of the funds followed.

BOARD APPOINTMENTS

The County Manager presented two vacancies for a first reading. He also presented a vacancy in the over 50-unit category for the Tourism Development Authority Board. There is one applicant for the opening at this point. He stated that the Library Board

of Trustees has three board openings. Ms. House is especially interested in applicants from the Pleasant Gardens/Greenlee and Montford Cove/Crooked Creek areas. He noted that there were two applicants for the three openings.

Mr. Abernathy presented a request from the Smoky Mountain Center who is developing a County Commissioner Advisory Council to assist with decision-making.

The Chairman expressed an interest in serving on the advisory council through at least December.

Commissioner Walker motioned, with a second by Commissioner Kaylor, to appoint Chairman Hollifield to serve on the advisory council through at least December. By unanimous approval, the motion carried.

Commissioner Walker motioned, with a second by Commissioner McPeters, to reappoint Commissioner Kaylor as the Board of Commissioners representative to the McDowell Technical Community College Board of Trustees.

Commissioner Walker motioned, with a second by Commissioner Kaylor, to reappoint Richard Liebeck to the McDowell Tourism Development Authority for the over 50 category. By unanimous approval, the motion carried.

The Chairman noted that the Library Board of Trustees appointment would be made at the next meeting.

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 \$1,607.47
Releases Over \$100.00	Released amount of \$1,016.36
Motor Vehicle Releases Under \$100.00	Released amount of \$203.69
Motor Vehicle Releases Over \$100.00	Released amount of \$106.76
Release Refunds	Refunded amount of \$1,119.68

The NCVTS Pending Refund report showed a refund total of \$4,677.44.

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

FOSTER PARENT RECOGNITION

The County Manager noted that there had been a request that the county hold a recognition dinner/event for foster parents. DSS Director Lisa Sprouse presented a recommendation that the county host a dinner in the fall and invite all foster parents.

Commissioner Lavender suggested having the event in December or around Thanksgiving. Commissioner Walker agreed that having the event later in the year might be a great idea.

The consensus was to give staff discretion on when to schedule the program with a focus on later in the year.

CITIZEN COMMENTS

David Patneau suggested that the county evaluate developing one large recreation complex for the county. He noted that the facility could be used throughout the week by local leagues and by large tournaments during the weekends.

REPORTS AND COMMUNICATIONS

The County Manager shared a view dates of interest, including meetings regarding the Recreation Master Plan.

He also noted that the Kate B. Reynolds Foundation would be holding a meeting on June 23 to receive comments from the community regarding the grant funding process that they have been involved with over the past year.

He also suggested that the Board meet in July.

ADJOURNMENT

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

VAN RANDY HOLLIFIELD
CHAIRMAN

ASHLEY R. WOOTEN
DEPUTY CLERK TO THE BOARD