

**STATE OF NORTH CAROLINA
COUNTY OF MCDOWELL
BOARD OF COMMISSIONERS
REGULAR SESSION – JULY 8, 2013**

ASSEMBLY

The McDowell County Board of Commissioners met in regular session on Monday, July 8, 2013, at 5:00 p.m. in the Commission Board Room of the County Administration Building, the usual meeting place.

MEMBERS PRESENT

David N. Walker, Chairman; Michael K. Lavender; Van Randy Hollifield; and Joseph L. Kaylor

THOSE ABSENT:

Barry E. McPeters, Vice Chairman

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

Chairman 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 MINUTES

Minutes of the May 13, 2013 regular session, the June 3, 2013 adjourned session, the June 10, 2013 regular session, the June 14, 2013 adjourned session, and the June 21, 2013 adjourned session were presented for approval.

With no corrections made, Commissioner Kaylor made a motion to approve the minutes as recorded. Commissioner Hollifield seconded the motion and by unanimous approval, the motion carried.

APPROVAL OF AGENDA

Commissioner Lavender asked to add a personnel matter to the agenda.

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

APPOINTMENTS:

FINANCE AND BUDGET MATTERS

The County Manager advised there was very little to report other than the end of the year Tax Collections report being only one week into the new fiscal year. However, there were EMS accounts that he asked the Board to act on and approve being written off since they are considered as non-collectible accounts. These accounts, a total of 16, ranged from \$61.12 to \$5,763.42 for a grand total of \$13,101.49.

A brief discussion followed.

Commissioner Lavender made a motion, seconded by Commissioner Hollifield, to authorize the uncollectible EMS accounts as presented. By unanimous approval, the motion carried.

Next, the County Manager presented the two cash related policies (*Fund Balance Reserve Policy* and *Revenue Spending Policy*) from the June meeting which the auditors had recommended for adoption. He pointed out he had received this week the state comparison on the County's fund balance to one of those listed statewide, basically showing that we are very much at the state average with our fund balance. He advised the percentage was recommended at 18%, simply a recommendation—not anything binding.

Commissioner Lavender noted he was the one with questions about the percentage in item "C" of the Fund Balance Reserve Policy. He said since last month's meeting he had thought about the 18% and still had concerns, and would like to suggest the insertion of a phrase in item "E" after "to maintain the minimum level of fund balance for appropriation, *as set forth by the Local Government Commission---*".

A brief discussion followed with Commissioner Lavender giving clarification on his suggested phrase insertion.

Commissioner Lavender then made a motion to approve the *Fund Balance Reserve Policy* with the addition of a phrase in item "E", with a "comma" after "fund balance available for appropriation, *as set forth by the Local Government Commission*". Commissioner Hollifield seconded the motion and by unanimous approval, the motion carried.

Concerning the *Revenue Spending Policy*, the Finance Officer explained this policy would simply state in written form what the County has been doing all along—the practice of spending funds down based on the funding sources.

Commissioner Lavender made a motion, seconded by Commissioner Hollifield, to approve the *Revenue Spending Policy* as presented. By unanimous approval, the motion carried.

PRESENTATION OF EMS LEASE

EMS Director William Kehler advised the National Oceanic Atmospheric Administration (NOAA) had contacted him back in January with an interest of leasing land behind the Old Fort EMS Base for a period of twenty-four (24) months. They are studying weather conditions along the Catawba River Basin and are requesting similar leases of multiple sites throughout the Basin, one of which in the County is on Wildlife property on Hankins Road with the same type of setup. NOAA has requested approximately 2,300 square feet for 24 months at a proposed rate of \$287.50 per month for the EMS lease, and they have accepted the liability for any of the equipment or incidents that might occur there. They want to place a local radar device and wind tower, a GPS beacon, as well as some other weather instruments behind the EMS Base. Mr. Kehler advised the equipment will not interfere with any EMS operations, and NOAA is working with Duke Energy to have their own power with a separate meter, etc. Mr. Kehler requested the Board's permission to enter into a lease with NOAA for the stated purpose.

A brief discussion followed with Mr. Kehler explaining the benefit to the County, above the monetary one, would be in NOAA getting the weather data while studying the various weather patterns.

Commissioner Kaylor made a motion, seconded by Commissioner Lavender, to approve the EMS Lease with NOAA. By unanimous approval, the motion carried.

UNIVERSAL TRAINING CENTER BIDS

As an introduction, the County Manager stated the County had purchased 365 acres of property contiguous to the Community College with a 400,000 square foot building sitting on it. This was done in order to construct an Industrial Skills Training Center, recognizing that one of the most significant issues facing the County is the issue of helping and assisting our population and workforce with the need to transition into higher skilled paying jobs. He advised this is a massive priority and the building does generate revenue.

The Industrial Skills Center will be 50,000 square feet and will bring together all of the manufacturing related training services currently being provided by the College. The County did receive a Golden Leaf grant in the amount of \$2.14 million to assist with this project and other grants are being pursued as well. The project provides additional acreage for the College to grow as well as other needs for the County, and it frees up some 22-23,000 square feet of space on the main College Campus. The County is trying to secure grants to assist the College in the enhancement of that area also. The Board of Commissioners appointed a committee which has been meeting since last fall with

involvement of the College, the instructors, the manufacturing community, etc. in the process. Bids have now been opened and are ready for presentation at this time.

Mr. Abernathy introduced Roger Holland of Holland & Hamrick Architects, P.A. to present the bid tabulation.

Mr. Holland advised there were nine bidders on the list and eight submitted a bid. He said coverage was very good and a lot of interest was shown among subcontractors and suppliers and he was very pleased with the prices received for this project. The low bidder was a local contractor, England Builders. Mr. Holland said he has had the good fortune of working with them previously and they have always done an exemplary job for them. Following are the eight bids received, each of which included a 5% bid bond:

General Contractor	Base Bid	Alternate 1	Alternate 2	Alternate 3	Alternate 4
		Window Shades	Spray Foam Roof	Trane Controls	Johnson Controls
Beam Construction	\$4,021,000	\$6,700	\$279,700	\$67,700	\$31,500
Encompass Bldg. Corp.	\$4,015,000	\$6,500	\$650,000	\$60,000	\$34,000
England Builders	\$3,866,000	\$8,775	\$651,420	\$64,000	\$31,000
GEM Constructors	\$4,270,000	\$6,664	\$655,915	\$61,690	\$34,150
Hickory Construction	\$3,986,000	\$6,400	\$230,000	\$63,000	\$29,000
H&M Constructors	\$4,485,370	\$7,018	\$330,716	\$64,960	\$35,960
Matthews Construction	\$3,950,000	\$6,400	\$241,000	\$64,000	\$29,800
Southside Constructors	\$4,098,000	\$4,000	\$262,000	\$65,000	\$30,000

Mr. Holland said when they opened bids Mr. Abernathy indicated that in order to match up with the funding, they needed to see if there were ways to drop the price some without really compromising the integrity of the building. He immediately called the consulting engineers and talked with Mr. England about how this might be accomplished from a construction standpoint. After about a week's worth of work with Mr. England, his team, and Mr. Abernathy, they were able to find a number of things that would save some substantial money. The largest item was a change in the roofing system, in addition to a lot of smaller things, and they were able to get approximately \$500,000 out of the bid price. He said \$200,000 of that amount was reduction in the contingency allowance that was in the contract, and that they were comfortable in doing this since there were not a lot of unanswered questions and they did not feel there will be any real surprises. With that said, they ended up with a recommended contract amount with England Builders of \$3,364,536.00. Again, he said that is a reduction of \$501,464.00 from the amount shown on the bid tabulation.

A general discussion followed on the contingency amount, what the average amount might be on similar projects, and what Mr. Holland's experience has been with Mr. England on past projects, as far as contingency amounts, etc. Following Mr. Holland's comments, Mr. Abernathy noted his experience with Mr. England where work was done for the County—the 911 Center being a case in point. He said Mr. England had actually made changes that took quite a bit of money off the bid. He pointed out there is comfort in knowing that one of our own is taking charge with this project.

Chairman Walker welcomed Grayson England, of England Builders, for any comments he might have concerning this project. He said he appreciated all the nice comments, and that he strives to make sure what he does is what he is supposed to do

“above and beyond”. Concerning the question of the contingency, he advised he has done four jobs with Holland & Hamrick in the past, and the only one he had touched the contingency on was the East Junior High project—a half million dollar job and he had used \$10,000 out of the contingency because of a soil issue. He said he views these projects seriously because, as a taxpayer, they are coming out of his pocket. He pointed out the biggest uncertainty with the Industrial Skills Center is the floor situation, noting that he had drilled some holes in it to get a feel for what is there.

Further general discussion followed with Mr. Holland addressing the Board’s questions and/or concerns.

Mr. Abernathy addressed the \$60,000 paving amount, noting that Dr. Wilson had contacted DOT about this since they apparently do assist with things like this, which would bring the price down further. Chairman Walker asked if it might be beneficial to send letters of support to our Legislative delegation. This idea was briefly discussed with Mr. Abernathy suggesting to hold off about this for now.

Discussion continued on the need for parking, in addition to the initial 65 spaces, and how this might be handled through job creation in order to leverage additional grant funds for some of the infrastructure.

Mr. Abernathy then asked the Board to receive the bids into the minutes, and to authorize the low bid from England Builders as recommended by staff and the architect. Further, he said the Finance Officer needs to develop a project ordinance which will be presented to the Board in August. The project ordinance will show the \$3,364,536 plus the architect’s fees and whatever else might be needed for this project. Mr. Abernathy pointed out the project ordinance will be somewhere in the \$3.5 range and will have the Golden Leaf grant in the amount of \$2,140,000. He advised he had contacted Golden Leaf to see if it would be possible to increase that number and they said it is not possible to do this, although it might be toward the end. He pointed out this is why he had made the suggestion regarding paving tonight.

Continuing, Mr. Abernathy advised the County will have over \$700,000 in accumulated revenue off the building and revenue either in hand or that will be received through the course of this fiscal year. He mentioned an EDA grant that has been submitted in the amount of \$750,000 for this project that is looking less and less likely, but we will continue to gain funding nevertheless. In conclusion, he said what the Board will probably see minus that is a fund balance appropriation of over \$700,000 to put this project together.

Further brief discussion followed.

Commissioner Lavender made a motion to receive the bids into the minutes, to authorize the low bid from England Builders in the amount of \$3,364,536 as recommended by staff and the architect. Commissioner Kaylor seconded the motion and by unanimous approval, the motion carried.

DISCUSSION OF ELEVATOR AND CAPITAL ITEMS

In introduction, the County Manager stated there was brief discussion during the budget process of options available concerning the elevator in the Courthouse. The Facility Maintenance Director, Terry DePoyster, had met with Holland & Hamrick to work out some options. Mr. Abernathy advised this could be real simple or quite complicated, but he thought simplifying it is possible and desirable, and the way to do this would be to have more concrete numbers than what are available now. He said after hearing staff's recommendation, if the Board is comfortable in doing it, he would suggest going to bid because there is real concern regarding price quotes. He advised this is based on the nature of the old Courthouse and the possibility of prices being considerably more than what he and others are assuming they might be.

Mr. DePoyster then reviewed where they are in a recommendation for the elevator. In pursuing a location for the elevator, consideration was given to a practical use for it, what they were trying to achieve as far as access for all floors, being in compliance with EDA regulations, and to enhance the inmate transport. Holland & Hamrick had referred him to a structural engineer who came and assessed the building, its layout, the old jail and Register of Deeds area. They basically came up with only two locations that would accommodate an elevator, one being in the Register of Deeds area; the other one being in the main lobby of the Courthouse. The one they have pursued the most and consider as being the most practical location is the main lobby area. It is close to the front door and the security/metal detection area, and is to the left just past the Clerk of Superior Court entrance near the stairs. It would be accessible to the main floor, the basement area where restrooms are located, and to the second floor where the Superior Courtroom public access is.

Continuing, Mr. DePoyster pointed out the Courthouse has some unknown factors, being a 1922 structure. He advised they had done some core drillings with 24-inch bits. In some areas they punctured through and in some they did not. Mr. DePoyster said he had taken the recommendations for the elevator to our existing elevator service company who has presented some drawings for the elevator only. The cost for just the elevator would be \$69-\$70,000. The drawings were reviewed by the structural engineer for the two locations and taken to Holland & Hamrick. They came up with a very rough project estimate from simply looking at drawings. Mr. DePoyster pointed out no one has visited the site yet and there are many factors that would impact the project estimate. The Administrative Office of the Courts (AOC) would be greatly impacted by this project due to their computer mainframe and electronic system being in this area. Mr. DePoyster recommended going back to Holland & Hamrick to get a more realistic figure on a true construction cost with minimal disruption to the day to day operation after they have visited the location.

Mr. Abernathy stated the building, regardless of its future use, needs an elevator. He said the building would be put to some use even if at some future time that use changed from being a Courthouse. He advised better numbers are needed; therefore he

would recommend having the architect draw up something more definitive and bring in bids.

A question was raised about putting the elevator on the outside of the building. Mr. DePoyster advised he did not have one structural engineer say an outside location would work because of the basement access, the fire load rating of the building, etc.

A general discussion followed.

Commissioner Kaylor made a motion to postpone this item until the next meeting and get further information. Mr. Holland spoke briefly at this time, suggesting that the Board allow them to look at the location in question and to follow up with a recommendation or give precise reasons as to why it would not work.

Further discussion followed.

Commissioner Lavender made a motion to authorize staff to engage Holland & Hamrick to give the Board cost estimates on the various options, and to particularly consider the option on the end putting a stairwell and entrance and egress in the process and going to the fourth floor for the District Attorney's Office. Commissioner Kaylor seconded the motion and by unanimous approval, the motion carried.

Concerning the lease on the property for the water filtration plant, Mr. Abernathy advised, as he had stated in his memo, he had considered contacting the property owner to find out what kind of flexibility they would have on extending the lease out and bring the information back to the Board so it is an option. He said this would not be a real pleasant discussion.

Chairman Walker asked what would be the pleasure of the Board. Commissioner Lavender stated his preference would be, if it is extended, not to extend it more than three or four months because of the length of time already spent on this. Mr. Abernathy suggested starting the financing process and doing it early next year.

Commissioner Lavender said owing to the fact of what they had heard from the County Manager and Finance Officer regarding the financing issue, and since this option expires in November, he would make a motion to authorize County staff to talk with Crescent about extending the lease to a date no later than April 30, 2014 so they can work on financing and whatever else they would need to do in January. Commissioner Hollifield seconded the motion and by unanimous approval, the motion carried.

WATER SYSTEM POLICY AND ORDINANCE

The County Manager introduced Shane Forbes, a student at McDowell Technical Community College who has been working as an Intern this summer. The projects he has been assigned are a Water System Policy, an animal video for public relations, and some signage to promote recycling in the County.

Shane presented the *McDowell County Water System Policy* which he had drafted. The Policy addresses applications for connections, main line connection, meters including irrigation ones, water disconnection, use of fire hydrants, water shortage response plan, standards for additions to County Water System, and billing procedures.

A general discussion followed on fees, getting feedback from homeowners as to whether they would be willing to pay if they do not use other resources through grants, etc., and a disconnection period (48 hours versus 24 hours). Mr. Abernathy pointed out the County Attorney can research this to be sure the consumer's interests are sufficiently considered in terms of medical issues, etc. Also, it was noted that ample time should be allowed between getting the bills out and when payment is due to be received.

Ashley Wooten then presented the *McDowell County Water System Irrigation Meter Ordinance*, noting the Ordinance is a document the State is instructing all water systems to have. He advised the billing aspect of the Ordinance has not quite been figured out.

A general discussion followed.

DISCUSSION OF DSS/SENIOR CENTER

The County Manager said the Board had casually raised during the budget process the question of the Senior Center Function, and the Veterans Service Office function as well, in the County Structure. This was discussed and information was requested from both the DSS Director and the Senior Center Director and the desire is to continue that discussion. He said the question is whether the placement of the Senior Center would be better placed if it were not under the Department of Social Services and function as a County department.

Chairman Walker welcomed DSS Director Phillip Hardin and Senior Center Director Weyland Prebor, allowing them to make comment.

Mr. Prebor stated the reason the Senior Center began many years ago was to provide more services to the senior community, and this has held true over the years since it was established. He said the interesting thing is, and he felt Mr. Hardin would agree, they serve the same population, and not only them but also their families. He said through these coordinated services, they are able to provide the best possible services.

Mr. Hardin agreed, noting they are able to do multiple programs together such as Medicaid and food assistance issues that pertain to people that come to their agency. He said he feels there are real benefits to their working together, and that the County was real innovative in putting the Senior Center under DSS years ago. He pointed out not many counties had a composition that way but this has become more common over the years and senior centers do fall under DSS.

Discussion followed on the cost savings regarding the current setup with the two agencies versus separating them. Mr. Hardin pointed out the federal government would reimburse the Department of Social Services for their cost and infrastructure but would not reimburse the Senior Center as a stand-alone agency. Costs for phone service were addressed. Mr. Hardin noted the convenience of the current system over having volunteers answer the phone at the Senior Center. He pointed out transportation, their website, etc. is more efficient now as opposed to the past operation.

Discussion then followed on what the impact would be if DSS came under the control of the Board of Commissioners instead of a board of directors and whether there would be a change in the operation of DSS and their relationship with the Senior Center. The question was then asked “What repercussions would that have and how involved is that process, and would there be financial or personnel issues?” Mr. Hardin said there would be financial repercussions related to revenue, cost allocations, etc. He said he would not say there would be major roadblocks but it would not be as easy as saying “We are moving”. Mr. Abernathy pointed out the change would require a public hearing.

Commissioner Hollifield made a motion that the Board proceed to be the overseer or whatever of the DSS and that we proceed to see what we need to do as far as public hearings and everything else that goes with that process. He said he realized it is not a 30-minute process but that they vote on and do it. Then he said his motion was to proceed with the process to do it. Mr. Abernathy interjected here to add “and to bring back information”. Mr. Hollifield agreed to add that as part of his motion. Commissioner Kaylor seconded the motion.

In discussion, Commissioner Lavender said he felt they were “putting the cart before the horse”, noting he understood from what had been presented here, this was put on the agenda for discussion of the Senior Center issue and now they were talking about something that is much more complex without hearing from the DSS Director what the process was or what the repercussions are. He said some counties have done this but there are repercussions.

Discussion continued, with the question being asked whether the DSS Board had discussed this matter. As a member of the DSS Board, Chairman Walker advised they had not discussed it. Mr. Hardin also said they had not discussed it as a Board but he did have conversation with some of the DSS Board members and he did not think they would recommend this.

When put to a vote, the motion passed by a vote of 3-1 with Commissioner Lavender opposing.

HOUSING COALITION MATTERS

The County Manager made reference to the Board’s discussion last month on the establishment of a Housing Coalition Committee, of bringing a shorter list for appointment and charging this core group with the task of determining the size, the

specific slots and the specific names of additional appointments. He said he had discussed names with DSS Director Phillip Hardin and the Housing Coalition Coordinator. Suggested names for the core group were:

Greg Owenby of Grace Baptist Church
 Bob Ritter of Nebo Crossing
 Don Ramsey, a church volunteer
 Nakia Carson, school representative and volunteer
 Gail Bishop, former employee with NC Division of Vocational Rehab.
 Independent Living Program

Commissioner Lavender made a motion to waive policy and to appoint those five as the core group for the Housing Coalition. Commissioner Kaylor seconded the motion. In discussion, it was suggested to allow the group to appoint up to 11 members. By unanimous approval, the motion carried.

BOARD APPOINTMENTS

A vacancy on the Library Board was presented on first reading. The vacancy will be advertised and considered on second reading at the August meeting.

NCACC VOTING DELEGATE

Concerning a voting delegate for the upcoming 106th Annual NCACC Conference to be held in Greensboro August 22-25, 2013, Chairman Walker asked if there was a Commissioner who might be interested in serving in this capacity. Chairman Walker, as well as Commissioner Lavender, advised they would not be attending the Conference.

Commissioner Hollifield stated he was planning to attend the Conference and would be willing to serve as the voting delegate, if the Board agreed.

Commissioner Lavender made a motion, seconded by Commissioner Kaylor, to appoint Commissioner Hollifield as the voting delegate for McDowell County at the Annual Conference. By unanimous approval, the motion carried.

TAX MATTERS

The usual monthly listing of tax releases and refunds was presented for the Board's approval. The releases and refunds are summarized as follows:

Releases Under \$100.00	Released amount of \$365.65
Releases Over \$100.00	Released amount of \$612.46
Motor Vehicle Releases Under \$100.00	Released amount of \$668.04

Motor Vehicle Releases Over \$100.00	Released amount of \$500.16
Release Refunds	Refunded amount of \$3,095.95

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

CITIZEN COMMENT

Two individuals, Michelle Harris and Carol Ferebee, were signed up to speak under Citizen Comment.

Michelle Harris provided an update on the Box Creek Wilderness issue with Rutherford Electric Membership Corporation (R.E.M.C.). She said they are using a loophole for not coming up with a certificate of participation and their usage is down which doesn't add up as to why they want to use this property. Mr. Sweeney has purchased another piece of property for preservation (12,300 acres of land that he is working on to preserve). Mrs. Harris asked that the Board adopt a county ordinance to close the loophole. She mentioned all the individuals that she has contacted to ask for help on this matter.

A brief comment period followed.

Carol Ferebee first commented briefly on bringing the Senior Center under the County management structure, noting she did not feel this would be advisable.

Mrs. Ferebee, who is associated with the Paws and Claws Outreach organization, then spoke on the issue of animals in the County. She said they plan to spend the rest of their time here and want to work with the Commissioners and County staff in assisting them in what they are proposing. She presented what she felt are solutions to some of the problems, such as having an adoption once or twice a month, and asked for some funds from the County (maybe \$1,500 per year).

REPORTS AND COMMUNICATIONS

There were none to be given.

CLOSED SESSION

Chairman Walker advised the Board would go into closed session for a personnel matter as requested by Commissioner Lavender in accordance with G.S. 143-318.11 for a personnel matter.

The matter was presented and discussion followed.

Commissioner Hollifield made a motion, seconded by Commissioner Kaylor, to go out of closed session. By unanimous approval, the motion carried.

REGULAR SESSION RESUMED

When back in regular session, Chairman Walker stated as a result of the closed session just ended, there was no action taken.

ADJOURNMENT

There being no further business to transact at this time, upon motion by Commissioner Lavender, a second by Commissioner Kaylor, and a unanimous vote, the meeting was adjourned at 7:47 p.m.

DAVID N. WALKER, CHAIRMAN

CARRIE PADGETT
CLERK TO THE BOARD