

MINUTES
LENOIR COUNTY BOARD OF COMMISSIONERS
August 4, 2008

The Lenoir County Board of Commissioners met in special session at 9:00 a.m. on Monday, August 4, 2008 in the Board of Commissioners Main Meeting Room in the Lenoir County Courthouse at 130 S. Queen St., Kinston, NC.

Members present: Chairman Paul Taylor; Vice-Chairman George Graham and Commissioners, Jackie Brown, Claude Davis, Earl Harper, Chris Humphrey and Claude Stroud.

Members absent: None

Also present were: Michael W. Jarman, County Manager; Tommy Hollowell, Assistant County Manager; Robert Griffin, County Attorney; Lashanda Aytch, Clerk to the Board; and members of the general public and the news media.

Chairman Taylor called the meeting to order at approximately 4:00 p.m. Ms. Brown offered the invocation and Mr. Taylor led the audience in the pledge of allegiance.

PUBLIC INFORMATION

Mr. Preston Hunter and Mr. Neil Lassiter of NCDOT: Secondary Road Improvement Program. Canady Loop Road SR 1727 to SR 1722: Grade, Drain, Base & Pave (Complete Funding): \$220,000. Herring Family Road SR 1389 to SR 1303: Grade, Drain, Base & Pave: \$90,000; Parrott Dickerson Road SR 2021 to SR 1546: Grade, Drain, Base \$285,000; Hugo-Grifton Road SR 1004 to NC 11: Widen Pavement from 18' to 22' & Re-grade Typ. Section (Complete Funding): \$400,000; John Green Smith Road: US 258 to SR 1208: Widen Pavement from 18' to 22' & Re-grade Typ. section (Partial Funding) \$100,000. Total of proposed improvements is \$1,592,000. Upon a motion by Mr. Graham and a second by Ms. Brown, the Secondary Road Improvement Program was unanimously approved.

Mr. Gary O'Neal and Mr. Wayland Humphrey of Lenoir County Planning and Inspections: Memorandum of Agreement. Mr. O'Neal stated Mr. K. W. Harper has agreed to a landscape screening proposal in lieu of opaque fencing for compliance with the Lenoir County Junkyard and Automobile Graveyard Ordinance. Landscape screening shall be maintained throughout the lifetime of junk/storage yard. Any plants that die-out shall be replaced/replanted at the owner's expense. The planting strip shall be inspected annually by county staff for plant loss, as to recommend needed replacement/replanting during that year's planting season (Sept. 15-Nov. 15). Owner will be notified by August 15th of the year inspected if any replacement is needed and will have until November 15th of the same year to complete replacement. This compromise will benefit the county as well as Mr. Harper's business in Lenoir County. Mr. Jarman stated he does approve the agreement with Mr. Harper. The Ordinance in existence is not all black and white; this agreement works for all parties involved. Upon a motion by Mr. Graham and a second by Mr. Stroud the Memorandum of Agreement of unanimously approved.

ITEMS FOR THE COUNTY MANAGER

Item No. 2 was Items from the County Manager. No Item discussed.

CONSENT AGENDA

Upon a motion by Ms. Brown and a second by Mr. Davis, the Board unanimously approved the Consent Agenda.

3. Approval of Minutes: Regular Board Meeting: July 21, 2008
 Closed Session Meeting: July 21, 2008

Aytch/Jarman

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| 4. | Resolution Approving the Releases and Refunds to the Individuals Listed Herein | Parrish/Martin |
| 8. | Budget Ordinance Amendment: General Fund: Transportation Fund: DSS- Transportation Administration: \$10,941: Decrease | Jarman/Martin |
| 5. | Budget Ordinance Amendment: School Capital Fund: School Building: \$14,775: Increase | Jarman/Martin |

PUBLIC HEARING

Upon a motion by Mr. Harper and a second by Ms. Brown, a Public Hearing Regarding the Abandonment of a Portion of Secondary Road 1581 John Mewborn Road from the State Maintained System opened at 9:31 a.m. There were no questions or comments made by the public or Board regarding the abandonment. Upon a motion by Mr. Taylor, the public hearing was closed at 9:31 a.m. Abandonment of John Mewborn Road was approved.

BUDGET ORDINANCE AMENDMENTS/RESOLUTIONS

Item No. 7 was a Budget Ordinance Amendment: School Capital Fund: School Building: \$70,883: Increase. Amendment rolls forward balance of funds from the Public School Building Capital projects (rounded). These projects were approved in FY 07-08, but were not completed or paid by June 30, 2008. Upon a motion by Mr. Harper and a second by Ms. Brown, item No. 7 was unanimously approved.

Item No. 8 was a Budget Ordinance Amendment: General Fund: Health: (Adult Health): \$96,000: Increase. Mr. Joey Huff, Health Director, addressed the Board. Mr. Huff stated the grant works with area high schools to develop peer groups within the student body for wellness to prevent smoking amongst the student population. Upon a motion by Mr. Harper and a second by Mr. Stroud, Item No. 8 was unanimously approved.

Item No. 9 was a Budget Ordinance Amendment: General Fund: Finance: \$97,312.58: Increase. The Amendment brings forward-unexpended Sheriff's Civil Process Service Fees from prior years. The law regarding fees for civil papers served by the Sheriff's Department changed in September 2004. The amount charged for fees increased from \$5 to \$15 and 50% of the amount collected shall be used by the Sheriff's Department for the enhancement of the service of civil papers. This process will have to be done each year to bring forward the unexpended funds into the new fiscal year. Upon a motion by Mr. Harper and a second by Mr. Stroud, Item No. 9 was unanimously approved.

Item No. 10 was a Budget Ordinance Amendment: Capital Improvements Fund: Library Expansion: \$181,160: Increase. The Amendment rolls forward balance of funds for the Library Expansion Project (rounded). This project originally began in FY 04-05 with \$2.6 million in Bond proceeds, as well as \$27,516.09 in Bond interest, \$71,220.67 in Bond premium, \$514,167.62 in donations and a County portion of \$120,000. This project is nearing completion and the above amounts are the only funds left. Upon a motion by Mr. Harper and a second by Mr. Stroud, Item No. 10 was unanimously approved.

Item No. 11 was a Budget Ordinance Amendment: Capital Improvements: Finance: \$477,319: Increase. The Amendment rolls forward and distributes prior years-unexpended Economic Development, Community Development, and Building and Grounds Funds into the appropriate expenditure lines in the Capital Improvements Fund for FY 08-09. Upon a motion by Mr. Stroud, and a second by Mr. Harper, Item No. 11 was unanimously approved.

Item No. 12 was a Budget Ordinance Amendment: Community Development Block Grant: Hwy. 70 Industrial Park Water Project: \$551,268: Increase. Mr. Jarman stated this amendment has to be submitted and approved, in order for the Rural Center to accept the application for funding. County Administration is currently trying to decrease the County's local match obligations, so this amendment will be coming back before the Board for approval. Upon a motion by Mr. Harper and a second by Ms. Brown, Item No. 12 was unanimously approved.

Item No. 13A was a Letter re: Annual Settlement of Property Taxes Collected for FY 07-08. Mr. Darrell Parrish, Lenoir County Tax Collector, addressed the Board. Mr. Parrish stated a total of \$29,296,082.18 in tax monies were collected for FY 07-08; totaling 94.47%.

Item No. 13B was a Resolution Approving 2007-2008 Tax Collectors Annual Settlement. Upon a motion by Mr. Humphrey and a second by Mr. Stroud, Item No. 13B was unanimously approved.

Item No. 13C was a Report of Insolvents.

Item No. 13D was a Resolution Approving Insolvent Personal Property Tax List. Upon a motion by Mr. Graham and a second by Ms. Brown, Item No. 13B was unanimously approved.

Item No. 14A was a Resolution Authorizing Lenoir County Health Department to Execute a Purchase Order Contract to GoodTime Medical, Inc.: \$2,945. Mr. Huff stated the examination tables in the Child Health Program need to be updated due to age and unsafe condition of existing tables. Upon a motion by Mr. Stroud and a second by Ms. Brown, Item No. 14A was unanimously approved.

Item No. 14B was a Resolution Authorizing Lenoir County Health Department to Execute a Purchase Order Contract to Access Integrated Technologies, Inc.: \$2,790. Mr. Huff stated Access Integrated Technologies, Inc. and Creative Services Division will design and produce a digital/slide multimedia color advertising display that will include immunizations, family disaster preparedness, etc. The ads will be presented in four (4) – fifteen second messages over a seven month period (includes one month at no cost) at the Premiere Theater in Kinston, NC. The Board tabled the resolution until a price quote could be received from TACC-9 for running the advertisements.

Item No. 19A was a Resolution Authorizing Lenoir County Health Department to Execute a Purchase Order to Peterson, Eure and Associates, PA.: \$7,475. Peterson, Eure and Associates, PA will provide architectural and engineering services to create construction drawings with specifications on the drawings to install ventilation equipment, which will provide negative airflow in an inmate's cell. This cell can be designated as a respiratory isolation holding cell. This is a requirement of the Department of Health and Human Services for review and approval prior to construction. Upon a motion by Mr. Graham and a second by Ms. Brown, Item No. 19A was unanimously approved.

Item No. 15A was a Resolution Approving Purchase of Replacement Ammunition Clips: \$4,321. Major Chris Hill addressed the Board; Mr. Hill stated Sheriff's deputies are required to complete firearms training on a semi-annual basis. During this training deputy's discharge numerous .45 caliber rounds, which are stored in clips that are inserted in the firearm. Every deputy is provided with three ammunition clips. If a clip begins to split from stress the bullets may not feed into the weapon properly causing a jam. Clips are examined on a regular basis. As a result some clips have to be replaced. The best course of action is to replace aging clips so that no failure occurs, which may endanger officers while performing their duties. The Sheriff has been purchasing H&K .45 caliber firearms from PF Custom Guns located in Asheville, N.C. for the past few years. PF Custom Guns is an authorized dealer for the H&K. PF Custom Guns provided a price of \$33.20 for 10 round clips and \$38.50 for 8 round clips. The total price for 100 (10) round clips and 26 (8) round clips is \$4,321. The Sheriff will use State forfeiture funds to make this purchase. Upon a motion by Mr. Harper and a second by Ms. Brown, Item No. 15A was unanimously approved.

Item No. 15B was a Resolution Approving Purchase Order with Capital Ford: \$85,240. Mr. Hill stated for the past several years the Sheriff has purchased Ford Crown Victoria's because they perform well under the rigors of law enforcement work and because they are offered on the State contract. Capital Ford has informed the Sheriffs Office that they have four extra Crown Victoria's from 2008. The vehicles will be priced using the 2008 State Contract, which saves the county money. The 2009 State Contract will not be available until late September. The purchase of vehicles is a budgeted item. The Sheriff respectfully recommends that the Board of Commissioners approve the request to execute a purchase order with Capital Ford for the purchase of (4) 2008 Ford Crown Victoria's. Upon a motion by Mr. Harper and a second by Ms. Brown, Item No. 15B was unanimously approved.

Item No. 15C was a Resolution Transferring Ownership of Mobile Data Terminals to Outside Agencies. Mr. Hill stated the LaGrange and Pink Hill Police Departments have expressed an interest in obtaining these mobile data terminals and desire to have them repaired for use by their respective agencies. The Sheriff no longer has use for these mobile data terminals and have considered them surplus property. The Sheriff respectfully recommends the transfer of ownership of the mobile data terminals to the LaGrange and Pink Hill Police Departments for their official use and benefit. Upon a motion by Mr. Harper and a second by Mr. Stroud, Item No. 15B was unanimously approved.

Item No. 16 was a Resolution Authorizing the Approval of a Blanket Purchase Order for Fast Forward Signs: \$7,000. Mr. Roger Dail, Emergency Services Director addressed the Board. Mr. Dail stated the Lenoir County Emergency Services Department – Emergency Management Division is the responsible department for ordering road signs and all items associated with the maintenance and upkeep of road signs for Lenoir County. This includes placing orders for road signs for new roads, as well as replacing existing road signs that are no longer in place or are damaged beyond repair. The existence of up-to-date road signs is imperative in the assistance of emergency services personnel in locating citizens in need of emergency response. The blanket purchase order of \$7,000.00 is necessary to cover signs that are currently in need of replacing or new signs that are in need of being placed. . Upon a motion by Mr. Graham and a second by Ms. Brown, Item No. 16 was unanimously approved.

Item No. 17 was a Resolution Approving Agreement for Arbitrage Rebate Services: Bingham Arbitrage Rebates Services, Inc.: NTE \$10,800. Mr. Tommy Hollowell, Assistant County Manager, addressed the Board. Mr. Hollowell stated Sections 103 and 148 of the Internal Revenue Service Code stipulate that any earnings over the declared yield of a tax-exempt bond issue must be rebated to the Federal Government. These excess earnings are defined as arbitrage. Arbitrage rebate compliance is a requirement of the Federal Tax Code of 1986. Issuers that do not comply with this section of the tax code could risk the tax-exempt status of their bond and retroactive penalties to the date of issuance of the bonds. For rebate calculations that are late, the penalties may range from underpayment interest (late interest charges) to 50% or 100% of the total arbitrage rebate due, plus interest – possibly doubling the original arbitrage rebate payment. In February 2007 Lenoir County issued \$32,600,000 in General Obligation Public Improvement Bonds, Series 2007 and in June 2008 issued \$39,700,000 in General Obligation School Bonds, Series 2008. Both of these issues are subject to arbitrage rebate. The services of Bingham were recommended to County Administration by the financial staff of Lenoir Memorial Hospital and the North Carolina Capital Management Trust. Since 1988 Bingham has performed arbitrage rebate calculations and this is their sole business. Arbitrage rebate compliance is a requirement of Internal Revenue Service Codes 103 and 148 and the Federal Tax Code of 1986. To comply with these regulations the County wishes to contract with Bingham Arbitrage Rebate Services, Inc. to complete the necessary rebate calculations and reports required by the Federal Government. Upon a motion by Mr. Graham and a second by Ms. Brown, Item No. 17 was unanimously approved.

Item No. 18 was a Resolution Approving the Rezoning of Properties on Hwy. 258 North from Rural to Commercial. Mr. Humphrey stated the current use of the property in question is vacant woodland. It is in close proximity to existing residential development and other light commercial property in the area. The property is also located approximately 1500 feet south of the C.F. Harvey Parkway and future interchange, which will provide adequate road access to the North Carolina Global TransPark and other area businesses. The Lenoir County Planning Board held a public meeting on Thursday, July 17, 2008 to review and make a recommendation for the Hwy. 258 North properties to be rezoned. Through extensive investigation, the Lenoir County Planning and Inspections Department found that the rezoning would be consistent with the intent of the Lenoir County Land Use Plan. Highway commercial corridors are located along the major arrival areas for the community. These areas are well suited for a mixture of commercial and business uses that typically require high visibility and good road access, or which cater to passing motorists. There was no public opposition and the Planning Board voted unanimously to recommend to the County Commissioners for the rezoning of those properties along Hwy. 258 North, for commercial use. Upon a motion by Mr. Humphrey and a second by Ms. Brown, Item No. 18 was unanimously approved.

Item No. 19 was a Resolution Requesting to Continue Electing Status for the Work First Program During State Fiscal Years 2010-2011. Mr. Jack Jones, Social Services Director, addressed the Board. Mr. Jones stated as State Law mandates, all counties must submit a county Work First Block Grant Plan to the Department of Health and Human Services for Work First biennial planning. This is an opportunity for counties to take full advantage of the local flexibility structure in the Work First Program. The planning process consists of several significant criteria including the designation of our county status as either a Standard County or an Electing County. Each county must notify the Department of Health and Human Services by September 26, 2008, as to whether they want Standard or Electing County status. Lenoir County has chosen Electing County Status since 2001. By choosing Electing Status, the county may reduce the county funding for the Work First Program by 10%, saving \$102,373 per year for Lenoir County. Electing County Status also allows the county to use federal TANF funds to provide Children's Protective Services and other TANF services. North Carolina General Statute 108.27 and Work First Policy Section 103 provide instructions for the development of the local Work First plan to meet local needs. Choosing Electing Status has proven very successful for Lenoir County, by allowing the county to save \$102,373 per year while still reducing the number of families who receive public assistance from 573 families in July 2001 to 155 families on May 1, 2008. Also, as an Electing County, Lenoir County has used available Work First Cash Assistance Funds for protective services for children, day care services for children, transportation services for employment and training, and STRIVE classes for Work First Participants. As a Standard County, these services would have only been available with 100% County Funds. The Electing County status saves local tax dollars and makes federal funds available for services described above. To abandoned the Electing County Status at this time would costs approximately \$800,000 local tax dollars. Upon a motion by Mr. Harper and a second by Ms. Brown, Item No. 19 was unanimously approved.

Item No. 19B was a Resolution Authorizing a Purchase Order to Piedmont Parks, Inc. for Outdoor Fitness Equipment: \$12,525. Mr. Bill Ellis, Parks and Recreation Director addressed the Board. Mr. Ellis stated this equipment would be used to promote physical fitness in the community. It will be placed along the walking track at Fairfield Park with instructional signage at each station. There will also be equipment located at Neuseway Nature Park Trails for the public's use. Upon a motion by Mr. Harper and a second by Ms. Brown, Item No. 19B was unanimously approved.

AMENDMENTS:

Item No. 19C was a Budget Ordinance Amendment: General Fund: Finance/Board of Elections: \$14,199: Increase. Mr. Hollowell stated this is a retroactive Budget Amendment to Budget for HAVA Grant Funds. These are state funds paid to counties to assist with additional one-stop voting sites in the 2008 Primary Election. These funds were expended in FY 07-08 and reimbursement was sent in to the State on July 31, 2008. This amendment will increase the budget lines by the amounts expended for this purpose. Upon a motion by Ms. Brown and a second by Ms. Davis, Item No. 19C was unanimously approved.

Item No. 20 was a Resolution Appointing Citizens to Boards, Commissions, Etc. The following reflects existing vacancies and appointments.

| <u>BOARD/COMMITTEE/COMMISSION</u> | <u>APPLICANT/ CURRENT MEMBER</u> | <u>TERM EXPIRATION</u> |
|---|---|---|
| Lenoir County Transit Advisory Board 2nd Appearance | Lorraine K. Smith | December 2008 M: Brown S: Davis |
| Nursing Home Community Advisory Committee 2nd Appearance | Faye Smith | July 2011 M: Brown S: Davis |
| Juvenile Crime Prevention Council 2nd Appearance | Corey Lawson | June 2010 M: Brown S: Davis |
| Regional Aging Advisory Committee (RAAC) 2nd Appearance | Audrey Tyson | July 2011 M: Brown S: Davis |

CURRENT VACANCIES:

- Lenoir County Economic Development Board – At-Large Member
- Lenoir County Health Board – (1) Veterinarian, (1) Optometrist, (2) Public Members
- Grifton Planning Board – One (1) Vacancy
- JCPC – One (1) Vacancy; 1-Juvenile Attorney
- CJPP – Three (3) Vacancies
- Kinston Board of Adjustment – Two (2) ETJ Members; (1) Primary – (1) Alternate

CLOSED SESSION:

Upon a motion by Mr. Harper and a second by Ms. Brown, and unanimous approval, closed session was entered at approximately 10:26 a.m. and the following cited: Number five (5) to establish or instruct the public body’s staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price or other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease; or (ii) the amount of compensation and other materials terms of an employment contract or proposed employment contract. The Board discussed a 90-Day Option Agreement on the purchase of property. Upon a motion by Mr. Harper and a second by Ms. Brown, the Board moved out of Closed Session at 10:42 a.m.

OPEN SESSION

Upon a motion by Mr. Harper and a second by Ms. Brown Open Session re-convened at 10:42 a.m. The Board reviewed a Resolution Approving of an “Option to Purchase” Real Property: 112 S. Queen St., 109, 111, 113, and 115 E. Caswell St., Kinston, N.C.: \$750,000. Mr. Griffin stated the County desires to purchase real property located at 112 S. Queen St., 109, 111, 113, and 115 E. Caswell St., Kinston, N.C. All of these properties are contiguous to Lenoir County Courthouse property. Future needs for expansion of County facilities and operations make these properties an essential acquisition for the County. At the request of the Board, County Administration contracted with the real estate appraisal firm of Raspberry Shackelford & Associates to perform an appraisal of the properties. An “Option to Purchase” these properties were prepared by the County Attorney. The Option shall exist and continue from the date approved until 5:00 p.m. on October 28, 2008. Future needs for expansion of County facilities and operations require the purchase of additional real estate. The properties located at 112 S. Queen St., 109, 111, 113, and 115 E. Caswell St., Kinston, N.C., are all contiguous to Lenoir County Courthouse property. Approval of this “Option to Purchase” will assure the County that these properties will be available for purchase by the County during the Option Period. Upon a motion by Mr. Harper and a second by Ms. Brown, the Option Agreement was approved by a 6 to 1 vote with Mr. Humphrey dissenting.

Upon a motion by Mr. Graham and a second by Mr. Taylor, the Board recessed the meeting to have a Work Session at the Administration Building Conference Room to discuss possible expansion needs of County facilities. The Board recessed at 10:46 a.m.

WORK SESSION

The Board convened in open session at 11:15 a.m. Sheriff Smith and Major Chris Hill presented the Board with information regarding a possible Lenoir County Jail expansion. Sheriff Smith recommended the Lenoir County Board of Commissioners approve the construction of a 192-bed facility. Sheriff Smith stated he, along with his department with help from the judicial system, have exercised all options available at this time to keep jail population levels down. Major Hill presented the Board with a PowerPoint presentation highlighting jail expansions in other communities and Lenoir County’s current jail populations and trends. After much discussion, upon a motion by Mr. Taylor and a second by Mr. Davis, the Board approved entering into a contractual agreement with Brennan and Associates to construct a 192-bed jail facility for Lenoir County. The motion passed by a 6 to 1 vote with Mr. Humphrey dissenting.

Upon a motion by Mr. Taylor the meeting adjourned at 1:17 p.m.

Respectfully submitted,

Reviewed By

Lashanda Aytch
Clerk to the Board

Michael W. Jarman
County Manager