

BOARD OF COMMISSIONERS
REGULAR MEETING September 10, 2007

ALEXANDER COUNTY
STATE OF NORTH CAROLINA

PRESENT: W. Darrell Robertson, Chairman
 Wes Bolick, Vice-Chairman
 William L. Hammer
 Harold M. Odom
 Larry G. Yoder

STAFF: Rick French, County Manager
 Jamie Starnes, Clerk to the Board

MEDIA: Micah Henry, The Taylorsville Times

The Alexander County Board of Commissioners held a regular meeting on Monday, September 10, 2007 in the Catawba Valley Community College / Alexander Center Multipurpose Room, Taylorsville, North Carolina.

CALL TO ORDER

Chairman Robertson called the meeting to order at 6:00 PM.

INVOCATION & PLEDGE OF ALLEGIANCE

Rev. Larry Allen, Lebanon Baptist Church, gave the invocation and Commissioner Bolick led the Pledge of Allegiance to the Flag.

COMMISSIONER'S REPORT

Chairman Robertson stated that it was customary for the Board to present a Key to the County to all state senators and representatives that represent Alexander County in the General Assembly; however, he noted that the Board had apparently overlooked former Representative Mark Hollo. He stated that the Board would present him a Key to the County in the near future.

Chairman Robertson also requested that the September 24, 2007 Commissioners' Meeting be called to order at 6:30 PM instead of 6:00 PM. He explained that the Board would be recognizing former commissioners, sheriffs, registers of deeds, and clerks of court at that time and that a small reception would be held prior to the meeting.

Commissioner Yoder made a motion to call the September 24, 2007 Commissioners' Meeting to order at 6:30 PM instead of 6:00 PM. Commissioner Bolick seconded the motion. The Board voted unanimously in favor of the motion.

ADOPTION OF AGENDA

Commissioner Hammer made a motion to adopt the agenda as presented. Commissioner Yoder seconded the motion. The Board voted unanimously in favor of the motion.

PUBLIC COMMENT PERIOD

There was no one present to speak during the Public Comment Period.

PUBLIC HEARING: CONSIDERATION OF OPTION TO PURCHASE PROPERTY BY DECKER ENERGY INTERNATIONAL

David Icenhour, Economic Development Director, discussed an option agreement to purchase property to Decker Energy International, a wood-waste burning biomass energy plant, by Alexander County. He explained that the property to be optioned consisted of 144.762 acres next to the County landfill and the option price if exercised would total \$5,000 per acre or \$723,810. He also noted that the property was being optioned pursuant to N.C.G.S. 158-7.1 for the purpose of aiding and encouraging the location of an energy generating enterprise within Alexander County.

Mr. Icenhour informed the Board that the County and Decker Energy International had determined that the investment would range from \$100 to \$150 million and that 20 to 30 full-time jobs would be created with average salaries ranging from \$35,000 to \$50,000. He also stated that the plant would create 50 megawatts of renewable power for the citizens and potentially \$7.5 million annually in economic benefits for the area due to local fuel procurement.

Mr. Icenhour introduced Tim Berrigan, Vice-President for Decker Energy International, who presented a slide show of background information regarding the company and "Alexander Renewable Energy, LLC," the subsidiary of Decker Energy International that would be locating in Alexander County if the option was exercised. Mr. Berrigan discussed the proposed timeline for the process which included:

- Secure site control – September 2007
- Be short-listed by Duke Energy – September 2007
- Execute power purchase agreement with Duke Energy – 1st quarter 2008
- Kick-off permitting process – 2nd quarter 2008
- Begin construction – 2nd quarter 2009

Mr. Berrigan presented photos of the wood-waste burning plants operating in Grayling, Michigan and New Bern, NC. He also stated that several sites in NC had been screened but noted that the Alexander County site was the most compelling due to its proximity to electric transmission lines, raw water, Highway 64, and Interstates 40 and 77, as well as the County's willingness to assist them.

Commissioner Hammer stated that he and Mr. Icenhour had visited the plant in New Bern and was very impressed with the facility.

Robert Campbell, County Attorney reviewed a newly revised option agreement to purchase property between Alexander County and Alexander Renewable Energy, LLC. He stated that Paragraph three of the agreement stated that the exercise of the option was further subject to and dependent upon the execution of any local incentive agreement that may be required by Alexander County under N.C.G.S. 158-7.1.

Chairman Robertson expressed concerns with the timeframe of execution of the agreement as well as with Alexander Renewable Energy deciding to not construct the energy plant and selling the property to someone else. Mr. Campbell explained that a clause could be included in the agreement to state that Alexander Renewable Energy must execute the agreement within so many days of the Board's approval. He also explained that provisions could be outlined in a closing document that the purchase of the property would be solely for a biomass energy plant and that the County could purchase the property back at the same price sold for plus any cost for improvements made.

Chairman Robertson called the public hearing to order and requested any public comment. There being no public comment, Commissioner Yoder made a motion to close the public hearing. Commissioner Hammer seconded the motion. The Board voted unanimously in favor of the motion.

Commissioner Odom made a motion to approve the option agreement to purchase property between Alexander County and Alexander Renewable Energy to include a provision outlined in the agreement that Alexander Renewable Energy would execute the agreement within 30 days of approval of the agreement and, upon their decision to execute the purchase agreement and acquire the property, Alexander Renewable Energy, LLC would comply with the requirements of N.C.G.S. 158-7.1 related to the use of the property.

Mr. Campbell felt the Board should also add that the agreement would be subject to and dependent upon the execution of a further agreement at closing that would allow the County the option to purchase the property back at the same price sold for plus the cost for any improvements causing the increase in property value in the event that Alexander Renewable Energy chose not to pursue construction of the biomass energy plant.

Chairman Robertson made a motion to amend Commissioner Odom's motion to include Mr. Campbell's statement. Commissioner Yoder seconded the motion. The Board voted unanimously in favor of the motion.

Commissioner Hammer seconded Commissioner Odom's amended motion. The Board voted unanimously in favor of the motion.

PUBLIC HEARING: REZONING CASE 07-5 – MT. BETHEL UMC

Sylvia Turnmire, Director of Planning & Development, presented Rezoning Case 07-5 submitted by Mt. Bethel United Methodist Church. The applicant requested rezoning of property located at 9042 NC Highway 127 from RA-20 (Residential-Agricultural) to H-C (Highway Commercial) to allow for a professional office building. The size of the property is .54 acres and the current land use is abandoned accessory buildings. Ms. Turnmire stated that zoning within 100 feet of the property was RA-20 to the north, south, and west along with RA-20 and H-C to the east. Land uses within 100 feet of the property include single-family site-built residential homes to the north and west, a church to the south, and retail sales, a manufactured home, and vacant property to the east.

Ms. Turnmire stated that the subject property was previously occupied by a single-family home that had been removed and was bordered to the east by the Bethlehem General Store. She explained that the church intended to sell the property once rezoned to allow for the professional office building and that the church did not intend to operate the office building itself. She mentioned that if the request was granted, all current landscaping and parking requirements would apply.

She informed the Board that the purpose of the H-C District, according to Section 154.170 of the Alexander County Zoning Ordinance, was to provide suitable locations for those commercial activities which serve primarily the traveling public, including those which function rather independently of each other. Section 154.140 states that the RA-20 District is established as a district in which the principal use of the land is for low-density residential and agricultural purposes including single-family dwellings, two-family dwellings, individual manufactured homes, and related uses necessary for a sound neighborhood.

Ms. Turnmire stated that the 1993 Land Development Plan showed this property as being located in an Urban Transition Area which has the purpose "providing for future intensive urban development on lands that are suitable and that will be provided with the necessary urban services to support intense urban development. Areas meeting the intent of the Urban Transition classification are presently being developed for urban purposes or will be developed in the next 5 to 10 years to accommodate anticipated urban growth."

She also pointed out that the 1995 Alexander County Thoroughfare Plan mentioned that the widening of NC Highway 127 from the Catawba County line to US Highway 64/90 was an "identified future need." She noted that the project was currently unfunded but that

recent discussion with the Greater Hickory MPO included advancing this project higher on the priority list. The 2006 NCDOT average daily traffic count for this section of Highway 127 was 12,000 trips per day.

Ms. Turnmire stated that letters were sent by first class mail to the property owners within 100 feet of the parcel boundary, a sign was posted on the property, and an advertisement was placed in *The Taylorsville Times*. She mentioned that staff had not received any calls regarding this request and that no one spoke in opposition to the request at the Planning & Zoning Commission Meeting.

Ms. Turnmire informed the Board that Planning & Development staff recommended approval of the rezoning request based on the following:

1. The property is within 100 feet of a similar zoning district.
2. The property lies within an Urban Transition Area as defined by the Land Development Plan.

She also pointed out that the Planning & Zoning Commission held a public hearing on August 2, 2007 to review the request and unanimously recommended approval based on the following:

1. The property is located within an Urban Transition Area as defined by the Land Development Plan.
2. The property complies with existing plans.
3. The subject property is within 100 feet of an H-C Zoning District.

Ms. Turnmire explained that based on the information provided, the Board must determine whether the rezoning request meets the guidelines set forth above. She also noted that Section 154.351(C)(1) of the Alexander County Zoning Ordinance required the Board to provide a statement describing whether the proposed amendment is consistent with the Alexander County Land Development Plan, the Alexander County Thoroughfare Plan, and if the proposed amendment is reasonable with regard to the public interest.

Chairman Robertson called the public hearing to order and requested any public comment. There being no public comment, Commissioner Hammer made a motion to close the public hearing. Commissioner Yoder seconded the motion. The Board voted unanimously in favor of the motion.

Commissioner Bolick made a motion to approve Rezoning Case 07-5 based on the fact that the property is located within an Urban Transition Area as defined by the Land Development Plan, the property complies with existing plans, and the subject property is within 100 feet of an H-C Zoning District. Commissioner Hammer seconded the motion. The Board voted unanimously in favor of the motion.

PUBLIC HEARING: OFF-PREMISE SIGN MORATORIUM ORDINANCE

Sylvia Turnmire, Director of Planning & Development, presented a proposed moratorium ordinance for off-premise signs in response to several complaints from citizens and elected officials. She stated that since January 1, 2007, the Planning and Inspections Office had reviewed and processed 9 permits for off-premise signs, tripling the number of billboards in the county's jurisdiction from 4 to 13. Ms. Turnmire explained that N.C.G.S. 153A-340(h) prescribes the method in which a local government can adopt and enforce a development moratorium by a statement of facts that must be clearly evident and presented in the ordinance prior to adoption, which are as follows:

1. A clear statement of the problems or conditions necessitating the moratorium.
2. A clear statement of the development approvals subject to the moratorium and how a moratorium on those approvals will address the problems or conditions.
3. An expiration date for termination of the moratorium and a statement setting forth why that duration is reasonably necessary to address the problems or conditions.
4. A clear statement of the actions and the schedule for those actions.

Ms. Turnmire reviewed the proposed off-premise sign moratorium in detail with the Board discussing the compliance with the statement of facts pursuant to N.C.G.S. 153A-340(h). She pointed out that the proposed moratorium would terminate on 11:59 PM on March 10, 2008 to allow time for the County to complete the preparation and adoption of a revised off-premise regulatory sign ordinance.

Chairman Robertson called the public hearing to order and requested any public comment.

Public Comment

Jim "Burkie" Jennings applauded the Board and staff for addressing this issue. He felt that putting a stop to highway clutter would only enhance the beauty of the county.

Dwight Isenhour informed the Board that he was one of the 9 citizens that wrote the original zoning ordinance for the Bethlehem community. He stated that the ordinance included restrictions to prohibit more billboards being placed in the area; however, he explained that those restrictions were lifted once countywide zoning went into effect which had allowed for the placement of additional signs and billboards. Mr. Isenhour also discussed his concerns with commercial businesses approaching his home. He noted that the original zoning ordinance for Bethlehem also intended to stop commercial establishments at Taylorsville Exchange Road. He felt that these restrictions should be placed back into the current countywide zoning ordinance.

Commissioner Bolick mentioned that he had received 6 calls from citizens complaining about the billboards along Highway 127.

There being no further public comment, Commissioner Hammer made a motion to close the public hearing. Commissioner Yoder seconded the motion. The Board voted unanimously in favor of the motion.

Commissioner Bolick made a motion to approve the off-premise sign moratorium ordinance as presented. Commissioner Odom seconded the motion. The Board voted unanimously in favor of the motion.

REPORT ON MANDATORY WATER RESTRICTIONS

Rick French, County Manager, stated that Duke Energy and water suppliers on the Catawba River Basin, including the City of Hickory, declared a Low Inflow Protocol State 2 on August 27, 2007 and that mandatory water restrictions were being enforced to include the following:

- Limit outside water use to no more than two days per week. No more than one inch per week of outside watering is allowed.
- Limit outside water use to only those items required for safety or regulatory compliance. No washing of buildings, sidewalks, parking lots, or public streets.
- Landscaping should receive minimal watering with the use of hand held cans or manned spring loaded nozzles.
- Eliminate residential vehicle washing. Wash cars minimally at commercial car washes that use recycled water.

Mr. French stated that the City of Hickory Public Utilities crews would begin issuing fines beginning September 4, 2007 for those who disobeyed the water restrictions.

BUDGET ORDINANCE AMENDMENTS #6 & #7

Rick French, County Manager, discussed the purpose of Budget Amendments #6 and #7, which included the following:

Budget Amendment #6 – To budget for a Health Reimbursement Arrangement Plan for medical insurance deductible payments or \$500.

Budget Amendment #7 – To budget for materials expense for a waterline extension on Sam Poole Lane.

Commissioner Yoder made a motion to approve Budget Amendments #6 and #7. Commissioner Bolick seconded the motion. The Board voted unanimously in favor of the motion.

OTHER BUSINESS

Rick French, County Manager, asked that the Board simply consider the approval of the County Manager's Report for the sake of time.

Commissioner Odom made a motion to approve the County Manager's Report as presented. Commissioner Bolick seconded the motion. The Board voted unanimously in favor of the motion.

CONSENT AGENDA

- A. Minutes from the August 20, 2007 Regular Commissioners' Meeting.
- B. Tax Release Requests for August \$12,008.39 and Tax Refund Requests for August \$740.18.
- C. Resolution of Appreciation to the General Assembly for Relieving Counties of Medicaid.
- D. Resolution Authorizing Application for Loan and Grant Water Funds.

Commissioner Hammer made a motion to approve the Consent Agenda. Commissioner Bolick seconded the motion. The Board voted unanimously in favor of the motion.

ADJOURNMENT

There being no further business for the regular meeting, Commissioner Bolick to adjourn at 8:02 PM and reconvene in a work session. Commissioner Odom seconded the motion. The Board voted unanimously in favor of the motion.

W. Darrell Robertson, Chairman
Board

Jamie M. Starnes, Clerk to the

BOARD OF COMMISSIONERS
WORK SESSION September 10, 2007

ALEXANDER COUNTY
STATE OF NORTH CAROLINA

PRESENT: W. Darrell Robertson, Chairman
Wes Bolick, Vice-Chairman
William L. Hammer
Harold M. Odom
Larry G. Yoder

STAFF: Rick French, County Manager
Jamie Starnes, Clerk to the Board

The Alexander County Board of Commissioners held a work session following the adjournment of the regular meeting.

CALL TO ORDER

Chairman Robertson called the work session to order at 8:10 PM.

BLACK OAK RIDGE SCHOOL

Jim "Burkie" Jennings discussed the Black Oak Ridge School located on Flake Harrington Lane which was constructed in 1910 or 1911 and used until the spring of 1933. He explained that the owner of the property where the one-room school house was currently located was willing to donate the school to be moved, preserved, and restored to its original condition. He felt that the school could be used as a historical museum and possibly placed on the National Registry of Historical Places.

Lana Armstrong, Carolina Conservation Stewardship Assurance Corporation, presented cost estimates from Blake House Moving Company to move the Black Oak Ridge School to a location within Town limits which included \$16,800 for moving permits and blue light escorts, \$1,000 for utility trucks, \$7,000 for roof removal and replacement, \$3,000 for concrete footings, and \$600-\$1,000 for the fireplace foundation for a total of \$28,400-\$28,800.

Ms. Armstrong also discussed the creation of a comprehensive indexing system for the survey and inventory of the County's historic properties and cultural resources. She stated that the County could receive a "Certified Local Government" designation with the NC State Historic Preservation Office which would help with grant funding to support the relocation, restoration, and preservation of the Black Oak Ridge School and other historical sites in the future. She

noted that she could provide these services at a cost of approximately \$20,000. She also stated that fundraisers could be held to raise additional funding to pay for the preservation and that school children could get involved in that effort.

The group discussed a possible location for the Black Oak Ridge School within Town limits. Several individuals mentioned Matheson Park as well as one of the current schools. Town Mayor Guy Barriger, Town Manager David Odom, and several Town Commissioners were present at the meeting and the Board asked them about the possibility of moving the school to Matheson Park. Mayor Guy Barriger felt that it was important to preserve the history of the county. He stated that it would be the Town Board's decision to allow the school on the property and he felt that the Matheson family would be happy to have the school located there.

Lana Davidson was present during the work session and asked to speak. She read a short story written by her sister about her time spent attending Black Oak Ridge School. Ms. Davidson stated that she would like to write the first check for \$100 to have the school preserved.

Chairman Robertson thanked Mr. Jennings and Ms. Armstrong for attending and presenting the information. He stated that the Board would need to consider the costs of this project before making any decision.

REQUEST FROM THE TOWN OF TAYLORSVILLE

David Odom, Town Manager, informed the Board that with the addition of a minimal security prison on Highway 16 South, the Macedonia pump station and the Town's wastewater treatment plant would need upgrading. He requested a partnership with the County in applying for grant funding through the NC Rural Center. He suggested the County apply for grant funding for upgrades to the pump station while the Town applied for funding to upgrade the wastewater treatment plant.

Rick French, County Manager, suggested he and Mr. Odom meet with Jerry Twiggs, West & Associates, to discuss the cost and specifics of these projects. The Board agreed.

MEDICAID & REVENUE OPTIONS FOR FUTURE REFERENDUM

Rick French, County Manager, presented revenue projections for an additional ¼ cent sales tax or a .4% land transfer tax through fiscal year 2011-2012, which clearly showed that the sales tax would generate much more revenue than the land transfer tax and would also be a fairer tax for citizens to pay. These options are in response to the Medicaid relief swap provided by the General Assembly.

The Board agreed to move forward with holding a referendum to enact an additional ¼ cent sales tax. They also agreed to meet at a later date to decide when the referendum would be held.

NC DRINKING WATER REVOLVING LOAN FOR NORTHEAST WATER PROJECT

Rick French, County Manager, stated that the County qualified for a 2% loan through the NC Drinking Water State Revolving Loan fund to pay for the Northeast Water Project and he noted that the agency required Local Government Commission approval. He informed the Board that he had met with a representative from the LGC who suggested that water customers begin paying for the project immediately; however, Mr. French explained that this was not an option because the water line had not yet been installed.

He explained that the revenue from the additional ¼ cent sale tax could be used to pay back the debt on the loan and he noted that paperwork would be presented to the LGC to be considered in November. He also pointed out that construction should begin sometime next year.

CLOSED SESSION – N.C.G.S. 143-318.11(a)(1, 4, 5, & 6) TO PREVENT DISCLOSURE OF CONFIDENTIAL INFORMATION, ECONOMIC DEVELOPMENT, CONTRACTUAL, & PERSONNEL

Commissioner Yoder made a motion to enter into Closed Session at 9:23 PM to prevent the disclosure of confidential information and to discuss economic development, contractual matters, and personnel issues pursuant to N.C.G.S. 143-318.11(a)(1, 4, 5, & 6). Commissioner Bolick seconded the motion. The Board voted unanimously in favor of the motion.

ADJOURNMENT

There being no further discussion, Commissioner Hammer made a motion to adjourn at 9:45 PM. Commissioner Odom seconded the motion. The Board voted unanimously in favor of the motion.

W. Darrell Robertson, Chairman

Jamie M. Starnes, Clerk to the Board