

Draft

**BOARD OF COMMISSIONERS  
REGULAR MEETING**     March 1, 2010

**ALEXANDER COUNTY  
STATE OF NORTH CAROLINA**

**PRESENT:**    Larry G. Yoder, Chairman  
                  Ryan Mayberry, Vice-Chairman  
                  Wes Bolick  
                  Harold M. Odom  
                  W. Darrell Robertson

**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, March 1, 2010 in the CVCC / Alexander Center Multipurpose Room, Taylorsville, North Carolina.

**CALL TO ORDER**

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

**INVOCATION & PLEDGE OF ALLEGIANCE**

John Stikeleather, Alexander Rescue Squad Member, gave the invocation and also led the Pledge of Allegiance to the Flag.

He stated that the Rescue Squad, which began operation in 1959, currently had 35 volunteer members and provided many different types of rescue services including heavy/light rescue, swift water, and urban search and rescue. He noted that the squad also had HazMat training, provided backup assistance to EMS as well as other counties with mutual aid agreements, and provided standby assistance at races and sporting events throughout the county. Mr. Stikeleather reported that most of the squad's funding came from fundraisers, with the exception of appropriations from the YMCA and County.

**\*\*\*SPECIAL RECOGNITION\*\*\***

Commissioner Robertson recognized David Icenhour, Economic Development Director, for recently obtaining designation as a Certified Economic Developer by the International Economic

Development Council during the January 2010 conference in Houston, Texas. Mr. Icenhour graduated from the University of Oklahoma's Economic Development Institute in April 2009 which qualified him to sit for the CEcD exam.

Mr. Icenhour thanked the Board for the recognition, stating that he had been working on the designation since 2004. He explained that having a Certified Economic Developer gave Alexander County another economic development tool, showing credibility for the office and county overall.

## **COMMISSIONER'S REPORT**

Commissioner Mayberry reported that the proposal for counties to take over maintenance of secondary roads had resurfaced. This would increase the property tax rate in Anson County by 34.7 cents, 32.4 cents in Bertie County, and 32 cents in Greene County. Alexander County would be forced to increase the property tax rate by 20 cents. He asked citizens to contact their General Assembly representatives urging them to vote against the proposal.

## **ADOPTION OF AGENDA**

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

## **PUBLIC COMMENT**

The following comments were heard:

### **Bethlehem Peddling**

Bud Caywood, member of the Bethlehem Community Development Association, addressed the Board with concerns regarding individuals selling items at the intersection of Highway 127 South and Shiloh Church at the 127 bridge. He explained that this began many years ago with someone selling golf balls, but it had escalated to more yard sale or flea market type sales that occurred most, if not all, days of the week. He felt that it was an eyesore and not the image the Bethlehem community wanted to portray to others entering the county. He asked the Board for suggestions on how to address this problem.

Commissioner Bolick replied that County had specifications in the Zoning Ordinance to address peddler's licenses; however, he noted that it was his understanding that manpower was not available to enforce the regulations.

Commissioner Robertson mentioned that the property was probably owned by the state or by Duke Power, noting that they may play a part in addressing this issue.

Chairman Yoder informed Mr. Caywood that the Board would discuss the problem with the County Attorney to determine how other counties handled these types of situations so that the problem could be addressed as soon as possible.

### **Soup Kitchen Request**

Mike Petote requested the County's support for a soup kitchen in Alexander County as well a vacant building to be used as a warehouse to store food and supplies. He noted that the closest soup kitchens were in Winston-Salem and Charlotte.

Chairman Yoder felt this issue needed to be discussed with Karen Hoyle, DSS Director, and the Commissioners' Task Force who would be meeting on Thursday, March 4, 2010 at 12:00 PM. He encouraged Mr. Petote to attend that meeting.

### **3/50 PROJECT REPORT**

Kathy Riddle, an Alexander County resident, was present to promote the 3/50 project in an effort to save our local economy. She mentioned that the loss of sales tax revenue had negatively affected this county and she felt that the 3/50 project was an action plan that the public could participate in.

She explained that the 3/50 project was simple – pick 3 independently owned businesses in the county and pledge to spend \$50 between those 3 businesses each month. According to the Department of Labor, if half the employed U.S. population spent \$50 each month in locally owned independent businesses, it would generate more than \$42.6 billion in revenue. In 2008, a civics economic study showed that for every \$100 spent in locally owned independent stores, \$68 returned to the community through taxes, payroll, and other expenditures. If you spend that money in a national chain, only \$43 stays in the county and spending online brings nothing back.

Ms. Riddle requested the Board's support for this project or a similar project, also noting that she would be speaking with the Taylorsville Town Board tomorrow night and later with the Chamber of Commerce to seek their support as well.

Commissioner Bolick felt that Alexander County citizens already spent \$50 at local stores. Ms. Riddle stressed that the stores must be locally owned and independent. Commissioner Robertson felt that if citizens already spending \$50 locally could commit to spending another \$50, it would definitely make a big impact and help the local economy.

The need for a marketing plan was discussed as well as allowing businesses the opportunity to enroll in the program and possibly offer discounts to participating citizens.

Ms. Riddle felt this was a great beginning and stated that more information could be obtained by visiting [www.the350project.net](http://www.the350project.net).

Commissioner Mayberry also urged citizens to buy American made products as much as possible.

## **STATE OF THE COUNTY MESSAGE**

Chairman Yoder gave the following State of the County Message:

I appreciate the opportunity to continue the tradition of presenting the State of the County message to the citizens of Alexander County. The State of the County was extremely challenging in 2009. Despite a poor economy with high unemployment, there were a number of positive signs.

The Northeast Area Water Project was completed in August 2009 and was expanded due to costs coming in under budget. The first expansion of the project was to add Hopewell Church Road. It was completed in November 2009. The next expansion will use all of the remaining funds for Daniels Lumber Road, Sharpe Mill Road, King Sprinkle Road, and Center Church Road. EnergyUnited Water Corporation will install a portion of these waterlines in order to get all of them in place with the available funds. The funds used are the original \$3.6 million low interest loan and the \$500,000 Rural Center Grant. The total length of waterlines installed, once the last part is complete, will be approximately 33 miles.

The Vashti Road Waterline Project has been designed and is now ready for bidding. It has a budget of \$1,250,000 and is 100% grant funded through the Community Development Block Grant Program and the NC Rural Center. The water line will extend from NC Highway 16 to Judd Smith Road. The total length of waterline is just over 6 miles. In addition to providing to those with inadequate wells, the project will boost pressure in the Salem Church area where low pressure is currently a problem.

In addition, County staff is working on another potential water project using low interest financing through USDA-ARRA. This project would consist of constructing water lines along the entire length of Church Road, Teague Town Road, Blankenship Road North, Zeb Watts, Ned Herman, Liberty Grove, the Polly Bowman area and a number of system improvements. The improvements in Bethlehem would impact low pressure areas by replacing water pumps and some line improvements along Webb Price Road, Advent Church Road and Icard Ridge Road. The total estimated cost of this project is \$9 million.

While 2009 was a challenging year in economic development, there were some encouraging signs for the future. While unemployment has remained unacceptably high, Alexander County's average monthly unemployment rate for 2009 was the lowest in the Unifour area.

Alexander County saw several new companies locate in the county during 2009. Caye Home Furnishings pledged to invest \$1.4 million and create at least 128 new jobs. In addition, Caye partnered with Industrial Timber and North Carolina Foam & Sales to add another 37 new jobs. This project was the largest one-time job announcement by a private employer that Alexander County has experienced in more than 10 years.

Composite Fabrics of America purchased an existing empty facility in Alexander County in 2009 pledging to create at least 10 new jobs and investing approximately \$1 million dollars into the new project.

The Alexander Industrial Park was expanded by approximately 90 acres to allow for future industrial development and, with funding by EnergyUnited, a new master plan for the Industrial Park has been created.

In 2009, Paragon Films started construction of a \$12 million project to expand their facility located in the Alexander Industrial Park. Expansion plans include the construction of over 60,000 square feet of manufacturing and warehouse space and the creation of 15 new jobs.

Also during 2009, the Alexander County EDC and County Government worked together to secure more than \$875,000 in grants for industries in Alexander County:

- \$250,000 One NC Fund Grant – Caye Home Furnishings
- \$150,000 Rural Center Grant – Paragon Films
- \$150,000 Commerce Grant – Paragon Films
- \$250,000 Entrepreneurial Grant – Piedmont Wood Products
- \$ 56,653 Building Reuse – Piedmont Fiberglass
- \$ 19,000 Building Reuse – Composite Fabrics

Other initiatives include participation in the North Carolina Department of Commerce’s 21<sup>st</sup> Century Program which gives the County preferential status with state grants and provides for economic development strategic planning.

The 2009-2010 budget was very challenging for the Alexander County Board of Education which had to revert \$857,000 back to the state before the completion of the budget. Due to the reversion of money, the school system lost eight teaching positions, one guidance counselor position, two assistant principal positions, one central office director, and six non-certified positions.

The 2010-2011 budget will call for the school system to revert an additional \$310,000 before completing their budget.

The Alexander County School System is the only system in the state to have 100% of their teachers *Highly Qualified* for the past four years, as defined by “No Child Left Behind” legislature. Our school system ranked 2<sup>nd</sup> out of 115 school systems with a teacher turnover rate of 7.12%. The state average is 12.72%. Our school system is 9<sup>th</sup> in the state in the percent of National Board Certified Teachers. The Alexander County Schools rank FIRST in the Unifour in all of these categories.

#### SCHOOL & STUDENT ACHIEVEMENT DATA

- 9 out of 10 schools made Adequately Yearly Progress under the “No Child Left Behind” federal legislation.

- Percent of student proficient (scoring Level III or IV on End of Grade Test) for the 2008-2009 school year:

<u>Grade</u>	<u>Math</u>	<u>Reading</u>
3 <sup>rd</sup>	91%	69%
4 <sup>th</sup>	87%	76%
5 <sup>th</sup>	83%	73%
6 <sup>th</sup>	78%	72%
7 <sup>th</sup>	82%	64%
8 <sup>th</sup>	87%	71%

- Alexander Central High School End of Course test results for Fall of 2009

Algebra I	90.6%
Algebra II	91.5%
Biology	85.2%
Civics	84.1%
English I	78.2%
Geometry	93.7%
Physical Science	64.5%
U.S. History	71.6%
 Overall Proficiency	 80.8%

The Alexander County Board of Education is committed to providing a quality 21<sup>st</sup> Century Education to all students and to spending taxpayers' money wisely.

The 2009-2010 proposed budget for Alexander County was reduced \$2,843,000 or nearly 9%. There were no new employees proposed in the County budget. County employees were scheduled to take 5 unpaid furlough days throughout the current budget years. There were no cost of living or merit funds budgeted for employees. Two positions along with a number of part time positions were eliminated. Employees hired after July 1, 2009 will receive reduced benefits including longevity. All County employees' travel was reduced by 25% across the board and must be pre-approved. Although the funding for Alexander County Schools was dramatically reduced by the state, County funding was not reduced one penny. In fact, the funding for the school resource officers, which has been shared 50/50 between the school and county, was funded 100% by the County due to state budget reductions to our school system.

The Article 44 local sales tax was converted to a state sales tax by approval of the North Carolina General Assembly in October 2009 as part of a Medicaid swap. This action results in a loss of approximately \$1,300,000 annually to Alexander County.

In October 2009, the state also changed the allocation method for the Article 42 half-cent sales tax. This local sales tax is now allocated on a point of origin basis, which hurts counties like Alexander that do not have large retail shopping areas. As a result, the County is losing

most of this revenue stream (over \$500,000 per year). A portion of the Article 42 local sales tax must be set aside for school construction and school debt service. A new hold-harmless provision requires the County to set aside enough money so the school system will not receive less than it did before the State changed the allocation method for Article 42 sales tax. The school hold-harmless has resulted in Alexander County setting aside more money for the school system's share of Article 42 sales tax than the County actually receives from Article 42. The amount budgeted for the school hold-harmless in 2009-2010 is \$482,000.

Counties receive their share of local sales taxes each month and as of the February 2010 distribution, the County's sales tax revenues are down 31% compared to the same time last year. Even though the County budgeted conservatively for the 2009-2010 sales tax revenues, it appears the actual results for the year will be lower than the original budget estimates.

The fund balance of Alexander County's General Fund was 12.29% as of June 30, 2009, which is less than the 22.65% average fund balance for comparably sized counties. The Local Government Commission continues to recommend a higher level of fund balance for our county. Fund balances should be increased in order to 1) finance operations during periods of declining revenues, 2) address emergencies and unexpected expenditures, and 3) take advantage of financial opportunities, such as grants with local match requirements.

The Alexander County Office of Emergency Services had a busy 2009. This office worked with the NC Department of Agriculture to secure \$104,000 grant to conduct training and exercise for agricultural emergencies in and around Alexander County, assisted the Bethlehem Fire Department with a Station Construction Grant request for ARRA funds in the amount of \$2,000,000, worked with the newly formed NC Domestic Preparedness Region 8 to write and submit over \$1,000,000 in grant request for the 12 county region, and utilized a \$38,000 in NC Emergency Management grant funds to conduct 2 parts of a 3-part series of training exercises in reference to Mass Evacuation of an adult care facility. The third part of the exercise is currently being planned. The Emergency Services Department also worked with the Stony Point Fire Department in construction of a new substation on Paul Payne Store Road and the re-drawing of district lines in relation to the Wittenburg Fire Departments.

Alexander County Planning staff assisted the Western Piedmont Council of Governments in the development of the Unifour Long Range Transportation Plan. County staff also monitored legal efforts concerning the inter-basin transfer to the cities of Concord and Kannapolis until the settlement was reached in December 2009. The efforts made by the Protect the Catawba Coalitions will preserve our water resources and water quality for years to come. Staff also monitored the relicensing of the Catawba River Hydroelectric Stations, which remains under review by the Federal Energy Regulatory Commission. The Environmental Protection Agency is again lowering ozone attainment standards and staff will continue to make revisions to and reach compliance with the air quality action plan.

The Alexander County Board of Commissioners approved the Rocky Face Park Master Plan in 2009. As part of this process, a Rocky Face Park Committee was established. This committee met numerous times during the year and recommended applying for grant funds through the PARTF (Parks and Recreation Trust Fund). County Commissioners approved a

\$400,000 grant application for this 300 acre park which will greatly add to the quality of life in Alexander County.

Recycling numbers have continued to climb upward here in Alexander County. Alexander County is now ranked 26<sup>th</sup> in the state for its per capita recycling rate. We are now recycling 130 lbs per person per year. That is a long way from 2003 when we were ranked #76 and were recycling only 55lbs per person. This can partially be contributed to a lot of new and exciting recycling options that are now available. Citizens can now recycle electronics, fluorescent bulbs, waste cooking oil, and oil filters, along with many other items. The County is partnered with Cell Phones for Soldiers, a charity that takes money made from recycling cell phones and buys calling cards for the men and women serving our country. The Alexander County School System continues to improve its recycling program. Last year the school system cut back by 550 dumpster pickups.

Now let's talk trash. Alexander County averaged exporting 1,790 tons of garbage per month in fiscal year 2007 and we are now averaging 1,600 tons per month. That is a decrease of 2,280 tons of garbage per year. Some of this can be attributed to the economic downturn but the bottom line is trash numbers are down and recycling numbers are up.

Alexander County Solid Waste staff continues to work with Public Buildings Department on the development of a strategic energy plan for Alexander County Government. Power, water, and phone bills are monitored for spikes in usage and to make sure billing is correct. County buildings are audited to identify areas where energy is being wasted or not used efficiently. Staff will then come up with alternatives whether it is retrofits, like changing lighting, or behavioral changes, like turning lights off.

The Alexander County Garage provides service and repair to all County owned vehicles. This includes all EMS, Sheriff's Department, Health Department, DSS, Maintenance, and Administration vehicles. Also serviced by the County Garage are all Town of Taylorsville vehicles along with the Western Piedmont Regional Transit Authority vans.

The Alexander County GIS Department hosted a GIS Day on Wednesday, November 18, 2009 at the Alexander Central High School Auditorium. The event was an opportunity to educate not only high school students but the general public about the everyday uses of GIS. The event featured 34 booths representing 12 County departments and numerous local companies and agencies including Caldwell County GIS, Carl D. Bunton & Associates, Duncan-Parnell, Energy United, NC Forest Service, NC One-Call Center, NC State Highway Patrol, Town of Taylorsville, US Census Bureau, West Consultants, and the Western Piedmont Council of Governments. In addition, there were two vendors from out of state. All total, 700 high school students and members of the public participated in the event.

On May 1, 2009, Alexander began broadcasting a new Alexander County Government Channel on channel 3 of the local Charter Communications cable system. In addition, the same content is viewable over the Internet by going to the Alexander County web site or directly to the Government Channel website at [www.alexandercountync.tv](http://www.alexandercountync.tv). Citizens of Alexander County may also view past County Commissioner's meetings by utilizing a new

video on demand feature located on the Alexander County Government Channel website. The new Alexander County Government Channel has greatly increased content about County services as well as important public service announcements. New content is being added weekly, so please check out the new channel.

Citizens of Alexander County can now get important updates such as weather alerts, closings and other critical information through Facebook and Twitter. You can go to the County website at [www.alexandercountync.gov](http://www.alexandercountync.gov) and follow the links at the bottom of the page to subscribe to Alexander County's Facebook and Twitter page. Citizens can also get lots of information about County services by following the Alexander County blog page. The County blog can also be reached through the links at the bottom of the Alexander County web page.

2009 was a difficult year for Alexander County citizens with record numbers coming into DSS for services. During the last 6 months, DSS averaged 2,055 individuals per month registering with our front desk. Food and Nutrition Services as well as Medicaid are at record high caseloads. As of December 31, 2009, there were 6,179 individuals receiving Medicaid and 2,154 households receiving Food and Nutrition services. Of particular concern is the increase in Adult Protective Services reports. Last fiscal year, DSS saw over a 100% increase from the year before. A number of child support orders have to be modified because so many non-custodial parents have lost their jobs due to layoffs. On a positive note, over 20 million federal and state dollars came into the county last year as a result of the services provided by DSS.

Volunteer participation has increased. Many Alexander County citizens volunteer many hours each year. Whether it's volunteering at the Senior Center, Emergency Services, or Recreation, citizens step up to help fellow citizens in need. Volunteerism is one factor that makes Alexander County great.

In closing, our county will continue to feel the dramatic impacts of the worst recession since the Great Depression. Statewide numbers indicate large losses in income and sales tax collections. Governor Perdue has ordered state agencies to reduce 5% from their budgets from last summer, which were already greatly reduced. The largest impact on state revenue, in either direction, will come in April with the payment of individual and corporate income taxes. Our challenges will not be easy but, working together, we will do our best for all Alexander County citizens. Thank you to my fellow commissioners and may God bless you. Thank you.

## **FINANCE REPORT**

Rick French, County Manager, reviewed the 2010-2011 budget process guidelines that were provided to department heads on February 24, 2010, including:

- No COLA, merit bonuses, pay increases, or holiday bonuses should be included in budget requests. All salaries and wages will be held at 2009-2010 amounts.

- The Retirement System has increased the contribution required from local government employers in order to offset significant market losses, which are likely to increase in the future and possibly impact required contributions by employees.
- Departmental budgets should be 5% less than the 2009-2010 budget, excluding payroll and benefits expenses and the insurance and bonds line item. Departments cut expenses by 9% for 2009-2010.
- Each department will have a line item entitled "supplies" that will be used to record purchases previously charged from "office supplies" and "departmental supplies." Centralized purchasing will continue for 2010-2011.
- The mileage reimbursement rate will be 50 cents per mile, based on the IRS rate.
- The cost-per-copy agreement with Toshiba for copier services will continue. Copy costs should be based on 4 cents per black and white copy and 11 cents per color copy.
- Computer/technology items are not to be included in department line item requests. Technology request forms are due to the IT Department by March 17, 2010.
- Budget requests are due to Finance by April 1, 2010.

He noted that sales tax revenue collections for November 2009, received in February 2010, were the worst he had ever seen. December revenues will be reported in March.

#### **UPDATE OF COMMUNITY GRANTS**

Rick French, County Manager, advised that the deadline to submit an application for a community grant would be extended to March 10, 2010. These grants are intended to encourage and enhance the efforts of volunteer organizations to improve communities throughout the county. Each of the 10 communities are eligible for a \$500 grant as \$5,000 has been appropriated.

He noted that he would have another update at the next meeting.

#### **BOARD APPOINTMENTS & REAPPOINTMENTS**

Rick French, County Manager, requested the appointment of Jason Williams to the Chamber of Commerce Board of Directors for a one-year term.

Commissioner Robertson made a motion to approve the appointment as presented. Commissioner Mayberry seconded the motion. The Board voted unanimously in favor of the motion.

### **BUDGET ORDINANCE AMENDMENT #33**

Rick French, County Manager, presented Budget Amendment #33 to increase the Board of Elections budget for HAVA grant revenue to make polling places accessible to disabled individuals and to budget for a \$7,500 local match for the Paragon Films Industrial Water Project.

Commissioner Robertson made a motion to approve Budget Amendment #33. Commissioner Bolick seconded the motion. The Board voted unanimously in favor of the motion.

### **OTHER BUSINESS**

Rick French, County Manager, discussed the following issues during Other Business:

- A. Staff has received notification from the NCDOT Division of Motor Vehicles that they have received the County's application for a License Plate Agency.
- B. The Annual Surplus Auction held in conjunction with the school system is scheduled for Thursday, April 29, 2010 beginning at 6:00 PM. The sale will be held in the parking lot below the softball and soccer fields at Central Park.
- C. The Commissioners' Choice Awards Banquet will be held on March 16, 2010 at 6:30 PM in the ACHS Cafeteria.
- D. Animal Control will be offering rabies shots for \$5 during the month of March. Shots will be given Monday, Wednesday, and Friday from 9:00 AM-12:00 Noon and then from 1:00-4:00 PM. Citizens are asked to call ahead to verify that an enforcement officer is in the office to give the shot.

### **CONSENT AGENDA**

- A. Minutes from the February 15, 2010 Regular Commissioners' Meeting.
- B. Tax Release Requests for February \$2,580.25 and Tax Refund Requests for February \$1,173.70.

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

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

Chairman Yoder made a motion to enter into Closed Session at 7:24 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 Robertson seconded the motion. The Board voted unanimously in favor of the motion.

**ADJOURNMENT**

There being no further business, Commissioner Robertson made a motion to adjourn at 8:16 PM. Commissioner Bolick seconded the motion. The Board voted unanimously in favor of the motion.

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Larry G. Yoder, Chairman

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Jamie M. Starnes, Clerk to the Board