

Draft

BOARD OF COMMISSIONERS
REGULAR MEETING April 20, 2009

ALEXANDER COUNTY
STATE OF NORTH CAROLINA

PRESENT: W. Darrell Robertson, Chairman
 Wes Bolick, Vice-Chairman
 Ryan Mayberry
 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, April 20, 2009 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

Commissioner Yoder gave the invocation and also led the Pledge of Allegiance to the Flag.

*****SPECIAL RECOGNITION*****

Chairman Robertson, on behalf of the entire Board, presented a Key to the County to the Alexander County Rescue Squad & EMS for 50 years of service to the citizens of Alexander County. Chairman Robertson conveyed his appreciation to the past and present volunteers and thanked them for their dedication to the county.

Terry Foxx, Captain, thanked the commissioners for their continued support. He informed the Board that the Alexander County Rescue Squad & EMS currently had 40 volunteers and 10 junior members that provided many types of service including specialty areas of rescue.

Keith Millsaps, Vice-President, also thanked the Board as well as the citizens for supporting the squad and noted that meetings were held on the 2nd and 4th Thursdays of each month at 7:30 PM at the Rescue Squad building.

Chairman Robertson inquired about the recruitment of new members. Mr. Millsaps replied that there was a process to qualify after submitting an application which lasted from 6 to 18 months. He explained that applicants needed to be properly trained and dependable.

COMMISSIONER'S REPORT

Commissioner Mayberry discussed the clean up day in the Bethlehem community held this past Saturday and he thanked everyone that participated.

ADOPTION OF AGENDA

Chairman Robertson requested consideration of some surplus items following Agenda Item #6 and preceding Agenda Item #7.

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

STATE OF THE COUNTY MESSAGE

Chairman Robertson 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 remains positive, mainly due to hard working and professional County staff and many very dedicated volunteers.

I would also like to thank my fellow County Commissioners who have displayed leadership and patience during these trying times.

Two large utility projects are currently under construction in the eastern part of our county and will have a substantial impact. The Northeast Area Water Project and the Hiddenite Water and Sewer Improvement Project are ongoing.

Northeast Alexander County Water Project:

In 2007, Alexander County entered into a cooperative agreement with EnergyUnited Water Corporation to partner and serve the homes and farms in the northeastern part of the county. These areas have suffered from inadequate wells and fresh water sources, especially during the recent drought. Many people in these areas have literally had to haul water in from other sources because attempts to drill wells were fruitless.

Alexander County secured a \$4.1 million loan through the State Revolving Fund Program which has interest rates well below market rates. In addition, the County applied for and received a grant from the North Carolina Rural Center in the amount of \$500,000 to assist with this project. House Representative Ray Warren and Senator Steve Goss were instrumental in helping the County gain this grant.

Twenty six miles of 6-inch and 8-inch water main have or will be installed along Johnny Wike Road, Rocky Face Church Road, Allen Road, Rocky Springs Road, York Institute Road, Sulfur Springs Road, Vashti Road, Marlowe Road, Jud Smith Road, Cheatham Ford Road, Poplar Springs Road, and Sloan Road. Construction is on schedule and the project is planned to be completed this summer. Hopewell Church Road will be added with contingency funds at the end of the project and should be completed in October.

Not only will this project provide a safe and dependable potable water source and improve water quality by looping dead-end lines, it will also provide a backbone from which future waterlines can also be extended. Fire protection and lower insurance rates for many residents will also be provided.

In a related matter, Alexander County has received word from the North Carolina Department of Commerce that the \$750,000 Vashti Road Community Development Block Grant has been funded. This will be matched with a \$500,000 grant from the North Carolina Rural Center. The grants will be used to install approximately 24,000 linear feet of 6 and 8-inch water lines. The water lines will serve low and moderate income residents on NC Highway 16 North from Frank Smith MHP to Vashti Road, ending just before the intersection of Lawson Childers Road. No local match is required for the project because Alexander County has been designated a 21st Century Community.

Hiddenite Water and Sewer Project:

The Hiddenite Water and Sewer Improvement Project broke ground on April 23, 2008. This project included the installation of approximately 4,500 linear feet of 8-inch gravity sewer main, 14,600 linear feet of sewer force main, two sanitary sewer pump stations, 1,700 linear feet of 12-inch water main, 100 linear feet of 10-inch water main, and one water booster pump station. The completed project will allow the industries and residents of the Hiddenite Community to pump their wastewater to Taylorsville for treatment and provide local industries with water pressure for their fire protection sprinkler systems. This project is currently 99% completed.

This project was funded through a Community Development Block Grant, a Rural Center Grant, and an Appalachian Regional Commission Grant that are being administered by the Western Piedmont Council of Governments. The grants were awarded on the basis of allowing for industrial expansion and job creation which was previously limited by the significant cost of disposing of industrial waste by septic tanks or privately maintained wastewater treatment plants. To date, 77 jobs have been created in these industries.

Economic Development:

Alexander County will be celebrating five years of direct county economic development involvement in 2009. Since 2004, our economic development office has created, committed to, or retained 509 jobs. Alexander County has obtained \$2,873,372 in grant funds for economic development projects along with \$205,000 of revolving loan funds for a total of over \$3 million invested in Alexander County over the past years. In addition, Alexander County has awarded \$505,800 in incentive grants to local industries for investing in Alexander County.

Alexander County has lost manufacturing jobs that offset our economic development gain during the period. Those losses were beyond the influence of Alexander County and the Alexander County Economic Development Office.

Alexander County Government Channel:

Alexander County Information Technology staff has been working to take over the production and transmission of the Alexander County Government Channel. This new channel will enable County government to better communicate with many citizens. Currently, the channel is operated through an agreement with Charter Communications. The new channel will originate from the County Administration Building and will feature a greatly improved and expanded product. In addition to providing content to the local channel 3 on the cable system, all programming will also be available through the Internet for county citizens who do not have access or subscribe to Charter Cable. This channel will be used to provide programming to Alexander County Government. County citizens will also be able to view past commissioners' meetings and public service announcements through the Internet via a video on demand feature. The new channel is scheduled to begin airing around May 1, 2009.

Alexander County will also have greater flexibility in adding programming with "in-house" controls.

Alexander County Comprehensive Plan:

The Alexander County Planning Department achieved a number of goals and continues work in several efforts. County staff assisted in completion of the Alexander County Comprehensive Plan, aiding elected and appointed boards in land use planning for the next 10 to 15 years. Staff also continues monitoring legal efforts concerning the inter-basin transfer to the cities of Concord and Kannapolis, as well as the relicensing of the Catawba River Hydro Stations. As the Environmental Protection Agency lowered ozone attainment standards, efforts were made to continue the Air Quality Action Plan.

More stringent regulations for protection of the environment have been entered into the Congress for consideration. It is imperative that this legislation be monitored to allow for implementation with a minimum impact on our citizens and their livelihood.

Board of Elections:

The Alexander County Board of Elections conducted six elections and two recounts from November 2007 through November 2008. Elections staff worked on two elections at the same time during the year.

Registering and voting during One-Stop Voting began during this same time period. This means that anyone not registered to vote could come in during One-Stop, register, and then vote.

During the November 2008 election, Alexander County had a total of 9,150 voters.

Emergency Services:

Alexander County Emergency Services have had a busy year. From July 2007 through June 2008, EMS crews had 5,466 responses. From July 2008 through March 2009, EMS crews answered 3,857 calls. Alexander County EMS operates with 3 crews under normal operations. Since January 2, 2009, EMS has averaged 14 calls per shift. There have been as many as 31 calls in one 24 hour shift.

Fire Departments, Rescue Squad & EMS:

Alexander County has 8 outstanding volunteer fire departments. Volunteer fire fighters responded to 3,447 calls during the year.

Alexander Rescue Squad & EMS does an excellent job for our county providing rescue and back-up and back-up EMS service. The Rescue Squad was dispatched 2,610 times in 2008.

Recreation:

During 2008, over 3,000 county citizens participated in County recreation activities. This involved over 217 teams and over 1,000 dedicated volunteers. From t-ball to youth football, from youth basketball to men's 4-4 basketball which all make up a large number of recreation programs and make Alexander County a great place to have fun and play.

Solid Waste:

There is some good news in that recycling numbers are up. Latest calculations show that 80% of citizens using the convenience centers are recycling. In 2003, Alexander County ranked 76th in the state for recycling. In 2007, Alexander County was ranked 35th. The commingled recycling programs started at Alexander County schools have saved the school system around \$25,000 in its first year.

The Alexander County Solid Waste / Recycling / Enforcement Office has not been immune to the effects of the recent economic downturn. Municipal solid waste tonnages for January and February 2009 were down approximately 20% from the same months in 2008. In March, things improved with tonnages down 14% from the previous year. Construction and demolition waste is following the same trend.

Human Services:

Human Services indicate a negative trend due to the depressed economic conditions being experienced in Alexander and surrounding counties:

- Since July 1, 2008, the number of people receiving Medicaid has increased by 321.

- Since July 1, 2008, 694 families that have never received Food and Nutrition Services have come in to apply for them.
- This fiscal year DSS received the largest allocation of federal crisis funds ever received for heating and cooling emergencies. The entire \$128,236 was spent by January 31st.
- Child Support Staff is averaging 35 to 40 child support order modifications per month due to once employed parents that are now laid off and receiving unemployment benefits.
- Violence has increased. Due to the threats towards staff, DSS has purchased a hand held metal detector. Law enforcement has been called more frequently and one angry client had to be maced and hand cuffed before two officers could get her into their squad car.
- Health client numbers are increasing due to the economy and number of uninsured residents increasing.
- The dental clinic is doing well and clients are booked out over 90 days.

Library:

Use of the Library, particularly the computers, is up. Predictions show an increase in computer sign-ins of more than 3,000 compared to last fiscal year.

Library staff is predicting a 55% increase in attendance to children's programs by the end of this fiscal year.

Animal Control:

The Alexander County Animal Control office has also been impacted by our economy. Office hours have been reduced to cut program costs. The office is open on Mondays, Wednesdays, and Fridays. Rabies vaccines given by Animal Control staff totaled 350.

Revenue/Budget Impact:

Local sales tax revenues for the County are being impacted by the State's Medicaid-Sales Tax Swap plan as well as by the recession. The State took away half of a local half-cent sales tax in October 2008 (Article 44 sales tax). The remaining portion of that local sales tax is distributed 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 the revenue we used to receive from this sales tax.

Counties receive their share of local sales taxes each month and as of the April 2009 distribution, the County's sales tax revenues are down almost 7% compared to the same time last year. Even though the County budgeted conservatively for the 2008-2009 sales tax revenues, it appears the actual results for the year will be lower than the original budget estimates.

The State's impact on local sales tax revenues will continue for the 2009-2010 budget year. In October 2009, the State will take away the remainder of the Article 44 local sales tax from counties. In that same month, the State will also change the allocation method for the Article 42 local half-cent sales tax to the point of origin method. Again, Alexander County will lose most of this revenue source due to the lack of retail shopping areas.

The estimated loss in revenue for Alexander County is in the \$1.2 to \$1.5 million based on this change. Additionally, 60% of this tax was designated for school capital projects. The change in this statute requires the County to hold the schools "harmless".

The fund balance of Alexander County's General Fund was 9.29% as of June 30, 2008, substantially less than the 27.70% average fund balance for comparably sized counties. The Local Government Commission continues to recommend that management address the serious financial problems that are preventing the County's fund balance from reaching a more acceptable level. Fund balance should be increased in order to (1) finance operations during periods of declining revenues such as economic downturns, (2) address emergencies and unexpected expenditures, and (3) take advantage of financial opportunities, such as grants with local match requirements.

For the sake of our future, the fund balance must be improved.

Jail Project:

The County is still working on a large project that will require the Local Government Commission's approval for the issuance of County debt. The project to construct a jail facility and renovate the courthouse is estimated to cost around \$12 million. The project will be available to bid in July 2009. County Commissioners and County staff are pursuing a number of funding options including grants, low interest loans, and federal stimulus dollars. Senator Richard Burr, Senator Kay Hagan, and Representative Virginia Foxx have all been contacted on a federal level. County representatives have also contacted North Carolina Lt. Governor Walter Dalton, Attorney General Roy Cooper, Senator Steve Goss and Representative Ray Warren. Last week, Secretary Reuben Young of the North Carolina Crime Control and Public Safety was contacted concerning this project. This project is not only about providing more jail space but providing a safer work environment for County employees.

In closing, Alexander County will continue to feel the impacts of the worse recession since the Great Depression. Alexander County Commissioners will have many difficult decisions to make as shrinking sales tax dollars collide with state and federal mandates. The current atmosphere in the North Carolina General Assembly is to force counties to raise taxes, either indirectly by cutting school funding or directly with more state mandates. County Commissioners will continue to keep a watchful eye on Raleigh, standing firm against state cost shifting programs. The challenges are enormous and together we will do our best for all the citizens.

The uncertainties in county government are similar to the uncertainties we experience in our homes. We have little control over our income, but our responsibilities and obligations are still in place.

Thank you to the employees, staff and department heads of Alexander County for your dedicated services. Thank you to all the volunteers who make Alexander County a special place to live. Thank you to the County Manager and Finance Officer for their diligence in monitoring the budget of Alexander County during these difficult times. Thank you to my

fellow commissioners for your continued faithful services on behalf of the citizens of Alexander County.

May God bless each of you. May God bless Alexander County, North Carolina, and the United States of America.

ENVIRONMENTAL EARTH DAY REPORT

The following reports were given:

Household Hazardous Waste Day

Josh Mitchell, Solid Waste Director, promoted the 3rd annual Household Hazardous Waste Day scheduled for Saturday, April 25, 2009 at the County Administration building parking lot from 9:00 AM to 1:00 PM. The purpose of this event is to allow county residents an opportunity to dispose of environmentally harmful materials at no charge. Mr. Mitchell stated that farmers were welcome; however, businesses will not be allowed to dispose of items. A Shred-It truck will also be on site to securely dispose of personal documents.

Rain Barrels & Recycling Education

Lenny Rogers, Cooperative Extension Director, stated that rain barrels were available for purchase at the Cooperative Extension Office to capture rain water and runoff from roofs to water plants, gardens, etc. The barrels range in size from 55 to 80 gallons at a cost of \$69 to \$96.

He also discussed environmental education and recycling programs throughout the school system including composting. Mr. Rogers noted that he had also spoken to many civic clubs and youth groups about ways to promote a healthy environment.

Commissioner Odom suggested instructions for an organic garden be advertised in the newspaper.

Environmental Education – Soil & Water Department

Leslie Meadows, Soil & Water Education Coordinator, updated the Board on many programs offered by the Soil & Water Department to promote environmental ethics within students including the 5th grade Environmental Field Day at the Payne Dairy Farm, the 5th grade poster contest, 6th grade essay contest, 7th and 8th grade speech contest, and the Northwest Envirothon, an outdoor team competition. The Soil & Water Office also annually sponsors an ACHS student to attend the Resource Conservation Workshop at NC State University.

Other items mentioned included the NC Agriculture Cost Share Program which has awarded \$61,892 in best management practices to farmers and \$105,107 in drought relief. The Community Conservation Assistance Program helps improve water quality for homeowners, businesses, schools, parks, churches, and community groups by providing

riparian buffers, backyard rain gardens and wetlands, and other items such as cisterns, and pet waste receptacles. Ms. Meadows informed the Board that West Alexander Middle School operated a backyard wetland for run off and educational opportunities for students.

Ms. Meadows also pointed out that her office would be participating in the planning and development of the Rocky Face Park.

The Board thanked the group for the information provided.

RESOLUTION TO SUPPORT THE N.C. EDUCATION LOTTERY AS ORIGINALLY NAMED & FOR EDUCATIONAL PURPOSES ONLY

Commissioner Yoder stated that Governor Perdue planned to use lottery reserves to offset the budget shortfall for the state and that Representative Blust had sponsored HB 518 to change the name of the North Carolina Education Lottery to the North Carolina State lottery. He explained that this resolution opposed HB 518 and any attempt to change the name of the lottery, use of lottery funds for any use other than education, and requested a constitutional amendment that would enforce that lottery proceeds were to be used strictly for educational needs.

Commissioner Yoder made a motion to approve the Resolution to Support the North Carolina Education Lottery as Originally Named and for Educational Purposes Only. Commissioner Bolick seconded the motion. The Board voted unanimously in favor of the motion.

RESOLUTION OPPOSING THE TRANSFER OF THE SECONDARY ROAD PROGRAM TO COUNTIES

Chairman Robertson explained that SB 758 proposed the transfer of responsibility and maintenance of secondary roads from the state to counties beginning in 2011, which he noted would create the need to increase the property tax rate by at least 12 cents. He urged citizens to send letters and emails and make phone calls to legislators to oppose this bill.

Chairman Robertson made a motion to approve the Resolution Opposing the Transfer of the Secondary Road Program to Counties. Commissioner Bolick seconded the motion. The Board voted unanimously in favor of the motion.

BOARD APPOINTMENTS & REAPPOINTMENTS

Rick French, County Manager, presented the following appointments and reappointments to County boards and committees:

Town Planning Board of Adjustments – Reappoint Sallie Hartis and Carol Crowgey for 3 years.

Council on Aging – Appoint Kelly Chapman and Glenda Hobbs for 3 years. Reappoint Angell Barnes, Angela Johnson, and Janette Johnson for 3 year.

Board of Health – Reappoint Carrie Herman and Eric Walker for 3 years.

Commissioner Bolick made a motion to approve the appointments and reappointments as presented. Commissioner Odom seconded the motion. The Board voted unanimously in favor of the motion.

BUDGET ORDINANCE AMENDMENTS #36 - #41.

Rick French, County Manager, discussed the purpose of Budget Amendments #36 - #41, which included the following information:

Budget Amendment #36 – To transfer funds within the Juvenile Crime Prevention Council Programs – a reversal of the 4/6/09 budget amendment due to state cuts in JCPC funds for the 08-09 budget year. To increase the Environmental Health budget for the second and third distributions of food and lodging funds. To decrease the Library budget due to cuts in the Library State Aid Grant for the 08-09 budget year.

Budget Amendment #37 – To increase the Public Buildings budget to cover utilities through 6/30/09.

Budget Amendment #38 – To transfer funds to purchase office furniture for the main library.

Budget Amendment #39 – To reduce the 08-09 transfer to the Revaluation Fund in anticipating of delaying the next revaluation. To reverse the proposed use of fund balance for the 08-09 budget year based on a recommendation from the LGC.

Budget Amendment #40 – To budget for the purchase of desks for detectives' offices with State Drug Funds.

Budget Amendment #41 – To budget for the Vashti Road CDBG in the form of grant funds, water improvements, planning, and administration.

Commissioner Odom made a motion to approve Budget Amendments #36 - #41. Commissioner Mayberry seconded the motion. The Board voted unanimously in favor of the motion.

CONSIDERATION OF SURPLUS ITEMS

Rick French, County Manager, requested the Board declare several handguns provided to the Sheriff's Department by court orders as surplus. He explained that licensed gun dealers would

be able to bid on the weapons and the revenue generated from the sales would be placed into the General Fund.

Commissioner Bolick made a motion to declare the handguns as surplus. Commissioner Mayberry 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. The state withheld \$22,111.05 from the 4/15/09 sales tax distribution as part of the plan to correct the Article 46 tax overpayment. The County actually received \$464,319.60 on 4/15/09. The amount received in January was \$792,584.
- B. Mr. French met with department heads on Friday, April 17, 2009 to discuss minimizing expenditures for the remainder of the budget year by:
 - Freezing all vacant full-time and part-time positions.
 - No purchases of supplies or uniforms without prior approval of the County Manager.
 - No travel outside of the county without prior approval.
 - No capital outlay or improvement expenditures without prior approval.
 - Minimizing overtime.
 - No budget amendments.
- C. A meeting was held with Denny Martin, McGill Associates, on Friday, April 17, 2009 to discuss funding ideas for the American Recovery and Reinvestment Act. Several projects have been discussed including water, law enforcement, energy, and the jail.
- D. The NCACC County Assembly Day is April 29, 2009 in Raleigh.

CONSENT AGENDA

- A. Minutes from the April 6, 2009 Regular Commissioners' Meeting.
- B. Agreement Between the WPCOG and Alexander County for the Provision of Grant Management Assistance for the Vashti Road Water Project.

Commissioner Bolick made a motion to approve the Consent Agenda. Commissioner Mayberry 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

Commissioner Mayberry 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 Odom seconded the motion. The Board voted unanimously in favor of the motion.

ADJOURNMENT

There being no further business, Commissioner Odom made a motion to adjourn at 8:06 PM. Commissioner Bolick seconded the motion. The Board voted unanimously in favor of the motion.

W. Darrell Robertson, Chairman

Jamie M. Starnes, Clerk to the Board