

Draft

**BOARD OF COMMISSIONERS  
REGULAR MEETING      May 2, 2016**

**ALEXANDER COUNTY  
STATE OF NORTH CAROLINA**

**PRESENT:** Ryan Mayberry, Chairman (arrived at 6:03 PM)  
Milton H. Campbell, Vice-Chairman  
Josh Lail  
Ronnie Reese  
Larry Yoder

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

The Alexander County Board of Commissioners held a regular meeting on Monday, May 2, 2016 at the CVCC / Alexander Center in Room 103, Taylorsville, North Carolina.

**CALL TO ORDER**

Vice-Chairman Campbell called the meeting to order at 6:00 PM. He announced that Chairman Mayberry was held up in traffic due to an accident and would be arriving soon.

**INVOCATION & PLEDGE OF ALLEGIANCE**

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

**COMMISSIONER'S REPORT**

Commissioner Yoder urged the public to contact Representative Lee Zachary and Senator Andy Wells to request that the 40% lottery proceeds for school construction be reinstated, noting that counties were only receiving approximately 17% of the 40% promised when the NC Education Lottery began.

Commissioner Reese reported that the Veterans Committee would be sponsoring a Memorial Day Service on Sunday, May 29, 2016 at 3:00 PM at the Courthouse lawn and encouraged everyone to attend. He also announced the birth of his grandson, Rhett Wilson.

Vice-Chairman Campbell stated that both he and Commissioner Yoder had contacted the Governor's Office in regards to the unacceptable quality of paving on Highway 64/90 as well as

concerns with the contract being awarded to a Tennessee-based company instead of one from NC.

## **ADOPTION OF AGENDA**

Chairman Mayberry requested that Agenda Item #4 (Resolution to Restore NC Education Lottery Funds) be removed and considered at a future meeting.

Commissioner Reese made a motion to adopt the agenda as amended. Commissioner Lail seconded the motion, which passed unanimously.

## **PUBLIC COMMENT**

The following comments were heard:

Aaron Arrowood requested assistance with improving the condition of Lambert Drive where he has a poultry farm, noting that he has been solely responsible for maintaining the road for some time. He explained that one property owner had blocked a petition for State maintenance many years ago and that the current condition of the road was creating conflict for residents and posed safety issues for EMS and law enforcement if needed. He advised that he would gladly continue maintaining Lambert Drive but needed help with materials and felt the mound of milled asphalt located on Highway 90 in Hiddenite could be extremely useful to him and others in the same situation. Mr. Arrowood has contacted the offices of NC Senator Wells and U.S. Senator Thom Tillis and respectfully asked the Board to reach out to the NCDOT and others for any resources available.

Hank Loudermilk discussed the continual changes within the Alexander County School System over the years, such as moving freshman students to junior high schools and later transitioning them back to the high school to create middle schools for grades 6-8, noting that Taylorsville Elementary was once home to all grades, from K-12. He mentioned the effect funding had on facilities and urged the Board of Education and County Commissioners to do what they could to keep the Taylorsville Elementary open.

Dale Clary suggested both the Board of Education and County Commissioners work together to improve the relationship between the two and suggested one day retreats or training sessions to discuss and understand each other's needs.

Andrew Miller, Pastor at St. Luke Lutheran Church, stated that since his children began attending Taylorsville Elementary, he has seen an outstanding school with dedicated leadership and educators that continues making strides year after year in test scores and other programs. He felt Taylorsville Elementary had come too far in such a short amount of time to be closed and noted that the community was counting on both boards to work together for a solution.

Helen Chestnut spoke on behalf of the NAACP and many parents who have concerns with the possible closing of Taylorsville Elementary, which has been a great benefit to special needs children as well as many minorities. She advised that the community was expecting, trusting, and believing that both boards would make good decisions and be people of their word, noting that the Alexander County School System's Motto was "Children First."

Gordon Knight reported that funding for the Alexander County School System was in the bottom 10% in the state, yet pointed out that the Board of Commissioners spent \$500,000 last year in tax incentives for businesses and industries. He challenged the County Commissioners to earmark the same amount to the School System for needed repairs at Taylorsville Elementary in addition to the current allotment.

Ramie Robinson, teacher and President of the Alexander County Association of Educators, discussed the decrease in State funding to the School System over the years due to enrollment as well as increased funding to charter schools and private school vouchers, noting that the enrollment drop was projected to continue through the 2020-2021 school year. He also mentioned the efforts of the Board of Commissioners to attract businesses to increase the tax base and felt the best economic development plan was to fund the School System to the highest level possible, noting that growing an economy started with a firm commitment to education.

Robin Moretz asked the Board what an education was worth. He explained that a teacher gave as much time as possible and spent as much of their own funds as they could afford, going the extra mile to give students a good education. Mr. Moretz pointed out that 3 commissioners who had formally served on the Board of Education understood the needs of the School System and he asked that the County Commissioners to do the right thing for the children at Taylorsville Elementary.

Amy Hopke informed the Board that she moved to Alexander County because of the special needs program at Taylorsville Elementary. She asked the County Commissioners to do the right thing for the children who don't have a voice of their own and to earmark funds specifically for Taylorville Elementary.

## **PUBLIC HEARING: REZONING CASE 16-3 – HFW DEVELOPMENT CO. LLC**

Jon Pilkenton, Director of Planning & Development, presented Rezoning Case 16-3 submitted by HFW Development Co., LLC who requested rezoning of property located at 2322 NC Highway 16 South from RA-20 (Residential-Agricultural) to L-I (Light-Industrial) to allow for expansion of the warehouse facility located on the adjacent parcel to the east. Zoning within 100 feet of the property is RA-20 to the north, south, and west as well as H-C to the north and south and L-I to the east. Land uses within 100 feet include residential to the north and west, commercial and vacant property to the south, and industrial to the east.

He reviewed staff comments related to size of the tract, compatibility of the disputed zoning action with an existing comprehensive plan, benefits and detriments resulting from the zoning action for the petitioning property owner / neighbors / and surrounding community, and the relationship between the uses envisioned under the new zoning and the current uses of adjacent land. He advised that rezoning the property was consistent with the 2008 Comprehensive Plan which identified this area as designated for industrial use. Due to there being a limited amount of industrial zoning in the county, staff felt changing the zoning could possibly have economic impacts; however, rezoning this parcel would make the zoning consistent with adjoining parcels and growth pattern in the area.

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 a notice was placed in *The Taylorsville Times*.

Mr. Pilkenton informed the Board that staff recommended approval of the rezoning and that the Planning & Zoning Commission held a public hearing on April 7, 2016 to review the request where they voted unanimously to recommend approval as well based on the following:

1. The proposed rezoning is consistent with the future land use patterns in the County's 2008 Comprehensive Plan.
2. The request would allow for the expansion of an existing industrial facility and would be a positive economic impact to Alexander County.

He advised that based on the information provided, the Board must determine whether the rezoning request meets the guidelines set forth and is reasonable in regards to the public interest considering all uses within the requested zoning district, not merely the use of which the applicant proposes.

Chairman Mayberry called the public hearing to order and requested any comments. There being none, Commissioner Yoder made a motion to close the public hearing. Vice-Chairman Campbell seconded the motion, which passed unanimously.

Commissioner Lail made a motion to approve Rezoning Case 16-3 based on staff and Planning & Zoning Commission recommendations that the proposed rezoning would be consistent with the future land use patterns in the 2008 Comprehensive Plan and because expansion of an existing industrial facility would be a positive impact to Alexander County. Commissioner Yoder seconded the motion, which passed unanimously.

## **NATIONAL EMS WEEK PROCLAMATION**

Doug Gillispie, EMS Director, presented a proclamation declaring the week of May 15-21, 2016 as Emergency Medical Services Week with the theme "EMS Strong: Called to Care!" and encouraging the community to observe the week with programs, ceremonies, and activities.

Commissioner Yoder made a motion to approve the National EMS Week Proclamation. Commissioner Reese seconded the motion, which passed unanimously.

## **ALEXANDER COUNTY SCHOOLS BUDGET REQUEST FOR 2016-2017**

Dr. Jennifer Hefner, Superintendent, gave a slide show presentation regarding the Alexander County School System's 2016-2017 budget request, which included the following information:

- Declining student enrollment from 2011-2012 (5454 students) to present (5009 students) and the effect on funding allotments – \$209,168 was reverted back to the State in December 2015 due to enrollment being more than 100 students lower than DPI projections.
- Allotments for 2016-2017 – reduction of 6.5 classroom teachers, 2.67 months of employment for school based administrators, one media coordinator/school counselor, and 13 months of vocational education employment months. The School System is projected to receive an additional \$555,554 in Low Wealth Funding in 2016-2017 that will help cover the cost of these decreased positions.
- Funding needed for devices – \$295,526 for leasing 2,073 devices (1,200 for grades 6-8, 525 for grades 3-5, 273 teacher devices, and 75 for early college).
- School Nutrition Program – \$150,000 is needed to supplement this program due to loss of revenue resulting from higher food costs and decreased student participation.
- Appropriation of Fund Balance – the projected balance on June 30, 2016 is \$4,170,119. The School System plans to use \$692,151 to balance the current expense budget, which will leave only 3.13 years of Fund Balance remaining at this rate of use.
- Funding for capital projects – half cent sales tax amount of \$3,823,146.08 minus \$1,042,468 earmarked for projects planned for 2016-2017 = \$2,780,678.08 remaining balance and lottery funds totaling \$2,077,220.25.
- Proposed use of half-cent sales tax – \$787,800 for ALP classroom building in 2016, \$175,000 for resurfacing of tennis courts in 2017, \$250,000 for parking lot expansion in 2017, \$180,000 for an expansion of concessions, restrooms, and gym at East and West Middle Schools in 2017, \$469,000 for a baseball field house and press box in 2018, technology costs for 2016-2020 totaling \$1,798,218, phone system costs for 2016-2020 totaling \$153,000, HVAC costs for 2016-2020 totaling \$1,019,089, roof replacement costs for 2016-2020 totaling \$1,709,000.
- Facility needs – a 2014 facility study indicated two primary areas of concern including Taylorsville Elementary (\$2.2 to \$2.4 million for construction plus new roof replacement cost at \$696,000 and HVAC replacement at \$95,000) and Sugar

Loaf Elementary (\$2 million for construction plus new roof replacement at \$279,000 and HVAC replacement at \$56,000).

- DPI 2015-2016 Facility Needs Survey results – ACHS (\$2,313,877 for additions, renovations, and furniture/equipment), Bethlehem (\$171,000 for renovations), East Middle (\$330,614 for renovations), Hiddenite (\$279,302 for renovations), Stony Point (\$559,759 for renovations), Sugar Loaf (\$2,661,909 for renovations), Taylorsville (\$3,531,990 for renovations), West Middle (\$506,163 for renovations), Wittenburg (\$440,047 for renovations).
- Lottery Funds – the School System has lost approximately \$382,847 in funding per year due to not receiving the full 40% allotment as promised, which delays the ability to address capital needs. For 2015-2016, a total of \$349,171 is projected in lottery funds. At this level, any major renovations projects would be put on hold for at least 4 years.
- Number of employees – reduced from 1140 in 2010 to 999 in 2015.
- In response to budget discussions over the past two years, it was apparent the following options would need to be considered – bankrupt the Fund Balance with continued usage, cut \$700,000 in staff, look for alternative sources of revenue (asking County Commissioners), or closing a school.
- Alexander County Schools 2016-2017 budget request totaling \$9,947,086.25:
  - Continued base allotment - \$5,631,900.
  - Funds to cover the loss of revenue in School Nutrition Program - \$150,000.
  - Funds to cover the loss of enrollment funding - \$624,724.
  - Funds to cover the projected cost savings of closing a school vs. maintaining all 10 schools - \$540,462.24 (recurring annually to offset the use of Fund Balance).
  - Expansion to cover the cost to renovate Taylorsville Elementary - \$3 million.

Also discussed were reasons for constructing a new facility for the ALP students (issues with evening program and benefits of being located next to ACHS staff and school resource officer), reasons for choosing Taylorsville Elementary as the most appropriate school to close (age and renovation costs), cost comparisons for the renovation or replacement of the gym at Taylorsville Elementary School, redrawing of school districts if Taylorsville Elementary closed, children living in the Taylorsville District that attended other schools (95), demographics of all elementary schools, and projected cost savings of closing Taylorsville Elementary (\$540,647.25). Dr. Hefner also reported that the Facilities Committee planned to make a formal request to the Board of Education on May 10<sup>th</sup> for the scheduling of a DPI Independent Consolidation Study to research and make recommendations pertaining to all 10 school facilities in Alexander County. Sharon Mehaffey, Schools Finance Director, spoke regarding how declining enrollment affects teaching positions.

Commissioner Lail advised that NC General Statutes prohibited counties from earmarking funding to school systems for a specific purpose and noted that counties did not own school facilities; however, he explained that, because school systems could not borrow money, counties did hold the deeds for facilities until any loans against them were paid in full. He also mentioned that a 20-cent tax increase would be needed to fulfill the School System's budget request for 2016-2017.

## **RECESS**

At 8:28 PM, Chairman Mayberry requested a short recess. The meeting came back to order at 8:39 PM.

## **MEETING SCHEDULE REVISIONS**

Rick French, County Manager, requested the Board cancel the regular meeting on May 16<sup>th</sup> and reschedule it for Wednesday, May 25<sup>th</sup> at 6:00 PM in Room 103 of the CVCC / Alexander Center. He also asked that the Board schedule a joint work session with the Alexander County Board of Education on Tuesday, May 17<sup>th</sup> at 6:00 PM, also in Room 103 as well as a short pre-agenda meeting between the Chairs, Vice-Chairs, and staff on Monday, May 9<sup>th</sup> at 6:00 PM at the Board of Education.

Chairman Mayberry made a motion to cancel the May 16<sup>th</sup> meeting and reschedule it for May 25<sup>th</sup> and to schedule the joint meeting with the Board of Education on May 17<sup>th</sup> as requested. Vice-Chairman Campbell seconded the motion.

Chairman Mayberry requested an amendment to his original motion to include the scheduling of the pre-agenda meeting for May 9<sup>th</sup>. Vice-Chairman Campbell seconded the motion, which passed unanimously.

## **SALES TAX & FINANCIAL REPORT**

Rick French, County Manager, reported that a total of \$2,681,894.37 had been collected in sales tax revenue through April 2016. This amount is 68.93% of the \$3,891,000 budgeted with 66.67% of the budget year expired and an increase over last year of 5.05%.

## **BOARD APPOINTMENTS & REAPPOINTMENTS**

Rick French, County Manager, requested the following appointments and reappointments:

Juvenile Crime Prevention Council – Appoint Jennifer Herman for two years.

Senior Center Advisory Committee – Appoint Sal Rao and Cheryle Pollard (both filling unexpired terms of members who resigned and whose terms expire 12/2018).

Commissioner Lail made a motion to approve the appointments and reappointments as presented. Commissioner Reese seconded the motion, which passed unanimously.

## **BUDGET ORDINANCE AMENDMENTS #34 - #36**

Rick French, County Manager, reviewed the purpose of Budget Amendments #34 - #36 as follows:

Budget Amendment #34 – To decrease the local JCPC's administrative budget to match the revised FY 2016 expenditure budget as shown on the third quarter accounting report to the State. To increase the Recreation budget for anticipated sponsor revenue from Academy Sports in exchange for displaying banners provided by Academy at County recreation sports fields.

Budget Amendment #35 – To budget for an increase in fire tax revenue collected for all volunteer fire departments in Alexander County.

Budget Amendment #36 – To increase the 911 Communications budget for a Public Safety Answering Point (PSAP) Assessment to be conducted by Mission Critical Partners, Inc.

Chairman Mayberry made a motion to approve Budget Amendments #34 - #36. Commissioner Lail seconded the motion, which passed unanimously.

## **OTHER BUSINESS**

For the sake of time, Mr. French noted that he had no items to discuss during the County Manager's Report.

Vice-Chairman Campbell reported that staff was able to negotiate a change in coverage under the Nationwide supplemental plan with MedCost for the upcoming budget year (changing inpatient portion from \$3,500 to \$3,000 and outpatient portion from \$2,500 to \$2,000) which resulted in an additional savings of \$33,182.64 for the County for a total savings of \$154,658.48 over the current BCBS plan. He thanked the Human Resources staff for their work during this process.

Commissioner Reese reiterated Vice-Chairman Campbell's comments, noting that a significant amount of savings was generated without drastically affecting employee coverage.

## **CONSENT AGENDA**

- A. Minutes from the April 4, 2016 Regular Meeting and April 18, 2016 Called Meeting.
- B. Tax Release Requests (\$1,559.33) and Tax Refunds (\$1,542.24) for March 26 – April 22, 2016.
- C. Alexander County Juvenile Crime Prevention Council Funding Plan for FY 2016-2017.
- D. MOU between Alexander County and Iredell County for Back-Up PSAP.
- E. Request to surplus a 2007 Honda Civic Hybrid, VIN #JHMFA36267S009963 with 206,078 miles and a 2004 Chevrolet Cavalier, VIN #1G1JC52FX47282339 with 116,063 miles.

Vice-Chairman Campbell made a motion to approve the Consent Agenda. Commissioner Reese seconded the motion, which passed unanimously.

**CLOSED SESSION – N.C.G.S. 143-318.11(a)(1, 3, 4, 5, & 6) TO PREVENT THE DISCLOSURE OF CONFIDENTIAL INFORMATION, ATTORNEY/CLIENT PRIVILEGE, ECONOMIC DEVELOPMENT, CONTRACTUAL, & PERSONNEL**

Chairman Mayberry made a motion to enter into Closed Session at 8:54 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 Lail seconded the motion, which passed unanimously.

Rick French, County Manager, advised that the Board may possibly return to Open Session for action on a contractual item following adjournment of Closed Session.

**ADJOURNMENT**

There being no further business, Commissioner Yoder made a motion to adjourn at 9:53 PM. Commissioner Lail seconded the motion, which passed unanimously.

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Ryan N. Mayberry, Chairman

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Jamie M. Starnes, Clerk to the Board