

Draft

BOARD OF COMMISSIONERS
REGULAR MEETING August 19, 2019

ALEXANDER COUNTY
STATE OF NORTH CAROLINA

PRESENT: Dr. Jeff Peal, Chairman
 Ronnie Reese, Vice-Chairman
 Larry Yoder
 Ryan Mayberry
 Marty Pennell

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

The Alexander County Board of Commissioners held a regular meeting on Monday, August 19, 2019 in Room 103 of the CVCC / Alexander Center in Taylorsville, North Carolina.

CALL TO ORDER

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

INVOCATION & PLEDGE OF ALLEGIANCE

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

COMMISSIONER'S REPORT

Chairman Peal attended the Bodies of Steel Gym grand opening last Friday, which he felt was a nice addition to the Bethlehem area. He also mentioned several ongoing / upcoming projects and that the Inspections Department performed a record number of inspections in the month of July.

Commissioner Yoder attended the Hiddenite Community Vision forum last week. He noted that a good discussion was held and many ideas were developed to improve the Hiddenite community.

ADOPTION OF AGENDA

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

PUBLIC COMMENT

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

PUBLIC HEARING: HISTORIC PRESERVATION DESIGN REVIEW GUIDELINES

Lee Sharpe, Historic Preservation Committee Vice-Chairman, discussed proposed Historic Preservation Design Guidelines for Alexander County based on the U.S. Secretary of the Interior's Standards for Rehabilitation, first developed in 1976 by the National Park Service. He stated that the guidelines included key principles of preservation such as maintenance, repair, replacement, and other treatments to historic properties.

He explained that design guidelines were a criteria for eligibility in applying to become a Certified Local Government which enables municipalities to receive technical assistance and training from the State Historic Preservation Office, participate in the National Register process, and be eligible for matching grants. The Alexander County Planning & Zoning Commission has also endorsed the guidelines as proposed.

Several commissioners expressed concerns with forcing property owners who were not interested in historic district participation to comply with regulations (standards require at least 85% of property owners be in favor to be submitted for consideration as a historic district).

Connie Kincaid, Business Development Manager, advised that any properties on the edge of a proposed historic district could certainly be left off the request and that non-contributing properties (those whose outside structures have already been modified) would not be held to the same standards for upkeep, replacement, etc. She also reported that there had been no residential historic district identified to date and that the Historic Preservation Committee would be focusing on single landmark structures as well as commercial properties (due to incentives that come along with being listed on the National Register).

After further discussion, Commissioner Mayberry suggested that any proposed historic district in Alexander County 1) be approved by the Board of Commissioners before being submitted to the National Register of Historic Places, and 2) 100% of property owners in the proposed district be in favor instead of 85%.

After a motion by Commissioner Yoder, second by Vice-Chairman Reese, and unanimous vote, Chairman Peal called the public hearing to order and requested any comments.

Public Comment

Bud Caywood, Planning & Zoning Commission member, who has experience with historic districts (served on the City of Hickory Historic Properties Commission and also lived in one) informed the Board that it was uncommon for properties owners living within a historic district to not abide by the standards simply because they did not want to be an

impediment to the growing/cultivating of the area. In addition, he pointed out that these guidelines simply gave the committee a starting point and could be amended and/or flexible when necessary.

Scott Hines, Register of Deeds, felt that being labeled as a historic property could cause the owner to be under scrutiny as far as outdoor appearance. He asked if any other benefits (other than tax credits) came along with the designation such as plaques, etc.

Ms. Kincaid replied that plaques were definitely a topic of discussion the Historic Preservation Committee intended to have in the future.

There being no further comments, Commissioner Yoder made a motion to close the public hearing. Commissioner Mayberry seconded the motion, which passed unanimously.

Commissioner Mayberry made a motion to approve the Historic Preservation Design Review Guidelines with the addition that any proposed historic district in Alexander County 1) be approved by the Board of Commissioners before being submitted to the National Register of Historic Places, and 2) 100% of property owners in the proposed district be in favor instead of 85%. Commissioner Pennell seconded the motion, which passed unanimously.

CAROLINA LAND & LAKES PROJECT UPDATE

Jack Simms, Carolina Land & Lakes RC&D Board member, introduced Melissa Patton to discuss the results of a propane vs. wood pellets study for poultry farmers, noting that over 1,000 poultry farmers operated in the 7 counties served by Carolina Land & Lakes.

Melissa Patton, CLL Executive Director, reported that the study showed a significant cost savings to poultry farmers, such as one farmer who normally spent \$5,000 for propane during a 7-week flock cycle who only spent \$1,100 on wood pellets. In addition, his birds were ¼ lb. heavier than normal. She discussed the need for a local pellet mill to supply local growers, noting that current supply came from Galax, VA. CLL is currently working with NC State University and the U.S. Forestry Department to determine the best location for a mill and early reports have indicated that Alexander County may be an ideal location for this investment. Ms. Patton advised that CLL would rely on Mr. Simms for input on potential sites while staff works to determine funding streams. Hopes are for part of the mill to be a dedicated research center.

Ms. Patton also announced that a Firewise workshop would be held on October 7, 2019 at Rocky Face Park to educate homeowners on how to protect themselves against wildfires.

ALEXANDER COUNTY PARKS PLAN / DUSTY RIDGE PARK PLAN

Alisha Stamey, Rocky Face Park Ranger, informed the Board that County staff was working with the WPCOG to prepare both a countywide parks plan for all County-owned parks as well as a site-

specific plan for Dusty Ridge Park. Activities will include public outreach, establishment of a Parks Committee, and creation of a Parks & Recreation Ordinance.

Public outreach activities are underway in the form of a survey (available online until September 30th and paper copies are at all County departments). Five public meetings are also scheduled as follows – August 29th at Bethlehem Park picnic shelter, September 3rd in Administration downstairs conference room, September 10th at Stony Point library, September 12th at Dusty Ridge Park picnic shelter, and October 3rd at Rocky Face Park multipurpose building, all at 6:00 PM.

Ms. Stamey added that staff hoped to have estimates of park property to be acquired and recreation facilities to develop by November, which will allow adequate time to prepare a PARTF grant application from December 2019 through March 2020.

RESOLUTION FOR WATER SYSTEM EXTENSION PROJECT

Rick French, County Manager, advised that approval of this resolution was required by the NCDEQ to accept the revised State bond loan offer of \$5,436,528 for the Water System Extension Project that will install approximately 14 miles of water lines in Alexander County. Mr. French advised that the loan amount had changed following the July bid opening.

Commissioner Yoder made a motion to approve the resolution accepting the NCDEQ loan offer for the Water System Extension Project. Vice-Chairman Reese seconded the motion, which passed unanimously.

BOARD APPOINTMENTS & REAPPOINTMENTS

Rick French, County Manager, requested that the following individuals be appointed to the Alexander County ABC Board – Judy Caywood for one year, Donnie Teague for two years, and Gerald Davis for 3 years.

Commissioner Mayberry made a motion to approve the appointments. Commissioner Pennell seconded the motion, which passed unanimously.

BUDGET ORDINANCE AMENDMENTS #6 - #9

Rick French, County Manager, reviewed the purpose of Budget Amendments #6 - #9 as follows:

Budget Amendment #6 – To budget for additional fencing and other maintenance and repair items at Rocky Face Park from race registration proceeds.

Budget Amendment #7 – To adjust the Bethlehem Sewer Extension Project budget for additional services to be performed by the engineer including 1) conduct a preliminary evaluation of Phase II that will affect Phase I and, 2) update report, revise plan sheets and

bid documents, and modify/resubmit for sewer permit calculations and new cost estimates for Phase I.

Budget Amendment #8 – To increase the General Fund local match for the Bethlehem Sewer Extension Project to pay for additional engineering services totaling \$9,989.

Budget Amendment #9 – To adjust the project budget for an increase in the loan amount from the NCDEQ for the Water System Extension Project after the July bid opening.

Commissioner Mayberry made a motion to approve Budget Amendments #6 - #9. Vice-Chairman Reese the motion, which passed unanimously.

SEWER DISCUSSION WITH TOWN OF TAYLORSVILLE

Rick French, County Manager, began by discussing the various past written and unwritten agreements between the Town of Taylorsville and Alexander County related to sewer and attempts to develop a new contract. He advised that the County would be opening bids soon for a shell building in the Alexander Industrial Park but felt the project may need to be put on hold until a new agreement between the Town and County could be developed to address sewer revenue, repair costs, etc. He mentioned that current water and sewer agreements between the County and the City of Hickory were as follows:

- Water – Alexander County pays 100% of infrastructure and receives 50% of revenue. The City of Hickory pays 100% of maintenance and repairs.
- Sewer – Alexander County pays 100% of infrastructure and currently receives \$5 from each user each month. Once the Bethlehem Sewer Extension Project is completed, the rate structure will change and the County will then receive 50% of revenue to aid in debt service payments. The City of Hickory pays 100% of maintenance and repairs.

Mr. French explained that current procedures with the Town for sewer varied by project. For example, the County and Town both contributed funding towards the Hiddenite Project (Craftmaster & Paladin), the County pays the Town \$15,000 per year for the Millersville line, the County paid all engineering costs / grant match / etc. for the Shurtape Project as well as the Stony Point School Project thus far. In addition, the County is responsible for any repairs in excess of \$500 to lines or equipment located outside of Town limits but receives NO revenue, which is collected 100% by the Town. He mentioned that the County had applied for a grant to extend sewer at the Industrial Park and, when coupled with costs to construct another shell building, could reach upward of \$3 million. Therefore, he felt a new agreement was necessary, possibly one similar to what is in place with the City of Hickory.

David Odom, Town Manager, provided background information related to the Town's system, noting that the sewer plant was constructed in 1955 along with one lift station. Over \$13 million in upgrades have been made to the system over the years and the Town now maintains 33 lift stations and has capacity to treat 1.2 million gallons of waste per day (but operates at less than

45% capacity and treats 350,000 to 400,000 gallons per day). He explained that the Town did not have reserve funds to undertake large-scale sewer projects, especially ones located outside of Town limits to users that do not pay Town taxes; therefore, they must rely on grant funding and/or partners. In addition, he mentioned that the Town Council had agreed to contribute \$20,000 per year for 4 years towards the Industrial Park Sewer Project.

Several options and possibilities were mentioned including revenue sharing on “outside” rates (similar to the City of Hickory agreements), the County receiving 100% of revenue on outside users but also maintaining lift stations, the County constructing a package plant that discharged into the Town’s existing outfall line and/or purchasing capacity from the Town, or shared investments (similar to the Town’s agreement with EnergyUnited Water Corporation).

Mr. Odom advised that there was very little outside rate revenue to share and gave an example of Paragon Films in the Industrial Park who only generated \$3,046 in revenue for one year minus operational costs to power the lift station (\$1,200 per year). In addition, the Town’s water and sewer employees are paid from the water/sewer enterprise fund and they do not have legal authority to force property owners outside the Town’s jurisdiction to connect to the system. He felt without a big user, such as the NC DOC prison, the County would not generate enough funds from outside rates to construct a pump station.

More detailed discussion was held regarding the County purchasing capacity from the Town. Mr. Odom stated that the Town could invest more into projects with less debt in their enterprise fund, also noting that collaborative projects scored higher on grant applications. He felt a hydraulic study could be useful.

It was agreed that County Manager Rick French and Town Manager David Odom would meet to discuss options and develop a draft agreement. Commissioner Mayberry suggested the contract be fair and beneficial to both parties but also provide guidance and clear direction for future projects and partnerships.

OTHER BUSINESS

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

- A. Ginger Annas, Veterans Service Officer, will be retiring at the end of September. The position has been advertised.
- B. Alexander County has been selected to take part in the Hometown Strong Program. A cabinet agency team representing Governor Roy Cooper will meet with several key staff members on August 26th.
- C. A total of \$4,875,164 has been collected in sales tax revenue for the 2018-2019 budget year (\$1,522,965 is new sales tax for economic development, public education, and community colleges). This amount is 103.77% of the \$4,698,000 budgeted with 100% of the budget year expired and an increase over last year of 7.60%.

D. The Consolidated Human Services Advisory Committee is meeting tonight and the next BOCC/Consolidated Human Services Board is scheduled for September 9th.

CONSENT AGENDA

- A. Minutes from the July 22, 2019 Regular Meeting.
- B. Tax Release Requests (\$29,863.78) and Tax Refunds (\$2,002.98) for July 13 – August 9, 2019.
- C. Amendment to contract with Shabeldeen Engineering for the Bethlehem Sewer Extension Project to conduct preliminary evaluation of Phase II that has effects on Phase I.

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

CLOSED SESSION – N.C.G.S. 143-318.11(a)(4, 5, & 6) ECONOMIC DEVELOPMENT, CONTRACTUAL, & PERSONNEL

Commissioner Mayberry made a motion to enter into Closed Session at 8:04 PM to discuss economic development, contractual matters, and personnel issues pursuant to N.C.G.S. 143-318.11(a)(4, 5, & 6). Commissioner Pennell seconded the motion, which passed unanimously.

ADJOURNMENT

There being no further business, Commissioner Mayberry made a motion to adjourn at 8:34 PM. Commissioner Pennell seconded the motion, which passed unanimously.

Jeffrey P. Peal, Chairman

Jamie M. Starnes, Clerk to the Board