

## MINUTES – JANUARY 18, 2011

The Caswell County Board of Commissioners met in regular session at the Historic Courthouse in Yanceyville, North Carolina at 6:30 p.m. on Tuesday, January 18, 2011. Members present: Nathaniel Hall, Chairman, Kenneth D. Travis, Vice-Chairman, Erik D. Battle, William E. Carter, Jeremiah Jefferies, Cathy W. Lucas and Gordon G. Satterfield. Also present: Kevin B. Howard, County Manager, Brian Ferrell, Interim County Attorney and Angela Evans representing The Caswell Messenger. Paula P. Seamster, Clerk to the Board, recorded the minutes.

### MOMENT OF SILENT PRAYER

Chairman Hall opened the meeting with a Moment of Silent Prayer.

Chairman Hall expressed his and the Board's sympathy to the County Manager for the loss of his Mother during the holidays. He also asked the Board and citizens present to keep in their prayers Commissioner Lucas' Father and Sheriff Welch's Mother.

### APPROVAL OF AGENDA

Chairman Hall added under Discussion of Boards and Committees A. Rules of Procedure and amended Closed Session to include personnel.

Commissioner Travis moved, seconded by Commissioner Battle to approve the agenda as presented, with the addition of Item A. Rules of Procedure and amending the Closed Session to include personnel. The motion carried unanimously.

### APPROVAL OF CONSENT AGENDA

Commissioner Jefferies moved, seconded by Commissioner Travis to approve the Consent Agenda as presented. The motion carried unanimously.

The following item was included on the Consent Agenda:

- 1) Approval of Minutes of December 20, 2010 Regular Meeting

### PUBLIC HEARING – MANUFACTURED HOME SITING ORDINANCE VARIANCE REQUEST – MASONRY UNDERPINNING

Mr. Brian Collie, County Planner came before the Board. Mr. Collie stated "Good evening commissioners. The first item I have tonight is a public hearing for a variance request under the Manufactured Home Siting Ordinance for the masonry underpinning requirement. That requirement is for all residential manufactured homes set up outside of manufactured home parks must have masonry underpinning, be in concrete block or brick. Mr. Garnett Hedrick is the gentleman seeking relief from this requirement. He is in the process of setting up a single wide mobile home Tax Map 0042.00.00.0018.0000 owned by James I. Smith, Jr. Mr. Hedrick will be

leasing the property that his mobile home will be sitting on Mr. Smith's property. The Caswell County Planning Board heard this case on November 23, 2010. That board voted to allow Mr. Garnett to vinyl underpinning for up to 24 months. After 24 months he would have to either remove the mobile home or do the masonry underpinning. That motion passed with a six to one vote. As the Caswell County Board of Commissioners you would sit as the Board of Adjustments on this case to grant or deny this request. I have given you under Section 7.3 of the Manufactured Home Siting Ordinance the tests and finding that must be made to grant the variance."

Chairman Hall stated "Okay you said the Planning Board heard this request and I would assume then they considered these tests and findings that you outlined here." Mr. Collie responded "Yes, sir." Chairman Hall stated "Before we start the Public Hearing let's run through them briefly so everyone will know what we are talking about and then we will listen to the public. The first test is we must determine that by granting this request the supply of light and air to adjacent properties would not be impaired. That is a technical thing. We must determine that by granting this request that the risk of fire to the public is not increased. We must determine by granting this request that established property values in the surrounding area are not impaired or diminished. We must determine that by granting this request that public health, safety, morals and general welfare are not impaired or diminished. So you are telling me that the Planning Board found in the positive that all of these tests were met." Mr. Collie responded "These tests and findings were also presented to the Planning Board by myself and reviewed. They did not go through each one in the meeting, line by line but they made a motion and voted upon it. The tests and findings were presented to them." Chairman Hall stated "Well let me go ahead and read the findings and I will come back to my question then. For the public, there are two things, we have tests and we have findings. We must find in granting the request you must find that by following the strict letter of the ordinance practical difficulties and or unnecessary hardships will be placed upon the applicant. In granting the request you must find that the general purpose, intent, spirit and harmony of the ordinance are preserved. In granting the request we must find that the interests of public health, safety and welfare have been assured and that substantial justice has been done. Some of the questions for the tests. The Planning Board found in this case in the positive." Mr. Collie responded "Yes, sir. They voted six to one vote. That tells me yes." Chairman Hall continued "Here is my follow up question to your test. You said they did not go through them individually on the tests. Did they go through the findings individually?" Mr. Collie responded "No." Chairman Hall responded "Okay, thank you. We will start with the public and then I will listen to the Board members."

Mr. Garnett Hedrick came before the Board and made the following statement:

"Well sir, one thing I can say is I don't set up mobile homes every day. I went to the Inspections Department to find out everything I had to do to set up a mobile home. If I can present this to you, this is what they gave me to do. It only said skirting. It did not say block underpinning. I did everything this paper told me to do." Chairman Hall stated "What he is saying is the under the list required, that he received from the Inspector's Office, there is a requirement for skirting. They did not identify whether it is brick or underpinning. Now you just said to this Board that you received this from the Inspector's Office." Mr. Hedrick responded "Yes, sir." Chairman Hall asked the Board if there were any questions.

Commissioner Lucas asked "What was the date on that information?" Mr. Hedrick responded "I just got this two weeks ago from Brian." Commissioner Lucas continued "There wasn't any kind of amendments since then requiring a permanent foundation." Mr. Collie responded "Not that I am aware of." Chairman Hall stated "Let's be clear on the question and answer. The question was is there some kind of amendment requiring brick underpinning. The answer to that would be yes. Am I not correct, Mr. Manager? That answer is correct. I guess your follow up question would be why this gentleman was not informed. Why did he get some information that was not complete?" Mr. Collie responded "The information that is in the packet that the Inspections Department gives out when someone comes to get a building permit is what he submitted to you. This does not specify masonry underpinning. The masonry underpinning is in the Manufactured Home Siting Ordinance. They do not submit this ordinance to each individual when they file for a permit." Chairman Hall stated "Okay, that is clear."

Commissioner Travis stated "He went by this paper that the Building Inspectors gave him. He has already put the underpinning under the trailer and now they tell him it has to be a masonry foundation. It should have been on that piece of paper when it was given to him. From what I understand is the Planning Board gave him two years, if we give you the variance on it, you have two years to put masonry foundation under the trailer." Mr. Hedrick responded "Yes, sir." Commissioner Travis continued "It should have been on that piece of paper to start with." Mr. Hedrick stated "That is what I asked for. Like I said, I do not set up trailers every day. I wanted a piece of paper to go by to set up a trailer, to go by the rules and the laws of Caswell County that I could do and this is what this stated to me."

Commissioner Battle stated "Mr. Chairman, I have to agree with Commissioner Travis. Even though the letter of the law says you are supposed to do a specific thing, we failed in not informing the gentleman of what should have been done the correct way. It goes back to the point we made on Saturday, one hand does not know what the other one is doing. So yes he should have had the underpinning that we require but the ordinance should say that he should have to have it. The Building Inspector should have known that. If the Builder Inspector did not know that then Planning should have been able to tell him that. We failed."

Commissioner Lucas stated "My comment is just a follow up. We should be consistent with what is being given to the public as to what is in the packet. It is my understanding that was the case. Evidently it's not consistent with what is being given out to the public. Is that correct Brian?" Mr. Collie stated "In that package that Inspections gives to applicants I was not aware that was stated in there. To be completely honest with you until this happened I didn't. This has not happened in the past since I have been here. It does need to be in the packet in bold print and I will also encourage the Inspections Department to put signs up to state this so it will give a heads up to people."

Commissioner Carter stated "I just wanted to comment, I agree with Commissioner Battle and Commissioner Travis but a lot of the mobile homes in Caswell County have vinyl siding on them."

Chairman Hall asked Mr. Hedrick if he had any further comments. Mr. Hedrick stated “Yes, sir. I want this paper to be changed if you could. I don’t want anybody to go through what I went through on this. I just want this to be changed.”

Chairman Hall asked if there were any other who would like to speak at this time. Chairman Hall closed the Public Hearing on the Manufactured Home Siting Ordinance Variance Request.

Chairman Hall stated “Gentlemen, we have heard the request from Mr. Hedrick and you have heard comments from our County Planner and we have a recommendation from the Planning Board. What is your pleasure?”

Commissioner Travis moved, seconded by Commissioner Carter to take the recommendation of the Planning Board and that the appropriate paperwork that is handed out to citizens be amended to show what the actual ordinances are and what is required.

Commissioner Lucas stated “I just have a comment. I remember there was a previous situation that I dealt with personally and I don’t recall that there was a difference in the wording in what was handed out and what was actually in the ordinance and was not resolved during that time. However, I am glad to know that there is some change in that situation because there was no recourse for the people that I was dealing with back then. So I am glad to know that somebody has discovered that situation and that it is going to be corrected because it is a hardship on individuals.”

Upon a vote of the motion, the motion carried unanimously.

PUBLIC HEARING – CASWELL COUNTY RIPARIAN BUFFER PROTECTION  
ORDINANCE [FOR LAND WITHIN THE JORDAN WATERSHED] ADOPTION

Mr. Brian Collie came before the Board. Mr. Collie stated “As you may recall December 6, 2010 meeting I brought this before you as discussion and I was asked to come before you as a Public Hearing. What this is, like you said this is the Caswell County Riparian Buffer Protection Ordinance. This is for lands within the Jordan Lake Watershed. The last time I gave you a copy of the ordinance and there should also be a copy of the ordinance in front of you tonight as well as this map of where this ordinance affects Caswell County. Hopefully you have gone through the ordinance and read all the requirements and restrictions. Back in March of this year I submitted a draft of this ordinance to the North Carolina Department of Environment and Natural Resources. Basically it is a model ordinance that all the counties that are affected by the Jordan Lake Watershed are using. I just changed it to fit Caswell County’s needs. I submitted it back to the Department of Environment and Natural Resources. They reviewed it and they approved what I submitted to them. Basically at this point it is at the process of local adoption. We have to adopt this in order to start implementing these rules. The Planning Board members stated that the draft had been approved at the state level and it is basically a rubber stamped document of minimum standards that Caswell County must enforce and that everything in the Ordinance looked okay. With a unanimous vote they voted to pass the ordinance draft. Do you have any questions?”

Chairman Hall asked "Did you review?" Mr. Collie responded "Yes, they did review this." Chairman Hall continued "This map that you provided for the commissioners and any citizens that want to see it do you have any idea how many homes or how many citizens will be impacted by this change?" Mr. Collie responded "Actually I calculated it at one time but it has been so long I have forgotten." Chairman Hall stated "Rough guess." Mr. Collie responded "I would want to give a rough count. It is pretty rural in that part of the county, mostly residential and farmland."

Chairman Hall asked if there was anyone who would like to speak at this time on the Caswell County Riparian Buffer Protection Ordinance. Chairman Hall asked the Board if they had any questions for the County Planner.

Commissioner Carter stated "I have one comment. This has been mirrored by the Department of Environment and Natural Resources?" Mr. Collie responded "Yes, sir."

Commissioner Lucas asked "Do you know what the classification is of the watershed in this area? Is it a 1, 2?" Mr. Collie responded "It's a class 3." Commissioner Lucas continued "It's a class 3. What exactly does that mean?" Mr. Collie responded "Basically the setbacks off of all perennial and intermittent waters for development or building are fifty foot. Ponds, streams, lakes, everything are fifty foot. The development that goes on close to those waters has to be monitored and regulated upon the rules and restrictions in it. For forestry, farming, residential buildings, commercial buildings, everything has a different set of requirements. Basically you pay very close attention to the land that is fifty foot on both sides of perennial streams that are feeding into that Jordan Lake Watershed." Chairman Hall asked "Would you identify for the Board and the citizens present what perennials streams are in this area?" Mr. Collie responded "There are a lot of perennial streams in this area. To name them all off is hard. Actually under the adoption of this ordinance of the Jordan Lake Watershed there has to be somebody that passes the Riparian and the perennial and intermittent course through the state in order to identify a perennial and intermittent stream. I took those classes back in March of 2010. Basically from where a stream is identified as intermittent or perennial that changes over time. You cannot look at the soil and water maps. They are not accurate. You have to actually go out in the field and do these tests. So it is really hard for me to label each perennial stream in that area. It is kind of a case by case deal."

Commissioner Lucas asked "Is there going to be changes to the land in Caswell County? Are there going to be significant changes with this ordinance that you are aware of?" Mr. Collie responded "I don't think there will be significant changes. There will be some sort of changes. What I am trying to say is this land where this watershed is, is already classified as a watershed area. The restrictions are not as stringent but currently right now there is a fifty foot setback on all perennial waters but not on intermittent. It is just perennial." Mr. Lucas stated "So this will make it more stringent." Mr. Collie responded "Yes, more stringent. Significant changes I do not see."

Attorney Ferrell stated "Mr. Chairman, if I may for clarification. On page five of this ordinance it states 'This Ordinance shall not apply uses that are existing and ongoing; however, this

Ordinance shall apply at the time an existing, ongoing use is changed another use.’ So it is not going to change anything.”

Chairman Hall asked if there were any questions or comments from the Public. Chairman Hall closed the Public Hearing on the Caswell County Riparian Buffer Protection Ordinance.

Commissioner Carter moved, seconded by Commissioner Satterfield to approve ordinance as presented. The motion carried unanimously.

#### PUBLIC COMMENTS

Chairman Hall opened the floor for public comments.

There were not public comments made.

#### SUBDIVISION ORDINANCE AMENDMENT – FOUNDATION SURVEYS

Mr. Brian Collie came before the Board to discuss the possibility of requiring foundation surveys before the issuance of building permits in cases where structures are proposed to be built close to property lines.

Mr. Collie stated “As you all probably recall I have talked about this a couple times before. It was brought before you as a Public Hearing on December 6, 2010. I don’t much more what you want me to say about it other than the departments of Building Inspections and myself thought this would be an easier way to sometimes meet the requirements of setbacks and property lines. Given the fact that we could require foundation surveys from time to time on scenarios where there is no survey of the property. This is not something that happens all the time. It does happen and of course if this did pass we would not require everyone to have a foundation survey of their property. It will be only a handful of cases.” Chairman Hall stated “I do recall Mr. Collie coming before us and as I have thought about it and going back to your very last comment I have a little concern about policies and procedures. I think that if you develop any type of ordinance or impose some requirements on some citizens we should have a policy in place to require all citizens. I don’t think it should be subjective. Some things just came to my attention recently of an incident that you mentioned earlier where people have built on right of ways and other people’s property. I am familiar with a case in my neighborhood where that could easily happen. I would like to see between your office and whoever you consult with to develop a set of policies and procedures. I would not want to hear you say that we want require it of everyone. I think there should be some guidelines. We should know when and whom it will be required of. We want to be consistent and to be consistent we need to start off with some type of policies and procedures. That is just my personal opinion.”

Commissioner Lucas stated “I just want to refer to the sentence in the agenda package from Brian. It says that the Planning Board recommended that all structures that require a building permit must have a foundation survey. The Planning Board is recommending that anybody that applies, that is my interpretation of what they are saying, would require a foundation survey.” Mr. Collie responded “That is the Planning Board’s recommendation. I, myself, and the

Inspections Department do not recommend that. The Planning Board did suggest that.” Commissioner Lucas continued “Just with that comment I would have a problem, you just said it was not that much of a problem. There have been cases that have come up.” Mr. Collie responded “It is a problem. I can pull up on the November 15<sup>th</sup> and December 6<sup>th</sup> meetings I submitted a handful of parcels of land in the County where structures were over the property lines. There are a lot of those. Really the burden of truth is on the citizen. If we are on the property and the Building Inspector is on the property and the property owner says that is where my property line is and there has not been a survey of that property or property markers on the property we have nothing to go by. We are just going off what they say.” Commissioner Lucas stated “There was a survey at some point in time for both pieces of property, correct?” Mr. Collie responded “Not for some parcels.” Commissioner Lucas responded “There has never been a survey of the property?” Mr. Collie responded “Yes.” Chairman Hall stated “We have a few cases on older property that goes back that has been in the family for years that may have not been surveyed in the last fifty or seventy-five years.” Commissioner Lucas stated “There has to be an existing survey.” Mr. Howard responded “There may not be a survey map.” Commissioner Lucas continued “There is a deed description in the Register of Deeds, right?” Mr. Collie responded “Yes.” Attorney Ferrell responded “They are meets and bounds. These maps are not necessarily survey maps.” Commissioner Lucas stated “But there’s a description somewhere of the property lines. I would think so.” Chairman Hall stated “Some of them are by the perennial streams that he mentioned and some of them by stones and rocks. We have that problem.”

Commissioner Travis stated “Looks like to me this could be handled a different way than to have everyone do this. When someone comes in for a permit to build a house looks like to me you could tell them you want the plot showing that had it surveyed. Don’t just tell them they have to have a survey. If he has to have it to start with he will go over there where he got it surveyed and bring it in.” Mr. Collie stated “But a lot of properties do not have a survey.” Commissioner Travis continued “Well he is the one that has a problem not the one who has had his land surveyed. He should not have to have it surveyed again. If you have it that they have to have a survey when they come in to get a permit you will eliminate this problem before you ever get started.” Mr. Collie responded “To be required to have a survey of the entire parcel of land is going to be more expensive than a foundation survey.” Commissioner Travis stated “I am not talking about that. If you are going to build a house on a lot you are going to have to have that lot surveyed before you get your money. A bank is not going to just go out here and lend you money to build a house on your lot if they don’t know where your lot is. If you would require them to come in with a survey it would eliminate this problem.” Mr. Collie responded “Most of the time the issues they are running into with these setbacks and building on property lines is not with homes. It is with accessory buildings on site, porches, garages and carports.”

Commissioner Battle stated “I agree they need to do it beforehand to combat any existing problems before they happen. What about the cases where people have built over their property lines? Now that homeowner to that adjacent property says it is not that big of deal then that is not something we have to deal with but if it is how do you deal with that person? I can see it one way but I can also see it another. If I have some property I don’t want you building on mine. If you have already built because someone has already said yes this is where it is at and the county said okay fine no problem go ahead and build we are at fault.”

Commissioner Lucas stated "In response to Commissioner Battle you go to court. It is dealt with in court." Commissioner Battle responded "I understand but we still have the responsibility of the employee not doing what they are supposed to do. It is not our fault in court the county is at fault because we are responsible." Commissioner Lucas stated "My question is with a property survey what would be your point of reference for doing the survey? If you don't have a clear original survey where would you go to get your point of reference?" Mr. Collie responded "You don't." Commissioner Lucas continued "So what is the point?" Commissioner Satterfield stated "Mr. Chairman, all I was going to say is I think in certain cases a foundation survey is a necessary thing but to have every citizen to have to have a foundation survey is uncalled for. If in fact they have a recent survey and the building inspector can go out and determine that the house is indeed within the bounds of the setbacks that we require on the property lines of if the house is sitting in the middle of five acre tract I don't see the need especially if he has had the five acre tract surveyed why in the world would be required them to have a foundation survey. A lot of contractors are requiring foundation surveys anyway. I think our building inspector needs some discretion to be able to judge whether a person needs a foundation survey. If he thinks it is imposing on someone else's property or too close to the setback lines then I think he should be able to require that the foundation survey be done. It just seems a little ridiculous to me to point blank say yes everyone needs to have a survey."

Commissioner Jefferies stated "Mr. Chairman sometimes the lines have been surveyed and a new road has been cut in and someone comes out and he forgets about the old road and he goes to the new road. I have had this happen. These are some of the things they have to look at too."

Commissioner Lucas stated "Just a quick question. Doesn't Environment Health have some sort of handheld device that they use that has a GPS system to determine property lines when they are close in the well and septic system?" Mr. Collie responded "Yes, ma'am." Commissioner Lucas continued "Is that not accessible to the building inspector?" Mr. Collie responded "Yes, but in certain cases when they cannot locate survey stobs that will not help you. If the surveys have not been done they are not going to be able to locate these property lines with the GPS accurately. In most cases they can. It is just a handful that we cannot. That is what I am talking about." Commissioner Lucas continued "With it just being a handful I cannot be in agreement with imposing it on everybody that applies for a building permit."

Chairman Hall stated "I think we have two issues here. One in cases where it cannot be found and others in cases where we don't know where it is or where to start. There is a lot of property in the county that we don't know where to start. Based on the comments I have heard all to me are legitimate comments, questions, and concerns. We, this Board, need to develop some type of policy. We cannot leave it to be subjective. There are cases where there should be some subjectivity. There are some cases where there are some things we need to be sure of. We need to be sure of right of ways and some other things. There are some problems with that. I think some way or another we need to develop policies that cover all of these concerns, deal with what is practical and address the few instances that we will have real problems." Commissioner Lucas stated "I would not dismiss the fact that there are probably surveys that have been conducted in the county throughout the years that are not accurate." Chairman Hall responded "That was what Mr. Jefferies was addressing." Commissioner Lucas continued "I don't know if that would go

back to the actual surveyor. If that person would bear any of that responsibility.” Chairman Hall stated “Legally if you start looking at statutes and limitations I don’t know but I will give you a good example just for discussion. Our church, the survey line was at the road and twenty, thirty, forty years ago they paved the road and moved it over fifty or seventy-five feet. The line went with the new paved road which was incorrect. So now you have to have a new survey and you have people disagreeing on where the lines are. That is why I think we need a policy. We need someone to think this thing through on all the possibilities that are real problems. Those things that are not necessarily real problems we can address them also. We need to have a policy so next year or the following years that other boards can see back what our thinking was and what we are doing now. Other thoughts, questions or comments? We will come back to this Brian. We have another item we need to deal with and then we will come back to this and I will propose something to this Board.” Mr. Collie responded “Thank you.”

RESOLUTION DELAYING THE EFFECTIVE DATE OF A  
REAPPRAISAL OF PROPERTY IN CASWELL COUNTY

Mr. Thomas Bernard, Tax Director came before the Board to seek approval of a resolution delaying the effective date of a reappraisal of property in Caswell County.

Mr. Bernard stated “Good evening Mr. Chairman and Commissioners. I am bringing before you tonight a copy of a resolution. Kevin and I have been talking since budget time and I think some commissioners were discussing about the affect of a reevaluation. Looking at our sales ratio, the sales ratio is the comparison of sales versus our tax values. That difference is the sales ratio is coming in at .999% so we are right where the values are as scheduled and everything. The reevaluation was supposed to go into effect January 1, 2012 and with the way the values are, talking with Bill Wilkes at the Department of Revenue, he is suggesting and I think also, we need to delay the reevaluation. I don’t think we need to do one at this time because our sales ratio is so high, I think we need to wait a year and look at it next summer or spring of the year to see what that ratio is coming in at. That is why I brought this before you tonight a delay it for one year.”

Chairman Hall stated “Fellow commissioners, does everyone understand what Mr. Bernard is talking about when he is talking about sales ratio?” The Commissioner acknowledge yes.

Commissioner Battle asked “Mr. Thomas do you think it will be better January of next year, the ratio?” Mr. Bernard responded “It can’t get much better than what it is right now. What happens during the reevaluation say if we were in a normal economic cycle, we did one that went into effect in January of 2008, as we get on up here in 2012 in a normal cycle we would already be in the process of doing a revaluation? As the year comes up for ’12 and the sales ratio drops, we never want that to get under ninety percent (90%). So right now, even after a reval you are coming in at 999 or 100% it don’t get much better.”

Commissioner Lucas stated “I wanted some clarification on the utility tax. How will it affect us?” Mr. Bernard stated “It will not.” Commissioner Lucas continued “It will not affect the revenue.” Mr. Bernard responded “No, ma’am. Now as long as the ratio is as high as it is right now it will not affect the utilities. When that ratio gets down below ninety percent or so that is

when we start looking at utilities.” Commissioner Lucas asked “What is the total revenue for utility tax for the county?” Mr. Bernard responded “Right off hand I don’t know. I think the taxable value is around somewhere of sixty some million in taxable value.” Commissioner Lucas continued “So that would be significant if it was to drop.” Mr. Bernard responded “Right. Yes, ma’am.” Chairman Hall added “Just as a point of reference Ms. Lucas it did drop last year. Probably over a million dollars if I remember but it did not have anything to do with our property taxes.” Mr. Bernard added “That was the state’s evaluation of the taxable value of the utilities.” Chairman Hall added “So to make sure that everything is clear to the commissioners and to the citizens present the tax ratio is not the only reason, I think as you are suggesting, that this reval be delayed.” Mr. Bernard responded “Yes, sir. The sales ratio plus the cost to do a revaluation.” Mr. Howard added “The cost last time was around two hundred thousand (\$200,000.00) dollars.”

Commissioner Satterfield stated “Mr. Chairman, I don’t understand why we are just moving this thing just one year. Look at it again 2013. I don’t understand, why not just go ahead and move it to the effective eight year cycle or maybe at least two years down the road.” Mr. Bernard responded “I am going by what Person County has been doing because they have already delayed theirs twice already. If you delay it one year out and if the market takes off then you can caught up but if you delay it two years out and the market takes off then you are stuck in that cycle. In other words, you may be delaying it here and then all of a sudden it may turn around as quick going up as it did down. I don’t know. That is my feelings. I am going by what Person County did. They have been delaying it one year at a time.” Commissioner Satterfield stated “That would be a ten percent (10%) turn around to get it down to ninety percent (90%). If it is 99.9 now.” Mr. Bernard added “Or greater. What I am saying is it could go up as quickly as it went down as the values went down. That is what I am saying. If we do it at a one year cycle, if we look at it next year and the sales ratio is still coming in good we can delay it again. We have that option but once you delay it two years out, see what I have to do is I have to send this to the Department of Revenue and they have to put it in their records. If we go two years out or whatever and all of a sudden the market takes that upswing as fast as it did a downturn then we are caught.” Commissioner Satterfield asked “What happens when you start getting 101, 102, and 105 percent?” Mr. Bernard responded “A lot of counties are in that situation right now.” Commissioner Satterfield stated “I am sure.” Mr. Bernard continued “A lot of counties are coming in at, when it did the downturn and looking at sales ratios in other counties they are coming in at 104. If it gets so high you want to do one to get the values down. Where Caswell is right now we are right here.”

Chairman Hall stated “Let’s not go too far now. One of the things I would say Commissioner Satterfield, since I have been on the Board, it is a lot more complex than what he is saying. One of the things that has happened over the last couple of revals this Board handled that by adjusting the tax rate. We did that a couple of times. So by adjusting the tax rate we in effect did not have a reval in terms of actual dollars to the county. Follow me? I think the other thing to consider as we make this decision is we are not required to do a reval every four years. We are required to do it every eight years. For what reason, I don’t know, we got ourselves on a four year cycle. If we want to get off that cycle I think we should look carefully when we do and consider some of the things that Mr. Bernard is saying. If we move the cycle by one year it is not a problem either way in terms of the legality of what we are doing and complying with the rules and regulations. That is another thing we can consider as we consider this recommendation. Any other questions

or comments? Before we move into the resolution there are a couple of things or words I do not particular like about it. But before we even go to that there is at least one technical adjustment that needs to be made in terms of the general statute. Our attorney will enlighten us on that.”

Attorney Ferrell stated “Mr. Chairman on item two of the resolution references general state 105-286(a) (2) that statutory reference should read 105-286(a) (3) so any motion to approve the resolution should reference that general statute.”

Chairman Hall stated “What our attorney is trying to do, if we move forward with this, is to make sure that all technical things in here are correct. With that being said and done fellow commissioners what do you think about this resolution? Does anybody have any concerns about it or any action to be taken on it?”

Commissioner Carter moved to approve the resolution as presented with a change in item 2 to read GS 105-286(a) (3) for a period of one year.

Chairman Hall stated “I will get back to that and recognize your motion. I would like for us to discuss a few things internally about this resolution and some of it is just wording, some of it is a technical concern that I have that is not legal. If we will look at about the seventh paragraph it says ‘Whereas the Caswell County Board of Commissioners feel that a revaluation for January 1, 2012 should be delayed due to the unstable real estate market and that the 2008 tax assessments are fair and equitable’ I have a problem with unstable real estate market. I think that if this Board is going to look at this in terms of delaying the reval that is not the reason we are looking for. So I wanted to discuss that in this resolution. In the next paragraph ‘Whereas to implement the planned reappraisal scheduled for January 1, 2012 would add substantially to the financial stress and uncertainty of the citizens of Caswell County.’ Again I do not think this is the kind of wording we want to put in a resolution. We want to address this. This is something that I have a problem with. Finally, the final paragraph item number two there is a sentence that says that ‘Caswell County will return to a four year revaluation cycle thereafter.’ I don’t know if that is necessary if we delay it out. Now that is just some things that are subjective and are my opinion. I do have a question that I did not have time to ask our attorney. The final item #3 says ‘A copy of this resolution shall be provided to the Property Tax Division of the North Carolina Department of Revenue and to the Towns of Milton and Yanceyville.’ I don’t believe we have the authority to decide a reval date for the towns of Milton and Yanceyville.” Mr. Bernard answered “We do. That property is in the county. We provide those services for them.” Chairman Hall questioned “For the towns of Milton and Yanceyville?” Mr. Bernard responded “Yes, sir. We provide those revaluations.” Attorney Ferrell stated “We provide the schedule of values and revaluation.” Chairman Hall stated “So the rate is different?” Mr. Bernard responded “Yes, sir.” Chairman Hall stated “Those are my comments now we will listen to other commissioners.”

Commissioner Lucas stated “Chairman Hall you went all around it and it’s subjective but the 2008 tax assessments are fair and equitable. That was my subjective concern.”

Commissioner Battle asked “Do we want to take this out and have this brought back before us or. I think you have valid points with what you said so. There are a few things that need to be

changed.” Chairman Hall stated “I think that, since mine are subjective, I would agree to a few things. Ms. Lucas I don’t know. She probably would too. If we could take a minute either now or by the end of the meeting, I don’t think it is necessary to bring it back or to delay the whole process. We need to take some action on it. Mine was more related to, if we are going to do the resolution to delay it let’s not put extraneous words in there let’s just do it.” Mr. Bernard responded “Should we just strike the unstable real estate market and say ‘be delayed and that the 2008 tax assessments are fair and equitable’”. Commissioner Lucas stated “Just stop it at ‘should be delayed.’” Mr. Bernard asked “Do you want to do that? Mr. Ferrell?” Chairman Hall stated “Let’s get a consensus on that.” Attorney Ferrell stated “It is not necessary to put a reason.” Chairman Hall reiterated “Our attorney was just saying, just so the public will know, that there are no requirements for us to put a reason why in there. So it is kind of subjective.” Attorney Ferrell added “There is a requirement to have the cycle in the ordinance and it is in there now.”

Commissioner Satterfield stated “Go ahead and strike that eighth paragraph Mr. Chairman and at the end of number two down there where it states ‘and Caswell County will return to a four year revaluation cycle thereafter’, we don’t know what’s going to happen thereafter. We don’t know if it will be four years or not. Strike that.” Chairman Hall asked “Mr. Attorney did you say we needed that in number two?” Attorney Ferrell responded “What the general statutes say is that ‘to advance the period so that a reappraisal occurs more often than every eight years.’” Chairman Hall stated “We are not changing the eight year we are changing the four year. I suggest we change and we will move forward.” Attorney Ferrell stated “I stand corrected; the resolution must designate the effective date.” Chairman Hall stated “Mr. Satterfield you commented on that so how do you feel about that at this point?” Commissioner Satterfield responded “I feel like you just need to strike that last part. You don’t know what’s coming up. Mr. Bernard said he does not know what it is going to coming back and ask for next year. Personally, I think we could go to January 2016 like in an eight year cycle and leave it alone.” Chairman Hall stated “For now is there a general consensus before we go to the motion to take that out?” All the commissioners agreed to take that out. Chairman Hall continued “Okay there is a general consensus to take that part out. So far there have been two changes.”

Commissioner Battled asked “Does the adoption date need to change?” Mr. Howard responded “Yes, that will need to be changed.” Chairman Hall asked “Are there any other concerns by any other commissioners about this resolution? With those adjustments or changes, Mr. Carter we will entertain your motion now.”

Commissioner Carter moved, seconded by Commissioner Jefferies to approve the resolution with the changes that the Board discussed. The motion carried unanimously.

**A RESOLUTION DELAYING THE EFFECTIVE DATE OF A REAPPRAISAL OF  
PROPERTY IN CASWELL COUNTY**

**WHEREAS**, GS 105-286 mandates a reappraisal of property at least every eight years, and

**WHEREAS**, GS 105-286(a) (3) Authorizes a Board of County Commissioners to advance the period so that a reappraisal occurs more often than every 8 years, and

**WHEREAS**, once an advanced reappraisal occurs, it has the effect of resetting the next required reappraisal for eight years after the advanced reappraisal, and

**WHEREAS**, Caswell County has advanced its reappraisal period so that the last reappraisal occurred on January 01, 2008, and

**WHEREAS**, Caswell County's next mandated eight year reappraisal is required for January 1, 2016, and

**WHEREAS**, Caswell County had planned to have an advanced reappraisal effective for January 1, 2012, and

**WHEREAS**, the Caswell County Board of Commissioners feel that a revaluation for January 1, 2012 should be delayed and that the 2008 tax assessments are fair and equitable.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Commissioners of Caswell County that:

- 1- The scheduled reappraisal for an effective date of January 1, 2012 is hereby revoked and rescinded.
- 2- Pursuant to the authority granted in GS 105-286(a) (3), the next scheduled reappraisal for Caswell County is set for an effective date of January 1, 2013.
- 3- A copy of this resolution shall be provided to the Property Tax Division of the North Carolina Department of Revenue and to the Towns of Milton and Yanceyville.

Adopted this 18<sup>th</sup> day of January 2011.

S/ Nathaniel Hall \_\_\_\_\_  
Nathaniel Hall, Chairman  
Caswell County Board of Commissioners

ATTEST:

S. Paula P. Seamster  
Paula P. Seamster  
Clerk to the Board

## LIBRARY VAN

Ms. Rhonda Griffin, Library Director, came before the Board to seek approval to purchase a library van with the Vehicle Reserve Fund.

Ms. Griffin stated “Good evening. The library does deliveries to the nursing homes, the Brian Center and other places throughout the county. The first week of December on route the 1987 library van broke down and maintenance declared it unsalvageable. So I am asking permission to use what we have in the Vehicle Reserve Fund to purchase a used vehicle.”

Commissioner Satterfield moved, seconded by Commissioner Jefferies to allocate the \$13,000.00 in the Vehicle Reserve Fund to buy a used vehicle for the library.

Commissioner Lucas stated “I just have a quick question Ms. Griffin. Are these the only four locations that you service currently?” Ms. Griffin responded “Right now. Once the region dissolves we will be responsible for returning books back to the counties that we borrow books from. The region is likely to dissolve over the next fiscal year.” Commissioner Lucas asked “Would you entertain going to additional locations?” Ms. Griffin responded “Absolutely yes. We actually went to several other locations there was a shortage of staff and then there were locations that opted out but definitely. If there is any suggestions yes please.” Commissioner Lucas stated “I know the Pelham Community Center, they have seniors that meet there weekly and they may benefit from that program. If that is something you would consider.” Ms. Griffin responded “Yes, sure.”

Upon a vote of the motion, the motion carried unanimously.

## LAND USE PLAN UPDATE

Ms. Betsy Kane with the North Carolina Commerce Division of Community Assistance came before the Board to give them an update of their progress on creating a workable Unified Development Ordinance and to see how the Board wanted her to proceed.

Ms. Kane stated “Chairman Hall, Commissioners, ladies and gentlemen I am Betsy Kane. I am with the Division of Community Assistance from the North Carolina Department of Commerce. I am coming before you tonight to introduce myself and to give you a status report on this project that we have undertaken on behalf of the County. I have got a few slides to show you just as a visual aid. The Division of Community Assistance is a division within North Carolina Commerce if you are not already familiar with it. I am in the part of it called the Community Planning Program. We have five regional offices in various parts of the state from Asheville to Fayetteville and Little Washington. I am in the Raleigh office, which is the central office. Our part of the state is the area around the triangle but most of the communities we serve are either north and east of the triangle area or north and west such as Caswell. Being that your county is in our service area we have done projects with the county before and we will continue to work with you as long as you would like for us to. So I am Betsy Kane and I am a senior planner. The person in charge of our group is Oliver Bass. I don't know if any of you were in office several

years ago when John Mork was the chief planner. He has since moved up one position and is now the supervisor of all the regional offices. He is still in the physical location where I work if any of you had the opportunity to meet him while he was doing projects for Caswell a few years ago. I wanted to give you an update and just appear before you for the first time on the project we have undertaken. Mr. Collie and Mr. Howard got in touch with us some time ago and let us know that there were some issues that needed to be looked at with your land development regulations. Land development regulations simply mean anything that has to do with building permits or development on land, some environmental protection ordinances, and the like. Those would include for an example the Subdivision Ordinance being the most obvious and most encompassing one. Some sub-regional zoning ordinances that you have like Shady Grove and Hyco Lake zoning ordinance which are currently on the books. You have a Manufactured Home Siting Ordinance, Water Supply, Watershed Protection Ordinance, Flood Plain Development and Flood Damage Prevention. Also some ordinances such as Sexually Oriented Businesses and Wireless Telecommunication, Outdoor Storage and Junked Vehicles. All of those have elements that pertain to the development of land and under what circumstances where it can do and that kind of thing that is what we call land development regulations. The project was initiated. County staff contacted us and let us know that there were some issues with your current land development regulations. Among the issues that we heard were problematic at times is the practical fact of the enforceability of the ordinances both in terms of implementation of enforcement how smooth or rough that process can be and also the legal enforceability. Some of the ordinances, as I may understand it, may have provisions that are either not enforceable or their enforceability is questionable if push were to come to shove. The affect that substantial provisions of the ordinances also may not be as effective or may not be sufficient to address the needs and interests of the county. From time to time you may find that you do not have the tools that you would like to address the citizen's concerns. There have been a series of amendments over time and like every community I work with you keep amending ordinances and every time it happens you don't achieve perfection and so some conflicts arise. You may have amendments that are later and contradict earlier amendments without explicitly stating what the affect is when things supersede previously adopted provisions. It creates a lot of work for the county attorney and the other people trying to interpret and apply the ordinance. We have heard some conflicts that are currently on the books. Part of the need for the project is to fix those conflicts. Other flaws that may exist on the books right now or that we know exists on the books right now there may be regulations that are outside the county's actual legal authority, what local governments are allowed to do. Some regulations are not really categorized correctly. There are some zoning like provisions and procedures in the Subdivision Ordinance and in other locations in the code. So all of those things add up to administrative problems for staff, enforcement problems for yourselves, public relation problems when citizens encounter issues. Our goal is to make it a little easier on everybody and to undertaken some provisions that will address those issues. I met with County Manager Howard and your Planner Brian Collie in the fall and the chief planner from my office came up with me and talked about a recommended approach with them. What we recommend is a two phase project. There is a very good reason for this and I will explain in just a moment. Phase one would be cleaning up the existing regulations that you have on the books, go over them, review them, which I am doing now. Take a look at all the regulations as a package and reorganize them. There are pieces here and pieces there and you have to look in four or five places for some of the things that staff needs to do to carry out the intent. The intent is not always clear. So the idea here in Phase one is to clean up, reorganize, take any issues that

are presenting legal problems or outside the county's authority and get the ordinances in order. Once they have been cleaned up re-adopt them. That is an administrative task. It is going to be somewhat lengthy. It is going to be very technical and sometimes a little difficult for me who will be doing that work but it is not anything that should frighten anybody. It is a good idea all around. Everybody in the county should benefit from that. Everybody should be able to understand why reorganizing and cleaning up is a good idea. Phase two is where any substantive changes would be made to the ordinance. At your direction we would create a punch list for your review and approval. Having looked at the ordinance in phase one, keeping notes on what the problems are and making a list of recommended changes I would come back to you at the beginning of phase two and say here are some things that you want to consider and please add to this list your own personal concerns and concerns that you have encountered as a Board and we will develop a punch list for your approval. Based on that task list we would then go back, in our office, and revise the ordinances according to those goals and make those desired changes. Toward the end we would present the revisions to you. You would have an opportunity to look over them, make any comments, edits, and additions, whatever, make all the changes you see fit and hopefully adopt changes that in your view are going where the county needs to go. The reason we recommend that approach, my understanding is that land development has been a touchy subject here in the county. There are many people who advocate for some changes. There are many people who feel that things should stay the same or that there should be even fewer regulations. Of course, everybody has disagreements. What we would like to do is to sort out that ahead of time before we start the drafting work. We don't want to spend several hundreds of hours drafting ordinance changes, if it takes that long, it can take that long, and then present it to the Board and have a political fire fight after the work has been done. We would like to identify a consensus ahead of time then do the work and then bring it back to you. Hopefully at that point there would have been some type of agreement ahead of time about what you would like to see. That provides a couple of things. It makes our work easier to be quite candid. I have no interest in spending a lot of time drafting an ordinance that is never going to get adopted because no one likes it in the end. I don't think ya'll would like it either. To get everybody set up for something and for it to not come to pass. We also would hope it would prevent political problems for you. Hopefully upfront everybody would be comfortable with the changes that are on the task list and that there would be some consensus ahead of time and that people would feel comfortable with what is being undertaken on behalf of the county. Finally, it does do a third thing which is practical and convenient. It causes the phase on clean up is protected because in the clean up phase we are not really changing anything. We are just cleaning, reorganizing and getting legal problems out of the books and that means at the end of it lets suppose that phase two was not politically feasible at least you would have cleaned up, updated and legally passable ordinances at the end of phase one. The county should benefit from that part of the project. That would be our recommended approach to the project. I have talked this over with staff and we are presuming at this point that we are kind of at the beginning of phase one. I am looking over the ordinances that you have and doing that work. I talked with your outgoing attorney, Mr. Ferrell and got some feedback from him on the types of legal issues or problematic in the ordinances now. I have talked to him and I have talked to Brian and I will continue to go about cleaning up the ordinances."

Chairman Hall stated "Thank you Ms. Kane. That is very good. About how long do you think Phase One will take?" Ms. Kane responded "Well we try to provide some type of timeline back

when we were discussing the project in the fall. It is probably about a six to eight month process. The reason being is because there is so much on the books. It is not a, it is difficult sometimes complex having to go through all the material and make notes on where it should end up. The first several ordinances I have gone through so far the material, there is a lot of material that really should be reorganized completely. When I say it could be six to eight months I am being a little optimistic but hopefully from this point an eight month timeframe will be reasonable.”

Commissioner Battle asked “How does this help, if we go this route, against pre-existing conditions? Let’s say I have a strip club and now you right something in our new ordinance against that. How does that combat against pre-existing conditions?” Ms. Kane responded “A lot of people refer to that as grandfathering or non-conforming uses are how it is normally referred to in zoning context. The approach that most local governments take and have taken for many years is rather hands off on non-conforming uses. Usually uses that are in place and were legal and lawful at the time they were established and at the time the ordinances changes can continue. Now when they expand or change they may need to come up to date. It is part of your policy decision when you direct our work in phase two it will be a choice that is up to you about how far you want to go with updating and changing that. But in a great majority of cases any use that is lawful at the time of its establishment will continue to be legal although they may not be able to expand or they may not be able to change to another use that is not allowed in that district.”

Commissioner Lucas asked “With strictly dealing with Land Use ordinances, are you reviewing all the ordinances for the county?” Ms. Kane responded “Not all of the county code but any ordinances pertaining to land use or development. Typically land use is governed more by zoning but there are other development standards that don’t have to do with the use of land but maybe the location of structures or flood plains but those two would be land development. In a nutshell it is just the land development regulations that we are addressing.” Commissioner Lucas continued “And the end result would be a land use plan, is that correct?” Ms. Kane responded “The end result would ideally be a Unified Development Ordinance. A lot of counties and towns have taken their zoning and subdivision and put them in a Unified Development Ordinance. That just puts everything in one place. The advantage of that approach is that you have one source for all the rules so you are not paging around in the county code in Chapter 2 and Chapter 16 hopefully.” Commissioner Lucas stated “You made a comment that there were legal issues that were problematic in the ordinance. What specific ordinance were you referring to?” Ms. Kane responded “Well there are probably a number of legal issues in different place. Some that I know about already, from discussing it with Mr. Ferrell, he was very concerned that the subdivision ordinance attempts to do things that a subdivision ordinance probably can’t do under state law. There are some building standards in there. There are some zoning like standards in there. I think what has happened, I have not been here and seen the background context, but it seems to me that from the pieces of ordinances I have been through at this point ya’ll have been trying to do back door zoning for years. There are places in the ordinances where zoning like regulations kind of sneak in and there is a piece here and a piece there that has something about where things can go. That sounds a lot like zoning but there is no zoning ordinance.” Commissioner Lucas stated “Like fifteen feet setbacks on property lines?” Ms. Kane responded “That is a very zoning like provision.” Commissioner Lucas continued “That fifteen feet of your

land you are told what you can do and what you cannot do with it. To me that is zoning.” Ms. Kane stated “Setbacks are typically dealt with in a zoning ordinance or attempts to say where certain uses can locate. Some of that is development standards. You don’t want to see a heavy industrial use on a road that is not paved.” Commissioner Lucas stated “We already have designated industrial parks so to me in a fact that is zoning. We have zoned certain parts of the county for industrial parks.” Ms. Kane responded “Practically speaking, some of the things you have on the books are like zoning ordinances for sub-districts. Not the whole county but there are areas there is zoning in affect. I mean practically speaking. The only thing is it is technically not correct to do it that way. If it were ever presented in court it may present legal problems.”

Chairman Hall stated “Thank you Ms. Kane. If I or Mr. Howard call you next week after some reflection could we pin you down a little more on the time frame of the completion of phase one?” Ms. Kane responded “Yes, I will give that some thought and kind of see what our calendar shows. One questions I have for you, this is maybe a kind of sense of the Board type of question. Are you comfortable with the two phase approach? Do you think that meets your needs?” Chairman Hall responded “Everybody is comfortable with you.” Ms. Kane stated “That is good news. Thank you very much. I look forward to working with you.”

### PIEDMONT COMMUNITY COLLEGE

Dr. Walter Bartlett, PCC President, came before the Board to present a proposal to use a portion of the Guilford Mills Building.

Dr. Bartlett stated “Good evening Chairman Hall, Commissioners, ladies and gentlemen. First off I would like to begin by saying I think it has been recognized throughout the state and the nation how important community colleges are to economic and workforce development in the nation and the state. Although there are many entities that participate and are going to be helpful in helping the state and the nation pull out of it. I think it is no small step to say that the community colleges are going to play the biggest part. I want to recognize the fact that I think this Board has done a great job on supporting us in the past and I appreciate that. One of the things, as a community college, that we have to do is we have to assist communities. And the way we do that is by addressing three questions. The first is, are we aware of the needs of local industry? How can we meet those needs? The third question is how can we better prepare our students for jobs in the local industry? We have and we continue to strive to analyze what are the needs of the industry in Caswell County. We are not a profit organization. None of us get any extra money for what training we do here. What we do is solely for the citizens of Caswell County. Therefore, I want to thank you for providing me the opportunity to present to you an investment opportunity that we feel will provide a host of benefits to many entities in Caswell County. I also want to take a moment to thank those folks for being able to be here today, the Sheriff, folks from the Department of Corrections in support of this proposal. First, I want to take a look at, I think you have a hand out that shows what I am referring to. I think this is no small thing to say that this is an investment opportunity. It’s an investment in that it is going to help Caswell County, the whole community. One of our first and primary things is to look at the employment status. The second largest employer in Caswell County is the Department of Corrections. In the investment proposal that we are bringing forth will help the Department of Corrections in many ways. One, it will allow us to expand the training beyond the currently

being offered correctional officer training in this county. I think the significance of that it is a locally offered training. The Department of Corrections has to do training. Unless we provide it here in Caswell County they are going to send it out to somewhere else. This is an opportunity that we can do this training here. In the process of doing it here, we can also bring other correctional officers to Caswell County. It may look like, why are we training other people in Caswell County that aren't from Caswell County. Well that should not be seen as a negative thing because the funds that we get for training are state generated funds. So the more people we can bring into the county to train really the more money we are bringing into Caswell County. So that will be a benefit. It will also be a benefit in that we will be keeping what training dollars the Department of Corrections in Caswell County; we will keep those dollars in Caswell County. It will also allow us to expand some of the specialty training like the prison emergency response team training. Currently we are only offering it in a few students but we could increase that to forty or eighty students per class. We are looking at a significant number of students we could be bringing here and those students when they come here will bring in dollars. They will eat here, buy gas here, may be spending the night at the hotel, so we are bringing in revenue. They will be. Another entity that will be benefitted will be the Sheriff's Department. I think the key is we will be able to provide training in this county. If we can't provide it here again they are going to have to go through mandatory training. They will have to go somewhere to get it. The more we can keep it in this county the better off we will be. Local merchants, I have already talked about if we can keep them in this county they have to go eat lunch. Some of those training last all week so they may be eating breakfast, they may be eating lunch and eating dinner here. We are bringing dollars from outside of Caswell County that will be spent in Caswell County. The other thing is we can, one of the spaces we are in now, we have a Business Development and Entrepreneurship Center. We can help the small businesses that are currently in Caswell County. We will have a better space to do that in. We can provide those means of being better businesses. Provide better business training. Provide business opportunity for those looking to become entrepreneurs. So we can help the business industry in Caswell County I that regard. I know there is a big concern and a legitiment concern you don't want to change what you are. In that you still want to provide the folks in Caswell County the opportunity to become entrepreneurs. We will also have the ability to expand upon the already good services we do at Job Link in helping those citizens that have become displaced, unemployed, we will be able to expand those services. These services are up in the K building and I am still trying to remember all the letters on the building on campus. We will be able to expand. We will have the Workforce Investment folks can come in. We have several entities, probably four or five different entities that will come in to service Caswell County. They had to share offices now. This will provide them an opportunity to come in and to provide better services to Caswell County citizens because they will not have to share an office. There is probably an opportunity to spend more time here. It will give us the opportunity for reemployment. All of those things will be enhanced. We are also in visiting that part of this will be, for the law enforcement, physical training will be involved. We are looking at an area that will have mats. We can offer aerobics. It will help us enhance our curriculum offering of physical education training. We don't have anything like that here in Caswell County. We will be able to do that here on site. Another thing that it will help is that you will bring in a large law enforcement presence around the neighborhood of Guilford Mills. I would think that would help the citizens that live in that neighborhood to feel more secure. We are looking at forty to eighty law enforcement personnel a day. The majority of those will bring their squad cars so there will be an increased presence of

law enforcement. From our standpoint it will provide us the opportunity to provide more training and better service the citizens of Caswell County. Again, the second largest employer organization, the Department of Corrections and then you bring in the Sheriff we will be able to better serve their needs. If you turn your sheet over. I gave a cost analysis. We will have a lot of skin in this thing. We are not coming with our hands out. We have a lot to do. This is an investment opportunity where we are willing to invest in. We are looking at putting in materials. We will take the construction inside. We will do those. We will provide the materials for the electrical improvements. We will furnish the building. We'll furnish the computers and technology. We'll put in the internet and the phone services. We'll make those investments into that facility. What we would need from the county is to cover other things. Together, let's look at what we will need. I think to protect the college and to protect Caswell County we need to come up with some form of a Memorandum of Agreement. The county would do this and we would do that. First, I think it is important that we get a granted occupancy right to the Guilford Mills building for at least ten years. That if we come in and make provisions and retrofit the facility then we are able to use it for at least ten years. The second thing is that we would ask the county to provide adequate and safe parking around Guilford Mills. Kevin as the County Manager went with us as we went around, I think there are a lot of opportunities right around the facilities. I think we counted if we redid the parking, we could get forty to fifty slots right there. There are lots of options of parking with other lots around we could explore. We would ask that the county do one of two things. Either one cover the annual housekeeping, utilities, water and waste disposal cost of the Guilford Mills building or increase our annual allotment by \$15,000.00 to offset those costs. We don't have the funds to absorb that kind of cost in our county budget and you know that. Then what we are talking about it to provide building maintenance for the facility. What we are talking about is we will cover the basic maintenance. We would ask the county to cover the building maintenance. The building maintenance would be if the heating system goes out the county would cover it. If an electrical plug goes out we will cover it. General basic maintenance we will take care of. The big ticket items we need the county to make the commitment that you will cover that. What would be put in for basic maintenance? We would furnish it with furniture. These are no small ticket items from our standpoint and computers and technology and we would put in an internet and phone service. We would make that commitment. I respectfully submit this; I would like to refer to it as an investment opportunity, to the Board."

Commissioner Battle asked "Dr. Bartlett, could you explain the parking in a little more detail please? I know you say the existing is around forty or fifty if they were realigned." Dr. Bartlett responded "Right now, the parking, they come into the building and they park this way. If we were to come in there and make pull in parking you could easily put in twenty slots in the front of the building. If you took the side of the building, there is a driveway that comes around the back and they have that porched area. If you came in a managed it and drew it out and organized it and moved the dipsty dumpster around to the front instead of having it in the back you could easily, I think, put in another fifteen to twenty slots right back there. If it were drawn well. That is thirty or forty slots." Commissioner Battle continued "So with those thirty or forty slots, like what you said if you have law enforcement classes you have between forty and eighty then where is your staff going to park if those slots are taken?" Dr. Bartlett responded "There would have to be and I think we have looked at some other options. There are some other options. There is some empty lots close by that different folks have offered up." Doris Carver, PCC VP

Continuing Education, stated “We have offered from four other sites. One is the church across the road, George Daniel offered four acres which is also across the street, and Ray McGuire has offered a piece of land also.” Commissioner Battle stated “Excluding the church, would the two of those lots that you just referred to are you able to park right on them or would it take improvements to park on them?” Ms. Carver stated that she had walked over these lots this morning. Mr. Daniel’s property will take a significant amount of improvements. This land has been timbered. Mr. McGuire’s would take some excavating and some gravel. The church is free of any changes.

Commissioner Satterfield asked “Dr. Bartlett, what portion of this building are you talking about needing?” Dr. Bartlett responded “It is my understanding it is the portion that Orange Industries is vacating.” Commissioner Satterfield asked “Mr. Manager does that include our current lease of office space or no?” Mr. Howard responded “No.” Commissioner Satterfield responded “No, it does not include that.”

Dr. Bartlett showed the Board a layout of the building he is proposing. Ms. Carver explained that the blue walls were the walls that would need to be built and the purple walls were the walls that needed to be torn out.

Commissioner Satterfield asked “Let me ask you Dr. Bartlett of these parking spaces I assume one of them is free and the other two must have some type of price affixed to them? Is that correct?” Ms. Carver responded “Yes it is.” Commissioner Satterfield continued “The one that is offered free by the church. What do you have to do to that and how much will it cost and how many cars are you going to be able to park there?” Mr. Carver responded that it had really good lighting. It has approximately twenty to twenty-five spaces in front. She also stated that there would not need to be any changes made to the church property. Commissioner Satterfield stated “That is the closest in proximity to the building anyway. If you are talking about pulling cars in this way to the building I think it was done one other time and it presented some problems with traffic. Some of them sticking out actually in the highway.” Dr. Bartlett stated “That, I am not aware of. I know one of the issues we are dealing with. The Guilford Mills building is one that we have been asked on several occasions to look at and parking has been one of the major issues. In terms of when we have looked at it that has been one of those things we have had in terms of concern. Just having the space to do the training is one thing, parking for the folks that are going through the training is another issue. I don’t know, that could possibly be. The only thing I could guess is instead of having a straight pull in there may be something in terms of an angle. You may lose a slot or two.” Commissioner Satterfield continue “I think you can get the spots you need at the church with what you have up there with parking as far as it goes. I have a little bit of concern about the existing structure up there of course you are not wanting any portion of it. We have access and we have a problem there. If someone were to go around on that side of the building where we have a wall that could fall on their car or something like that. I have a little problem with that. All of that needs to be addressed before we say okay.” Dr. Bartlett responded “I am not sure what wall you are talking about.” Commissioner Satterfield continued “It is on the other end of the building. At the back near Mayor Davis’ house. Mr. Chairman, I just think before we can make a decision on this the Board has to make some decisions as to what we are going to do with the facility up there.”

Commissioner Lucas stated "Mr. Satterfield answered my concern. The last I heard about the facility there were issues of the structural soundness of the property when it was being discussed for the use of other purposes. That was my only concern. I would hope that we would not consider renting it out if it is not a viable property to rent out or lease out whatever we are proposing to do. I would not want there to be safety concerns for folks. I know when I toured the mental health part of the building it was wonderful. The office space, the director of mental health of Alamance County told me that it was far superior to anything they had in Alamance County. I was very impressed with the office part and the vocational trades' end of that building. I have not been in and toured to see where the concern is for the structural soundness of the building but that would be my only question. I was a little confused over the fact that we were considering doing this when there was a problem with the building." Chairman Hall responded "We did get a report from staff regarding some concerns." Commissioner Lucas asked "Did we not have an engineer go in and look at the building? Did we not pay to have that done? Was it determined it was structurally sound?" Commissioner Battle responded "It was sound." Chairman Hall stated "We will revisit this and make sure that everybody gets a copy."

Commissioner Carter stated "I am all for the training center. I think it is a good thing. The only question I had about the building, from being in it when we had the auction, is has the roof been repaired. I know we had some problems with the roof leaking." Mr. Howard responded "The section they are talking about is not affected by that. That is the old part of the plant." Chairman Hall stated "Again, we can revisit all of that."

Dr. Bartlett stated "Commissioner Lucas had indicated something about leasing or renting that, we don't have funds to lease or rent. I just wanted to make sure." Commissioner Lucas stated "A memorandum of agreement." Dr. Bartlett responded "Yes." Commissioner Lucas added "I know the history of what has gone on in the past."

Commissioner Carter stated "I would like to comment on one thing. When they had the training center here before I had a lot of comments from the business owners and the restaurants. They said with the people coming in from out of town, they had a lot of business and they really hated to see it close up. They benefited from it and I heard a lot of comments around town." Chairman Hall commented "I did too. Dr. Bartlett we will put this on the agenda. We have this information. We will have the staff do some investigations and we will get some proposals and put it back on the agenda for this Board for further consideration. In your mind or the college's mind are you working with some type of time frame on this request?" Dr. Bartlett responded "We are not under any constraints in that regard. My take is the sooner the better. We don't have anything pressing us. What we have in terms of funds, those will be there."

Commissioner Battle asked "When we get that back could we see the layout plan of the exterior as far as the proposal such as the church across the street and the other lots as well?" Chairman Hall asked "Is that in terms of parking?" Commissioner Battle responded "Yes." Chairman Hall addressed Dr. Bartlett "The layout plan that could be proposed based on the people you have talked with for parking." Dr. Bartlett asked "You need that from us?" Chairman Hall responded "Yes, since you have talked with them." Commissioner Battle added "And how many staff will be there on a daily basis and class wise as well."

Commissioner Carter asked “If we were to not move the Board of Elections where you are currently would you have enough room?” Dr. Bartlett responded “It is not enough room. That space is meeting what we are doing but a very minimum level. Moving into this new facility will allow us to expand the offerings and bring more folks in. Where we are it is limited space and there are limited things we can do there. This new facility has high ceilings so those who are physically fit they can do all the flips and other stuff. It will open us a whole host of things that we can do. The thing is in doing so if we can move the Job Link from our campus, the K building; it will also help us in opening up space for us to offer more classes. It is a huge win. Having that space would open up a lot of opportunities as far as us offering curriculum classes up there and other things.” Chairman Hall stated “We will deal with the space request and you will deal with the assignments.”

### RECESS

The Board held a brief recess.

### RESOLUTION DIRECTING PUBLICATION OF NOTICE WITH RESPECT TO INSTALLMENT FINANCING OF THE COST OF CONSTRUCTING CAPITAL PROJECTS

Mr. Paul Jacobson, Bond Attorney, came before the Board to seek approval of a resolution for installment financing of the Detention Center project.

Mr. Jacobson stated “Good evening Mr. Chairman and members of the Board, I am Paul Jacobson the County’s Bond Attorney at the Sands Anderson Firm in Raleigh. I have worked ya’ll a couple of times before on financings, they were refinancing, in both cases they were school projects where the county achieved debt service savings with the lower interest rates. The project you have currently underway is the Jail project. This is called new money financing. My understanding from the architect you have hired is that it is moving right along. Their schedule has invitation for bids going out, I believe, in February and they are due back in early March. That is not that far away. The financing we are talking about is an installment purchase financing. There are two options and we are leaving you at this point with both options open depending on how the market is and what the lowest cost would be for the county. One is what we call private placement with a bank of the installment purchase financing. Another would be limited obligation bonds that would be offered in the public market. They would both be structure in essence a loan that would be secured by a deed of trust mortgage on the jail property, itself. That would be the mortgage as collateral for the loan. That is a requirement of the North Carolina state law. So that is the structure we are talking about. The resolution before you does a number of things. It sets the public hearing required by state law for February 21<sup>st</sup> at 6:30, that is section one. Section two basically reiterates what the Board has already for the most part already authorized. Sections three and four are certain findings that are required by the North Carolina Local Government Commission and state law. Among those findings the project is essential; a jail is an essential function of course. This expedience allows access to funds at reasonable rates. Mr. Alexander from First Tryon Advisors will talk in a few minutes about that further. It also includes finding no future property tax increase as expected to make the debt service payments. Again, Mr. Alexander can talk further about that. The basic idea is as the county’s debt service declines over time debt service for new projects would come up. But

overall the county's debt service would not increase thus no need for tax increase to handle that. I mentioned the North Carolina Local Government Commission; they have the authority to approve this financing that is required. Again by state law we have to work very, very closely with them. The schedule with them sometimes gets a little complicated. There is a number of moving parts with this type of financing. You have the schedule that the architects have set forth and when the bids come in those bids are only good for a certain amount of time. You have to work with the Local Government Commission to make sure that you are in sync with their schedule. They require certain things to be done in terms of the permitting for the project and so forth and so on. There are real estate issues that I have talked to the county attorney about that the financial markets will require certain things to be done in terms of title, insurance and so called phase one environmental work and so forth. Those are the findings in the resolution. The schedule after the construction bids come in, I think we are looking at Local Government approval in April and closing in probably late April or May. It depends on if you go the private route or the public market route. The public market route is more time consuming just because there is more to it and even more moving parts with an underwriter and underwriters counsel and having to draft an official statement, which you all have done, when we get to refinancing with the help of the Local Government Commission. This will be a little bit different because it is a different project. It is a different kind of financing. In closing, tonight you are not making any kind of final approval. You are not making any kind of final commitment. Unfortunately these kinds of projects and the financings that go along with them it is a number of steps that have to occur over a number of months and so this will keep you right on schedule in order to get the project, assuming the bids come in and are acceptable, to get the project financing closed by sometime this spring. Are there any questions on the process?" There were none. Mr. Jacobson stated "Mr. Alexander will talk a little bit about the numbers and the financing of it and then we will deal with the questions."

Mr. Alexander stated "Good evening Commissioners and Board members. My name is Christopher Alexander. I work with First Tryon Advisors in Charlotte. I worked with the county earlier in 2010 in the reissuance of \$2.5 million dollars in school bonds which we were able to give an eleven percent of savings. We were able to make the books last year for the state of North Carolina. We got the highest savings ratios of any GO bond that was issued, so congratulations to yourself for that. It was a small number though it was about two hundred and forty-one thousand (\$241,000.00) dollars worth of total savings. What I am here to talk to you about tonight is obviously regarding the jail. I want to take the time to answer any questions that you might have regarding the financing side. We have taken several difference looks at opportunities for financing for the county. The unfortunate incident is that over the course of the last two years we have seen a vast number of banks and local financial institutions in the state of North Carolina and throughout the southeast discontinued the use of twenty year private placement financing or installment purchase financing as I would like to refer to it as. Currently there is only one bank in the state of North Carolina that is currently offering twenty year fixed rate financing. Because of the fact there is a limited supply of banks that are offering those rates have obviously become much inflated over the same period of time. In addition we have taken the liberty to expand the look in other opportunities which would include a public offering. This is what the county worked on in April of 2010. We have looked at both twenty year and fifteen year financing. We have had several conversations with Mr. Howard and looking at the best opportunity as to what will fit the county best over the course of the next ten, fifteen or twenty

years. In saying that we have recently run some numbers based on financing of both fifteen and twenty year rates for both private placements and also for public issuance debt. Private placements right now for fifteen years there are upwards of four banks in the state of North Carolina that are offering fifteen year financing. The most recent quote we got, the lowest quote, was 3.57% which gave you an annual debt service in the second year eight hundred seventeen thousand seven hundred and forty-six (\$817,746.00) dollars. Total debt service over the life of the loan is approximately 10.271 million dollars. It is important to note that while I mentioned the annual debt service of \$817,746.00 that is the actual declining debt service amount over the life of the loan. The reason for this is because all loans are set up as installment purchases in the state of North Carolina and backed by property have to be paid back on a level principal base therefore level principal every year and we will have declining amounts of interest every year thereafter. The twenty year loan is much more expensive these days. Those same rates for twenty years are approximately 4.75% based on twenty years. The first payment would be approximately seven hundred and seventy-seven thousand (\$777,000.00) dollars. That is a measly difference of about forty thousand dollars a year in order to be able to cut your loan payments from twenty years down to fifteen years. Total loan of debt service that would be ensued under a twenty year private placement at that rate of 4.75% is 11.956 million dollars. The difference between a fifteen and twenty year financing is roughly 1.7 million dollars. At present value that is almost a million dollars. When looking a public issuance a fifteen year financing rate as of yesterday afternoon or actually this afternoon is 3.78% approximately 21 points higher than the where private placements rates are. Over the life of the loan that would include an additional one hundred and twenty-six thousand (\$126,000.00) dollars in debt service. There would be approximately a one hundred thousand (\$100,000.00) dollars worth of additional cost of issuance associated with the issuance of that debt. It would cost approximately ten million four hundred and sixty thousand (\$10,460,000.00) dollars. There would an additional cost of issuance as well with the issuance of a public issuance of debt. That has to do with paying underwriters, paying trustees so and so forth.”

Commissioner Lucas asked “I was just curious about those numbers will we get copies of all that or is that available to us?” Mr. Alexander responded “I can certainly shoot those out to you.” Commissioner Lucas added “I think that would be helpful to have.” Mr. Alexander responded “Obviously I try to take a snap shot of what is going on in the market so just understand these are rates as of Friday afternoon and as of this afternoon as well. In terming up, the one thing I like to do is municipal financial advisor to my clients is like to break things down as much as possible. For the county there would be an additional amount of debt service on a per annum basis if we went with a fifteen year loan. It starts of at forty thousand (\$40,000.00) dollars and goes down there afterwards. However, the total amount of savings is approximately 1.7 million dollars in total debt service over the life of that loan between the two. The biggest difference obviously is in the last five years when you will be able to have no payment versus having a payment of several thousand dollars. So ultimately the determination needs to be made with the county and the Board needs to be comfortable with the fact of what best suits the Board and what best suits the county over the next fifteen or twenty years.”

Commissioner Satterfield asked “What is this pay back based upon borrowing how much money?” Mr. Alexander responded “This is actually based upon an 8.0 million dollar loan. I believe that most of the correspondence back and forth is between 8 and 8.2 million dollars, I

believe.” Commissioner Lucas stated “The resolution says between 8 and 10, not to exceed 10.” Mr. Alexander stated “As we get closer obviously when we get the numbers back from the architects I see if we can hone in on those numbers a little bit more to get a better idea of the total debt service that will be associated with it.”

Commissioner Lucas asked Mr. Jacobson “I guess just a clarification on the different sections of the resolution and should we approve this tonight are we just approving the publication of notice for the public hearing?” Mr. Jacobson responded “You are also reiterating what the Board passed in December as well as making the findings that I discussed in terms of the project being...” Commissioner Lucas stated “Under Section two you said we had already authorized section two.” Mr. Jacobson responded “Right.” Commissioner Lucas continued “Is that the formation of a non-profit corporation?” Mr. Jacobson responded “Let me see if that was mentioned in December. I will have to look. Yes, that was. And the findings are in Sections three and four. Section five basically says authorizing actions in furtherance of the purposes of this resolution are approved, ratified and confirmed and anything in conflict is repealed. I don’t think there is anything in conflict. Well not that I know of. In Section six the resolution is effective immediately.” Commissioner Lucas stated “I think what confused me was actually on the agenda item where it said we would be resolution directing publication of notice with respect to installment financing of the cost of constructing capital projects and that Mr. Howard would come before the board to seek approval for installment financing of the detention center. That to me was a little bit confusing as to what we were actually approving. Then I got to reading the actual resolution where the title said and providing for certain other related matters thereto and capital projects meaning specifically the detention center or other?” Mr. Jacobson responded “No, just the project defined as...” Commissioner Lucas stated “I am all in favor of the publication of the notification for the public. I am real anxious to have that public hearing. I want to have that. I am just concerned about what else we are approving.” Mr. Jacobson responded “The project is defined as Detention and Law Enforcement Facilities in the county consisting of the design, construction, etc. of the jail facility including detention facilities and, although I understand this has not been decided on finally for purposes of our discussion today it may be opened and may be entered later on, and construction or renovation of additional facilities for county law enforcement use. I understand there was some discussion of the sheriff’s office renovation possibly being added. Is that correct Mr. Howard?” Mr. Howard responded “It is a possibility.” Commissioner Lucas asked “Does this include the courthouse?” Mr. Jacobson responded “No.” Commissioner Lucas stated “Not at all?” Mr. Jacobson responded “No.”

Chairman Hall stated “I read through this several times. We recently, the commissioners, approved a meeting schedule for the balance of this year. To the staff, do we have a holiday coming up in February?” Mr. Howard responded “No.” Chairman Hall continued “Presidents Day is not a county holiday?” Mr. Howard responded “No, sir.” Chairman Hall added “The final observation, it is a personal thing for me, showing that public hearing will be at 6:30 p.m. and that is the official starting time of our board meetings.” Mr. Howard responded “We do that so it can happen any time after 6:30.” Mr. Jacobson added “It is 6:30 or soon thereafter as the matter may occur.”

Commissioner Lucas asked "Chairman Hall would the advertisement read as the resolution reads? Or do we have a copy of the actual advertisement being published? What would the advertisement consist of?" Mr. Jacobson responded "Yes, it would be that language. Kevin, did I send you the advertisement?" Chairman Hall stated "I think we would advertise that it would be a public hearing and the time and the reason for the public hearing and advertise that the resolution and any other document is available for review and inspection at the county manager's office and the county clerk's office. We would want to make that available. I don't know the specifics." Mr. Jacobson stated "The language would be very similar to that in the resolution." Attorney Ferrell stated he had a copy of the notice. Chairman Hall asked "How many pages does it consist of Mr. Attorney?" Attorney Ferrell answered "Two." Chairman Hall asked "Are we required to print all of that?" Attorney Ferrell stated he could pass it around and have the commissioners look at what he had in regard to the public hearing advertisement. Mr. Jacobson stated "It does go into a little more detail in terms of describing the financing which I talked about earlier. The repayment of monies it is secured by is a portion of the project that is being financed and is subject to final approval from the Local Government Commission and final approval from the Board of Supervisors. That is basically in addition to what you have seen in the resolution." Chairman Hall stated "I think it would be appropriate, since we are going to ask the Board to vote, that they at least have the opportunity to have a look at that. We will pass this around so everyone will have the opportunity to read it. We want everybody to be aware of what you are voting on and what will go out in the article."

Commissioner Carter moved, seconded by Commissioner Satterfield to adopt the resolution as presented.

Commissioner Lucas stated "Chairman Hall just a point of clarity. This is notification of publication for a public hearing, is that correct?" Attorney Ferrell responded that there are other things in the resolution other than just a public hearing notice." Commissioner Lucas asked "Could you explain what those are in detail for clarification purposes? The fact that there is a non-profit organization formed which we had already agreed to." Mr. Jacobson responded "That is correct. If it is a private placement with a bank there is no need for that. It is a direct relationship between the county and the bank. If the county chooses, if the cost effect option, to use the limited obligation bonds sold on the public market. Then a non-profit corporation is formed, if the county does not have one already, which it does not, in order to form a revenue stream that is used for the payment of the bonds which are then sold on the public market. That would only occur if the county decided to go the public sale route. Otherwise that would not be necessary. I tried, in drafting the resolution, to keep both options open for the county depending on the most cost effective option because the markets go up and down. If the county was doing this last July there would have been a much different picture in terms of public versus private. Since then the private, I think, has taken on greater savings plus that could change in the next month or two or three depending on how long the process takes. The non-profit would not be formed unless needed. The board of a non-profit would, with the agreement of the individuals involved, it is usually chairman of the board, county administrator, county finance director, and it could be others but basically people who are very familiar with the project and the county's operation. In that sense it is not a separate entity that is not accountable to the Board." Chairman Hall added "It is a ratification of past actions and a notification of a public hearing." Mr. Jacobson added "Yes and the findings in sections three and five." Commissioner Lucas

stated “And the Board has agreed to all the findings in section 3. Is that correct? By voting tonight we will be in agreement with those findings. Is that correct?”

Upon a vote of the motion, the motion carried unanimously.

#### APPOINTMENTS TO BOARDS AND COMMISSIONS

Chairman Hall stated “We have two members that were previously appointed to a board and because of personal conflicts could not accept the opportunity to serve and per their request they need to be removed. We will do a reappointment at a later date.”

Commissioner Travis moved, seconded by Commission Battle to remove Mr. Slade and Ms. Swann from the Board of Health. The motion carried unanimously.

#### DISCUSSIONS OF BOARDS AND COMMITTEES

Chairman Hall stated “This has two meanings but one of things I would like to do is, Saturday during our Work Session, we discussed reinstating commissioner committee boards. We discussed this sort of at length and I think we had general agreement. I want someone to offer a motion tonight to reinstate the committee boards so I can move forward with appointments.”

Commissioner Battle moved, seconded by Commissioner Travis to reinstate the commissioner committee boards. The motion carried unanimously.

#### Rules of Procedures

Chairman Hall stated “Back in December at our first meeting there was some discussion about the Rules of Procedure that we have followed over the years. It has been suggested that we approve those Rules of Procedure. I asked at the time that we be allowed to ask our attorney to take a look at them and then get them back on the agenda. Our attorney did take a look at the Rules of Procedure we currently had and made recommendations with changes and adjustments. I hope that everybody had an opportunity to read through these. I know you just received them on Saturday, so we can go through them quickly and act on the Rules of Procedure. What I am going to propose, is unless someone has another option, is that we quickly look by the numbers and consider the comments made by our attorney and move forward and accept the Rules for Procedures with the changes as suggested.”

Commissioner Battle stated “I think they are straight forward, Mr. Chairman. I don’t feel the need to go through each one of them. If anyone has a problem with one of them then we should discuss that one. If we don’t have a problem with them, we should not have to discuss them.” Chairman Hall responded “That was my feelings but I want to make sure that everybody is comfortable and that there be no major objections.”

Commissioner Lucas stated “Chairman Hall the reason I brought it up to start with was in reviewing the Rules of Procedure from my previous time on the Board Rule #28 I believe had been changed from a \$5,000.00 off budget expenditure and increase to \$10,000.00. That was the

concern that I had with the Rules of Procedures.” Chairman Hall responded “Now, before we get to Rule #28, do any of the members have any concerns on anything before that. Rule #28, from our attorney, says there is no counterpart to this rule in the recommended rules and I take it also be in the general statutes. What that says to me in layman’s terms is it is probably something we made up.” Commissioner Lucas stated “I think it is a good rule.” Attorney Ferrell added that the rules do not supply sufficient guidance. It gives the County Manager a little leeway on the budget. He also stated that off budget is undefined and unclear. Chairman Hall stated “I will follow up with a comment. Our manager comes to budget with very little authority because we still require budget amendments and revisions to be approved by this Board. I read this to be the actions of this Board.” Commissioner Lucas stated “Chairman Hall, I think at the time if there was a problem with considerable amount of off budget spending that is probably why it was enacted to start with.” Chairman Hall asked “Do we have that problem now?” Commissioner Lucas responded “I don’t know.” Chairman Hall stated “It may be a rhetorical question but I don’t think we do.” Commissioner Lucas asked “You don’t.” Chairman Hall responded “No, not off budget. I think of off budget as something that has not been approved up front and this Board has to approve that.”

Commissioner Satterfield stated “It kind of all depends, Mr. Chairman, whether the budget is passed as a line item budget or not. If the budget is passed by function as it was this year then no we probably will not have that problem. It does become a problem sometimes with a line item budget when it is passed where funds are spent that are not in that particular line item.” Chairman Hall “This rule says off budget spending in excess of \$10,000.00. I know we have some disagreements sometimes about line items going over five dollars, ten dollars or a hundred dollars but I don’t think any of us will disagree if a line items come in over \$10,000.00.”

Commissioner Lucas stated “I just think that any expenditure be it five thousand, then thousand, or whatever it would be prudent to lay it over to the next meeting for consideration. That to me is the meaning of the rule. Not to debate at that meeting but to lay it over to the next meeting for consideration.” Chairman Hall asked “What purpose was that for?” Commissioner Lucas responded “To be able to justify the expenditure. If it is an emergency that is one thing.” Mr. Howard stated “The way I interpret this rule is that if anything comes up to you during a meeting at an expenditure of \$10,000.00 we cannot vote on it at that meeting. We will have to wait until the next meeting to vote on it.” Commissioner Lucas responded “Correct.” Mr. Howard added “If I, as the manager, bring something to you stating it is a big deal and we have to do something with it now. I will try to give you time to think about it and not shove it down your throat. Does that make sense?” Chairman Hall stated “It makes sense.” Mr. Howard continued “I have worked at other places where any vote on expenditures not budgeted had to be tabled until the next meeting.” Commissioner Lucas stated “I would be in agreement with that. Don’t set a dollar amount. Anything that is not budgeted should be tabled until the next meeting.”

Commissioner Lucas moved, seconded by Commissioner Travis for consideration of unbudgeted expenditures that no votes for off budget spending be conducted unless held tabled from a prior meeting.

Commissioner Battle “Just to understand, if I have a \$30,000.00 budget and I end up spending \$35,000.00. Are we talking about that department’s total budget?” Commissioner Lucas

responded “Any off budget expenditures.” Mr. Howard asked “Can I tell you what I take from that? The van tonight, that was not included in our budget. Even if it was five thousand (\$5,000.00) dollars we would bring it to you and you would approve it before we went out and bought it.”

Commissioner Jefferies stated “Say at the end of the year, if he moved money from department to another. What you are saying is he could not move any money unless it brought it before the Board? Is that what you are saying?” Commissioner Lucas responded “Are you talking about transferring...” Commissioner Jefferies continued “Say you have four or five hundred dollars in the Health Department that he is not going to use. At the end of the year another department needs it to pay off a bill. Are you saying he cannot do any of that unless brought before the Board?” Commissioner Lucas asked “How do you do that currently, Kevin?” Mr. Howard responded “I have that authority in the Budget Ordinance.” Commissioner Lucas stated “Right, the Budget Ordinance gives you that authority.” Chairman Hall stated “So I think her response to your question is that is not what she means. Now to take this a further step my question is she said all off budget items. If the county manager came before the Board tonight and said we need one hundred (\$100.00) dollars. We did not have a line item in the budget. We need to do this, this and this. Then if this motion passes as presented that would mean we could not act on that hundred dollars that night.” Commissioner Lucas stated “However, he has the authority within the Budget Ordinance go up to five thousand. Is that what your authority is?” Mr. Howard responded “Five thousand.” Chairman Hall asked “Off budget items?” Commissioner Lucas stated “No, that is what is within the budget.” Chairman Hall “I just want everyone to understand that before we move forward. She is talking about, for a lack of a better term, zero tolerance on spending for this Board the night that something comes to us.”

Commissioner Satterfield asked “Are you putting an amount in your motion, Ms. Lucas?” Chairman Hall responded “She said all.” Commissioner Lucas responded “I was going by what Kevin said he had worked previously where there was no allowance. Are you comfortable with that Kevin?” Chairman Hall stated “Before we comments, let me clarify. We have not followed this within in the last four or five years. Before he says there was no allowance. Just like tonight we approved a vehicle. We have routinely, if this Board thought it was appropriate, approved items that were not in the budget. I know for the last four or five years that is the way we have done it.”

Upon a vote of the motion, the motion failed with a vote of 3-4, with Commissioners Carter, Battle, Jefferies and Hall voting no.

Chairman Hall stated “We need to decide if we are going to take any recommendations from our attorney.”

Commissioner Battle stated “I say leave it like it is.” Chairman Hall stated “If we leave it like it is it is basically like Ms. Lucas’ motion.” Commissioner Satterfield stated “It has a \$10,000.00 limit. If it is under \$10,000.00 you would not have to table it.” Commissioner Lucas stated “My comment, Chairman Hall, was when I served previously that was \$5,000.00 and it has changed to \$10,000.00.” Mr. Howard stated “I want to clarify something. The \$10,000.00 is for your action. Currently I cannot spend over \$5,000.00 unless it is a budget item such as a patrol car

which has been budgeted as a capital expense. Let's say we have to fix an ambulance at the cost of \$10,000.00. I would have to come before the Board to get this approved first unless it is an absolute emergency. Then I would bring it to you at the next meeting." Commissioner Lucas stated "That is an unbudgeted item. That would be a line item within that department. This is strictly for unbudgeted items." Chairman Hall stated "Let's stick with unbudgeted items." Commissioner Satterfield stated "That could be an unbudgeted item if all of their money is gone." Chairman Hall responded "The difference is it is not unbudgeted. It is just depleted. We are talking about a line item that did not exist. At least that is the way I read it." Commissioner Lucas asked "Would the Board agree to changing the amount from ten thousand to five thousand?" Mr. Howard stated "What I am trying to explain is this is for Board actions. If you have decided that you are not going to vote on anything at that meeting and it will have to wait until the next meeting."

Commissioner Battle "I think we are sending the wrong message with harping over this rule. It would be different if he had a track record of spending money without talking to us first. I know since he has been on this Board, when it comes to spending money, he comes before us and asks questions. There are times when it will come up and he will have to spend money but he is still going to ask us before he does it. If we cannot trust him with managing our money then he does not need to be sitting right there." Chairman Hall responded "The issue is not with the county manager. It is for this Board. The rule is the Board will not act on it." Commissioner Battle stated "That should not be." Chairman Hall stated "If he brings it and the Board will say no we are not going to act on it until the next meeting because that is our policy." Commissioner Battle stated "That should not be in the policy."

Commissioner Satterfield asked "Who was on the Board when that was passed?" Chairman Hall responded "I have no idea. We would not find a date on this." Commissioner Lucas stated "It was there when I came." Commissioner Satterfield "What is the reason for laying it over for a month? That does not seem reasonable to me."

Commissioner Jefferies moved, seconded by Commissioner Battle to approve the Rules of Procedure as presented with the attorney's recommendations. The motion carried by a vote of six to one with Commissioner Lucas voting no.

Commissioner Satterfield stated "So Rule 28 stays as it is." Chairman Hall stated "Yes, Rule 28 stays just as it is since we just approved these Rules of Procedure except for the attorney's recommendation and the attorney did not make a recommendation on 28."

#### Subdivision Ordinance Amendment – Foundation Surveys

Chairman Hall stated "I mentioned when Mr. Collie had the floor that I would go back to Item 7. This is a thought. One of the things I wanted us to address is a Commissioner Committee on the Boards and Committees. We voted to reinstate those committees. For this particular item, I don't know if it would be appropriate or not, I would like to get some feedback from the Board. Do we want to add an Ad Hoc committee to work with the Planning Board to develop policies and procedures for the proposed ordinance as it related to foundation surveys? That was just a thought. The other thing we might want to do, I want to move the process along but I don't want

to rush it and miss some things. We have, all of us in our minds, certain questions, there was a lot of discussion tonight about this policy. If there is not suggestion otherwise, I think we need to get those questions to our commissioner representative on that board and make sure that we get a recommendation back from the Planning Board that these questions are addressed. At least to the extent that we understand what is being recommended and why. Either way we have got to handle this. Is this okay? Hearing no objections, I propose we do it that way. Make sure we get our questions to the clerk and she can get those to Mr. Battle. We will also review the minutes from tonight's discussion. Get them to Mr. Battle and the Planning Board so they will be aware.

The final issue on Board and Committees, Mr. Carter raised the question, have not dealt with that yet Mr. Carter. We are going to delay that at least one more meeting." Commissioner Carter stated "The only reason I brought it up was the Director of the Library said something. She told Paula that my term expired in March of 2010 and they needed something from the Board that I was continuing to serve." Chairman Hall responded "Right, as a policy your term continues until you are reappointed or removed." Commissioner Carter added "She said the Hyconeechee Library needed this information."

## COUNTY MANAGER'S REPORT

### CDBG Scattered Sites Program

Mr. Howard stated "The first item is the CDBG Scattered Sites Program project. We are receiving a five hundred thousand (\$500,000.00) dollar grant from the CDBG Economic Recovery Program. It is very similar to our scattered sites program. What you have here is we did a RFP for administrative services. We had two responses. One from Stephen Austin and one from Hobbs, Upchurch and Associates, who currently does all of our housing programs for us. On the back of this you have how we scored the proposals. Our recommendation from the staff is to hire Hobbs, Upchurch and Associates for the program."

Commissioner Carter moved, seconded by Commissioner Jefferies to approve the County Manager's recommendation for the administrative services for the CDBG grant.

Commissioner Lucas stated "Just a quick question on Stephen Austin. Did you actually have proposals from both?" Mr. Howard responded "Yes, ma'am." Commissioner Lucas added "And we did not get copies of those?" Mr. Howard responded "I have not been enclosed those. They are very thick. Just to talk about the fee Hobbs, Upchurch was about twenty thousand (\$20,000.00) dollars less than Mr. Austin's fee was." Commissioner Lucas asked "Was this a sealed bid situation?" Mr. Howard responded "It was a sealed RFP." Commissioner Lucas stated "Sealed RFP." Mr. Howard responded "Yes, ma'am."

Upon a vote of the motion, the motion carried by a vote of six to one with Commissioner Lucas voting no.

### Pelham Water Tank Update

Mr. Howard stated "At the work shop I gave out an update. We did the bids for the elevated storage tank. What we are asking is for Board approval to contract with Caldwell Tank Incorporated. Their total bid was six hundred and ninety-nine thousand (\$699,000.00) dollars. That is to do the tank and also a communications pedestal. They will go ahead and put the pedestal on top of the tank for any internet providers."

Commissioner Battle moved, seconded by Commissioner Jefferies to approve the contract based upon the County Manager's recommendations. The motion carried unanimously.

#### Broadband Update

Mr. Howard stated "I have been talking with Golden Leaf regarding the rest of the grant we had to do a broadband study. Two part process. To hire a firm or to hire the firm that did the study for both Stokes and Rockingham Counties. One reason to consider that is the continuity in the plans. Each of us has a plan and we can save if we use the same firm because of the overlap of the county lines. There is no requirement from Golden Leaf to do a RFP process. What I am asking is which route you want to go so I can bring back a proposal from that firm. What this will allow us to do is it will put us in the position where we can go out and do a multi-county grant to do a wireless project to cover the underserved areas of Caswell County. This is the south western part of the county."

Commissioner Battle stated "I know we did it before but what is going to be different in this study than what the previous group did?" Mr. Howard responded "This study will just look at wireless. They will look at how many towers it will take to have coverage in that area. They will make recommendations on what types of technologies to use. We will be able to take that and go out and look at grant funding." Commissioner Battle asked "Is this the only way to spend this money? Is this the best we can get with the money we have left?" Mr. Howard responded "Wireless is the best with what we have left to work with. We could not re-cope the cost of doing a fiber optic. It is not enough folks in the area to re-cope those costs." Commissioner Battled added "I just don't want this study to duplicate the last one." Mr. Howard responded "It is not the same. What I will do is get a proposal up and bring it back for you to look at so you will have a better idea of what is going on."

Commissioner Lucas stated "I was under the impression that we were in competition with other counties for grant money. Is that not correct." Mr. Howard responded "You are in competition but this is a multi-county application." Commissioner Battled added "One thing, Commissioner Lucas, is with Stokes, Rockingham and Caswell all of that will be linked together. The Department of Agriculture, we have a better change being together than being separate. It looks better if we do a multi-application. It would be cheaper to work together on an application." Mr. Howard added "I have been talking with Stokes and Rockingham for a couple of years now. The original process was us working together." Commissioner Lucas stated "I know the initial effort for broadband in the county when we were working with Virginia Tech we received a lot of criticism on that back in 2002 or 2003. The thought then was if we did not get it, Rockingham was surely going to get it. There was this competition type attitude back then. Evidently, things have changed." Mr. Howard responded "That process was different as well. Are you

comfortable with me getting a proposal from that firm.” Chairman Hall responded “Get the proposal.”

#### Construction Management for Jail Project

Mr. Howard stated “You heard from Brennan & Associates the second meeting in December. They spoke to you about the Construction Management services for the Jail Project. It is written in the contract, if you so choose, you can initiate this part of this process. My recommendation, what I have done since that meeting is talk to two or three of the counties where they have done this process before. The best example was Horry County, SC, Myrtle Beach. They have actually used several processes. They have gone the general contractor route. They had added two phases. They hired a third party to manage the process. This last phase they hired Brennan to handle it. In Pitt County it worked very well for them.”

Mr. Howard stated with the third party management process in Horry County they had subs coming from Atlanta. With Brennan and Associates as the construction manager the County will have more direct control of the project. He stated that the Board needed to make a decision on the construction management of the project since there were things that needed to be done by the construction manager in order for the project to proceed.

Commissioner Lucas asked if the construction management process would wait until after the public hearing. Mr. Howard responded that it needed to be done now. Commissioner Battle asked when did the Board need to decide on the construction manager. Mr. Howard responded that the construction manager had things that needed to be done the first of February. Chairman Hall stated that the Board needed to think this over. He asked the county manager to make a list of the pros and cons that was discussed and put this back on the agenda for the next meeting.

#### Debt Setoff Collection

Mr. Howard stated that Angie Hutchins, Collections Manager, with Interstate Credit Collections wants to come before the Board to make a presentation on how they can assist the County in the debt collection process. Chairman Hall stated that the Board needs to look at this information and make a decision at a later date.

#### ANNOUNCEMENTS

Commissioner Satterfield asked where the County stood on the auditor process. Mr. Howard responded that the auditor contract ends June 30<sup>th</sup>.

Commissioner Satterfield asked if the lights could get fixed in the courtroom. Some of the bulbs needed to be replaced.

Commissioner Jefferies asked if the Board was going to do anything for the outgoing Commissioner George Ward.

Commissioner Lucas asked about the status of the EMS Director. Chairman Hall responded that the position had not been advertised as of yet.

Commissioner Lucas stated that she had received a telephone call from a citizen regarding the Pelham compactor not being installed yet. Mr. Howard responded that he could find out the status.

Commissioner Battle asked Mr. Howard if he knew when the EMS ambulances were going to the satellite areas. Mr. Howard responded that he knew that the shifts started around 7:00 and that it would be some time after that. Commissioner Carter responded he thought it was around 9:00.

Chairman Hall stated that he had received a letter from a citizen regarding the 86 Convenient Mart convenience center or the Landfill that there was no recycle bins there. This person also stated that the newspaper bin was full. Chairman Hall asked who would monitor this and why is it taking so long. Commissioner Satterfield stated that the sites needed to be monitored for muddy conditions, no gravel, drop off holes, etc. He stated that these things needed to be monitored by someone. Chairman Hall told the County Manager to be prepared to address these issues. He wanted to know if these issues were a resource problem or a staffing problem. Commissioner Travis added that the Cherry Grove Convenience Center needed signs put up. He also stated that when he called Tim with a problem, Tim always took care of the problem.

Commissioner Lucas brought to the Board's attention that she had received telephone calls from two different fire departments regarding not being able to plan for their expenditures. She asked if there was a procedure as to when the checks normally go out. She stated that she thought this was in their contract.

Mr. Howard stated that he would have an answer to all the questions at the next meeting.

Chairman Hall stated that he had received a letter from the Department of Transportation regarding secondary road construction. He wanted to make this information available to the commissioners so when a citizen called they would know the information.

State Road 1596 – Bob Smith Road – Right of Way Pending  
State Road 1150 – Loftis Road – Right of Way Not Available  
State Road 1333 – Gentlemans Ridge Road – Construction Pending 2011  
State Road 1790 – Flint Ridge Road – Under Construction  
State Road 1729 – W.P. Cobb Road – Construction Pending 2011  
State Road 1784 – John Russell Road – Right of Way Pending  
State Road 1520 – Arthur Swann Road – Right of Way Not Available  
State Road 1581 – Tatum Road – Construction Pending 2011  
State Road 1778 – Old Bigelow Road – Right of Way Pending  
State Road 1323 – Payne Road – Right of Way Pending  
This information will be made available in the Clerk's office.

Commissioner Jefferies announced that the LME's Open House has been changed.

Chairman Hall announced that the Courthouse would be celebrating its 150 anniversary this year. He stated that many people are interested in the architecture. There will be plans to commemorate this occasion.

CLOSED SESSION

Commissioner Travis moved, seconded by Commissioner Battle that the Board enter into Closed session to preserve the Attorney/Client privilege (NCGS 143-318.11(a) (3)); and to consider the compensation, terms of appointment, and performance of an individual public officer (NCGS 143-318.11(a) (6)). The motion carried unanimously.

REGULAR SESSION

Commissioner Jefferies moved, seconded by Commissioner Battle to resume regular session. The motion carried unanimously.

Commissioner Battle moved, seconded by Commissioner Travis to set a public hearing to discuss dissolution from the Alamance/Caswell LME. The motion carried unanimously.

Commissioner Jefferies moved, seconded by Commissioner Carter to invite the Alamance County Board of Commissioners to come to Caswell County to let them know what the Board plans to do regarding the Alamance/Caswell LME. The motion carried unanimously.

THE ADJOURNMENT

At 10:30 p.m. Commissioner Battle moved, seconded by Commissioner Travis to adjourn the meeting. The motion carried unanimously.

---

Paula P. Seamster  
Clerk to the Board

---

Nathaniel Hall  
Chairman

\*\*\*\*\*

