

MINUTES – MARCH 21, 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 Monday, March 21, 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 stated “I have been advised that a past county commissioner, David Wrenn, has been hospitalized. We would like for you to keep him and his family in your prayers.”

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

APPROVAL OF AGENDA

Chairman Hall stated “Before we get to the approval of the agenda we need to remove Item 9 CDOT Expansion from the agenda and reschedule it for a later date.”

Commissioner Travis moved, seconded by Commissioner Jefferies to approve the agenda as amended.

Commissioner Lucas asked “Why is this being removed?” Chairman Hall responded “It is my understanding that our attorney had not had an opportunity to review the contract and the process that was followed on the bids.” Attorney Ferrell stated “That is correct. It is a process issue.”

Upon a vote of the motion, 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 items were included on the Consent Agenda:

- A) Approval of Minutes of March 7, 2011 Regular Meeting
- B) Financial Report – July 1, 2010 – February 28, 2011

(At 6:03 p.m. Commissioner Battle entered the meeting).

PUBLIC COMMENTS

Chairman Hall opened the floor for public comments.

There were no public comments made.

NCDOT Secondary Road Project

Mike Fox stated "Good evening to the members of the Board of Commissioners and Mr. Chairman. My name is Mike Fox and I am the Board of Transportation member that represents this area, Division 7, which is Caswell, Rockingham, Guilford, Alamance and Orange counties. Thank you for having us up here. I don't think I have had the opportunity to meet you before but I look forward to working with you. We are here tonight to present to you for public hearing our plan for the secondary road construction program for this year. I have brought along with me Division Engineer, Mike Mills. He is the top engineer in the five counties along with Brad Wall who is our Division Maintenance Engineer and Paul Ingram who is the District Engineer which covers Caswell County. They are going to present the program to you but I would also like to extend an invitation to all of you if you have any concerns or if you have any questions and you would like to talk to myself or Mike Mills about transportation needs in Caswell County please feel free to call us. I will make sure that you have my contact information and Mike Mills' as well. I look forward to working with you."

Commissioner Jefferies asked "On the Yarboroughs Mill Road do you have any idea about the bridge down there? We were promised we would get it in 2009 and it is 2011 and we still have a one lane bridge. What are we going to do?" Mr. Fox responded "We will check on that. We have a program for bridge repair and replacement. We will go back and check to see where that one is on the list and give you call and let you know where it is. Maybe after our presentation I can get a contact number for you so we can let you know." Commissioner Jefferies stated "Please do. I was told this in 2009 and it is 2011 and we still do not have a bridge."

Mike Mills stated "Mr. Chairman, commissioners, my name is Mike Mills and of course we have Paul Ingram, District Engineer and Brad Wall, Maintenance Engineer. I hope that everyone has a copy of the program that we mailed out to everyone. Due to our budget situation we are combining two years worth of secondary roads programs. We will be going over the 2009-2010 and 2010-2011 secondary roads construction programs. With 2009-2010 we have five hundred ninety-five thousand one hundred and forty-seven (\$595,147.00) dollars and with 2010-2011 we have one million one hundred thirty-four thousand two hundred and thirty-two (\$1,134,232.00) dollars for a total of available funds of one million seven hundred twenty-nine thousand three hundred seventy-nine (\$1,729,379.00) dollars. I will go through the rural paving list just in case somebody is here from the public. The first one is Pinnix Road. That one we proposed several years ago but we couldn't get the right of way so we put it on a hold list. Now the people have signed the right of way and it has been put back on the program. The next one is Chapman Road. Then Lake Road, Henry Warren Road, Century Oaks Road, Chandler Road, Ledbetter Road, Abner Fitch Road, Steve Smith Road, John Doe Road, and Archie White Road. It is four and one half (4 ½) miles of rural roads in Caswell County. We do not have any subdivision roads in Caswell County. We are proposing on having about forty-two thousand (\$42,000.00)

dollars in contingencies for paving rural fire department driveways, road additions, and such. That is our program Mr. Chairman if we can get comments from the public.”

Commissioner Carter asked “How much did you say you had for fire department paving?” Mr. Fox responded “On the last page we have forty-one thousand eight hundred and seventy-nine (\$41,879.00) dollars. That is for paving rural fire department drives. That is for road additions, contingencies, overruns and things like that.” Commissioner Carter asked “The Lake Road which road is that? Is that Farmer Lake Road?” Mr. Fox responded “No, sir. That is Lake Road SR 1324. It is about .4 mile long.”

Commissioner Lucas asked “Are there any requests or carryover requests for contingency monies?” Mr. Fox responded “We normally try to spend all of our funds but in a lot of times and in cases like this one if we do have some requests for road additions then we do kind of over spend our contingency. We can tap into next year’s funds which we will get in July. If there is a need for additional funds we can get those funds.” Commissioner Lucas continued “But there has not been any request on this amount?” Mr. Fox responded “No ma’am. Not at this point in time. It kind of comes and goes. We may get a rush of fire department drives at one time.”

Commissioner Lucas asked “Could you tell us the status of Rat Castle Road off Park Springs Road?” Mr. Fox responded “On the paving of it?” Paul Ingram responded “We are currently trying to get a right of way signed off. Hopefully it will be paved within the next year or so.” Mr. Fox stated “Rat Castle Road was on a previous program so now we are getting the right of way signed. If we cannot get the right of way then it will be dropped.” Commissioner Lucas stated “I had heard that there was some progress being made on acquiring the right of way.”

Mr. Fox stated “If we could get a resolution in support of our program it would be appreciated.”

Commissioner Carter moved, seconded by Commissioner Jefferies in support of a resolution for the 2009-2010 and 2010-2011 Secondary Roads Construction Program. The motion carried unanimously.

**RESOLUTION
NORTH CAROLINA DEPARTMENT OF TRANSPORTATION
2009-2010 & 2010-2011 SECONDARY ROADS CONSTRUCTION PROGRAM**

WHEREAS, representatives from the North Carolina Department of Transportation appeared before the Board of Commissioners on March 21, 2011 and presented the Secondary Roads Construction Program for 2009-2010 and 2010-2011 for Caswell County.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CASWELL COUNTY, that the Caswell County Board of Commissioners have reviewed said program and concurs with the Secondary Roads Construction Program for 2009-2010 and 2010-2011 as presented by the representatives of the North Carolina Board of Transportation as attached:

**North Carolina Department of Transportation
Secondary Roads Construction Program**

Caswell County

2009-2010 Allocation		2010-2011 Allocation	
Highway Funds	\$ 306,997	Highway Funds	\$ 462,718
Trust Funds	<u>\$ 288,150</u>	Trust Funds	<u>\$ 670,514</u>
Total	\$ 595,147	Total	\$1,134,232

Total Available Funds \$1,729,379

I. Paving Unpaved Roads

Programmed Paving Goal: 4.50 Miles

A. Rural Paving Priority

<u>Map Number</u>	<u>Priority Number</u>	<u>SR No.</u>	<u>Length (Miles)</u>	<u>Road Name and Description</u>	<u>Est. Cost</u>
1	R/W HOLD LIST	SR 1141	0.40	Pinnix Road From SR 1140 to EOM	\$150,000
2	1F	SR 1339	0.30	Chapman Road From SR 1338 to EOM	\$112,500
3	2F	SR 1324	0.40	Lake Road From SR 1306 to EOM	\$150,000
4	3F	SR 1724	1.00	Henry Warren Road From SR1722 to NC 86	\$375,000
5	4F	SR 1533	0.30	Century Oaks Road From SR 1523 to EOM	\$112,500
6	5F	SR 1575	0.30	Chandler Road From SR 1572 to EOM	\$112,500
7	6F	SR 1706	0.30	Ledbetter Road From NC 119 to EOM	\$112,500
8	7F	SR 1756	0.30	Abner Fitch Road From SR 1759 to EOM	\$112,500
9	8F	SR 1314	0.40	Steve Smith Road From SR 1311 to EOM	\$150,000
10	9F	SR 1336	0.40	John Doe Road From SR 1353 to EOM	\$150,000
11	10F	SR 1594	0.40	Archie White Road From NC 62 to EOM	\$150,000

Total Miles 4.50

Subtotal \$1,687,500

II. Funds reserved for surveying, right of way acquisition, road additions, contingencies, overdrafts, and paving entrances to certified fire departments, rescue squads, etc.

Subtotal \$ 41,879

GRAND TOTAL \$1,729,379

ADOPTED AND APPROVED THIS THE 21ST DAY OF MARCH 2011

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

ATTEST:

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

NCDOT PETITION FOR PARTIAL ABANDONMENT – LOVELACE ROAD

Mr. Paul Ingram, District Engineer with NCDOT came before the Board to seek a resolution giving NCDOT concurrence for the 0.20 mile addition of SR 1346 Lovelace Road.

Mr. Ingram stated “I am Paul Ingram, District Engineer. The Lovelace Road abandonment request is a request where our official maintenance list on our books went 1.7 miles. As we started to check our records we found that we had only been maintaining it paved for 1.5 miles. Our GIS unit in Raleigh contacted me to see if there was any way we could correct the official length with what we were actually maintaining. We approached the property owners for that abandonment. Both of the property owners signed an abandonment petition and were in favor of that. That is why it is coming to you for your approval before we can send it to the board for the official maintenance change.”

Chairman Hall stated “Before we get questions and comments from the Board. We got this information and we gave it to our attorney. He got the information over the weekend and there are several questions that we have about this abandonment process. He may want to address those now but we may want time to resolve those questions.” Mr. Ingram responded “Absolutely.” Attorney Ferrell asked “I just have a few questions about the form that the Department of Transportation prepared, the SR-5. In one place it mentions here that there is one home having an entrance on the road and I noticed there were two petitions from landowners. If you could speak on that one please?” Mr. Ingram responded “Where the road appears to go off

is at the property line and it appears that the first property owner, I did not bring my abandonment file and I apologize for that. The home that is directly off the cul-de-sac appears to be where the existing roadway went. When our right of way department reviewed the file and reviewed where the property line went. It appeared there is some frontage from the other property up against that road but there is no accessible drive to the other property, if that makes any sense. I don't know if you are familiar with Lovelace Road but at the very end there are two columns and that appears to be where the old driveway or state road went. We paved up to those columns or where the columns are now and that is really the access to the property owner's property. He has multiple buildings back there but the property to the west did not have or appear to have access to the old driveway." Attorney Ferrell asked "So the nature of the petition was the DOT approached the landowners or was it the other way around?" Mr. Ingram responded "That is correct, we approached the homeowners." Attorney Ferrell continued "And the reason for that was a GIS mapping error on your system of the state maintained portion of this road is longer than the distance you are maintaining?" Mr. Ingram responded "That is correct. That could have been something from many years ago. It could have been that we maintained that many years ago but we stopped pavement pretty much where he has staked claim with the columns and blocked it off from any public access."

Attorney Ferrell asked "Did your department follow the notice of abandonment procedures found in North Carolina General Statute § 136-55.1 with the landowners? Are you assuming that since the landowners signed the petitions now you are asking the commissioners to take up citizens petitions under North Carolina General Statute § 136-63?" Mr. Ingram responded "I am not familiar with that general statute." Attorney Ferrell stated "I guess the distinction is the department can abandon its own roads if it wants upon notice to adjoining owners or upon petition, the commissioners can ask the Department of Transportation to abandon a road. I guess I am trying to figure out which one the department wants to do." Mr. Ingram responded "We brought it to their attention and then they showed interest that they would like to do that. That is why we mailed out the petition. I am not trying to forcefully take it from them or to remove it from them." Attorney Ferrell responded "I was just trying to figure it out in my own mind. The department went to the citizens and talked about the petition instead of the other way around. Those are the questions I had Mr. Chairman."

Commissioner Lucas stated "I just spoke to both of the property owners last evening and they received letters from the state, I believe they said. They were not really clear on what the process really was. So Brian with that thought in mind your questions are probably appropriate. You might want to go back and revisit with the property owners. They were a little bit confused on exactly what they were doing." Mr. Ingram stated "I do see that they have signed the petitions and that is all I know. I don't know if they are here tonight?" Commissioner Lucas responded "No, they are not and they received a letter from the state. They did not receive a visit or anything." Mr. Ingram stated "I think we left a telephone number. We mailed it to them requesting them to call us if they had any type of questions or concerns." Commissioner Lucas added "They were under the impression that it was for just record keeping purposes." Mr. Ingram responded "It is primarily for record keeping. It is not to really actually change anything that is out there. We have not been maintaining it any further. We were just trying to clear up our records so there will not be a conflict in the future. We have .2 of a road that we really don't maintain." Commissioner Lucas stated "It is about a quarter of a mile." Mr. Ingram responded

“Yes, right at a quarter of a mile. We were hoping they would understand the letter and say yes we do not want the state maintaining all the way up through my barns. We originally sent to just one property owner and then once our right of way department checked we felt we needed the other property owner’s consent as well.”

Chairman Hall asked “Can I suggest this then. Can we get the information on the copies that were sent to the property owners and then let us get our Planning Department or someone to talk with the property owners to make sure that they are in agreement with what they signed?” Mr. Ingram responded “Sure. Or either I or my staff can personally talk to the property owners as well in conjunction with the county. I would be glad to do that. Either myself or Wayne, my technician, who has been handling this abandonment process.” Chairman Hall continued “We just want to make sure that even though they signed these forms that they knew what they were signing and the consequences, if any, of what they signed.” Mr. Ingram stated “I would be glad to schedule that. Do you have a contact name that I may have?” Chairman Hall responded “Kevin Howard. We will get that to you.” Mr. Ingram responded “Thank you very much.” Chairman Hall stated “We will put this back on the agenda.”

DANVILLE REGIONAL FOUNDATION 2010 CENSUS REPORT

Mr. Stauber stated “Good evening Mr. Chairman and commissioners. My name is Karl Stauber and I am the President of the Danville Regional Foundation. One of the things we do is we have a great internship program. You are going to hear in just a second from two of our current interns Sonal Patel who is from Danville and a recent graduate from Duke University and Portia Henry who is from Hampton, VA and is a recent graduate from the University of Virginia. We asked them to help up better understand what does the 2010 Census mean for the geography that we serve which is Caswell County, the City of Danville, and Pittsylvania County. They have done a series of these types of briefings to school boards and different government bodies. We are pleased to be here tonight. If there are specific questions that you have after this where we do not have the right data in here sometimes the data does not exist. If the data does not exist we will tell you that but if we can do follow up for you wanting to know a better break down of some piece of what you are about to hear then please let Kevin know and he will get back to me and we will try do whatever follow up we can do with you. With that Mr. Chairman I will turn it over to the people that know the most.”

Miss Patel stated “Good evening. We did look at 2010 data but we also looked back twenty years. So what we will present to you is data from the 1990 Census and the 2000 Census. In about 2005 we started to collect data a little bit differently through the American Community Survey. For places that have a population of about Caswell County’s size it is a three year average. We will show you an average of three years from 2007 through 2009 data. The 2010 data was not available. Also in your publication in the back there is a glossary of any subject definitions we use and the actual numbers shown in the graphs are in your packet. As Karl mentioned there is a lot of data out there. Portia and I sifted through it all and these are the things that we found to be the most important. We will go through demographics, education, housing, income, poverty, unemployment and industry.”

Miss Henry stated "First of all I would like to take a look at the total population. Over the past twenty years Caswell County has increased in population by over three thousand residents. The largest increase occurred between 1990 and 2000. Since 2000 the county has gained over two hundred new residents. Now the greatest concentrations of new residents in this state are in central North Carolina around the Charlotte and Raleigh areas, Mecklenburg County. Since 1990 the state has increased by nearly 40% in population. Since 1990 as well the county has increased by 15%. Overall population growth rate is slowly slowing down across the board. Now to further breakdown the population change we took a look at ages: 0-19, 18-64, 25-34 and 65 and up. Now since 2000 the county has decreased in ages 14 and under. The greatest decrease occurred in ages 5 through 9 years old by over three hundred children. The same dramatic decrease occurred in the United States. This trend mirrored in North Carolina and one conclusion that we came to was the overall birth rates decreased probably between 2002 and 2006. Taking a closer look compared to 1990 ages 0-19 has decreased by 3.3% in population. Since 2000 the county has lost about 580 youth. Ages 18-64 is typically deemed our labor force. The county and state have remained relatively consistent in labor force population. However the US has decreased by 1%. Mind you I mentioned before that overall the county and state and US total population has been increasing. The county has slightly decreased by .7% while the state has decreased nearly by 2% in ages 25-34. We use ages 25-34 because they are typically deemed your young professionals. The United States has followed the same downward trend. Now the last subgroup of 65 and up. While North Carolina and the United States have slightly increased in total population of 65 and older the county has increased by five hundred seniors. This raises the total population by 3%. One general overall conclusion that we came to is that demographics are aging in this area and not being replaced at the same rate. Mind you as I said before that ages 0-19 have been decreasing by around 3%. For both blacks and whites the gap between county and state has been closing since 1990. However the county is steadily increasing in white population and decreasing in blacks. Currently the ratio is 2 to 1 whites and blacks. This graph does not outline Hispanics but just to know overall percentages have not topped 3%. Now let's look at the educational attainment in the county. Since 1990 the state and county gaps in educations has significantly closed in comparison to the US. North Carolina has practically closed the discrepancy. The county is behind in about 10% consistently mirroring the trend of the state. Since 1990 the county has increased in its percentages of some people with some college by nearly 10%. In the last ten years the state has manage to edge past the United States percentages. The county has not yet reached 10% of its population having a bachelor's degree. Currently the county is where the state was twenty years ago in terms of higher education. Let's take a quick look at the housing characteristics in the county, state and the United States. Housing occupancy has decreased contrary to population growth. The county has decreased by 8% since 2000. Mind you as I said before that since 2000 the county has increased in population at around 30%. We will take a quick look at median housing values. Caswell County's median housing values is \$58,000.00 less than North Carolina and \$98,100.00 less than the United States. One conclusion that could be assumed is that Caswell County was least affected by the housing bubble that took place in 2006. Now Sonal will continue with economic characteristics."

Miss Patel stated "If we look at medium housing income and per capita income Caswell County is the blue line on the bottom. In the last decade the income has not increased as it has in the state and the US. With the median household income of about \$35,000.00, Caswell County is

\$10,000.00 below North Carolina and \$15,000.00 below the US. Their per capita income is about \$16,500.00 is \$8,000.00 below North Carolina and \$11,000.00 below the US. If you look at the breakdown by race. We can see over the past 20 years the white population has consistently had a higher income than the black population. Looking at the poverty levels. Mirroring low income levels Caswell County has higher poverty levels than both the state and the nation. At about 22.5% the county is 7% higher than the state and 9% higher than the US. If we look at the specific age group below age 18 Caswell County poverty levels have increased significantly since 2000. In 1990 they were about the same as the state and the nation but for some reason they are about 14% above the state and 16% above the nation. Given what Portia told you about racial breakdown if the map is right the ratio is 2 to 1 white population to black population. Let's look at unemployment. In 1990 Caswell County actually had lower unemployment than both the state and the nation. Over the last decade it has increased as everyone else's unemployment has increased. It is currently at 14.5% which is 6% above the state and about 7% above the nation. If you would like the breakdown it is about fifty fifty for each race for the past three years. If you will look at unemployment by sex. There are more unemployed males in the county than females. This has significantly increased of the past decade. Let's look at unemployment by educational status. The highest subgroup is those with a high school degree. There are 430 of those unemployed. There are 297 that did not graduate high school that is unemployed. For everyone that has not graduated high school 24.15% of those are unemployed. Whereas as those that have graduated and only has a high school degree 12.76% of them are unemployed. Some with college 5.69%. What I found that was most interesting was that those with a bachelor's degree are higher with 10.49% are unemployed. It was higher than those with some college or an associate's degree." Chairman Hall asked "To you venture to guess why?" Miss Patel responded "I guess because there are no higher level jobs in the area for the people to have."

Miss Patel continued "If you will look at the breakdown of the industry in the county in 1990 we can see that the top industry was manufacturing which was at 42.5%. The next two are educational services and health care and social assistance at 12.5% and retail trade at 11.28%. These three make up 67.4% of the industry in 1990. If you will look at now the top industry is educational services and health care and social assistance which takes up about 21%. Manufacturing is now at about 18% and retail trade is at about 12%. Those are still the top three industries in the county. They make up about 51.7% of industry. While the jobs have decreased in the county it seems the portfolio of industries is diversified. So that is our presentation. Are there any questions?"

Chairman Hall stated "Thank you very much. This is a lot of information and it will take me a few weeks to restudy and digest it all. It will be quite helpful to this Board as we plan to move forward dealing with current situations: economic development, unemployment and planning for the future. We thank you very much for providing us with this information."

RFPs FOR AUDITOR

Mr. Howard stated "In your packets you will find RFPs for Auditor Service. Gwen is here if you should have any questions. Gwen sent out five requests to the firms that we knew that do governmental audits in our area and state. Two declined and one did not respond. We had two

proposals submitted. You have a comparison chart for the two firms and then there is a brief summary of the three years of the contract.”

Commissioner Satterfield asked “Mr. Manager let me ask was this advertised in County Lines or anything that we were looking?” Mr. Howard responded “No, sir. There is no requirement to do that. The number of firms that do supplemental audits is getting smaller due to the additional requirements that they are putting on them. What Gwen did was to contact the ones that were actively pursuing and doing audits in the state and we sent to them directly.” Commissioner Satterfield continued “I noticed that some of them in County Lines are not mentioned here. What about Goodman and Company in Danville that used to do it? I understand that they still do it. Were they sent a letter?” Mr. Howard responded “No, sir.” Commissioner Satterfield asked “How did these five get picked out?” Mr. Howard responded “We picked from ones that we knew still did it.” Commissioner Satterfield asked “What was the amount of the contract of Winston, Williams and Creech submitted to us a few months ago?” Mr. Howard responded “I think the first year was around \$46,000.00. This is a little less than what they presented a few months ago.” Commissioner Satterfield asked “This was a little less or that was a little less?” Mr. Howard responded “This is a little less. What they proposed earlier was to continue at the same rate.”

Commissioner Lucas asked “How many years have Winston, Williams and Creech performed the audit thus far?” Ms. Gwen Vaughn responded that they began in 2005. Commissioner Lucas asked “So they were under contract for three years. Was it a three year contract?” Mr. Howard responded “Three years and then the RFPs were sent out and they were chosen again.” Commissioner Lucas responded “For a separate agreement for three years?” Mr. Howard responded “Yes, ma’am.” Commissioner Lucas continued “So they have done it for six years in a row?” Mr. Howard responded “Yes, ma’am.” Commissioner Lucas stated “I took the time to actually read through my audit today but I had to do this (she had a magnifying glass) when I got the end of it with the schedule of findings because the print was like microscopic. I found myself with this trying to read it. It was very disturbing that the most important part of the audit was printed so minutely that you could not see it. I was disturbed by that. I was not here the night it was actually presented but I was bothered by that and the quality of that particular audit. I would like to see Goodman have the opportunity to have a bid on it as well. I don’t know if we can go back.” Ms. Vaughn stated that Goodman did do the audits for the county before but they had problems with North Carolina versus Virginia regulations. Commissioner Lucas asked “Could we check to see if they still have issues.” Ms. Vaughn responded that Goodman did not follow all the requirements and because of that the county tends to stay with auditors that are located within North Carolina. Commissioner Lucas stated “I never knew about that.”

Commissioner Satterfield stated “I know they conducted the audits here for a good number of years. Before them Manning, Perkins and Floyd did it. They were out of Danville also. It seems as though to me if it is a problem with that certainly a company like Goodman and Company should know there is a problem and they are not going to bid on a North Carolina contract. I know they were doing business in North Carolina other than Caswell County. I don’t know if they still are or not. I feel like it should have been more than two responses. I can’t believe there are not some other firms out there that would like to bid. If they don’t have

knowledge that we are looking for someone then they can't apply. I don't know how long you have known about these people that declined and didn't respond."

Chairman Hall stated "In terms of the company that did not respond and the two that declined I am familiar with them. I think to cover all of our bases it may have been better had we done an advertisement and submitted letters to request RFPs to all of the surrounding firms. At some point either at the local government or somewhere someone can tell us those firms that are experienced in North Carolina. I know it probably would have been better to do a RFP on requests or to get some type of letter out. What kind of time frame are we working on here?" Ms. Vaughn responded that most firms set their schedules by April.

Commissioner Carter stated "Mr. Chairman I would just like to say that Mr. Winston and his firm have been doing the audit for six years. They are familiar with the county government and they are familiar with how we operate. As long as I have been on the Board we have not had any problems with them. They do an outstanding job. I would like to have them continue to do the audits for us." Commissioner Lucas stated "Chairman Hall I would tend to disagree with that. The longer an auditing firm stays with one organization the more familiar they become and it is good to change and should be policy to change every so often. That is just my opinion."

Commissioner Travis asked "Do we have time to advertise?" Chairman Hall responded "From what I am hearing we may not. How long ago did we start this process?" Mr. Howard responded "February 4th." Chairman Hall continued "It would not take real long. What crosses my mind is something that our attorney said earlier as far as following the process. As we go about our business, we were talking about the bid process in something else but I think we should have an established process for most things that we do. There may not be a problem but I would not want the community to perceive a problem because we did not follow a process by not notifying everybody or advertising or doing something that covered the gap. This may be the only ones that may apply but I would feel better with the process." Ms. Vaughn responded that she did call numerous counties surrounding us to find other auditing services. The firms that declined did so because they were not pursuing any new contracts. She did receive letters from the two that declined thanking her for the RFPs requesting bids for their services. Chairman Hall stated "I understand. I have no problem with that. Businesses have the right to decline. My concern is with those that we did not offer that opportunity. It is the process part that I am concerned about." Attorney Ferrell stated "Just from a legal process standpoint professional services such as this wouldn't have, as the manager said, any formal notice or publication requirements. That does not mean that you can't publish it and notice it because there are no legal requirements." Mr. Howard stated "We have had the same response from the last several RFPs that have been sent out. The number of responses is getting smaller. I think that Martin Starnes does over forty counties in the state. They do a large amount of counties. The only reason why I mentioned that is just to show you that the numbers of people that are working in the state that do these things are getting smaller. Every time they come out with new regulations such as GASB34 and GASB35 it puts more on the auditors and what they have to do to prepare these audits. Some of them just don't have the manpower to do it and they are not doing it anymore."

Commissioner Battle asked "Ms. Vaughn when did you say we had to have an auditor selected?" Ms. Vaughn responded that the county does not have a date set but they normally have one in place by April 1st. Commissioner Battle stated "Mr. Chairman I know they said we don't have a lot of time. Has our auditors done anything greatly that we would not want them back?" Chairman Hall responded "No, not that I am aware of." Commissioner Battle continued "Has their performance been subpar?" Chairman Hall responded "We all got the same report." Commissioner Battle stated "I am asking the fellow commissioners from their standpoint. I cannot speak for them. We can go back and do something different the next time. I know at one point it was mentioned, one time, when we did this that we look at counties that are similar to our size, demographics and things of that nature. That was one of the reasons we have the company that we have. I don't know about you, I don't know how big that other firm is but if they are doing around forty some odd counties I would not feel like we would get the personal attention. That is my perception." Mr. Howard stated "We could have the option, you could choose to enter into a one year extension with Winston, Williams and Creech and go through this process again next year."

Commissioner Travis asked "How long have ya'll had this information? Have you had it a week or have you had it a month?" Ms. Vaughn responded they were received on March 9th. She stated that she sent them out on February 4th and she had asked that the RFPs be received back by March 9th. She stated that she gave them a month to respond. Commissioner Travis continued "The only thing I don't like about this is we wait until the last minute to try to make a decision on a lot of things. It should be brought before this Board a lot quicker than it is being brought now. We can't make a change even if we want to make a change. It is sort of like shoving it down our throats that we need to get it done or the county will not get it done right. I think we need to change the way we do things."

Commissioner Jefferies stated "They did five bids so why can't we go with the lowest bid. We don't have a problem with this firm. If you have a problem it needs to be brought up now. If everyone just sits here and nobody brings up a problem we don't know what to do."

Commissioner Jefferies moved, seconded by Commissioner Carter to accept the lowest bid of what was submitted by staff.

Commissioner Travis asked "How many years? Are you talking about extending it one more year or are you talking about three years?" Commissioner Jefferies responded "I am talking about this year." Commissioner Travis stated "This bid was for three years." Attorney Ferrell stated "That would be an important question. They bid on a three year deal would the one year deal be the 2011 figure you see in the base bid 2010-2011? Did they bid each year or did they bid for a three year deal?" Ms. Vaughn responded it was based on a three year deal. Commissioner Jefferies stated "We had no problems with these people." Commissioner Travis stated "I know but do we want to do a three year or do we want to do one year?" Commissioner Jefferies stated "That is up to the Board." Commissioner Travis stated "No it is up to us right now to make the motion to fit the way we want to do it." Commissioner Jefferies stated "Whether it is three years or one year these people have done an outstanding job." Commissioner Travis stated "It is not the job they are doing. These people have been here for six years now. Sometimes you fall in a rut. It may be time to get out of that rut and move on to

something else.” Commissioner Jefferies responded “What rut are we in? If you know something, bring it before the Board right now.” Commissioner Lucas asked “Did the audit this year reflect any deficiencies that you are aware of Mr. Jefferies?” Commissioner Jefferies responded “Not that I am aware of. My motion still stands Mr. Chairman and for three years.”

Commissioner Lucas asked “Is this all the information that was available, Kevin, just the figure for the contact?” Mr. Howard responded “No, ma’am. The RFP was very thick. They had background information on the firms.” Commissioner Lucas continued “And what the audit actually entails and what they are willing to do?” Mr. Howard responded “Yes, ma’am.” Attorney Ferrell stated “There will be a formal contract brought back before the Board as well if you approve the bid. The next stage would be an actual audit services contract or something similar that the Local Government Commission has to see. So this will not be the last that you will see of what work performance will be required of the auditor.”

Upon a vote of the motion, the motion carried by a vote of four to three with Commissioners Lucas, Satterfield and Travis voting no.

Commissioner Lucas asked “Chairman Hall could we get a number difference in the two bids? What was the exact dollar figure between the two bids?” Mr. Howard responded “Six hundred and twenty-five (\$625.00) dollars for the full three years.”

RESURFACING OF THE TENNIS COURTS

Ms. Ashley Williams, Parks and Recreation Director, came before the Board to discuss resurfacing the tennis courts.

Ms. Williams stated “In your packets I went back to make sure that the quotes that I got last year for having the tennis courts resurfaced were still good and through what date. I put those in there as well. I came last fall and I was trying to get this stuff done and it was a little bit too late with the winter and stuff. Now I am back this spring trying to get it taken care of. What we are proposing to do is to go ahead and repair three courts now and maybe in my budget that I have coming up I will put money in there to repair the next three within the next budget year. That way we can go ahead and get all six courts done.”

Commissioner Battle asked “This resurfacing, is this just land surface on top or redoing it to keep it from cracking?” Ms. Williams responded “Land surface on top. The only bid I got to do the whole entire thing from up underneath was from Court One and that was to reconstruct the whole entire thing. It is about, give or take about, \$75,000.00 and that is just for three courts.” Commissioner Battle asked “If you resurface it, on average how long will that last?” Ms. Williams responded “If you resurface it probably about five to seven years if it goes on top. I came up with a couple of scenarios maybe in the winter time we can put some tarps on the courts. Taking the nets and poles down and that would help to preserve the nets and the poles. Right now we only have one net that is actually up. The other poles have actually rotted. We had to throw them away because they rotted at the very bottom. We just have one net. I looked into the poles and nets that are able to be removed so in the winter we can close the courts off. We can put down tarps to keep the water from getting on it in the winter time.”

Chairman Hall asked "Ms. Williams do you have a recommendation?" Ms. Williams responded "Yes. What I would propose to do and what I would feel would be most cost effective would be to do the three tennis courts now and us purchasing tarps and like I was telling Mr. Battle to get the nets and poles that can be taken up. That way let's say in November we can close all the tennis courts down and take all the nets down and take all the poles up and store them away in storage that way they can be safe from all the elements. We can put tarps down on the surfaces so that way it will be taken care of better as far as the winter." Chairman Hall asked "As far as the vendors that submitted bids?" Ms. Williams responded "As far as the vendor's proposals the lowest was North State Resurfacing. So if we went for the lowest bid that would be the one that would get it. Out of the three that contacted me back he actually did come out and do a personal assessment of the area. The rest of them basically went off the dimensions that I gave them. I did take some photos and emailed them to the companies and they emailed me back. That guy did take his time. He came from Raleigh and did a personal site assessment with me."

Chairman Hall stated "I will tell you personally I have two problems right off the bat. I understand we got started some time ago. The first proposals are dated August 10th and this is March. I think it would have been prudent of us to get updated proposals. The second problem I have is the first one has a guarantee of two years and the second one written on the face has a fifteen year guarantee. What concerns me when I read through it, the first one; it says 'The repairs of cracks are not guaranteed. Cracks may reappear within a short period of time.' Going with the low bid I would not be comfortable with someone who tells me that. That means they are not really planning on do a good job." Ms. Williams responded "What they are talking about with those cracks, when they resurface it over, those cracks on the top will. What he is talking about is what is up underneath. He cannot do anything about what is underneath. As far as redoing that like Mr. Battle said it would be a total reconstruction. We would have to take it all the way to the bottom. These quotes are up to date. I emailed back and called back these individuals and I asked them to look up my quote numbers. They looked up the quote numbers and they let me know that the quotes were good. The North State Resurfacing is good until May of this year, Flex Court is good until April of this year and Court One is good until May as well. These are updated." Chairman Hall stated "I understand you told us that but my problem is they did not respond in writing. I do have a problem with a two year guarantee even if it is the lowest bid. What we are really saying is we are not really going to get value, in my mind, for what we want to do especially when I see another one that says a fifteen year guarantee." Ms. Williams responded "That is not actually for resurfacing. That is the plastic system that will go over the existing system. I was able to go to Raleigh and check that out and that is a very good system. It is very comparable of what is needed." Chairman Hall stated "But they are not bidding on the same thing." Ms. Williams stated "These are the three companies that contacted me back. These are the only three people that do this type of work. The two that resurface and this one company that resurfaces it and then puts this plastic thing on top of it." Chairman Hall stated "What I am saying is they did not bid on the same thing." Ms. Williams responded "They did it on redoing the tennis courts. Is that what you are asking?" Chairman Hall responded "No, they did not bid on doing the same process." Ms. Williams stated "I get what you are saying."

Commissioner Battle stated "Mr. Chairman I would like to see quotes for actually redoing the tennis courts from the ground up because I don't think it is feasible to keep trying to patch

something that is leaking or breaking. I hate the time frame that it came up but if you do not maintain something eventually it is going to break on you. I really do not agree with band aiding anything. I think we should get quotes on it from the ground up.”

Commissioner Carter asked “I know that there was some discussion last year, is the school going to pay for half of this?” Ms. Williams responded “I did talk to Mr. Barker, they were actually supposed to be here but they are not here. They did say that depending on what was decided is what they would base it on what they would help us out with. I guess they want to know what we are going to do first before they say what they are going to do.” Commissioner Carter continued “How much are they willing to cover?” Ms. Williams responded “They are waiting to see what we are going to do and then they will take that number and then they will say what they are willing to do. That is what I gather.”

Commissioner Lucas asked “Ashley is the money in the budget for this year?” Ms. Williams responded “No, I put it in the budget last year to do this and it was taken out. I have put it in the budget for this coming up year and I don’t know yet. I did put money aside to do some kind of repair to it last year. It was a capital improvement.” Commissioner Lucas continued “Are you also planning to put it in for this upcoming year?” Ms. Williams responded “Yes ma’am in capital improvements.”

Commissioner Carter stated “Mr. Chairman I would like to see some kind of letter in writing a commitment for the school board. It is all fine and good to say I am going to do so and so but I would like to see something from them in writing for what they are willing to contribute.” Ms. Williams responded “I can contact him back to see if he can get that done. That is not a problem.”

Commissioner Battle stated “Mr. Chairman that is all well and good but I don’t think that should be a deal breaker. We don’t come up with a contract when we say we are going to build a school that is just something that we are supposed to provide. We do have a high school that uses it but we have a county that uses it as well as far as for a sport. I don’t think that should be a deal breaker. I think that is irrelevant for what we are trying to do.” Chairman Hall responded “I think Mr. Carter mentioned it because when it came before us before the school said they would help.” Commissioner Battle responded “I do remember that but that should not be a deal breaker.”

Commissioner Satterfield stated “Mr. Chairman I really believe the only way you are going to eliminate any problems on that site down there because it was built upon field dirt. I believe it is on the south end. The problems with the cracks Mr. Chairman, I have watched it over the years as I have played tennis. The tennis courts are twenty years old and it does not have one little crack in it. The maintenance has been the problem with the tennis courts. The cracks come, if you don’t fill them and keep them closed up water can get down there in the winter time. When water gets in it freezes and expands and now we have gaps down there that wide. Mr. Alford does not say what he is going to do to repair the cracks. If these cracks are this wide now I don’t know how you are going to repair them. I think you are going to have to end up tearing it up and start over.” Ms. Williams responded “That one guy said that is what it would take. He suggested pulverizing it and tearing the whole thing up and in the middle put in something like a

French drain that would drain the water away. He suggested redoing the courts and the fencing around it. That is why that quote is so high. It would be like demolition.” Commissioner Satterfield continued “The problem is building something, Mr. Chairman, and not having any type of maintenance program to keep it up. That is what happened down there.” Chairman Hall stated “It is this Board’s responsibility to keep it up.” Commissioner Lucas stated “That was my question, why was it not maintained?” Commissioner Satterfield responded “The same reason nothing else has been because the Board of Commissioners has not seen to it. One thing they have not put the money in capital improvements to do it.” Commissioner Lucas stated “A capital improvement plan has been proposed for years and years and years and it has never been put in place.” Chairman Hall stated “Again, that is this Board. Every year when we vote on a budget this Board has the opportunity to fund a capital project. The staff does not have anything to do with that. We chose not to fund it. In terms of how we address this issue I suggest we go another route.”

Commissioner Lucas asked “Ashley how much are these courts utilized?” Ms. Williams responded “We have actually gotten a lot of utilization from them. Today with the one court I have available I had three people playing on it and two people waiting. With the weather getting better there is a lot of people that come out there and play.” Commissioner Lucas added “And these are county residents?” Ms. Williams responded “Yes ma’am they are county residents. I have two ladies that want to start a tennis league and to have some league stuff going on. I have a lot of young ladies that ask about lessons and things like that. It is kind of a new sport, well not a new sport; it is just kind of growing here just like the volleyball thing. I think with some new updates I think we can make a go at it. Also once you get them done I was kind of looking at other counties. They are doing badminton leagues and outdoor volleyball. There are a lot of things we can do out there as far as with the nets and stuff. That would be something different. Anybody can do badminton. It would help as far as renting the shelter and other things when they see we offer badminton as well.”

Commissioner Carter stated “Mr. Chairman from what I have heard from Ashley, Mr. Satterfield and others is that it is a great safety concern with that many cracks with people down there playing. What happens if someone trips or falls?” Ms. Williams responded “The schools will not use them because there is a safety factor there. I do have adults that are using them but they have conscious minds in using them.” Commissioner Carter continued “After what you have presented and Mr. Satterfield and others it comes to an insurance issue now. If someone was to fall or get hurt or something. It has come to my attention that we need to close them down and we need to repair them.”

Commissioner Battle stated “Mr. Chairman I make a proposal that Ms. Williams look into getting up bids on the full redoing of the tennis courts. I don’t think resurfacing is the way to go.” Commissioner Satterfield asked “Isn’t that what Court One proposes, tearing up the courts and completely redoing them?” Ms. Williams responded “Court One, yes, sir.” Commissioner Satterfield asked “That is three courts?” Ms. Williams responded “Roughly seventy-five is the three courts the one hundred and ten is for all six. That is the complete reconstruction, yes. But the North State was just a band-aid and Flex Court was another type of material. They do the exact same thing that North State does but on top of that they put a hard plastic material that is able to expand and contract and with it being plastic it lasts a lot longer. Not many kinds of

companies do this kind of stuff as far as reconstructing the tennis courts. What Court One does is they redo the tennis courts. They subcontract someone to actually do the demolition and things like that. It is all in their same bid but they subcontract out a construction team to come in and do it.”

Chairman Hall asked “Are there any more proposals or questions. Mr. Battle has proposed that we get proposals to completely redo the courts so we can really take a look at them. I think that was a good idea. I would like to add to that Mr. Carter’s suggestion to get from the school, Mr. County Manager, in writing what they are willing to support on this project. So when we look at the bids we will know how to plan. What I would propose is that we go back to all three of these and ask for updated proposals. I am sure we have an idea how long tennis courts should last. So if we are going to spend this kind of money we need to spend it on something that is of quality. I don’t think we should spend it on something that they will only guarantee for two years and tell us that the cracks are going to come back. I just have a problem with that.” Ms. Williams asked “Can I ask a question? So when I do for the reconstruction you want me to do for the 3 and 6 courts? Break it up like that 3 and 6?” Chairman Hall responded “That is what you did here.” Ms. Williams asked “Do you want me to ask these other two companies if they do complete reconstruction or ask them to do a complete new proposal for complete new construction?” Chairman Hall responded “Yes. We need to make sure that everybody is bidding on the same thing.”

Commissioner Travis asked “Can anyone do this type of work?” Ms. Williams responded “I don’t know as far as that. I can ask.” Commissioner Travis continued “I am talking about digging it up and re-pouring the whole thing. You don’t have to have anybody that specializing in tennis courts to do this type of work.” Commissioner Battle responded “There is some more stuff that you have to have up under there to pour that concrete. You have to have a certain type of slope, a certain type of drainage. I am not referring to pouring concrete.” Commissioner Travis continued “I think anyone can pour concrete.” Chairman Hall added “Tennis courts are not just concrete. We are not just talking about pouring a slab of concrete. We are going to get the new bids. Have everybody bidding on the same page on the same stuff so the Board can look at it and evaluate it. We can request the information from the school. Then we can look at what I think Mr. Travis is talking about instead of a prime contractor we can multi-contract.” Ms. Williams stated “I can ask some of these companies as far as if we were to do some of the work ourselves such as the concrete.” Chairman Hall asked “Mr. County Manager will you work closely with Ms. Williams on this?” Commissioner Travis stated “Call R & R Concrete.”

Commissioner Satterfield stated “Mr. Chairman this thing is obviously going to get into a lot of money and every vendor has their particular way that they think you need to do something. I would like to suggest that we get an engineer to look at the current facility and the courts we have. It may cost a little bit of money but it may end up saving the county money down the road. The engineer can assess what we have and make a recommendation. These requests and proposals should all be the same and they need to have some type of reasonable warranty. I know the guy with the Flex Court they are talking about plastic thing which may be a new thing and it may be the way to go with a fifteen year warranty on it, I don’t know. We don’t know anything. Our maintenance staff does not know anything on what we need to do down there. We can put out a proposal but how do you know what kind of a proposal to put out. Do you do

what Commissioner Battle said? Does it need to be torn down and completely redone? Can you re-patch it and reasonable expect a return on your money? I don't know." Chairman Hall responded "I think that is a good idea. Like several of you mentioned the problems with water will remain. We need to address that." Commissioner Satterfield added "Putting what Ms. Williams said putting tarps on them that is not the answer. Water will get under those tarps. If the water gets under the tarps and it freezes then the cracks are going to expand. You may need to put a top over and enclose it if you want to keep the water out."

Chairman Hall stated "Let's start with the last suggestion Mr. Manager. We need to find an engineer of sorts that is competent in engineer designing tennis courts so we will know the magnitude of the problem with where the courts are located. Then we will move to update the bids and then get or simultaneously get the commitment from the school. We really need to know what we are working with. It might be that that is not the best location for the courts."

BUDGET AMENDMENT #5

Mr. Howard stated "If you will look at Budget Amendment #5. The justifications for each is located on page 2. Do you have any questions about those?"

Commissioner Satterfield asked "I have a question Mr. Manager about the ninety-five forty-four. Nine thousand five hundred and forty-four (\$9,544.00) dollars. I saw the letter in here where they were talking about expanding a person from part-time to full time." Mr. Howard responded "Based on programming and the additional monies in the Cooperative Extension grant program. There is no county dollars involved in that." Commissioner Satterfield continued "It says it is because we are out of compliance in some programs so we are going to hire this person because that person is in compliance so she is going to show two employees how to get into compliance?" Mr. Howard responded "Part of the issue is supervision. What this person is going to be is this person will become full time and supervise this program to bring it back into compliance." Commissioner Satterfield asked "Who has been supervising it?" Mr. Howard responded "It is currently under Cooperative Extension." Commissioner Satterfield asked "So the supervisor is Mr. Knight?" Mr. Howard responded "Yes, sir." Commissioner Satterfield asked "Is there anything new about this program? Have there been any changes since last year? It is the same program, isn't it?" Mr. Howard responded "It is the same program. There has been some staff turnover in it. In fact it is all new staff except for one position. He took over this program about two or three years ago." Commissioner Satterfield continued "Our current direct supervisor cannot give them the guidance that they need to get into compliance?" Mr. Howard responded "I think it is a matter of having someone that is there with them every day." Commissioner Satterfield responded "Okay."

Commissioner Carter moved, seconded by Commissioner Hall to accept Budget Amendment #5 as presented. The motion carried by a vote of five to two with Commissioners Jefferies and Satterfield voting no.

RECESS

The Board held a brief recess.

DISCUSSION OF TAX DEPARTMENT'S POLICIES AND PROCEDURES

Chairman Hall stated "Item number twelve was a carryover from the last meeting. I had asked the county manager to talk with our accounting firm and I think one other organization about the application of funds on accounts receivables and in this case it would be our taxes receivables. I got this letter just today. One of the issues that we have been discussing is on the collections of receivables. What we got from Winston CPAs is normally how the industry receipts are applied. It says unspecified property payments go first to interest and penalties then the money is applied to the oldest bill first. The Motor Vehicles specific to bill paying stands alone as far as paying it each year. So what we are talking about is Ad Valorem taxes on property. I am sure there is a reason for unspecified. Interest and penalties are paid first and then the oldest bill." Mr. Howard responded "Unspecified means that someone can come in and say I want to apply this to this year's bill." Commissioner Battle asked "Did he say that was the norm?" Chairman Hall stated "No." Commissioner Battle asked "Will you read it one more time?" Chairman Hall stated "Kevin, here is my take on how to apply unspecified property payment: 1) Interest and penalties first, 2) tax applied to oldest bill first and 3) Motor Vehicle specific to bill paid. Any accountant can tell you what the norm is. Our issue has been over the years is we have allowed payments to be applied to whatever years the taxpayer says. From what I am hearing it may be within the guidelines of the law. We are allowing payment plans to be made on prior year taxes or current year taxes and the prior year's is not due. We have not been consistent. In my opinion it does not follow good accounting practices. We have bills outstanding from prior years and we have not been as aggressive, I think, as we should in collecting those taxes. We also have in our packets information from the tax director. I think it is relative to automobiles. One of the reasons we wanted to have this general discussion is that I think it would be appropriate if we had a finance committee, audit committee or someone to look at these general procedures and make a recommendation to this Board and then we act on it. As we talk there is a lot of discussion back and forth on what we have done, what is best or in my opinion we ought to do this or we ought to do that. Some years back the audit finance committee made recommendations to this Board and the Board accepted the recommendation. But when the recommendations were contrary to the current practices the Board did not insist that the Tax Director change the practices. In fact what the Board said was forget the recommendation that the audit finance committee made. We are going to have this discussion again. I think we need to be consistent and we need to address the issue of automobiles. If you had an opportunity to read what the tax director provided us I will not try to read it all. There is a process in here that he says they are following: DMV Billing and Collections for automobiles. It sounds good. It looks good. My question is how could we have automobile taxes from 2001 outstanding? I looked at the list from 2001 through 2008 or 2009 and we had some of the same names year in and year out. This suggests to me that this process is either very new or it is not being followed. What I suggested earlier and what someone suggested is that we talk to the tax director and I agree. I wanted this Board to have some discussions first before we scheduled a meeting with the tax director. We need to summarize our questions, summarize our concerns and relate how

we want to move forward. If these concerns are only my concerns then the Board is not going to move forward on this.”

Commissioner Lucas stated “Chairman Hall, the last sentence here says that of the forms of collections that we currently use one that is mentioned is debt setoff. Is that currently being used?” Chairman Hall responded “Yes.” Commissioner Lucas stated “I was told that it had not been used recently. I know that in one point in time the county was going that and it was very productive.” Chairman Hall stated “We are currently doing debt setoff but what we may not have in place is how we do everything across the board for the county. Now I will stop here and let the County Manager respond.” Mr. Howard stated “We are doing debt setoff. We are not doing it to the same extent we were probably doing it three years ago due to staff reductions. When we had to cut the Human Resources position some of those resources were taken over by the finance staff. Debt setoff is being done but not to the extent we were probably doing it three years ago.” Commissioner Lucas asked “That was not done through the tax office?” Mr. Howard responded “It was done prior to that and then the finance office took it over. It is complicated. The thought behind that was to centralize the location. If one person was doing it and they were familiar with it and was better at it and more efficient with it. It was better than having different departments doing it. We were trying to follow what other counties were doing. We tried to consolidate it instead of having each department doing it on their own.” Commissioner Lucas stated “I just remember it being handled through the tax office exclusively and it was working very well at the time it was being utilized then. I don’t know what changes took place from then.” Chairman Hall responded “I am going to disagree with you some because I was around and the tax office did some but they did not do them exclusively and it was not working very well. If you will look at the cars that are out there and some other things the tax office was making decisions on what they would process. The director was making decisions on who he would grant installment payments and who he would not grant the installment payments.” Commissioner Lucas responded “I know at the time the county manager was instrumental in implementing that program. He was pleased with the way it was being handled at the time. I mean that is my recollection of it.” Chairman Hall stated “The other thing or the biggest part of that based on my recollection is we were doing EMS stuff in there. It needed to be done out of one location whether you are going to do EMS or the tax office or any other department.” Commissioner Lucas stated “EMS is through the tax office. That is how that is handled.” Chairman Hall stated “The quality of how things were being handled was not what needs to be and I will leave it there.” Commissioner Lucas stated “That person has been relieved of those duties and we still have that person.”

Commissioner Travis stated “On these vehicle taxes, the way Alamance County handles theirs is they don’t write off any of their taxes. When your taxes are due on your car and it comes time for them to be paid and you don’t pay, you get another notice. If you do not pay it within so many days a deputy and a wrecker service shows up to pick your car up and then you have to pay a towing bill plus your taxes to get it back. You don’t have to tow many of these cars for these people to wake up. They will see what is going on and they will start paying. If we just sit here and do nothing we will never get anything done. You talk about these taxes if a man owes three years of taxes and when he comes to pay them it should be applied to the oldest tax first. I don’t care what he wants to apply it to. Alamance County does not write off taxes like we do they collect the taxes. I talked to the girl that works in the tax office and she lives in Caswell County.

She said that it needed to be changed. It is up to this Board to make a change. I think it is time for this Board to do something about it.”

Commissioner Battle stated “I think we do need a uniform code Mr. Chairman on how we collect our taxes across the board. How we do motor vehicles. How we do property and then what is the standard for each of those. We may also want to look at some of our neighboring counties. I know that Rockingham County makes you pay your current plus they make you pick up the back taxes at the same time. Personally, I know they do a good job. Their methods are good. Maybe we need to look at some of that and say hey maybe that is where we need help at or that is where we are lacking at. I agree we need a uniform with everything we do here in the local government. I think we need to have that discussion on that.”

Commissioner Jefferies stated “Maybe I am missing something but I don’t see anything wrong with a payment plan. Where you put it at is another thing. A lot of these folks are on a fixed income and they don’t have this money to pay for it all at one time. I don’t have a problem with this payment plan now we need to decide where we are going to put it. Are you going to put it on back taxes or on front taxes? A payment plan should be in place for Caswell County. Alamance has more tax bases than what Caswell has and I want everyone to look at that too.”

Commissioner Travis stated “We are not talking about tax bases. We are talking about how we do our business. This has nothing to do with how much tax base we have in this county. There is nothing wrong with setting up payments but you need to pay the year that you owe it in. If they did this they would not behind to start with. If you are going to collect my taxes you are going to collect everybody’s taxes. We need to treat everyone the same way.”

Chairman Hall stated “I don’t think we need to argue that point about the capability and who is able to pay at certain times. Things do happen. The problem I had with the payment plan when I looked at it last some years ago is we had people coming in making a payment saying this is 2011 and they still owed from 2007 and 2008 and we had not taken any other action. On current taxes they are paying some or whatever because some rule in there says they can specify. This is where this Board needs to have a set policy. We are going to have to have a payment plan. Payments should be paid within a certain period of time because we have to work within the budget year. We should not skew our tax collections by the way we are collecting things and that is the way we have been doing it in the past. We have someone come in and say you go ahead and pay this year’s taxes and I will give you a payment plan for last years and therefore our taxes for this year looks good. We are skewing our collections. This is a policy issue and I think we need to know it and understand it and make a decision. It should not, in my opinion, be left to the director in terms of policy with the county. If it does come back to treating everybody fairly and at least the expectation of the citizens should be that they are treated equally and fairly.”

Commissioner Carter asked “Have the citizens not been treated equally and fairly?” Chairman Hall stated “Yes, I will just leave it at that. All you have to do is look at our records on who got payment plans and what tax years they paid and what tax years they did not pay.” Commissioner Carter continued “I agree with Commissioner Jefferies on the payment plan. The last two years the economy has bogged out.” Commissioner Travis stated “We are not getting all the taxes

paid.” Commissioner Carter responded “We are getting a 94.7% collection rate.” Commissioner Travis asked “But how many tax dollars have we lost because of not collecting past due taxes?” Commissioner Carter asked “How many counties have 94.7% collected?” Commissioner Travis responded “All you are looking at is the current year they are paying their taxes. You are not looking at the taxes that were not collected that are past due.” Chairman Hall stated “What I want us to do is to try to say on key. We need to look at the tax laws for the way the state of North Carolina are structured. The tax laws basically say that the tax burden should be equally based on Ad Valorem taxes. That is what it says.”

Commissioner Carter stated “I think the DMV should take care of it themselves. If you don’t pay your taxes it is blocked.” Chairman Hall responded “My response to that is this thing is not working if we have a ledger that thick in Ms. Seamster’s office that goes back to 2001 of outstanding automobile taxes.” Commissioner Carter stated “Well how do they get paid.” Commissioner Battle responded “They don’t. If you have a car that you decide that you don’t want to drive anymore you can park that car and go and get another car and still get a registration for this other car even when I have this tax bill on this car that I cannot drive any more. That is how you get the stack that big.” Commissioner Satterfield stated “Starting June 11th you cannot do that anymore.” Commissioner Battle responded “Well until I see it in writing I will not believe it. That is how we got the past stack because you let the car sit and you did not pay the bill on it and I am just going to get another vehicle and junk that vehicle. That is how it happens.” Chairman Hall stated “I think that is part of it Mr. Battle. I don’t believe that if you look at that list, I don’t believe all of those cars are junk from 2001 to 2007.” Commissioner Battle responded “Probably not.” Chairman Hall continued “I don’t believe they are junk. I believe we missed something somewhere. Somewhere we did not follow a procedure.” Commissioner Battle stated “I don’t think there is anything wrong with this. We should not be having all this discussion about this. There is nothing wrong with us as a Board talking to the tax director saying this is the way we want you to do this or we want you to do it this way by this statute. I don’t see what the issue is.”

Commissioner Travis stated “We need to make a decision on how to collect the taxes and then tell the tax director how we want it done. If he cannot handle it then we need to find someone else to handle it. That is what this Board’s job is. If the people we have in place cannot do it then we need to get someone else to do it. I think that is where we are at right now.”

Chairman Hall stated “What I want us to do is to start the discussion. Now my question is to the commissioners how do we want to proceed. Do we proceed as a Board or as a committee? We need to develop something and we don’t need to put it off anymore.” Commissioner Jefferies responded “Mr. Chairman I think first we need to bring the tax director in and tell him what we want and how we want it. Then we need to give him the opportunity to come up with a plan and bring it back to this Board. If we do not like this plan then we can do something. We need to give this man a chance. He knows the law and the statutes on what we can do and what we cannot do. I think we need to give him the opportunity to come up with a plan. Then if the plan does not fit this Board that would be the time to do something.” Commissioner Travis stated “In my opinion that is just the right opposite of what we just said. This Board needs to come up with a plan on how we want these taxes collected. Then bring him in tell him this is how we want it done. We hire and fire this guy and we should be the one to tell him what to do.”

Commissioner Lucas stated “Chairman Hall I just found something in this handbook that talks about partial payments for tax receipts. It says unless the Board of County Commissioners directs otherwise the tax collector is required to accept partial payments on taxes and to issue partial payments receipts for the amounts accepted under General Statute 105. The Board may prohibit acceptance of partial payments all together by a resolution and in no event is the county required to accept partial payments on taxes for any year before the annual budget estimate on that year that has been filed. In addition to its power to refuse acceptance of partial payments the Board of Commissioners has explicit authority to prescribe by regulation an amount of a percentage of the entire tax as the require minimum for a partial payment as long as the amount of the figure applies uniformly to all tax bills. If partial payments are accepted the statutes requires that it may be applied first against accrued interest, penalties and costs, if any, and then against the principal amount of the tax. That’s helpful.” Chairman Hall responded “Quite helpful. I read it and we went through this once before and the Board decided not to enforce it. That is why we are back here again. My question is how do we move forward? I think that statutes and issues like this need to be reduced to writing so that the Board can vote on it and deal with it. In my opinion the tax director is well aware of that. He has opted not to do it. So what does the Board want to do?”

Commissioner Battle stated “I think the Board needs to address it.”

Commissioner Carter asked “So you think the director opted not to do it?” Chairman Hall responded “Yes.” Commissioner Carter asked “How do you know that?” Chairman Hall responded “Because we have had this discussion.” Commissioner Carter asked “When?” Chairman Hall responded “We have had it for the last few years. When I chaired the finance committee and I brought this before this Board and made the recommendation to this Board and the Board accepted it. He did not do it. This Board has refused to act on it.” Commissioner Carter stated “That must have been before I was on this Board.” Chairman Hall responded “It could have been but it has been before him. We have covered it. To do whatever you want to do is going to require someone to do just what Ms. Lucas just did. You have to know what the rules are. Lay it out and identify how it relates to Caswell County and put it straight forward do we want to do it this way or that way. Then we need to take an up or down vote and then do the next one.”

Commissioner Battle stated “I don’t know the tax laws in and out. I know the jest of them. I will support speaking with the tax director on how we want to do things. I don’t see what the big deal is.” Chairman Hall responded “The big deal is, to me, whatever this Board decides we need to enforce it. If we don’t want to enforce it, don’t do it, and then wonder why we have a stack in there of forty some thousand dollars in automobile taxes and twenty thousand we wrote off and we have twenty thousand on our big schedule that is coming up to be written off next year.” Commissioner Battle stated “Let’s do a consensus and go ahead and put this to sleep. If we want to have a discussion with him on how we want things enforced. We have to establish the fact that we want to enforce them.”

Chairman Hall stated “We need to do this in a form of a motion. Do we want to leave things as is, the way the tax director is collecting the money or do we want to make a change?”

Commissioner Travis moved, seconded by Commissioner Battle that this Board comes up with rules and regulations on how we want taxes collected. We get it approved through this Board and then we bring the tax director in and explain to him how we want it done.”

Commissioner Lucas asked “Does this include the contract we are under right now with the local attorney as far as the foreclosure process is concerned?” Chairman Hall responded “I would think so.” Commissioner Lucas asked “When does that contract end?” Chairman Hall responded “We did it a couple of years ago for a few years.” Mr. Howard added “It was about two years ago for a five year term. It is probably about two and a half years left on it.” Commissioner Battle asked “There should be a termination clause in it.”

Commissioner Satterfield stated “I do not have a problem with the motion nor anything but are we talking about forming a committee or something to handle this?” Chairman Hall responded “Not as of yet. The motion is just to decide whether or not we want to take some action.” Commissioner Satterfield stated “I know it is not in the motion but how are we going to come about the end result with what the motion is?” Chairman Hall responded “If the motion passes then that will be the next step.” Commissioner Satterfield stated “We need to do something one way or another.” Chairman Hall stated “If the motion is defeated we will move on to the next item. If the motion carries then we will move to the next step and answer your question.” Commissioner Lucas stated “So basically the job description for tax collection. He has his legal definition of what his job description is and by law he has to fulfill that. So what we would be talking about would be the procedures by which he would do that.” Chairman Hall responded “Yes just like what you just read.”

Commissioner Lucas asked “Are we within our legal rights?” Attorney Ferrell responded “The tax collector has responsibilities to charge and to collect the taxes under state law. Like Ms. Lucas read to you there are some things that the Board can direct inside of that statutory process. There are decisions they can make about payment plans and also various remedies of collection available to the tax collector. In this sheet here that you have before you the tax collector has mentioned several in vehicle collections: bank accounts, garnishment of bank accounts, set off and one that he is just starting to look at which is the levy and seizure. There are clearly various avenues of collection remedies available and to the extent that the Board wanted to discuss its preferences regarding those different remedies I think that would be an appropriate policy issue to talk about.”

Commissioner Lucas asked “Brian is that us giving him a directive on how we want him to operate or to actually put a policy in place? Would it be a separate written policy?” Attorney Ferrell responded “Well I think I said policy, but I guess you could do it in different form. The Board can discuss that. I guess that would be the discussion that will come next, how would you do it? You can do it in terms of a policy, I think, if you wanted to. You could consider a directive under certain items but there is individual authority of a tax collector over certain things and of course statutes are going to control ultimately what you can and cannot do. I believe that Commissioner Battle referred to the fact that nothing that you would be able to do could violate an existing statute that goes without saying. So anything you come up with you will need to make sure that it covers the statutory bases.”

Commissioner Travis asked "Is it not legal to collect the oldest taxes first?" Attorney Ferrell responded "No and I think this point came up before. The attorney general says if a taxpayer directs to what year they want their taxes applied to then you have to apply it to that year. I believe that your CPA in his reply email suggested just what you are talking about as a matter of practice if the taxes have not been directed to a specific tax year by the taxpayer." Commissioner Travis continued "What if I worked in that tax office down there and you come in to pay your taxes am I supposed to ask you what year you want to put this on or could I just put it on the last year and hand you a receipt?" Attorney Ferrell responded "There is nothing, I know of, that requires you to ask the question to which year you would you like to apply the money." Commissioner Battle stated "You can put in what you want to. That is part of the inconsistency I am talking about. Teller one and teller two are side by side and one will do it one way and the other will do it another way. That is the problem. There is not uniformity. That is what we said at the retreat the first time. There is not consistency." Attorney Ferrell responded "I think this type of policy question is something that this Board can dictate or put in place a policy on an issue like that."

Upon a vote of the motion, the motion carried by a vote of four to three with Commissioners Carter, Jefferies and Satterfield voting no.

Chairman Hall stated "The motion basically says the Board wants to move forward in developing policies and procedures for the tax office. Now the next question is how do we move forward?" Commissioner Battle stated "I say as a Board we need to meet as far as seeing what the general statutes say and develop something within those guidelines." Chairman Hall stated "We have the suggestion to meet as a Board to do that. Any other suggestions?" Commissioner Travis stated "That is fine with me." Chairman Hall asked "Do we want to do this prior to a meeting or include it in a regular meeting?" Commissioner Battle responded "I would suggest prior to." Commissioner Travis added "What about meeting at 5:00 before a meeting?" Commissioner Lucas added "Just have the commissioners come prepared with questions for the tax director." Chairman Hall stated "We will do this prior to a meeting. Now is there any specific information I need to request from the tax collector before we do this?" Commissioner Jefferies stated "I think we need to lay it out and present it to the tax director. What I am hearing is we are going to put these rules out here. He has the statutes he has to go by. He is supposed to know that statute. If he is doing what you have said he is doing then we can say this is what we would like for you to change. Then he can make those changes and make a plan and bring it back before this Board. Right now we are not giving him a chance that is how I feel. I know we have talked to him about several things but I think we need to give him the opportunity that this is the way we would like for you to do it. We should give him the opportunity to go back and come up with a proposal and bring it back before this Board."

Commissioner Satterfield stated "I agree with Commissioner Jefferies. I think if we are going to have a meeting with Mr. Bernard we need to let Mr. Bernard know prior to the meeting exactly what we are coming to talk about. We are talking about how we are going to pay the bills and how the payments are going to be applied. Then that needs to be listed that we are talking about whatever else anybody has on their mind. There ought to be a list given to him prior to that so he can know what is coming. Mr. Chairman we have gone, now you correct me if I am wrong Mr.

Manager, you said we did not have staff. That debt setoff stopped two years prior to us getting rid of the HR person, if my recollection is right. I may be wrong. If I am you can correct me. That was a tool that we had that we have not been using. If they win the lottery we get our taxes. If they get a tax refund we get our taxes.” Mr. Howard responded “I was hired May of 2007. Finance took over debt set off during the budget process in 2007. The HR person at that time left in 2008. We filled that position, we had a new person in that position for approximately another year and then that is when it was cut out. Finance took it over. It was about a two year period that they had it.” Commissioner Satterfield stated “Maybe I have gotten wrong information. The information I got was from the Health Department where they had not had any debt setoff in that length of time. I understood that from the tax office but I could be wrong. What I am saying is we fuss and harp about taxes and then we are not using the tools that we have. It is like what Mr. Travis said if we can go out here and tow a car let’s get it towed. We have been neglecting not doing that. That is something that Mr. Bernard needs to step up with.”

Chairman Hall stated “Well what we will do is, I will let Mr. Bernard know that we want to talk with him. I will ask him to provide us with the current policies. Then we will have the meeting prior to a meeting and we will go from there.” Commissioner Battle added “Let’s look at the current data that we have as far as how many people owe nine years of taxes. Who owes eight years of taxes? We can compare that to what we are supposed to be doing.”

Chairman Hall asked “How soon do we want to do this? Do we need to give them a month before we put it on the agenda?” Commissioner Travis responded “We need to have this in place, if we are going to make any changes, before the new budget.” Chairman Hall stated “I need to give him a month by the time he gets the notice so he will have time to get the information so we can schedule it for the next meeting.”

BOARD RESOLUTIONS FOR PENDING N.C. LEGISLATION

Mr. Howard stated “You have three resolutions before you on pending N.C. legislation bills. Senate Bill 91 and House Bill 91 all it does is it repeals the sunset clause established for the e-NC Authority.” Chairman Hall stated “This is e-NC and they deal with the broadband.” Mr. Howard responded “Yes, Sir.”

Chairman Hall stated “So 91 is to repeal the sunset clause?” Mr. Howard responded “Yes, sir.” Chairman Hall asked “101 is what?” Commissioner Satterfield responded “It allows the counties to have the same authority as municipalities.” Mr. Howard stated “And 87 and 129 actually limits the authority that the municipalities already have. There have been some changes to that bill already. As of Friday it was sent back to committee because of the minutes that were passed and it has lessened its affect.” Chairman Hall stated “So what we have is A, B, and C. Two resolutions in support of Bills and C a resolution against Senate Bill 87 and House Bill 129.”

Commissioner Satterfield moved, seconded by Commissioner Jefferies to approve the resolution supporting Senate Bill 91 and House Bill 91. The motion carried unanimously.

Commissioner Battle moved, seconded by Commissioner Travis to approve the resolution supporting House Bill 101. The motion carried unanimously.

Commissioner Battle moved, seconded by Commissioner Jefferies to approve the resolution against Senate Bill 87 and House Bill 129. The motion carried unanimously.

LEASE FOR THE USE OF THE YANCEYVILLE MUNICIPAL PARKING LOT

Chairman Hall stated "Item 14 is here for information. We may have to take action depending on the desires of this Board. This is a contract that we signed with the Town of Yanceyville." Mr. Howard added "If we want to renegotiate we will need to give them a ninety (90) day notice. If we want to terminate we need to give them a thirty (30) day notice." Chairman Hall stated "We wanted to get this out in ample time to have some discussion so the Board would be aware and make a decision as to what we want to do with this lease agreement."

Commissioner Satterfield asked "Is the agreement the same thing? Is there any changes in the agreement?" Mr. Howard responded "No, sir. The contract continues unless one party decides that they want to renegotiate or if they want to opt out of it. We can opt out of it at any time with a thirty (30) day notice. If we want to renegotiate it has to be done ninety (90) days before the date set to renew it."

Commissioner Battle asked "Are these spaces marked?" Commissioner Satterfield responded "No." Commissioner Battle asked "Could we see about getting them marked?" Commissioner Travis responded "Anybody can use them." Commissioner Battle continued "I understand but for the public so they will know that they can park in this space because it is owned by the County. This is for the unknown person that goes to the courthouse and it becomes a problem so they will know which spaces they can park in." Mr. Howard responded "The only spaces that are marked is the town set aside about eight or nine spaces that they can use and they are marked 'For the Town of Yanceyville'." Commissioner Satterfield asked "Do they have a Public Parking sign up?" Mr. Howard responded "At one time we had a sign up letting them know they could use that parking lot. I am not sure if that sign is still up." Commissioner Satterfield stated "Putting a sign up is a lot cheaper than marking a space. We use more spaces than we are paying for sometimes and some days we are not using any." Commissioner Battle stated "All I am saying is it costs about eight hundred (\$800.00) dollars to mark a parking lot. We are paying twenty-five hundred (\$2500.00) dollars each year. I am just saying it is something to look into. If someone gets their car towed or what have you because they did not have ample space or they parked in the wrong space." Commissioner Satterfield stated "I don't think there have been any problems since we started this." Commissioner Battle stated "I am not saying it has but you have all different kinds of people that come to the courthouse, elderly, young, I am just saying what does it hurt?" Commissioner Satterfield responded "Why should we have to pay eight hundred (\$800.00) dollars when we don't need to." Commissioner Battle stated "They are spending the eight hundred (\$800.00) dollars out of the twenty-five hundred (\$2500.00) dollars that we are giving them." Commissioner Satterfield stated "Oh you are going to ask them to spend the eight hundred (\$800.00) dollars." Commissioner Battle stated "Yes, we are giving them twenty-five hundred (\$2500.00) dollars every year." Commissioner Lucas stated "Then we need to renegotiate the memorandum of understanding." Commissioner Carter stated "I think we need to

leave it alone.” Mr. Howard stated “All I would suggest if you think you might want to I can send them a letter so it will fall within the time frame.”

Chairman Hall stated “I am going to make my comments known here because I was against this before. There is ample parking one block away from the courthouse. I walked it myself today. At my age I can do it in one minute. I don’t see the need of us paying the Town twenty-five hundred (\$2500.00) dollars to park in their lot across the street when we have a lot that we gave to the Town one minute away that people can park in. All we need to do is put up a sign. That has been my whole contingency all along. Twenty-five hundred (\$2500.00) dollars is a lot for us to give to the Town so that everybody can park in front of the courthouse. This is something that we need to consider and that is how we spend our money.”

Commissioner Lucas asked “Will we be taking action on this tonight or will we bring it back for further review?” Chairman Hall responded “I think we will bring it back because we kind of hit everybody with it.” Mr. Howard added “All I have to do is give a ninety (90) day notice that we are considering renegotiating. We need to do that. This does not mean you are going to do anything with it and it does not mean you are going to renew it. We just need to notify the Town that we are looking at it.”

DETENTION CENTER LOT SUBDIVISION

Mr. Howard stated “Due to the fact that we are building a detention center and having to connect between that and the existing buildings. There is two ways we can do the financing. We can finance with just the lot it will sit on or we can leave it alone and do it as a whole. I just need to know the preference from this Board. If we subdivide the lots I will need to request a variance from the town.” Mr. Travis stated “So what you are saying is we either have to put all the buildings up or separate the lots.” Mr. Howard stated “We will have to subdivide the property where it is a small lot for the detention center and that will be the collateral for the loan. If we do that I will have to get a variance from the Town due to the fact that the lot will be smaller and then to it has two connectors from the courthouse to the jail and there will be a variance for that because you are connecting two buildings over a property even though we own both sides of the property it is still a property line.”

Commissioner Satterfield asked “Do you have to do a survey for that?” Mr. Howard responded “Yes, sir.” Commissioner Travis stated “I can’t see putting all the property up for the loan.” Commissioner Lucas responded “Well you have to if the loan proceeds are going to apply to the other buildings as well.” Mr. Howard stated “The attorney said we could separate it and put it on one lot.” Commissioner Travis stated “If that property will not stand alone it is not worth what you are spending on it.” Mr. Howard responded “It will stand for itself. It is just that you have the option of just putting it up as collateral or you would have to put up the whole parcel which includes the Health Department, DSS, the courthouse, the old jail and the sheriff’s office. We can do it either way. There is more work involved going through the variance process. A surveyor will have to come out and survey it off and we can go through that process.” Commissioner Travis asked “Do you have an expense price on that?” Mr. Howard responded “Two or three thousand dollars. They already have it surveyed. They just have to cut off that lot.”

Chairman Hall asked "How long will the variance process take?" Mr. Howard responded "I have already told the Town Manager about it. Probably around thirty (30) days or until their next meeting."

Commissioner Lucas stated "Chairman Hall, I am confused a little bit about the process here. We are taking a vote to proceed on with the financing. We had the public hearing. But has the Board actually taken a vote to expend this money?" Mr. Howard responded "You will not take a vote to expend the money until you have the bids in. When you accept the bid then you will..." Commissioner Lucas continued "I don't see how anybody on this Board can make a reasonable decision about this issue right here unless you have the financing information in front of you." Mr. Howard responded "We have to have this done in order to put the financing together. We have to turn in a plat for the financing for the LGC. We have to get all of this done ahead of time before the bids come in. It is part of the process." Commissioner Lucas stated "It seems that we are putting the cart before the horse. It has been this way since day one." Mr. Howard responded "It may appear that way but it is not that way. It is about a sixty day process to put the plat application together for the financing. We do part of it before the bids come in because we have to. We have to meet with the LGC so they can start reviewing it. Once the bids come in we put them in that package and turn it in to the LGC for their approval." Commissioner Lucas asked "Before this Board even takes a vote?" Attorney Ferrell stated "This is just a point of clarification. There was a series of resolutions that came before you. In one of those resolutions was the notion that the Board supports this financing and finds in the, I don't have the exact wording in front of me, and finds in the best interest of the County to continue with the financing." Commissioner Lucas asked "But aren't we supposed to have a vote after the public hearing or does the resolution stand as the vote?" Attorney Ferrell responded "You will take a vote ultimately on approving the financing documents. The subdivision issue, just as the manager stated and as Mr. Travis stated, is do you want to collateralize everything that is on the existing parcel or do you want to separate out the new building construction and collateralize that piece only?"

Commissioner Satterfield asked "Does the time frame bother anything?" Mr. Howard responded "No, sir." Commissioner Satterfield continued "As far as getting the variance and everything." Mr. Howard responded "No, sir. There is work involved in the variance process and having them to come out and do it. There is not work involved if you collateralize the whole piece of property but I don't think either way we will default on that loan with one building or the whole lot. That is the whole issue. If you default for some reason you just lose the detention center and you don't lose the other buildings that are out there."

Attorney Ferrell stated "The variance process, it presumes a subdivision application being made as the first step. In conjunction with that the application a variance will be needed in order to get the subdivision application approved. I have not looked at the subdivision standards. I have not talked to the Town about that piece of it. I can work with Kevin on the application if that is what the Board wants to do."

Commissioner Satterfield stated "We don't want to go through the cost, Mr. Chairman, of paying somebody to survey a piece of property out until we have pretty much an assurance from the

Town.” Mr. Howard responded “Part of that will be the initial cost of that. I just need to know which way the Board wants me to go. One building or all?” Commissioner Satterfield stated “If it were my piece of property I would not want to give up a whole piece of property to finance one structure. If it was not going to cost me but a couple of thousand dollars to get it surveyed off and let it stand on its own. I don’t think anything would ever happen but things can happen. I would not want to give up the whole farm to build one little house.” Mr. Howard stated “That will be part of the project cost.”

Commissioner Carter moved, seconded by Commissioner Satterfield to subdivide the property for the detention center so that the building will stand alone.

Commissioner Travis stated “The only problem I have with it is we don’t know if this will come to pass. Can’t we get some kind of figures on this before we do anything? I still think we need to know how much it is going to cost.” Commissioner Satterfield asked “Could we put a limit on how much we want to spend on the survey?” Commissioner Lucas asked “You are not just talking about the survey are you?” Commissioner Satterfield responded “Yes, that is the only thing we are only talking about.” Commissioner Travis stated “I am talking about the whole thing.” Mr. Howard stated “The only cost will be the cost of the survey.” Commissioner Travis asked “Is that the only cost involved in this thing?” Attorney Ferrell responded “I don’t know what the subdivision application fees are.” Mr. Howard stated “I would assume that those would be waived because we waive fees for them.” Commissioner Travis asked “Is this something that has to be voted on today?” Mr. Howard responded “I can have you this stuff by the next meeting. All I wanted to know is if you wanted to do it one way or another.” Commissioner Travis stated “I don’t think anyone on this Board would want to put everything together.” Mr. Howard responded “That is my point whether it is one thousand dollars or ten thousand dollars.” Commissioner Travis stated “I still would like to know what it is going to cost.” Mr. Howard responded “I understand that.” Commissioner Travis stated “I think Mr. Satterfield answered your question. What we really need to do is to vote on whether we really want to do it this way. You need to bring it back to us what it is going to cost and then we vote again.” Commissioner Carter stated “I have already made a motion and there has been a second.” Commissioner Travis stated “You can amend it.” Commissioner Satterfield stated “We have a motion and a second to subdivide.” Attorney Ferrell stated “The procedure is if there is a motion and a second on the floor a friendly amendment can be accepted or rejected by the person who made the motion. Then that proceeds to a vote on that motion. Then to the extent there needs to be a second motion in opposition that could be entertained after the vote on the first motion.”

Commissioner Carter stated “I made a motion to subdivide but I will add that the costs not exceed twenty-five hundred (\$2500.00) dollars.”

Commissioner Battle asked “Is that your amendment or is that how you are modifying your motion?” Mr. Howard stated “They have already surveyed the entire property as part of the process for construction. There is not going to be much of a cost since all they are going to have to do is cut out a little bit of the area around the detention center. They will only have to add a few lines to it. There is no problem with bringing it back to the Board.” Chairman Hall stated “We have to carry the motion one way or the other.”

Commissioner Jefferies stated “When you make a motion that person can make an amendment to that motion. Am I right or wrong?” Attorney Ferrell stated “What you are saying is if there is a motion and a second and an amendment to the motion?” Commissioner Jefferies responded “After discussion you can make an amendment to the motion and then get a second on that. Is that legal in parliamentary procedure?” Attorney Ferrell stated “My understanding is that a person that makes a motion can accept a friendly amendment if he so chooses. If not it proceeds to a vote on the initial motion.”

Chairman Hall stated “The easiest way is to have two motions. We made a motion to separate and we have discussed that. We will vote on that. Then if there is another motion to be made for directions for the county manager we will entertain that.”

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

Commissioner Travis moved, seconded by Commissioner Jefferies to have the county manager bring back the price of the survey and any related cost before any action is taken. The motion carried unanimously.

COUNTY MANAGER’S REPORT

School Board Meeting Date

Mr. Howard stated “You have a letter from the School Board on the meeting that will be held on Monday, April 18th at 5:00 p.m. at the County School Board office. We have a meeting that night at 6:30.”

Commissioner Carter stated “I may be late. I have a dentist appointment.”

Retirements and Retirement Reception Announcements

Mr. Howard stated “I just wanted to announce the retirement of Rosa Carrington the Section 8 Housing director. She will retire on April 27th. Then there is an invitation to attend a Retirement Reception for Donna Pointer who retires at the end of this month. She is the Senior Services Director.”

LME Update (PBH Memo)

Mr. Howard stated “The Legislation has not passed yet. I have talked with Ms. Welch and she talked with their attorney. It looks like it is going to pass. It is just a matter of time. Representative Ingle feels like he has the votes for that to pass.”

HISTORIC COURTHOUSE SECURITY

Chairman Hall stated “On the courthouse security we have not yet received a recommendation from the Sheriff. I don’t know if you all have met. That is what we are waiting on now in terms

of the security here. There is a deputy present tonight.” Mr. Howard stated “We actually talked about it today. I think the Sheriff’s Association will help to assist in doing that. They will come in and do an assessment.”

ANNOUNCEMENTS

Mr. Howard stated “The Lake Authority called and they will be sending a letter. They have scheduled their annual cookout for the Caswell-Person Lake Authority. It will be Thursday, May 12th. I just wanted to give you plenty of notice.”

Commissioner Carter stated “It is my understanding that the Farmer Lake Board will be inviting the commissioners and town council for a hot dog supper. I announced this at an earlier meeting. I think it is the 22nd but I will check on that.”

Commissioner Lucas stated “I have a couple of things Chairman Hall. On March 17th the Public Hearing on the reclassification of the Dan River was held at North Elementary School. For the Boards information Roxboro, Person County and the Town of Yanceyville were very well represented. No one from this Board showed except for myself. I think it may have gotten by everybody. It was laid here in a stack of papers at one of our meetings. I was real relieved to see no papers laying here tonight. It can get lost in the shuffle.” Mr. Howard stated “It was mentioned at the last meeting as well.” Commissioner Lucas continued “We were given a handout on it but it was a very enlightening session. We had about six residents from the county that spoke against the proposed reclassification. The City of Danville spoke against it. Mr. Lester, he is the president of the Roanoke River Basin, he spoke against it. The most important thing that I learned is if there is any opposition to the reclassification of this is if the Division of Water Quality receives ten or more letters of objection to the reclassification then it will have to go before the legislation for approval. I thought that was important information to have. Does anyone have any questions about what went on at the public hearing?” Commissioner Satterfield asked “I do. What is the reclassification all about Cathy?” Commissioner Lucas responded “It is the proposed reclassification of the Dan River. The intake site will be on the interlocal agreement that the Board agreed to in 2008 with Roxboro and Person County.” Commissioner Satterfield stated “Down in Milton.” Commissioner Lucas continued “Down in Milton. To reclassify that site for potable water. It is going to impact property owners because there is going to be tremendous setback requirements. Four or five of the property owners that spoke are really concerned because I think within the critical area of the watershed they are going to have like a hundred feet setback. Anyway there is going to be about 22,800 acres in North Carolina that will be affected by this.” Commissioner Satterfield asked “How much of that is in Caswell County?” Commissioner Lucas responded “I did not note that. They did not say how much in Caswell County. I am assuming a lot of it would be. Two hundred acres are right around the intake site. I know that much. The watershed area is going to encompass between the 22,800 acres, the proposed reclassification area.” Commissioner Satterfield stated “Looks like the reclassification if it is based on the intake down in Milton that all the 22,800 acres would be upstream of the intake. I would think Caswell County and Pittsylvania County.” Commissioner Lucas responded “It is going to be in both directions.” Commissioner Satterfield asked “How would it affect our stream of water intake?” Commissioner Lucas responded “Well they are going to be

bringing water out and putting it back in.” Commissioner Carter asked “How are they going to do that?” Commissioner Lucas responded “That is what they are proposing to do. Water is to be affected by the proposed reclassification. It talks about the portion of the river that is proposed to be reclassified for watershed IV extends along the river from the proposed intake which is to be located near .7 miles upstream of the bridge near Milton to a point roughly .5 miles upstream and draining to the intake. The nearly two hundred acre proposed critical area contains no named tributaries and is located entirely in North Carolina.” Commissioner Satterfield stated “They are taking about draining then they are talking about the rain water flow.” Chairman Hall stated “I will tell you what they are proposing. To put a small water treatment plant there. So with a water treatment plant you will have outtake and intake going back into the river.” Commissioner Lucas stated “It states very clearly on here. It splits in half nearly half of the North Carolina Virginia state line. The proposed area includes in several entire named tributaries, and lower portions of many named tributaries to the Dan River. These are currently classified as Class C. This North Carolina portion of the proposed area covers about 39.5 miles of names water bodies and 22,800 acres. It is all in this piece of paper right here. Any way you have until April 18th if you have any objections to the reclassification and you can make it known.” Chairman Hall asked “Is that all the announcements.”

Commissioner Lucas stated “I just have a question for Kevin about the Pelham Tower site. What is status on that?” Mr. Howard responded “We had the preconstruction meeting about a week and a half ago. They will come in and do some foundation work in May. I don’t know the exact date. They will actually do all the metal work on the tank at a fabrication plant and they will deliver those to the site and put them together there.” Commissioner Lucas asked “Are you please with the time line on how this has been handled?” Mr. Howard responded “The problem with the time line is with the water system. We had to go through a water management plan. There are several things that DENR would not allow us to do. It was not a problem with the engineers or anything. We did install lines and some things that we could do.”

Commissioner Lucas stated “Chairman Hall I also had a discussion with Barry Dunkley who is the director of the Danville Water Works Program. He recommended that our Board put together a committee with the county manager and to sit down with those folks because right now we are expending I think about seven or eight hundred dollars a month for a capacity fee on the two lines coming out of Virginia that we do not need to be spending. He said the contract has been renegotiated or looked at or two or three times amended. That is something that could really be a savings to the county right there. To put it into perspective what this thirty million gallons withdrawal from the Dan River is he told me that our contract with the City of Danville calls for sixty-five thousand gallons of water a day to North Elementary School and to the Welcome Center on 29. We are using nowhere near that capacity and the agreement with Roxboro is thirty million gallons of water a day. That sort of puts it into perspective.”

Commissioner Jefferies stated “We had a meeting at DSS. We were told that the state and federal government are going to do a lot of cutting. We need to be thinking about that.”

Attorney Ferrell stated “I would just like to clarify Commissioner Jefferies asked a procedural question about an amendment to a substantive motion on the floor. As long as the motion is not in opposition to the existing motion you are correct Mr. Jefferies that a motion to amend a

motion on the floor would be appropriate. You can do that. You can make one additional amendment to an amendment and then you would have to cut it off right there. You are correct.”

CLOSED SESSION

Commissioner Jefferies moved, seconded by Commissioner Travis that the Board enter into Closed Session to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee. (NCGS 143-318.11(a)(6)). The motion carried unanimously.

REGULAR SESSION

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

Commissioner Carter asked how the EMS replacement was going. Mr. Howard responded that he had mailed out questionnaires to all the applicants and was waiting on those to be returned.

Commissioner Battle asked if the County was currently looking at the Personnel Policy. Mr. Howard responded that yes there was a committee of staff members that was reviewing the Personnel Policy.

ADJOURNMENT

At 9:40 p.m. Commissioner Jefferies moved, seconded by Commissioner Satterfield to adjourn the meeting. The motion carried unanimously.

Paula P. Seamster
Clerk to the Board

Nathaniel Hall
Chairman
