

MINUTES – JULY 11, 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, July 11, 2011. Members present: Nathaniel Hall, Chairman, Kenneth D. Travis, Vice-Chairman, Erik D. Battle, William E. Carter, Jeremiah Jefferies, Cathy W. Lucas and Gordon G. Satterfield. Also present: Kevin B. Howard, County Manager, Brian Ferrell, Interim County Attorney, and Angela Evans representing The Caswell Messenger. Paula P. Seamster, Clerk to the Board, recorded the minutes.

MOMENT OF SILENT PRAYER

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

APPROVAL OF AGENDA

Commissioner Travis moved, seconded by Commissioner Jefferies to approve the Agenda as presented. 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 June 8, 2011 Reconvene Meeting
- B) Approval of Minutes of June 14, 2011 Reconvene Meeting
- C) Approval of Minutes of June 20, 2011 Regular Meeting
- D) Approval of Minutes of June 22, 2011 Reconvene Meeting
- E) Approval of Minutes of June 27, 2011 Reconvene Meeting
- F) Approval of Minutes of June 29, 2011 Reconvene Meeting

PUBLIC COMMENTS

Chairman Hall opened the floor for public comments.

Mr. David Cannon came before the Board and made the following statement:

“Thank you Mr. Chairman and Commissioners, my name is David Cannon and I live here in Yanceyville. My purpose for being here tonight is, I think we all know that Mr. Battle, the Board of Elections voted unanimously that Mr. Battle, is not a resident of Caswell County therefore he was serving on this Board illegally. I would like to see this Board go after Mr. Battle for any monetary things that he received while serving on this Board illegally and to try to collect them back. I would also like to see this Board recall anything that was passed that needed his deciding vote within the last thirty days. I would like to have those recalled and brought

before this Board again for another vote. That is about all I have to say. Thank you for your time.”

Chairman Hall asked if there were any others who would like to speak at this time. Chairman Hall closed Public Comments.

RESULTS OF BOARD OF ELECTIONS’ HEARING

Chairman Hall stated “As Mr. Cannon just stated with the Board of Elections, Mr. Battle’s residency was challenged and the board upheld that challenge. As a point of reporting that to this Board and to the community is why we have that on the agenda. It is my understanding that the process involves an appeal if Mr. Battle so desires. Mr. Battle, do you intend to appeal?” Commissioner Battle responded “Yes, Mr. Chairman, I do.” Chairman Hall asked “Is there a statement or comment you would like to make?” Commissioner Battle responded “No, other than for the purpose of tonight’s meeting I will abstain from voting, just to make sure there are no issues that will come into question with my vote, to satisfy the Board.”

Mr. Ferrell stated “I just have one comment about the process involved here. According to the North Carolina Constitution, it says the following persons are disqualified from office and that includes any person who is not qualified to vote for that office. So with the voter registration challenge being sustained by the Board of Elections, which is the best information I have from you Mr. Chair and I have not seen any written order from the Board of Elections, assuming that is the case, a commissioner would be disqualified from holding office subject to the appeals process. Based on that disqualification he would not have the ability to receive the privileges and benefits of that office according to the Constitution even during the pendency of the appeal.”

Commissioner Satterfield asked “Tell me, with Mr. Battle abstaining from voting, what happens with a 3-3 vote?” Mr. Ferrell responded “He is ineligible to vote and a vacancy does not affect a quorum so the quorum number remains the same. So a 3-3 vote tonight, we will have to see if that is an eventuality that we get to.” Commissioner Satterfield continued “This finding by the Board of Elections, during the appeal process ever what length of time that will take, it could be lengthy, I guess, what happens during that period of time?” Mr. Ferrell responded “There is a right of appeal for the person whose voter registration was challenged. They have ten days from the decision to appeal. Unfortunately, the relevant statutes don’t provide a clear process for what follows next after the challenge but you are right it could be some time before the Superior Court hears any appeal. It is my opinion that during that time, the challenge that has been sustained would preclude Commissioner Battle from participating as a member of the Board of Commissioners and enjoying the privileges and benefits of that office.”

Commissioner Lucas asked “Has there been a precedent set for that? You said at one point it was not clear.” Mr. Ferrell responded “There is no clear statute for what happened, as opposed to cities. What happens in a city, if someone moves out of the city, the day they move out of the city they are no longer permitted to be a member of the board. It is cut and dry by statute. There is no corresponding statute for county officials and so what we have to look back on is the Constitution of North Carolina and precedent decisions from case law. It is not as clear procedurally as it would be if we were a city council, for instance, in a similar situation.”

Commissioner Carter asked “What about anything that has been voted on previously where there may have been a tie vote, where it may have went one way or the other?” Mr. Ferrell responded “Again I can’t point to any statutory authority but it is my view until declared ineligible to register and thus triggering the constitutional issue for being unable to hold the office the votes cast before that action will still be valid. That is my best opinion.”

PIEDMONT TRIAD RPO MEMORANDUM OF UNDERSTANDING

Mr. Jesse Day stated “My name is Jesse Day and I am with the Piedmont Triad Regional Council. I will be brief tonight because I know you have a full agenda. A couple of months ago a resolution dissolving the Piedmont Triad Council of Governments and establishing the Piedmont Triad Regional Council came before you and tonight’s item is based upon that change in the organizational name which was a merger with the Northwest Council of Governments. I am a regional planner with the Piedmont Triad Rural Planning Organization. The Piedmont Triad Regional Council is the lead planning agency for the Rural Planning Organization which has been established since 2001. Caswell County has had a delegate since establishment. The Rural Planning Organization provides long range local and regional transportation planning services, project prioritization and facilitates public participation in the rural transportation planning process. It is an intermediary between the NCDOT and the general public and the residents of the county. So the Memorandum of Understanding, the only change in the Memorandum of Understanding is the change from PTCOG to the Piedmont Triad Regional Council. So I ask you, chairman, to consider re-supporting that Memorandum of Understanding with that name change.”

Chairman Hall asked “Do we have that in our packets?” Mr. Day responded “You should have a copy in your packets but I will have to mail the original to Paula to sign at a later time.”

Chairman Hall stated “This new MOU is a result of the merger of the two COGs, name change only, everything else will be the same.”

Commissioner Satterfield moved, seconded by Commissioner Jefferies to accept the amended Memorandum of Understanding as presented. The motion carried by a vote of six to zero. Commissioner Battle did not participate in the vote.

DETENTION CENTER FINANCING

Mr. Paul Jacobson stated “Good evening Mr. Chairman and members of the Board. As you will recall the jail project financing is installment financing that involves an installment financing agreement and a deed of trust as we have discussed before. Last month you approved the Bank of America proposal which came in for 15 year financing. Since then the county staff, the financing advisor and I have dealing with the bank and the North Carolina Local Government Commission to move the process forward. The Local Government Commission is scheduled to consider the county’s application for financing tomorrow afternoon at its meeting. I spoke with the LGC as late as this afternoon and things seem to be in good order so that is expected to occur tomorrow afternoon. Before you is a resolution, I passed out just prior to the meeting, the

resolution has one slight revision that I will talk about in a minute. The bank has commented on the resolution and the financing documents that are being approved. The one change in the resolution is to add the approval of an easement on the access road under the Bank's request. There will be a formal easement for the road that is already in the plans for the project. Going through the resolution the first paragraph just repeats what we know. There is a little bit of history and about the financing agreement and the deed of trust being the two primary financing documents. Section 1 goes through the bank's proposal that you are approving to go forward with that proposal with a maximum of \$8.57 million with an interest rate of 3.325%. By the way that was the amount on the application to the LGC saying the maximum amounts so that is the maximum. You cannot go any higher than that without going through the process all over again. Section 2 concerns approval of the forms and agreements and provides authority to the county representatives to move forward with closing of the financing. Section 3 describes that the installment payments are subject to annual appropriation by the Board. Section 4 again has to do with closing procedures. There will be a number of documents that will have to be signed by county folks and signed by the LGC and of course signed by the bank. Section 5 has to do with the designation of the financing as so called bank qualified, which was part of the proposal. That is because the county is borrowing less than ten million dollars in this calendar year under the internal revenue code. There is a special provision for your so called small issuer and the bank, as the lender, gets an additional tax break that is passed through and allows them to offer the lower rate that you have. The designation needs to be in the resolution and it is. Section 6 concerns the additional documents including a tax certificate which is required under the internal revenue code for the tax exempt financially basically describing that the county will be using this for public purposes and not for private purposes and a number of other matters. It also mentions the easement document in which I mentioned a minute ago. Section 7 approving prior actions. Section 8 is finding the project is essential to the efficient operation of the county which is basically a bank requirement. They like to see that. Section 9 is other actions consistent with this are authorized and Section 10 the resolution takes effect immediately. The current schedule is closing in approximately the next two weeks after the Board's approval tonight, if that is the Board's wishes, as well as the Local Government Commission's approval tomorrow."

Chairman Hall asked counsel if he was in agreement with this information. Mr. Ferrell responded "Yes I am. I have been working with the bond counsel and I have reviewed the documents and I am in agreement with what you have heard tonight."

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

Commissioner Lucas stated "Chairman Hall I would like to say that I am glad that the other commissioners can vote to approve this tonight but having it laid in front of me, I know it was in our agenda packages but there are changes here tonight I know that time is of the urgency again it was laying here in front of us tonight."

Upon a vote of the motion, the motion carried by a vote of five to one with Commissioner Lucas voting no. Commissioner Battle did not participate in the vote.

CASWELL COUNTY
BOARD OF COUNTY COMMISSIONERS

Excerpt of Minutes
of Meeting of
July 11, 2011

A regular meeting of the Board of County Commissioners for Caswell County, North Carolina, was held in the Board of County Commissioners Meeting Room, Old Courthouse, 144 Courthouse Square, Yanceyville, North Carolina, at 6:30 p.m. on July 11, 2011.

Present: Nathaniel Hall, Chairman, Kenneth D. Travis, Vice-Chairman, Erik D. Battle, William E. Carter, Jeremiah Jefferies, Cathy W. Lucas and Gordon G. Satterfield.

Absent:

* * * * *

Chairman Hall introduced the following resolution, a copy of which had been provided to each Commissioner and which was read by its title:

**RESOLUTION APPROVING INSTALLMENT FINANCING
AGREEMENT TO FINANCE COSTS LAW ENFORCEMENT FACILITY,
APPROVING CERTAIN OTHER DOCUMENTS AND ACTIONS
RELATING THERETO AND AUTHORIZING CERTAIN ACTIONS IN
CONNECTION THEREWITH.**

WHEREAS, The Board of Commissioners (**the “Board of Commissioners”**) of the County of Caswell, North Carolina (**the “County”**) has determined to finance costs of a project which it has found to be necessary and desirable to provide for improved detention and law enforcement facilities in the County; and

WHEREAS, such project consists of the design, acquisition, construction and equipping of a new County jail facility, including detention facilities and additional facilities for County law enforcement use (**the “Project”**); and

WHEREAS, the Board of Commissioners has received proposals from financial institutions for installment financing of the Project under the authority granted to the County in Section 160A-20 of the General Statutes of North Carolina, and the County’s representatives have negotiated with such financial institutions and have recommended to the Board of Commissioners that such an installment financing agreement be entered into between the County and Bank of America, N.A. (**the “Bank”**) pursuant to the Bank’s proposal; and

WHEREAS, the County has determined that it is in the best interests of the County to enter into such an installment financing agreement and related documents to make available to the County funds with which to finance the costs of capital improvements of the Project; and

WHEREAS, there have been presented at this meeting (1) a draft of a Financing Agreement between the County and the Bank (**the “Financing Agreement”**), under which Financing Agreement the Bank would make available to the County funds with which to finance costs of the Project and as otherwise provided therein the County would be obligated to make Installment Payments (as defined in the Financing Agreement) and certain other payments, among other requirements and (2) a draft of a Deed of Trust (**the “Deed of Trust” and, together with the Financing Agreement, the “Documents”**) from the County to a Deed of Trust trustee for the benefit of the Bank by which the County would secure its obligations to the Bank.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners as follows:

Section 1. The County hereby determines to finance the Project through the Bank in accordance with the Bank’s proposal dated June 13, 2011. The amount financed shall not exceed \$8,570,000. The annual interest rate (in the absence of default or change in tax status) shall not exceed 3.325% and the financing term shall not exceed 15 years and six months from closing. The County may prepay the outstanding principal component of the Amount Advanced (as defined in the Financing Agreement) in accordance with the form of Financing Agreement approved at this meeting. The Financing Agreement proceeds shall be applied as provided therein.

Section 2. The forms, terms and provisions of the Documents, consistent with the provisions of this resolution, are hereby approved in all respects. The Chairman of the Board of Commissioners, the County Manager, the Finance Officer of the County, the Clerk to the Board of Commissioners and the County Attorney are hereby authorized and directed to execute, deliver and record, as appropriate, the Documents in substantially the forms presented, together with such additions, changes, modifications and deletions as they, with the advice of counsel, may deem necessary or appropriate, and such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Board of Commissioners and the County.

Section 3. The County’s payments of Installment Payments, as defined in the Financing Agreement, shall be subject to annual appropriation of funds by the Board of Commissioners. The County shall not be obligated to make any payments under the Financing Agreement beyond those for which funds have been appropriated in the Board of Commissioner’s sole discretion during the County’s then-current fiscal year. The Financing Agreement shall not constitute a pledge of the County’s full faith and credit. Neither the County’s full faith and credit nor its taxing power is pledged directly, indirectly or contingently to secure any moneys due under the Financing Agreement.

Section 4. The County Manager and County Finance Officer are hereby authorized and directed, together or separately, to hold executed copies of the Documents, and any other documents authorized or permitted by this resolution, in escrow on the County’s behalf until the conditions for the delivery of the Documents have been completed to such officer’s satisfaction, and thereupon to release the executed copies of such documents for delivery to the appropriate persons or organizations. Without limiting the generality of the foregoing, this authorization and direction is hereby specifically extended to authorize such officers to approve changes to any

documents (including the Documents) or closing certifications previously signed by County officers of employees, provided that such changes shall not substantially alter the intent of such certificates from the expressed in the forms of such certificates as executed by such officers. Such officer's authorization of the release of any such document for deliver shall constitute conclusive evidence of such officer's approval of any such changes.

Section 5. The Board of Commissioners on behalf of the County designates the Financing Agreement as "qualified tax-exempt obligations" for the purpose of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (**the "Code"**) in the amount of \$8,570,000.00. The County does not reasonably anticipate (nor do any of its subordinate entities reasonably anticipate) issuing more than \$10,000,000 in tax exempt obligations during calendar year 2011 and the County (and any of its subordinate entities) will not designate more than \$10,000,000 of qualified tax-exempt obligations pursuant to Section 265(b)(3) of the Code during such calendar year.

Section 6. The County's officers are hereby authorized and directed to deliver all agreements, certificates and instruments and to take all such further action as they may consider necessary or desirable in connection with the execution, delivery and recording, as appropriate, of the Documents and the consummation of the transactions contemplated thereby, including delivering a certificate setting forth the expected use and investments of the proceeds to be derived from the execution and delivery of the Financing Agreement and to make any elections such officers deem desirable regarding any provision requiring rebate of earnings to the United States, for purposes of complying with the Code and (b) executing, delivering and recording a Declaration of Easements and Restrictions in the form presented to this meeting with such additions, changes or modifications as they, with the advice of counsel, deem necessary or appropriate and such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Board of Commissioners, or similar documents as may be required by the Bank, regarding the granting of an access easement to the site of the Project. The County shall not take or omit to take any action the taking or omission of which will cause its obligations to pay Installment Payments (**the "Obligations"**) to be "arbitrage bonds" within the meaning of Code Section 148 or otherwise cause interest components of Installment Payments to be includable in the gross income for Federal income tax purposes of the registered owners of the Obligations.

Section 7. The Board of Commissioners hereby approves, ratifies and confirms the actions of the County Manager, the Finance Officer of the County, the County Attorney, First Tryon Advisors as financial advisor to the County, Sands Anderson PC as bond counsel to the County, and any other County officers and representative in furtherance of and consistent with the purpose of this Resolution.

Section 8. The Board of Commissioners reiterates and readopts its findings made in its resolution adopted on January 18, 2011. The Board of Commissioners further finds that the Project is essential to the administrative needs of the County and the efficient operation of the County's public safety and law enforcement operations, and the Board of Commissioners anticipates that the Project will continue to be essential to the County's administrative needs and public safety and law enforcement operations during the term of the Financing Agreement.

Section 9. The officers and employees of the County are authorized and directed (without limitation except as may be expressly set forth herein) to take such other actions and to execute and deliver any other documents, certificates, undertakings, agreements or the instruments as they, with the advice of counsel, may deem necessary or appropriate to effectuate the transactions contemplated by the documents approved hereby.

Section 10. This resolution shall take effect immediately upon its passage.

Upon motion duly made and seconded, the foregoing resolution was passed by the following vote:

Ayes: William E. Carter, Nathaniel Hall, Jeremiah Jefferies, Gordon Satterfield and Kenneth D. Travis.

Noes: Cathy W. Lucas

Erik D. Battle did not participate in the vote.

* * * * *

I, Paula P. Seamster, Clerk to the Board of Commissioners for the County of Caswell, North Carolina, **DO HEREBY CERTIFY** that the foregoing is a true copy of so much of the proceedings of said Board at a regular meeting held on July 11, 2011 as relates in any way to the passage of the resolution described therein and that said proceedings are recorded in the minutes of said Board.

I HEREBY FURTHER CERTIFY that a schedule of regular meetings of said Board, stating that regular meetings of said Board are held in the Board of County Commissioners Meeting Room, Old Courthouse, 144 Courthouse Square, Yanceyville, North Carolina 27379, on the first and third Mondays of each month at 6:30 p.m., except for January, 2011 when the Board meets that month on January 10, 2011 and January 18, 2011, and July, 2011 when the only regular meeting of the Board was held on July 11, 2011, has been on file in my office as of a date not less than seven days before the date of said meeting in accordance with G.S. § 143-318.12.

WITNESS my hand and the corporate seal of said County, this 11th day of July, 2011.

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

LIBRARY TRANSITION PLAN

Ms. Rhonda Griffin, County Librarian, stated "Good evening. As you requested at a previous meeting, I have included in your packet a check list of our transition from a regional library system to a county library system and a brief history of our library system which explains why

our transition isn't as difficult as it could be. So the only thing that is actually left in our transition for the next year is the establishment of an advisory board. We received our funding for this year so we have met that. Everything else will not happen until the dissolution in June 2012. So I am asking permission for the county to create an advisory board for the library so that we can meet our last main stipulation to receive state aid."

Chairman Hall asked "How will this board be appointed? Will the commissioners appoint this board?" Mr. Griffin responded "I am going to work with Mr. Howard to have it mirror the other advisory boards in the county and to have it to be the same way as the Hyconeechee Board where people apply and then put on the board." Mr. Howard added "They will be appointed by the Board of Commissioners. They will apply and then just like the Recreation Advisory Board and any of others you will have final approval."

Commissioner Travis moved, seconded by Commissioner Jefferies to create an advisory board for the county library. The motion carried by a vote of six to zero. Commissioner Battle did not participate in the vote.

SHOOTING RANGE ORDINANCE

Mr. Brian Collie, County Planner, stated "Good evening Commissioners. The Caswell County Planning Board at last month's meeting, June 28th, approved a final draft of the proposed Caswell County Shooting Range Ordinance. After the meeting on June 6th the concerns of the commissioners were addressed to the Planning Board and they felt that the concerns were met within the Range Source Book. Since that time I hope that you all have received the CD copy of the source book and a little information packet that I put together just to familiarize you with what that document entails."

Commissioner Satterfield stated "Mr. Collie I noticed in reading it in my agenda package that Sheriff Welch had some concerns. Have those concerns been addressed yet?" Mr. Collie responded "Like stated in the agenda package, I met with Sheriff Welch, it has been a couple months back, being that the enforcement of the ordinance was stated for the Sheriff's Department. The permitting process will be done at the Planning Department but all enforcement will be by the Sheriff. He had some concerns that I feel like the Board needs to speak with him directly about as far as having staff that are educated and funded to be able to enforce this if put in place." Commissioner Satterfield asked "Has the District Attorney, by chance, been presented a copy of this and asked to review it since he will be the prosecutor if there are any violations?" Mr. Collie responded "No." Commissioner Satterfield continued "I think it would be a good idea for a copy of it to be given to the DA, Mr. Chairman, and see if he has any problems in that ordinance in prosecuting with the language and so forth since he will be the one prosecuting if there are any violations. One other question that I had Mr. Collie is with the Caswell Ranch. I have read different things about being grandfathered and this, that and another, what is their problem with the ordinance? Are they not going to be able to meet the ordinance or are they going to have to ask us for a variance to stay in business or what?" Mr. Collie responded "Caswell Ranch, in particular, if they are not grandfathered, this ordinance does not grandfather any shooting range that is existing. It gives them different options if they cannot meet certain stipulations they can request a variance at that time. After an evaluation from a

range technical team advisor from the NRA, after their evaluation is reviewed a particular range that is in question that cannot meet the requirements, a variance will be voted on or looked at, at that time. In particular they do not meet some of the setback issues in here as far as I am aware. That may be their main issue I think.” Commissioner Satterfield asked “I figured it was a land issue. Do we have other shooting ranges in the county?” Mr. Collie responded “Yes.” Commissioner Satterfield continued “Have they expressed any concerns of any type to you as far as not being able to meet the requirements of this ordinance?” Mr. Collie responded “No sir.” Commissioner Satterfield asked “These other ranges how many of them are there?” How many ranges do we have in Caswell County, do you know?” Mr. Collie responded “As far as private shooting ranges and public, I really don’t know. Public shooting ranges, I know of Caswell Ranch and there is possibly one other public shooting range. Caswell Range is the only one that has expressed concerns to me. It could be basically due to a lack of public awareness. Maybe that is something that we need to do, is to post the talks of this in a different locations in the county.” Commissioner Satterfield stated “I know that we want to try to bring some closure to this thing at some point. I certainly think that some of the things we talked about with the Sheriff and the DA and even things with Caswell Ranch bothers me somewhat because those people came here to Caswell County in good faith and from what I can understand they are operating a good clean business. We have had one complaint that I know about, when that gentleman came here one night. But we welcomed those people with open arms. I think the Chamber of Commerce has been down there and was welcomed and had a reception. I want these people to be able to stay in business. I don’t want us to pass something that is going to put someone out of business. I don’t know why they can’t be grandfathered. I don’t know why the Planning Board chose to not grandfather an existing business. Those were just some of my concerns Mr. Chairman.”

Commissioner Jefferies asked “Is the one on High Rock School Road, is it still open?” Mr. Collie responded “The last that I heard they were not. I don’t know if they are closed down indefinitely or what their issues are. The last I heard they were not in operation at this time.” Commissioner Jefferies asked “Do they have a permit?” Mr. Collie responded “There is no permit right now.”

Commissioner Carter stated “My concern is similar to Commissioner Satterfield. I have not heard any complaints about Caswell Ranch or from any of our law enforcement officers in the county either. I would like for the Sheriff of this county to look over this ordinance and get his ideas and approvals on it. I would not be in favor of voting on it without him and the DA going over it.” Mr. Collie responded “Yes sir. The Sheriff has not seen this exact final draft but he has seen one that was very similar. I will get him an updated copy as well as the DA.”

Commissioner Jefferies stated “I would like to thank you and the Planning Board for putting a lot of time in this and I appreciate what you have done and I know there has been a lot of time spent on this. I appreciate it.”

Commissioner Lucas asked “Brian where are we with the Land Use Plan? I know they are two separate issues in a way but in a way they are alike. If we had a Land Use Plan in place we would not be addressing these individual ordinances.” Mr. Collie responded “Since the last time that Ms. Kane reported to the Board, it has been maybe two months ago, I have not really

received much feedback from her. The timeline I really can't recall when she had timed the next step to be completed but actually I spoke with the county manager about this the other day as far as trying to get in touch with her to see where they are on that but I have not heard much from her lately." Chairman Hall added "The last communication we got was sometime in September." Mr. Ferrell added "For a draft. That is my understanding." Commissioner Lucas stated "So we just keep putting out fires until then. If we had that in place we would not be going through this." Mr. Collie responded "I understand if this should be adopted now this should be something that should be incorporated in this when it gets done." Mr. Ferrell stated "Mr. Chairman I just have one comment and that is, it seems there is a final draft from the Planning Board, I had not weighed in on the substance of the ordinance yet and I will wait for Board direction to do that. There are some technical issues with the state law and some other substance issues. I will wait for Board direction to conduct that research."

Chairman Hall stated "My next proposal would be that we get a copy of this, and I will ask our clerk to do this, get a copy to our counsel for his review, and get a copy to the Sheriff and a copy to the District Attorney. For the Sheriff and the District Attorney ask them to please review it and give us their comments in writing and we will still meet with them but I would like to see things written down as we move forward. The other thing I would like to see us do is to schedule a public hearing on this final draft, probably I would say to give everybody enough time, sometime in August because we do need these parties to have sufficient time to review this."

Commissioner Jefferies moved, seconded by Commissioner Travis to schedule the public hearing on the Shooting Range Ordinance for the second meeting in August. The motion carried by a vote of six to zero. Commissioner Battle did not participate in the vote.

Chairman Hall stated "Once our counsel looks at this we will get a letter to the District Attorney and a letter to the Sheriff and we will get everyone's concerns and input. We will also as best we can Mr. Collie whether official, public or private, anyone that you have heard of or the Board get us their names so we can make sure that they have copies and that they are notified of the public hearing. We would also, Ms. Seamster, want to get notice in the paper for the public hearing."

BOARD OF HEALTH RESIGNATION

Chairman Hall stated "We have been notified by the director of the Health Department that we have a board member that has communicated to him her intention to resign or her resignation. I am not sure from reading this if that resignation was submitted in writing. As our Board of Health representative is here can you tell us if the board has acted on anything?" Commissioner Satterfield responded "Mr. Chairman I was not at the last meeting, Mr. McVey was there I suppose. Has the board acted on this Mr. McVey? I would assume that the board has accepted her letter of resignation or we would not have received this letter from Dr. Moore." Mr. McVey confirmed that the Board of Health had accepted the resignation of the member. Commissioner Satterfield stated "It says here for health reasons." Chairman Hall stated "I just wanted to make sure for the record. If the board has acted on it then it is okay to move forward for this Board."

Mr. Ferrell stated “Mr. Chair just because the Board is the appointing authority for the Board of Health, the Board of Health has accepted the resignation then this Board could accept the resignation since it was the appointing authority as well and then go about appointing someone to that seat, I don’t know if that was a general seat or a specific seat.”

Commissioner Jefferies moved, seconded by Commissioner Travis to accept Ms. Edith Totten’s resignation from the Board of Health. The motion carried by a vote of six to zero. Commissioner Battle did not participate in the vote.

NCACC ANNUAL CONFERENCE AND CONFERENCE VOTING DELEGATE

Chairman Hall stated “The NCACC Annual Conference will be held on August 18-21 in Cabarrus County and we have to designate a voting delegate for this conference.”

Commissioner Carter moved, seconded by Commissioner Travis to nominate Chairman Hall as the voting delegate for the NCACC Annual Conference. The motion carried by a vote of six to zero. Commissioner Battle did not participate in the vote.

SCHEDULE WORK SESSION ON CAPITAL PROJECTS JULY SECOND MEETING DATE

Chairman Hall stated “Item 12 and Item 13 can be talked about together. Item 12 we kind of talked about at the last meeting and that is scheduling a work session so we can began to move forward on the capital projects. Prioritizing and doing walk thrus and whatever else we plan to do in developing the process. Item 13 I am just thinking that we need to have a second meeting in July just to try to keep things moving. I wanted to get the Board’s input on Item 13 as we talk about and schedule Item 12.”

Commissioner Carter stated “July 25th is the last Monday before August that would be good.”

Chairman Hall stated “Let’s talk in terms of whether we want to do a work session and a meeting or a work session separate from a meeting and how we want to do this. The only thing we have agreed upon is the work session.”

Commissioner Satterfield asked “Do we have sufficient business for a second meeting Mr. Chairman and if so is it going to be kind of short? I guess I am asking the county manager.” Mr. Howard responded “At the moment I do not have anything that is pressing that cannot be done at the first meeting in August. If we do have something to come up it would be a short meeting.” Commissioner Satterfield continued “We talked about having a day time meeting Mr. Chairman. What about the 21st on a Thursday or the 19th on Tuesday? If we have some business we can take care of the business and then do our visits.” Mr. Howard stated that he would be off the 21st and 22nd.

Commissioner Satterfield suggested having the meeting and work session on Wednesday, July 20th at 8:00 a.m. Mr. Ferrell suggested that the Board recess the meeting and reconvene on Wednesday, July 20th at 8:00 a.m.

COURTHOUSE PARKING

Mr. Howard stated "You have in your packets a memo along with a map and a breakdown of the different parking lots and a copy of an Administrative Order from Judge Smith concerning the west parking lot."

Commissioner Jefferies asked "When they start this new addition to the jail these people are going to have to move." Mr. Howard responded "At the end of my memo I talked about how we are going to lose about 50 spaces when they start the construction of the jail. They will be replaced when construction is finished but during that time frame we are going to lose about 50 spaces. I called the Clerk of Court's office and I spoke with one of the assistant clerks about the biggest, day which is traffic court which is on Wednesday, to try to estimate the number of cars that will be parking there. She said a heavy day is around 300 cases. Seventy-five of them have to show up that day for court. With this we would be about 38 spaces short on those days and then once construction starts you are looking at 50 spaces short in addition to that. So we will be about 88 spaces short in county owned parking lots around the building and including the recreation parking lot as well. I did not include the gravel lots at Section 8 and the other lots around there because it is hard to know how many cars can park there. I do know that this past Wednesday those lots were full as well." Commissioner Jefferies asked "I saw where you said Recreation, do you think the public will park over there?" Mr. Howard responded "I figured we would put signs up stating those spaces were back there and available. We can't force the public to park over there, in that aspect, but they will be available."

Commissioner Lucas asked "Kevin on this side of Social Services you have 76, is that the gravel parking lot?" Mr. Howard responded "No ma'am that is the paved lots. The 20 spaces is the gravel lot we put in a few years ago beside those." Commissioner Lucas continued "So part of that is Social Services?" Mr. Howard responded "Yes ma'am the large paved lot and the small paved lot is the 76 spaces."

Chairman Hall stated "For clarity, Commissioner Lucas, that is two different numbers. We have 76 plus 20. The lot can easily handle more than 20 people."

Commissioner Lucas asked "How is that broken down? Of the 76 how many are there?" Mr. Howard responded "I did not break it down as far as the two paved lots. That is the total number."

Commissioner Carter asked "This 54 and 50 are they the Town of Yanceyville's lots?" Mr. Howard responded "Yes sir." Commissioner Carter continued "That is 104 spaces. Well I am going to give you my thoughts on this. We are going to have the construction going on with the jail. Someone had mentioned what the Town had done for the County, I have done some research and I am going to mention a little bit. The 911 building we have that houses all the EMS radios and the Sheriff's radios is sitting on Town property over there at the water tank. The antennas that are sitting on that tank are county antennas and it costs about \$10,000 a year to upkeep that equipment, the Town is paying for it. There is 104 spaces at the old Town Hall building and the Municipal building I think until we can build a parking lot or come up with some extra parking we need to negotiate with the Town so these people will have a place to park

so they do not have to walk a ½ mile to court. I think it is a give and take thing. We have a building over there on their lot at the water tank that holds all the radios and the antennas are on the water tank and the Town is paying to keep that up. If we were not building a detention center I would say we would have enough spaces but we are going to lose a lot of spaces with the start on the detention center. I think we need to go ahead, for another year or so or however long it takes to get a parking lot built, to take that \$2500 out of court fees so the people will have somewhere to park. Here lately I have been in Town during court days and there is nowhere for people to park.”

Commissioner Lucas stated “I think it has been about a month or a month and a half ago I looked at all the spaces and talked about moving the Social Services employees down to the side of the building. According to this that one parking lot does not have a number on it. There are 29 spaces available on the east side of the building. So why did they not get a number?” Chairman Hall asked “Which lot do we not have a number on?” Commissioner Lucas responded “The total of 76 is not broken down.” Mr. Howard responded “It would be between 20 and 22.” Chairman Hall asked “Why do we need a number?” Commissioner Lucas responded “So we would know the number of spaces for the Social Services employees.” Chairman Hall stated “Here is my thought on this. We do not need to designate parking by departments. These are county employees and these are county departments. I think what we should look at is that we have adequate parking for everybody.” Commissioner Lucas continued “I think it was put there for that purpose. I believe the east parking lot was meant to be for the courthouse just like the west parking lot is. If you will look at the map they are almost identical. We keep talking about it but there is not action on it.”

Chairman Hall stated “We have this information. I think that staff should make a clear proposal so we will have something to deal with. My personal comment on this is I have worked in a lot of locations; this is the best parking you are going to get in North Carolina. Nobody gets to park at the front door of where they work. Most places have to pay and still walk. I think we are making a mountain out of a mole hill here. We have people who are accustomed to getting out of their car and just walking into the building. We will not have that luxury at least for a while but I do agree we do need to have adequate parking. I do not agree that we need to start designating one for Social Services, one for the Health Department, something for EMS across the street but we need to provide adequate parking for all county employees.”

Commissioner Lucas asked “What did the courthouse do before this Municipal parking lot existed?” Commissioner Satterfield responded “There was a gravel parking lot there.” Commissioner Lucas continued “And it was for public parking?” Commissioner Satterfield responded “It was used by the public.” Commissioner Carter added “They used the lower parking lot at the old Town Hall as well.”

Chairman Hall stated “We have two issues here. We have our responsibility for providing adequate parking and I know we have to do that. The other part is the political implications of us not renewing the contract we are going to have to deal with that at a different level. So the whys of how we got here is not necessary as to how we deal with it.”

Mr. Howard stated "Part of the proposal would be that the EMS will park at the Recreation. Courthouse employees and DSS down in the lower parking lot. The problem comes in when construction starts and we lose these 50 more spaces. The issue is you are only talking about 2 or 3 hours a day a couple days week when we need all this parking."

Commissioner Lucas asked "How did you come up with the 50 number?" Mr. Howard responded "It is based on construction. It is pretty much the entire lower parking lot of the Sheriff's office over to the Health Department."

Chairman Hall stated "Again my suggestion is that we let staff present a proposal and we will deal with Number 1 adequate parking and then any other issues that may come up that require special attention, Mr. Manager if you will have that in your proposal so we can deal with it. We know that for the next year to year and a half we are going to have to deal with things a little differently."

Commissioner Lucas stated "You said it is only a couple days a week." Mr. Howard responded "Usually by 11:00 or 12:00 the parking lots start to clear out. There are some exceptions to that rule but it is usually a 3 hour period on Tuesdays, Wednesdays and Thursdays that we have the peak parking. Another issue is when you have Superior Court going on and a jury trial we are supposed to provide parking for the jurors so we will need to designate parking at those times for the jurors to park. That is when I would look at the upper DSS parking lot."

Commissioner Lucas asked "This is for Mr. Ferrell. As far as the order from the Superior Court judge can he only issue an order to the county or does he have jurisdiction over the town as well?" Mr. Ferrell responded "The County is responsible for providing certain court facilities so I believe that is why the order was directed to the county." Commissioner Lucas continued "So this would not apply to the municipality?" Mr. Ferrell responded "This order does not specifically apply to the municipality." Commissioner Lucas asked "Does the superior court judge have jurisdiction over a municipality?" Mr. Ferrell responded "I would be loathed to pine on the extent of the Superior Court Judge's jurisdiction in a particular case without doing quite a bit of work on it. What I can tell you is it is likely he has jurisdiction over the county to require us to provide these parking spaces." Commissioner Lucas stated "I was just curious as to how far his authority extends and I would think certainly over municipalities."

Chairman Hall stated "Commissioner Lucas what our counsel is trying to tell us is we are responsible." Commissioner Lucas stated "I was just asking a general information question." Mr. Ferrell stated "I understand the nature of the question and without doing further research on the extent of his jurisdiction to require the municipality to assist in the location of parking spaces for the administration of justice I can't tell you exactly I don't have an opinion on whether he has that authority."

Commissioner Travis asked "The parking lot that the judge took, nobody can park in there anymore?" Mr. Howard responded "It is designated as a non-public lot. It is for court employees and county employees. It is designated for court employees first and then county employees after that. I looked back at the order. It is judicial parking first and then any spaces leftover after judicial parking would be available to county employees."

Chairman Hall stated "I think this requires further Board action and further Board consideration. We did put it on the agenda for tonight but included in there is the order. We will deal with that and get advice from counsel. Mr. Manager you will get a written proposal for this Board so we can actually look at your recommendation and any other recommendation from staff that you might have heard of. If you would, for my purposes, at least for the Health Department, Social Services, Section 8, and EMS have a list of how many employees they actually have over there in the packet. We will deal with your proposal when it comes back."

GUILFORD MILLS OFFICE SPACE LEASES

Mr. Howard stated "The leases you have are continuations of the current leases with one exception. One of the leases someone will take over the initial office starting July 1 and the lease is with Faith in Families. They picked up an additional office so we will have a total of 5 offices leased out. I think there are 8 still empty. The budget this year is based on 4 offices being leased out and anything additional will be additional revenue."

Commissioner Satterfield moved, seconded by Commissioner Jefferies to accept the county manager's recommendation. The motion carried by a vote of six to zero. Commissioner Battle did not participate in the vote.

PRECLEARANCE FOR THE BOARD OF ELECTIONS

Chairman Hall stated "As far back as last year we have talked about moving the Board of Elections. We talked about moving them to the Old Senior Center building. The point is, for the Board of Elections because we are a Section V county that means that we are under a consent decree from the federal government, we have to get preclearance before we can take any action relating to a polling place. In this case I think the preclearance would be pretty benign for what we propose to do but we have to actually get that letter out and get it to the Justice Department and get their response. I have asked the county manager and counsel to work on getting that letter together. I asked them tonight how soon they thought the letter would be sent in the mail." Mr. Howard responded "It will be this week." Mr. Ferrell added "It is an application to the Department of Justice and requires Board action prior to submitting the application to make the move and that is what the county manager is seeking tonight."

Commissioner Satterfield moved, seconded by Commissioner Carter to accept the county manager's recommendation to send the letter of application to the Department of Justice.

Commissioner Lucas asked "It says that the initial vote to move took place in December of 2009 that was when the Board decided to move the Board of Elections?" Mr. Howard responded "That was when the initial discussion took place. There were issues that came up as far as the Board of Elections came back one time and asked for an extension due to things going on with the primaries last year. I came to the Board in December or January well PCC came, about moving PCC out so we could move the Board of Elections over there. We initially thought we could put them both in there but PCC does not allow enough space for Elections."

Mr. Ferrell stated "To be clear the county manager is asking for approval of the move and second for the submittal of the preclearance application."

Upon a vote of the motion, the Board resolved to relocate the Board of Elections office from 139 E. Church Street to 142 Main Street by a vote of five to one with Commissioner Lucas voting no. Commissioner Battle did not participate in the vote.

REDISTRICTING

Mr. Howard stated "What you have in your packets is the same information that you received in May, I just wanted you to get it again fresh in your hands. The first map is how the current districts line up based on the population at that time. The second one is redistricting Option #1 and then you have redistricting Option #2."

Mr. Ferrell stated "Essentially what is before you tonight is public input is an important part of the redistricting process. The Department of Justice will look at if the public input was garnered prior to the Board making its decision on drawing new districts. We are bringing this to you tonight to seek approval to set one or more public hearings, as the Board sees fit, to get public input on these two potential plans that you have in your packet tonight."

Mr. Howard added "This does not necessarily have to occur at a Board meeting. This is a meeting that staff can have a public interest meeting or a public awareness meeting to get this out. It will be advertised but we are not required to have it during an actual Board meeting to do this." Chairman Hall responded "My preference would be to have it during a Board meeting since this Board would be the one voting. When I initially started looking at the agenda, what I wanted to do was to get these maps out to the commissioners. I did not expect any action tonight. If you have any questions on what is going on you will have an opportunity to ask those questions. I think it would be appropriate to go ahead and to schedule a public hearing, at least one right away. We need to have a public hearing and then put it back on the agenda for the Board to take action. This is just to remind you, I am sure that our counsel told us this earlier, the new districts have to be approved by the Justice Department by registration time for the next election which will be January 2012. While it might seem like we have time, we don't have a lot of time. One of the other variables here is that most of the southern states are Section V counties and states so a lot of them will be submitting stuff to the Justice Department. Some will be contingents, some will be held up and we do not want to be in that number so as soon as we can get moving and get this out to the Justice Department the better chances we will have of getting it done by next January."

Commissioner Carter asked "Why do we have to change or do we have to change?" Chairman Hall responded "You do have to change and here is why. There are two reasons. Number 1 within the country and the state we have something called One Man, One Vote and that requires a redistribution of your voting representatives after each census. It requires you to look at it. If the census remains the same then you would not need to submit a change. The next thing is because Caswell County is a Section V which means that the Justice Department after a suit by the Caswell County NAACP back in 1989 this County Board of Commissioners and the Board of Elections agreed to develop two majority minority voting districts. So when the census comes

and the population shifts we have to go back and look at the people in those districts and make sure that they are the same as they were ten years prior or to the prior election before that.” Mr. Ferrell added “I think the fundamental answer to your question is because the census data has changed the numbers and really that is exclusive of the consent decree and the court order that the chair mentioned which is also a factor playing in of course but the primary reason the redistricting has to take place is because of a general population shift not necessarily associated with race in the county.” Commissioner Carter asked “Have we grown that much in the county?” Mr. Ferrell responded “It is really a district shift. What happens is some of the districts lose and some of the districts gain. You have to be within a certain ideal population in the districts is what the calculations require.”

Commissioner Lucas asked “Were the two districts affected?” Mr. Ferrell responded “I think there were two that were out, if you take the highest and the lowest outliers and when you do an average you get a tolerance factor and when you look at those two outliers you exceed the 10% rule. Yes there were two primary districts that were affected.” Mr. Howard added “Actually District 2 shrank in population and District 5 increased.”

Chairman Hall stated “I think we need to schedule a public hearing. Get these proposed maps out into the community and also get this as an agenda item so the Board can take action. I think the first meeting in August would be sufficient to get the notice out for the public hearing.”

Mr. Ferrell stated “My thought is just to make sure that there is a good publicity effort to get these maps out so that folks will have a real working knowledge of what is being proposed and advertise the public hearing and possibly a supplement to the typical meeting as notice of publication. The Board may want to consider an additional advertisement of sort just to really highlight the public hearing and what is going to be discussed as an option. Time is a concern obviously.”

Commissioner Satterfield asked “Mr. Chairman who put these maps together?” Mr. Howard responded “The Council of Governments.” Mr. Ferrell added “They were working just to balance out the numbers and that was their goal in putting these maps together. Of course, it will be up to this Board to ultimately draw the lines, if you will, but they were working from the population data to equalize the number of folks in each district.” Mr. Howard stated “One criteria that was used to put this together was reducing the number of voting precincts. We could change the district without having to change the precincts.” Chairman Hall added “They did this Commissioner Satterfield with basic elementary information no other input that this Board if they so desire to consider and they are easy enough to change once you look at them and once we have the public hearing. They have computers and if this Board decides to move something they can do it. This is our starting point.” Commissioner Satterfield asked “So are these people going to come down here?” Chairman Hall responded “Not unless we need them to.” Mr. Ferrell stated “They have offered to be here to talk about the population data and the mapping to the extent that would be helpful. They have offered to be available to the Board.” Commissioner Satterfield asked “So if we want a particular road put into a certain district we will not know until we get back in touch with them on how many people it will affect?” Chairman Hall responded “We will know before then. They have already broken this thing down. It is okay if any commissioner has a question or wants to know something in advance to

call the county manager and he can tell how many people are on that road or he can contact them and they can tell us right away. We will be able to get all of that information. Probably the best thing to do is to have it by the public hearing. I know the county manager has it and staff. All the numbers are available.”

Commissioner Jefferies moved, seconded by Commissioner Travis to hold a public hearing on the Redistricting at the first meeting in August. The motion carried by a vote of six to zero. Commissioner Battle did not participate in the vote.

Commissioner Satterfield asked “Mr. Chairman before we have this public hearing is there going to be something in our local paper with a detailed map where roads can be identified so that people will know what district they are possibly going to be moved into. Is that possible?” Mr. Howard responded “I am not sure that there will be enough detail in the newspaper. We will have a map in our office, a much larger map with the details. We will see how big we can get it so it will fit in the newspaper. We can also have them to access it on our website as well.”

Chairman Hall stated “We will include this on the agenda on August 1st and the public hearing. Any questions that anyone may have feel free to contact the county manager and get them answered as soon as you need them.”

LME UPDATE

Mr. Ferrell stated “The merger process with Piedmont Behavioral Health Services for the merger of the existing Alamance-Caswell LME into PBH as it is called has been progressing over the summer. It has an anticipated merger date of October 1 which is quickly approaching. During the merger discussions some significant issues, as anyone would expect in a merger, are being confronted and worked through. I just wanted to take this opportunity to update the Board on some of those issues as the parties move forward towards the merger. The county manager and I have been working with Alamance County and their attorney, their manager and the PBH general counsel as well as the current director of the LME and their staff to make this process move as smoothly as possible but there are some current issues that I would like to bring to your attention. At present the majority of the concerns are regarding what happens to the existing liabilities of the Alamance-Caswell LME upon the merger. That is a question that has been raised by both Alamance and Caswell Counties repeatedly in our initial discussions. The specific concerns revolve around the future retiree’s health insurance costs for LME employees and what that number is and if there is enough balance in the current LME account to cover those expenses. There are also issues with the unemployment expenses. A significant number of employees, well all of them, will be terminated effective the day prior to the October 1 merger. Of course, there are costs associated with unemployment benefits, whose going to administer the COBRA continuation coverage for their terminated employee’s healthcare and various other issues are outstanding that the LME is addressing. We have some preliminary numbers that are just now coming in as to what these liabilities may entail and also how that relates to the existing funds available in the LME account. The goal with the county manager here as well as Alamance is to remain whole as respect to funding and not to have a gain or lose substantially of revenue as a result of this merger. So these liabilities will impact that overarching goal that we are working to. One other issue I would like to bring to your attention and that is the LME’s

long time attorney was not retained at the beginning of this merger process and that caused the Alamance county attorney and myself some concern because of the institutional knowledge that was lost in that transition. The Alamance county attorney and I recommended that the LME engage its new counsel as quick as possible so it would have some representation as it works through these difficult issues of retiree liabilities which are in the millions of dollars range. The LME has not engaged the firm of Nelson/Mullins. The Nelson/Mullins firm also represents PBH so I think it is important that the Board understand that as we go forward in this merger process. Again the LME is an independent entity of course the county of Alamance and Caswell have important interest in but it is an independent entity with its own board and it makes its own decisions and it is going to have to make some decisions as we work through this merger. These are some of the issues that we are working through, the most significant I will emphasize again is the retiree health care liability that is out there and I will continue to bring the Board more information as a habit as we work towards this October 1st merger date. I will be happy to answer any questions.”

Chairman Hall stated “Keep us informed of the bottom line numbers. How much money they have in the bank and what the liabilities are. If they are five million dollars in the bank and six million dollars in liabilities then we have a problem.” Mr. Ferrell responded “The preliminary numbers are just about that.” Chairman Hall continued “At some point I am sure other commissioners are going to ask you what the probable impact on us financially if it ends up like that.” Mr. Howard responded “The information that we have there does not look like there will be an impact now. What we are looking at is there is enough money to handle retiree health insurance for a number of years but when that money runs out there will be an impact on the counties at that time as that moves forward. What we are trying to sort out is how we will handle that long term. It could be 10 years from now, 15 years from now and it may never happen because there are too many variables in that.”

COUNTY MANAGER’S REPORT

Multivista Construction Documentation

Mr. Howard stated “What I have is just information to see if you want to move forward with this. Multivista Construction Documentation they are a company that comes in and basically does photo documentation during the process of the building. They will come in before the foundation is poured and take pictures of that so you will know where the wiring goes and where the plumbing goes. They do that from day one prior to construction to completion. I just wanted to bring this to the Board to get some thoughts on whether to use them on the detention center. Some counties are using them. It is mostly the larger counties. This process is kind of new. It is something that if after construction is completed and we have an issue with a plumbing fixture they can go back and look at the wall where that fixture was put in and we can tell if something was done wrong at that time and not caught by the inspector. I do not want a decision tonight but if you want to move forward I could have them to come and make a presentation but if there is not interest we will not move forward with it. The cost for the jail is based on the square footage and it is around \$18,000.00 for that facility.”

Tennis Courts Update

Mr. Howard stated "I just wanted to see if anyone was interested in going to visit any of these sites. Ashley was actually getting some responses to some questions to the US Tennis Association. As of this afternoon we have not heard anything on that grant yet. We are hoping to hear something sometime this week if we are going to get a grant and how much that grant will be. We were hoping to hear by Friday. They called and had some other questions they wanted answered about the two processes we were looking at. Is there any interests in going and looking at any of the sites?"

Commissioner Satterfield asked "Mr. Manager has Ms. Williams or you or anyone contacted any of these references to see how the work went and how long ago they had the project done?" Mr. Howard responded "Ashley has and she has actually visited a couple of the sites." Commissioner Satterfield continued "Maybe she could tell us what some of those contacts have said." Mr. Howard responded "Initially you wanted to visit some of the sites but we can call again and ask them about that." Commissioner Satterfield stated "The only one I was interested in looking at was the versa court you know the one that locked together because I have never seen anything like that before."

Chairman Hall stated "It does not have to be an either or situation, I think it would be good if contacts have been made to have staff come before the Board with references. But they need to be specific if the references were checked we need to know that they were checked and how they were checked and what discussions were made. We can all schedule site visits in addition to that."

Commissioner Lucas asked "Did she contact the School Superintendent to see if they are willing to participate in the cost of the tennis courts?" Mr. Howard responded "I have not contacted them recently. Initially they wanted to know the cost before they would agree to tell us how much they were going to provide. I can check on that again by the next meeting." Commissioner Satterfield stated "I just saw it in the newspaper that the superintendent said it might cost fifty to sixty thousand dollars. I don't know why he thought that because we don't have anything close to that." Mr. Howard responded "I think they initially said that they would contribute up to around fifty thousand dollars but it would depend on how much it would cost. This is from conversation and not from the newspaper." Commissioner Jefferies stated "The School Board may be willing to shift some of their costs because I saw it in the newspaper."

Mr. Howard stated "I have two more items. I mentioned earlier I plan to be out of town on the 21st and 22nd for vacation. You have at your place two ribbon cuttings within the next few weeks. The first one will be on July 22nd at the Caswell Family Medical Center from 2:00 – 4:00 p.m. It is a ribbon cutting for their new addition. Then there is a grand opening in Prospect Hill for the Prospect Hill Community Health Center on August 10th at 11:00. Just a note the one in Prospect Hill, Senator Hagan, Representative Miller and Senator Gunn will be attending that event. They are inviting ya'll to attend if you can."

ANNOUNCEMENTS

Commissioner Satterfield stated "Mr. Chairman I just have one thing and I guess I will address this to the manager and the attorney if I may. I have a little bit of concern Mr. Attorney about the Person-Caswell Lake Authority and the fact that evidently the State Treasurer's office has sent them three letters stating that they have not received the audit for the end of the fiscal year 2009-2010. I know that we appoint two board members down there. As of today I still don't think they have the audit finished and it is still a year late. My concern is I don't know what is going on down there but do we have any issues of liability if there are problems or anything with that entity since we appoint people to it." Mr. Ferrell responded "I think the first thing is to get the audit. You are talking about the yearend audit? I don't know the lake authority in particular but most enterprises and authorities are subject to audit requirements and reporting to the boards that appoint their members. It is generally a quarterly process but I will have to look particularly at the lake authority. The first question is to get a hold of the audit and see what it says for this Board's review. I can work to facilitate that process if you like. But you question as far as what liability would this Board have if there were any potential deficiencies is that really the question if there is a problem? I would have to look at the enabling legislation and statutes for this particular authority for instance you take the LME there is a specific statute that talks about the division of liabilities if there is a problem and I don't know the particular answer for the lake authority but I can certainly explore that." Commissioner Satterfield continued "I have a concern because I saw a letter that was issued by the State Treasurer's office in think in the month of February and then again a long about April and then a long about June wanting to know why they had not received an audit that was due in October." Mr. Ferrell responded "Well the authority would be subject to the Local Government Budgetary and Fiscal Control Act just like the county is and the LME is. There are reporting requirements and standards that they have to meet so yes if they are not meeting those obligations then there is clearly an issue and I can look into that." Chairman Hall asked "Can we, without over stepping our bounds, contact either the director of the lake authority or their CPA firm to find out why the audit has not been submitted." Mr. Ferrell responded "I don't see any reason why you wouldn't. You can certainly contact your appointees as well but I don't see any reasons why you could not speak to the director of the authority."

Commissioner Lucas stated "Several of us have spoken with members of the authority and they have said that it was the auditors that were the hold up. That's the problem." Mr. Ferrell responded "I just don't know the circumstances of why they would be delayed but there are general requirements about reporting and the filing of these audits. If they are missing deadline after deadline there may be a substantial issue that needs to be looked into."

Commissioner Satterfield asked "What would we do with a firm that we have on contract and our deadline was October to submit it to the state Ms. Lucas?" Chairman Hall responded "There is not a whole lot we can do except not renew their contract the next time around. They are called independent accountants if they violate the rule they have to deal with the Local Government Commission as far as their ability to continue to do business in the state. But as far as what we can do you could not pay them or you could not rehire them but that is about the extent of it." Commissioner Lucas asked "But it would be good to know what our liability is."

Commissioner Satterfield responded "I hope we have none." Chairman Hall stated "Our counsel will check on that."

Commissioner Lucas stated "I would like to know the update on the Pelham water tank." Mr. Howard responded "I have not been updated by the engineers on as far as when they are going to be on site. I know that it is in process. I will have some detailed information on the 20th when we meet.

The Clerk to the Board read a thank you card from Commissioner Jefferies where the Board sent him flowers after the loss of his brother.

CLOSED SESSION

Commissioner Lucas moved, seconded by Commissioner Travis that the Board enter into Closed Session to preserve the Attorney/Client privilege (NCGS 143-318.11(a)(3)), and to consider the compensation, terms of appointment and performance of an individual public officer (NCGS 143-318.11(a)(6)). The motion carried by a vote of six to zero. Commissioner Battle did not participate in the vote.

REGULAR SESSION

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

RECESS

At 8:50 p.m. Commissioner Travis moved, seconded by Commissioner Jefferies to recess the meeting until July 20, 2011 at 8:00 a.m. The motion carried unanimously.

Paula P. Seamster
Clerk to the Board

Nathaniel Hall
Chairman
