
FEBRUARY 4, 2016
FY2017 WORK SESSION AGENDA
CUMBERLAND COUNTY BOARD OF COMMISSIONERS
CROWN COMPLEX – BOARDROOM
8:30 AM

1. Approval of Agenda
2. Introduction of Interim Solid Waste Director- Jim Blackwell, P.E.
3. Health Insurance Plan Review by Melissa Cardinali and Mark Browder
4. Known Budget Impacts for FY2017 by Melissa Cardinali
5. Update on the 2017 Real Property Reappraisal by Joe Utley
6. Review of Comprehensive Capital Improvement Plan by Jeffery Brown
7. Time-Sensitive Committee Item
 - A) Consideration of Gold Star Highway Designation
8. Other Matters of Business

Adjourn

AMY H. CANNON
County Manager

JAMES E. LAWSON
Deputy County Manager



MELISSA C. CARDINALI
Assistant County Manager

W. TRACY JACKSON
Assistant County Manager



ITEM NO. _____

3

OFFICE OF THE COUNTY MANAGER

**MEMO FOR THE AGENDA OF THE
FEBRUARY 4, 2016 MEETING OF THE BOARD OF COMMISSIONERS**

TO: BOARD OF COUNTY COMMISSIONERS

FROM: MELISSA C. CARDINALI, ASSISTANT COUNTY MANAGER
trcc

DATE: FEBRUARY 1, 2016

SUBJECT: HEALTH INSURANCE UPDATE

BACKGROUND

Mark Browder of Mark III Employee Benefits will be providing an update to the County's health insurance plan. Included in the presentation will be a review of historical and current year claims trends. Additionally, preliminary results of the bid process for plan administration will be presented.

An update to the budget division's initial review of the health insurance fund, which was presented at the October finance committee meeting, will be provided. The minutes from that meeting are attached for your review.

Preliminary options for funding the plan in Fiscal Year 2016-17 will also be presented. These options continue to be developed as this agenda is being published and will be available at the work session.

No decision from the Board of Commissioners regarding the health insurance plan design or funding of the plan is expected at this meeting.

RECOMMENDATION

Presentation is for discussion of preliminary funding options of the health insurance plan in FY 2016-17. No decision is expected at this work session.

CUMBERLAND COUNTY FINANCE COMMITTEE
COURTHOUSE, 117 DICK STREET, 5TH FLOOR, ROOM 564
OCTOBER 1, 2015 - 10:30 AM
MINUTES

MEMBERS PRESENT: Commissioner Marshall Faircloth, Chairman
Commissioner Jeannette Council (arrived 9:37 a.m.)
Commissioner Larry Lancaster

OTHER COMMISSIONERS
PRESENT: Commissioner Jimmy Keefe

OTHERS: Amy Cannon, County Manager
James Lawson, Deputy County Manager
Melissa Cardinali, Assistant County Manager
Tracy Jackson, Assistant County Manager
Rick Moorefield, County Attorney
Vicki Evans, Finance Director
Deborah Shaw, Budget Analyst
Tammy Gillis, Director of Internal Audit and Wellness
Sally Shutt, Governmental Affairs Officer
Brenda Jackson, Social Services Director
Joel Strickland, Fayetteville Area Metropolitan Planning
Organization Executive Director
Ifetayo Farrakhan, Community Transportation Coordinator
Jeffrey Brown, Engineering and Infrastructure Director
Mark Browder, Mark III Brokerage Services
Candice White, Clerk to the Board
Press

Commissioner Faircloth called the meeting to order.

1. APPROVAL OF MINUTES – SEPTEMBER 3, 2015 REGULAR MEETING

MOTION: Commissioner Lancaster moved to approve the September 3, 2015 regular meeting minutes.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (2-0)

2. MEDICAL PLAN UPDATE BY MARK BROWDER



BACKGROUND:

One of the initiatives undertaken by the County's newly formed Budget Division is the review of major expenditure drivers for the County. Included in this review was an assessment of prior year funding of health insurance. Staff will discuss results of this review as it relates to the

historical funding of insurance. Additionally, Mark Browder will provide an update on current year claims expense.

RECOMMENDATION/PROPOSED ACTION:

No action by the Committee is needed; this is for information purposes only.

Melissa Cardinali, Assistant County Manager, stated the County's budget division has been reviewing the major expenditures and health insurance is one of the major drivers. Ms. Cardinali stated two of the concerns are that health insurance costs were budgeted across requested positions instead of actual positions, and it appears in prior years the cost of the pharmacy, the Wellness Program and the clinic may not have been included in conversations for the health insurance fund covering the County's health insurance costs. Ms. Cardinali stated it is believed that the cumulative impact of those two items appears to be between \$1 and \$1.4 million to the health insurance fund. Ms. Cardinali stated steps have been taken to ensure that when insurance is analyzed, it is done comprehensively and it is shored up for health insurance. Ms. Cardinali stated one of the primary steps is increased communication between all parties involved in forecasting health insurance needs and the County's funding, which seems to have been a weaker link in the past. Ms. Cardinali stated it is believed that there may be funds available from FY15 to transfer one time to the health insurance fund to correct the budget problem. Ms. Cardinali stated the audit for FY15 is still not complete and the proposal is that upon completion, the appropriate revision will be brought to the Finance Committee for review and approval.

Ms. Cardinali recognized Mark Browder of Mark III Brokerage Services, who provided the following presentation as an update on the County's medical plan:

Historically the County had several years of minimal or no increases to health insurance

- 2010 – 2011: No funding increase due to plan changes
- 2011 – 2012: 9% funding increase – no plan changes
- 2012 – 2013: No funding increase and no plan changes
- 2013 – 2014: 6% funding increase – no plan changes
- 2014 – 2015: 8% funding increase – no plan changes, ACA impact \$700,000
- 2015 – 2016: No funding increase due to plan changes

Knew the positive trend would not continue.

Wholesale changes implemented in anticipation of trend change:

- Wellness program
- Employee clinic
- Employee pharmacy
 - Current pharmacy trend 3.4% over past 4 years versus pharmacy industry trend of 15%
- Despite the positive steps taken, pressures remain on the health insurance fund.

Going into the 2015 – 2016 Plan Year, several changes were made to impact the \$1,800,000 renewal increase.

- Plan design changes were made.

- Spouse eligibility was modified.
- A dependent eligibility audit was conducted.
 - Result – 176 dependents removed from the plan.

| | BCBSNC 150k - 7/14 - 6/15 | BCBSNC 150k - 7/15 - 6/16 | BCBSNC 150k - 7/15 - 6/16 |
|-------------------------------|------------------------------|------------------------------|------------------------------|
| | Current | Renewal | Option 2 |
| | In-Network | In-Network | In-Network |
| Primary Care Physician Visits | \$30 | \$30 | \$30 |
| Specialist Physician Visits | \$60 | \$60 | \$60 |
| Well Baby Care | 100% | 100% | 100% |
| Immunizations/Injections | 100% | 100% | 100% |
| Physical Exams | 100% | 100% | 100% |
| Pap Smears/Mammograms | 100% | 100% | 100% |
| Age 26 Adult Children | Yes | Yes | Yes |
| Deductible | \$1,000 | \$1,000 | \$1,500 |
| Deductible - Family Maximum | \$3,000 | \$3,000 | \$4,500 |
| Coinsurance Limit | \$2,000 | \$2,000 | \$2,000 |
| Coinsurance Limit - Family Ma | \$6,000 | \$6,000 | \$6,000 |
| Hospital Services | Deductible/20% | Deductible/20% | Deductible/20% |
| Emergency Room | Deductible/20% | Deductible/20% | Deductible/20% |
| Pharmacy | \$10/\$45/\$60/25% | \$10/\$45/\$60/25% | \$10/\$55/\$70/25% |
| Lifetime Maximum | Unlimited | Unlimited | Unlimited |
| Dependent Eligibility Change | | No | Yes |
| Change | N/A | 109% | 100.0% |
| Dollar Increase | | \$1,857,678.56 | \$0.00 |

Option 2. Was taken.

Mr. Browder stated at the time renewals are done, all the data for the plan's year end is typically not available so when the FY15-16 renewal was done, claims data was only available through December 2014. Mr. Browder stated claims data for July 1, 2014 through June 30, 2015 is now available and it reveals the following:

- Overall claims increased in 2014 – 2015 by 17%.
- Pre-65 Retiree costs are a significant concern.
- 2014 – 2015 Pre-65 Retiree trend was up 34%.
- 2015 – 2016 Pre-65 Retiree trend is up 44%.
- July 2015 was the highest claims month ever at over \$2,500,000.
- High claimants are up and some of those claims are outside of the plan's ability to control.

Mr. Browder reviewed the following health issues, top health risks and top 15 episodes for Cumberland County employees and stated although Wellness Programs can have a positive impact, it takes time to undo some health conditions. Mr. Browder stated the Wellness

Program will not only help mitigate claims, it will also improve the health of the employee population and their quality of life.

Health Issues
Chronic Condition Cost and Prevalence Most Recent Year

| | Employee Prevalence | | % Variance |
|-------------------------|----------------------|----------|-----------------|
| | County of Cumberland | Industry | |
| Hypertension | 44% | 31% | 13% pts. higher |
| Back & Joint Disorders | 32% | 27% | 5% pts. higher |
| Hyperlipidemia | 29% | 23% | 6% pts. higher |
| Diabetes | 18% | 13% | 5% pts. higher |
| Obesity | 17% | 11% | 6% pts. higher |
| Depression | 11% | 11% | <i>similar</i> |
| Asthma | 8% | 6% | 2% pts. higher |
| Coronary Artery Disease | 8% | 4% | 4% pts. higher |
| Migraine | 5% | 5% | <i>similar</i> |
| COPD | 5% | 2% | 3% pts. higher |

The conditions above support the Wellness initiatives that the County has implemented

**Top Health Risks for
Cumberland County Employees**

- Weight ----- Cardiovascular Disease, Hypertension, Diabetes
 - Cholesterol ----- Coronary Artery Disease Stroke
- Blood Pressure ----- Heart Disease, Stroke, Heart Failure, Kidney Disease

Top 15 Episodes

| Episode | Claimants | Allowed Amount | Allowed Amount/ Claimant | Allowed PMP |
|---|-----------|----------------|-----------------------------|-------------|
| Diabetes | 481 | \$1,066,490 | \$2,217 | \$23.74 |
| Hypertension | 1,287 | \$985,133 | \$765 | \$21.93 |
| Ischemic Heart Disease | 169 | \$868,797 | \$5,141 | \$19.34 |
| Malignant Neoplasm - Breast | 47 | \$738,428 | \$15,711 | \$16.44 |
| Joint Degeneration - Back | 264 | \$571,033 | \$2,163 | \$12.71 |
| Septicemia | 25 | \$555,541 | \$22,222 | \$12.36 |
| Chronic Renal Failure | 68 | \$550,144 | \$8,090 | \$12.24 |
| Bacterial Lung Infection | 37 | \$458,315 | \$12,387 | \$10.20 |
| Routine Exam | 1,378 | \$438,439 | \$318 | \$9.76 |
| Joint Degeneration - Knee/Lower Leg | 162 | \$404,853 | \$2,499 | \$9.01 |
| Adult Rheumatoid Arthritis | 34 | \$401,678 | \$11,814 | \$8.94 |
| Non-Malignant Neoplasm - Female Genitourinary Tract | 96 | \$349,617 | \$3,642 | \$7.78 |
| Obesity | 428 | \$345,810 | \$808 | \$7.70 |
| Mood Disorder, Depressed | 276 | \$335,362 | \$1,215 | \$7.46 |
| COPD | 105 | \$310,005 | \$2,952 | \$6.90 |

Employee Health Improvement Initiative
2015 – 2016 Incentive Plan Qualifications

- To qualify for the discounted rates, the employee must participate in the biometrics, AND;
- Meet 3 out of the 4 moderate control categories or improve in the categories.

| Risk Factor | Moderate Control |
|--------------------------------------|--|
| Waist Circumference | Waist Circ < 40" Male or 35" Female |
| <i>Alternative method to qualify</i> | <i>Or improve by 10%</i> |
| Blood Pressure | < 140/90 mmHg |
| <i>Alternative method to qualify</i> | <i>Or lose 10/5 mmHg</i> |
| Cholesterol Ratio | < 5.5 |
| <i>Alternative method to qualify</i> | <i>Or improve by 10%</i> |
| Glucose | < 199mg/dL (non-fasting) |
| <i>Alternative method to qualify</i> | <i>Not applicable</i> |

- The biometric screenings are October 2015.
- Positive results from Wellness will take time.

Mr. Browder stated wellness is never done and there will be future recommendations.

Mr. Browder provided highlights of the Medical Plan Review and stated data is through August and September's data will be available in two to three weeks. Mr. Browder stated based on claims data, there is about a 12% increase needed for fiscal year 2016-2017. Mr. Browder noted it is early and future claims will come in, but it typically does not get worse so this is a reasonable estimate for the next fiscal year.

Medical Plan Review

- Looking toward the 2016 – 2017 renewal, current plan performance is dictating that an increase is warranted.
- Based on current plan performance and expected funding, an increase of approximately 12% would be needed for fiscal year 2016 – 2017.
- This renewal estimate is early, but the County needs to plan for increasing health care costs.

Mr. Browder reviewed plans for fiscal year 2016-2017 as follows and stated it is unlikely the fully insured options will be more cost effective than the strategy of self-funding which the county currently has. Mr. Browder stated the County is currently limiting about \$1 million in taxation by being self-funded.

2016-2017 Plans

- At this point, marketing the Health Plan is warranted.
- We will review the current funding strategy of self-funding and fully insured options.
- The expectation is the plan will be bid out in December and alternate plan designs will be reviewed.
- At that point, the plan will be reviewed again to assess what, if any, changes should be implemented for FY17.

Mr. Browder stated the first phase of the Wellness Program is just being implemented and future incentives to address weight permanently will be coming up in discussions for next year. Mr. Browder stated impact is needed on the weight side, which is a common issue throughout the entire County and the other counties with whom he works.

Questions and discussion followed. Options for the Board to consider will be presented in January or February, 2016.

Ms. Cannon highlighted leadership changes made in the County's Wellness Program and advancements made in the area of wellness. Ms. Cannon stated there has also been discussion about branding the Wellness Program and other ideas such as educating employees about the decisions they make with regard to their medical issues. Ms. Cannon stated her understanding from a recent conference she attended is that it takes three to five years to see any cost reduction from wellness initiatives.

3. CONSIDERATION OF CONVERTING 13 TIME-LIMITED SOCIAL SERVICES POSITIONS INTO FULL-TIME POSITIONS

BACKGROUND:

Continued funding for 35 time-limited positions was included in the FY 2016 budget for the Department of Social Services (DSS). These time-limited positions have been in existence for two years to assist in the NCFASST transition, to clear the backlog of food stamp and Medicaid cases and to assist with challenges created by the Affordable Care Act (ACA) enrollment.

Since the adoption of the budget, the United States Department of Agriculture (USDA) notified the North Carolina Department of Health and Human Services (DHHS) of our State's failure to meet the federal regulatory processing requirements for the Food and Nutrition Services Program (FNS). Our State has been placed on a corrective action plan by USDA.

In order to comply with USDA requirements, North Carolina must achieve the processing standards below:

- 85% average statewide timeliness by December 2015
- 95% average statewide timeliness by June 2016

These timeline rates must be achieved to avoid suspension of federal dollars counties receive to administer the FNS program. Currently, Cumberland County receives over \$2 million in federal FNS funds.

On August 26, the Social Services Board met and approved the Director's request to County management for consideration of converting the 35 time-limited positions to permanent positions. Since that time, County management has met with the DSS Director several times to develop strategies to successfully meet all the state and federal mandates. The table below provides FNS caseload data and staffing levels for the top four counties.

| County | 2015 FNS Household Cases | Percent Increase Since 2008 | 2015 FNS FTE's | Caseload Per FTE |
|-------------|--------------------------|-----------------------------|----------------|------------------|
| Mecklenburg | 157,400 | 92% | 169.9 | 926 Cases |

AMY H. CANNON
County Manager

JAMES E. LAWSON
Deputy County Manager



MELISSA C. CARDINALI
Assistant County Manager

W. TRACY JACKSON
Assistant County Manager



ITEM NO. 4

OFFICE OF THE COUNTY MANAGER

MEMO FOR THE AGENDA OF THE
FEBRUARY 4, 2016 MEETING OF THE BOARD OF COMMISSIONERS

TO: BOARD OF COUNTY COMMISSIONERS

FROM: MELISSA C. CARDINALI, ASSISTANT COUNTY MANAGER
mc

DATE: JANUARY 27, 2016

SUBJECT: KNOWN BUDGET IMPACTS FOR FISCAL YEAR 2016-17

BACKGROUND

As preparation for the upcoming Fiscal Year 2016-17 budget, staff will present items that will have an impact on budget planning and decisions for the upcoming fiscal year.

RECOMMENDATION

No action needed. Information is for budget planning purposes only.

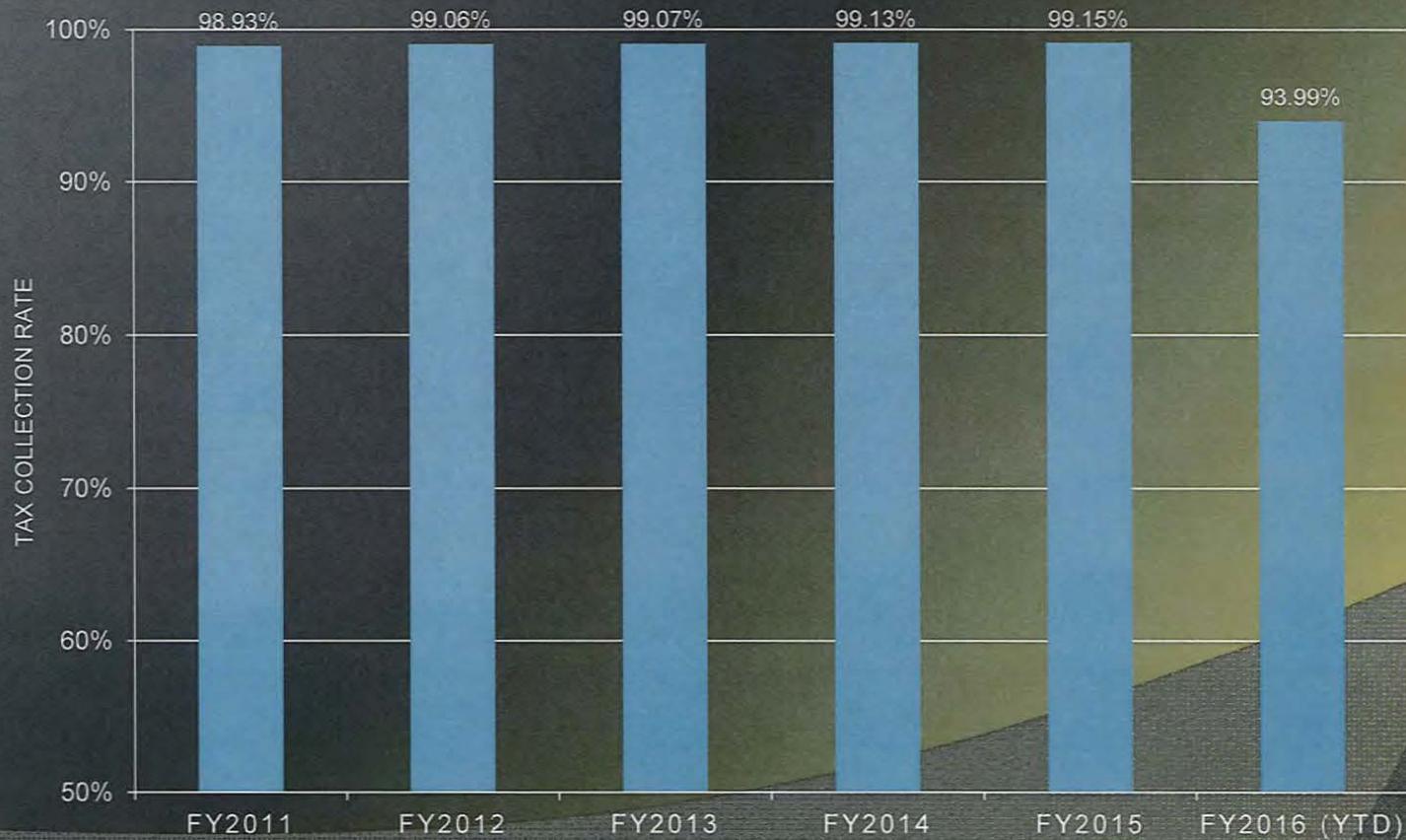
Cumberland County Board of Commissioners

February 4, 2016

**CONSIDERATION OF KNOWN
ITEMS IMPACTING FISCAL
YEAR 2017 BUDGET**

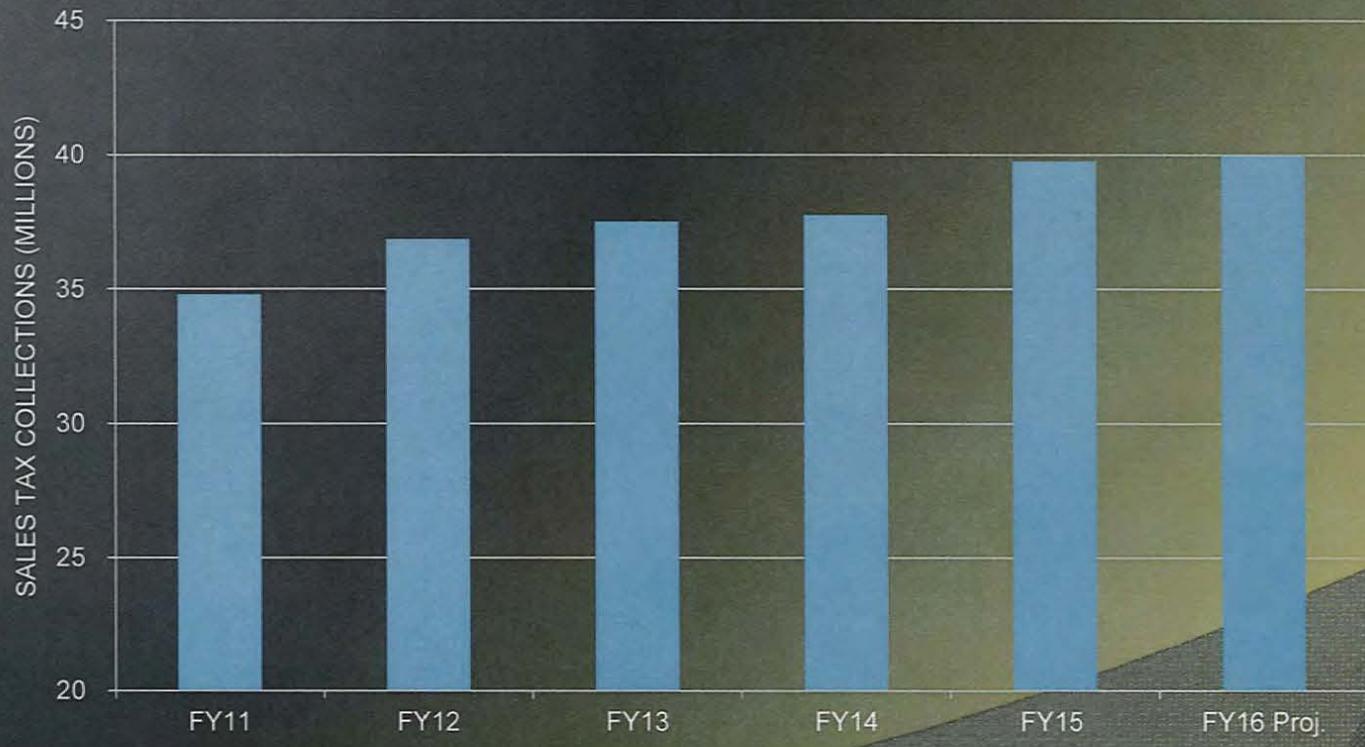
Financial Report

Ad valorem tax



Revenue Impact

Annual Comparison of Sales Tax



Expenditure Impacts

- Health Insurance

Reference presentation by Mark III

Expenditure Impacts

⦿ Federal Labor Standards Act

- Unfunded mandate
- Minimum salary being established for exempt status
- Potential FY16 impact to departments who pay overtime: \$41,825
- Anticipated FY17 impact: \$125,475

Expenditure Impacts

- Local Government Retirement System Contributions
 - Unfunded mandate
 - Adoption of Employer Contribution Rate Stabilization Policy
 - Local Government Employee 0.5% increase

Expenditure Impacts

- Local Government Retirement System Contributions
 - Law Enforcement 0.85% increase
 - \$514,972 increase in FY17
 - Additional 0.25% increase each year from FY18 through FY21
 - \$877,800 cumulative impact of FY18 – FY 21

Expenditure Impacts

- Potential loss of administrative reimbursements related to Food and Nutrition services
- Change in child care subsidy administrative reimbursements

Expenditure Impacts

● Technology

- Continue funding upgrades / changes in technology annually
 - Central Permits Software: \$265,000
 - Network Switches/Routers Upgrade: \$190,000
 - Hardware, Software, and Licenses: \$275,000
- More formal technology that looks out over 3 years

Expenditure Impacts

⦿ Central Maintenance (Fleet)

- Approximately 1/3 of vehicles 10+ years old
- Over 32% >100,000 miles
- Annual need - ~ \$100,000 (excluding Sheriff)

Future Impacts

- ⦿ Increase in Local Government Retirement System contributions
 - 0.25% increase each year through 2021
- ⦿ Future funding of Mental Health
 - Mental health fund balance \$4,633,970

Future Impacts

- ADA compliance for the Crown Complex within seven years - \$2,439,850
- Interlocal sales tax agreement with the municipalities
- Technology - continued movement from mainframe
 - Tax software - \$4,500,000
- Revaluation



CUMBERLAND
COUNTY
NORTH CAROLINA

OFFICE OF THE TAX ADMINISTRATOR

MEMO FOR THE SPECIAL BOARD OF COMMISSIONERS
AGENDA OF FEBRUARY 4, 2016

TO: BOARD OF COMMISSIONERS

FROM: JOSEPH R. UTLEY, JR., TAX ADMINISTRATOR

THROUGH: MELISSA C. CARDINALI, ASSISTANT COUNTY MANAGER

DATE: JANUARY 29, 2016

SUBJECT: 2017 REAPPRAISAL UPDATE

BACKGROUND

NCGS 105-286 requires counties to reappraise all real property every 8 years. Cumberland County's next general reappraisal is scheduled for January 1, 2017.

The purpose of a general reappraisal is to equalize all property values to 100% of market value to ensure that all property owners are paying their fair share of the property tax burden. Simply, our task is to estimate property values at 100% of market, as of January 1, 2017.

Cumberland County uses their own in-house staff to conduct reappraisals. The tax office maintains a countywide sales file and conducts an active sales verification process. Our appraisers analyze the actions of buyers and sellers in the market and use that information to determine what a property would most likely sell for.

We began the revaluation process 1½ years ago in July 2014. The revaluation teams immediately began reviewing properties and analyzing sales of vacant and improved residential and commercial properties. Additionally, income surveys were mailed to owners of shopping centers, motels, apartments and mobile home parks.

In January of this year, we began collecting cost data for both residential and commercial properties, which will continue into the summer. We are also conducting site visits of the income properties, collecting income and expense information. In the July to September timeframe we will load and test depreciation and cost tables; and establish market models.

At this point, we are a long way from being able to give a projection of what values will be at the end of the year. We have been reviewing properties and collecting data since July 2014 and the next 6 months are critical to analyzing and tying all of the data together.

North Carolina General Statute 105-317 requires that uniform schedules of values, standards, and rules be prepared for each revaluation of real property; one for appraising property at market value and one for appraising agricultural, horticultural, and forest land at its present-use value. I have provided a timeline for the presenting both schedule of values to the BOC.

SCHEDULE OF VALUES TIMELINE

| | |
|----------------|--|
| October 3: | Present Schedule of Values & Agricultural Use Value to Commissioners |
| October 17: | Public Hearing on Schedule of Values |
| November 7: | Schedule of Values can be adopted by the Commissioners |
| Next 4 Weeks: | Newspaper notice of "Publication of Schedule of Values" |
| December 7: | Last day to appeal Schedule of Values to Property Tax Commission |
| February 2017: | Mail 2017 Assessment Notices |



CUMBERLAND
★ **COUNTY** ★
NORTH CAROLINA

ITEM NO. 6

ENGINEERING & INFRASTRUCTURE DEPARTMENT

Engineering Division · Facilities Management Division · Landscaping & Grounds Division · Public Utilities Division

MEMORANDUM FOR BOARD OF COMMISSIONERS AGENDA OF FEBRUARY 4, 2016

TO: BOARD OF COUNTY COMMISSIONERS

FROM: JEFFERY P. BROWN, PE, E & I DIRECTOR

THROUGH: AMY H. CANNON, COUNTY MANAGER

DATE: JANUARY 27, 2016

SUBJECT: REVIEW OF COMPREHENSIVE CAPITAL IMPROVEMENT PLAN

BACKGROUND:

A five year comprehensive Capital Improvement Plan (CIP) was developed last year during the budget preparation period. The CIP is a planning document that identifies future capital costs for the necessary improvements of the County's infrastructure. At next week's meeting, a presentation will be given that briefly reviews facilities and infrastructure needs worthy of consideration as the budget is prepared for the next fiscal year. Most of these needs have previously been addressed within the existing CIP, but new issues, such as elevator and HVAC systems, need further consideration.

RECOMMENDATION/PROPOSED ACTION:

The Board of Commissioners is not being asked to take action at this time. Staff's intent is to review capital needs currently programmed for consideration and make the Board aware of newly identified needs prior to compiling the CIP for FY 2017 Budget.



CUMBERLAND
★ COUNTY ★
NORTH CAROLINA

Review of Capital Improvement Plan

February 4, 2016

Board of Commissioners Budget Work Session



Presentation Overview

- Review Capital Improvement Plan (CIP) Summary
 - Installment Financing Plan
 - Update on 2016 CIP Projects
 - Identified Needs for FY 17
- Additional Needs Not Included in CIP

CAPITAL IMPROVEMENT PROJECTS

| Projects | Prior Fiscal Yrs | FY2016 | FY2017 | FY2018 | FY2019 | FY2020+ | Total Project Expenditures |
|---|------------------|--------------|--------------|--------------|--------------|--------------|----------------------------|
| GENERAL FUND | | | | | | | |
| Parking Lot Repair/Resurfacing | \$ 91,000 | \$ 739,500 | \$ 274,500 | \$ 339,000 | \$ 660,000 | \$ 250,000 | \$ 2,354,000 |
| Building Additions/Renovations | | | | | | | |
| Animal Control - Expansion of Building | \$ - | \$ - | \$ 480,000 | \$ - | \$ - | \$ - | \$ 480,000 |
| DSS Carpet Replacement | - | - | 280,000 | 280,000 | - | - | 560,000 |
| Total - Building Additions/Renovations | \$ - | \$ - | \$ 760,000 | \$ 280,000 | \$ - | \$ - | \$ 1,040,000 |
| Major Building Systems | | | | | | | |
| Detention Center Boilers | \$ - | \$ 198,000 | \$ 198,000 | \$ - | \$ - | \$ - | \$ 396,000 |
| DSS Camera Replacement | - | - | 125,000 | - | - | - | 125,000 |
| Courthouse Camera Replacement | - | 40,000 | 45,000 | 45,000 | - | - | 130,000 |
| HVAC Replacements at C5 Building | - | - | - | 136,000 | - | - | 136,000 |
| Security Camera Upgrade at Detention Center | - | 290,000 | - | - | - | - | 290,000 |
| HVAC Replacement at Veterans Services | - | - | 180,000 | - | - | - | 180,000 |
| Total - Major Building Systems | \$ - | \$ 528,000 | \$ 548,000 | \$ 181,000 | \$ - | \$ - | \$ 1,257,000 |
| Minor Building Systems | \$ - | \$ 255,400 | \$ 300,000 | \$ 266,400 | \$ 144,000 | \$ - | \$ 965,800 |
| Building Exterior Improvements | \$ - | 1,738,440 | 420,480 | 168,240 | 151,440 | \$ 85,440 | \$ 2,564,040 |
| Roof Repair/Replacement | \$ - | 1,134,854 | 559,849 | 1,140,202 | 325,024 | 1,730,206 | \$ 4,890,135 |
| Total - General Fund | \$ 91,000 | \$ 4,396,194 | \$ 2,862,829 | \$ 2,374,842 | \$ 1,280,464 | \$ 2,065,646 | \$ 13,070,975 |

CAPITAL IMPROVEMENT PROJECTS

| Projects | Prior Fiscal Yrs | FY2016 | FY2017 | FY2018 | FY2019 | FY2020+ | Total Project Expenditures |
|---|-------------------|----------------------|---------------------|---------------------|---------------------|---------------------|----------------------------|
| SEPARATE FUNDS | | | | | | | |
| Public Utilities | | | | | | | |
| Bragg Estates Sewer Project | \$ 237,000 | \$ 1,763,000 | \$ - | \$ - | \$ - | \$ - | \$ 2,000,000 |
| Overhills Sewer Project | 315,549 | 3,057,151 | - | - | - | - | 3,372,700 |
| Total - Public Utilities | \$ 552,549 | \$ 4,820,151 | \$ - | \$ - | \$ - | \$ - | \$ 5,372,700 |
| Solid Waste | | | | | | | |
| Phase IV Expansion of Landfill | \$ - | \$ 8,010,000 | \$ - | \$ - | \$ - | \$ - | \$ 8,010,000 |
| Landfill Partial Closure | - | 4,575,000 | - | - | - | - | 4,575,000 |
| Piggyback Expansion of Landfill | - | - | 120,000 | - | - | - | 120,000 |
| Parking Lot Repair/Resurfacing | - | 32,000 | 200,000 | 74,500 | 711,000 | 159,000 | 1,176,500 |
| Total - Solid Waste | \$ - | \$ 12,617,000 | \$ 320,000 | \$ 74,500 | \$ 711,000 | \$ 159,000 | \$ 13,881,500 |
| Crown Complex | | | | | | | |
| Parking Lot Repair/Resurfacing | \$ - | \$ 491,500 | \$ 88,500 | \$ 461,000 | \$ 420,500 | \$ 140,000 | \$ 1,601,500 |
| General Maintenance | - | 250,000 | 500,000 | 500,000 | - | - | 1,250,000 |
| Roof Repair/Replacement | - | 1,665,360 | 11,550 | 11,550 | 11,550 | 11,550 | 1,711,560 |
| Building Exterior Improvements | - | 14,300 | 314,400 | 11,000 | 282,000 | 1,212,000 | 1,833,700 |
| Repair/Replacement Projects | - | 834,000 | 2,882,400 | 1,393,800 | 505,200 | 3,360,000 | 8,975,400 |
| Total - Crown Complex | \$ - | \$ 3,255,160 | \$ 3,796,850 | \$ 2,377,350 | \$ 1,219,250 | \$ 4,723,550 | \$ 15,372,160 |
| Total County-Wide Capital Improvements | \$ 643,549 | \$25,088,505 | \$ 6,979,679 | \$ 4,826,692 | \$ 3,210,714 | \$ 6,948,196 | \$ 47,697,335 |

Highlighted Item: This is budgeted amount. Originally listed as \$1,000,000.

Installment Financing Plan

- Includes FY 16 – FY 18 of the following for all funds
 - Parking Lot Repair/Resurfacing
 - Building Exterior Improvements
 - Roof Repair/Replacement
- Preliminary Schedule Developed
- Projected Approval in May 2016

Update on 2016 CIP Projects

- **Major Building Systems**
 - Security Camera Upgrade at Detention Center
 - Approximately \$85,000 of additional funding needed
 - Cabling exclusion and additional camera needs
 - Detention Center Boilers
 - Engineering Firm Selected
 - Courthouse Camera Replacement
 - Project projected to start by March 1st

Minor Building Systems

| Project | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020+ | TOTALS |
|--|------------------|------------------|------------------|------------------|------------|------------------|
| Replace air cooled chiller at Cliffdale Library | \$72,000 | \$0 | \$0 | \$0 | \$0 | \$72,000 |
| Replace Burner and Controls on Boiler at Historic Courthouse | 50,000 | | | | | 50,000 |
| Replace 2 Boilers at Winding Creek | | 75,000 | | | | 75,000 |
| Replace 90 Ton Chiller at Winding Creek | | 100,000 | | | | 100,000 |
| Replace 25 Ton Chiller at Winding Creek | | | 38,000 | | | 38,000 |
| Replace air cooled chiller at East Regional Library | | 75,000 | | | | 75,000 |
| Replace air cooled chiller at Spring Lake Regional Library | | | 52,000 | | | 52,000 |
| Replace Air Cooled Chiller at Hope Mills Library | | | 52,000 | | | 52,000 |
| Replace Air Cooled Chiller at North Regional Library | | | | 65,000 | | 65,000 |
| HVAC/Boiler Engineering Evaluation of Spring Lake FRC | 7,500 | | | | | 7,500 |
| Replace Electric Boiler in Courthouse | | | 80,000 | | | 80,000 |
| Replace CRAC units in Courthouse | | | | 55,000 | | 55,000 |
| AC/Sheriff Training Drainage Improvements | 80,000 | | | | | 80,000 |
| Contingency | 22,950 | 25,000 | 22,200 | 12,000 | | 82,150 |
| Engineering Fees | 22,950 | 25,000 | 22,200 | 12,000 | | 82,150 |
| Total Minor Building Systems | \$255,400 | \$300,000 | \$266,400 | \$144,000 | \$0 | \$965,800 |

Update on 2016 CIP Projects

- **Minor Building Systems**
 - Replace Air-Cooled Chiller at East Regional Library
 - Project complete
 - Replace Burner & Controls – Historic Courthouse
 - Project complete
 - Spring Lake FRC HVAC/Boiler Evaluation
 - Initial meeting held on January 28th
 - Sheriff's Training Drainage Improvements
 - Project planned for Spring of 2016

Update on 2016 CIP Projects

- **Public Utilities**

- Overhills Park Sewer Project
 - Working with USDA on easement documentation
 - Projected to bid in late Spring
- Bragg Estates Sewer Project
 - Currently in design phase
 - Reviewing possible sewer routes

Additional Needs

- **Minor Building Systems – Elevators**
 - Not initially included in CIP
 - Recurring issues at LEC and 109 Bradford Avenue
 - Approximately \$2.6 million identified for next 5 years (see attached Elevator Assessment)

Questions?



CUMBERLAND
★ COUNTY ★
NORTH CAROLINA



ITEM NO. 7A

CUMBERLAND COUNTY

PUBLIC INFORMATION OFFICE

MEMO FOR THE FEBRUARY 4, 2016, COMMISSIONERS' SPECIAL MEETING

TO: BOARD OF COMMISSIONERS
FROM: SALLY SHUTT, GOVERNMENTAL AFFAIRS OFFICER
THROUGH: AMY H. CANNON, COUNTY MANAGER
DATE: FEBRUARY 1, 2016
SUBJECT: NC HWY 24 GOLD STAR HIGHWAY DESIGNATION REQUEST

BACKGROUND: Cumberland County has been asked to support the proposed Gold Star Highway designation of NC HWY 24 from Harnett County to Carteret County. N.C. Rep. David Lewis of Harnett County received the request from a Gold Star mother living in his district. Gold Star families are immediate family members of Armed Forces members killed in combat operations.

According to the N.C. Department of Transportation Division of Highways, the Road/Bridge/Ferry Naming Committee is agreeable to the idea of NC HWY 24 being designated a Gold Star Highway from Harnett to Carteret County.

In order to present this as an official request to the Road/Bridge/Ferry Naming Committee in March, resolutions are needed by the end of February from each of the counties that NC HWY 24 runs through, as well as a financial commitment of \$2,000 from each county if the designation is approved. The \$2,000 administrative fee helps offset the costs of the program. Two signs with the designation are typically placed in each county when you cross county lines.

For additional background, please see the attached Road/Bridge/Ferry Naming Request Approval Steps and the Policy and Procedures for Naming Roads, Bridges and Ferries. A proposed resolution is also attached.

RECOMMENDATION/PROPOSED ACTION: Consider the request to approve a resolution supporting the designation of NC HWY 24 as a Gold Star Highway and to participate in the project by paying the \$2,000 administrative fee.

**RESOLUTION BY THE CUMBERLAND COUNTY BOARD OF
COMMISSIONERS SUPPORTING THE RENAMING OF PORTIONS OF
NORTH CAROLINA HIGHWAY 24 AS THE GOLD STAR HIGHWAY**

WHEREAS, The United States began observing Gold Star Mother's Day on the last Sunday of September in 1936, the Gold Star Wives was formed prior to the end of World War II; the Gold Star Lapel Button was established in August of 1947; and

WHEREAS, The nation, the State of North Carolina and this county recognize the sacrifice that Gold Star family members make when a loved one dies in service to the nation; and

WHEREAS, North Carolina is home to no less than seven major military installations as well as nearly 1 million current or former military service members and is one of the most military friendly states.

NOW THEREFORE BE IT RESOLVED, that the Cumberland County Board of Commissioners fully supports the efforts of the North Carolina Department of Transportation to rename portions of North Carolina Highway 24 the Gold Star Highway.

Adopted this 15th day of February, 2016.

W. Marshall Faircloth, Chairman
Cumberland County Board of Commissioners

Attest:

Candice White, Clerk to the Board

Road/Bridge/Ferry Naming Request – Approval Steps

1. Requesting party completes and submits Road/Bridge/Ferry Naming Request Form to the Chief Engineer's Office (via the Road/Bridge/Ferry Naming Committee Service account).
2. Chief Engineer's Office, Division, and Legal Counsel review.
 - a. If it is not approved to move forward, Chief Engineer's Office or the Division will contact requesting party to discuss any deficiencies in information provided or to notify of insufficient qualifications.
 - b. If and when it is approved to move forward, NCDOT will notify the requesting party, who will then work with the local government to develop a resolution to present to their board (City Council or County Commission) for approval.
3. Once approved to move forward, the local government(s) must provide:
 - a. Unanimously passed resolutions from the applicable municipality(s) and/or county(s) with jurisdiction. Resolutions should be limited to 400 words.
 - b. Minutes from the meeting(s) where the resolution(s) were passed
 - c. At least three letters of recommendation from civic, business, or service organizations
 - d. A completed character certification form
 - e. Verification of family support
 - f. An expressed willingness on the part of the locals to participate financially by paying \$2000 fee
 - g. Verification of Valor Medal, if naming is for a military individual
4. Once NCDOT has all the above materials in hand, the item will be placed on the Board of Transportation's Road/Bridge/Ferry Naming Committee agenda.
5. If the Committee approves the requested naming, it is placed on the Board of Transportation agenda for the following month for a vote.
6. If the Board does not approve, NCDOT notifies the requesting party either by phone, email, or letter.
7. If the Board approves, NCDOT sends the local government(s) a letter notifying them and asking for payment.
8. Upon receipt of payment, NCDOT begins manufacturing signs, and at the request of the locals, the Communications Office will begin ceremony planning.

POLICY AND PROCEDURES FOR NAMING ROADS, BRIDGES and FERRIES

Pursuant to NCGS 136.18(8), the North Carolina Board of Transportation may name roads, bridges, or ferries. This is the policy and procedures approved by the North Carolina Board of Transportation for carrying out said road, bridge, or ferry naming.

In this policy, unless otherwise provided, the following terms will have the following meanings:

- 1) "Board" shall mean the North Carolina Board of Transportation
- 2) "Full board" shall mean at minimum the majority of full membership of the North Carolina Board of Transportation
- 3) "Department" shall mean the North Carolina Department of Transportation (NCDOT)
- 4) "Committee" shall mean the Road, Bridge and Ferry Naming Committee of the North Carolina Board of Transportation.

I. Road, Bridge, and Ferry Naming Committee of the Board of Transportation.

- a. Committee makes recommendation to the full board regarding approval of requested road, bridge, and ferry namings.
- b. Committee acts in response to local resolutions.
- c. Committee can, at its discretion, recommend to the Board to remove a honorary sign.
- d. North Carolina Department of Transportation Secretary and Board Chairman are co-chairs of the Committee, which call meetings and approve the agenda.
- e. A quorum is necessary for approval of resolutions; a quorum is a simple majority of Committee members.

II. Criteria for honoree. In order to have a road, bridge, or ferry named in honor of an individual, that individual:

- a. Must be living, or be deceased for a year or longer.
- b. Must not be currently serving or pursuing a term as an elected official (local, state, or federal).
- c. Must be or have been a North Carolina (NC) resident. Residence verification is a person who filed NC taxes and/or is registered to vote as a NC resident. Proof of residency is to be provided by the requesting party at the time the formal resolution is submitted.
- d. Must have made notable local, state, and/or national contributions and/or have significant accomplishments.
- e. Must not already have another state-owned road, bridge, or ferry named for him/her. The Board does not name more than one facility for the same individual. Requests for duplicate family members reviewed on case by case basis.
- f. May be a state law enforcement officer (e.g., Highway Patrol) killed in the line of duty.
- g. Municipal officials, employees, and law enforcement officers (including those killed in the line of duty) should be recognized with a municipally owned bridge in lieu of a state owned bridge except in extraordinary circumstances, such as when a local law enforcement officer is killed directly in the line of duty on the state owned bridge to be named.
- h. Must have strong local support with regards to the road, bridge, or ferry naming; resolutions passed by Municipal Councils and County Commissions must be unanimous. The Board does not mediate local disagreements.
- i. Must have the support of the family with regards to the road, bridge, or ferry naming.
- j. Additional Criteria for Individual Military Designations:

- i. Recipient of Valor Medals as designated by Defense Department (listed below) are eligible for individual road or bridge designations.
 1. Medal of Honor
 2. Distinguished Service Cross
 3. Silver Star
 4. Navy Cross
 5. Air Force Cross
- ii. Verification of the award shall be provided by the requesting party at the time the formal resolution is submitted.
- iii. Medal of Honor recipients are eligible for interstate designations; other levels would be US or NC routes.

III. Specific criteria for named road or bridge. In order for a road or bridge to be named in honor of an individual, that road or bridge must be already constructed, or within 3 months of its expected construction completion date.

IV. Process for Road, Bridge, and Ferry Naming Requests

- a. Requesting party fills out Road, Bridge, and Ferry Road Naming Application form and submits to the contact person on the form.
- b. NCDOT staff review application and notify the applicant of the result of the review. If the request does not meet basic qualifications, it will not proceed. If the request does meet basic qualifications, the applicant will be notified of next steps (items c-f below).
- c. Local government draft a resolution. (It is the responsibility of the applicant to work directly with the local government to obtain the necessary resolution for submittal to the Board.) The resolution should specify what facility is to be named and who is to be honored, but not what name should appear on the sign. This will be worked out between the Department and the local governing body apart from the resolution, consistent with the parameters spelled out in Section V.a of this document.
- d. Local government(s) pass(es) resolution(s) in a public forum.
- e. If the facility to be named is in more than one jurisdiction, resolutions from all jurisdictions are required.
- f. Resolution(s), along with all required supporting documentation (minutes from meeting where resolution was passed, completed character certification form, a minimum of three recommendation letters, and an indication of family support; see Section V of this document for more detail), are forwarded to the Department.
- g. Once all materials are received, the request is placed on an upcoming Board of Transportation Road, Bridge, and Ferry Naming Committee agenda for consideration. Road, Bridge, and Ferry Naming Committee agendas are posted publicly on the web.
- h. The Board member representing the area making the request must endorse the request and present it to the Committee.
- i. If the Committee approves the requested naming:
 - i. A naming request reviewed and recommended by the Committee will be "held" for at least one month before being considered by the full board.
 - ii. The Board drafts a resolution for vote by the full board. The Board resolution will specify what facility is to be named, who is to be honored, and what name should appear on the sign. The Department has final authority regarding sign design, including text.
 - iii. This item is placed on the agenda of the full board after the Committee approves it, if timing criteria are met (such as construction completion date or death date

in the case of a deceased honoree), or is held until such time as the timing criteria are met.

- iv. The Department reviews the requested name for the sign and the requested designation limits. The Department communicates with the local government regarding any problems with the requested name (e.g., too long) or with the requested limits (e.g., overlaps with an already designated facility or exceeds allowable length) and suggests satisfactory modifications. (See Sections IV.a and IV.b below for length specifications for name and designated facility, respectively.) The Department and local governments will concur in writing with mutually agreed upon name to be put on the sign and the limits of the designation.
- j. If/when the full board approves the requested naming:
 - i. The local government and the NCDOT Division are notified in writing of the approval and the required payment. Payment is due to the Department upon notification that the honorary designation has been approved by the Board. Signs will not be manufactured until payment is received.
 - ii. The NCDOT Communications Office plans a naming ceremony if one is desired by the local government.
 - iii. Signs are installed. Honorary signs will be ground mounted; overhead signs will not be installed. Signs will be installed at the beginning and ending termini of the approved roadway segment, and will not be installed on exits, Y-lines, or intersecting roadways.

- V. **Locally Provided Documentation/Materials.** The following documentation and information is required before any naming request will be considered by the Board.
- a. **Requested name to be placed on sign.** Signs may include up to one title, one first name, one initial, one last name, and one suffix, to be designated by the local governing body, as long as length limits are met. The Department will communicate to the local governing body applicable text length limits. (The entire name is limited to one line of text; the font size of the text depends on the design speed of the road where the sign is to be installed.)
 - b. **Background information on nominee.** Sufficient information must be provided to explain why the naming is warranted; for example, qualifications at the local, state, and/or national level resulting in significant contributions and accomplishments. If the designee is recently deceased, the request will be reviewed after a one year waiting period except for extenuating circumstances. A fatality resulting from a crash, while tragic, is alone not sufficient to qualify for a naming designation.
 - c. **Description of what is requested to be named.** The Board will consider naming roads, bridges, and ferries (not buildings). For roads, the distance of dedication should be 5 miles or less. Law enforcement officers will be honored with bridge dedications in lieu of highways.
 - d. **Resolutions from all local governing bodies associated with or affected by the request.** City or town councils and/or county commissions must adopt resolutions in a public forum and in sufficient detail to adequately justify the request. The road, bridge, or ferry route must be entirely within the boundaries of the requesting governing body or bodies.
 - e. **Character Certification Form.** Local government must attest, using a form provided by the Department, to the character of the honoree.
 - f. **Strong public input and support.** Explain the degree to which the public supports the request and had notice of action with an opportunity for input. To help illustrate this

support, the local governing bodies shall provide a minimum of three recommendation letters from civic, service, or business organizations.

- g. **Family support.** The requesting party should have the family's support for the road, bridge, or ferry naming request including agreement with the requested location of the dedication.
- h. **Minutes from the Municipal Council/County Commission meetings where the resolution was passed.** This is to substantiate that the resolution was passed in a public forum, and that the body was unanimous in its support.
- i. **A willingness of the local government or designee to pay an administrative fee of \$2000 to help offset costs of the program.** This fee is not due unless and until the full board approves the requested naming.

VI. Alternatives. In the event the requested naming does not meet the criteria, or is not approved by the Board for any reason, the local government has options to honor the individual, including, but not limited to:

- a. **Adopt a Highway.** Local governments could consider the "Adopt a Highway" program as an alternative method of honoring an individual or group.
- b. **Municipal road or bridge.** Municipalities may name municipally owned streets or bridges in honor of individuals or groups. This does not require review or approval by the Department or the Board.
- c. **Blue Star Memorial Highway.** The Department has over 1,000 miles designated as the Blue Star Highway Network including all interstates, US routes, and most NC routes. This extensive network honors all veterans and military groups in the state.

VII. Blue Star Memorial Highway Network

- a. Requests for honorary designations for specific groups such as Bladen County Veterans or 100th Infantry, or a particular branch of the military are considered honored with the Blue Star Highway network.
- b. New interstate designations and segments are typically automatically added to the Blue Star Highway as completed.
- c. See attached information on Blue Star Memorial Highways.

APPENDIX: BLUE STAR MEMORIAL HIGHWAY INFORMATION

The Blue Star Memorial Highways date back to 1949 as tribute to the men and women of the nation's armed forces. There have been numerous other requests to name additional highways in the state for specific veterans or military groups. However, because of the extensive network of Blue Star Memorial Highways that already commemorate our armed forces, the Department and Board of Transportation's Road, Bridge and Ferry Naming Committee consider such request as duplicative. The Blue Star covers all military personnel and conflicts. The Committee has been historically consistent in response with all groups.

The Department receives requests from small groups specific to a certain area (such as Bladen County Veterans Memorial Highway) to large groups like the Purple Heart or Vietnam Veterans. The Committee has consistently felt it would be difficult to pick and choose which requests were approved; likewise, it would be extremely difficult to approve all requests because of the number we receive. We encourage local officials to dedicate a municipally owned street or bridge within their boundaries, which needs no action by the Department or Board. Additionally, some counties have memorials at their courthouses or office facilities recognizing local military personnel.

Since 1997, the Department has had eleven requests for Veterans Memorial Highway designations (with slight modifications for the requesting party). These have not been approved due to the Blue Star Highway (BSH) network.

Due to legislative action, the Blue Star signage on US 70 reads "Blue Star and POW Memorial Highway" and I-95 through NC has a "Purple Heart Highway" designation.

The Blue Star designation is considered an "overlay" designation for the lengthy segments of roadways. Certain segments of these roadways may be dedicated for individuals.

The Blue Star Highway (BSH) designations in North Carolina to date:

- I-26 throughout the state
- I-40 throughout the state
- I-77 throughout the state
- I-85 throughout the state
- I-95 throughout the state
- US 70 throughout the state
- US 301 throughout the state
- US 64 from TN state line to Williamston
- US 158 from Elizabeth City to Nags Head
- US 158 from Elizabeth City to Roanoke Rapids
- US 158 from Mocksville to Roanoke Rapids
- US 421 in Wilkes County
- US 421 in Yadkin County
- US 17 from Williamston to Elizabeth City
- NC 24 from US 17 in Jacksonville to NC 172
- US 74 from NC 38 in Hamlet to US 220 in Rockingham
- Sparta Parkway in Alleghany County

The Board typically adds each new interstate segment to the BSH network as it is completed.

September 3, 2015

The original Blue Star Historical Markers are associated with the Garden Club of North Carolina. The markers are the shield shaped, grey markers more associated with historical sites and under the direction of the Department of Cultural Resources. The Department has a link on its website with mapping and information on these markers (<http://ncdot.gov/programs/environmental/bluestar/>).

In May 2005, the Board of Transportation approved the installation of new color signage across the state to improve and expand the recognition along the BSH designation (see attached map and sign sample). The increase in signs and new format has been well received across the state. The Department has installed additional signs as requested by local officials.

We believe North Carolina has the largest Blue Star Highway system in the country with over 1,300 miles of highways across the state.

During times of active military conflicts, the Department sees an increase in the honorary sign requests for individuals either killed in the line of duty, recipients of medals and for outstanding service, or for more specific local units and groups. Requests are not limited to recent conflicts, but also for WWI, WWII, Korean, Vietnam, and Desert Storm veterans. The Department continues to support the BSH for recognition of the extensive number of military personnel, branches, military bases located in our state.

At this time, staff is working with the Office of Veterans Affairs to gather some statistical information on military personnel (active, deceased, or veterans) in our state to provide to the Board of Transportation's Road, Bridge and Ferry Naming Committee and the Department's senior management.