

**CUMBERLAND COUNTY BOARD OF COMMISSIONERS
MARCH 11, 2002, 9:00AM
SPECIAL MEETING**

PRESENT: Chairman J. Breeden Blackwell
Vice Chairman Talmage Baggett
Commissioner Kenneth Edge
Commissioner Jeannette Council
Commissioner John Henley
Commissioner Billy R. King
Commissioner J. Lee Warren, Jr.
James Martin, County Manager
Juanita Pilgrim, Asst. County Manager
Cliff Spiller, Asst. County Manager
Amy Cannon, Asst. County Manager
Grainger Barrett, County Attorney
Marsha Fogle, Clerk to the Board

INVOCATION: Commissioner Jeannette Council
Pastor Addie Peterson – Haymount Presbyterian Church

PLEDGE OF ALLEGIANCE

AMENDMENTS TO AGENDA:

Add: Consideration of the cancellation of the March 25, 2002 town hall meeting with the City of Fayetteville.

Add: Closed Session for Economic Development matters

Discuss Item #8 on the agenda immediately following Item #1.

MOTION: Commissioner Warren moved to approve the above amendments to the agenda.

SECOND: Commissioner Edge

VOTE: UNANIMOUS

- 1. Joint meeting with Cape Fear Valley Health System Board of Trustees to consider the sublease of 4th floor of Highsmith Rainey Memorial Hospital for operation of a long-term acute care hospital**

The Hospital Board of Trustees meeting was called to order.

BACKGROUND: The Board of Commissioners held a public hearing on February 25, 2002, on the one proposal received from Highsmith Rainey Long Term Acute Care Hospital to sublease the fourth floor of Highsmith Rainey Memorial Hospital from Cumberland Hospital System, Inc. to operate a long term

acute care hospital.

ACTION: Approve the sublease as submitted together with such minor changes, revisions, additions or deletions thereto as may be acceptable to the County Manager and County Attorney.

A motion was made and duly seconded by the Hospital Board of Trustees to approve the sublease of the fourth floor of Highsmith-Rainey Memorial Hospital.

MOTION: Commissioner Warren moved that the Board of Commissioners approve the sublease of the fourth floor of Highsmith-Rainey Memorial Hospital from Cumberland Hospital system, Inc., to Highsmith Rainey Long Term Acute Care Hospital, Inc., to operate a long-term acute care hospital.

SECOND: Commissioner King
VOTE: UNANIMOUS

2. CONSENT AGENDA

MOTION: Commissioner King moved to follow staff recommendations on the items on the Consent Agenda.

SECOND: Commissioner Council
VOTE: UNANIMOUS

A. Approval of Minutes: February 25, 2002

ACTION: Approve

B. Approval of additions to the State Secondary Road System:

Harris Place Subdivision: Issac Dock Drive, Our Street, Wigwam Drive, Tibs Run Drive, Egypt Road, Tin Lizza Drive

Hubbard Commercial Tract: Santa Fe Drive, Meed Court, Starpoint Drive

ACTION: Approve

C. Approval of PWC Easement for water, sewer & electric utilities at the Cumberland Industrial Center

BACKGROUND: The proposed utilities will serve the shell building under construction on Lot 40.

ACTION: Approve the utility easement for PWC.

D. Approval of a request for bad-debt write-off for the Cumberland County Health Department

BACKGROUND: On September 4, 2001, the Board of Commissioners approved bad-debt write-off in the amount of \$437,708.24, which included accounts receivable greater than or equal to 90 days old,

excluding the clients the Health Department has acknowledged are in legal bankruptcy proceedings, engaged in a payment plan or are in a status of confidential contact. On February 19, 2002, the Board of Health increased the amount to be written off to \$453,102.80. This is an increase of \$15,394.56. This amount may change if payments are received during the write-off process. The accounts will be turned over to third-party collectors who will attempt to secure a recovery for the Health Department

ACTION: Approve the revision of the write off from \$437,708.24 to \$453,102.80.

E. Approval of the appointment of a deputy finance officer for the Civic Center

BACKGROUND: NCGS 159-3, requires all checks on an official depository to be signed by the Finance Officer or a properly designated Deputy Finance Officer and countersigned by another official of the local government designated for this purpose by the Governing Board. Due to the impending vacancy (Vicki Ramsey has resigned) in the Civic Center Finance Director position, it is necessary to appointment someone as a Deputy Finance Officer.

ACTION: Adopt Resolution appointing a deputy finance officer and requiring a faithful performance bond in the amount of \$20,000.

RESOLUTION

WHEREAS, due to the operation requirements unique to the Cumberland County Civic Center, a need exists for checks to be issued during all hours of the day and night, and these checks are drawn on official depositories that contain funds held on behalf of others; and

WHEREAS, the timing, amounts, or payees of these checks cannot be anticipated and, in most cases, the checks must be issued immediately; and

WHEREAS, the timing of the checks requires the appointment of a Deputy Finance Officer and, in addition, more than one person must be authorized to countersign each check; and

WHEREAS, NCGS 159-3, of The Local Government Budget and Fiscal Control Act, authorizes the governing board to appoint Deputy Finance Officers to designate individual(s) to countersign the checks, and to fix the amount of the faithful performance bond to be provided by the appointee.

NOW, THEREFORE, to facilitate the operational requirement of the Cumberland County Civic Center, the Board of Commissioners hereby RESOLVES that:

1. Mr. Julius Grant is appointed a Deputy Finance Officer and is authorized to sign the checks/drafts issued on the checking and savings accounts maintained by the Cumberland County Civic Center.
2. The appointee shall provide a faithful performance bond in the amount of \$20,000.

F. BUDGET REVISIONS

(1) Mental Health – Revision in the amount of \$1,093 to fully budget the benefits for the Medical Records Assistant IV (B02-327) Funding

Source – Reallocation of budgeted expenditures

(2) Sheriff – Revisions in the net amount of \$57,692 to move Career Development Pay from Recertification to Salaries (B02-324-326) Funding Source – Reallocation of budgeted expenditures

(3) Community Development – Public Services – Revision in the amount of \$23,084 to budget additional funds to sub-recipient for continuation of the Youth Leadership Development Initiative Program in Spring Lake (B02-328) – Funding Source – Federal

(4) FTCC Construction Bond Fund – Revision in the amount of \$235,000 to budget remaining funds in the FTCC Bond Fund to be expended on the Boiler Chiller Project for Cumberland Hall (B02-323) Funding Source – Capital Project Fund Balance Appropriated and Interest Income

(5) JCPC Programs/General Government Other – Revision in the amount of \$48,820 to withdraw funding from the Big Brothers/Big Sisters program based on the recommendation from the JCPC Council (B02-331&331A) Funding Source – Fund Balance and State

(6) Eastover Water System Project – Revision in the amount of \$45,138 to properly budget transfer of TAP fees from Eastover Operating Fund (B02-335) Funding Source – Reallocation of budgeted revenue

REGULAR AGENDA

3. Nominations to Boards/Committees

A. Adult Care Home Community Advisory Committee (2 vacancies)

BACKGROUND: Judy Babb was nominated on February 4, 2002 to fill a vacancy; however she is unable to serve because she has a relative in an Adult Care Home. In addition Ada Harris will complete her initial term on the Board on April 30.

ACTION: Make nominations to fill the 2 vacancies.

Nominees: Ada Harris and Margo Spencer

B. Board of Adjustment – Alternate Member (1 vacancy)

BACKGROUND: Matt Blashfield has resigned his position as an Alternate Member. His term will expire June 30, 2004.

ACTION: Nominate to replace Mr. Blashfield.

Nominees: Steve Parsons

C. Community Health Care Council (9 vacancies)

The Community Health Care Council has the following vacancies:

County Commissioner Representative – Billy King – eligible for reappointment

CFVHS Board of Trustees Representative – Alisa Debnam/Richards Parks have been designated to fill the vacancy.

Community Indigent Care Representative - Cathy Ory recommended (Executive Director of the Care Clinic)

Womack Army Hospital Representative – Col. Ray Terrill/Ltc John Lee – will serve another term

VA Medical Center – Janet Stout – will serve another term

Southern Regional AHEC Representative – Dr. Deborah Teasley – will serve another term

Board of Education - Helen Farrior will serve (1st term)

Town of Linden Representative – Susan Hartman – will serve a second term

DSS Representative – Luther Packer – will serve a second term

Town of Spring Lake Representative – Alderman James e. Wall

ACTION: Nominate the above people for the respective positions

Nominees: See the recommendations above (all were nominated)

4. Appointments to Boards/Committees

MOTION: Commissioner Warren moved to appoint the nominees in 4A and in 4B (Hotels and motels in excess of 100 rooms and the public member not affiliated with tourism and travel).

SECOND: Commissioner Council

VOTE: UNANIMOUS

A. Equalization and Review Board (1 vacancy)

Nominee: Curt Alexander – Real Estate Agent Position

B. Tourism Development Authority

Nominees Hotels/Motels in excess of 100 rooms (2 vacant positions) Cameron Stout and William S. Wellons, Jr.

Terms: Cameron Stout – 2 year term
Williams S. Wellons, Jr. – 3 year term

Appoint one for a 3 year term and one for a 2 year term

Nominees: Hotels/Motels w/less than 100 rooms (2 vacant positions) Gene S. Ammons, Jr., Katherine Jensen, Vivek Tanden

Appoint one for a three year term and one for a 2 year term

Voting: Gene S. Ammons, Jr. – Commissioners Henley, Edge, Baggett, Blackwell, Council and Warren

Katherine Jensen – Unanimous

Vivek Tanden – Commissioner Billy King

Terms: Gene S. Ammons, Jr. – 3-year term
Katherine Jensen – 2 year term

Nominee: Public member not affiliated with travel/tourism (1 vacant position) Gwen Holloman (Three year term)

Note: The County Manager and the President of the Chamber of Commerce shall serve as ex-officio members of the Authority.

C. Designate a member of the Tourism Development Authority as Chairman and define the term of chairmanship

BACKGROUND: The Board of Commissioners shall appoint the Chairman who shall be the presiding officer of the Authority.

MOTION: Commissioner Warren moved that the term of the chairman shall be for one year, and that William Wellons serve as Chairman, the first year.

SECOND: Commissioner Baggett

MOTION: UNANIMOUS

5. Consideration of the County Policy Committee Report and Recommendation

A. Presentation of the County Rural Water Study

Ms. Chris Nesbitt, CDM, reviewed the County Rural Water Study Report.

The project goals were to assess the feasibility of extending water service to rural areas throughout the County, develop an implementation plan to serve the feasible areas and coordinate with PWC Water

Master Plan update. The rural water approach would be to establish projects to maximize funding, fund one rural water project every 2-3 years with each project serving about 1,000 customers at a cost of between \$5 - \$6 million. The Board of Commissioners would serve as the district board. CDM reviewed and drew up some district boundaries based on median household income, number of homes to be served in a mile (15 – 20) and based on voter precinct lines. The proposed districts are as follows: Bethany, Vander, Stedman, Rockfish, Grays Creek, Beaver Dam, Linden and NORCRESS (just formed). The Bethany and Vander Rural Water and Sewer Districts were selected as priority projects based on grant eligibility, population density and proximity to existing PWC water mains. The Bethany project will serve about 900 customers and the Vander project will serve about 1,500 customers. Ms. Nesbitt noted that booster pump stations will be needed for adequate water pressure. The cost of each of these projects is estimated to be about \$5.8 million. Funding sources will be USDA – Rural Development, State Revolving Fund (low interest loans) and Community Development Block Grant funds. The estimated user fee for the Bethany project is \$58/month, assuming 75% customer sign up rate. In order to reduce this amount to \$28/month, a 70% grant is needed. The estimated user fee for the Vander project is \$41/month, assuming 75% sign up rate. In order to reduce this amount to \$28/month, a 50% grant is needed. Implementation issues include funding the oversizing of facilities, how to allocate services with other providers along district boundaries, and PWC/county agreements to be drawn up and approved. The action plan includes establishment of the districts, preliminary engineering reports and environmental assessment, prepare and submit grant/loan applications, customer recruiting campaign and secure loan/grant offers. In addition, a bond referendum must be held, the final design of the water system approved, procure necessary sites and easements and then construction of the water system.

MOTION: Commissioner Baggett moved to adopt the Study and direct staff to proceed with implementation of the action plan as noted in the study.

SECOND: Commissioner King

DISCUSSION: Commissioner King noted that the Eastover System set the stage and has become a model for the entire county. He complimented Commissioner Baggett's efforts on behalf of the Eastover System. Commissioner Warren said this could well be the single most important decision this Board will make. Commissioner Council inquired about the Kelly Hills Sanitary Sewer grant applications. It was noted we would receive a reply tomorrow.

VOTE: UNANIMOUS

6. Consideration of the County Personnel Committee Report and Recommendations

A. Proposed Career Progression Plan for Inspectors

BACKGROUND: Until recently, our inspections staff has been assigned responsibilities in only one specialty area of inspections. As a result, the inspection process required a separate individual to perform each aspect of a full inspection, leading to 12 trips for each inspection site. In order to reduce the number of inspectors and trips required for each site, the Personnel Committee recommends that the inspection staff become certified in multiple specialty areas. This should reduce the number of trips to each site from 12 to 4. It should also eliminate at least half of the current travel expenses, as well as some inspector positions. As an incentive to encourage inspectors to become multi-certified, a proposed career progression plan was presented to the Personnel Committee on February 14, 2002. The Personnel Committee recommends adoption of the plan.

ACTION: Adopt the Plan (Attachment A to these Minutes)

MOTION: Commissioner King moved to approve.

SECOND: Commissioner Warren

VOTE: UNANIMOUS

7. Consideration of postponing a decision to alter the Distribution of Sales Tax Proceeds

BACKGROUND: This item was deferred from the February 25, 2002 meeting.

MOTION: Commissioner Henley moved to defer any consideration of changing the method of altering the distribution of sales tax proceeds.

SECOND: Commissioner King

DISCUSSION: Commissioner Henley noted the importance of municipalities understanding of how annexations affects the county, and also that the county understand the funding issues for municipalities. He said when there is little growth and annexation takes place, we are simply dividing up the same pot of money. He said it is critical that the county and municipalities sit down together and develop rational plans to address the funding issues. He noted that clearly it is to the county's advantage to change the method of the distribution of sales tax proceeds. He said this option should remain on the table for future discussions between the county and municipalities. Commissioner Baggett agreed that annexation affects the county financially and it is important that discussions are held to talk about the issues. He said he did not support a year long moratorium on discussing this matter. He said we should not hamstring ourselves by voting not to talk about the issue for a year. James Martin, County Manager, suggested that this issue be referred to the Comprehensive Planning Steering Group of which the mayors and Chairman are members. Commissioner Edge said he agreed that this is not the time to alter the method of sales tax distribution, but he would vote no on a motion to postpone discussion on the matter because the Board had not taken any official action on the matter to begin with. He said he was supportive of referring it to the Comprehensive Planning Steering Group. Commissioner Edge said he would be more comfortable if the Board would reach a "consensus" of how to handle this matter as opposed to a formal vote. Commissioner Warren agreed with Commissioner Edge. Commissioner Warren noted that we owe it to ourselves and the citizens of Cumberland County to look at every aspect associated with additional revenue for the county. Commissioner Henley again noted the importance of meaningful discussions among the municipalities and the county regarding funding issues.

SUBSTITUTE

MOTION: Commissioner Baggett moved that Item #7 be removed from the agenda, noting that full discussion had occurred, that the matter be referred to the Comprehensive Planning Steering Group and that it is understood that discussions will continue on this matter, fully realizing that nothing could happen before April 1, 2002, which is the deadline to make any changes for this year.

SECOND: Commissioner King

VOTE: UNANIMOUS

8. Consideration of Mental Health Board recommendation of Single County Area Authority Model for local Mental Health Governance

BACKGROUND: Mental Health Reform Legislation (HB381) requires each Board of Commissioners to submit a "Letter of Intent" by October 1, 2002 to the Secretary of the Department of Health and Human Services indicating the proposed governance structure of the existing Area Mental Health Center. The four options are:

- (1) Single County Area Authority (current) – This is an independent authority but is considered a department of the County in which it is located for budget & fiscal control purposes. The area authority will maintain a fund balance. It is governed by an Area Board appointed by the Board of Commissioners. The program is administered by an Area Director appointed by the Area Board (subject to approval of the Commissioners). The Director appoints and supervises authority staff, provides information and advice to the Board of Commissioners through the County Manager, manages services provided and submits budget to the County Manager for approval by the Board of Commissioners.
- (2) Multi-County Area Authority
- (3) Single County Program (new) – This program is operated and governed by the County. It is considered a department for all purposes. The County Manager appoints the Program Director. An advisory board is appointed by the Board of Commissioners to report to the County Manager. A public hearing must be held with notice published at least 20 days before the hearing.
- (4) Multi-County Program (new) – This program would be jointly operated and governed by more than one county. A three year business plan must be developed by area authority, approved by the Board of Commissioners and submitted to the State for review by January 1, 2003. The Board of Commissioners must participate in the development and review of the business plan.

ACTION: The Area Mental Health Board recommends that Cumberland County continue with the "Single County Authority Area Board Model of Governance.

MOTION: Commissioner Baggett moved that Cumberland County continue with the "Single County Authority Area Board Model of Governance and that a letter of intent be submitted to the Secretary of Health & Human Services to that effect.

SECOND: Commissioner King

DISCUSSION: Commissioner Edge asked that since we have to submit a 3-year business plan, would we be able to amend our selection in the years to come. It was noted we could amend our selection.

VOTE: UNANIMOUS

9. Presentation of special review of Civic Center bartering transactions

Appearing: Eddie Burke – Cherry, Beckaert & Holland

Mr. Burke told the Board that his firm was engaged by the County to assist in determining if the Coliseum had received fair value for several box suites and sponsorship agreements that had been entered into between October 1, 1997 through April 30, 2001. The following agreements were reviewed:

One box suite and six sponsorship agreements for printing, advertising, and publishing services;

One box suite and two sponsorship agreements for telecommunication services and equipment purchases;

One box suite and four sponsorship agreements for meals, entertainment, travel and awards;

Five sponsorship agreements for office equipment and furniture and fixture purchases;

Four sponsorship agreements for maintenance contracts;

One sponsorship agreement for financial services;

One sponsorship agreement for utility services.

Upon review of the agreements, it was determined that the Coliseum received fair value in 16 of the 26 agreements reviewed. Six of the respondents indicated they had not maintained any or all of the records to support the products of services that had been provided or declined to respond; therefore it was not possible to determine if fair value had been received for each box suite or sponsorship agreement. Four of the local businesses indicated they still owed the County under existing agreements and will honor their obligation. Mr. Burke said that from the information provided to his firm, the documents reviewed, and from the various meetings that were held, the Coliseum for the most part received fair value for the products or services contracted for. He said it is also then our opinion from review of the records that both the Coliseum and local businesses intended to enter into fair and equitable agreements. Mr. Burke said there were no indications that anyone involved in these transactions either intended or received any personal gain from the contracts.

Mr. Burke said that the County will need to decide if it wants to continue to allow bartering, and if it does, proper procedures and controls should be put into place to assure fair value has been received. The Civic Center terminated all barter contracts last summer on advice from the County Attorney.

The Board thanked Mr. Burke and his firm for their work on this matter.

10. Consideration of canceling the March 25, 2002 meeting with the Fayetteville City Council and the town meeting with the public

BACKGROUND: The City of Fayetteville notified us that it will be unable to meet with the Board of Commissioners on March 25 because it will be continuing its Board Retreat to that date.

The Board asked the County Manager to propose some meeting dates to the City of Fayetteville. A breakfast meeting may work better for everyone and the Board prefers not to meet on a Monday.

11. Closed Session – Economic Development

MOTION: Commissioner King moved to go into Closed Session for economic development matters.

SECOND: Commissioner Edge

VOTE: UNANIMOUS

MOTION: Commissioner Baggett moved to go back into Open Session.

SECOND: Commissioner King

VOTE: UNANIMOUS (Commissioner Warren left the Closed Session meeting and was not present for this vote)

James Martin, County Manager, noted that there are a number of industries who had depended on Monsanto for sewer services. Since Monsanto has closed, it will be necessary to make other arrangements. PWC has agreed to make the extensions and the County has been asked to fund up to \$150,000 of the total cost. The County may be able to obtain a grant through the Southeastern Economic Development Partnership for a significant portion of the total project cost. The affected businesses and PWC would also participate in the cost. Note: The County is already funding \$730,000 for sewer improvements to the adjoining Business Center (new Industrial Park).

MOTION: Commissioner King moved to approve up to \$150,000 to cover the shortfall.

SECOND: Commissioner Baggett

VOTE: UNANIMOUS (Commissioner Warren was not present for this vote as he had been excused for personal reasons)

MEETING ADJOURNED: 11:15AM.