

**MINUTES**  
**CHATHAM COUNTY BOARD OF COMMISSIONERS**  
**REGULAR MEETING**  
**DECEMBER 13, 2010**

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The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Central Carolina Community Library, 197 Highway 87 North, located in Pittsboro, North Carolina, at 6:00 PM on December 13, 2010.

Present: Chairman Brian Bock; Vice Chairman Walter Petty; Commissioners Mike Cross, Sally Kost, and Pamela Stewart; County Manager, Charlie Horne; County Attorney, Jep Rose; Assistant County Manager, Renee Paschal; Finance Officer, Vicki McConnell; and Clerk to the Board, Sandra B. Sublett

**PLEDGE OF ALLEGIANCE AND INVOCATION**

Commissioner Cross delivered the invocation after which Chairman Bock invited everyone present to stand and recite the Pledge of Allegiance.

**CALL TO ORDER**

The Chairman called the meeting to order at 6:01 PM.

**APPROVAL OF CONSENT AGENDA AND REGULAR AGENDA**

The Chairman asked if there were additions, deletions, or corrections to the Agenda and Consent Agenda.

Commissioner Kost asked that the following items be removed from the Consent Agenda and placed on the Regular Agenda for discussion:

- Minutes from the regular meeting held November 15, 2010
- Approval of appointment of Patrick Barnes by the Board to the CCCC Board of Trustees to replace former Commissioner Lucier
- Approval of a request to adopt the revised Chatham County Board of Commissioners for Calendar Year 2011

Commissioner Petty moved, seconded by Commissioner Kost, to approve the Agenda and Consent Agenda with the noted requests as follows:

1. **Minutes:** Approval of Board Minutes for Regular Meeting held on ~~November 15, 2010~~ and December 6, 2010

The November 15, 2010 Minutes were removed from the Consent Agenda for discussion.

The December 06, 2010 Minutes were approved by a motion of five (5) to zero (0).

2. **Tax Releases and Refunds:** Approval of a request to approve the tax releases and refunds, attached hereto and by reference made a part hereof.

The motion carried five (5) to zero (0).

3. **Naming of Private Road in Chatham County:** Approval of a request to name a private road in Chatham County as follows: Samantha Lane

The motion carried five (5) to zero (0).

4. **Chatham County Communication Center Radio System Replacement:** Approval of replacement of radio system in the Chatham County Communication Center to purchase Motorola MCC5500 Conventional Dispatch console from Motorola and a Motorola ACE3600 Scada System and approval of installation of both systems from Wireless Communications, Inc., funds from 911 to be used

The motion carried five (5) to zero (0).

5. **Funds Acceptance by the Chatham County Health Department:** Approval of a request to accept funds in the amount of \$8,000 to the Chatham County Health Department from Federal Title X (Sterilization Services)

The motion carried five (5) to zero (0).

6. **Funds Acceptance by the Chatham County Health Department:** Approval of a request to accept funds in the amount of \$8,199 to the Chatham County Health Department from Federal Title X (Long Acting Reversible Contraception)

The motion carried five (5) to zero (0).

7. **Funds Acceptance by the Chatham County Health Department:** Approval of a request to accept Immunization Action Plan Funds in the amount of \$1,500 awarded to the Chatham County Health Department from the Women's and Children's Health/Immunization Branch

The motion carried five (5) to zero (0).

8. **Reallocation of Funds Between Capital Improvements (CIP) Projects:** Approval of a request from the Chatham County Schools to reallocate funds between capital improvements (CIP) projects

The motion carried five (5) to zero (0).

9. **Easement for Sewer Pump Stations in the Central Carolina Business Park:** Approval of an easement for sewer pump stations in the Central Carolina Business Park

The motion carried five (5) to zero (0).

10. **Set Public Hearing Date for Communications Tower Search Ring:** Approval of a request to set the annual communications tower search ring public hearing on March 21, 2011

The motion carried five (5) to zero (0).

11. **Appointment of Voting Delegate for NCACC Legislative Goals Conference:** Approval of appointment of Brian Bock as Voting Delegate for the NCACC Goals Conference held January 20-21, 2011

The motion carried five (5) to zero (0).

12. **Board of Equalization and Review Appointment:** Approval of appointment of Joe Hunt to the Board of Equalization and Review Board by Commissioner Kost

The motion carried five (5) to zero (0).

13. **Planning Board Reappointment:** Approval of reappointment of Karl Ernst by Commissioner Stewart to the Planning Board

The motion carried five (5) to zero (0).

14. **Planning Board Appointment:** Approval of appointment of Katherine Butler by the Board as a member At-Large to the Planning Board

The motion carried five (5) to zero (0).

15. **Planning Board Appointment:** Approval of appointment of Mike Grigg by Commissioner Petty to the Planning Board

The motion carried five (5) to zero (0).

16. **Planning Board Appointment:** Approval of appointment of John Phillip Canterbury by Commissioner Petty to the Planning Board

The motion carried five (5) to zero (0).

17. **Planning Board Appointment:** Approval of appointment of Dwayne Howard by Chair Bock to the Planning Board

The motion carried five (5) to zero (0).

18. ~~**Central Carolina Community College (CCCC) Board of Trustees Appointment:** Approval of appointment of Patrick Barnes by the Board to the CCCC Board of Trustees to replace former Commissioner Lucier~~

This item was removed from the Consent Agenda and placed on the Regular Agenda for discussion.

19. ~~**2011 Revised Board of Commissioners' Calendar:** Approval of a request to adopt the revised Chatham County Board of Commissioners for Calendar Year 2011~~

This item was removed from the Consent Agenda and placed on the Regular Agenda for discussion.

## **END OF CONSENT AGENDA**

## **PUBLIC INPUT SESSION**

**Ben Pistole**, 102 Green Meadow Court, Pittsboro, NC, presented his comments to the Board and provided them in their entirety for the record as follows:

“Good evening. Please allow me to first express my gratitude for the opportunity to address the Board. My name is Ben Pistole. I’ve lived at 102 Green Meadow Court in Pittsboro for about 7 years.

The following recommendations were put together through a collaborative effort of the Chatham Conservative Voice. That said, my remarks today are not partisan in nature or at least I don’t mean for them to be taken that way. The subject I’d like to address is Open Government, which is important to most citizens. We’ve heard, over the course of many election cycles, much ado about transparency, but little in the way of substantive changes.

We’ve a number of suggestions for how you as Commissioners can improve transparency. Our goal is to encourage discussion on this topic, and eventually, action on the part of the Commissioners.

There are two main points we’d like to make: the first concerns better communication and feedback. The second concerns transparency with respect to the budget and spending.

The overused expression is that communication is a two way street. But it’s true. First, is outgoing communication. We’d like to make the following suggestions with the hope that you will consider them:

- Videos of all public Commissioner meetings should be made available online and if possible stream online. We’d like for all the citizens of Chatham County to be able to see and hear every part of the discussion on matters that pertain to them without omission or editing.

- We'd also like to suggest live blogging from Commissioner meetings as well as a blog for the Commissioners that gives them an outlet to explain why they voted the way they did on a particular issue, or simply give their point of view about a particular topic.

With regard to the other side of that two way street:

- Add a button on a blog or other site that says "How Can We Help You?" or "Invite the Commissioners" so that people can submit requests. Phone number and email address information should be prominently displayed.
- We suggest holding Commissioner meetings in different parts of the County, but if that is not possible, each commissioner should make appearances for public input without an agenda.
- In addition, there should be some outreach to rest homes and the Senior Centers. That could be something like the Commissioners having lunch with them or the limited distribution of a newsletter for those without internet access.

We ask the following in the interest of fiscal transparency and spending:

- Tell us where our money goes. That means posting an itemized budget for all types of spending, mandatory or discretionary. We suggest making the information available to everyone so that there will no longer be any debate concerning what is or isn't being spent. This could also include any contracts the County has as well.
- Some municipalities have posted their checkbooks online so that all citizens can view expenditures. If the technology exists, and it isn't cost prohibitive, we should consider doing this as well.

In closing, we look forward to local leadership that asks how they can help and solicit feedback, as opposed to insisting that they know what is best for us and our property.

Thank you."

Commissioner Kost asked Mr. Pistole that when he mentioned "live blogging", if he would expand on what he was saying and if he is expecting the Commissioners to be blogging as they are conducting the meeting.

Mr. Pistole stated that it was not necessary for each individual Commissioner to blog, but to have someone that could live blog. He stated that these were just suggestions to start conversations.

Commissioner Kost stated that she loved the concept, but she is thinking about how hard it is to keep up without having to do that, too. She stated that she wanted to make sure what Mr. Pistole was asking of them, as it was an intriguing idea but she was unsure that it was a realistic request.

Mr. Pistole stated that it might not come from the Commissioners directly, but from someone attending the meeting to let the public know what is going on. He stated that even streaming the videos online would free the Commissioners from having to do a live blog and everyone could see it even if they were unable to attend the meeting.

Commissioner Kost stated that for the last two years, one of the Board of Commissioners' goals was to have quarterly meetings in different parts of the County. Logistics have been difficult. The adopted calendar has two meeting locations, locations to be determined, with the intent that they be held in different parts of the County and that the agendas made to accommodate people to speak out.

Mr. Pistole stated that he hoped the Board would find a way to get around the obstacles and that all of the citizens are amenable to open government.

Commissioner Stewart asked if Mr. Pistole was asking, when talking about live blogging during the meeting where citizens submit comments or questions online to be read or if he was talking about having a blog setup to which Commissioners could make posts.

Mr. Pistole stated that he would really like to see a site where the citizens can see the reasoning of Board members' votes in a consolidated, centralized forum, and to encourage conversation, and determine where the Board is going with their decisions.

**Donna Kelly**, 553 Holly Glenn Road, Pittsboro, NC, presented her comments to the Board and provided them in their entirety for the record as follows:

"Good evening. My name is Donna Kelly and I live at 553 Holly Glenn Road in Pittsboro. I'm speaking tonight on behalf of the Chatham Conservative Voice.

The North Carolina state motto is "To be, rather than to seem". While a good sentiment at any time it's especially important in our current difficult economy, we can't afford to spend scarce resources on empty promises. One area where Chatham County has spent a lot of money in recent years "to seem rather than to be" is on LEED certification. We were told the resulting energy efficiency would pay for the added cost. Actual energy efficiency is something we can all agree on whether our primary motivation is to save money or to save the environment. Unfortunately, LEED certification does not guarantee energy efficiency.

LEED stands for Leadership in Energy and Environmental Design. LEED certification involves selecting enough points off a checklist that covers many areas other than energy efficiency, such as transportation, landscaping, education and materials. This allows credit for things like bike racks and bamboo flooring or location near a bus stop in addition to things which actually affect a building's energy use. There are no requirements for actual measurement of anything. Everything is based on computer models and the certification is all done through paperwork with no actual inspections or overall review of the building's design or actual performance. The little research that is available on the actual performance of LEED certified buildings is sketchy and questionable.

There is a significant added cost for LEED certification. In addition to the construction costs for the actual building components, there are additional costs for the extra design requirements, project organization, energy modeling, compliance documentation and application fees. These costs add nothing to the actual performance of the building and are incurred solely to comply with the bureaucracy involved in the LEED certification process.

We've posted a full report on our website ([tccv.org](http://tccv.org)) that covers a number of sources detailing some of the criticisms of the LEED program as well as some alternatives that offer more cost effective solutions with measurable results. The sources include articles from the New York Times, the Civitas Institute and an extensive review by Community Solutions, a non-profit group that has been promoting sustainable living since 1940. The recurring theme in all of our sources is that LEED is more hype and marketing than results.

We ask that the County rescind its policy of requiring all new county buildings to be LEED Silver certified. We ask how much was spent on LEED certification for recent County construction, both actual construction costs as well as administrative costs. We'd like to see the final LEED certification reports so everyone can see what that money paid for. We'd also like to see some performance information on energy usage once these buildings are in use.

Being wasteful is never a good idea, whether it's with energy, water, other natural resources or money. Efficiency is something we can all agree on, no matter what our motivation is. The important thing is that we're actually getting our money's worth and not just empty promises."

## **MINUTES**

Commissioner Kost stated that she had a few changes in the November 15, 2010 Board of Commissioners' minutes. She asked that the minutes not be approved at the

meeting but the corrections made and returned to the Board at their next meeting, as she would like for the Clerk to listen to two issues.

1. Page 6, third paragraph that begins "Kenneth Brooks stated that the one thing he asked the Board to do, they did." She asked that clarification be made as to what Mr. Brooks was thanking the Board for.

2. Page 35, she asked that Commissioner Lucier's prepared statement regarding Western Wake Partners be included in the minutes.

### **CCCC BOARD OF TRUSTEES APPOINTMENT**

Commissioner Kost explained that the Board of Commissioners has two appointments to the Community College Board of Trustees. She asked if former Commissioner Lucier had resigned stating that the General Statutes of North Carolina state that this is a board appointment for a term of four years. Mr. Lucier's term is through the year 2013. He can only be removed for two reasons: 1) Performance, which she stated was not an issue; and 2) Attendance. It is only the Board of Trustees that can remove him. Additionally, any appointments to the Community College Board are to be made on July 1<sup>st</sup>. The General Statutes reference 115 D-13 Terms of Office. She stated that she does not think that they can make this appointment as she doesn't think it is the Board of Commissioners' decision to make.

Commissioner Cross stated that when Mr. Lucier was put on that board, former Commissioner Barnes was in the middle of his four-year term and that it did not come up then.

Commissioner Kost stated that this was incorrect as Mr. Barnes' term was at an end and not in the middle of his term as she researched the matter carefully.

Commissioner Cross stated that he was told that the Board of Trustees swears in their new members in January and he is unsure how that coincides with the appointments in July.

Commissioner Kost stated that 115-13, Paragraph B states that all terms shall commence on July 1 of the year.

Chairman Bock asked the County Attorney if he was familiar with the statute. The County Attorney stated that he was unfamiliar with the statute but that the appointee generally serves at the pleasure of the appointing board except where there is a statute as Commissioner Kost states. He stated that he would be happy to take a look at it.

Chairman Bock tabled the matter until the County Attorney can review the statute.

### **BOARD OF COMMISSIONERS' CALENDAR**

Commissioner Kost stated that in the spirit of open government, when they are making a revision to a calendar, they have a responsibility as a board to have an agenda abstract that outlines the change. What they are intending to do is change the first meetings of the month from 9:00 AM to 6:00 PM. Her first concern is that they need to be more open about what they are doing in that they explain it to the citizens. She also has a concern about moving the meetings to 6:00 PM. She understands that people can come to evening meetings easier, but the agenda has always been set so that generally, more routine in nature items are on the morning agenda. She stated that originally, she agreed with them when she ran for office two years ago, thinking that all the meetings should be at night so all the citizens could attend. But by not having a daytime meeting, they will eliminate people who do not drive at night, mostly seniors. We have someone from Carolina Meadows who come to every 9:00 AM meeting, but that she does not drive at night and will not be able to attend night meetings. She thinks they are excluding these people from the process. She stated that it makes no difference to her personally, but that she thinks changing the meetings to all night meetings is an issue.

She pointed out that July 18, 2011 and January 3, 2012 are both Tuesdays. She also stated that she is concerned that on the original calendar, the retreat dates are not included.

She asked that they be included on the updated calendar. She stated that there is usually a legislative delegation breakfast, normally in January, and that she would like to see them established and placed on the calendar.

She asked for an explanation as to why the change to all night meetings is being requested from what has worked well in the past.

Commissioner Petty stated that Commissioners Bock, Stewart, and he spent a tremendous amount of time on the road campaigning and a lot of it had to be done in the evening in order to have an opportunity to meet with working people. They had so much input from people who wanted to attend the meetings but were unable to do so due to their working in the mornings. They felt that it would be good to move the meetings to evenings so that more people could attend and more people could have input. As far as having opportunities for other citizens to give input that might not make the meetings, they intend to have meetings around the County whether it is done as a Board or on an individual basis and have meetings around the County in town hall type sessions. He stated that they were not trying to eliminate input; that they were trying to open it up for more input; and that a lot of it was done for the working people.

Commissioner Kost stated that she appreciated that, except those people were not attending the night meetings that they had; that she doesn't understand that; that there was one meeting in the morning and the third Monday meeting at night; that those people that you heard from then were not coming to that other meeting; and that she is not sure that this is going to make much of a difference.

Chairman Bock stated that it may not make a difference; however, as Commissioner Petty stated, they have heard from numerous people. The decision is not made without public input. He stated that he thinks they need to remember that public input does not necessarily always come from Board meetings or advisory boards. As they are out and about, they are constantly receiving public input. He thinks it is important to listen to the people, even if they have not attended a meeting or are unable to do so. He stated that what they heard very strongly from all parts of the County was that they would like to see the Board hold their meetings in the evenings.

Commissioner Kost stated that she will be voting against the motion, as she thinks that in fairness to the people who come from Carolina Meadows and report back to their community of over 800 people that they have excluded them from the process.

Chairman Bock called for a motion to adopt the revised agenda to hold the Board of Commissioners' meetings at 6:00 PM on Monday evenings.

Commissioner Petty moved, seconded by Commissioner Stewart, to adopt the revised Chatham County Board of Commissioners' calendar for the year 2011.

Commissioner Cross asked if future meetings would be held as they were today with an afternoon work session followed by an evening meeting. Chairman Bock confirmed that was correct. Commissioner Cross asked if the Board would consider adding a public input session to the afternoon work session for the people who could attend in the daytime and if they would be allowed to speak. By consensus, the Board agreed.

Commissioner Kost asked about the retreat dates. Chairman Bock stated that they were not included as they had not yet been determined. Commissioner Kost urged the Board to do so quickly to put the retreat dates out for the public.

Chairman Bock called the question. The motion carried four (4) to one (1) with Commissioner Kost opposing. The calendar is attached hereto and by reference made a part hereof.

## **PLANNING AND ZONING**

**Subdivision Preliminary Plat Approval of "Briar Chapel – Phase 5 North":** Approval of a request by Bill Mumford, Assistant Vice President, on behalf of NNP Briar Chapel, LLC for subdivision preliminary plat approval of "Briar Chapel – Phase 5 North",

consisting of 174 lots on 45.92 acres located off Andrews Store Road, SR #1528 and Parker Herndon, SR #1526, Baldwin Township

Jason Sullivan, Chatham County Planning Director, explained the specifics of the request and the lot and roadway design modification.

As per the Planning Board and Planning Department recommendation, Commissioner Cross moved, seconded by Commissioner Petty, to approve the request with the following conditions:

1. The final plat shall show all storm water features to be located out of the 10 foot no-build area.
2. The final plat shall incorporate the road design changes as depicted on the revised road plan for Lots 507 through 514.
3. The final plat shall list the correct road names as approved by the Chatham County Emergency Operations Office and the Chatham County Board of Commissioners.
4. Storm water devices shall be as approved in the Storm Water Permit for Phase 5 North.
5. Approval of the proposed road names as noted in the agenda notes.
6. The Fire Marshal and Chief Strowd continue to work with Briar Chapel and come up with a suitable situation.
7. Incorporate the changes agreed upon by Chief Strowd, North Chatham Fire Department, the Chatham County Fire Marshal, and Briar Chapel as follows:
  - Replace the blow-off with a fire hydrant near Lot #479
  - Extend the wider 20' alley to Lot #479
  - Relocate parking spaces away from the west side of the triangular landscape area
  - Add grass pavers to the first 10' of the triangular landscape area producing a 32' wide travel area including the 22' wide paved alley.
  - "No parking-fire lane" striping painted along the edge of the alley on the grass paver side.

Commissioner Kost said that she was disappointed that they could not get an agreement on the enforcement stating that she hopes that even though they cannot make this a condition, that Briar Chapel will enforce it seven days a week. She stated that she is looking forward to changing the regulations so that this situation does not happen again because it is a public safety concern.

Chairman Bock called the question. The motion carried five (5) to zero (0).

#### **COMMISSIONERS' PRIORITIES**

**Resolution Honoring the Service of Andrew Siegner, III:** Approval and presentation of a Resolution Honoring the Service of Andrew Siegner, III

The Chairman asked Mr. Siegner to come to the podium. He read the resolution in its entirety stating that it was a pleasure honoring one of the County's long-term employees.



Commissioner Cross moved, seconded by Commissioner Kost, to adopt **Resolution #2010-\_\_\_\_ Honoring the Service of Andrew Siegner, III.**

Commissioner Kost stated that Mr. Siegner was the first Chatham County Employee that she ever met; that he taught her to hold up a stick for the spider webs; that she remembers him in laying out their septic system; that she knew he was a “class act” then and he has done nothing but reemphasize that and reinforce her original thought about him. She thanked him for all he has done for Chatham County.

Chairman Bock called the question. The motion carried five (5) to zero (0). The resolution is attached hereto and by reference made a part hereof.

**Session Law 2010-177:** Consideration to adopt “Resolution of the Chatham County Board of Commissioners **Rescinding** a Resolution Adopted November 15, 2010 Opting Out of the Fourth Year of the Permit Extension Act Of 2009”

Commissioner Petty moved, seconded by Commissioner Stewart, to adopt **Resolution #2010-\_\_\_\_ of the Chatham County Board of Commissioners Rescinding a Resolution Adopted November 15, 2010 Opting Out of the Fourth Year of the Permit Extension Act of 2009.**

Commissioner Kost stated that this is a mistake; that one year is not going to make a difference; that many of these projects were already extended, many should have never been approved, and many are great projects; that she thinks that they should be done on a case-by-case basis; that some of the projects are only good through 2019 so they will add a year to that; that since the time that some of the projects were approved, the regulations have changes to address some of the concerns; that she thinks by adding to this, they are simply saying that these other regulations shouldn’t apply to you; that she strongly feels that they should be done on a case-by-case basis.

Commissioner Cross asked the County Manager if there was a number of how many proposals will expire this month. The County Manager stated that there was a list available. Commissioner Cross stated that if they opted back in for anything that was expiring this year, everyone has at least one or more years already on their extension; that anyone can come in at the appropriate time and request an extension; the Board can decide to grant it or not; that he knows that this bill came out of the Senate and the House agreed only if they included the “opt-out” revision; that since then, both Houses of the Legislature are under Republican rule and he suspects that this will resurface and be mandatory across the board; that it can be done without totally opting back in to everything; and that if there is already a year, or three or four years already on an extension, he thinks this issue could be soft-pedaled and each one taken a year at a time.

Chairman Bock stated originally he agreed with that statement that it could be done on a case-by-case basis; however, after further review, there are a lot of folks who have spent literally hundreds of thousands of dollars to prepare something that was approved by this Board of Commissioners; that no one obviously expected the current recession; that it was and still is a unique situation which put people back on their planning; that he thinks if they add the condition where folks have to come to them on a case-by-case basis, that eventually they will spend more money and more time and in the long run will be wasted time for them. He stated that what they are trying to do is make it easier to do business in Chatham County; that he thinks the State has recognized the unique situation that some of the people are in; that he agrees with Commissioner Kost that one year probably won’t make a difference for a lot of people; that if that is the case, they won’t get done, but it will make a difference for some; and that he can’t agree with trying to make the people spend more time and money on something that the State recognizes needs to be done.

Commissioner Kost stated that she recognizes that and understands the time issue; that she doesn’t think it would be that expensive as far as money is concerned; that they have granted many extensions for various reasons; that when they did, sometimes they were able to negotiate some of the concerns that they had about the development; that case-in-point, the project at Polks Village will be on the agenda next month; that an extension was granted because that project was in traffic congestion management with the Department of Transportation for a very long time; that at the same time, they were able to address some

buffering concerns with the parking lot so that when people were driving down Highway 15-501, they didn't just see an asphalt lot; that they didn't have to do that but agreed to it as part of the extension; that she feels that by giving an automatic extension, you have given up your bargaining power to try to make some of these projects that were weak a little better; that some of the projects are outstanding; that she thinks the developer went beyond trying to make a really good project for Chatham County; that some of the projects were not as good; that if they had to come back to the Board, then they could perhaps negotiate some of the weak concerns; that the new Board campaigned on protecting the environment, and some of them have grave environmental concerns; and that she thinks by doing this, the Board would be giving up their ability to make some of the projects better.

Commissioner Petty stated that what concerns him is getting in the situation where one has to negotiate every deal; that someone is going to feel like they didn't get something that someone else did; that if they rescind it and return to the State guidelines, then it takes that negotiation out of it and just says that if it was approved at one point, it is approved today; and it keeps from having to look at each one of the cases on a case-by-case basis and then being caught in a situation where something is approved or not and people feel as though they are not treated fairly; and that he thinks it would simplify it to rescind it altogether.

Chairman Bock called the question. The motion carried four (4) to one (1) with Commissioner Kost opposing. The resolution is attached hereto and by reference made a part hereof.

**Judicial Center Financing:** Adoption of resolution to proceed with obtaining interim financing to construct and equip the Chatham County Judicial Center and set January 3, 2011 as the public hearing date to receive public comments on the proposed borrowing

The Finance Officer stated that Chatham County has secured a loan from the USDA in the amount not to exceed \$25,000,000 to construct the Chatham County Judicial Center. Because the USDA will not close on the loan until construction is 90% complete, the County must obtain interim financing for the project.

The proposed resolution authorized the County Manager and Finance Officer to proceed with the interim financing for the project to include the following:

- Negotiate with advice from the County Attorney and Special Counsel on behalf of the County for financing of the project for a principal amount not to exceed \$25,000,000
- File with the Local Government Commission and application for its approval of the contracts and all relevant transactions.
- Retain assistance of Special Counsel, Parker Poe Adams & Bernstein, LLP and financial Advisor DEC Associates.
- Publish notice and set a public hearing date of January 3, 2011 to obtain public input on the proposed borrowing.

Commissioner Kost asked if it would make a difference if the public hearing was done at a morning meeting instead of a night meeting as is usually done. The Finance Officer stated that it was a time factor; that the public hearing has already been held on the \$25,000,000 for the judicial center; and that this is because the USDA does not give money until 90% of the project is complete.

Commissioner Cross moved, seconded by Commissioner Petty, to adopt **Resolution #2010-\_\_\_\_\_ of the Board of Commissioners of the County of Chatham, North Carolina, Authorizing the Negotiation of an Installment Financing Contract and Providing for Certain Other Related Matters Thereto** and to set January 03, 2011 as the date on which to hold a public hearing to receive public comments on the proposed borrowing. The motion carried five (5) to zero (0). The resolution is attached hereto and by reference made a part hereof.

**Pay-for-Performance Increases:** Consideration to approve Pay-for-Performance bonuses earned in FY 2008-2009 to eligible employees. Bonuses will be given in two parts- first part will be given on or before December 23, 2010.

Carolyn Miller, Human Resources Director, explained that the newly elected members of the Board of Commissioners discussed options for honoring the FY08-09 Pay-for-Performance (PFP) commitment in the form of a bonus for employees that are still currently employed in Chatham County. Staff was asked to find options to honor the PFP increases that were suspended in FY08-09. This bonus would be based on the PFP agreement in place when the program was suspended. The base 2% bonus to eligible employees would be issued on or before the December 23<sup>rd</sup> payroll, and any amount agreed upon above that amount (for 4% agreements) would proceed through the established documentation, accountability, supervisory review, and audit process, with the bonus to be received in January or early February when that process can be completed. Bonuses will be prorated based on the proportion of work completed by employees. Only employees who were employed in FY08-09 and had a valid agreement on file in the County Manager's Office are eligible. Employees who have been given raises for reasons other than promotion or reclassification are eligible only for any additional amount they would have received under the PFP. If the PFP raise earned is less than the other raise given, the employee shall not receive a bonus.

She explained that the cost would be approximately \$710K which was calculated by first determining eligible employees (employed at the time). Then, those employees that experienced some type of salary increase/decrease were separated, and bonuses were prorated based on the effective date of the salary increase/decrease. (There are 33 people in this category.) The calculation was then split to account for 2% prior to December 23<sup>rd</sup> and the remainder (if applicable) in January/February. Appropriate employer-paid benefits were also added (FICA, Retirement, 401(k)). She stated that she anticipated this number will actually be slightly lower than \$710K as some employees may not have performed at the agreed upon amount. There is approximately \$730K in the Personnel Savings Reserve Account which comes primarily from lapsed salary money.

Ms. Miller explained that other options were considered, including the possibility of actual raises, either at the full amount or some portion thereof. Raises can pose a difficult problem in subsequent budget years. A desire was expressed to do this all before the holidays, however, there wasn't sufficient time to complete supervisor PFP review and the full audit process. A split of the increase was the best option to accomplish the request to make some gesture before the holidays.

Chairman Bock asked the stated purpose of the Personnel Savings Reserve Account. Ms. Miller explained it was to primarily fund pay-for-performance increases.

Chairman Bock asked if the most that would be paid out of that account was \$710K and if there was currently \$730K in the account. Ms. Miller affirmed the amounts.

Commissioner Kost stated that having talked about bonuses at a prior date, they were told that that was not the preferred route. She stated that she was a little confused as to why that is the route they are now taking.

Ms. Miller stated that the bonuses were not the preferred route; that the preferred route was always to honor those commitments and implement raises which would have a more lasting impact on salaries; that given the situation they were facing, there were other factors that also went into recommendations including the current state of revenues and the state of the school system; that during the FY10-11 budget year, the school system had eluded to the fact that they might need to lay off teachers/aides; and that there were a lot of external factors that went into those recommendations including Pilgrim's Pride, the stock market crash in the fall of 2008, and then worsening budget projections through the next couple of fiscal years.

The County Manager confirmed Ms. Miller's comments. He stated that the Board discussed bonuses, which were only a minimal amount of approximately \$300, to help cover some minor expenses for employees.

Commissioner Kost stated that she didn't think they ever settled on a number, but they did talk about the concept and were told that the recommendation was against bonuses. She stated that her other concern is that they were told that they couldn't do this because the records to document didn't exist; that when they were previously considering this before the new Board took office, she wonders why now documents exist when several months ago it was a problem.

Ms. Miller stated that she felt it was still going to be difficult; that if bonuses are going to be awarded based on individual pay-for-performance, it will have a varying degree of success; that it depends on the department and the employee; that their communication to employees has always been to keep their documentation; that many did not complete their agreement as it was very disheartening to people; that it was a difficult decision to make to start with; that there were other options; that they could have done a flat COLA (Cost-of-Living Adjustment) increase; however, there are those employees that did an excellent job in keeping their documentation as they were told; that it will be difficult and in some cases, next to impossible; that that had to be weighed against those employees who did do what they were supposed to and did follow through; that they didn't feel right about not honoring the fact that they did what they were asked to do to begin with; that there was a lot of discussion regarding trying to find a middle ground; that that is why they didn't propose some of it or a prorated component; that it would be very difficult to honor the commitment to one department that did what they were supposed to but give something else to someone else; that they realize it is difficult and that a lot of the documentation is not there; and that she is hoping that employees kept what they were supposed to.

Chairman Bock asked if it was being proposed to pay only those with the documentation. Ms. Miller affirmed that was correct. She stated that the policy has been rigid in the past; that they want agreements to say what was done, how it was measured, to be very specific, and that they hold people to it as it is part of the audit process; that realizing that it is also a part of the process, the employee was able to revise the agreement almost up until the last month of the program that some people would have done that; that they have talked about how this is going to work if it is implemented; that they will allow people to prove what they set out to do with appropriate documentation on a case-by-case basis; that they audit every supervisor; and that supervisors and employees go through the audit process to make sure the documentation is there and that they have achieved the set goals that they said they were going to.

Chairman Bock stated that he realizes that this was probably not the first choice, but he appreciates the work done on the various options. He stated that it was obvious that a bonus was not as good as a raise, but that he feels this is a good compromise to honor what was in place; that there are good audit steps and checks and balances to make sure that they are not overpaying, but recognizing those that did what they said they would do; that he thinks the most important part is that there is an account that is set aside to pay this; and that the money is more than sufficient to cover those obligations.

Ms. Miller stated that they looked at what it would take to make the raises as they were originally intended; that anytime there are salary increases, there is a problem budgetarily that perpetuates itself in upcoming years; that the immediate impact would have been significant as it perpetuated the next eighteen months at approximately \$1.1 million.

Commissioner Kost stated that there were 86 employees who have been hired since the agreements were in place. She asked if the County Manager was concerned at all about morale in the organization when you have nearly 20% of the work force that is ineligible for this.

The County Manager stated that he thinks that the performance agreements were geared, at that point in time, that the employees who were employed then and are currently employed would be compensated as closely as possible; that they regret that the 86 employees don't get it, but they were not part of the process; and that he doesn't believe that it will be a serious morale issue.

Commissioner Kost stated that we are in a time now where State salaries have been frozen for two years; that the State is looking at massive layoffs; that even though we are the County government, the school system is part of local government and they are not getting

raises because of the economy and where we are; that she hears that we are trying to meet an obligation; that this is not what was obligated; that if the Board is trying to meet the obligations, then they should bite the bullet and make them salary increases and not bonuses, as that was what was agreed to; that she does not buy-in to the fact that we are meeting an obligation to employees because we are not; that if we are going to meet the obligation, then let's identify the way to make it recurring and give employees the salary increases; that she is really surprised that the three Commissioners who ran on fiscal conservancy is considering this now given that the economy is in the condition that it's in; that we are looking at a \$4 million shortfall for the schools next year; that even though this may have been set aside for salaries, they are going to be looking under every rock for every penny.

Commissioner Petty stated that they are concerned about the budget. It is hard for him to know that this money was set aside for that purpose and to consider taking it and using it for anything else. If the money is there, it was set aside for that purpose, it was an obligation that they have then or made then, then it needs to be honored today. The salary issues will create a longer-term issue on budgeting but if they can do it based on its original plan and original program, he does not see the downside. He stated that he felt that the downside would be not honoring it as far as employee morale is concerned.

Chairman Bock restated the motion.

Commissioner Stewart moved, seconded by Commissioner Petty, to approve the Pay-for-Performance (PFP) increases earned in FY08-09 to current, eligible employees in the form of a bonus to be distributed in two parts:

- ✓ 2% bonus to eligible employees meeting minimum job requirements on or before December 23, 2010
- ✓ Additional percentage bonus due as supported by employee documentation, determined by supervisors, and subject to audit by February 11, 2011.

Commissioner Kost stated that, to the gentleman that wanted them to explain why they are voting for and against things, this is the time to do that. She stated that she will be voting against the motion but she wants to make it perfectly clear to employees that the reason she is voting against this is that the obligation is to give them a salary increase, not a bonus. She would support that in identifying the money to do it, but because that is not the motion, she is also extremely concerned about the budget in July. Had the sources of revenue been identified to make this a salary increase and not a bonus, she stated that she would have been willing to support it.

Chairman Bock called the question. The motion carried four (4) to one (1) with Commissioner Kost opposing.

### **MANAGER' S REPORTS**

The County Manager reported on the following:

#### **Retreat Dates:**

The Retreat dates have been confirmed for Monday, January 31, 2011, Tuesday, February 1, 2011, and Tuesday, February 8, 2011. The County Manager stated that they will be developing an agenda shortly.

Chairman Bock asked that those dates could be added to the Commissioners' calendar.

### **COMMISSIONERS' REPORTS**

#### **Planning Process:**

Chairman Bock stated that he had asked the Manager's Office and Team to work on ways to streamline the process of permitting and planning. He stated that he realizes that was

a big request; that he is asking the County Manager to focus on the planning process first; that he should look for ways to streamline with the intent of cutting a significant amount of time off the process while at the same time making sure to preserve environmental protections as well as safety.

**December 06, 2010 Board of Commissioners' Minutes:**

Commissioner Kost stated that as the December 6, 2010 Board of Commissioners' meeting, Rita Spina had comments that she had wanted to share with the Board but was not called for public comment. She stated that they were all given a copy of her remarks; that she would like to have them read into the night's meeting minutes as she thinks it is important to have those comments in the minutes.

The Clerk to the Board explained that her written comments had already been included in the December 06, 2010 Board of Commissioners' minutes on page 5. She thanked the Clerk stating that it was a great idea.

**Board of Commissioners' Appointments:**

Commissioner Kost stated that there were two remaining members to be appointed to the Planning Board. She stated that she hopes that the Board will look at a little more diversity, both gender, race, and location as she is a little concerned about that due to the Planning Board membership. She stated that she is also hoping in the future, because the Planning Board terms expire on December 31<sup>st</sup>, that there was a need to get the appointments done quickly, but on critical appointments in the future, there will be a general solicitation to the community, open it up more, and to get people to apply for it so that they can ensure that they get the most qualified people for major advisory boards. She said that she hopes the Board will look at that, especially with the upcoming Economic Development Commission vacancies.

**ADJOURNMENT**

Commissioner Cross moved, seconded by Commissioner Stewart, to adjourn the meeting. The motion carried five (5) to zero (0), and the meeting was adjourned at 7:08 PM.

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Brian Bock, Chairman

ATTEST:

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Sandra B. Sublett, CMC, NCCCC, Clerk to the Board  
Chatham County Board of Commissioners