

MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
WORK SESSION
APRIL 18, 2011

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Agricultural Building Auditorium, 45 South Street, in Pittsboro, North Carolina, at 2:30 PM on April 18, 2011.

Present: Brian Bock, Chairman; Walter Petty, Vice Chair;
Commissioners Mike Cross, Sally Kost, and Pamela Stewart

Staff Present: Charlie Horne, County Manager; Jep Rose, County Attorney;
Renee Paschal, Assistant County Manager; Vicki McConnell,
Finance Officer; Elizabeth Plata, Deputy Clerk to the Board;
and Sandra B. Sublett, Clerk to the Board

Work Session

1. **Public Input Session** is held to give citizens an opportunity to speak on any item, which does not appear on the day’s Agenda. The session is no more than twenty minutes long and speakers are limited to no more than three minutes each. Speakers are required to sign up in advance. Individuals who wish to speak but cannot because of time constraints will be carried to the next meeting and given priority. We apologize for the tight time restrictions. They are necessary to ensure that we complete our business. If you have insufficient time to finish your presentation, we welcome your comments in writing.
2. **Affordable Housing and Land Trust Model:** Robert Dowling, Executive Director of Community Home Trust will explain affordable housing using a land trust model, and how it might work with the Briar Chapel affordable housing lots
3. **Discussion of Draft Policy for Advisory Committees:** Discussion and action- continued from meeting on April 4, 2011
4. **Book Mobile:** The Board will discuss possible funding options to continue book mobile service
5. **Discussion of Water Availability Fee:** Discussion is expected to center on the way the fees are calculated. In the past fees were charged solely on the size of the meter installed. This policy was modified in 2005 to charge the customer the higher of two possible calculations: meter size required to serve the needs of the customer or water use based on tables outlined in the DENR regulations which were converted to an equivalent household fee using 5000 gals./day as the average household use
6. **Sprott Center:** Priority Listing for Rehabilitation Project
7. **American Tobacco Trail Site for Parking**
8. **Closed Session to Discuss Property Acquisition**

CALL TO ORDER

Chairman Bock called the meeting to order at 2:31 PM.

PUBLIC INPUT SESSION

Jan Hutton, 120 Willow Way, Pittsboro, NC, expressed her concern about the continuance of the Bookmobile. In 2001 an independent library consultant had conducted research which indicated that a new library should be placed in North Chatham. The CCCC had made a gift of land and a new library was now in Pittsboro; however, the consultant's conclusions had been based on the expectant exponential growth in North Chatham 10 years ago. That exponential growth was indeed in progress, and there was still a need for a branch library which was present in the form of the Bookmobile. At some time in the future Briar Chapel would give a gift of land and the County would then pay for a new library in North Chatham, but she did not know how many years out that may be. But, with the Bookmobile they had that branch library for the time being and it was paid for. Ms. Hutton asked for the Commissioners' consideration of that important issue.

AFFORDABLE HOUSING AND LAND TRUST MODEL

Robert Dowling, Executive Director of the Community Home Trust, presented a PowerPoint of the Community Home Trust. He reviewed the Community Land Trusts (CLT's), the CLT Basics, Benefits to Owners, Community, and Lenders, the National Network, and presented information about the Community Home Trust, Buyers, Home, and Success. Mr. Dowling's PowerPoint follows:



Community Home Trust
Carrboro, NC

**Mission: To create and maintain
permanently affordable housing for
the benefit of our community.**

Community Land Trusts

- Commonly called CLT's
- A hybrid form of home ownership
- Homes are conveyed using a 99-year ground lease
- Enables homes to remain affordable in perpetuity

CLT Basics

- Ground lease restricts resale prices
- Owners earn some appreciation
- Also build equity paying down the mortgage
- Ideal for individuals and families unable to enter the private market
- Often a starter home option

Benefits to Owners

- Affordable homeownership
- Stable monthly payments
- Security from eviction
- Tax benefits
- Ability to build wealth

Benefits to Community

- Home buying opportunities for core employees
- Permanent affordability serves many generations
- Good use of public subsidy
- Enable renters to become owners

Benefits to Lenders

- Typically low loan to value
- Having an organization 'backstop' a borrower
- Reduced incidence of foreclosure
- Doing well by doing good

A National Network

- There are CLT's in more than 40 states
- CLT's supported by the National Community Land Trust Network
- <http://www.cltnetwork.org/>

About Community Home Trust

- At the behest of local governments, we converted to the community land trust (CLT) model in 2000
- Purpose was to enable homes to be permanently affordable

Permanently Affordable

- Our homeowners earn 1.5% annual appreciation
- Our homes must be resold to low-income buyers

Our Buyers

- Target market is 60% to 80% of AMI
- Home prices range from \$80,000 for a 1BR condo to \$140,000 for a single-family home
- Primary buyers are public sector employees

Our Homes

- As of April 15, 2011 there were 192 homes in our affordable housing inventory; 171 in Chapel Hill
- 145 of these result from inclusionary housing policies

What is Success?

- The affordable homes “work” for current residents, for surrounding neighborhood and for future residents
- Property values are maintained

A Home Trust homeowner with her three children. Elizabeth works at a local nonprofit organization.



A Home Trust homeowner and her children. Evan is an artist, whose life has flourished since becoming a homeowner.



This family lives in a townhome in Chapel Hill. John serves on the Home Trust Board and is a Project Manager at a locally-based nonprofit.

Both mother and father are UNC housekeepers. They fled Burma as refugees and now own a home in Chapel Hill.



A co-housing development in Carrboro, NC.

Home of a Home Trust board member.



A home developed by
Community Home Trust.



Two inclusionary duplex
homes designed to
resemble a single-family
market rate home.



A home developed by
Community Home Trust.



An inclusionary
condominium building in
Chapel Hill.

All 16 units are affordable
to households below 100%
of AMI.



A home developed by
Community Home Trust.



A mixed-use development
in Chapel Hill that includes
25% affordable
condominiums.



A retired homeowner,
happy to be living in a
secure, mixed-use
development.



Inclusionary townhomes in
Chapel Hill.



Inclusionary single family
homes in Chapel Hill



A mixed-use condominium development in downtown Chapel Hill.

15% of the units are affordable.

Market-rate condos sell for \$500,000 to more than \$1 million.



A young couple happy to be living in a downtown condominium.

Close to work and play.



A proud Home Trust dad!



Contact Us

- www.communityhometruster.org
- rdowling@communityhometruster.org
- “Like” us on Facebook: Community Home Trust
- Follow us on Twitter: @HomeTrustNC

Chairman Bock asked what the rough high end sales price was on an affordable house in this area. Mr. Dowling responded a single-family home such as depicted in the PowerPoint affordable at 80% of median would sell for about \$130,000.

Commissioner Kost stated if a home was not maintained it would not grow in value. She stated she had noted on the Website that the Home Trust had many townhomes, and asked for those homes in subdivisions that had a homeowners association fee or a condo that had a condo fee if the residents of the affordable home had to pay 100% of that fee or was there some way they were negotiated down. Commissioner Kost stated those kinds of fees could make the home no longer affordable. Mr. Dowling stated their experience with townhomes was that the resident could typically manage the association dues and keep the home affordable. But, fundamentally the way they priced a home was that all the costs, including such fees, were figured in before it was sold. If that home happened to be a townhome then the resident was responsible to pay the dues which were typically \$120 to \$150. Then, there was also the cost of maintenance and taxes, as well as what was called the stewardship fee which went directly to the question about maintenance.

Mr. Dowling stated they had learned over the years that the homes were not necessarily being maintained the way they had wanted them to be. As a result, in 2007 they had changed their model and began accepting a monthly fee required of the homeowners that would be used to pay for big ticket items not covered by the homeowners association. In a townhome, for instance, if your HVAC system broke down, the hot water heater went out, or the flooring needed to be replaced those were not covered by the homeowners association, but those types of things were covered by the stewardship fee which may range from \$60 to \$70 a month. The association fees may be \$130, the stewardship fee may be \$70, and with another \$150 for taxes that came to \$350 and insurance had to be included on top of that. Then you had to back into what someone at 80% of median income could afford including those fees so that the home was affordable. You also had to consider what someone at 70% or 65% of the median income could afford, because you had to have a window of buyers you could sell to. If you were required to sell to people below 80%, you could not price the house that was affordable right at 80%; you would have to price it to around 70% maximum.

Mr. Dowling stated that the stewardship fee had been built into the price of the homes in the last year and a half, and they were still learning some things. They could not control what happened to the homes, and although they had built in some protections for the homeowners they were already learning that those protections may not be enough. His point was that you had to be rigorous in your analysis so that the homes were really affordable and that the homeowners were not overwhelmed with special assessments.

Commissioner Kost asked Commissioner Cross that since he was on the Board when Briar Chapel was negotiated and approved, was there consideration on going that route when the County had first gotten into the affordable housing business.

Commissioner Cross stated he did not recall that they had followed that route, and that was why Mr. Dowling had been asked to come and provide the Board with a briefing. He stated the Board was certainly interested in any new options, but reiterated that this option had not been available when Briar Chapel was discussed.

Commissioner Stewart asked how the Home Trust chose homeowners for their homes. Mr. Dowling explained how they struggled to reach out to people because many were skeptical, noting that they did not have the resources to do a lot of advertising so they relied on the major employers to get the word out to county and municipal employees as well as UNC and UNC Hospital employees to make sure they knew about the Home Trust and what they had to offer. That was a constant battle, because they needed to have repetition so that people knew and remembered who they were.

Mr. Dowling stated in terms of selection of homeowners, not all of their properties were equally desirable and some of their homes went wanting just as in the regular real estate market. Some of their homes were priced at \$90,000 and in good shape and in a decent neighborhood, but for some reason they did not sell well. One such neighborhood was next to a cemetery, which some people were put off by, so those townhomes sold more slowly. Another reason was that some neighborhoods may not be as well suited for children in that there were limited play areas.

Commissioner Petty stated that in the presentation Mr. Dowling had pointed out a home they had developed, and asked what he meant by that. Mr. Dowling stated that meant that the Home Trust had been responsible for having the home built. He stated that 145 of their 192 homes were inclusionary houses when meant that the private sector built the homes but had agreed to sell some number to the Home Trust at affordable prices. They had a 16-unit condo building in Meadowmont in Chapel Hill, all of which were in the Home Trust which was much easier for them to control than the larger condo buildings. Occasionally they would develop a home or homes on a small plot of land and hired a contractor to build the home or homes just as anyone else would, but that was a lot more work than having a private sector contractor build the homes and then dedicate them to the Home Trust.

Commissioner Petty asked was the financing for the affordable homes handled through conventional financing. Mr. Dowling stated the Home Trust had relationships with about four lenders. Because their model was different in that they had a 99-year ground lease not all lenders wanted to do business with them. But, enough did, and named RBC, BB&T, Harrington Bank, and Wells Fargo as willing to do loans to their homebuyers. He stressed that the homebuyers would have to qualify just as anyone else and also had to attend a homebuyers' class at the Home Trust as well as an orientation session. The homeowners were also required to hire a closing attorney of their choice and to have that attorney explain all of the nuances of their loan and their deal with the Home Trust.

Commissioner Kost asked what commission the Home Trust charged. Mr. Dowling stated they did not charge a commission, but they did try to make money on every transaction. Commissioner Kost asked how that was done. Mr. Dowling stated for example they negotiated with the developer on inclusionary housing; for example, they would ask for a \$3,000 fee when the Home Trust sold their home which some did agree to because they needed the Home Trust to assist in selling that home. Because some would not agree to that, they sometimes brought in public subsidy. Sometimes developers were required to make a house affordable right at the 80% level, so the Home Trust would bring in public subsidy to bring the cost down to 65% and open up that window. The Home Trust was a nonprofit and was funded by local governments, noting that those local governments had founded the organization but provided only about 60% of their funding and they were expected to make up the other 40%. The easiest way to do that was with transaction fees. When one of their homeowners wanted to sell their home, the Home Trust listed it for them and did all the work including qualifying associated with selling the home but at no charge to the homeowner.

Commissioner Petty stated then the Home Trust did not buy the home back but it remained on the market until it was sold. Mr. Dowling stated it did remain on the market until it was sold, and then when a buyer was found they were brought to closing and the Home Trust actually bought the house back and then simultaneously resold it. In effect they were then terminating one 99-year lease and initiating another one.

Commissioner Petty stated with the properties the Home Trust developed, they owned those outright so they did own some real estate. Mr. Dowling responded no, that those homes were sold with the 99-year lease just as any other home. Commissioner Petty stated then they never retained any of the properties. Mr. Dowling stated only those that were rented, noting they had two rental homes only because they were 1960-era ranch houses that had foundation problems. He stated they had originally sold the homes but upon inspection had determined that there were major foundation problems so they had felt obliged to repurchase them and they were now rented to very low income families.

Commissioner Cross asked if the NC Housing Finance Agency or USDA Rural Development contributed anything to help get the price of the homes reduced. Mr. Dowling stated that the NC Housing Finance Agency was a very valuable resource for them, noting they provided them with second mortgage loans to the buyers up to \$25,000, or up to \$200,000 in any given calendar year. But, the USDA was not useable in Chapel Hill and Carrboro.

Mr. Dowling stated that should the Board have any additional questions to have staff send them to him and he would be happy to respond.

Commissioner Kost suggested that as a next step that they ask the Affordable Housing Board to look at the information Mr. Dowling had provided.

Commissioner Cross stated that would be his recommendation as well.

By consensus, the Board agreed to allow the Affordable Housing Board to review the information provided by Mr. Dowling.

DRAFT POLICY FOR ADVISORY COMMITTEES DISCUSSION

Debra Henzey, Director of Community Relations, explained the specifics of the request as follows:

At the Chatham County Board of Commissioners retreat on January 31 and February 1, 2011, the Commissioners asked staff to develop a draft policy for all County-appointed advisory committees and boards to provide consistency in the operations, reporting and accountability. One key point in the discussion was the desire to change the names of all appointed groups to “advisory committees” so that we would no longer use the term “commission” or “board” for the non-mandated, County-appointed advisory committees.

At the April 04, 2011 Board of Commissioners’ meeting, the Board revised and made some changes to the policy, but did not get all the way through the draft. The revisions are as follows:

Chatham County Citizen Advisory Committees Policy

1. SCOPE OF POLICY

PURPOSE:

This document establishes policies and procedures for the Chatham County Board of Commissioners to make appointments to Chatham County public advisory boards, committees, commissions, and councils (hereinafter referred to as “citizen advisory committees”). It also provides operating procedures and clarifies expectations of the Board of Commissioners for all advisory committees. The intent of this policy is to provide consistency in operations, appointments, accountability and reporting.

The Chatham County Board of Commissioners may appoint a citizen advisory committee whose purpose is to serve in an advisory capacity to the Board of Commissioners (BOC) concerning a variety of topics.

This policy replaces any previously adopted bylaws for specific advisory committees, unless the bylaws are required by statute.

AUTHORITY:

The Chatham County Board of Commissioners may establish rules and regulations in reference

to managing the interest and business of the County. For statutory boards or committees, authority may include reference to applicable General Statutes.

The Chatham County Board of Commissioners has the responsibility to appoint citizens to serve as members of citizen advisory committees established by the board.

PERIODIC REVIEW:

Periodic review of this policy will be conducted every two (2) years by the Chatham County Board of Commissioners.

2. MEMBERSHIP

QUALIFICATIONS:

For purposes of consistency, all appointments to citizen advisory committees will be made by the Chatham County Board of Commissioners. To qualify for an appointment to the citizen advisory committees, a person must meet the following requirements:

- a. All nominees must complete a Chatham County application form to serve on advisory committees, available on the county website and through the Office of the Clerk to the Board of Commissioners. If a deadline is advertised, submitted applications may be considered after the deadline until all vacancies are filled.
- b. All committee members must meet the qualifications for the specific citizen advisory committee and/or the statutory requirements for an appointed position.
- c. All committee members must be eighteen (18) years of age or older unless applying under a youth-designated position.
- d. All committee members shall be permanent residents of the Chatham County or own real property or maintain a place of business in the Chatham County and shall have good reputations for integrity and community service.
- e. No nominee may currently be a party to nor a legal representative involved in litigation against the Chatham County.
- f. Each nominee must be prepared and committed to participating in CAC work in a manner that enhances relationships between the Chatham County and the community.
- g. Citizen advisory committee members serve the people of Chatham County. As such, their role includes their commitment for full participation in the citizen advisory committee's meetings and activities.
- h. No individual can serve on more than one county advisory committee at a time unless the county has no other qualified nominees for a vacancy. Excluded from this rule are any members appointed by town or other organizations who already serve on another county advisory committee. Anyone appointed to a second committee will only serve in that position until such time as another qualified person has applied and been appointed by the Board of Commissioners.
- i. Specific member expertise or other qualifications for each advisory committee is provided in Addendum A.

EXCEPTIONS:

The Chatham County Board of Commissioners may waive requirements, with the exception of statutory requirements.

COMPOSITION:

- a. The Chatham County Board of Commissioners shall appoint all voting members to citizen advisory committees, unless specified otherwise by statute. The county will strive to have the voting members reflect the cultural, geographic and ethnic diversity of the community.
- b. No committee shall have less than five (5) total voting members. However, the advisory committee may have additional non-voting ex officio members.
- c. If any representative of a Chatham County department is appointed, they shall serve as a nonvoting member of the committee.

SELECTION & APPOINTMENT:

- a. All members of citizen advisory committees serve at the pleasure of the Chatham County Board of Commissioners.
- b. The Chatham County Board of Commissioners will determine if nominees meet the required qualifications. They may choose to assign an individual or group of individuals to review and recommend candidates for advisory committees.
- c. Appointments to citizen advisory boards will be initiated with the nominee's completion

of Chatham County advisory committee application form. As noted above, the Chatham County Board of Commissioners may designate other groups or individuals to review applications and recommend nominees, Other entities, such as incorporated towns, also may be responsible to making nominations to some committees.

- d. The advisory committee chairs should notify the Clerk to the Board's Office and the Chair of the Board of Commissioners when a vacancy has not been filled in a timely manner.

TERMS:

- a. Each appointed citizen advisory committee member shall serve a term of three years and hold office until the qualification and appointment of his or her successor or until one year has elapsed since the expiration of the term for which the citizen was appointed, whichever first occurs. All appointments will be effective July 1. No person shall serve as an appointed member of the same citizen advisory committee for more than six consecutive years. After a break of at least one year, a person could apply to be appointed to the same committee, but someone could choose to apply to another committee without a break.
- b. All advisory committees should have staggered terms for its membership. To establish staggered terms for all committees, one-third of the original voting members of the citizen advisory committee shall be appointed as follows: three for a one-year term, three for a two-year term, and three for a three-year term. Thereafter, each new voting member shall serve for a three-year term. No voting member shall serve more than two consecutive term(s).
- c. Citizen advisory committee members whose terms are due to expire may request or be asked to accept reappointment to the position.
- d. Extension of a member's term may be approved by the Chatham County Board of Commissioners if it is determined that it is in the best interest of Chatham County to allow an individual to continue to serve, especially for committees that require specific expertise for its members.

ATTENDANCE:

Committee members are expected to attend meetings on a regular basis. Members should inform the chair of the advisory committee as soon as possible when unable to attend an upcoming meeting, preferably at least 48 hours notice due to quorum considerations. The advisory committee should maintain attendance records, including all regular and special meetings. If a committee member has missed 25% of the advisory committee meetings during a calendar year, the committee Chair should make a recommendation to the Chair of the Board of Commissioners on continued service of the member. The member in question will provide an explanation in writing. Based on this information, the Board of Commissioners will make a decision on the member's status.

RESIGNATIONS:

- a. A member of a citizen advisory board shall submit his or her resignation in writing to the chair of the advisory board on which he or she serves, noting the effective date of the resignation.
- b. The Chair will forward a copy of the resignation to Clerk to the Board of Commissioners and to the Chatham County Board of Commissioners.
- c. The Chatham County Board of Commissioners shall recognize the individual's service via letter or certificate. The Deputy Clerk to the Board will handle this responsibility.

VACANCIES:

Upon expiration of the term of service of members or other type of vacancies, including resignations or removal by the Chatham County Board of Commissioners shall have the responsibility of selecting and appointing new members to the committee. The Deputy Clerk to the Board of Commissioners will be responsible for initiating public notices of vacancies as soon as possible, preferably before a seat becomes vacated. The urgency of filling vacancies may vary based on the circumstances.

RELEASE FROM SERVICE:

- a. When it is deemed necessary to release a member from his or her term of appointment on a citizen advisory committee, the affected individual shall be notified by letter.
- b. When a citizen advisory committee has completed its function, the members shall be informed of the termination of the citizen advisory committee by letter or e-mail from the Chatham County Board of Commissioners.

3. ROLES & RESPONSIBILITIES

MEMBERS:

- a. Members shall attend meetings of the citizen advisory committee, serve on subcommittees, and perform other functions as assigned by the citizen advisory committee chair. As noted above, for quorum considerations, if a member is unable to attend citizen advisory committee meetings, the member shall contact the committee chair as soon as possible and at least forty-eight (48) hours before the scheduled meeting.
- c. Upon review of the above matters, the citizen advisory committee shall make recommendations and identify concerns, if any, to the Chatham County Board of Commissioners in writing.

GOVERNING BOARD:

- a. The Chatham County Board of Commissioners will consider the citizen advisory committee's recommendations or concerns.
- b. Should any concerns remain unresolved after a response has been received, the Chatham County Board of Commissioners may request that the matter be referred to the County Manager.
- c. To enhance trust between the Chatham County departments and the community, members of the citizen advisory committee will:
 - If requested, assist any related Chatham County departments in achieving a greater understanding of the nature and causes of community issues, with an emphasis on improving relations between the department and the citizens.
 - Recommend methods to encourage and develop advisory committees.
 - Work throughout the community to gain relevant information about advisory committee issues and communicate these with the Chatham County Board of Commissioners and employees.

CHAIR, VICE CHAIR, AND SECRETARY SELECTION AND RESPONSIBILITIES:

The Chair and any other officers of the citizen advisory committee will be chosen by the advisory committee for a one-year term.

All advisory committee Chairs and Vice Chairs shall be appointed members with at least one year remaining of their terms. The Chair and Vice Chair shall serve no more than three consecutive terms of one-year each, unless authorized otherwise by a vote of the Chatham County Board of Commissioners.

The Chair and the Vice Chair shall assume office when the committee holds its first meeting of the calendar year. At the first citizen advisory committee meeting upon assuming office, the citizen advisory committee Chair shall present members with a copy of the citizen advisory committee's charge, scope, membership roster and a copy of this policy.

- a. The Committee Chair has the following duties as well as any other duties specified by state statute:
 - Calls all meetings.
 - Serves as presiding officer.
 - Serves as a voting member of the advisory committee
 - Assists any assigned county staff in developing the committee meeting agenda.
 - Designates and dissolves subcommittees as needed, but the formation of any new subcommittees should be reported to the County Manager and the Board of Commissioners.
 - Appoints subcommittee chairs and members.
 - Works in consultation with any assigned department head or staff liaison
 - Carries out citizen advisory committee assignments as required by the Chatham County Board of Commissioners
 - Conducts citizen advisory committee meetings and presents a report of the proceedings and resulting motions for approval by the advisory committee.
- b. The committee Vice Chair has the following duty:
 - Presides at citizen advisory committee meetings in the absence of the Chair.
- c. The committee Secretary may be a role assigned to one member or rotated among several

members. The Secretary has the following duties:

- Takes (or oversees the taking of) minutes for all committee meetings.
- Submits minutes to the Chair (or designated person) to be distributed to committee members in advance of CAC meetings.
- Assures that other records of the advisory committee, including attendance records, are kept as directed by the Chatham County Board of Commissioners.

Advisory committees may appoint an Executive Committee that includes the Chair and Vice Chair or other designated members, if desired.

ACCOUNTABILITY & REPORTING

Each advisory committee will establish specific goals, objectives and measures based on the advisory committee's mission and direction from the Chatham County Board of Commissioners. The proposed goals and objectives will be submitted to the Board of Commissioners for review and approval. Progress toward goals and objectives will be reported annually to the Chatham County Board of Commissioners and County Manager. The goals may include short-term and long-term steps and measures, but the intent is to identify measures of progress to report each year and/or barriers preventing the accomplishment of goals. The County Manager's Office will provide materials and/or training to assist advisory committees in developing and tracking specific goals, objectives and measures.

Each advisory committee should work with the Clerk to the Board's Office to establish a time on the agenda in January or February of each year to make an annual report to the Board of Commissioners, using the reporting template provided as Addendum B. The presentation itself should not exceed fifteen (15) minutes plus time for questions. A copy of the annual report will be provided to the Board of Commissioners to review at least seven (7) days prior to the meeting where the report will be presented.

All recommendations or reports officially approved by a vote of the committee shall be **transmitted in writing** in a timely manner to the Chatham County Manager who will forward to the Chatham County Board of Commissioners. If there are opposing perspectives to the action or recommendation of the committee, the advisory committee should provide a summary of the opposing viewpoints in its report to the Board of Commissioners.

4. ORGANIZATION

ORIENTATION AND TRAINING:

Chatham County citizen advisory committee members and assigned department staff may need periodic training on state and county goals and priorities as well as relevant statutes and policies, including open meetings, public records, conflicts of interest, and ethics.

- a. Each member shall attend an orientation presented by assigned staff liaison or the committee Chair to familiarize the citizen advisory committee members with the operation of County government, the related departments), and the rules and operating procedures of the citizen advisory committee.
- b. The orientation will be offered when convenient for new appointees, but members are expected to complete the orientation within six weeks after their appointment is effective.

5. MEETINGS

In accordance with the North Carolina General Statutes, all meetings are open to the public as required by the Open Meetings Law.

The members of the citizen advisory committee shall adopt rules and procedures relating to the operation of the committee, as needed. The citizen advisory committee members shall determine the date, time, and place for each meeting.

- a. Regular Citizen Advisory Committee and Subcommittee Meetings: The citizen advisory committee convenes upon call of the Chair and meets on regular basis, at least four times a year. The meetings may be held in specified or various locations within the County. Subcommittee meeting dates shall be set by the subcommittee Chairs. Advisory committees are encouraged to schedule subcommittees in conjunction with citizen

advisory committee meetings, with a focus on convenience of members who must attend multiple meetings.

- b. Special Meetings: A majority of citizen advisory committee members or the Chair may call special meetings at any time for any specific business. Special meetings, such as appeals, are convened at a location selected by the Chair.
- c. Meetings via Teleconference: Teleconference meetings shall be held only in unusual circumstances and shall not replace regularly scheduled committee meetings. No regular meeting or appeal hearing shall be conducted via teleconference. Under no circumstances should a teleconference meeting exceed two hours.
- d. Emergency Meetings: A majority of citizen advisory committee members or the Chair may call a meeting in emergency circumstances by providing telephone notice to media outlets at least one hour prior to the meeting. An emergency situation includes a disaster that severely impairs the public's health or safety. In the event telephone services are not working, notice that the meeting occurred must be given as soon as possible after the meeting.
- e. Meeting Notices: Notice of public citizen advisory committee meetings and agendas shall be made available to all members and interested parties, and to any person who so requests, at least two calendar days in advance of the meeting by email and by posting on the county website. If a staff liaison is not assigned to the committee, dates of meeting for posting on the calendar should be sent to the Chatham County Webmaster.
- f. All meetings should include a period of public input at least ten (10) minutes long. The advisory committee can adopt other rules as needed for this input period.
- g. Agendas:
 - Committee Chairs (and/or committee members) should submit agenda items to the designated person at least seven (7) calendar days prior to a scheduled meeting.
 - The agenda must provide a description of each item of business to be transacted or discussed so that interested members of the public will be capable of understanding the nature of each agenda item.
 - As a general rule, only those items appearing on the agenda will be discussed or voted on. However, if an item is raised by a member of the public, the citizen advisory committee may accept testimony and discuss the item so long as no action is taken until a subsequent meeting.
 - With the Chair's agreement, any designated staff liaison will develop and distribute to each member an agenda listing the matters to be considered at upcoming citizen advisory committee meetings. Also, so far as practicable, copies of all written reports that are to be presented to the citizen advisory committee for members' review will be included in this package at least five (5) calendar days before the meeting.
 - All meeting agendas should be posted on the county website and sent out as an e-notice at least two days in advance. If no staff liaison is assigned, the committee Chair should send the agenda to the Chatham County Webmaster at least two days prior to the meeting.
- h. Minutes: The committee's Secretary or other designated person will take minutes of all citizen advisory committee meetings and approved by a vote of committee members. Once minutes are approved by the advisory committee, they should be posted on the Chatham County website on the committee's web pages. If no assigned staff liaison to handle this duty, approved minutes should be sent to the Chatham County Webmaster for posting within two weeks of approval.
- i. All recommendations and reports of the citizen advisory committee, approved in the form of motions, shall be conveyed in writing exclusively to the Chatham County Board of Commissioners for action. The chair should work with the County Manager to schedule a time on an upcoming Board of Commissioners meeting for the presentation of the recommendations or reports. Approved motions are forwarded to the Chatham County Board of Commissioners for consideration, approval, or denial. Outcomes are reported back to the citizen advisory committee.

6. SUBCOMMITTEES

Subcommittees may be formed by the citizen advisory committee to research and make recommendation on special issues or areas in order to carry out the duties of the citizen advisory committee. All subcommittees shall be reviewed on an annual basis by the advisory committees to determine continued need and realignment with the priorities of the citizen advisory committee.

- a. Except as approved by the County Manager, the majority of members of a subcommittee shall be Chatham County residents and other members should work or own a business in the county.
- b. Subcommittees are ad hoc and temporary in nature. Approved ad hoc subcommittees must have documented goals, deliverables, and a timeline, and the subcommittee will cease to meet when these are satisfied.
- c. Subcommittee Formation and Operation:
 - A subcommittee can be formed by the Chair of the advisory committee upon notification of the County Manager and the Chatham County Board of Commissioners.
 - Subcommittees shall operate as specified:
 - A member of the subcommittee shall take responsibility for assigning a note taker and for reporting to the full citizen advisory committee the subcommittee's progress toward its stated objectives, including dissenting view points.
 - Subcommittees shall operate by majority vote.
 - Subcommittees may request a technical representative, to be approved by the Chatham County Manager and any related Department Heads.
 - The MIS Department will support necessary and reasonable accommodations for subcommittee members, such as teleconferencing for someone who cannot physically attend due to disability. To make a request for special accommodations, notify the staff liaison or County Manager.
 - Subcommittees shall operate openly as defined by state laws and local policies.
 - Membership on subcommittees shall be voluntary (unpaid) unless policy dictates otherwise.

7. QUORUM

A quorum for a meeting of citizen advisory committees shall consist of one more than half the voting members, excluding vacant voting positions and members who are disqualified from voting due to a conflict of interest.

8. VOTING

Decisions are reached by a simple majority vote unless otherwise required by law. All voting will be conducted in open meetings, except when in closed session as defined in the North Carolina Open Meeting Law. No issues can be voted upon unless a quorum is present. Unless statutes specify otherwise, the following applies:

- a. Only appointed members can vote at advisory committee meetings. Appointed members shall not delegate their vote to another member.
- b. Advisory committee members and others voting members appointed by the Chatham County Board of Commissioners may vote at citizen advisory committee meetings.
- c. Committee members holding non-voting seats will not vote in any circumstances.
- d. The Chair of the advisory committee will vote on committee issues except in cases of conflicts of interest.
- e. Voting by proxy is not allowed.

9. AUTHORIZED REPRESENTATIVE

The chairs of advisory committees are the official representative of the committees during presentations or comments at public events, including meetings or hearings of the Board of Commissioners. The chairs may designate another committee member to fill this role if needed or also may ask the County Manager, staff liaison or a Department Head to do so.

10. CONFLICT OF INTEREST

During citizen advisory committee meetings, a member shall abstain from voting when he or she has a conflict of interest, as defined by Chatham County's Conflict of Interest Policy shown as Addendum C.

Members of the public or other committee members have the right to question the conflict of interest of any voting member. The citizen advisory committee Chair should consult with the County Attorney on any potential conflicts of interest.

11. COMPENSATION & TRAVEL

Voting members of the citizen advisory committee are not employees of Chatham County. Appointed advisory committee members shall receive no compensation or employee benefit for their services. Chatham County does not provide travel expenses without advance approval of the County Manager.

12. LIMITATION OF POWERS

Committees shall operate within the charge given by the Chatham County Board of Commissioners and in compliance with state statutes and county ordinances:

Nothing contained in this statement of policy and procedures shall be construed to be in conflict with any state law or Chatham County ordinance. Should there be an appearance of conflict, the appropriate state law or Chatham County ordinance shall prevail.

Neither the citizen advisory committee, nor any member thereof, shall:

- Incur County expense or obligate the County in any manner.
- Release any written or oral report of any board activity to any individual or body other than the Chatham County Board of Commissioners or the County Manager. Chatham County will issue any press releases related to any reports from the advisory committees, in consultation with the committee Chair.
- Independently investigate citizen complaints against a County department or an employee of the department.
- Conduct any activity that might constitute or be construed as an official governmental review of departmental or employee actions.
- Conduct any activity that might constitute or be construed as establishment of County or department policy.
- Violate the confidentiality of any information related to matters involving pending or forthcoming civil or criminal litigation.
-

Matters pertaining to discipline of advisory committee members will be the sole responsibility of the Chatham County Board of Commissioners and not the citizen advisory committee. The activities of the citizen advisory committee shall, at all times, be conducted in accordance with all federal, state, and local laws.

BOOKMOBILE

Commissioner Kost stated she had requested that this be placed on the Agenda, noting that at the retreat when they were discussing various budget aspects the Board had voted 4-1 to eliminate the Bookmobile but the next day had realized that the Bookmobile should be considered as a part of the overall budget and that they should not be making isolated budget decisions where they did not have priorities competing against other priorities. She had also heard feedback from the community that the community would try to raise about \$30,000, but the Board was only going to cut \$27,500 from the budget because they would be reallocating staff.

Linda Clark, Chatham County Library Director, stated that since that time circumstances had changed, noting that the staff that was to be reallocated would amount to \$22,000.

Commissioner Kost stated that the cost of the Bookmobile was \$42,000, but the amount they were going to cut from the budget was \$43,775. Renee Paschal, Assistant County Manager, stated that the greater portion of the materials on the Bookmobile were leased. The go away cost for supplies and materials was \$14,152, the go away cost for temporary salaries which meant reallocating the employee driving the Bookmobile and moving that person into one of the branches was \$22,000, savings in gasoline was about \$2,600, the telephone/Internet connection was \$840, and social security tax was \$1,683. She stated that totaled \$45,248.

Chairman Bock stated that if the money was going to be raised privately and the Bookmobile run separately, they would need \$45,248. Ms. Paschal said if they were going to offset the cut that was going to be made, the answer was yes. Chairman Bock said he was not

just saying to offset the cuts; he was saying for someone to run the Bookmobile they would need about \$45,000.

Commissioner Kost stated that they had not explored any options; it was just to cut the Bookmobile from the budget. They had not explored alternating the schedule and they had not talked about any of the branch libraries or any of the materials that had been provided to the Board. She supported all three branches and believed that two additional branches were needed in the County. The northeast was paying for the other branches because 54% of the tax base was there but there was no library. She would like to see the Board make the decision today not to eliminate the Bookmobile and to have it included in the budget, noting that the 5% was simply a guideline and not a mandate, and if the majority of the Board did not agree then at least they would share the cost on a 50/50 basis. They were under-serving people, and they had heard from many people who had provided information since the retreat several months ago. With that additional information the Board perhaps now better understood that this was not just a book delivery service for the northeast but was truly a community asset that they should keep.

Commissioner Petty moved to create a lease document that would be used to allow any group who wanted to raise the funds needed to operate and maintain the Bookmobile on a yearly basis to do so, with the approximate funds needed estimated at \$45,000. Narrative follows:

Commissioner Petty moved to provide the group that is trying to raise the money to construct a program to lease that vehicle and to let them provide the service; and they can fund it how they would like to and continue to provide the service. He did not think they needed to try to split the fees of what can be raised with County money to try to provide this service. He would rather see the County provide that vehicle to a group for a lease at a fair market value, agreeable by the group, but at a minimal cost so that they can continue to provide services in that area with the dollars that they raise. If they have the opportunity to do that and want to do that and have people that have the resources to do that, they can. This is one area that we are trying to allow staff to make these decisions. This came to surface several years ago, was returned again after some discussion, and we are finding ourselves in the same place today as we were with the previous Board, and he feels that the solution to the problem is to allow it to be funded privately and lease the vehicle to that group. He stated that we have on the schedule a library in the Briar Chapel area.

Commissioner Cross stated that Briar Chapel agreed to provide land when the County was ready to build a library there and they offered, at one point, to build a library annex and lease it to the County. A lot of the Briar Chapel management had changed since the original agreement and he was uncertain if that was written into the agreement that they would build and lease it to the County, but their providing the land was written in.

Commissioner Petty stated that that would be a long-term solution to the problem, but in the interim they could still address the book needs there with the people who wanted to fund it, with the County providing the vehicle.

Commissioner Kost stated there was an equity issue here, noting that that was easy for Commissioner Petty to say because where he lived there were two libraries at equal distances. When you looked at the distance for the northeast area to Pittsboro or to any other branch library it was a long way. If the issue was that they just did not like the Bookmobile, then she would suggest renting some space in Cole Park and put in a branch library. It was an equity issue, and she did not believe it was fair to have a higher level of service in one part of the County than in another, especially a library that was used by so many people in the community. The Bookmobile was considered a branch library, and they had not even considered some other option such as modifying the hours for Siler City or Goldston but had only considered putting the Bookmobile on the cutting block and not looking at any other options. She did not believe that was good public policy.

Chairman Bock stated that they had not just put the Bookmobile on the chopping block; they had said they were going to reduce spending in the County. They had then said they did not want to micromanage their department heads, and had given each department head a target reduction and had left it up to them how best to meet that challenge. He congratulated Ms. Clark for coming up with a program that serviced every single segment of the County population with that branch library. They had buses from Carolina Meadows that transported their residents to the library, and they had Head Start buses taking children to the library for the programs offered

there. He agreed that the Bookmobile was a very convenient service and understood why people did not want to lose it, but they could not go to every single department head after they had told them to cut and then begin second guessing those decisions because it was a pet project of someone on the County Board.

Commissioner Kost took exception to the comment about the Bookmobile being a pet project of someone on the Board. The Chair had told the Board of Education not to impact the classroom, and he should have told staff not to impact direct services to citizens but to look for administrative costs that could be reduced. To her that was double talk. The Chair had told the Board of Education one thing and then the Board was doing another. As far as the Bookmobile being a pet project, a year ago she had thought the Bookmobile should be cut as well. But, she had then visited and talked with the community and had determined that it was a valuable service to the community. It was not a pet project, and she really resented the Chair calling it her pet project.

Chairman Bock added that it was a great service, but they had to reduce spending. They had asked the department heads to come up with the best way to use their budgets for their services, so when they looked at the underserved population that the Bookmobile served there were ways it could be done. There were some people who could not get to the Pittsboro library for whatever reason, and he had been told by the Friends of the Library that they would work on volunteer programs to deliver those books to those residents. For instance, residents at Fearington could still order their books and they could be delivered by volunteers without the Bookmobile.

Chairman Bock stated that the Bookmobile was not a branch library. The community had made a conscious effort to build a state-of-the-art, LEED certified, beautiful library in Pittsboro and that was to serve the entire community. They had spent \$7 million to build that building with operating costs close to a \$1 million a year. They could have, as a community, made the choice to build a bunch of smaller branch libraries that provided no services other than books and they could have done that for less money. But, they had decided to have the larger facility in Pittsboro, and you could not have both. There was a trade-off with every single decision.

Commissioner Kost stated that they did have both, noting the Siler City branch and the Goldston branch. So, if they were just going to say they had the one great library in Pittsboro that everyone should use, then they should close the Siler City and Goldston branches.

Chairman Bock stated or, they look at the central library as a step of eventually building more branch libraries, but they could not do that all at once. The decision was made to build the Pittsboro library and they should be directing people to use that library and for those few that could not, they could provide some other means. They could not take every single department and go line by line and begin second guessing their department heads.

Commissioner Kost stated that the 5% cut was a guideline; they had not said at the retreat that the Board would cut every department other than public safety and education by 5%. What they had said was for the department heads to build their budgets around the 5% guideline. The Board was the policy makers, not the Library Director, as far as whether to continue the Bookmobile or not. The Board could make the decision to fund the Bookmobile and not cut the Library budget.

Chairman Bock stated the Board could do that with every department and then they would be right back to not reducing spending.

Commissioner Kost stated they had already reduced spending by about \$2 million.

Chairman Bock stated that was only a start.

Commissioner Kost stated that the Bookmobile was a direct service to citizens in the community, and asked why they were looking at cutting direct services as opposed to looking at cutting administrative costs.

Commissioner Petty stated that a lot of the services would have to be looked at very closely by all the departments, and that was the reason they were allowing the department heads to make the decision based on priorities to reach a 5% reduction.

Commissioner Kost asked how they had determined they needed a 5% reduction, noting they had not talked about the growth in the tax base or sales tax. It was the first retreat she had ever been to in her professional career that they had not talked about those things. All they had talked about was cuts and not about what their fiscal position was or how they were doing in the current year.

Commissioner Petty stated the growth in the tax base was based on estimates, not actual, and you could not work with what you did not have.

Commissioner Kost stated you could estimate it fairly well.

Chairman Bock stated even if they did, with everything they had approved and were getting ready to approve in the CIP, including the new elementary school, they would have to raise taxes by about 7 cents which was a fairly large percentage of their property tax. Now that they knew that, why would they want to wait until three, two or even one year from now and then raise property taxes when they knew they could avoid that by reducing spending now?

Commissioner Kost asked what rate of growth he had determined to reach that 7 cents. Ms. Paschal responded they had used a 2.5% increase in the property taxes. Commissioner Kost asked what had been their average growth over the last seven years. Ms. Paschal stated it had been much higher than that, but it had been about that in the last two years. Commissioner Kost stated she had thought it was over 3%. She asked what was being projected for next year. Ms. Paschal responded about 2.5%. Commissioner Kost asked where they were this year, noting that was all information that was needed before they even began talking about cutting the Bookmobile. They should have been talking about all of that as a Board.

Chairman Bock stated that they could make up any number but it did not matter until it actually happened. What they did know was that they had about \$7 million in operating costs that would have to be covered in addition to what they were doing now in the budget over the next five years. They knew that number because it was built in.

Commissioner Kost reminded the Board that with the assessments based on January 1, 2011 they knew what their real property tax would be, except for discoveries and motor vehicles.

Chairman Bock stated they also knew that property taxes would have a revaluation in a couple of years, and his guess was that those revaluations would be less than what they were at the last revaluation.

Commissioner Kost stated then they would adjust the taxes.

Chairman Bock stated they would have to agree to disagree.

Commissioner Kost agreed, but stated that she believed as a Board they were hypocrites. They had told the school system to protect the classroom yet when giving guidance to staff they had not told them to protect the citizens and the direct services or to target administration. To her, that was doubletalk.

Commissioner Kost moved to fund the Bookmobile.

Commissioner Petty stated there was already a motion on the floor to lease the Bookmobile to the group that was attempting to raise the funds to fund it.

Commissioner Stewart seconded Commissioner Petty's motion.

Chairman Bock stated he believed that the Abundance Foundation was attempting to raise those funds.

Commissioner Stewart asked if they had factored in the potential increase in the fuel costs over time in that number. Ms. Paschal responded no, noting she would have to adjust all gasoline and diesel costs. The departments had submitted their estimates based on a formula she had provided to them in February, but that estimate would have to be adjusted so she could not provide a number at present.

Commissioner Kost stated she had requested earlier that the vehicle not return to Siler City at night but remain in Pittsboro, and asked had that been done. Ms. Clark replied they had no place to park it at the library. Commissioner Kost stated it would not have to be parked at the new library, that there were plenty of places to park a vehicle in Pittsboro so that the County was not paying the commuting costs between Siler City and Pittsboro. That had been requested last year so she was surprised that had not been done.

Ann Granith stated that it was interesting that all the day care centers were mostly in Siler City, so the Bookmobile was not just serving the northeast sector; it was serving at least five day care centers in Siler City. As well, the circulation and the patronage was almost exactly like Goldston, in that Goldston had perhaps 350 people in town and 8,000 in the area, whereas the area that the Bookmobile served was 20,000 people which was one-third of their population. The Bookmobile had about 600 to 700 patrons per month, and just under 10,000 circulation. That was something that should be considered.

Ms. Clark stated that the Bookmobile was not the only thing being considered with the 5% cut, and the other branches including Goldston and Siler City would also experience cuts further explaining that the cuts would not be localized to just one area.

Commissioner Stewart asked who the target group was for the new library. When the library was discussed and built, the discussion was about it being state-of-the-art and LEED certified. She asked had they not considered the fact that if they had spent less money on that one, they could have had others. Was the idea that if they did that one grand building that the people that were living in some of the areas being served by the Bookmobile such as Cole Park, Ferrington, Carolina Meadows and others would not need the Bookmobile but would come to the library.

Commissioner Kost stated that the County was over 700 square miles and the northeast was being underserved in terms of library services. They really should be having the discussion that yes, they could eliminate the Bookmobile and do what they really should have been doing and that was to put a branch library in the northeast section of the County. They had citizens in the community that did use the Bookmobile but also used the Chapel Hill library and the Cary library because the new library was so far away, and she did not believe that was right because they paid taxes just as everyone else did.

Randy Voller, Mayor of Pittsboro, stated that the concept of the new library was that it would work with the community college system, Siler City, and Pittsboro in order to have a joint use to provide broadband for people all over the County. When you talked about the library and the investment you had to put it in the context of all the work that people did with the community college system.

Commissioner Cross stated at the same time that that discussion was talking place the economy was good and there were plans to have an annex library at Briar Chapel. He believed that plan was still good but the money is not there to do it now.

Chairman Bock stated he believed that was a separate discussion from this year's budget reductions.

Commissioner Kost stated it was a separate discussion, but in the interim the Bookmobile provided that service. They were all saying they probably needed to look at the needs of the northeast, which she believed they should, so why not just continue the Bookmobile until they were in a position that they would provide a higher level of service for citizens. To her, the Bookmobile was the compromise, in that it was something that was better than nothing.

Commissioner Stewart stated Commissioner Kost had mentioned how large the County was and she kept making assumptions that that the northeast part of the County was the area that was so underserved. But, there were a lot of other areas in the south and the west that were remote and whose residents could not get access to a lot of things that others did have. What did they get for their taxes? That could be asked of anyone, not just those in the northeast. If you thought about it and put it in perspective, she paid the same rate in taxes that everyone else paid on their home, so to say that someone else paid more than she did was not correct. The

difference was the property and where it was located. If you asked anyone in the County they would likely say they felt they were being underserved in some way.

Commissioner Stewart said the issue now was how to get spending under control. They knew they would be losing revenue, they knew that there was much funding being cut at the federal and State level, and they knew that the schools were losing funding and they wanted more money from the County. They could not continue every single year to increase property taxes, so they needed to make some hard decisions and begin looking ahead and trying to plan for some things when times were better. They could not continue to spend money and continue to raise taxes to fund that spending. The decisions that the Board made did not just affect the residents in the northeast; they affected every single person in the County and that was what she had to consider. She would very much like to be able to provide everything that was needed and raise the taxes accordingly, but realistically that was not a possibility.

Commissioner Kost stated all she was saying was that she believed they should be looking at the administration costs as opposed to looking at direct services. The only reason she had focused on the northeast was because that was where 54% of the tax base was located and because the west, Siler City and Goldston, had two libraries and the northeast as well as the southeast had zero.

Commissioner Petty stated if you did not live in Goldston or Siler City, then the majority of the people outside the city limits had to drive 10 to 15 miles to even use those libraries.

Chairman Bock stated he needed to address the statement that 54% of the tax base came from the northeast. He lived in the northeast, but as Commissioner Stewart had pointed out they all paid the same tax rate. As a matter of fact, they actually paid a lower rate than some because by the time you added the different fire department overlay taxes on that the people in Pittsboro and Goldston were paying a lot higher tax rate. Of course, they got a higher percentage of the total from the northeast because that was where their population was. He believed that was somewhat of a false argument because they were not paying more and were not paying a higher percentage.

Commissioner Kost stated the values were higher in the east than they were in the west, so they were paying more.

Chairman Bock stated that was a choice, in that they all made a choice of where to live and there were tradeoffs. You got a better police response time in Governor's Club or Briar Chapel than you did in Amberly or Bear Creek. When people made that choice of where to live there were things to consider, so he did not necessarily believe Commissioner Kost's argument was a good one.

Commissioner Petty stated it all came back to the fact that they had asked the department heads to present the Board a budget and prioritize all functions that allowed for a 5% reduction. They had to trust their department heads to provide what had been asked for, because the Board could not micromanage every detail of every budget line item for the entire County.

Commissioner Kost reiterated that that was a policy decision.

Chairman Bock stated it was a policy decision, and they had a motion on the floor that had been seconded and there had been discussion. He asked the County Attorney if the Board could make a motion when they were not sure that there was actually a group that was willing to operate the Bookmobile. Jep Rose, County Attorney, stated they could make that motion if what they were looking for was a private entity to operate the Bookmobile.

Commissioner Kost stated they could do that for the other two branches as well.

Chairman Bock responded perhaps. Ms. Paschal stated she now had some numbers that the Board had asked about earlier. She stated that the operating costs of the new library with debt service was about \$1.1 million, and the property tax growth last year was about 2.3%. The projection for this year which had not yet been finalized was about 2.4%.

Commissioner Petty stated the motion on the floor would continue to offer the service if some group was willing to do it, and it also addressed the need for a reduction in department

costs. He believed it was the best solution to address the issues they were facing. They could not wait until they got in a bind and be reactive; they needed to be proactive in where they were headed with their current economic situation and be proactive in what they saw coming in the future.

Commissioner Kost stated she was trying to be responsive to the community needs.

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

Commissioner Cross stated that the reason he had voted Aye on that motion was because he saw it as offering only two options; to either make that offer to a private group to operate the Bookmobile or to not have a Bookmobile at all. He emphasized he was not voting against the Bookmobile.

Commissioner Stewart stated she did not believe any of the Board wanted to get rid of the Bookmobile. Rather, they were searching for an alternative so that expenses could be reduced. They did not want to reduce the services being provided to citizens, but during this economic climate they had to find a better way.

SPROTT CENTER

Commissioner Cross stated he was asking for Board consensus on the process he was proposing, which was approval for the Sprott Youth Center Board of Directors to contract with Patrick Barnes, providing that the funding of \$500,000 was received from the Western Wake Partners for the wastewater pipeline and that the restrictions were removed from the contract. Mr. Barnes was a former County Commissioner and a NC Licensed Contractor with 45 years experience, and he has offered his services at no charge to the Sprott Youth Center for renovations to the Center. Out of the \$450,000 they hoped to spend on that Center, the \$81,000 that would have been paid to a contractor would in fact be put back into the building, so Mr. Barnes' offer was a very generous one. Full architectural services would likely not be required as Hobbs Architects had offered to provide services, so the amount estimated to have been \$25,000 for architectural services would also be applied back into the renovations.

Commissioner Cross stated that \$50,000 would be held by the Sprott Youth Center Board of Directors for start-up funding, and that County funds would be provided in increments to the Sprott Youth Center Board of Directors. Mr. Barnes would contract subcontractors and architectural services as required and provide monthly billings to the Sprott Youth Center Treasurer for payment. He, as liaison to the Sprott Youth Center, would provide copies of billings, payments and subcontractor lean waivers to Chatham County for accounting of funds versus work performed and to request further funding. What he wanted today was a consensus from the Board that this method was in place and the money was available.

Chairman Bock asked were there any legal issues with that. Mr. Rose stated that the County would not be contracted with the Sprott Youth Center and the County would not control the contractor in that the Center could contract with whomever they choose. Chairman Brock stated then there were no concerns that the County was not bidding the project or the subcontractors. Mr. Rose replied it would be the Sprott Youth Center's Board of Director's project.

Commissioner Cross stated another problem with bidding a rehab project was that the bids would come in so high that the only way to really do this project was at cost plus. They did not yet know what they would get into with an older building so it would be difficult to refine a bid to cover eventualities. But, that would just cost more money.

Chairman Bock stated as long as there were no legal issues he saw no problem. But, he commented it might create some negative PR issues.

Commissioner Cross stated he expected the County would get some very positive PR out of this project.

By consensus, the Board agreed to the proposed process providing the funding from the Western Wake Partners pipeline (\$500,000) to Chatham County and approve the Sprott Youth

Center Board of Directors to contract with Patrick Barnes as general contractor who has offered his services at no charge; \$50,000 would be held by the Sprott Youth Center Board of Directors for start-up funding; Chatham County funds would be provided in increments to the Sprott Youth Center Board of Directors; Patrick Barnes would contract subs and architect services as required and provide monthly billings to Sprott Youth Center Treasurer for payment; Commissioner Cross, liaison to Sprott Youth Center, would provide copies of billings, payments and subcontractor lean waivers to Chatham County for accounting of funds versus work performed and to request further funding.

BREAK

The Chairman called for a short break.

Chairman Bock offered his apologies to Commissioner Kost, noting that during the Bookmobile discussion he had referred to it as one of her pet projects. He noted that statement was somewhat out of line and he apologized for that. Commissioner Kost thanked him and accepted the apology.

WATER AVAILABILITY FEE DISCUSSION

Commissioner Cross stated he had sent out an email regarding water availability fees for RV parks, and wanted to read that for the record. The Dickens Mobile Home Camper Park in Moncure currently had 105 sites, and Mr. Dickens was applying for a Revised Conditional Use Permit to add 105 more sites and amenities. The estimated \$80,000 water availability fee which was based on the lower of the two scales they would normally use was a severe problem for him. He had begun his park with one meter in the 1980's which was \$750 and a meter he had purchased in 2000 was estimated at \$1,000 to \$1,500. To jump from those two figures to \$80,000 was prohibitive.

Commissioner Cross stated that the RV Park was not a normal residential area, noting that developers had the option to pass their fees to the homebuyers and when schools were built the taxpayers paid for that water fee. Mr. Dickens had no such help with that fee. The reason the Park was so important to the community was because it provided temporary affordable housing facilities for hundreds of technically skilled contract workers who supported the operations of Chatham County-Moncure industries of which there were nine. According to the EDC there were other cluster industries interested in joining Uniboard and the glue company and the plywood plant, and those workers would also need those affordable housing arrangements. For example, the Shearon Harris Plant brought in 450 to 500 workers every 18 months when there was a shutdown, and that would occur again in April of next year. Uniboard had approximately 250 workers last year working on their plant, and there were other plants that brought in workers as well. Obviously not all of them stayed in Chatham and the County lost money because of that. These were cyclical events when plants needed to shut down in order to perform service, and the average work periods ranged anywhere from two weeks to six months, so the average occupancy of the RV Park currently was 30% to 35%.

Commissioner Cross stated that the workers brought in a lot of dollars for the four local gas stations, stores and the grill in Moncure, and it was a big boost to the tax base as well. Without some help Mr. Dickens would have to move his proposed park addition back 500 feet from the County's water transmission line and hope that he could drill wells to support it. He would also lose the desired use of his road front property. It was common to see fire hydrants open for days around the industrial area, in that there was not enough customer use to keep water flowing and clear of bacteria. The County likely pumped more water onto the ground in a year than the RV Park could use. Chatham County had already paid to clean the water or purchased it from Sanford, and it was a shame to pump that water onto the ground when they could be selling it to Mr. Dickens while improving their water transmission flow, preventing bacteria, and lowering their need for water dumping.

Commissioner Cross stated that RV parks were not normal residential development, with only five in Chatham County. He asked that the Board make a special provision for water hookups for RV/camper parks and suggested that that be a commercial meter at a fee of \$7,000, and if Mr. Dickens needed two then it would be \$14,000. They needed to have such places for use by the industries they were trying to attract to Chatham County, and did not know of anyone that would be able to pay the fees in the way they were structured now. In 2005 the fee structure

had changed, and if the County used the higher scale which was the State recommended method the fee would be far higher than the \$80,000, in fact about three times higher. No individual trying to operate an RV park could pay those kinds of availability fees and continue to do business. In every other situation he had thought of those fees were either written off or paid by the taxpayers. He was asking that the Board consider an exception for RV parks in the County so that it was fair to all.

Commissioner Cross stated that Mr. Dickens kept his park clean and experienced very few issues associated with the residents. He was a former farmer and had chosen this method of making a living, and he would like the Board to find a way to help him out since he was providing a service to the community by providing housing for industry workers.

Commissioner Petty asked how they had gotten to that \$80,000 fee. David Hughes, Public Works Director, stated that the attachment to the agenda item contained a chart which showed how the fee was calculated. On the original calculation they had used the DENR numbers which included the different water amounts certain types of development used. RV parks with individual hookups were calculated at 100 gallons per day. If you multiplied that out by 100 lots it totaled 300,000 gallons per month, which was then divided by 5,000 gallons which was the typically usage for a house which then gave you a multiplier of 60. That 60 was then multiplied by \$3,500 for an individual house.

Chairman Bock stated then the second calculation fee was based on actual water usage. Mr. Hughes stated it was based on their maximum month over their whole history, and then the same basic calculation was made. They had averaged it out into an average per lot, and that had driven the number way down over the DENR numbers. The highest month may have been a result of when Shearon Harris was having a change-out and the RV Park was full.

Commissioner Kost stated this was part of an overall bigger problem the Board had discussed last year when they were looking at a sliding scale based on size. They had looked at the square footage because at present they were charging a flat fee for a person in a mobile home versus a person constructing a mansion. This fell into the same kind of problem, because the water usage would be much less for an RV than for a three-bedroom house. Mr. Hughes stated it was based on the RV Park's actual use in their maximum month and not an estimated use. The availability fees or impact fees were there to replace the capacity that was lost when someone came in and did the construction, just as with a house.

Commissioner Cross stated but, the water that they were dumping on the ground that was already paid for also carried a cost. The figure of daily maximum usage at 30% or 35% occupancy was much less than at 100% occupancy, and although he agreed with what Mr. Hughes had said he did not believe it was fair for an RV park, especially using the idea that the RV Park had taken a chunk of capacity from the plant and had to replace it. They were putting that water on the ground which was already paid for.

Chairman Bock stated that Commissioner Cross had mentioned that since this was an RV park you could not really pass it own to the residents as a builder would do. Could that fee not be passed on to the people who were renting space in the park, just as you would in an apartment? Mr. Hughes stated it would have to be amortized into the rent for each lot.

Chairman Bock asked how would they figure the fee for Galloway Ridge? Mr. Hughes stated they used the same formula at \$3,500 per apartment.

Commissioner Cross stated but the builder was getting that back. Mr. Hughes agreed the builder would get that back over time.

Chairman Bock stated he understood Commissioner Cross's point in that they wanted to make it easier for people to do business, but on the other hand he did not know how they could carve out one from another. If they were charging too much, that was another issue and they could change the rate being charged for everyone. If there was a way to charge it over time, perhaps that was another option. But, he believed they may run into problems by making an exception for an RV park, because the owner could charge that through the rent on each lot.

Mr. Rose stated they could have a special rate for RV parks, but it would have to be designed and defined specifically for an RV park, in that it would be a vehicle that was mobile

that would not remain in place for more than a specific amount of time. They could make a rate structure in that way if that was what the Board chose to do.

Chairman Bock asked how long did the RV's remain in the park.

Commissioner Cross stated the longest stay was normally six months, which was the longest work cycle they had experienced to date. Mr. Hughes commented that the County's former Utility Director had rented space in that park for five years. Commissioner Cross commented he was the exception, and there were very few of those. Mr. Hughes agreed, but said there was no rule that said an RV had to leave after six months.

Mr. Rose stated there could be an enforcement problem.

Commissioner Kost asked if there were permanent residents in that park. Mr. Hughes said he believed that five years would count as a semi-permanent resident.

Chairman Bock commented that was the problem.

Commissioner Cross stated that with 35% occupancy with all the different plant workers that were using the park it would be difficult to make that kind of money back in rent when the majority of the lots were vacant more often than full. It was very much like a resort-type business where at particular times of the year the occupancy was much greater, which was why Mr. Dickens was requesting more lots so that he could make enough of a living while the customers were there.

Chairman Bock stated going to the point about water being flushed onto the ground so why not make something rather than nothing, could that not be an argument almost everywhere? Mr. Hughes stated when you got towards the end of a line and you had to maintain a certain amount of disinfectant, then you had to put water on the ground in order to carry fresher water into the line. Chairman Bock asked would they realistically be reducing the amount that would be flushed on the ground by adding 105 lots to the RV park. Mr. Hughes said it was cyclical, in that when the lot was full they would, but when it was not they were back where they started and flushing water on the ground.

Commissioner Kost stated that actually supported the larger availability fee.

Chairman Bock agreed. Mr. Hughes stated it was just another cost of doing business, and although flushing the water looked bad it was much better than having poor water quality.

Commissioner Petty asked if Commissioner Cross was asking the Board to do something that would be temporary that they would go back and change later.

Commissioner Cross stated he was talking about doing something for people like Mr. Dickens who wanted to build a business out of a farm so he could make a living for his family. The County was trying to charge him \$80,000 and he could not do that even if he could recoup the fee over time through his park rent.

Chairman Bock stated then the only real option would be what Commissioner Cross was recommending, which was to make an exception.

Commissioner Cross stated he would want the Board to also consider that there was a lot of money spent in the stores in that area by the residents of that RV Park, some of which came to the County. There was a lot of gasoline being purchased as well as adult beverages and food. They encouraged the plants to come to the County so that it would increase the tax base and they did everything possible including cutting their property taxes to get them here, but it appeared they could not help someone get a business going to support what the plants needed to remain operational. They could not keep the plants running without those workers. All in all, this was an economic development issue.

Chairman Bock asked if a restaurant were to open with a 50-seat capacity, would they base the water rate on the seats. Mr. Hughes replied yes, at a rate of 40 gallons per seat. Then it would be multiplied out using the same calculation he had explained earlier. Chairman Bock asked for a restaurant of 50 seats, what would the rate be? Mr. Hughes replied about \$14,000.

Commissioner Kost stated if it were a bar, the rate would be 20 gallons per seat.

Chairman Bock stated that he believed what Commissioner Cross was suggesting was that they create a separate category for RV parks and that rather than a scale to make the rate a flat rate at \$7,000 per meter, and Mr. Dickens would need two meters.

Commissioner Cross stated he may need two meters but that had not yet been determined.

Chairman Bock asked how the \$7,000 was determined. Mr. Hughes said that was the cost of a one-inch meter, and he believed Mr. Dickens would need two.

Commissioner Cross said \$14,000 was still a lot of money.

Commissioner Petty agreed, plus he would have to pay for the water usage itself. Mr. Hughes said that was correct.

Commissioner Kost stated she believed this was a slippery slope. She was certainly sympathetic, but there was a cost to providing water. They needed to look at the entire issue holistically, noting she was not comfortable just charging for the meters because there was a cost associated with providing water.

Commissioner Petty asked if that cost of providing water was built into the cost per gallon that someone paid.

Commissioner Kost replied no, because that was what the availability fee was for; that is, to pay for the operational costs of the plant. Commissioner Kost stated she did not believe the Board could make policy decisions based on individual cases.

Commissioner Cross stated he had been serious when he said this was an economic development issue, noting the County gave all kinds of breaks to industries to come to the County so that they could increase the tax base. Mr. Dickens would be paying taxes and buying water, so what was different?

Chairman Bock asked was there a formula that could be arrived at that showed the cost of the meter and then the impact fee for an RV park that would be different than a fixed building. Mr. Hughes stated the cost of the meter was actually the cost of the water you could put to that meter, and not the cost of the meter per se. He agreed that if the Board was going to look at the impact fee it would need to be done more holistically, noting a piece of that was the residential aspect that had been discussed previously.

Commissioner Stewart stated that an RV park offered a temporary home, and they were not comparing apples to apples in a sense because you did not charge an impact fee for parking in an RV park as you would if someone were to build a house or permanently park a mobile home. She said she believed they were charging an impact fee each time someone set up in a mobile home park or each time someone built a home, and that \$3,500 fee mentioned earlier was applied to each individual home. Mr. Hughes stated they had looked at the actual usage of the RV Park on its maximum day, and when you designed and built a water plant you had to design and build it to the maximum usage on a particular day and not on the average usage over time.

Commissioner Kost stated on the chart Mr. Hughes had provided it noted that an RV park was 75 gallons per day, but Mr. Dickens RV park was 36 gallons per day so they had adjusted for the use. For hotels, it was 120 gallons per room but those rooms were many times vacant.

Chairman Bock stated that was a good point. Mr. Hughes stated that most places had a provision that if a customer could prove their use; that is, prove the actual water usage over time, then most jurisdictions would adjust their impact fee based on that proven rate. But, the standard baseline gave you a place to start and many places did not keep a record of what the usage was.

Commissioner Kost asked if this was an EDC project, would it be able to get any kind of County incentives. Jeffrey Starkweather, a member of the EDC, stated that EDC incentives are

based on job production and retention and monetary investment. Because of these guidelines, this request would not meet the criteria and therefore does not qualify.

Commissioner Petty stated even if they considered the RV Park as a work camp, it would still be 60 gallons and the actual usage was less than that. Mr. Hughes stated if they could produce a record of water usage and justify a more accurate calculation, then he would be glad to use that. The same thing had been done with the schools, noting the DENR regulations called for a much higher calculation but when they had looked at the actual water usage for a number of schools the actual gallons used had been much lower, so they had cut the fee in half.

Commissioner Petty stated that the impact fee could be built into the rental fee for the camp site.

Commissioner Cross stated that was paid by the Park Service, which in effect was taxpayer dollars.

Commissioner Cross moved to support a commercial availability fee for a one-inch meter at a fee of \$7,000 per meter, to be paid in increments as needed, and that it be applied to all recreational vehicle parks. Chairman Bock seconded the motion.

Commissioner Kost stated she believed they needed to take a more holistic approach and that was why she would vote against the motion.

Chairman Bock stated he would vote against the motion as well even though he wanted to vote in favor, noting he believed they needed to look at it holistically. He stated that at least one Commissioner had not voted. Mr. Rose remarked that not voting was considered to be an "Aye" vote.

Commissioner Petty stated in that case, his vote would be no.

Chairman Bock called the question. The motion failed two (2) to three (3) with Commissioners Bock, Kost, and Petty opposing.

Chairman Bock stated he would like to find some option to help Mr. Dickens, but he did not know what that might be. He asked that they not let the issue fall off the radar.

Commissioner Cross stated Mr. Dickens' application was filed last week, and asked could the Board consider some options fairly soon.

Chairman Bock asked Mr. Hughes was there any possibility of finding some other option, and was it worth his time to try to do that. Mr. Hughes stated he would look into it.

Commissioner Cross stated for the record that he wanted it known that he and Mr. Hughes were not at odds on this issue, and that Mr. Hughes was only doing his job just as he was supposed to do, and he was trying to do his in the same manner.

Commissioner Petty stated he wanted to bring up another issue. They had had a similar situation involving the Fire Service and a need for meters at the new facility. Their water usage would be minimal, noting they filled the trucks from a different hydrant and the water they needed was just for the facility itself which was a minimal amount because it was not fully staffed. They had asked if there was some alternative the Board could provide for the Fire Service, and he wondered how the Board felt about that. Mr. Hughes stated their calculation would be a straight \$7,000 for a one-inch meter.

Chairman Bock asked was there any appeal to that fee. He assumed that \$7,000 was the least that could be charged. Mr. Hughes stated that was correct, and there was no formula to do anything less based on how the policy was written and approved in 2005. Chairman Bock stated then they needed to look at the policy.

Commissioner Kost stated they did need to look at the policy but they also needed to look at the timing issue and the fees. Looking long term they needed to do some projections and make sure that they would be ready when it came time to build a regional plant, because it would not be fair to tax the entire County for a service that only provided service to a part of the County. Mr. Hughes stated when the plant was built it would cost a substantial amount of

money because it would include an intake as well as the plant. Commissioner Kost stated they needed to be positioning themselves to be ready to do that. If they eroded the availability fee then they would not be in that position.

Commissioner Cross stated if Mr. Dickens did not have access to the water then he would have to drill wells for the new portion of the RV Park. He asked could the Board make some provisions so that he did not have to back up 500 feet from the water line but put the new sites where he wanted them, and then drill his wells. Mr. Hughes stated if you were a certain distance from the water line then you were required to tap on, noting that was critical to the County in maintaining its system.

Mr. Rose cautioned that they needed to stay away from changing that policy. Mr. Rose stated it was better to find some other alternative under a different category.

Chairman Bock noted that the discussion on the American Tobacco Trail would be moved to the regular meeting so that the Board could enter into Closed Session at this point.

CLOSED SESSION

Commissioner Stewart moved, seconded by Commissioner Petty, to go out of Regular Session and convene in Closed Session for the purpose of discussing property acquisition. The motion carried five (5) to zero (0).

WORK SESSION

Commissioner Kost moved, seconded by Commissioner Petty, to adjourn the Closed Session and reconvene in Work Session. The motion carried five (5) to zero (0).

ADJOURNMENT

Commissioner Kost moved, seconded by Commissioner Cross, to adjourn the meeting. The motion carried five (5) to zero (0), and the meeting adjourned at 5:02 PM.

Brian Bock, Chairman

ATTEST:

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