

MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
WORK SESSION
MAY 21, 2007

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Council on Aging, 365 North Highway #87, located in Pittsboro, North Carolina, at 2:00 PM on May 21, 2007.

Present: Chairman Carl Thompson; Vice Chair, George Lucier; Commissioners Patrick Barnes, Mike Cross, and Tom Vanderbeck; County Manager, Charlie Horne; Interim County Attorney, Jep Rose; Assistant County Manager, Renee Paschal; and Clerk to the Board, Sandra B. Sublett

The meeting was called to order by the Chairman at 2:04 PM.

Work Session

- Judicial Facility Presentation
- Chatham County Cost of Community Services Study by Mitch Renkow
- Redistricting Discussion
- Zoning in Chatham County Discussion
- Siler City CCCC Building Architect Presentation
- Human Relations

JUDICIAL FACILITY

Charlie Horne, County Manager, provided a brief overview of the capital facilities project for the Chatham County Justice Facilities Expansion. He stated that as of last week, there was \$14 million dedicated to this project, and that the latest design and construction estimates indicated that about \$10 million needed to be added to that.

Ken Redfoot, with Corley Redfoot Zack, Inc. Architects Engineers Planners, provided an update of where they were in the design process using a PowerPoint presentation. He provided a project process schedule that began in November 2006, noting that they had met with each department scheduled to be placed in the facility to look at current and projected needs to develop a space program. He stated that the Design Committee had toured courthouses in other counties, and then described the Design Committee meetings. He noted that had brought them to the day’s presentation. Mr. Redfoot called attention to the list of project participants and described the justice facilities toured and those researched by the Design Committee.

Allen Baddour, Superior Court Judge, stated that his work was in Orange County, Alamance County, Chatham County and Union County among others, and that he had done in-depth research into those facilities and talked with staff to see how well the facilities were working.

David Taylor, with Corley Redfoot Zack, provided some background information on his firm and its experience with various projects in design techniques, stormwater management, erosion and sedimentation control, energy efficiency and Green Building techniques, and others.

Judge Baddour stated that when looking at what they wanted to see in a Chatham County facility, the things that were identified as paramount were the need to safely and efficiently serve the community, the criminal courts be efficient in their use of time by participants, particularly law enforcement, that the high-volume traffic court be well designed and the system well run, that the civil and juvenile courts keep social workers and other participants at work instead of in court, and that jurors and other visitors to the courthouse be provided with accessible, comfortable, and convenient facilities.

Judge Baddour briefly discussed the different types of court, which were civil or criminal, district, and superior court. He provided information on the types of cases each court

handled and the percentage of cases filed compared to population handled by the courts, which in 2005 was 28%. He stated that many cases carried over several years, placing a strain on court facilities and briefly described populations and total cases in other North Carolina counties as compared to Chatham County. Judge Baddour stated that they proposed to put all court facilities under one long-term roof in order to provide more efficient court services to the County, provided figures on the estimated population growth for Chatham County through 2025, and explained how that was estimated to affect the number of cases filed and handled by the court system.

Mr. Redfoot stated that it was easy to see the upward tracking of case loads handled by the courts and the need for this particular facility at its proposed size. He stated they had met with representatives of each office to determine their needs and that programming was turned into a spatial diagram to highlight those areas in need of special treatment needed for safety as well as for accessibility. Mr. Redfoot explained how persons in custody would be brought into and removed from the facility and the safety issues involved. He described other issues that were considered including Town planning issues, circulation, and traffic issues, County facility issues such as affects on existing County functions and adjacent property, environmental issues, and financial issues.

Mr. Redfoot stated they had studied four different options and described each in brief detail. He stated that the Committee believed that programmatically, and for future growth, the best option was Study C. Mr. Redfoot displayed a three-dimensional depiction of that study and a proposed campus plan, including proposed new parking and a site for a future jail that would be adjacent and tied into the new facility. He explained what was proposed to be located on each level of the three-floor facility.

Judge Baddour stated that one thing lacking in the current facility was private meeting space for attorneys and their clients, for children's advocates, and others.

Commissioner Vanderbeck stated that the building being planned called for moving the historic buildings, and asked had they been examined to determine if they could withstand the move. He asked if there were future plans for those buildings to be used as future flex space by the County.

Mr. Redfoot stated that an expert mover had been brought in to get a basic idea of what it would take to move the buildings and that his estimate was a part of the cost estimate. He said an in-depth structural analysis had not yet been performed. On the other issue, Mr. Redfoot deferred to the County Manager.

Mr. Horne stated that the use of the historic buildings by the County had not yet been specifically plotted out. He stated that the cost of refurbishing those buildings for reuse as offices or other space would have to be considered.

Commissioner Barnes stated that from a financial aspect, one could remodel anything if funds were available. He stated that to renovate them to a point where they would be efficient would be very expensive; that to move them and renovate them would be costly; that to knock them down and rebuild them would be about one-third of that cost; and that it would have to be determined if the historical value was worth saving them.

Commissioner Barnes stated he was pleased to see a functional basement, noting a basement was the least expensive level to build. He stated that with the space available, it was possible to make the basement even larger, adding that the larger the space became the less per square foot the cost would be; and that he was also pleased with the configuration and number of restrooms.

Commissioner Vanderbeck asked for the timetable for breaking ground and completion of construction. Mr. Redfoot responded it was important to get feedback from the Commissioners that day, then they would move into the next level of design. He stated he would anticipate 15-18 months until groundbreaking and then 18 months to build it.

Commissioner Vanderbeck stated that would mean about a 36-month timeframe. Mr. Redfoot stated that was correct, but that they would push that as much as possible.

Chairman Thompson stated that he assumed the facility would be hooked to the Pittsboro sewer system. Mr. Redfoot responded that was correct.

Commissioner Thompson asked about LEEDs certification. Mr. Redfoot stated that if the Commissioners wanted a LEEDs certified structure, they would build it. Commissioner Thompson asked if LEED features were included in the projected costs. Mr. Redfoot replied they were included in the figures for sustainable building systems.

Mr. Redfoot exhibited a slide of the preliminary budget estimate, totaling \$24,537,000, and provided some detail of each line item and the method used to arrive at the projected expense for each. He called attention to an optional item that had been discussed by the Committee and stated that was to increase the lobby space by making it a generous rotunda area at an additional cost of \$1,269,000. Mr. Redfoot displayed a photograph from the Ashe County Courthouse facility to give the Commissioners an idea of what that lobby rotunda area might look like.

Commissioner Lucier stated that in January 2006, the capital improvements budget was at \$7 million, in January 2007 it was at \$14 million, and now it was May 2007 it was \$24 million. He stated that was a large increase over a 1 ½ year period. Commissioner Lucier asked what the elements were that caused the huge increase in projected costs.

Mr. Horne stated the figures noted in the capital improvements budget were “guestimates”; that the justice facility first appeared in the capital improvements budget in 1997; that estimates were based on projected costs at that time; and that as time went by and needs were identified, the estimates were revised.

Commissioner Lucier stated that it was his experience that people would ask for more than they really needed. He asked if efforts had been made to adjust those program numbers or if they were taken at face value. Mr. Redfoot stated that the projections had been created based on face-to-face meetings and once the numbers had been programmed in, they had revisited them with the various departments. He stated that the “honing down process” would have to be done if the Commissioners wanted to change the flow of the building. Mr. Redfoot stated they had gone through a rigorous process and listened carefully to expressions of current needs as well as growth projections in order to establish the preliminary budget.

Mr. Taylor stated that they had employed a consultant who was skilled in this type of programming and utilized his expertise in determining program needs during the face-to-face meetings. He stated the other issue was making sure that the facility provided for growth in the future so that the facility had to be put in the context of competing needs.

Commissioner Barnes stated that he agreed with Commissioner Lucier to a point, noting the reason this was estimated at \$24 million today was because they had not built it ten years ago, which they should have; that if they put it off another ten years, the cost would likely grow to \$50 million; that as far as construction costs, no one ever thought they would see \$3 for a gallon of gasoline or even come close to concrete at \$100+ a yard; that he did not believe the facility was too large by any means; that they would continue to grow; and that this was their chance to do something that should have been done years ago; that they needed the building; that there likely was not enough shell space; and that he was concerned that the facility would be maxed out before projected.

Commissioner Barnes stated it would not be pleasant having to pay for this facility, for schools, or for anything else. But, he stated, if they were not aggressive, they would pay dearly for it in the future. Commissioner Barnes stated they had not done what they should have when they should have, and it was up to this Board to correct that.

Mr. Horne stated that the figure of \$56,500 noted for demolition of existing buildings, including utilities, were indirect costs.

Commissioner Vanderbeck stated that it was a beautiful plan and asked if the architects could assist the County in identifying funding sources that might be available. He stated that he agreed they were playing catch-up and did not want to be caught in a situation of building a more modest facility that had to be added on to in a short period of time. Commissioner Vanderbeck

agreed there was likely a need for more shell space, and agreed that the basement space could be enlarged to provide extra reduced-cost space.

Mr. Redfoot pointed out that when talks began about a campus idea and future work that might take place or be located there, some of the costs noted in the preliminary budget estimate would assist the whole campus. He stated that some of the site work would reduce the cost of the next phase of campus development, whatever that might be; that there was a significant number projected for Green Building design; and that if that was to be included in any future designs, then those costs would continue to appear in each budget.

Mr. Redfoot stated that several comments had been made about increasing the shell space and pointed out that expanding the basement level was not a significant change to make. He stated that he was not advocating for any of the budget figures or items listed, only that each be considered on its own merits. Mr. Redfoot stated that he understood the need for schools to relieve overcrowding and the pressure that placed on the County; and that as the budget was discussed, it was important to note that the 8% inflation factor may well increase over time.

Commissioner Vanderbeck stated that they knew that sooner rather than later, the jail needed to be addressed, so having that in the plan was ideal. He stated that as far as operating costs, if they were getting to that level of sophistication with LEEDs certification, then they should be able to tell them what the energy costs would be per year. Mr. Redfoot said yes, but not at this level of design. Commissioner Vanderbeck said they may pay more up front, but that would be recouped in energy savings later on.

Commissioner Lucier stated that the Sustainable Buildings Systems were noted at \$880,000, which was only about 3.5% of the total budget. He stated that he had no doubt it would pay for itself over the twenty-year period. Mr. Redfoot said he assumed so.

Commissioner Lucier asked, regarding the 5% design contingency and the 5% construction contingency, was the estimate given the most likely estimate low or high and was it possible that they might see a 5% reduction. Mr. Redfoot stated that the probability was that they would expect to use those contingencies for things that might be unaccounted for. He noted that the interior had not yet been designed and that was the primary issue.

Judge Baddour noted that updated cost estimates would be prepared and given to the Commissioners throughout the project.

Commissioner Lucier stated that one thing that needed to be done at the day's meeting was to look at the entire capital improvements program; that they needed to look at how much money they wanted to borrow for the things they wanted to do; and that they should wait to make a final decision on based on the discussion to be held later in the day.

BREAK

The Chairman called for a short break at 3:27 PM.

Chairman Thompson called the meeting to order at 3.42 PM

COST OF SERVICES UPDATE

Mitch Renkow provided an update on the cost of providing public services per dollar of revenue raised in Chatham County. He stated that the three land use categories used were residential, commercial, and agricultural. Mr. Renkow stated that the two questions these types of studies asked and answered were if the services provided to residential areas were paid for by the tax revenue collected and whether the other users were paying for themselves or being supplemented by the residential land use.

Mr. Renkow stated that the answer to both of those questions was no; that residential land use did not pay for the services provided to it; that for every dollar collected in residential tax revenues, it cost the County \$1.15 to provide services with the other fifteen cents coming from other land uses. Mr. Renkow stated that these were averages, so certain kinds of residential uses did pay for themselves, for example, large homes with no children.

Mr. Renkow stated it was worth comparing the study done in 1998 with this study and what had happened since then was revaluation of property values and installation of impact fees and the change in the amount of residential development, adding that the level of residential subsidization had increased somewhat in that period of time.

Chairman Thompson asked had the cost of commercial and agricultural remained constant from 1998 to now. Mr. Renkow said because residential land uses had become relatively more costly, the money had to come from commercial and agricultural uses, both of which had grown proportionally to residential uses.

Commissioner Lucier stated that it was his understanding that these figures were derived from the Chatham County experience, not from regional experiences. Mr. Renkow stated that was correct, noting they were 2005-2006 budget numbers.

Commissioner Barnes stated that the average home price in Chatham County today was \$360,000. Mr. Renkow noted his figures would not include today's figures, since the numbers had been derived from 2005-2006 figures. He stated that revaluations took place every four years, so that average cost might continue to rise.

Frank Thomas asked how sales tax income played a part in the study. Mr. Renkow stated that he believed the figures worked out to 58% of those revenues that were allocated overall to the residential sector and the rest to commercial and agricultural.

Jeffrey Starkweather stated that on Page 8 of the study, there was a ratio comparison to other counties. He theorized as to why those numbers were higher or lower than Chatham County's, in that it took some time for services to catch up to a newly developed area; that schools had to be built; that a jail may be needed; that a judicial facility may be needed; and that the other communities that were compared to Chatham County were further along in that respect. Mr. Renkow said there was some truth to that theory.

Tandy Jones, a member of the Agricultural Advisory Committee, pointed out that it was the Agricultural Advisory Committee that had requested that this update be prepared. He stated the point they had wanted to make was that agriculture was a net contributor to the tax base.

Commissioner Lucier stated that they did not need a study for that because it was intuitively obvious that agriculture would more than pay for itself plus it made the County nicer to live in.

REDISTRICTING

Mr. Horne stated that the work on redistricting was a work in progress; that they were looking at the latest census figures and district lines to determine the potential for a redesign of districts; and that a full report was not yet ready.

Chairman Thompson asked if that information would be ready by the first meeting in June. Mr. Horne said he believed that would be possible.

COUNTY ZONING

Chairman Thompson stated they could begin by getting comments from the Board, noting they had discussed having zoning along corridors and a process of perhaps looking at zoning County-wide.

The County Manager stated that a part of this discussion was the distances from the corridors to be zoned, whether that would be 1,000 feet or 1,500 feet or some other figure.

Commissioner Lucier stated it was his understanding that a recommendation for a public hearing would have to come from the Planning Board. He asked how that would work; if the Planning Board consider it, and if they would then return with a recommendation.

Jep Rose, County Attorney, said that was certainly one way to do it. He stated the Commissioners could request that the Planning Board study zoning the corridors as well as the

portions of the County that were currently unzoned, and request that they investigate and provide a report and recommendation.

Commissioner Lucier stated that the Planning Board had already provided one recommendation on zoning major corridors as well as others, but did not know if that was a formal recommendation or not.

Attorney Jep Rose stated that at the last meeting, the Board had discussed having a two-step process to consider zoning major corridors and any other key areas and that Commissioner Cross had recommended undertaking a County-wide forum to discuss County-wide zoning which would require more time. He stated, at this point, he would recommend asking the Planning Board to study current unzoned areas along major corridors, of which there were 29 miles of corridors currently unzoned, then to consider zoning the areas 1,000 feet west of 87 until it met Old Graham Road to the unzoned area.

Commissioner Lucier asked what would require so much extra time to offer a choice. He stated there was no question that they would zone the major corridors and this was an excellent time to give landowners of unzoned land, the opportunity to make a decision as to whether they preferred a minimum zoning such as RA-40. Commissioner Lucier said he did not understand why they would take a lot of extra time, since the mailing addresses were available on a computer program.

Attorney Rose stated that it would require a public hearing. He asked Keith Megginson, Planning Director, to comment on why it would take extra time to follow that process.

Mr. Megginson stated that the original proposal was to zone straight out from the corridors to RA-40, and to provide the opportunity to deny any commercial development requests that came along before the Major Corridor Task Force was finished with its work. He said he would think that the Land Use Development Plan would need to be updated so that a map would be produced. Mr. Megginson stated that the Board might not want to zone Gulf and Bonlee RA-40 due to existing business and industries located there.

Commissioner Lucier asked why one would not want to zone Gulf RA-40. Mr. Megginson responded that it was because of the businesses that were already located there.

Commissioner Lucier stated that they could request a Conditional Business Permit; that his point was that they had dealt with the Sports Arena for several years on Highway #421 and that type of thing and other undesirable things could be built almost anywhere. Commissioner Lucier stated they had three public hearings at the night's meeting on a similar facility proposed for the community of Corinth; that they did have the option of a public hearing because it was zoned RA-40; that it provided some protection for a community to have input on what they wanted to accept in their community; that it was important for people to understand that RA-40 would not prevent anyone from doing anything they were currently doing on their own property, but it would protect them from someone coming in with something they did not want next to their property or in their community.

Commissioner Barnes suggested that because they had been discussing that for six months, that Commissioners Lucier and Cross get together and craft a motion to be brought before the Board at their June 4th Board of Commissioners' meeting to zone the corridors. He stated that he would second the motion.

Chairman Thompson determined that the Commissioners were in agreement with that suggestion.

HUMAN RELATIONS

Gabriel Soltren, a member of the Chatham County Human Relations Commission, stated that while they agreed with much of the Manager's proposal, they did have some differences: they supported the establishment of a position for a full-time Human Relations Director; because the Director should be full-time, they had removed all responsibilities pertaining to the Affordable Housing Task Force; a part-time position was not likely to attract a person of the caliber they were seeking; and they objected to the Human Relations Officer being staff to the Affordable Housing Task Force.

Commissioner Cross stated that ongoing discrimination against minorities was mentioned in the letter provided to the Commissioners and asked for a list of those discriminations. Mr. Soltren said they could discuss them, noting some were documented, but no list had been prepared.

Commissioner Vanderbeck, speaking to the County Attorney, stated that the report noted that the director would report to the Human Relations Commission. Mr. Rose stated, as a County employee, the Director, whether full or part time, should report to the County Manager.

Commissioner Lucier asked had the budget been revised from what had been offered at the last meeting, which he believed was \$83,000 including benefits.

Commissioner Vanderbeck stated that he believed that was the figure for a full-time position.

Mr. Soltren stated that he believed that figure included a one-time cost for office equipment, so the first-year amount would not continue as a yearly expense.

Commissioner Vanderbeck stated that he saw a need for this position in the County; that he would hope that this position would work cooperatively with the County management staff; that they take this positive step and be proactive and strive to get the educational component through; and that they improve relations.

Commissioner Vanderbeck moved, seconded by Commissioner Lucier, that the Board approve the addition of a full-time Human Relations Director, that the position report to the County Manager and cooperate with County staff, and that \$83,321.00 be budgeted for salary, benefits, and some one-time costs for office set-up.

Commissioner Vanderbeck asked if there had been some proposal as to how to keep this position funded through grants or other resources on a long-term basis. He stated that he wanted to be proactive in that regard.

Commissioner Lucier asked what the previous budget figure was. The Finance Officer stated that \$44,000 was proposed for a part time position, so \$39,321 would have to be added to that figure to fund the full-time position.

Chairman Thompson stated that he had understood the State Director to say that funding might be available from HUD.

Commissioner Lucier asked if this would be a fixed expense. Chairman Thompson stated that he believed it would be, such as any other director would be.

Commissioner Lucier asked if they had office space available for this position. The County Manager stated that he did not believe one had been allocated as yet. Commissioner Lucier asked if funds for the rental of office space were included in the amount. Mr. Soltren said that it was. He said after the one-time expenses came out of the amount, the expense would reduce to about \$77,000 after the first year.

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

NON PROFITS PROCESS

The County Manager stated that they needed direction at the day's meeting from the Commissioners on how to proceed and asked the Assistant County Manager to address non-profits.

Ms. Paschal stated that they needed some direction on how to structure that process. She stated that one option was to bring representatives from all the non-profits to the table during the work session and that another was to identify particular non-profits to hear from and bring those to the table at the work session.

Ms. Paschal stated that the panel chairs had prepared the written recommendations, which meant that the format and content varied. She noted that one panel chair had not submitted a

recommendation, so she had gone through each evaluation submitted by the volunteers and compiled their comments. Ms. Paschal stated that while there was consensus among the panels about what they wanted the Commissioners to do, the one panel without a recommendation was confusing because of the varied comments. She stated that there were average scores per the adopted criteria from all the panels, but cautioned that not a lot of weight should be given to those scores because the scoring varied widely by each panel and that the panels had used the scores as a starting point for discussions of recommendations and to judge whether or not there was consensus.

Commissioner Lucier stated that he did not believe it was wise to have all the non-profits come to the June 18th work session and suggested that each of the Commissioners identify a group they would want to invite and provide that information to Ms. Paschal by the end of the week.

Chairman Thompson asked if there had there been much of a response from the non-profits. Ms. Paschal responded she had received several good responses and several bad responses.

Chairman Thompson stated that Commissioner Lucier's suggestion was a good one, and hearing no comment from the Board, he believed they would proceed in that manner.

CAPITAL IMPROVEMENTS PLAN (CIP)

Mr. Horne stated that there had been some discussion about leaving the Capital Improvements Plan (CIP) adopted as is and that he needed some direction from the Board on how to proceed the next year. He stated that they had heard about the judicial facility and that Northwood School was requesting an additional \$13 million.

Commissioner Lucier stated regarding the school costs, schools appeared to be being built in Orange County for \$34 million including the cost of the land. He proposed that they drop the number for the new high school to \$36 million, to incorporate the renovation and expansion of Northwood at \$13 million and then see how that impacted the debt ceiling.

Commissioner Barnes asked why it was \$36 million when the new Carrboro High School was being built for \$34 million. Commissioner Lucier said he had added some dollars for inflation.

Commissioner Barnes suggested dropping the figure for the new high school number down to \$34 million, and then to designate \$10 million for Northwood.

Commissioner Lucier stated he would like to leave the request at \$13 million and see what the impact was to the budget.

Commissioner Barnes stated what had been discussed previously was \$34 million for the new high school and \$10 million to renovate Northwood.

Commissioner Lucier stated he would like to see full funding and then determine what needed to be cut. He also recommended putting in the full \$24 million for the judicial building so those impacts could be seen as well. Commissioner Lucier stated that the full \$24 million would not be needed for several years.

Commissioner Lucier asked how the Board wanted to handle the issue of land banking for schools. He stated they were going to grow and would need about a school a year for the next few years.

Gerald Totten, a School Board Member, stated they were searching for land now and had located some of interest.

Chairman Thompson suggested that land banking for schools should be done in conjunction with the school system and agreed that the process should be started.

Commissioner Barnes suggested that the Board cut the school budget by whatever amount was necessary for land banking. Mr. Totten said that was certainly an option.

Commissioner Lucier suggested that a joint subcommittee be formed between members of the School Board, the Commissioners, and the Parks and Recreation Department. Mr. Totten stated there was certainly room for cooperation between the Parks and Recreation Department and the School System, noting they had a liaison on that Pittsboro Recreation Board as well as on the Planning Board for the County. Mr. Totten said that alerted them of what was being planned and allowed them to stay somewhat ahead.

Commissioner Lucier stated he was suggesting a subcommittee that focused just on the land banking issue. Mr. Totten agreed that would make sense.

Chairman Thompson stated he believed the Board agreed on the direction to take, in that the Finance Officer would give them a financial outlook, and secondly he was in favor of the idea of forming a subcommittee. He suggested that Commissioner Lucier work out the details of that and bring it back to the Commissioners for consideration. Mr. Totten said he would inform the School Board of that suggestion.

Mr. Totten stated it was his understanding that the funding schedule for the \$34 million and the \$10 million had not changed and that they would both be available beginning in 2009.

The Finance Director stated that at this time that had not changed.

The Assistant County Manager stated that one final issue was that the CCCC architect was coming back to the Commissioners with revised cost estimates and that those estimates would be somewhat higher than originally estimated. She stated that the original cost estimates had not included an inflation factor.

CLOSED SESSION

Commissioner Barnes moved, seconded by Commissioner Lucier, to recess the Regular Session and convene in Closed Session for the purpose of Attorney/Client Privilege. The motion carried five (5) to zero (0).

REGULAR SESSION

Commissioner Vanderbeck moved, seconded by Chairman Thompson, to adjourn the Closed Session and reconvene in Regular Session. The motion carried five (5) to zero (0).

ADJOURNMENT

Commissioner Barnes moved, seconded by Commissioner Cross, to adjourn the work session. The motion carried five (5) to zero (0), and the meeting was adjourned at 5:00 PM.

Carl Thompson, Chairman

ATTEST:

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