

**MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
WORK SESSION
OCTOBER 15, 2012**

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina met in the Agricultural Building Auditorium, 45 South Street, Pittsboro, North Carolina at 3:00 PM on October 15, 2012.

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

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

Work Session

1. **Public Input Session**
2. **Cape Fear Shiner Fish Presentation** by NC Wildlife
3. **New Motor Vehicle Legislation**
4. **Inter-local Wastewater Agreement with Town of Goldston**
5. **Public Records Request Policy:** Vote on a request to approve the Public Records Request Policy
6. **Contract for payment in lieu affordable housing**
7. **Mental Health Advisory Board Appointments**
8. **Non-Profit Grant Process Recommendations:** Vote on a request to approve recommendations on the county’s nonprofit process and evaluation tool.
9. **Closed Session** to discuss matters within attorney client privilege

CALL TO ORDER

The Chairman welcomed those in attendance and called the meeting to order at 3:00 PM.

PUBLIC INPUT SESSION

Kathy Zinn, Mental Health Oversight Board, 125 Thrift Street, Pittsboro, NC, stated that she was the sole representative from Chatham County to the new Mental Health Oversight Board. She asked that a Chatham County Commissioner be appointed to this board stating that there were commissioners from both Orange and Person Counties, involved on this board. She stated that there had already been controversy about the workings that are proceeding between Cardinal Innovations and the Mental Health Oversight Board, she thinks it would be helpful to have someone with authority from the Board of Commissioners.

Commissioner Kost asked about the paperwork that the Mental Health Oversight Board was expected to sign which seemed to invade privacy.

Ms. Zinn explained that before they attended the meeting, they received a packet that included documents that Cardinal Innovations expected them to sign at the meeting. The paperwork asked for their loyalty. She stated that their loyalty was to be to Cardinal Innovations (The Company) over any other loyalty to any other group and even to one's own personal interest if one was a client of Cardinal Innovations. There was further reiteration in some of the documents about just what that loyalty would mean. She stated that she was a newcomer to the area but not to mental health. She was not talking about dismantling Cardinal Innovations as she feels it is the best way to go; however, she feels that they need to learn how to work with community boards. The members of the board from Orange County who were attorneys agreed to redraft, with the approval of the rest of the board members, the documents that were to be signed by the Mental Health Oversight Board. Cardinal Innovations accepted the offer.

She stated that the board members are great people who are absolutely committed to their counties and constituents and she is glad to join them and remain a member of the board. There are two other representatives needed.

Chairman Bock asked if Cardinal Innovations said if the members did not sign they could not be on their board. He stated that the Board of Commissioners appoint and he doesn't know that they have the right to say their appointee cannot be on the board.

Ms. Zinn stated that they backed off stating it was clear to her that they underestimated both their own powers and the nature of the people who are on the board. She stated that it would be good to have someone with public government experience on the board.

Commissioner Stewart asked if they were presented a copy of the document they were asked to sign.

Ms. Zinn stated she had a copy that she would share.

Commissioner Cross stated that he was on the Orange-Person-Chatham Mental Health Board (OPC) in years 2005, 2006, and 2007. At that time, as OPC, it was state mandated that each county had a commissioner who served as officers. After 2007, that went away and he was unsure if they just did it or the requirement changed.

Chairman Bock stated that it was not a requirement with the new board.

Ms. Zinn stated that they asked for a Commissioner or a delegate. She stated that it was a brand new system. There is going to have to be a lot done to work out the kinks.

Cape Fear Shiner Fish Presentation:

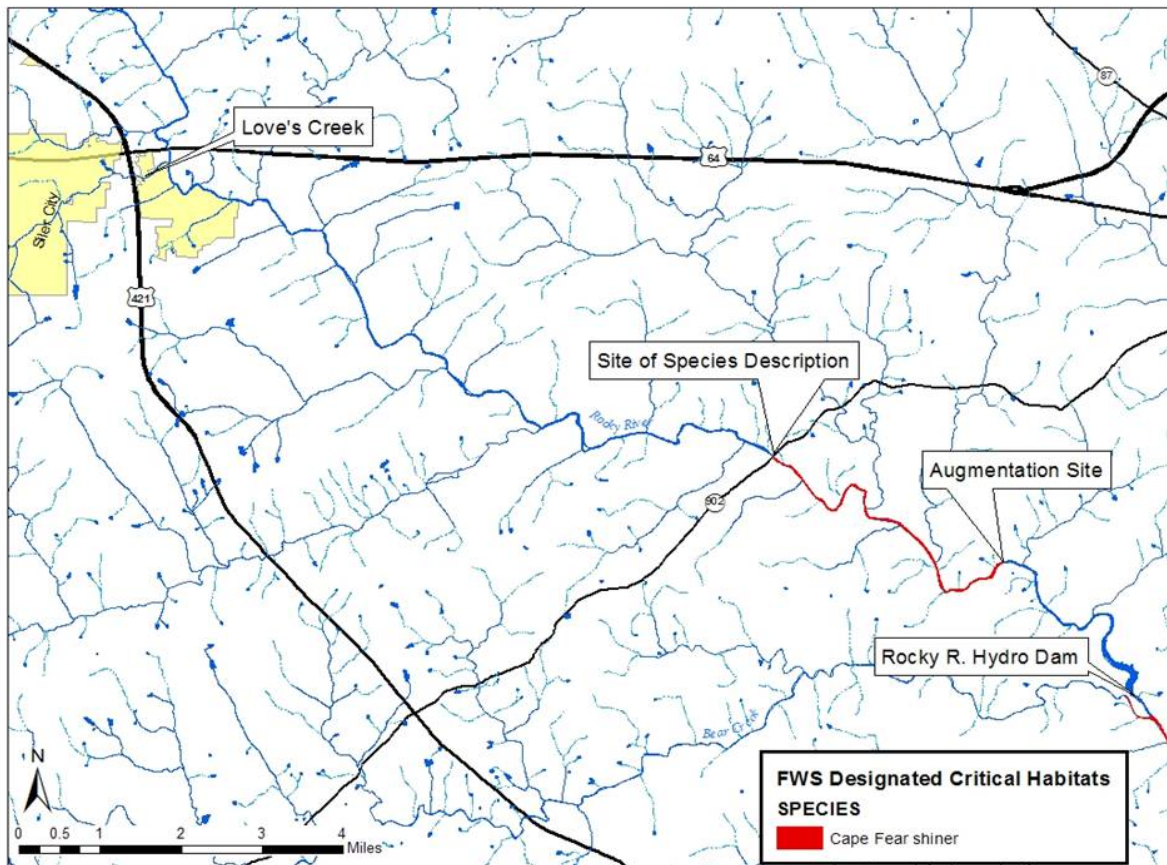
Brena Jones, Central Aquatic Wildlife Diversity Biologist with the NC Wildlife Resources Commission, gave an overview of the Cape Fear Shiner Augmentation Project in the Rocky River above the Rocky River Hydropower Dam.

She stated that the good news is that water quality conditions have improved in the Rocky River, which has previously suffered historical impacts from textile mills and other pollution sources that no longer exist. Due to these improvements, resource agencies now are able to augment the low Cape Fear shiner population in a reach of the river that has been federally protected as Critical Habitat since the late 1980s.

The better news is the augmentation of the Cape Fear Shiner population in the Rocky River will be accomplished without any changes or added regulations regarding water quality in the river or the use of adjacent lands.

She addressed questions and concerns that Board members had about the project and discussed how Chatham County stands to gain by becoming an active steward and working cooperatively based on existing guidelines.

Ms. Jones presented a Chatham County Overview Map as follows:



Chairman Bock asked what Siler City's reaction had been.

Ms. Jones stated that one of their main concerns was about the outfall. She stated that she told them they were now in compliance. The Wildlife Commission and the Fish and Wildlife Service both feel that their improvements in their wastewater technology and their coming into compliance with state regulations has been part of the reason that the water quality in the Rocky River has improved and that they are now able to consider doing this. The Rocky River is now supporting a population of six to seven other species with which the Cape Fear Shiner lives.

Commissioner Stewart asked if the Shiner was a food source for any other fish in the area. Ms. Jones replied, yes.

Chairman Bock asked how large the Shiner is. Ms. Jones replied that they are small.

Ms. Jones stated that an important issue to address is what would happen if a Cape Fear Shiner is never caught again. She stated that the world and our life would not change. In reality, it is not about the Cape Fear Shiner. It is about water quality, quality of drinking water, quality of aquatic habitat, and quality of life for people who live in the communities on and around the river.

Commissioner Petty asked if the fish were any benefit or a tool for measuring water quality.

Ms. Jones stated that they were an indicator of water quality. When you start losing species, the ecosystem starts falling apart. That tells you that the water is in trouble.

Chairman Bock asked if any of the part of the river that runs through Chatham County was not in State compliance.

Ms. Jones stated that she did not know the answer to that question as it is not regulated by their agency.

Chairman Bock asked about the population decrease and if there is something magical at the dam level to cause pollution decline on one side or the other.

Ms. Jones stated that had the dam not been there, the fish would have re-colonized the Rocky River on their own.

Commissioner Stewart asked when the water quality started to improve based on the population increase.

Ms. Jones stated that was something that the Division of Water Quality monitors. Their agency does not track that information.

Sarah McRae stated that it takes time and is progressively happening.

Ms. Jones stated that a study was done on that when the Carbondon Dam was removed. They studied the effects on the fish and mussels and how quickly they repopulated that area. As soon as the impounded structure of river returned to a "rivering" condition, it started reforming its own river-like habitat instead of a lake-like habitat. Fish moved in almost immediately within a year. If the habitat is provided, they will swim into it. They just have to be able to get there.

Commissioner Cross asked when talking with adjoining land owners, if they had spoken with the Friends of Rocky River.

Ms. Jones stated that they are familiar with the group and have spoken with them.

Ms. Jones stated that there is an outreach plan that was requested by their Wildlife Commissioners to speak to the local municipalities. They will have press releases that will be sent out to newspapers. They are now collecting data from landowners along the river to which information will be sent. They will also have multiple open houses to which people are invited to ask questions.

Chairman Bock asked if the fish are caught in buckets.

Ms. Jones stated that this was probably the cheapest project imaginable, as the fish are caught in buckets and transported to another place in the river.

Bob Knight asked if there was a possibility of removing Woody Dam.

Ms. Jones stated that she believes that the dam still supplies power and is operating as a hydropower dam.

Commissioner Kost stated that the County, through the Soil and Water Conservationists, is working on programs to keep livestock out of the river. We know that it is improving upstream in Siler City. She asked how do you determine whether all of the programs are working and what is working better so that you know when it's time to put in new resources and where the priorities should lay.

Ms. Jones stated that within their agency, their jurisdiction is the official wildlife of the State. They use that as their gauge of how any one community is doing. When they go into a river or stream, they sample the fish community there. Based on what they find, it tells them about the river. They learn what species are sensitive, what species are tolerant, and if certain components of the community are found, it is deemed to be in really good shape. If they are missing, you are in a degraded system. It is a very fluid process and something that will never be static. There will never be a point where they will walk away and say "It's all good now." What they have now is a positive trend, which in her line of work, is really exciting.

Commissioner Kost stated that it is inter-agencies with all levels of government and coordination. When we are in times of limited resources, we are putting the funds into what is getting the biggest results. That is often hard to do when crossing over levels of government as well as departments and agencies within each of the governments.

Ms. Jones stated that they try to involve as many stakeholders as possible because they want to receive everyone's input. They also want it to be a coordinated effort so that they are able to correctly prioritize those efforts.

NEW MOTOR VEHICLE LEGISLATION

Tina Stone, Tax Assessor, stated that the North Carolina General Assembly passed a new law to create a combined motor vehicle registration renewal and property tax collection system. In doing so, the new law transfers the responsibility for motor vehicle tax collection from the one hundred counties across North Carolina to the Division of Motor Vehicles (DMV). Currently, vehicle registration and taxes are processed separately. First you receive notice and pay your vehicle registration. Three months later, you receive notice and pay your vehicle tax. This occurs separately because the counties are responsible for managing vehicle taxes, and the DMV is responsible for managing vehicle registration. For the next renewal of this vehicle, the DMV will send a new combined notice that includes the vehicle registration and the vehicle tax, and they will be due at the same time.

Ms. Stone explained the specifics of the North Carolina New Combined registration fee and tax collections in a PowerPoint as follows:

North Carolina New Combined registration fee and tax collections

"Tag & Tax System"

WHY??

To improve the citizen's experience:

- Reduce the number of government interactions.
- Eliminate the need for delinquent collections on Registered Motor Vehicles.

Reduce/share costs:

- Number of Mailings (postage, materials, handling, and so on)

Increase Efficiency of an Existing Tax

- Improved collections and revenues.
- Improved compliance.

Issues with current system

- Not much of an incentive to pay timely even with 5% interest first month.
- Volume of RMV bills versus local collection resources
- Staggered System versus Fiscal Year.

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Current System (Implemented 1993)

- ✓ Vehicle registration currently triggers the taxation of a registered vehicle:
 - Monthly renewal files are delivered to counties.
 - The assessor determines value, SITUS, and taxable status of the vehicle.
 - Tax bills are calculated, receipts are "delivered" to the collector, and monthly levy is created.
 - The tax collector is responsible for collecting the RMV taxes.
 - Collections are reported to Finance Office.
 - Enforcement tools include garnishment, attachment, levy/sale, and blocking.
 - The tax collector has end of year settlement

NEW TAX & TAG SYSTEM

In the new system, property taxes will be included with the DMV registration renewal or "Invitation to renew":

- Assessor determines value, SITUS, and taxable status of the vehicle in advance
- File is delivered to DMV to prepare the invitations to renew the registration through new VTS
- Taxes must be paid in order to obtain the registration - no partial payments will be allowed.
- Taxes are collected by DMV/License Plate Agencies (LPAs) (no partial payments).
- DOT Fiscal will distribute local tax revenue to the counties, who will in turn distribute to other taxing units.

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Timeline for Tax Offices

- ✓ **Data Conversion- October (Chatham, October 2)**
- ✓ **Power User/Test Data- Oct, Nov & Dec**
- ✓ **January- February 2013**
County training for new VTS and processing begins.
- ✓ **March, 2013**
Counties process their first RMV file on new VTS.
- ✓ **April, 2013- May, 2013**
Counties complete files for DMV to produce combined notices.
- ✓ **May, 2013**
First combined notices are mailed.
- ✓ **July, 2013- First Renewal month on new Tax & Tax System**
- ✓ **February, 2014**
Current RMV process will "end," except for collecting delinquent taxes still owed under the old system.

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- Insert included with motor vehicle notices mailed Oct 2012
- FAQ brochure will be available on our website and will be available at locations around the county such as, Tax office, local DMV, Town Halls, other county offices, etc.
- Attend local meetings around county to speak with citizens
- Statewide campaign- A professional public relations firm is being hired. Print media, television spots and public service messages are included in the campaign. Similar campaigns have been done by NCDOT including the new toll road from I-40 to Apex and the "Click it or ticket".

Educate Citizens

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Questions?

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Ms. Stone answered questions from the Board.

TOWN OF GOLDSTON INTERLOCAL WASTEWATER AGREEMENT

Charlie Horne, County Manager, explained that this agreement has been in the works for some time. It is now ready for the Board's review and consideration. The first installment of \$126,000 would be thirty days prior to the due date of the annual debt service after the money is borrowed.

Commissioner Kost moved, seconded by Commissioner Cross, to approve the Interlocal Wastewater Agreement, attached hereto and by reference made a part hereof. The motion carried five (5) to zero (0).

PUBLIC RECORDS REQUEST POLICY

Jep Rose, County Attorney, explained that Chatham County receives a number of public records requests each year. There was an increase in requests in 2011, which prompted the County to develop a policy as to how to properly respond to these requests. The County is required under statute to provide for inspection any public record it may hold and must follow a state mandated disposition calendar on all records.

NC General Statute 132-6. Inspection and examination of records

- (a) Every custodian of public records shall permit any record in the custodian's custody to be inspected and examined at reasonable times and under reasonable supervision by any person, and shall, as promptly as possible, furnish copies thereof upon payment of any fees as may be prescribed by law.

121-5 Public records and archives.

- (b) Destruction of Records Regulated. – No person may destroy, sell, loan, or otherwise dispose of any public record without the consent of the Department of Cultural Resources, except as provided in GS 130a-99. Whoever unlawfully removes a public record from the office where it is usually kept, or alters, mutilates, or destroys it shall be guilty of a Class 3 misdemeanor and upon conviction only fined at the discretion of the court.

The County currently enjoys a reputation for responding promptly to public records requests. However, with the increase of requests and the likelihood that a department may receive a request directly and not know how to properly respond, it was felt that a policy should be in place to ensure effective citizen access to county public records. The policy explains a step-by-step guideline as to proper response to a public records request.

Mr. Rose answered questions from the Board.

Commissioners Petty moved, seconded by Commissioner Cross, to approve the Public Records Policy and Employee Protocol Policy, attached hereto and by reference made a part hereof. The motion carried five (5) to zero (0).

PAYMENT IN LIEU OF AFFORDABLE HOUSING

Chairman Bock explained that the contract in-lieu for affordable housing follows up on the changes made for the affordable housing lots in Briar Chapel. The contract is for a \$900,000 lump sum payment in-lieu of building the affordable houses.

Commissioner Kost stated that there are several paragraphs in the contract which she does not support and that she will be voting "no". She stated that she understands that the contract needs to move forward due to prior Board actions; however, there are several whereas clauses with which she cannot agree.

Commissioner Cross asked for confirmation that in a prior vote, the funds would go to building affordable housing or property to build affordable housing. Chairman Bock stated that was correct.

Commissioner Petty moved, seconded by Commissioner Cross, to approve the Affordable Housing Payment In-lieu Contract Between Chatham County and NNP Briar Chapel, attached hereto and by reference made a part hereof. The motion carried four (4) to one (1) with Commissioner Kost opposing.

MENTAL HEALTH ADVISORY BOARD APPOINTMENTS

Debra Henzey, explained the specifics of the Mental Health Advisory Board appointments and the three candidates and their involvement in mental health as follows:

Neil McAuliffe, Charles White, and Marie Clark

Commissioner Cross moved, seconded by Commissioner Petty, to appoint Neil McAuliffe and Charles White to the Mental Health Advisory Board.

Commissioner Kost reminded the Board of the request to appoint a Commissioner to this board.

A discussion ensued. Chairman Bock asked if there was a strong desire to have a Commissioner appointment to the committee.

After further discussion, Chairman Bock called the question. The motion failed zero (0) to five (5).

Commissioner Petty moved, seconded by Commissioner Stewart, to appoint Neil McAuliffe to the Mental Health Oversight Board. The motion carried five (5) to zero (0).

Commissioner Kost volunteered to serve on this board.

Commissioner Stewart moved, seconded by Commissioner Cross, to appoint Commissioner Sally Kost to the Mental Health Advisory Board as the Commissioner appointment. Pending the outcome of the upcoming election, if Commissioner Kost is not reelected, the appointment would change. The motion carried five (5) to zero (0).

NONPROFIT GRANT PROCESS RECOMMENDATIONS

Lisa West, Budget Analyst, explained that at the September 17, 2012 Board of Commissioners' meeting, staff asked for guidance on suggested changes to the nonprofit allocation process based primarily on feedback from citizen volunteers during the FY 2013 process. The changes discussed were: 1) to define areas of needs/interests and results that the county wants to address with grant funds; 2) to focus a substantial portion of the total funds on the most urgent needs and 3) to eliminate funding for startup agencies with this funding stream.

The Board agreed with the recommendation to eliminate funding for startup agencies and asked that staff come back in October with a recommendation for defining funding priorities that:

1) Uses as a basis the existing United Way 2009 Community Needs Assessment and the 2010 Chatham County Public Health Department Community Health Assessment

2) Is developed with participation from county department heads, Chatham County Schools, United Way, and citizens.

Process: Needs and desired results were defined by combining data from the United Way Community Needs Assessment (2009) and the Chatham County Public Health Community Health Assessment (2010). Representatives from United Way, Chatham County Schools, Piedmont Behavioral Healthcare, Central Carolina Community College, the Public Health Department, the Sheriff's Office, the Department of Social Services, the Economic Development Corporation, the Council on Aging and citizens were invited to participate in a meeting that identified additional needs not included in the assessments and prioritized these needs for the purpose of making funding decisions during the nonprofit grant allocation process.

Staff used these results and the Fiscal 2013 grant awards to develop a recommendation to direct a specific percentage of the total available funds to specific needs. Staff also revised the evaluation scoring criteria used by the panels to align it with the focus on needs and results.

Staff is requesting approval of these recommended changes.

Needs: Fourteen needs were identified by the two existing surveys and the group during the prioritization exercise: Hunger, Housing, Healthcare, Youth/Teen, Literacy, Jobs, Health Issues (Diabetes and Obesity), Transportation, Access to Justice, Emergency Assistance, Cultural and Ethnic Understanding, Arts and Culture, Recreation/Places to Walk and Bike, and Water/Sewer. Hunger, Housing, and Healthcare received the highest priority ranking from the meeting participants. In FY 2013, programs that addressed these needs received 48% of the total available funds, but funding decisions were curtailed by the panelists' uncertainty about whether to spread funding across all agencies or address critical needs first.

Staff envisions earmarking at least 55% of the FY 2014 available funds for programs that address hunger, housing, and healthcare, with the remaining funds going to other programs.

This does not guarantee funding for any application, but panel chairs will have the earmarked amount available to make funding decisions in the need areas. If the entire amount is not awarded, the remaining funds will be available to the remaining needs. Needs will be evaluated, revised if necessary, and ranked each year prior to the grant allocation process, to reflect potential changes in the national, state, and local economy.

Commissioner Kost expressed appreciation with regard to the information that was returned to the Board.

Commissioner Cross asked if non-profits applying for grants were asked how much money they have set aside in the bank.

Ms. West stated that there was a thorough financial analysis done at the beginning to qualify them.

Renee Paschal, Assistant County Manager, stated that they get a copy of either their audit or financial statement. She stated that they asked if they had a financial reserves policy and they check whether they are in compliance. She stated that if the Board wanted staff to ask that they provide an updated balance sheet, they will do so.

After considerable discussion, Commissioner Kost moved, seconded by Commissioner Cross, to approve recommendations on the County's nonprofit process and evaluation tool. The motion carried five (5) to zero (0).

Business Park Sign:

Commissioner Kost asked what needed to happen in order to get the sign into place. She stated that the Board would make the ultimate decision, but felt there needed to be input from Siler City.

The County Manager stated that there had still been no direct contact with the property owner where the County has the most interest in placing the sign. They have failed to respond. He stated that it could be condemned or there is another property owner across on the east side of the road with whom the County is dealing on other issues. The sign is designed, there are people ready to work on it, and it is only a matter of getting up with the owner and getting the property.

Commissioner Kost asked how we get him to respond to us.

The County Manager stated that the last success the County had, the Chairman of the Board of Commissioners at that time, got in touch with Mr. Looney and got the process in place where the County eventually got the property from Mr. Ed Stone.

Dianne Reid, Economic Development Corporation President, stated that he did not seem to be unwilling to talk about it, he was just unavailable.

The County Attorney explained that his address could be obtained from the tax records. He asked the Public Works Director how much room there was between the pavement and the right-of-way.

Mr. Hughes stated that the Department of Transportation would not allow them to put a sign in the right-of-way.

The County Attorney stated that they would allow certain public signs to go in the right-of-way, depending on the width of the right-of-way.

The County Manager stated that the first step could be to have the Chairman to try to get in touch by letter. He stated that they would check the right-of-way.

Commissioner Kost asked if the sign had been designed.

The County Manager stated that it had and it had been shared with the Town of Siler City.

Commissioner Kost asked if there was money in the project budget to pay for the sign and other things, such as the required stop light. The County Manager stated that there would be a conversation about that shortly.

BREAK

The Chairman called for a short break.

CLOSED SESSION

Commissioner Cross moved, seconded by Commissioner Stewart, to go out of the Work Session and convene in Closed Session for the purpose of consulting with the County Attorney on matters within the attorney/client privilege under GS 143-318 11(a) (3) and to discuss property acquisition. The motion carried five (5) to zero (0).

WORK SESSION

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

BUSINESS CAMPUS

Dianne Reid, Economic Development Corporation President, explained that there had been an offer for the remainder of the business campus. It has been identified as 400 acres plus/minus. There are four or five parcels. The purchase price offered is \$2,120,360.40 which equates to \$5,300 per acre. The parcel that was sold was purchased by the hospital was 30 acres at a purchase price of \$375,000 or \$12,500 per acre. The acreage identified by the Tax Office is 386 acres with a market value of \$5,894,865 for an average of \$15,258.78. They asked for a release of the covenant which currently provides that you have to do something with the property within two years or the deal will be off. They are also asking that the County maintain the maintenance of the road until such time it is taken over by the State of North Carolina or the Town of Siler City.

Commissioner Cross stated that that seems like a low price after the curb and gutter and all the work has been done.

Ms. Reid stated that an analysis had been done. There has been \$9,689,821.00 spent in actual land and construction costs.

Chairman Bock asked what it was costing the County to keep it.

Mr. Hughes stated that it was not a lot at this time. We are mowing the shoulders.

Chairman Bock asked what the County would gain in property taxes if we were to sell it.

Mr. Hughes stated that at some point, there will have to be maintenance done on the roadway. We still have a period of time that it will not be substantial.

By consensus, the Board agreed to counter offer with \$12,000.00 per acre.

Chatham County Board of Education Surplus Property:

After some discussion, Commissioner Kost moved, seconded by Commissioner Stewart, to notify the Chatham County Board of Education that the Chatham County Board of Commissioners is not interested in the property that has been surplusd and exercise our right of refusal. The motion carried five (5) to zero (0).

ADJOURNMENT

Commissioner Kost moved, seconded by Chairman Bock, to adjourn the meeting. The motion carried five (5) to zero (0), and the meeting was adjourned at 5:19 PM.

Brian Bock, Chairman

ATTEST:

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