

MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
SPECIAL MEETING
CAPITAL IMPROVEMENTS PROGRAM
NOVEMBER 04, 2013

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, 6:00 PM on November 04, 2013.

Present: Chairman Walter Petty; Vice Chairman Brian Bock; 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, Budget Analyst, Lisa West, Sandra B. Sublett, Clerk to the Board; and Lindsay Ray, Deputy Clerk to the Board

INVOCATION AND PLEDGE OF ALLEGIANCE

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

CALL TO ORDER

Chairman Petty welcomed those in attendance and called the meeting to order at 6:00 PM.

APPROVAL OF AGENDA and CONSENT AGENDA

Commissioner Cross moved, seconded by Commissioner Bock, to approve the Agenda and Consent Agenda as follows:

1. **Tax Releases and Refunds:** Approval of Tax Releases and Refunds, attached hereto and by reference made a part hereof.

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

END OF CONSENT AGENDA

PUBLIC INPUT SESSION

Robin Allgood, Economic Impact & Child Care in Chatham, presented her comments to the Board in the form of a letter that was drafted as a community and Chatham County Partnership for Children Board and provided them in their entirety for the record as follows:

“Did you know that a child only has approximately 2000 days of life before he or she goes to kindergarten? It is well recognized now that these early years are when the critical foundation is set for a child’s entire life. For many children, much of this time is spent in care outside the home, in child care or some other group arrangement. More than half of the young children in Chatham County have parents that work full time; over 2,000 Chatham preschoolers have both parents working and almost 800 live with a single

working parent. Over 1,000 children attend regulated child care facilities in Chatham County every day. Child Care is critical to these families, allowing parents to work and providing consistent nurturing environments for the children.

The recent federal government shutdown threatened to suspend child care subsidies for low-income families. Fortunately for Chatham County, quick thinking and collaboration between Smart Start and Chatham DSS put off snatching these children from their safe, nurturing care environment and allowed parents to keep working. In many other NC counties, low-income families were put through the nightmare of losing care and employment for several weeks.

Chatham Child Care providers came together recently with the Chatham County Partnership for Children (Smart Start) for the monthly Focus on Child Care Committee to talk about the possible cutoff of subsidy funds and the impact it would have on our early care and education structure as well as the impact on the local economy. The group expressed deep gratitude for the support from the local county government staff that allowed Chatham DSS to delay the suspension of funds. Thank you, Chatham County Board of Commissioners, for putting in place strong local government leadership that took the necessary steps to protect our children in their most precious years.

The average annual cost of child care in Chatham County is nearly \$7,000; the average monthly ranges from \$635 per month for an infant to \$576 per month for a 4 year old. For low income families, this cost could be as much as 46% of their family income. Chatham DSS funds nearly \$150,000 per month to help low-income families pay for their child's care, mostly in local Chatham County child care programs. Child Care small businesses (centers and family child care homes) serve all families, subsidized and self-paying families together. Losing funding for subsidized children could threaten all the children in care: if the childcare business suddenly lacked enough resources to pay its teachers, all the children enrolled (not just subsidized children) would lose their stable child care arrangement. Some Child Care businesses might have had to shut down completely. Larger child care centers may not have easily recovered from such a shutdown, threatening their continued service to families and support of the local economy. The effect would have impacted everyone, local businesses where teachers and parents shop, the employers of the families who would not have been able to go to work, and on and on.

We thank you for your supportive leadership that has secured our child care services to date. We ask that you consider taking additional steps to help us if and when we face this situation again in the future. Supports that might be considered include granting the Partnership funds for an endowment fund for our child care subsidies or simply setting aside local funds to cover at least 1 month of care for our low income families. We stand ready to work with the Chatham County Board of Commissioners to ensure the safety and security of child care services, an essential element of the economy of Chatham County.”

BOARD PRIORITIES

Chatham County Recommended Capital Improvement Program:

Renee Paschal, Assistant County Manager, presented the Chatham County 2015-2021 Recommended Capital Improvements Plan (CIP) in a PowerPoint as follows:



2015-2021 RECOMMENDED CIP

4 November 2013 Presentation

What is a CIP?



- It is not...
 - ▣ Clothing Issue Point, Corrugated Iron Pipe, Channel Identification Plan, Counter Intelligence Program, Clean-In-Place, or Cheeseburger-in-Paradise
- It could be...
 - ▣ Critical Infrastructure Protection, Capital Investment Plan, Core Investment Program, Critical Item Program, and Competitive and Innovations Program
- It is...
 - ▣ Capital Improvements Program/Plan
 - ▣ The county's long-term plan for important improvements

County's Process



- County staff is presenting a recommended capital improvements program (CIP) today
- **Public input is an important goal** of the Board of Commissioners, so that is the **first step** in reviewing the plan and the purpose of the public hearing; the public hearing has been set for **November 18 at 6 pm**; document will be available tomorrow in county's 3 libraries and on the website
- Following public input, Commissioners will hold a work session (scheduled for **November 19**) to review plan in detail
- Staff's goal is an adopted **revised** plan in **December** and a published document shortly afterwards

New Projects



- All school roof projects funded [\$7.1 million, previously \$5.1 million]
- New software for finance/human resources/utilities billing/budget, with platform for additional countywide software [\$1.5 million]
- Both funded by "repayment" of \$5 million transfer from general fund to water capital reserve made in FY 2007
- Two new small water main replacement projects in Haywood and Natural Trail MHP have been added [\$789K]
- Several other adjustments covered in the Introduction Section—most already BOC approved

Future Projects—New



- ▣ Assessment of Agriculture Building removed—2008 assessment believed to be sufficient
- ▣ Sheriff storage added—Emergency Operations storage moved to Performance Building and cost reduced from \$593K to \$12,750

Other Future Projects (still)



- ▣ Animal Shelter Expansion and Renovation
- ▣ Northeast Library*
- ▣ Public Health Building*
- ▣ Renovation of former jail
- ▣ Emergency Communications - Next Generation 911
- ▣ Emergency Communications - Radio System Upgrade
- ▣ Schools - Chatham Middle Expansion*
- ▣ Schools - High School Locker Rooms
- ▣ Schools - New Northeast Elementary School*
- ▣ Schools - Replace Gymnasiums at Bennett, Silk Hope, Bonlee*
- ▣ Water District - Southwest Water District Distribution Lines Construction

*These projects require debt financing & impact the debt model

Joint Bus/County Garage



- Highest priority of Board of Education
- Still a future project
- Debt required
- Additional 1/2-cent transfer needed to the debt reserve

Funding Strategy



- Fund large, needed facilities through debt:
 - ▣ School debt to be repaid from impact fees, lottery proceeds, debt reserve, and restricted sales tax
 - ▣ Water debt to be repaid from water capital reserve
 - ▣ Other debt to be repaid from 5.6 cents on tax rate going into reserve
 - ▣ Debt model is based on these funding sources
- Fund smaller needs through fund balance/capital reserve, as this source is available; schedule in CIP should be considered tentative

Funding Strategy



- Maximize grant opportunities (parks)
- Fund parks through grants, recreation fee, and capital reserve
- Fund northeast solid waste collection center through capital reserve

Fund Balance



- ▣ Board adopted policy to transfer undesignated fund balance greater than 22% into capital reserve to fund CIP
- ▣ Currently, with FY 2014 appropriation, undesignated fund balance is 21.8%--so none available to transfer
- ▣ This problem may recur with the level of fund balance appropriation
- ▣ We will discuss during the Nov. 19 work session

Board of Education Priorities

	Project	Requested FY	Recommendation
1	Joint county/bus garage	ASAP	Future, fund when \$ allows
2	Replacement of school roofs	2015-2021	All recommended through QSCB, fund balance, and capital reserve

- All existing projects stay on schedule, including the NE High School, opening in 2019

Next Steps



- Questions?
- Feel free to send questions or requests for additional information to Lisa/Renee
- Next Steps:
 - ▣ Public hearing on November 18 (at regular meeting)
 - ▣ Work session on November 19

Commissioner Kost stated that prior to the November 19th Work Session, there are a couple of things that she would like for Staff to provide:

- 1) Current ten-day enrollment for the schools (by school)
- 2) How much fund balance that was added for the last fiscal year
- 3) A copy of the most current debt-model that was run as an Excel spreadsheet (not a PDF)

Chairman Petty requested that the Work Session to be held on November 19, 2013 Board of Commissioners' meeting be an afternoon meeting as he will be attending an all-day UNC Healthcare meeting on Monday which will continue on Tuesday morning.

Commissioner Bock moved, seconded by Commissioner Cross, to begin the November 19, 2013 Work Session at 1:00 PM. The motion carried five (5) to zero (0).

Ms. Paschal stated that two days are typically held for the retreat. She asked if the Board would like to set a second date.

By consensus, the Board set January 22, 2014 as the date on which to hold the second retreat day, if needed.

Ms. Paschal asked if the Board would like to have a facilitator.

After discussion and by consensus, the Board said no.

Discussion and Vote on the Location of the Upcoming Construction of an Agriculture Center:

Chairman Petty stated that he asked for this item to be put on the agenda because he had concerns that we were not going to be able to accomplish their goal in the time frame that they had set for building the Ag facility and he felt that while discussing the Capital Improvements Program, it would be a good time to talk about it. He stated that this project has been on/off again for so many years that he did not want to see anything happen to it. When the joint meeting was held with the Commissioners of the Town of Siler City on October 03, 2013, they got caught off-guard when they reiterated their interest in the Ag Center being placed in Siler City. Because of that, discussions began and he started to see some merit in placing it there. He wanted to bring it to the Board of Commissioners for reconsideration to relocate the building in Siler City. Since that time, they seem to have gotten back on schedule; however, in the course of doing that, they found several good reasons that it might still be a good place to put it. One of the most important is that they think there is a monetary savings that can be realized with putting it in Siler City. With those dollars, they might be able to return to their original plans for the Ag Center which was scaled down to get within the budget.

Commissioner Kost asked Chairman Petty to elaborate on his request.

Chairman Petty stated that as he began to look at if it makes sense, where they would put it, and what it would cost, etc., he thought that there might be potential savings with the infrastructure and grading costs. He stated that there had been no official research or money spent to investigate, but a savings might be realized with putting it in Siler City.

Commissioner Kost asked what it was based on stating that she had seen no information from Staff at all with regard to the cost being cheaper in Siler City.

The County Manager stated that once they saw that Pittsboro was reviewing whether to rezone the property or not, he asked the Public Works Director to do a quick investigation on a potential site within the Siler City Business Campus. He stated that because of the expense of running water and sewer lines and the expense of the turn lane with the project in Pittsboro, there will likely be a \$600,000-700,000 in savings if it was done in Siler City.

Commissioner Kost stated that they have to build a turn-lane in Pittsboro anyway if the property is to be developed. She stated that was not really a savings, it was a deferment.

The County Manager said he could not argue that point; they did a quick review about what it might look like; it may be different than that, but that is what they have come up with as a quick look at that site.

Commissioner Kost asked that anytime information is provided to one Commissioner that it be provided to all Commissioners.

The County Manager stated that they had not sent anything out. It had been discussed with the Chair and Vice Chair which is no different than in the past.

David Hughes, Public Works Director, stated that the savings are generally the water line and sewer line extensions. The site in Siler City, behind the hospital, is also in pasture so there would be no clearing costs. It is a little flatter, so there would not be as much grading. The water pressure in Siler City is a little higher so it would not require a fire pump. All of these things would add up which would likely be in the \$600-700,000 range. He stated that it was the nature of the site. The infrastructure is right there. The driveway would be off the side road so one wouldn't necessarily need a turn lane. It is a little easier to develop.

Commissioner Kost asked what architectural fees have been spent on the Pittsboro site that would have to be redone and was it factored into the analysis.

The County Manager stated that the current expenditures for the Pittsboro site are approximately \$20,000 in total at this point.

Mr. Hughes stated that the building would fit on the site fine. There is twenty acres of developable land on the Siler City site. It is the same building. They have designed the building to fit on the Pittsboro site, but know that it will fit on the Siler City site fine. The only additional costs would be the initial cost of the civil engineer which would be minimal as he was stopped when things got a little confused. He stated that he asked him to hold off until it could be sorted out as he didn't want to spend a lot of money on a site they weren't going to use. The main cost was the topo work done on the Pittsboro site which could be used by someone else if a topo was needed. He stated that was approximately \$38,000.

Commissioner Stewart asked if the site was moved to Siler City, would they keep the property in Pittsboro or if it would be sold.

Chairman Petty stated that he would recommend it be sold.

The County Manager stated that would be an option for the Board of Commissioners. He stated that Staff is not advocating whether it be in Siler City or Pittsboro. He stated that they are just presenting information which they have at this point.

Chairman Petty stated that they, by no means, had the tools necessary to make a final decision. It was to find out if there was enough interest to reconsider it.

Commissioner Kost stated that the Pittsboro land was bought before there was an Ag Center project. The land was bought because it is adjacent to Central Carolina Community College and it was for expansion of the college. She stated therefore, she would not be an advocate of selling the land. It was not bought specifically for an Ag Center.

Commissioner Bock stated that it was not bought specifically for that, but the discussion, when it came up was, it would be a great place for the Ag Center. He stated that was his vote to buy it was for the Ag Center.

Chairman Petty stated that it wasn't determined initially at the time of purchase, but it justified a reason for buying it.

Commissioner Cross stated that there was no offense to the Public Works Director's savings estimate, but they are talking about building an office building with a civic center. The footprint will hold that, but where will the expansion occur. He asked where the agriculture facilities would be expanded that would come later. He stated that they could easily be added to the Pittsboro campus. He stated that the only places in Chatham County that have adequate parking for five hundred people is Jordan Matthews or Northwood High Schools. From previous experience, the schools are not built for civic functions. They are built for staff cars and school busses. Parking is a headache. There are over seventy-five acres left to expand at the Pittsboro site to include parking, livestock facilities, or a show arena. He said that the central location is better suited to the general public and the school system stating that the school system may wish to use the facility for various things also. For people in the north, east, south, it is a forty-five minute drive to Siler City. Everyone in the County can get to Pittsboro within thirty minutes. The Pittsboro location is more central to the overall population of the County; it gives a better chance to draw folks to events from Durham, Orange, and Wake Counties; the community college site; Pittsboro already has the ag program; there is no room at the Siler City community college to move even if the community college system wanted to move it; and that was all part of this plan so they could work together. He stated that it was his recommendation that the Board, by consensus, leave the project at the Pittsboro campus. He said that they wouldn't be saving anything if they couldn't build what was needed in the long-term stating that this is only a piece of the pie

Commissioner Stewart asked if expansion was not a possibility at the Siler City campus.

The County Manager stated that there are other spots around the campus that some of those things could be placed; however, it would not be adjacent to the conference center.

Commissioner Stewart asked how far away it would be.

The County Manager stated he could not answer that question at this point as they haven't looked that far.

Commissioner Cross stated that it didn't matter; if one couldn't park his car at one time and go to an event, something is wrong.

Commissioner Bock stated that Commissioner Cross pretty much summed up all the original arguments made for the current site. There are some strong arguments for the Siler City site primarily with the hotel accommodations, multi-day type events, the Extension Service has said they can't do that now; Siler City does have some hotels that could be used for that; that he likes the idea of the Business Campus property being used as there is a lot of money in the property and he feels it would be good to be used for something. He stated that other than that savings, the original arguments for the site are still there. He likes having the Ag Center located right off Highway #64 where people see it when they drive into town and they can see that Chatham County supports agriculture. The Siler City site is hidden and off the road, and he is concerned that it would not receive as much use with regard to marketing. He stated that he believes the original arguments still stand. He thinks that the argument for the Siler City location is stronger than what he originally thought it was; however, he doesn't feel it is enough for him to change other than saving \$700,000.

Commissioner Cross stated that there wouldn't be a \$700,000 savings; that when it comes to the expansion phase, there will be a loss; there will not be the smooth, contiguous project that they are trying to build.

Commissioner Bock stated that he support Commissioner Cross's suggestion that it be kept at the current site in Pittsboro, by consensus.

Commissioner Stewart stated that she still stands behind her original statement. She stated that she would like to see it in Siler City for several reasons: 1) From an economic standpoint, it would be a plus for the Town of Siler City and the issues they are facing with needing something like that. 2) The proximity to the farming community as it is closer and it is an ag center. 3) That it would be a plus for the mega-site and someone who is looking at it. A big company would look for a large space to hold events, meetings, trainings, etc. The Ag Center would accommodate a large number of people for those types of meetings. She stated, however, that expansion is an issue.

Commissioner Kost stated that with regard to the mega-site, if the Ag Center is located in Pittsboro, it is only fifteen minutes away; most corporations would come more than that length of time; that so many of the programs by Cooperative Extension for the citizens in the community deal with not just agriculture, but programs like maintaining septic systems, how to maintain wells, and various programs that they offer; that if those programs are offered only in Siler City and not in Pittsboro, which is what would happen, then all the citizens in the community will not be served as Commissioner Cross stated, it is forty-five minutes to one hour from points east; that Pittsboro is the County seat; that Staff made the recommendation that it be located in Pittsboro; the Cooperative Extension Director said he sees advantages in placing the center in Pittsboro because that is where other County offices are located and that he felt he would be isolated in Siler City; that she thinks all of the arguments are very strong; however, until she sees the cost-saving numbers and has a chance to analyze them, she has to question them. She stated that she feels some of them are deferments as opposed to real savings.

Commissioner Cross stated that there are very few farmers or ranchers that are actually weekly or monthly customers to the Agriculture Department. He stated that he has a couple of farms and comes in once a year to fill out forms with regard to who is planting crops on it. It is the only time he goes there. They are serving a lot of youth in the buildings and adults on the programs with which Commissioner Kost referred. It is too much to ask people to drive forty-five minutes at night to a program across the County to Siler City. We are well into the plan that we have. There is plenty of room to expand to a full facility that he feels everyone envisions one day. He stated that he feels we need to stay with the plan that we have and proceed.

Chairman Petty said that this is the dialogue that he wanted to have stating that the savings caught his attention. He stated that he could see potentially being able to return to the original plan for the facility with the savings or paying down some debt. He stated that the thing he did not consider was additional expanding and having to go across the road on another tract of land.

Commissioner Cross stated that there are counties in North Carolina that don't have their agriculture business in the county seat; however, there is not one that doesn't have it altogether. He stated that we need to have both. We will have a real fine facility that they can be proud of if they stick with the plan.

By consensus, the Board agreed to leave the Ag Center in Pittsboro.

Chairman Petty asked that the Staff keep the project on schedule stating that it is something that has eluded us for years.

The County Manager stated that they would accelerate the plans.

MANAGER'S REPORTS

The County Manager reported on the following:

Mega-site:

The committee has met with Siler City and County Staff on a task order for the engineering process for the mega-site. They have retained, based on the agreement with the funding, McGill and Associates at a cost of \$351,000.

COMMISSIONERS' REPORTS

Library – Holmes Meeting Room Policy:

Commissioner Kost stated that she had a complaint from a citizen that the policy for the Holmes Meeting Room on Sundays had changed and there can no longer be meetings when the library is not open. She asked that Staff bring it back to the Board of Commissioners at the November 18, 2013 Board of Commissioners' meeting and explain the policy change and why the change is being made.

ADJOURNMENT

Commissioner Cross moved, seconded by Commissioner Stewart, to adjourn the meeting. The motion carried five (5) to zero (0), and the meeting adjourned at 6:52 PM.

Walter Petty, Chairman

ATTEST:

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