

**MINUTES
CHATHAM COUNTY
BOARD OF COMMISSIONERS
BOARD SUMMIT
JANUARY 09, 2007**

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Henry H. Dunlap, Jr. Building Classroom, located in Pittsboro, North Carolina, at 9:00 AM on January 09, 2007.

Present: Chairman Carl Thompson; Vice Chairman 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 Finance Officer, Vicki McConnell

Tentative Agenda

- Presentation on Capital Financing by Doug Carter
- Review of Chatham’s Adopted Financial Policy
- Budget Process Review
- Capital Improvement Plan
- Fund Balance
- Fiscal Trends
- Current Budget Status
- Major Issues
- Board of Commissioners' Priorities

The Chairman called the meeting to order at 9:00 AM and then delivered the invocation.

ECONOMIC DEVELOPMENT SERVICES

The County Manager presented the Request for Proposals (RFPs) for economic development services.

AGENDA REVIEW

The Board reviewed changes to the Tentative Agenda. The recreation funding of religious organizations discussion was dropped from the agenda discussion items.

CAPITAL FINANCING

Doug Carter gave a presentation on capital financing.

Renee Paschal presented the Fiscal Policy and Capital Improvements Program. Commissioner Lucier asked if changes could be made to the plan in the future.

Ms. Paschal replied that changes could be made at any time.

The Board concurred that updating the Recreation Master Plan was desirable, but that staff could move forward with finding land for the Northeast Park.

Commissioner Barnes moved, seconded by Commissioner Cross, to approve the Capital Improvements Program and Financial and Budgetary Policies, attached hereto and by reference made a part hereof. The motion carried five (5) to zero (0).

BUDGET TRENDS

Ms. Paschal presented the Budget Trends.

Chairman Thompson:

Chairman Thompson asked to be excused at 11:30 AM to take care of an urgent matter.

LUNCH BREAK

The Board recessed at noon for lunch and reconvened at 12:30 PM.

BUDGET CONTINUATION

Projected Revenues for Coming Budget:

Ms. Paschal presented the anticipated bottom line. She cautioned that figures being presented were very rough and were for planning purposes only.

Fund Balance:

The Finance Officer presented fund balance. Projections showed that the County's revenue, expenditures, and fund balance for the upcoming year seemed reasonable and in line, without substantial changes needed.

Major Issues:

The County Manager presented Major Issues.

The Chairman rejoined the meeting at 1:00 PM.

The Chairman asked that the future budget summit information be labeled.

Non Profits:

Ms. Paschal presented the non-profit process and revisions. The Board agreed by consensus to the proposal. Commissioner Lucier recommended that the volunteer panels produce a written rationale/justification for funding decisions. He recommended the format of strengths, weaknesses, and overall funding recommendation.

The Board discussed the possibility of allocating ½ of one penny on the tax rate for non profits.

REGIONAL WATER AND SEWER

Commissioner Lucier asked for a presentation on water from Hobbs, Upchurch & Associates. He stated that this was a very important issue for the County, and that the Board needs information before authorizing additional expenditures.

Commissioner Barnes pointed out that a presentation might not give all of the information, since Tim Carpenter, the key staff person assigned to Chatham County, had left employment with Hobbs, Upchurch & Associates.

The Board agreed that water should be covered at the January 16, 2007 Board of Commissioners' meeting in lieu of the Conditional Use issue which was postponed until February 2, 2007.

The Board asked staff to produce an analysis of the percent of water capital expenditures paid for by property taxes (general fund). The Board also discussed the need for a public hearing on this issue.

The Board held considerable discussion on this issue.

SEWER ON DEEP RIVER

A discussion on liability for groundwater contamination from spray irrigation ensued.

Commissioner Cross moved, seconded by Commissioner Lucier, to ask NCDENR for guidance on the continued use of spray irrigation as wastewater disposal in Chatham County. The motion carried five (5) to zero (0). The Board also wanted to know the number of spray irrigation systems and offsite septic systems in Chatham County and in North Carolina.

Commissioner Lucier asked if the Board was interested in contacting OWASA about their interest in joint long-range plans for water. By consensus, the Board agreed, stating that it should be done by the County Manager and should be put in writing.

Commissioner Lucier asked about the intake contract with Cary.

The County Manager explained that the original agreement expires in 2007. He stated that he had talked to Bill Coleman, Cary Town Manager, about extending the agreement and was assured that it would not be a problem.

Commissioner Lucier asked if the County should have a formal, written agreement with Cary.

The County Manager stated that this could be done.

Commissioner Lucier asked if the County had made a formal application for sewer.

Commissioner Cross replied that it had not, that it was an informal discussion.

Commissioner Lucier asked if the County should make a formal request.

A discussion ensued in that the County is not in a position to make a formal request, other than the Deep River proposal.

BUDGET PRIORITIES

- Commissioner Cross stated that staff should start with no tax increase and determine what the County can fund without a tax increase. Additional services should be prioritized, along with their impact on the tax rate.
- Commissioner Barnes cautioned the Board not to use “no tax increase” without evaluating whether this could accomplish what the Board wanted to do.
- The County Manager stated that staff would show the Board what they can do without a tax increase and what it would take to accomplish additional items.
- Commissioner Cross asked that the County Manager consider increasing staff and determine what can be done within existing resources.
- Chairman Thompson stated that a Human Relations Director is a priority. He asked staff when a budget would be prepared for this.
- Commissioner Vanderbeck stated that he sees a need for the Human Relations Director, but has a problem making it a full-time position with staff. He suggested the possibility of a part-time director or creating a position that is part-time Human Relations and part-time citizen engagement.
- Chairman Thompson stated that the Board needs to determine the scope of the work to be accomplished and get input from the Human Relations Commission. He stated that they need cost data so the Board can decide how it wants to fund and at what level.
- The County Manager suggested setting a work session for the Board of Commissioners and Human Relations Commission to refine their scope of work.
- Chairman Thompson asked that the work session be set up with the Human Relations Commission.
- Commissioner Cross asked that more information be given about the need for a Human Relations Department.
- Commissioner Lucier asked that staff identify what can be done without a tax increase and what are additional needs and funding.
- Commissioner Lucier stated that the Board needs to consider renovations to high schools. He stated that the Board of Education has not made an official request, but he knows it is a concern.
- Commissioner Lucier stated that the Board needs to know its commitment and costs for economic development. Staff will have to do an initial investment to make it work (implementation of economic development plan).
- Commissioner Lucier stated that recreational opportunities in Chatham County are inadequate. He said the Recreation Department needs a gymnasium to run their existing programs. He stated that the Board could fund a gymnasium on the campus of Central Carolina Community College, if allowed, through the recreation fee.
- The Board agreed to set aside one-half of one cent on the tax rate for non-profit funding.
- Chairman Thompson stated that the County needs to look at additional office space as priority and conduct an assessment of future needs.
- Recreation Master Plan update.
- Impact Fee Study update (need more definitive costs data).

PARKING LOT ISSUES

Commissioner Vanderbeck asked that the County collaborate with the Town of Pittsboro on a multi-cultural center. The County will need a more definitive plan before County funds can be considered.

Commissioner Vanderbeck stated that the mentoring program needs refining. He stated that it needs to be discussed with the Board of Education.

Funding a joint tennis court with the Town of Pittsboro through the recreation fee needs to be

explored.

Chairman Thompson asked for a list of non-profit agencies making requests from last year.

BOARD OF EDUCATION

A joint meeting between the Board of Commissioners and the Board of Education was tentatively set for January 29, 2007.

A discussion on the following ensued:

- Jack Bennett Site
- Method of financing new high school
- Timing of submission of budget request (beginning next year)
- School costs and justification of cost for high school; prototype plans (have they reviewed those available)
- Lease-purchase option?
- Corporal punishment policy
- School CIP (beyond 2012)—long-range plan
- Review of school budget will likely be more rigorous than last year

ADJOURNMENT

Commissioner Cross moved, seconded by Commissioner Lucier, to adjourn the meeting. The motion carried five (5) to zero (0).

Carl Thompson, Chairman

ATTEST:

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