

MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
WORK SESSION
DECEMBER 03, 2007

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Dunlap Building Classroom, 80 East Street, located in Pittsboro, North Carolina, at 4:00 PM on December 03, 2007.

Present: Vice Chairman, George Lucier; Commissioners Patrick Barnes, Mike Cross and Tom Vanderbeck; County Manager, Charlie Horne; Assistant County Manager, Renee Paschal; Finance Officer, Vicki McConnell; County Attorney, Kevin Whiteheart; and Clerk to the Board, Sandra B. Sublett

Absent: Chairman Carl Thompson

The meeting was called to order by the Vice Chairman at 4:00 PM.



Work Session

1. **Audit Report Presentation**
2. **Agriculture Advisory Board**
 - a. Request Regarding Agricultural Development and Farmland Preservation Trust--Charlie Bolton
 - b. Value Added Agriculture Processing Facility Update
3. **Judicial Facility**
4. **Institute of Government Schools**

AGRIGULTURE ADVISORY BOARD

Charlie Bolton, Agriculture Advisory Board Chair, showed the Board one of the signs that the Board had funded for the County. He thanked the Board for their resolution in support against the merging of the Chatham and Lee County Farm Service Agencies.

Mr. Bolton asked the Board’s support in signing a letter of intent to formally express Chatham County’s commitment in supporting the development of a Farmland Protection Plan for the County in order to apply for matching State funds. He stated that the County would be committing approximate funds in the amount of \$16,000; that if the grant is approved, the State would commit \$42,000; and that the Triangle Land Conservancy has agreed to spending approximately \$9,500.

Leigh Ann Cienek of the Triangle Land Conservancy presented information about the NC Agricultural Development and Farmland Preservation Trust Fund and the opportunity for Chatham County to apply for a 70% State cost-share on a planning grant to develop a Farmland Protection Plan. She stated that if Chatham County develops an approved plan, state cost-sharing on the future purchase of development rights can be increased from 70% to 85%. A copy of her power point presentation is as follows:

Farmland Protection Plan

Chatham County
December 3rd, 2007

What is a farmland protection plan?

- A farmland protection plan serves as a guide for enhancing agricultural industry and protecting farms and farmland.
- A plan identifies issues important to a specific agricultural community and recommends strategies that will help stimulate the rural economy, maintain active agriculture, and help preserve the valued character of the county's agricultural areas.

In North Carolina

- A farmland protection plan must:
 - *Describe the existing agricultural activity.*
 - *List existing challenges to continue family farming.*
 - *Contain a list of opportunities for maintaining or enhancing small, family-owned farms and the local agricultural economy.*
 - *Describe how the county plans to maintain a viable agricultural community and address farmland preservation tools.*
 - *Contain a schedule for implementing the plan and an identification of possible funding sources for the long-term support of the plan.*

N.C.G.S. § 106-744

What would a Chatham Plan look like?

- The plan would:
 - describe the **state of the agricultural community** in the County
 - Identify key areas of agricultural production and resources
 - Identify **challenges** to the agricultural community
 - Identify protection **opportunities** and strategies
 - Look into the feasibility of various **protection tools**
 - Recommend **land use and economic development strategies** for the county related to farmland preservation

Why should Chatham develop a plan?

- Identify prime agricultural resources
- Coordinate activities, agencies, and funding for farmland and forestland preservation
- Lower matching percentage for ADFP Trust Fund:
 - With a Farmland Protection Plan =15%, without = 30%
 - For example if a farmer wanted to place an agricultural easement on 100 acres of land and wanted to sell the easement for \$600,000, a match of \$180,000 would be required, if a plan is in place a match of \$90,000 would be required

Help meet existing goals

- **Strategic Land Use Plan:**
 - "Prime farmland conserved and protected to ensure agricultural lands remain in agriculture." (Balanced Growth goal 3)
 - "Increased proportion of land preserved as open space in areas under development." (Balanced Growth: Goal 6)
 - "Natural scenic areas preserved" (Conserved and Protected Natural resources: Goal 4)
 - "Agricultural enterprises in Chatham County are economically viable" (Commercial and Industrial Endeavors: Goal 6)
- **Conservation and Development Plan:**
 - Preserve both the form and function of rural character -- the landscape, agriculture, and home-based businesses.

- Convene a working group to identify and designate agricultural communities in the remainder of the county for new priority funding and protection strategies.
 - Use density exchanges as a means to protect open space and farm land in Chatham County.
 - Establish a *Farms for the Future* program that builds on existing efforts to provide technical assistance to farmers on marketing, infrastructure improvements, land acquisition, estate planning, and specialty farming.
 - Establish a voluntary agricultural district program and purchase of development rights program.
- **Article V of the Chatham County Farmland Preservation Program Ordinance:**
- The Agricultural Advisory Board:
 - Helps formulate a countywide farmland protection plan as defined in N.C.G.S. §106-744 (e) (1) for presentation to the Board of Commissioners;
 - Study additional methods of farmland preservation and make recommendations to the Board of Commissioners
- **April 17, 2006 Board of Commissioners Work Session:** Recommendation for a “Super TDR Committee” comprised of representatives of the Transfer of Development Rights Study Committee

Economic Development

A plan will help protect valuable economic and cultural county resources

- Agriculture is a major component of Chatham's Economy
 - Chatham ranks # 1 in beef Cattle production and # 5 in Poultry.
 - Chatham also has a growing class of small specialty farms.
 - Working lands (farm, forest, horticulture) comprise 41% of the county's land.
- According to the Cost of Community Services Report (Mitch Renkow 2007)
 - Agriculture is a net contributor to local fiscal resources requiring only \$0.58 for services for every dollar in tax revenue, where as residential requires \$1.14 to provide services.

Protect a Public Good

- Agricultural lands are a public good that:
 - Help protect the environment by recharging ground water in our communities and provide wildlife habitat
 - Boosts the economy
 - Ensures secure local food resources
 - Provides a unique sense of place, heritage, and culture within the county

Mr. Bolton stated that the Commissioner of Agriculture is interested in seeing conservation easements on farms with ten, twenty, and fifty year commitments; that in this area where things are growing so quickly, it may not be feasible in fifty years to have a farm in Chatham County; that if there is one, it may be completely surrounded by residential; that in order to avoid having to tie up things in perpetuity, he and the State Department of Agriculture are supportive of more short-term easements and contracts.

Commissioner Vanderbeck asked if they received grant approval, when would it be awarded.

Ms. Cienek stated that they would find out the middle of June.

The County Manager stated that it would be budgeted for next year.

Commissioner Lucier stated that this is one of the County's interests in economic development. He stated that he thought the Economic Development Corporation know what is being done; that as part of that strategy, it impacts the Land Use Plan and any revisions to be done to it; and that it will also be important to the Economic Development Plan which is in the process of being created.

Ms. Cienek stated that it would be modeled after Alamance County which is the first county in the State to pass (or getting ready to pass) a plan of which two tiers are the Land Use Plan and the Economic Develop component.

Mr. Bolton stated that if the Board was supportive, they would need a letter of intent before the December 14, 2007 deadline.

Commissioner Barnes moved, seconded by Commissioner Cross, to approve the Farmland Preservation Grant letter of intent. The motion carried four (4) to zero (0). A copy of the letter of intent is attached hereto and by reference made a part hereof.

Mr. Bolton stated, with regard to the Joint Processing Facility in which Orange County was involved, originally six counties were looking at the possibility; that Commissioner Vanderbeck just met with some of the folks; that he talked with Noah Raynell who said that they just finished the final survey; that the hard copies will be coming out this Friday; that copies will be distributed to the Board soon thereafter; that \$1,500.00 was spent as part of the study and it looks like their consultant recommended a government-owned facility in Orange County; that if they get that, the Orange Board of Commissioners are going to vote on it next Tuesday whether to make it available for this facility for \$1.00 per year; that if they get it, Chatham may choose not to participate; that if this is the case, he doesn't think that the money has been wasted because they may still be able to team-up with Alamance County.

Commissioner Vanderbeck stated that he thought it was a very good meeting; that he went with the Economic Development Director who has been working with them to help them to be a part of the process; that they had some discussions and will be working with the Board after which the Board can come out in January with something in a work session and we will see where we stand at that point; that the processing facility, as he is aware, did not include a meat-processing facility; that that would be in another phase if one chose to do that; that the building that they have proposed is a nice, big building; that that would be Orange County's "ante"; that there are a lot of good things to come from it; and that they will see where it takes them with their discussions with the farmers and with the Economic Development Corporation.

AUDIT REPORT PRESENTATION

2007 Audit Presentation: Presentation of the 2007 Audit

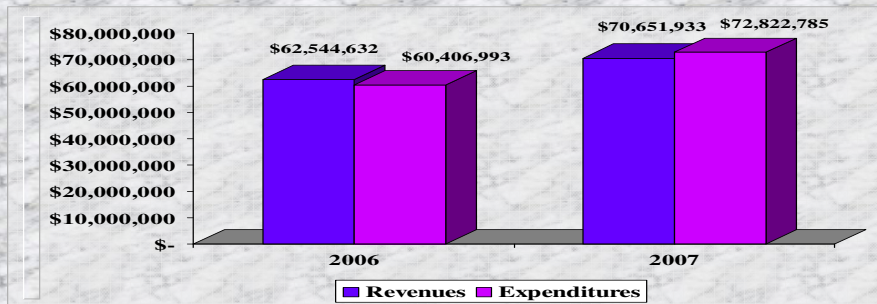
Brian Starnes, partner with Martin Starnes & Associates, CPAs, PA, presented the fiscal year 2007 audit report. Mr. Starnes stated that the report included the auditors unqualified opinion, no findings or questioned costs, and that there were no material internal control weaknesses identified. A copy of the audit presentation is attached hereto and by reference made a part hereof.



Audit Highlights

- **Unqualified opinion**
- **No findings or questioned costs**
- **No material internal control weakness identified**
- **Cooperative staff**

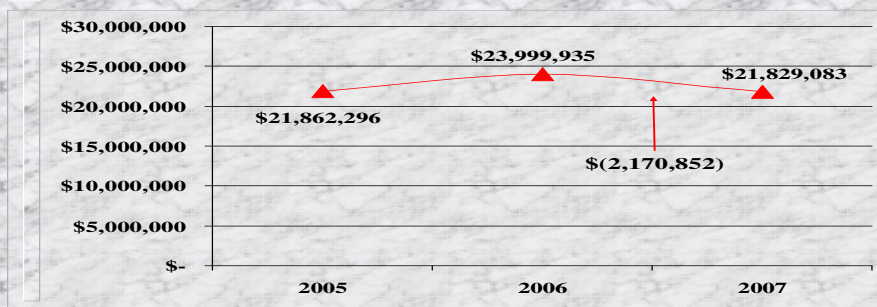
General Fund Summary



Fund Balance

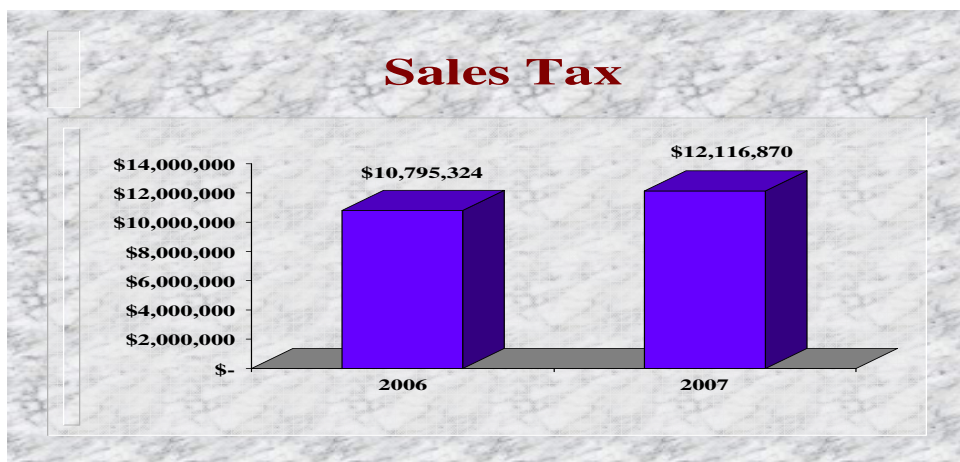
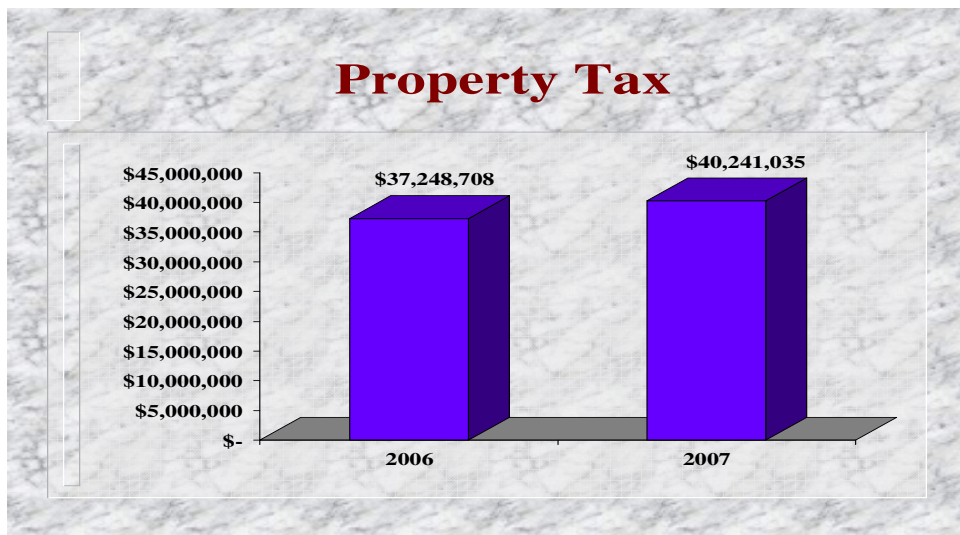
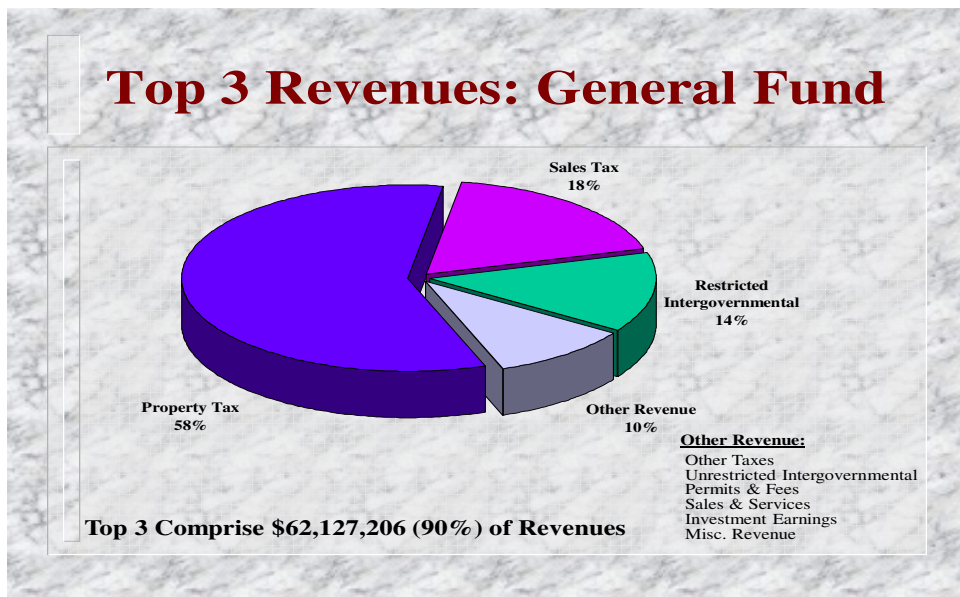
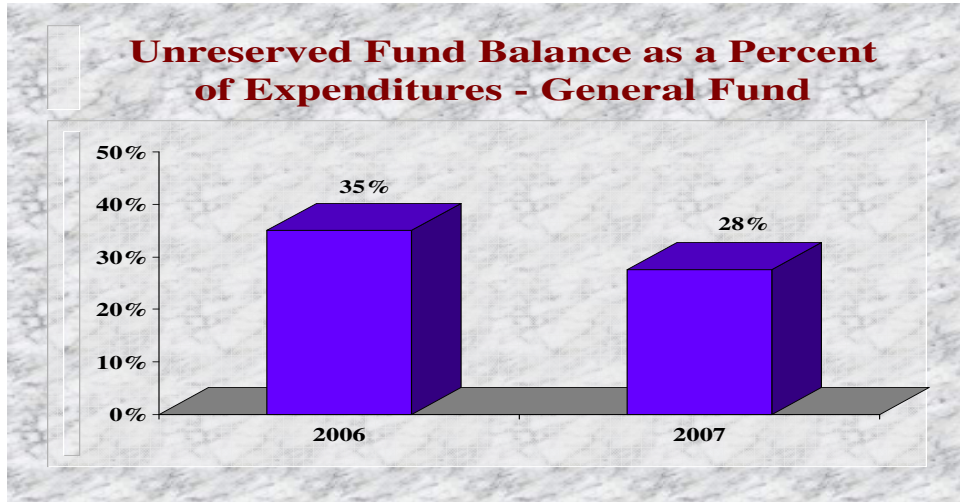
- Serves as a measure of the County's financial resources available
- Assets – Liabilities = Fund Balance**
- 3 Classifications:
 - Reserved
 - Unreserved Designated (Available)
 - Unreserved Undesignated (Available)

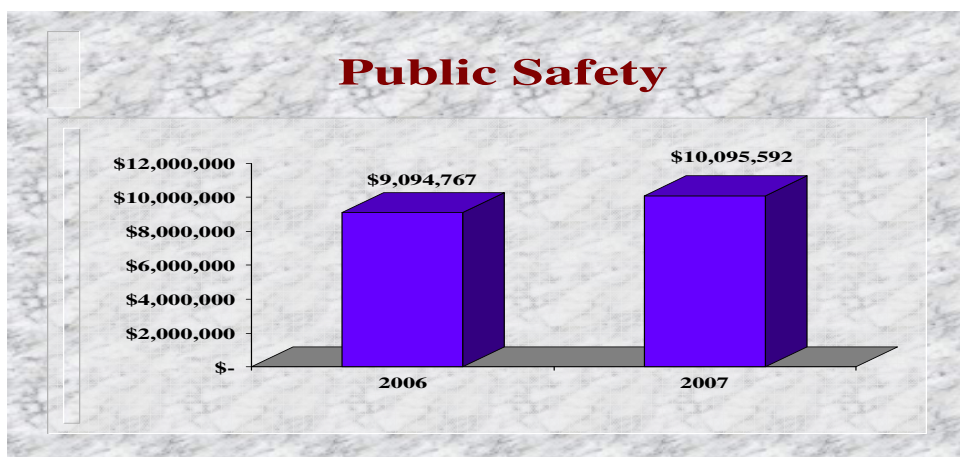
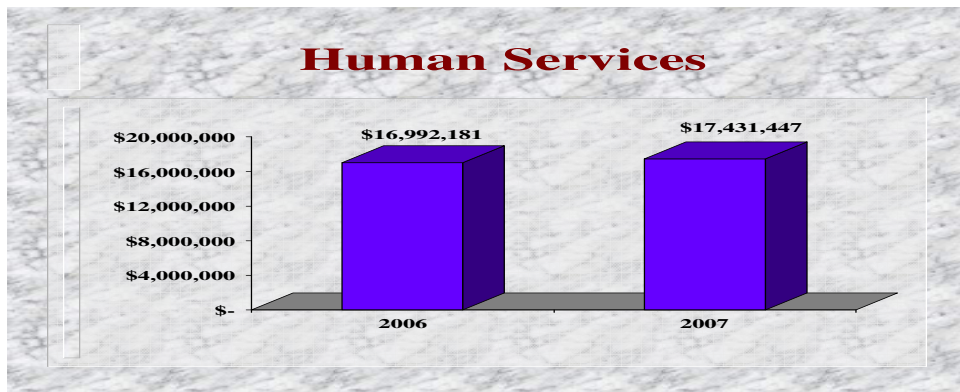
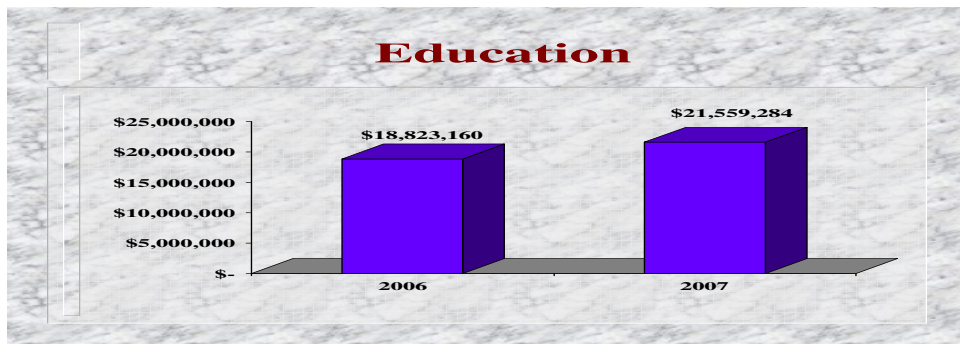
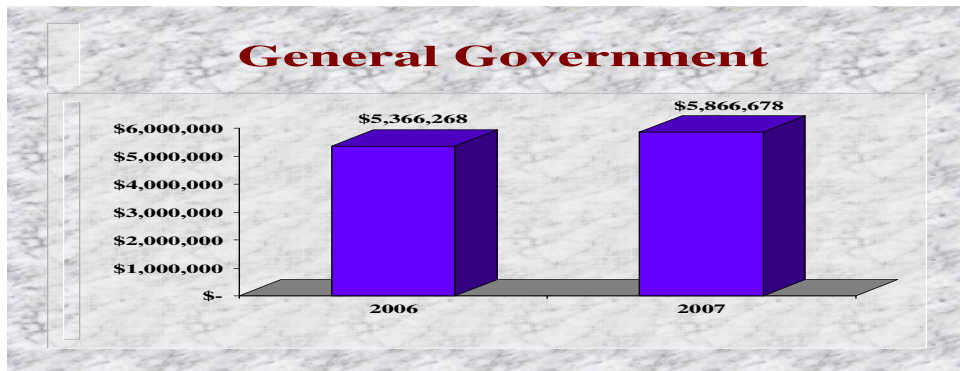
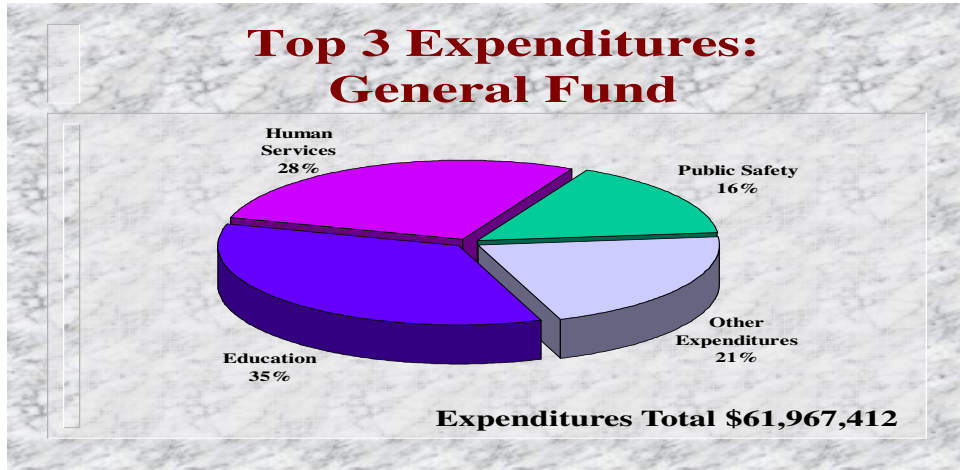
Total Fund Balance General Fund



Fund Balance Position General Fund

Total Fund Balance	\$ 21,829,083
Required Reservations	<u>– 4,748,062</u>
Unreserved Fund Balance	\$17,081,021





**Debt Position
 Governmental and
 Business-Type Activities**

Outstanding debt at 6/30/07: \$ 59,678,734
Debt margin at 6/30/07: \$ 482,264,633

Enterprise Funds

	<u>Cash</u>	<u>Net Assets</u>	<u>Cash Provided From Operations</u>
Utility	\$12,556,349	\$40,939,476	\$3,632,110
Solid Waste Management	\$2,516,513	\$ 3,917,150	\$ 373,904

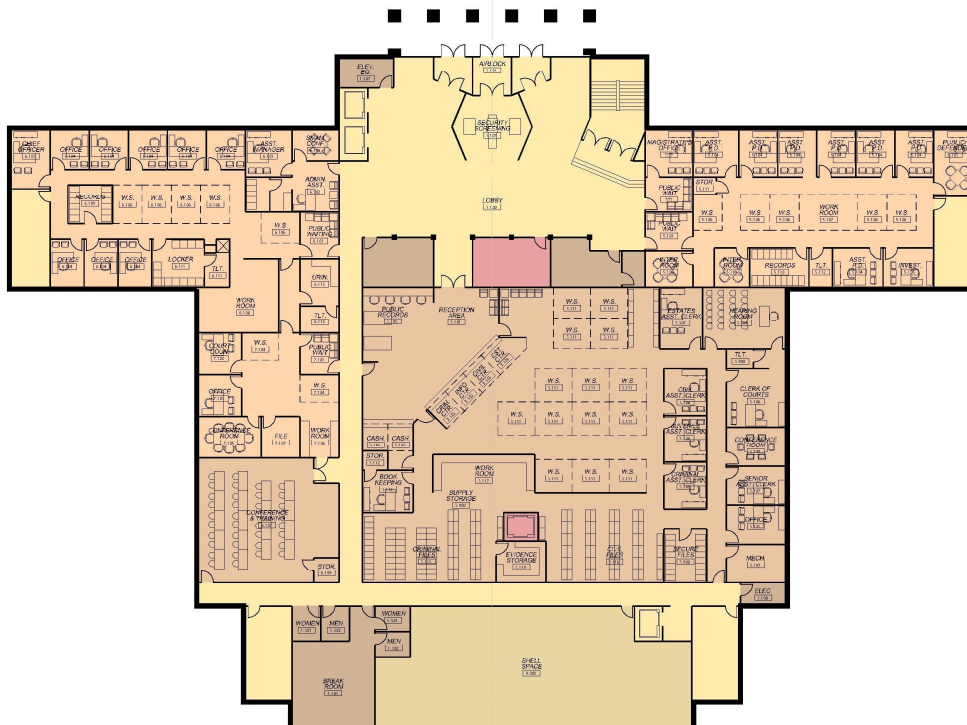
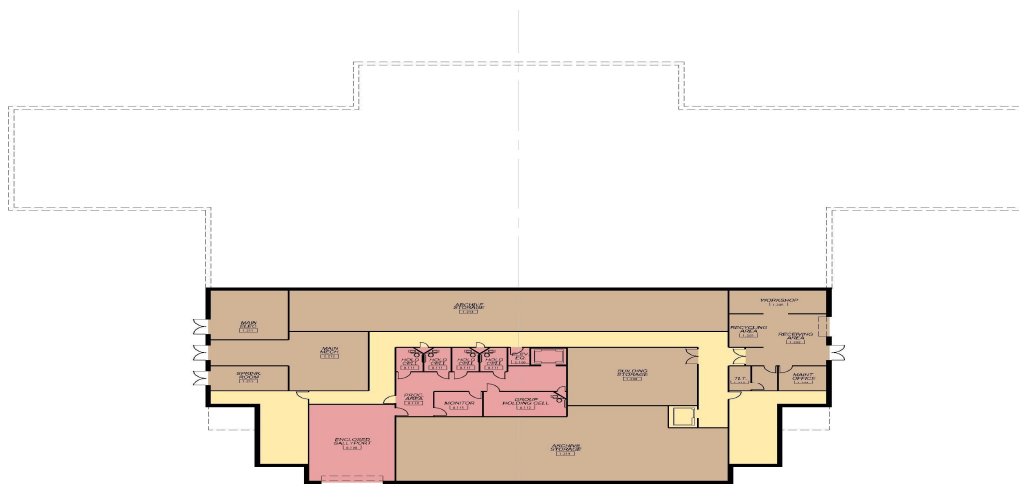
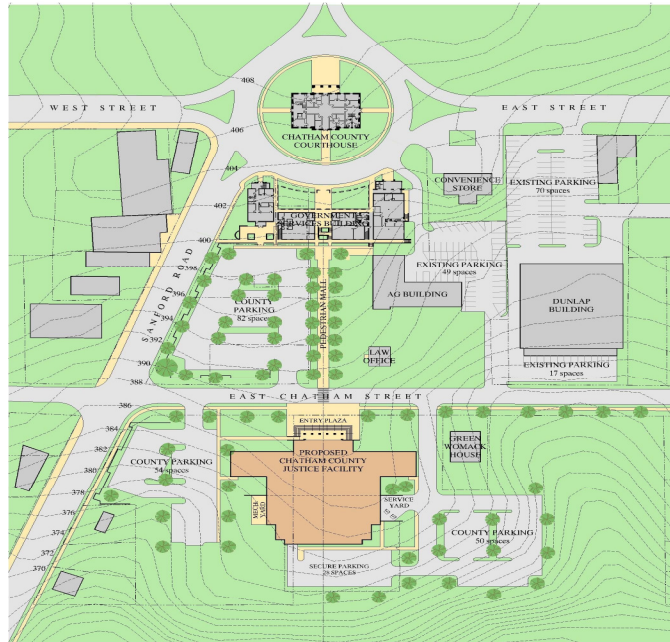
**Enterprise Funds
 Operating Income (Loss)**

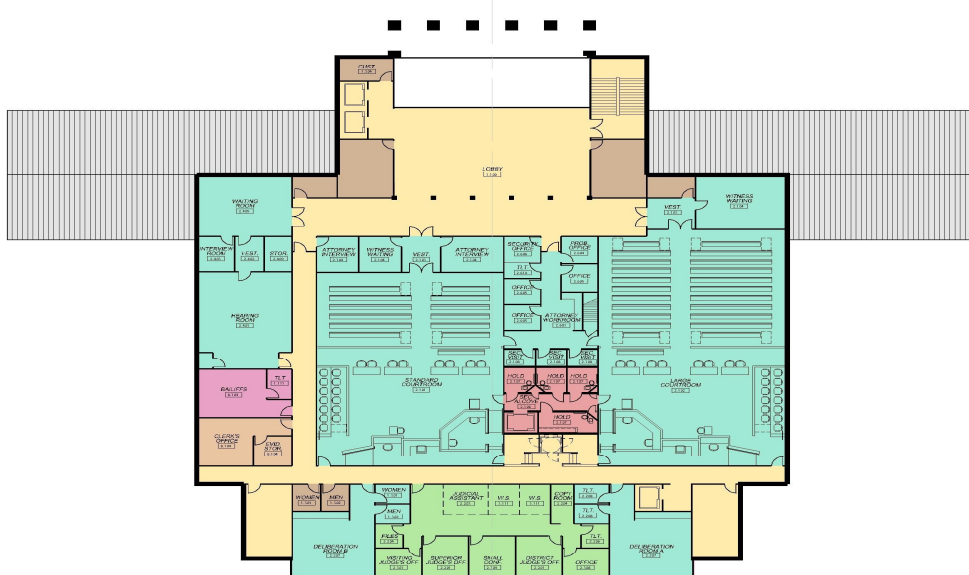
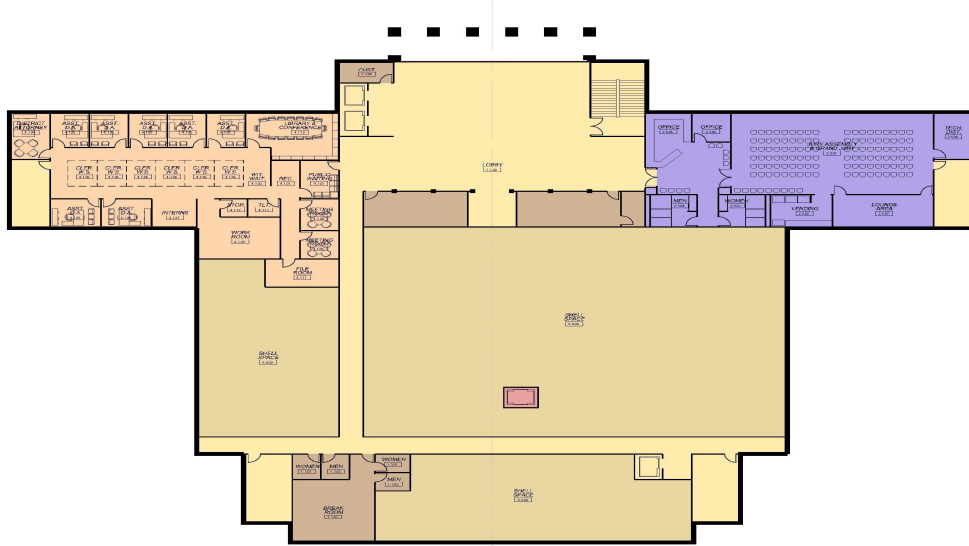
	<u>Revenues</u>	<u>Expenses</u>	<u>Income (Loss)</u>
Utility	\$7,061,858	\$3,827,772	\$3,234,086
Solid Waste Management	\$2,551,654	\$2,403,738	\$147,916

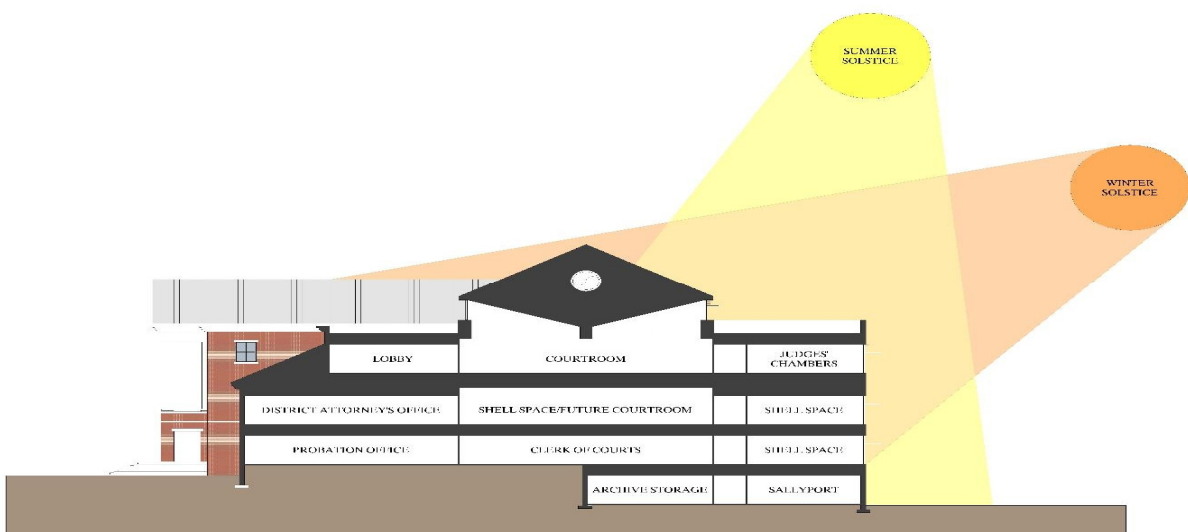
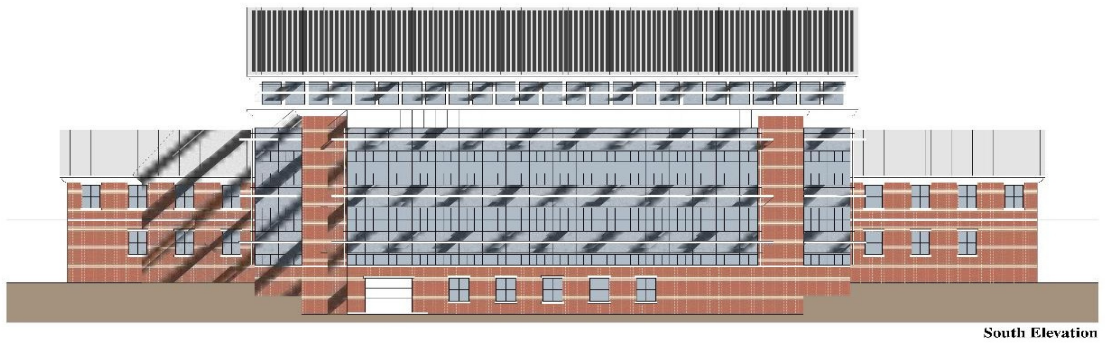
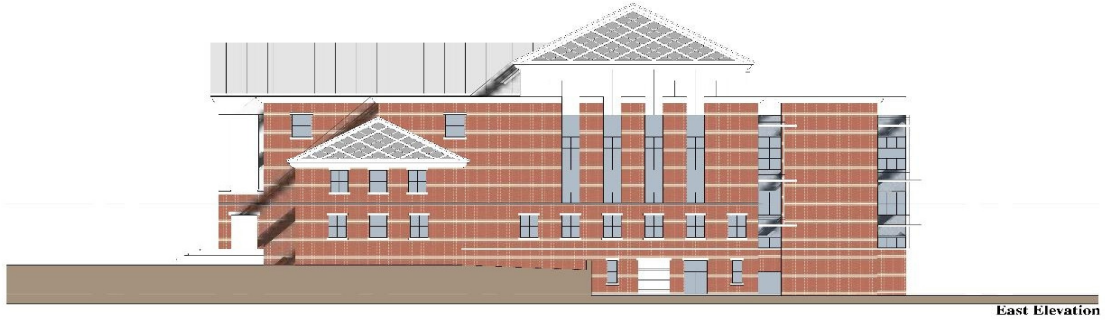
**Discussion
 &
 Questions**

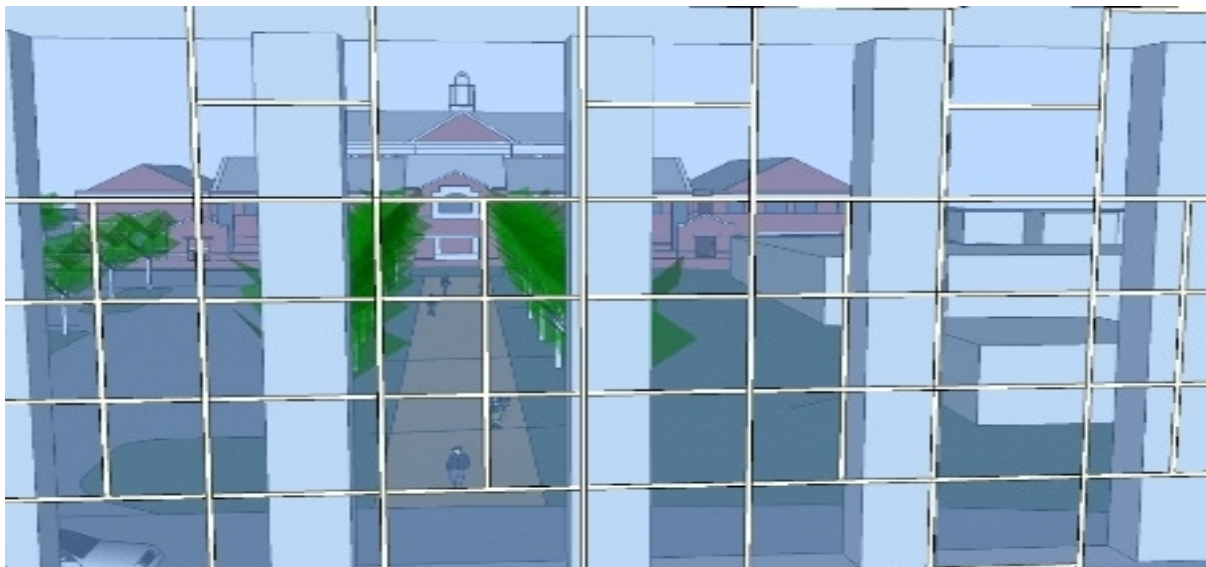
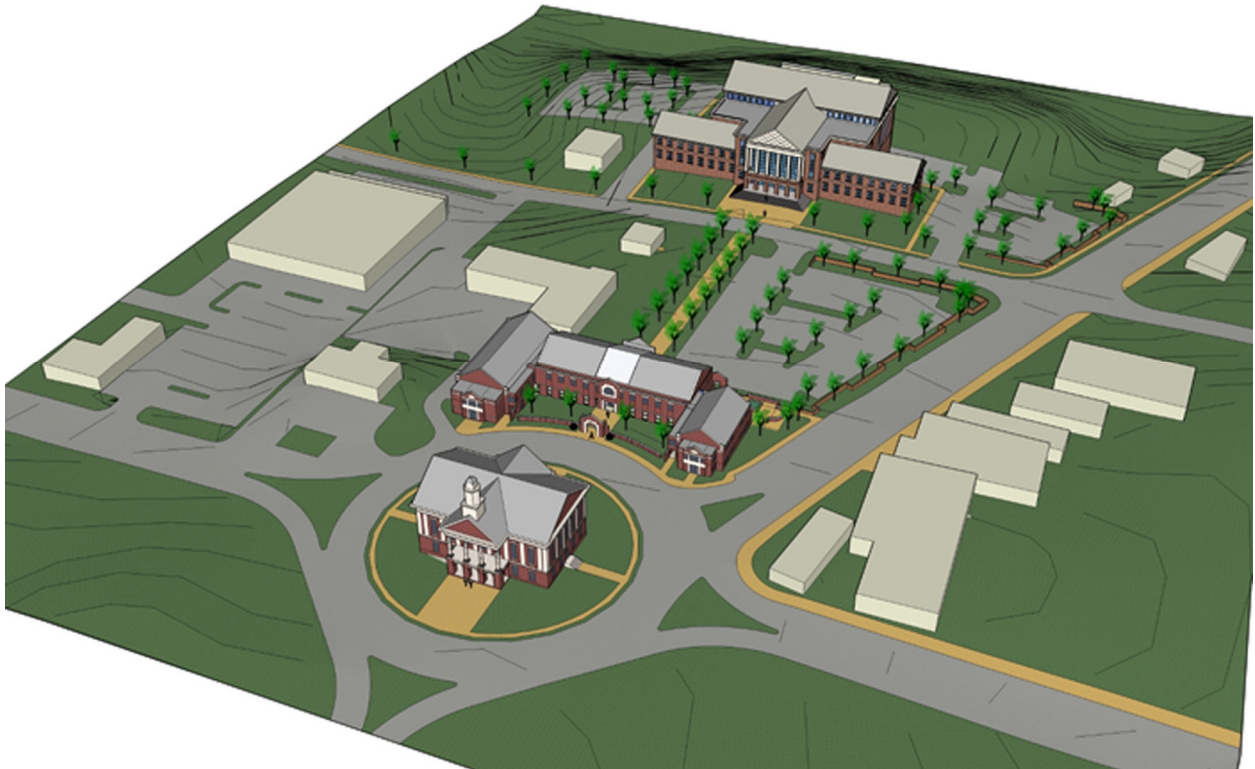
CHATHAM COUNTY JUDICIAL FACILITY

Ken Redfoot and David Taylor, Corley Redfoot Zack, Inc., Architects for the Chatham County Justice Center, gave an overview of the Phase I design work for the proposed judicial facility, including LEED certification at Silver Level, high performance design, campus plan, composite floor plans, elevations, building sections, and different (scenic) views. A copy of the power point presentation is as follows:











Commissioner Barnes asked about handicapped accessibility. The architect replied that it did not appear that it was handicapped accessible on the drawing, but that it was indeed built to comply with ADA requirements.

The architect stated that they brought the presentation to the Board so that they could see on what the design committee members had been working closely with them on. He stated that they are prepared to move on to the next level which is further design on construction documents.

Commissioner Lucier stated that the Board of Commissioners have a work session scheduled for December 17, 2007; that they will review all Capital Improvement Projects (CIP), including schools and the judicial facility, and set priorities; that they prefer to look at all of them together as they start working toward the budget for fiscal year 2008-2009; and that their first step is to come to grips with what the capital projects are going to cost.

Commissioner Vanderbeck asked how many parking spaces have been allowed and how many would be for employees. The architect stated that currently, in all four of the lots shown, there are 216 parking spaces and there would be additional staff parking.

Commissioner Lucier asked if the estimated twenty-four million dollars was still the correct estimate for the judicial facility. The architect replied that that figure was holding firm at this time.

Commissioner Schools:

Commissioner Barnes asked that everyone review the list of commissioner schools which he had distributed and be ready to commit to which ones they are interested in attending at the December 10, 2007 Board of Commissioners' special meeting.

Change Order Directive – Western Transmission Main:

The County Manager explained that there was a change order on the Western Transmission Mains in the amount of \$397,219.90 which needed Board approval.

Commissioner Vanderbeck moved, seconded by Commissioner Barnes motion to approve the work change directive in the amount of \$397,219.90. The motion carried four (4) to zero (0).

ADJOURNMENT

The Vice Chairman adjourned the Work Session at 5:04 PM.

George Lucier, Vice Chairman

ATTEST:

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