

**MINUTES**  
**CHATHAM COUNTY BOARD OF COMMISSIONERS**  
**LEGISLATIVE DELEGATION MEETING**  
**DECEMBER 18, 2008**

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The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Henry Dunlap Building Classroom, 80 East Street, located in Pittsboro, North Carolina, at 8:00 AM on December 18, 2008.

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

Also Present: Senator Bob Atwater and Speaker of the NC House of Representatives Joe Hackney, Randy Voller, Pittsboro Mayor

The meeting was called to order after breakfast by the Chairman at 8:03 AM.



***Legislative Agenda***

1. **Legislative Revenue Forecast Related to General Assembly Issues: The Honorable Joe Hackney and The Honorable Bob Atwater**
2. **NCACC Legislative Issues**
3. **Local Revenue Options**
4. **Possibility of Infrastructure Stimulus Package: Size and Time**
5. **Road Maintenance Issues (State and County Responsibilities)**
6. **Chatham Business Park Status and Assistance**
7. **DWQ Staffing Issues**
8. **Local Annexation Question: Local bill to require Cary and Apex to get approval of Chatham County prior to any annexations in Chatham County**
9. **Western Wake Partners and Chatham County**
10. **Adequate public facilities: Discussion of this as a tool to manage growth in local jurisdictions and how it might be viewed in the General Assembly**
11. **MPO/TARPO/CAMPO: Chatham County is in these three Transportation jurisdictions. How can we get our transportation needs met most effectively with this fragmentation of the County?**

**12. Adding Chatham Representation to Central Carolina Community College Board of Trustees.**

**13. Circuit Breaker Tax Process**

Chairman Lucier stated that they wanted to speak today about things that were of interest to the County and to hear from Speaker Hackney and Senator Atwater about things they might want to offer to the Board. He stated they had an agenda with thirteen items on it, all of which were of interest to them, but doubted they would be able to get through all of those items this morning. Chairman Lucier stated the Board had tried to set some priorities and would try to get through as many topics as possible, noting they could communicate later regarding any of the issues not covered today.

**REVENUE FORECAST**

Speaker of the North Carolina House of Representatives Joe Hackney stated that the first thing he wanted to say about the revenue forecast was that it was early and they really did not know what the outlook would be; that as far as this fiscal year the Governor was managing the budget; that they had predicted a consensus estimate of 3½% growth which obviously was not happening; that under the State Constitution the Governor had the authority and responsibility to reduce spending to make the budget balance and that was exactly what he was doing; that there was the additional issue of the State health plan which had greater than expected utilization in some areas and expenditures were running a little ahead of what had been forecast in the neighborhood of \$200 to \$300 million and the Legislature would be dealing with that when they reconvened on January 28; that the revenue forecast for 2009-2010 was too early to speculate on at this point; that early estimates by some indicated the State was down \$2.5 to \$3 billion but that estimate was being calculated using factors that may not be accurate, such as the projected amount of pay raises for State employees, projected student enrollment, and the like; and, that they really did not know yet what would happen and the committees would be working to define the answers and to look for efficiencies and cuts.

Senator Bob Atwater agreed with Speaker Hackney that it was too early to even attempt to make any predictions or estimates; that the issues would have to continue to unfold in order to determine any forecast; that the Governor was doing a good job to make adjustments to handle any shortfalls; and, he believed the State was doing a good job in exercising due diligence with a keen eye on the budget and the future revenue picture.

**LOCAL REVENUE OPTIONS**

Chairman Lucier stated they understood it was early to do a revenue forecast, and that it was their understanding that even though the formal recommendations had not come out from the Association of County Commissioners that there would be some language relative to a request for local revenue options that may not require a local referendum.

Commissioner Cross stated that the Legislative Goals Committee had passed their formal recommendations as had the Board of Directors, and they would hold a legislative conference on the 15<sup>th</sup> and 16<sup>th</sup> in Raleigh for the Board of Delegates where it appeared that the revenue options would be not only the top priority for the Association but for the Triangle J Council of Governments as well.

Chairman Lucier asked if the issues were the same ones as had been stated in the past, or were there new issues that had come up in the General Assembly that would either help or hinder that type of approach. Senator Atwater asked for an example of some of the revenue options the Association of County Commissioners had included in their recommendations.

Commissioner Cross stated they were basically any kind of revenue options that any other county had.

Commissioner Kost stated that one would be to open up revenue options to all jurisdictions, including hotel/motel taxes. Senator Atwater stated they had fought that battle in the past, and would fight it again if it was a top priority.

Commissioner Kost stated they had only to look at what had happened to the food tax in Durham, noting that it had been solidly defeated due to the organized opposition to it.

Commissioner Cross stated that in August at the Association's conference Governor-elect Purdue had said she believed that counties could have revenue options, and he believed she had made a similar statement yesterday at a combined staff meeting of the League of Municipalities and the Association of County Commissioners. He stated it appeared that Governor-elect Purdue would support the counties in that effort, but the realtors had already begun to offer their remarks in opposition.

Chairman Lucier asked was there a percentage that the Association would recommend as a maximum percentage.

Commissioner Cross stated they were going for the same option that other jurisdictions had, which was 1%.

Chairman Lucier stated they had talked before about whether or not to increase their educational impact fee, which was currently \$3,500; that they were conducting a study now that would be completed sometime in the spring that would provide them a number that would be relevant to Chatham County as to the impact on the school system as population grew; that one of the reasons for the Land Transfer Tax was because the impact fee was \$3,500 for everyone regardless of the cost of the home; and, asked what the possibility was of having an impact fee that was graduated based on the value of a home. Senator Atwater responded you would have to consider the tax and the value of the property.

Chairman Lucier asked that even though counties such as Chatham had such an impact fee now would they have to request that. Speaker Hackney responded yes. Chairman Lucier stated the study would likely allow them to charge a greater impact fee. Speaker Hackney stated it would be the same battle, whether it was impact fees or a transfer tax.

Chairman Lucier stated that one of the main arguments against it in Chatham County was that they far preferred a graduated impact fee because it only touched people coming into the County, not those who already owned property there and might sell it; that he believed the opposition to it in the County might not be as great; that many of those who had spoke at the public forums and hearings had said what they wanted was to get the Legislature to change the impact fee rule so that the fee could be graduated; and, that they had heard that from people who were ardent opponents of the Land Transfer Tax.

Commissioner Vanderbeck stated that Orange County had just raised their impact fee. Commissioner Kost stated actually it was raised significantly for the Chapel Hill/Carrboro City Schools.

Chairman Lucier stated that Chatham County would be under pressure to raise its impact fee, but what he was hearing Speaker Hackney say was that there was little chance of that happening.

Commissioner Kost asked was that true for even a local bill just for Chatham County. Speaker Hackney responded that it would be difficult to do, in that the vote would likely be the same as it would with a State-wide bill; and, there would likely be many other counties trying to do the same thing so it would not really be a single local bill.

Chairman Lucier stated then he would not feel comfortable pushing for that in the legislature at this point. Speaker Hackney stated again that it was early in the process, and it was hard to tell at this point what the "lay of the land" would be later on.

Commissioner Kost stated she wanted to be sure that Senator Atwater and Speaker Hackney understood what it would mean to the County, noting it was very hard to charge the same impact fee for a mobile home as someone who built an expensive home.. Senator Atwater stated they did understand and were familiar with all the arguments, noting they had been dealing with that issue for 15 years.

Chairman Lucier stated if the study came back and it indicated they should be charging, for instance, \$6,000, then he believed some of the Commissioners would be reluctant to do that because it would impact low-income individuals in smaller homes or mobile homes. Speaker

Hackney stated that was why they had passed the Land Transfer Tax option. Chairman Lucier stated they understood that and appreciated it.

Randy Voller, Pittsboro Mayor, said that one of the problems with dealing with realtors and homebuilders associations (HBA) was that their basic line was to oppose all taxes and all regulations all the time, regardless of how sensible the tax might be; that if they could get to a point in this economy where they were looking at things as partners as opposed to opponents they may be able to get some movement on that; and, even though he had been able to get the HBA to admit that a 1% Land Transfer Tax was much better than the impact fee, they could never get the realtors to go along with that. Mayor Voller said it seemed that it was an intractable position that needed to find a third way to move forward.

### **INFRASTRUCTURE STIMULUS PACKAGE**

Chairman Lucier asked if either Speaker Hackney or Senator Atwater knew what the status of the Infrastructure Stimulus Package was, and how that might impact the State and Chatham County. Speaker Hackney stated it was still early to know exactly what the impacts might be; that there was a meeting scheduled for this afternoon with the Obama stimulus team in Washington and they should know more after that meeting; that they would be asking for funding for things not now in the budget such as extending unemployment insurance benefits, increasing food stamp availability, providing a Medicaid match, and an infrastructure package that would put people to work constructing such things as roads, bridges, transit, water and sewer; and, that President-elect Obama had added communications infrastructure. Speaker Hackney said the National Conference of State Legislators had a good bi-partisan consensus on the streamlined sales tax, which was the collection of sales taxes from those who owed it but did not pay it on items bought out-of-State; that the clearinghouse was ready to be implemented and needed action by Congress to put it into law; that what that meant for North Carolina was that local merchants were put on an even playing field with out-of-State merchants; and, that for North Carolina that would likely mean about \$400 million in sales taxes not now being collected.

Commissioner Kost stated she assumed there would be a State decision on how that sales tax was allocated to local governments, and for counties like Chatham that were more rural they likely had more Internet sales than other more urban counties. She stated she wanted the Legislature to be sensitive to how that money was allocated back to local governments. Speaker Hackney stated it was already being allocated. Commissioner Kost asked what formula would be used, noting she assumed the sales tax would go into a State-wide fund and then be allocated back to the local governments on a per capita basis. Speaker Hackney responded no, it would be done just as it was now, that it would come straight back to the counties; and, that they were getting it now but only from those who voluntarily paid it.

Chairman Lucier stated those that voluntarily paid it did so by zip code, so the County would be losing some revenue because many Chatham residents had out of county zip codes. Speaker Hackney stated he believed that no longer a factor, in that with the four extra digits applied to the zip code that issue had been rectified. He stated that other areas of the State had the same issue in regards to multi-jurisdictions within a county.

Senator Atwater stated that Speaker Hackney had sent a letter to Washington to ask for stimulus for the State, and it was the only such letter that he knew of.

Speaker Hackney stated he believed several letters would be going, noting some of the senate leaders and speakers across the country were circulating one that would be sent; that there were some notable exceptions, such as South Carolina, but Governor Easley and Governor-elect Purdue were both in favor of it; that there was a broad consensus across the country that people needed to be put to work, and if you were going to put them to work you needed to create a win-win for those funds; and, that the infrastructure projects needed to be built and a stimulus package was a way to do that.

Chairman Lucier stated it would be interesting to see the size of the package as well as the scope. He asked what would be the chance of including such things as schools that would also put people to work. Speaker Hackney replied schools were a question mark; that there would be some support in the Congress for supporting schools; that there would be those who would think the package should be kept for other kinds of infrastructure; and, he did not know how that would play out.

Chairman Lucier stated they had talked about that before today's meeting began, and they were sometimes numbed by the dollar values they heard; that when they heard a number like the \$25 billion for the auto industry that was a lot of money; that the \$750 billion was equivalent to \$2,500 for every man, woman, and child in this country; that if that was applied to Chatham County it would be \$155 million; that he understood that was not how it worked, but that \$155 million was almost two years of the County's entire budget; that the stimulus package was a very large sum of money, and it was their belief that many local jurisdictions all over the country were struggling; that it was important to take a trickle up approach rather than a trickle down approach as suggested by President-elect Obama; and, that local governments were at the bottom so consideration should be given to the trickle up approach since they had not seen the trickle down approach working very well.

Speaker Hackney stated that all of their organizations had offices in Washington, and they were not all in agreement as to where the money should go; that the basic principle was that they did believe there would be a stimulus package because the economy demanded that people be put back to work and quickly and the stimulus package was the first priority in accomplishing that; that the second priority was determining how to do that and getting the funds into the hands of workers on the ground quickly; that it may come down to which among their various programs and projects could be done most quickly; and, that the term "shovel ready" was being used to make those determinations.

Commissioner Vanderbeck suggested that with the talk of infrastructure, this might be a good time to bring up the "information highway" which to him was a very important part of infrastructure; that it should be "shovel ready" since it was virtual; and, that it would generate jobs, it was educational, and it was an investment in the future. He stated the County would have a representative attending Representative Faison's meeting today, and they wanted to talk about the Video Service Competition Act which did address some of their local issues.

Speaker Hackney stated that Representative Faison's study committee was pushing fairly hard on that; that Representative Faison also represented northern Orange County; that he had been discussing with Representative Faison the fact that the number one constituent complaint they got was that not having broadband in the rural areas was a problem and they had been talking with providers about that issue for some time; that a number of people had been provided service because they had asked the providers to extend into rural areas; and, they had established a study committee to try to put those discussions with providers on high speed.

Speaker Hackney stated that progress was being made; that an interesting thing was that the smaller telephone companies had already built out almost 100%; and, that it was the larger companies that had not done so.

Chairman Lucier stated that that was a big issue for the County; that a part of their strategic plan for economic development was to provide broadband service; that they appreciated all of the legislators efforts in accomplishing that; and, that many people in the County worked outside the County, so it was particularly important for Chatham since they had become a "bedroom community." Senator Atwater stated he believed every time Speaker Hackney received a letter from Chatham County he made contact immediately.

Speaker Hackney stated he had a member of his staff that was constantly in contact with those companies and they were working on the issue and pushing ahead.

Chairman Lucier reiterated their appreciation for all he had done. He asked as far as the infrastructure issue, should they as a Board put together a list of items that truly were "shovel ready" that had either already been bid or were ready to be bid but were currently stagnant due to the economy.

Speaker Hackney stated he believed that was a good idea and that list should be sent to the Association of County Commissioners so that they could get it to NACo (National Association of Counties); that they were all working through their state and in turn their national organizations; and, that it would be good to send it to their representatives in the Legislature as well. He stated he did not know what direction they would go, but there was every indication that by the third week in January they would take some direction and then move hard to create jobs.

Chairman Lucier stated then they needed to put that list together as quickly as possible.

Commissioner Vanderbeck stated that a big part of what the County needed was schools, so if it was questionable whether funds from a stimulus package would be available for schools then perhaps the government would provide a lower borrowing rate or financial backing for the County to get loans in order to do the things the federal government did not want to include in such a package. He stated to be able to borrow money at a decent rate would help the County tremendously.

Speaker Hackney stated he believed that nationally commissioners would be pushing schools; that mayors and municipal officials would be pushing water and sewer; and, the states would be pushing bridges, roads and transit. He stated all of those needed doing, but they were behind even though those things would create jobs so it was a matter of what the Congress selected to be included.

Chairman Lucier stated they had one school already bid that they could not construct to relieve a school that was 45% overcrowded; and, that they were ready to go with the library and almost ready to go with the Siler City Sustainable Community College campus in the Business Park. He stated they would really like to include the water intake on the west side of Jordan Lake, but that was not "shovel ready" although there had been agreement reached between the affected parties.

Commissioner Cross stated he had read and heard from the Obama camp that the stimulus package would come in two increments, one that was "shovel ready" and one that would come two years later.

Speaker Hackney stated he believed that depended on how the economy rebounded or did not rebound; that they had already had one stimulus package that gave some citizens \$600; and, that he believed this next one would be more effective in terms of actually creating jobs.

Chairman Lucier stated he believed they all agreed on that; that it was more of a win-win in terms of solving infrastructure needs and meeting State and county needs.

### **ROAD MAINTENANCE ISSUES**

Chairman Lucier asked was there anything new on the road maintenance issues, noting they had talked about in the past their concern about having to take over responsibility for road maintenance.

Commissioner Thompson stated he thought the issue was more of road construction than maintenance. Commissioner Cross stated he believed it was both.

Speaker Hackney stated he did not believe the 21<sup>st</sup> Century Transportation Study recommended any change in the relationship between State and counties/cities on that issue, but he had not read the full report because it had just been released.

Chairman Lucier stated he had read a summary of the report and it did not appear to have recommended any change in that area.

Speaker Hackney stated North Carolina was unusual in that most other states local governments had a greater responsibility in providing and maintaining roads, so that was the reason it had been up for discussion. He stated they often were criticized for not giving local governments more of a voice in transportation issues, so if you turned that around and made road maintenance the responsibility of the counties you would get much better local decision-making but would also take responsibility for the revenue.

Chairman Lucier stated there was another related issue; that Chatham County was almost entirely in the TARPO, but the northeast quadrant was in the MPO; that when they did prioritizations for the Long Range Transportation Plan they gave their recommendations to TARPO for upgrading roads like 15-501 or 751, but half of 15-501 and 751 came under the MPO; that as a result the County got nothing because they were a minor player in the MPO with only one-sixteenth of one vote; that they had no highway projects for Chatham County even though they were the fastest growing county among all the member governments; and, that the

Triangle J Council of Governments predicted Chatham County would grow 244% by 2035 compared to only 59% for the rest.

Speaker Hackney asked what the County's highest priority was in big highway projects, noting they had 15-501, 421, and 64.

Chairman Lucier stated you had to remember that some of those were not through the MPO, that they were through the TARPO; that he believed their biggest priority was Jack Bennett Road to Farrington Mill Road over to Stagecoach Road, because they were sitting on 10,000 houses approved in that area but not yet built; that those houses would eventually be built and people would be traveling that area; that the County was building a new high school on Jack Bennett Road which was curvy and not prepared to handle that traffic; that their biggest priority was getting that corridor fixed so that it was a safe route to school and provide a decent route for people traveling to and from Durham and the RTP; that despite their best efforts that project had been removed from the Long Range Transportation Plan by the MPO; that what that did to the County was prevented them from getting State and federal funds to do those improvements; that they believed that was truly a long range transportation issue; and, that that area was growing the fastest of any of those areas and it was not right for Chatham to be excluded in that kind of way.

Speaker Hackney stated that was something they would work on. Senator Atwater agreed, noting if they could commit that to a statement of concern then he believed they could possibly look for some federal dollars.

Commissioner Kost stated they were a very small part of the MPO and it was extremely frustrating to have such a small voice; and, that she did not believe that organization had Chatham County's best interest at heart.

Chairman Lucier agreed.

Senator Atwater stated it would not just be Jack Bennett Road in that it would take traffic all the way to I-40. Commissioner Kost stated that was correct.

Chairman Lucier stated the 751 upgrades in Durham County just to the Chatham County line had been tentatively recommended by the MPO and because of the number of different routes a traveler could take from there it made sense to do the upgrade in Chatham County because it would benefit Durham as well.

Commissioner Kost mentioned the Farrington Corridor Study.

Chairman Lucier stated he did not know when that study was scheduled to be done but it had been brought up in the MPO meeting.

Commissioner Vanderbeck stated that tied in with the fact that there were staffing problems within NCDOT; that a part of that was they had been trying to get a Comprehensive Transportation Plan for a number of years; that Moore County had been waiting close to ten years for theirs; that all that growth without such a plan was dangerous; that they were being asked to prioritize when they could not put that into the context of a plan where they could hire engineers; and, that the MPO gave Orange County through their share funding for a transportation planner.

Commissioner Kost remarked that the part of the transportation planning staff at both Durham and Orange was partially funded by the MPO.

Commissioner Vanderbeck stated giving Chatham County's situation it would be nice to have some cost share for a transportation planner.

Chairman Lucier agreed, noting they intended to hire a transportation planner which was essential for them because they had to have someone at the table.

Mayor Voller stated they had brought that up with the TARPO many times; that they had been told that funds would become available through TSA through Homeland Security because of the location of the Shearon Harris Nuclear Plant and because of various other safety issues associated with that; that when they had received the presentation from a representative of the

Ports Authority they had been told that the Ports Authority was able to get \$700,000 to do a safety study and transportation plan around Wilmington and the ports specifically based on safety issues with the ports which were applicable to safety issues of evacuation if a problem was detected at Shearon Harris; that every one of the member governments had problems with getting staff time and planning to do such plans; that because the plans were not being done when development came forward they were not integrating properly because there was no transportation plan to follow; and, that if they took a different tact they could possible tap into other funding sources.

Speaker Hackney stated that was an issue for Congressman David Price. Mayor Voller agreed.

Chairman Lucier stated that they would move forward with putting together their list for infrastructure issues and things related to transportation should obviously be included; and, that they would of course provide that list to both Speaker Hackney and Senator Atwater and they would include information regarding the issues with the MPO and more specifically information regarding the Jack Bennett Road corridor.

Commissioner Kost stated she believed the key point was that the current planning structure for transportation was not working for Chatham County, and they were trying to identify a way to make it work in a fairer way. She stated that transportation was a key in how their community developed and that was why they were bringing these issues forward.

#### **LOCAL ANNEXATION**

Chairman Lucier stated the Board had copied Senator Hackney on a letter they had sent to the Western Wake Partners in relation to the New Hill wastewater plant; that the initial plan was to come through 8 miles of Chatham County to the discharge point just south of Buckhorn Dam near the Upper Cape Fear; that it would require Chatham County's approval; that they were not trying to block that plant but at the same time they were concerned that the treatment plant would be in conflict with their desire to protect Jordan Lake in terms of preventing dense development near the lake; that you only had to look at the aerial photos of Amberly to understand what it meant when you disturbed that amount of land and what that would mean to Jordan Lake; that the County's desire was to keep annexation from occurring into Chatham County because if there was water and sewer there it would promote the kind of dense development that was not in the long term best interest of Jordan Lake; that it would not be in the best interest of Jordan Lake being a regional water supply or a place for recreation; and, that the County's approach would be to get a local bill to prevent that annexation.

Speaker Hackney stated that during the long session the County could introduce a local bill; that in the past they had threatened a local bill and as a result more restraint had been exercised than would have been exercised otherwise; that he believed the County should be consulted and have a sign-off on any annexations into the County; that that had been his position as well as Senator Atwater's..

Speaker Hackney stated their ideal solution would be something like that in Orange County where they had a multi-jurisdictional agreement as to who controlled what territory and how far other jurisdictions could annex or could not annex; that if that could be accomplished by the local governments that would be better; and, if not, then they would listen carefully to any request made.

Commissioner Kost stated they were also looking at the JointLand Use Plan between Cary and Chatham, and that both jurisdictions having State legislation would protect them so that when elected officials came and went that protection would remain. She stated with that in mind Cary may well sign on to that. Commissioner Kost stated another point she wanted to make was the widening of 751 was taken out of the 2035 Long Range Transportation Plan and without a collector road in that area of the County dense development would be a problem.

Chairman Lucier stated if 751 was four-laned it would have to cross a part of the Jordan Lake watershed which would be a huge issue.

Commissioner Kost stated the point was they wanted to have low density development on the east side of the lake to the Wake County line for many reasons, mainly environmental.



Senator Atwater asked had there been any response to the County's letter.

Chairman Lucier stated there had been no response. He stated he believed he would call Mayor Weatherly and Mayor Weinbrecht and see where they were on that; and, that he knew they were looking at potentially discharging into Harris Lake but they would have to do an environmental assessment first.

Chairman Lucier provided Speaker Hackney with a copy of the letter sent to DWQ regarding that particular dense development off of 751 very close to the Chatham County line which had raised some concerns for them in that it would be a threat to Jordan Lake; and, that Commissioner Kost had spoken to some people from Durham about perhaps getting together with the Durham Board about common goals in terms of protecting Jordan Lake.

Speaker Hackney stated there was the larger issue of whether the Jordan Lake Rules would survive and that would be a big issue during the next session; and, that he would welcome more frequent meetings on all of those issues since they had so little time today.

Chairman Lucier stated that the Chatham Business Park had been an NCDOT issue that was not necessarily NCDOT's fault, but NCDOT would not accept the road because it had not been constructed to standard. Speaker Hackney remarked they were aware of that issue. Chairman Lucier stated any help they could get from NCDOT to remedy the situation would be very much appreciated. Speaker Hackney stated they had met with NCDOT on the issue and had attempted to mediate the situation; that there was a dispute within the NCDOT on how to resolve it; and, after January 10 there would be a better chance for a resolution.

Chairman Lucier asked was there any help the County could provide to move toward a resolution that was satisfactory to everyone. Speaker Hackney stated in the meantime, everyone was using the road.

Commissioner Vanderbeck responded yes, that it was a major cut-through for large trucks.

Chairman Lucier stated that ultimately it would be good to have an exit off of 421 onto Alston Bridge Road, but that was for discussion some other day.

Commissioner Kost stated if it was the County's road they could prohibit trucks from using it.

Speaker Hackney stated regarding the issue with the Western Wake Partners, he wanted the County to keep them informed as to the progress of the discussion.

Chairman Lucier stated they would do that, and would also contact them after he had his discussions with the two mayors.

Speaker Hackney stated that in regard to the Chatham representation on the CCCC, he said he did not see any opposition to that.

Senator Atwater agreed, noting he would be happy to take the leadership on that issue.

Speaker Hackney said he believed they could likely get that issue resolved.

Chairman Lucier stated they would appreciate that, adding that as they enlarged the community campuses they were providing a greater relative proportion, and while two representatives may have been appropriate at one time it was not appropriate now.

Speaker Hackney asked how many representatives Harnett County had. Commissioner Thompson stated Harnett had two and Lee County had at least five.

Chairman Lucier stated there were 16 all together, with Chatham having only two. He thanked both Senator Atwater and Speaker Hackney for attending today's meeting, wishing them good luck in their meetings in Washington later in the afternoon and the Board's belief that they would represent the State well.

**STAFF CONTINUATION OF LEGISLATIVE DELEGATION MEETING**

Chairman Lucier asked if everyone was clear about what they were doing with the follow-up to this meeting. Ms. Paschal stated they needed a list of “shovel ready” projects. Chairman Lucier stated that was correct, and they also needed to put something together on the MPO, TARPO, and CAMPO, as well as something specifically related to the Jack Bennett Road corridor. Ms. Paschal asked if they wanted just a summary of the issues. Chairman Lucier responded yes, but the specific issue he believed the Senator and Speaker were willing to help with was that corridor.

Chairman Lucier stated regarding the local annexation issue, they had been encouraged to do what they had already planned on doing which was to work with the local governments to try to use what leverage they had to get them to agree to send a joint letter requesting a local bill; that the first step would likely be to call the mayors; and, that although Morrisville and Holly Springs were a part of that partnership they were not in a position to be annexing into Chatham County but Cary and Apex were, but they may be in a position to provide some pressure to Cary and Apex to agree with Chatham County because they wanted that wastewater treatment plant as well.

Commissioner Cross stated he believed those other jurisdictions would be disappointed if they were not included in the discussions. The County Manager agreed, noting at one time they had offered to meet as a group, but they had not heard back from all of them.

Chairman Lucier stated then it would likely be helpful to contact all four jurisdictions.

Commissioner Thompson stated he believed they had everything to gain and nothing to lose by doing that.

Chairman Lucier stated he did not believe there was anything they needed to do in regards to the community college, since it appeared that would be taken care of. He asked what other things they needed to follow up on.

Commissioner Vanderbeck stated they needed more clarity on the DWQ staffing issue, and staffing in general with NCDOT; and, a side issue was the impact of the bankruptcy of the chicken plant and how it had affected local farmers. He stated many of those farmers had huge mortgages on their chicken houses, and a summary of that issue may be useful in getting some help from the Extension Division.

The County Manager stated the Internet sales tax issue was also something to keep in mind, and since that was a federal issue they may want to explore that with Bob Ethridge and David Price.

Commissioner Kost asked was the Internet clearinghouse in place now.

Commissioner Thompson stated yes, and they were actually receiving the sales taxes now.

Chairman Lucier stated that was true, but it was only on a voluntary basis at the present now.

Commissioner Vanderbeck stated it would take a Congressional act to make it mandatory and that was what had been alluded to earlier.

Chairman Lucier asked was there a way to determine what was now being received from that clearinghouse. The County Manager stated he could explore that, but he was not aware of how it could be broken out of the sales tax revenue figures.

Commissioner Kost stated on income tax forms there was a place where you were suppose to list any Internet purchases, and wondered if that would be a resource. Ms. Paschal stated she doubted that would be of any help.

Chairman Lucier stated if it did become mandatory, it would result in an additional amount of sales tax but they would likely never know how much.

John Hammond, a citizen, stated he had just ordered from Dick's Sporting Goods via the Internet, and on his sales slip the sales tax was listed as zero, so apparently there were some who were not participating in the voluntary program.

Commissioner Kost stated she believed they had to participate; that she believed if you had a retail presence in the State then you had to pay the sales tax.

Commissioner Vanderbeck left the meeting at 9:16 AM.

Chairman Lucier stated they had never talked about the Circuit Breaker Tax but noted it would not have been particularly helpful in any case.

Commissioner Thompson asked if they were clear on the stand on the Local Revenue option; that is, how Speaker Hackney and Senator Atwater were going to proceed.

Chairman Lucier stated they had talked about two things, the first being the Local Revenue options in which Speaker Hackney and Senator Atwater had both supported the County's ability to have Local Revenue options in the past and also supported the right of local governments to do that without a voter referendum; and, that he believed they both supported the graduated impact fee but at the same time they were not very confident that those things would happen.

Chairman Lucier stated that obviously the Association of County Commissioners would have a set of recommendations relevant to that, as well as the TJCOG, and all the local legislators would get that information. He stated he did not know what more they as a county could do other than to express their preference and then the Association of County Commissioners would express its collective recommendations.

Chairman Lucier stated they had not gotten around to talking about adequate public facilities as a tool to manage growth. He stated that he believed Senator Atwater and Speaker Hackney were willing to lend their support regarding the annexation issue as much as possible, and clearly Speaker Hackney would like to have a State law that would prevent annexation across county lines without that county's approval.

Commissioner Kost stated it was a question of whether to do that through a local bill or through a State-wide bill. She stated she did believe there was a good chance of making some progress on that.

Chairman Lucier stated he believed they first needed to talk with the four governments in Wake County that were involved, Cary, Apex, Holly Springs and Morrisville; and, that depending on the outcome of that discussion to keep them apprised of where Chatham County was in the process and whether they were going to go for a local bill with agreement by all or whether they would push for a local bill without that agreement.

Commissioner Kost stated in addition to the issue surrounding the Western Wake Partners there was the issue of 540 being on the schedule for 2011-2012 which would open up the entire eastern part of Chatham County for development.

Chairman Lucier stated that would have a tremendous impact on the 64 corridor.

Commissioner Cross stated that would cross the old US 1 just south of Apex.

Commissioner Kost stated it would provide a quick route to the RTP, so there would be a lot of development pressure in that corridor that Chatham County would have no input on.

Commissioner Cross stated that Apex was planning on that and they had expansion plans towards Chatham County.

Chairman Lucier stated that the County Manager had provided a copy of the recruitment plan for the new position to the Board. He stated they had briefly discussed changing the name of that position but that could be done at the January 5 meeting. The County Manager stated he had put it on the agenda for the work session on January 5.

Chairman Lucier stated they wanted to re-advertise the position on January 1<sup>st</sup>, and asked would the Board have a chance to look at it before then. The County Manager stated he would send a copy to the Board for review. Chairman Lucier stated they had talked before about trying to capture the innovative nature of the position, including the managerial aspect. The County Manager stated they had done some rewording to accomplish that. Chairman Lucier stated the other issue was what sort of information was being required, adding it was not your normal standard County job, so the standard form was probably useless in this case. He stated they likely needed to require a resume, and asked had that been required of applicants in the past. The County Manager stated resumes had been required in the past. Chairman Lucier asked did they want to give any instruction as to what the resume should include. The County Manager stated their intent was to use what they had as a County guideline but to also use a consultant, Smither and Associates, to make some recommendations.

Commissioner Thompson stated he was okay with that, as did Commissioner Kost.

Chairman Lucier asked would that work session on January 5<sup>th</sup> be a long meeting. The County Manager stated there were six or seven items on the agenda, including the CIP, so it would take some time. Chairman Lucier stated the CIP would take some time because the Board would have to make some decisions, but hopefully they could narrow the scope of the decisions and not try to revisit everything.

Commissioner Thompson asked how soon the Board could get the financial information. The County Manager stated they may have some available now and they would get that to the Board as quickly as possible.

Commissioner Kost stated the biggest outstanding issues for the CIP that she knew of was the issue that Commissioner Cross had with the water and then the school planning numbers.

Chairman Lucier stated he expected they would get a few options on how to do the school immediately and as well as what some impacts were on the other projects.

Commissioner Kost stated she believed the impacts would be that there may be projects that got pushed back a year, but did not believe they would need to revisit the projects themselves.

Commissioner Thompson stated he believed they were fine with the priorities.

Ms. Paschal stated she had been back and forth with the school system about opening Briar Chapel, and the latest information she had was that no matter what they would not be able to open that school by August of 2010; so, they were looking at a mid-year opening at best.

Commissioner Kost stated she had anticipated that problem because of the aggressive construction schedule. Ms. Paschal stated she believed the issue was that the early site package was held up and the number of months it was held up was the number of months the project was delayed.

Chairman Lucier stated the holdup was only three months. Ms. Paschal stated it was closer to four months because of the lead time for start up.

Commissioner Kost stated the hold up was not due to the site package, although the County would get blamed.

Chairman Lucier agreed that was not the County's fault. Ms. Paschal stated she would send the Board the construction schedule later today which showed the original construction schedule versus the current one.

## **ADJOURNMENT**

Commissioner Cross moved, seconded by Commissioner Thompson, to adjourn as the Chatham County Board of Commissioners. The motion carried four (4) to zero (0), and the meeting was adjourned at 9:29 AM.

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George Lucier, Chairman

ATTEST:

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