

MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
WORK SESSION
MARCH 02, 2009

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Agricultural Building Auditorium, 45 South Street, located in Pittsboro, North Carolina, at 10:45 AM on March 02, 2009.

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

The work session was called to order by the Chairman at 10:49 a.m.

Work Session Agenda

1. **Water Policy:** Consideration of a request to amend the water policy formalizing options for customers who want service when no existing lines are available. If approved, policy would require that investment in lines to have a pay-back of ten years if County funds are used.
2. **Chatham County Parks and Recreation Comprehensive Master Plan:** Presentation on the update and draft of Recreation Master Plan for Chatham County
3. **Commissioner Budget Priorities:** Final review of budget priorities for Fiscal Year 2009-2010 that has been previously discussed by the Board of Commissioners
4. **Energy Audit Proposal:** Presentation and consideration of approving Project Development Agreement with Johnson Controls. This is part of the work leading to an energy plan for Chatham County public facilities.
5. **Closed Session to discuss personnel**

WATER POLICY

Chairman Lucier stated he believed this was related to the Highway 42 issue, and asked was it beneficial to do that now. David Hughes, Public Works Director, suggested perhaps holding off and working through it during the budget discussions.

By consensus, the Board agreed.

Commissioner Kost stated she wanted it noted in the record that prior to the beginning of the work session the Commissioners had agreed to defer the Parks and Recreation Master Plan discussion.

ENERGY AUDIT PROPOSAL

The County Manager stated that Richard Self with Johnson Controls would present the process for the energy audit and the Project Development Agreement, noting that hopefully that would be approved today so that they could move forward.

David Hohns with Johnson Controls stated he had started the process of looking at energy efficiency for the County some time ago and had introduced the concept of performance

contracting; that the County had advertised the RFP's and Johnson Controls had been selected as a partner; and, they now had a Project Development Agreement ready for approval.

Richard Self, also with Johnson Controls, stated it was important to note that all of the energy improvement measures that they recommended putting in place would all pay for themselves in energy savings, as required by General Statutes; and, that in addition to energy projects there was also the automatic meter reading aspect.

Chairman Lucier asked what the Manager believed the Board should focus on. The County Manager stated it was important that the Board and the public understood that this was a project that would pay for itself without any outlay of County funds. Mr. Hohns agreed, noting the goal was to put together a self-funded project with no risk to the County, and if they failed to do that the County had no obligation to go forward.

Chairman Lucier asked what Johnson Controls would get out of the agreement. Mr. Hohns said once they got through this part of the process they would bring forward a contract that was a fixed firm price contract with a scope of work, so they would be compensated for the installation of that work but they had to guarantee the savings as part of the project.

Commissioner Kost stated they had made previous presentations to this Board and she as well as the other Board members would appreciate receiving some additional background information such as had been previously provided. Mr. Hohns stated he would be happy to do that. The County Manager stated he had a copy of the RFQ that could be provided as well.

Chairman Lucier asked which buildings would be covered. The County Manager replied all County buildings, but it did not include the schools. He stated he could discuss with the School Superintendent whether they had plans to do something similar in the future.

Commissioner Vanderbeck stated he had brought it up at previous meetings on several occasions and had asked the schools to look into it, so they were definitely aware of it. He asked if through the County's water system they were considering changing out meters. Mr. Hohns said yes. Commissioner Vanderbeck stated the chart provided only covered buildings and not the rest of the County. Mr. Self stated that one line had been dropped off the page, noting the only thing checked on that was the upgrade to the water system, and they would supply a corrected chart.

Chairman Lucier stated the implementation schedule noted July 6 as the County approving the Performance Contract, but the Board did not meet on July 6 but on July 20. Mr. Hohns said that was a preliminary schedule and would be adjusted as needed.

Chairman Lucier stated on item 4 under the price and the payment terms, he asked how that \$78,600 would be paid. Mr. Self responded that it was rolled into the contract, and would only be paid to recoup their engineering fees if the Board decided not to move forward.

Commissioner Vanderbeck stated then when they did the investment grade audit and if Johnson Controls decided not to move forward, no fees would be forthcoming. Mr. Self said that was correct.

Commissioner Kost stated what if the County went to a four-day work week, and asked how would that factor into the contract. Mr. Hohns responded during the yearly verification, if such a change had been made then adjustments would be made at that time. Commissioner Kost stated then Johnson Controls would do the calculation and the County would have to agree to it. Mr. Hohns replied yes.

Commissioner Vanderbeck stated then he believed that schedule should be included in the contract that would allow for those kinds of re-measurements. Mr. Self stated built into the contract was the mechanism to achieve that along with the formulas for calculations.

Commissioner Vanderbeck asked if the Facilities Study would be shared with Johnson Controls. The County Manager responded yes.

Commissioner Kost asked what happened if they did improvements and for some reason the County sold the building. Mr. Hohns stated that would be removed from the guarantee.

Commissioner Kost asked would they then have to pay for the upfront improvements. Mr. Hohns stated they would be discussing with the County the long-term plans for any building so that they would know what to expect.

Mr. Self stated even if improvements were done and six or seven years later the building was sold, the improvements would likely have already paid for themselves. He stated if there were plans to dispose of a building, say in five years, then they would look closely at what improvements should or should not be done.

Commissioner Vanderbeck stated he was in favor of this as well as locking in operating costs, and the sooner the better as long as the County was covered contractually.

Commissioner Vanderbeck moved, seconded by Commissioner Thompson, to approve the Performance Contracting Project Development Agreement between Chatham County and Johnson Controls, Inc., attached hereto and by reference made a part hereof. The motion carried five (5) to zero (0).

BUDGET PRIORITIES

Renee Paschal, Assistant County Manager, stated that each Commissioner had submitted revisions and she had compiled them, noting they were based on the discussions during the retreat. She noted that each Commissioner had been supplied a copy of the revised priorities.

Open Government:

Commissioner Vanderbeck stated that he had provided the revisions for the Open Government section.

Commissioner Kost stated that number 8 was a new addition, and that under Overall Goals the word "and appreciation" was bothersome to her because it changed the meaning. She said she would prefer it to say "promote greater citizen understanding of County government decision-making and operations."

There was general agreement from the Commissioners to make that change.

Commissioner Vanderbeck stated the new number 8 was included as a strategy to remind the Board they needed to think about that. He noted that the word "appreciation" was also in the language of number 8, so it should be removed as well.

Land Use Planning:

Commissioner Kost stated she had provided the background and the overall wording for that section, pulled from the Land Conservation Development Plan.

Chairman Lucier suggested adding a sentence to say what had been accomplished over the last few years in terms of those ordinances, for example, "Much has been accomplished to date, such as....." and then list the ordinances.

There was general agreement from the Commissioners to make the change.

Chairman Lucier asked did they cover affordable housing anywhere in that section

Commissioner Vanderbeck stated that was covered under number 1. He suggested mentioning the Farm Land Preservation Study currently underway under number 8.

Chairman Lucier stated he had covered under Economic Development the major corridor zonings rather than in this section.

Commissioner Vanderbeck stated they could reference one to the other and leave it in both places. Chairman Lucier agreed, noting that it would become number 5 under Economic Development, and number 12 in this section.

Commissioner Kost stated that many of the issues cross referenced, and she would prefer not to do that because it would be too cumbersome.

There was general agreement from the Commissioners to leave that as it was.

Fiscal Management:

Ms Paschal stated there was one change, in that she had forgotten to change “75%” to “70%” in the background paragraph.

Commissioner Kost stated under Schools, Chairman Lucier had added a goal about the pay supplement for teachers, but number 3 under Physical Management addressed that. She stated she would like to replace what Chairman Lucier had added with the following: “Work with the Board of Education to study a teacher pay supplement that better rewards experience and effectiveness.” Commissioner Kost stated that would replace number 6 under Schools.

There was no objection from the Commissioners to those changes.

Conservation:

Commissioner Kost suggested adding some language regarding stormwater.

Chairman Lucier stated he believed it should be mentioned in the background paragraph that they had made significant amendments to the Watershed Ordinance and the Soil Erosion and Sedimentation Control Ordinance, and enacted a new ordinance, Stormwater Controls, that would lessen the impact of development on the environment.

Commissioner Kost suggested including the word “negative” in front of the word “impact.” Chairman Lucier agreed, noting “of development” could be removed so that it read “lessen the negative impact on the environment.”

Public Safety:

Commissioner Cross stated that he wanted to call attention to strategy numbers 4 and 5, noting they were actually a result of strategy number 1 which was to have a session with Emergency Management personnel and the Fire Marshal to provide the Board with a briefing of how things worked. He stated that most of their firefighters were volunteers and many had spent their lives building up the volunteer departments; and, he would caution that the Board not disregard that and to tread easy on their budgets. Commissioner Cross stated he had received a call where it was suggested that a third paid firefighter be added so that someone would be in the station around the clock, but he had suggested to them that they keep their budget at the same level as last year.

Commissioner Vanderbeck agreed, noting that they were aware that there were fewer and fewer volunteers and more people were needed. He stated the Board would need to revisit that and make adjustments if warranted.

Commissioner Kost stated that the Board would be held accountable for the tax rate because they had set it, and she had to have a comfort level with what was in that budget and to understand it especially if they were talking about an increase.

Commissioner Cross stated they pursued every line-item budget every year, noting they had a fire department day where they went through their budget piece by piece. He stated he did believe the Board needed to have that briefing as Commissioner Cross had suggested so that they would understand exactly what the needs were.

Chairman Lucier stated he believed such a session would be helpful, and believed they should leave in the language, although he believed the word “scrutiny” should be replaced with a less harsh word.

Commissioner Vanderbeck suggested rather than say “provide better scrutiny of” that it read “review fire districts’ budgets and tax rate.”

There was no objection from the Board.

Ms. Paschal stated then they wanted her to add a meeting for Fire Emergency Preparedness and Fire.

Chairman Lucier responded yes, but they may not all be at the same meeting.

Commissioner Cross stated his overall point was that as they approached that, that they did not approach it in a way that made their volunteers scatter because they could not afford to lose those that they had.

Commissioner Thompson stated he agreed with that.

Chairman Lucier stated that changing the word "scrutiny" would help with that, but they also had an obligation to look closely at those budgets and to achieve some consistency since they may not achieve it among themselves.

Personnel Hiring and Staffing:

Commissioner Thompson stated that was his section, and his question was about the 50% figure, where it said "Work with the community outside the County...". He stated he had guessed at that figure, and asked if anyone knew what the correct figure was. Chairman Lucier responded it was 55%, so that should be corrected.

Commissioner Thompson stated he had tried to state the issue as he saw it, and would welcome input. He stated they were in competition with other local governments that might offer more compensation, and their challenge was to compete with the surrounding counties to hire competent and qualified workers which meant they had to continually look at their wage structure and benefits in order to attract those workers. Commissioner Thompson stated that also meant they needed to look at retention as well. He stated another consideration was the current economic environment which somewhat exacerbated the situation.

Chairman Lucier stated in the background paragraph they might want to reiterate the fact that for their size County they had a relatively small workforce per capita, and to recognize that they were lean but they were a growing county so they had to give considerable attention to how that growth occurred in terms of County personnel within each department. He stated they needed to pay close attention to how they met the increased demands that might be different for each department, because growth affected each in different ways, and at the same time they needed to think about how to restructure to accommodate that growth.

Ms. Paschal stated she had added the first point in the background, and the second point seemed to her to be a strategy. Chairman Lucier agreed.

Commissioner Thompson stated he had added a couple of strategies in that section, noting that the County may already be in the process or actually doing some of those things. He asked for feedback on that list of strategies.

Ms. Paschal stated they had an in-house leadership program which was taken into consideration when employees came up for promotions or reclassifications, and they could look at expanding that program.

Commissioner Thompson agreed that should be done. Ms. Paschal stated they also offered a cultural sensitivity course but it was elective and not mandatory.

The County Manager stated that was consistent with the word "provide," in that the course was provided by not required, although that could change.

Commissioner Vanderbeck stated he believed it should be mandated that all employees take sensitivity training. Ms. Paschal stated they might not be able to accomplish that in one year, but they could talk about how to do it gradually.

Debra Henzey stated she believed something was being developed for new employees as part of their orientation, so new employees would receive the cultural sensitivity course.

Jeffrey Starkweather, citizen, stated that the language about staff development was good, but he had been told there was currently a freeze on staff development. He stated he assumed that there would be funding in next year's budget for staff development if that language was left in.

The County Manager stated the freeze was on travel. Mr. Starkweather stated that much of the development would require some travel.

Chairman Lucier stated it was meant to be a temporary freeze. Ms. Paschal added that much of the training was offered in-house.

Commissioner Thompson stated the community college had a requirement for 30 hours of staff development time, with the understanding that if you did 60 hours, for example, that it was considered when it came time to consider raises or promotions. He asked if the County had a requirement for a particular number of hours for staff development. Ms. Paschal replied that was mostly done department by department, although they did require that new supervisors with no experience go through the Leadership Academy which was about 90 hours of training. She stated those hours were considered as a positive factor for promotions.

Commissioner Thompson asked if the County had any kind of mentoring program. Ms. Paschal stated there was no formal program, but there may be departments who did use that tool. She stated she believed it was a good suggestion.

Commissioner Thompson suggested changing the word "provide" to either "mandate" or "require" in regards to sensitive training under number 6, with the understanding that it would be a graduated or phased process.

Chairman Lucier agreed it should be required, noting that most governments did require such training. Commissioner Cross agreed as well.

Commissioner Vanderbeck suggested that "require" was a better word than "mandate."

There was no objection from the Board in making that change.

Economic Development:

Chairman Lucier stated he had inserted one strategy for the broadband as number 8, and asked that the Board read number 9 to make sure they were comfortable with it.

Commissioner Vanderbeck suggested approaching it as "bringing high speed Internet access" rather than just saying "broadband." Chairman Lucier agreed.

Commissioner Vanderbeck wondered if it was necessary to insert a caveat in number 9 that said "consistent with the Land Use Plan."

Commissioner Kost stated the problem with that was that they now had a new Zoning Ordinance that allowed for smaller neighborhood commercial centers, and the Land Use Plan really did not address that. She said that was one of the updates that were needed.

Commissioner Vanderbeck stated then he would accept the language as it was.

Chairman Lucier asked if everyone was comfortable with number 3.

There was no objection from the Board.

Commissioner Kost suggested taking number 5 from Other Goals and putting it under Economic Development.

Chairman Lucier stated that did not address the sewer issue.

Commissioner Vanderbeck stated you could add language to number 4 under Other Goals that said, "Work closely with municipalities to resolve common problems."

Chairman Lucier stated that under Other Goals, numbers 4 and 5, that perhaps they could be combined to say "Work closely with municipalities to resolve common problems, such as water and sewer that are necessary for economic development." He stated they could also make a separate goal that said "Continue to develop the regional water intake treatment system."

Commissioner Vanderbeck stated that was why he wanted it to be a broad statement, because it could also include affordable housing or inadequate rental facilities, so where did you stop?

Chairman Lucier suggested modifying number 4 to be more specific with the water and sewer and bringing that over under Economic Development, but to also leave number 4 as it was under Other Goals. Commissioner Vanderbeck agreed.

Chairman Lucier asked what about "continue to develop a regional water intake treatment system," noting his suggestion was to move it under Economic Development.

There was no objection from the Board.

Schools:

Commissioner Kost stated she had mentioned before one change to number 6 regarding teacher supplements, which was to add "Work with the Board of Education to study a teacher pay supplement that better rewards experience and effectiveness." She stated that would replace number 6 under Schools, which said "Increase teacher supplement to be more competitive with surrounding counties."

Commissioner Vanderbeck stated he had added to number 4 under Other Goals, "attain greater efficiencies."

There was no objection from the Board.

Other Goals:

Commissioner Kost stated they had left number 4 as it was; they had then taken number 4 as revised and added it under Economic Development; and, had moved number 5 under Economic Development.

Commissioner Vanderbeck stated they had taken out the tax budget reduction direction. Ms. Paschal stated she had taken it out but would put it back in. Commissioner Vanderbeck questioned whether they needed it.

Commissioner Kost states perhaps it should remain in that document just to give it more visibility. Commissioner Vanderbeck agreed.

Chairman Lucier asked when this document would be released. Ms. Paschal asked if the Commissioners wanted to see the revised document before it was released, adding she would send the revised version to the departments so that they would have the necessary information.

Commissioner Vanderbeck stated he had no issue with approving it as amended today and then sending it to the departments, but then sending it to the Commissioners prior to releasing it to the public. Commissioner Kost agreed.

Commissioner Kost moved, seconded by Commissioner Vanderbeck, to approve the revised goals and strategies for the Board of Commissioners. The motion carried five (5) to zero (0).

Chairman Lucier asked when the School Board was holding its public hearing on its budget, adding he believed it was March 9. The County Manager stated he would check on that and let the Commissioners know. Chairman Lucier wondered if he should present the portion regarding the schools in that document at that public hearing.

Commissioner Kost stated she believed that was a good idea.

Ms. Henzey stated that the public hearing for public comment on the school budget was tonight at 8 p.m.

Commissioner Kost stated that it might be questionable given the weather. Commissioner Vanderbeck agreed, noting that schools were closed today due to snow.

Commissioner Kost stated a press release had been sent out from the schools which stated that all activities scheduled for the day were cancelled, so she did not believe the public hearing would be held.

Chairman Lucier stated he would determine when the public hearing would be held.

ADM, Lottery, and Clean Water Management Trust Fund (CWMTF) Letters:

Chairman Lucier stated they had received two letters they had talked about previously, one to Speaker Hackney on the ADM and Lottery, and asked Commissioner Kost was she going to work to finalize that letter.

Commissioner Kost responded yes, noting her suggestion was to strike the last paragraph.

Chairman Lucier stated that the Manager had drafted a letter to Mayor Turner regarding the revaluation, and he had added a couple of paragraphs to it. The County Manager stated they could make copies of that and distribute to the Commissioners during the lunch break for review.

Chairman Lucier stated once everyone had had a chance to look it over, he would like to get it finalized so it could be sent out.

Commissioner Cross asked how it was intended that they manage the books they had today, and should they be turned back in. County Clerk Sandra Sublett asked the Commissioners to remove from the books what they would like to take with them and leave the books on the table. She stated staff would retrieve them and reassemble them for the next meeting.

Chairman Lucier stated he was going to take his to the agenda review session so that he could remove what he needed for review. Ms. Sublett stated that was acceptable.

LUNCH

The Chairman recessed the meeting for lunch.

RECONVENE

Chairman Lucier stated that Commissioner Thompson suggested mentioning in the letter to Senator Hackney how much they would have lost from Progress Energy, and to actually mention the value which was about \$400,000 that have had to be absorbed by the citizens in the form of higher taxes. The County Manager stated language could be added in the second paragraph in the second sentence.

Chairman Lucier stated also, the average County-wide increase in property values was 24% over the four-year period, which meant that the property tax likely paid by citizens would decrease if the valuation was much less than that number. He stated he believed they could also include values for particular townships from the fact sheet.

Chairman Lucier stated the letter would also be sent to Randall Rigsbee, the Chatham News Reporter, and to Mayor Charles Turner with the fact sheet attached. The County Manager agreed to do so. Chairman Lucier stated he had asked Mr. Rigsbee to print a summary of the fact sheet.

Commissioner Thompson stated he had something he wanted the Board to think about, which his wife had brought up many times over the last few weeks. He stated that she had said that the Board perhaps needed to be more proactive when it came to expressing their reasons for why they had voted certain ways to the public. Commissioner Thompson stated he wanted the Board to think in terms of perhaps looking at using newspaper articles or even the radio to state their positions on certain issues. He stated they sometimes were hit with lies and innuendoes that

were difficult to respond to, and his wife had suggested that the Commissioners be more proactive and in some cases pre-emptive in putting out their reasons to all possible venues for voting a certain way.

Commissioner Thompson stated he believed if they had methods available to get the word out to the citizens then they should use that method. He stated there were many people who heard one thing and that was all they heard, and if they were to hear the facts he believed it would change their minds or provide a better understanding. Commissioner Thompson said many people did not have computers so could not access the County's Web site, so he believed they needed to think of other ways to combat the misinformation that was sometimes put out.

Commissioner Kost stated they also needed to find a way to make sure people were listening, because many times even though the facts were out there it did not matter.

Commissioner Thompson stated perhaps they should stop listening to the people who were the most vocal and speak to the people who were confused and needed to have the correct information. He stated a ten-minute radio spot would go a long way in achieving that understanding.

Chairman Lucier stated he believed they already did some of that, noting they did far more press releases than any prior Board of Commissioners had ever done. He stated regarding the revaluation, the newspaper had printed the information provided to them but the public had basically ignored those facts. Chairman Lucier stated Commissioner Thompson's point was a good one, but they were fighting a "rumor mill."

Commissioner Thompson stated they should be of a mind that whenever misinformation was publicized and sensationalized that the Commissioners should not hesitate to strike back quickly and state their positions.

The County Manager stated one of the things they would have to combat and there was no easy way to do it, was that what happened often in such situations was a simplistic view of why something was bad, and it was a very complicated process to explain why it had to be the way it was. He stated to get it back to a simple message in response to a two-sentence jab for something the Commissioners had done was very difficult to do and may take several paragraphs.

Chairman Lucier stated one of the things they needed to talk about at some point was that government was changing somewhat just by nature of the growth in the County, and that did create a stress on communication issues and likely more than they had recognized. He stated the Commissioners may need to think about hiring an additional staff person in the future to handle some of those types of issues, noting the staff was already loaded and the Commissioners could not do it all, either.

Commissioner Vanderbeck stated such a position would not have to be full time, but could be a part-time position such as a graduate student or an intern that would work through the Manager's office.

Chairman Lucier agreed, adding that person would not necessarily need to come into the office every day but would need to attend the Board's meetings.

Commissioner Kost stated she had thought about doing more outreach where the Commissioners were out in the community and speaking to various groups. She stated one of the goals they had adopted today was about open government and forming a citizens group, and she believed it would be important to bring people to the table to talk about open government and how to do a better job of citizen participation.

Chairman Lucier stated to be realistic, look at how much misinformation was making the rounds regarding the revaluation, as well as misrepresentation. He stated there had been five community meetings, a fact sheet had been developed and provided to citizens, he had talked to two different groups during the meetings, and people still misunderstood.

Commissioner Vanderbeck stated the reality was that sometimes no matter what they did it would not make a difference.

Commissioner Kost stated when they had someone in the media saying one thing and the Commissioners saying another, then citizens did not know whether to mistrust government or mistrust the press.

The County Manager stated just for information, there would be a Shearon Harris Drill tomorrow, so staff would be in and out of the offices.

CLOSED SESSION

Commissioner Kost moved, seconded by Commissioner Thompson, to go out of the Work Session and convene in Closed Session for the purpose of considering a personnel matter and a matter within the attorney/client privilege. The motion carried five (5) to zero (0).

REGULAR SESSION

Commissioner Vanderbeck moved, seconded by Commissioner Thompson, to adjourn the Closed Session and reconvene in Regular Session. The motion carried five (5) to zero (0).

ADJOURNMENT

Commissioner Thompson moved, seconded by Commissioner Cross, to adjourn the Work Session. The motion carried five (5) to zero (0), and the meeting was adjourned at 1:55 PM.

George Lucier, Chairman

ATTEST:

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