

MINUTES

LENOIR COUNTY BOARD OF COMMISSIONERS

March 02, 2015

The Lenoir County Board of Commissioners met in open session at 9:00 a.m. on Monday, March 02, 2015, in the Board of Commissioners' Main Meeting Room in the Lenoir County Courthouse at 130 S. Queen St., Kinston, NC.

Members present: Chairman Craig Hill, Vice-Chairman Jackie Brown and Commissioners, Roland Best, Mac Daughety, Reuben Davis, Linda Rouse Sutton, and Eric Rouse.

Members Absent: None

Also present were: Michael W. Jarman, County Manager, Tommy Hollowell, Assistant County Manager, Martha Martin, Finance Officer, Vickie F. King, Clerk to the Board, Attorney Robert Griffin, members of the general public and news media.

Chairman Hill called the meeting to order at approximately 9:00 a.m. Ms. Brown offered the Invocation and Mr. Best led the audience in the Pledge of Allegiance.

PUBLIC INFORMATION:

None

PUBLIC COMMENTS:

None

CONSENT AGENDA:

1. Approval of Minutes: Regular Board Meeting: February 16, 2015.
2. Resolution Approving the Releases and Refunds to the Individuals Listed Herein.

Upon a motion by Ms. Brown and a second by Ms. Sutton, the consent agenda was unanimously approved.

BUDGET ORDINANCE AMENDMENTS/RESOLUTIONS:

Item No. 3 was a Resolution in support of improvements to SR 1572 (Rouse Road Ext.). Mark Pope, Economic Development Director, stated, I have included a map with the Resolution for the Board to see where the project is located.

Last year Pactiv purchased the old Gilbarco building, a lot of renovations, and are now expanding the building. Since the purchase there has been lots of truck traffic on Rouse Rd. Ext. Because the road was getting in dire need GTP contacted DOT about widening and improving the road. DOT has funds available and they asked Lenoir County to support them enhancing the road. Mr. Pope read the Resolution for the Board. Upon a motion by Mr. Rouse and a second by Ms. Sutton, Item No. 3 was unanimously approved.

Item No. 4 was a Budget Ordinance Amendment: General Fund: Health: (WIC Budget) \$2,554.00. Increase: Martha Martin, Finance Director, stated, this budget amendment is to appropriate additional state monies in the WIC program for client services. Upon a motion by Ms. Brown and a second by Ms. Sutton, Item No. 4 was unanimously approved.

Item No. 5 was a Resolution declaring property as surplus and authorizing the sale of the surplus property by auction. Martha Martin, Finance Director, stated, Lenoir County has a small inventory of various vehicles that have outlived their useful life. These vehicles are no longer of use to any County Department and there are no plans to put them back in service. County Administration is requesting the approval of the Board to sell the surplus property by auction on GovDeals.com. Upon a motion by Mr. Davis and a second by Ms. Brown, Item No. 5 was unanimously approved.

Item No. 6 was a Budget Ordinance Amendment: General Fund: Non-Departmental. Martha Martin, Finance Director, stated, this amendment is to appropriate additional property tax revenue received by the County as a result of a business personal property tax audit being conducted by County Tax Services, Inc. This is the last one that Mr. Parrish has under contract with County Tax Services to collect taxes. I don't feel like there will be any more because of the changes made by the state. Upon a motion by Ms. Brown and a second by Mr. Best, Item No. 6 was unanimously approved.

Item No. 7 was a Budget Ordinance Amendment: Vehicle Replacement Fund. Martha Martin, Finance Director, stated, this amendment is to appropriate fund balance from the vehicle replacement fund to cover the cost of remounting an ambulance box onto a new chassis. This money was actually approved at the end of the last fiscal year for EMS to have a box remounted. Because of the way it fell at the end of the year we actually did not receive the vehicle or the bill until after the year closed out. Upon a motion by Ms. Sutton and a second by Ms. Brown, Item No. 7 was unanimously approved.

Item No. 8 was a Resolution authorizing a purchase to Gately Communications for the temporary move of radio equipment into the EOC during remodeling. Roger Dail, EMS Director, stated, for the past two years Lenoir and Jones County officials have been discussing and implementing a merger of the Jones County E-911 Center with Lenoir County E-911 Center. As part of this merger, the primary 911 Center located in Lenoir County will be remodeled, which requires the relocation of the dispatch equipment into the Emergency Operations Center so that remodeling may begin. At the same time, the radio equipment and recorders must be relocated into the newly constructed equipment room. Upon completion of the renovated 911 Center in Lenoir County, the dispatch equipment must be re-installed in the 911 Center. Upon a motion by Ms. Sutton and a second by Mr. Daughety, Item No. 8 was unanimously approved.

Item No. 9 was a Resolution to approve the remount of a 2007 Chevrolet Wheeled Coach Ambulance Box. Roger Dail, EMS Director, stated, due to budget constraints in recent years, the department has not been able to replace aging ambulances on a regular basis. I was able to locate a 2015 Ford E450 V-10 gas chassis at Select Custom Apparatus. We had budgeted for this and we try to do two a year, and this will be our second one for this year. Upon a motion by Mr. Davis and a second by Mr. Brown, Item No. 9 was unanimously approved.

Mr. Jarman stated, we're budgeting the amount of money to replace one ambulance or remount two. At some point the boxes are going to wear out or there will be other issues. We are trying to stretch the funding as far as we can. We are trying to stretch it as far as we can.

Item No. 10 was a Resolution to approve a lease-purchase of CAD Equipment. Roger Dail, EMS Director, stated, as part of the Jones/Lenoir County Communications Center (JLECC) merger, new CAD equipment was purchased including software and hardware, to allow for virtual connectivity between the two locations. Upon the completion of the lease terms, the County will be the owners of the equipment. This money is a combination of 911 and grant money. Upon a motion by Ms. Brown and a second by Ms. Sutton, Item No. 10 was unanimously approved.

Mr. Hill asked when will the project be finished?

Mr. Dail stated, we are waiting for one part to arrive.

Mr. Hill commended both counties for tackling this project. Whenever you bring two entities together it's a tough issue to deal with. I think it's a wise move that will benefit us for a long time, it is a worthwhile move.

Item No. 11 was a Resolution approving appointments of citizens to boards, commissions, etc. Chairman Hill said this is the first appearance for applicants, so no action is taken at this time.

CURRENT VACANCIES: Lenoir County Health Board – (1) Optometrist, (1) Member, Equalization & Review (1).

Mr. Hill stated, he felt it would be best if public comments were removed from item number 12 because it can be misleading.

Mr. Jarman stated, he looked at it and did not remove it because to me it read Commissioners Public Comments, not comments from the public.

Attorney Griffin suggested allowing it to read Commissioners Comments. Everyone agreed to change it from Commissioners Public Comments to Commissioners Comments.

Item No. 12 was items from the County Manager, Mike Jarman. Mr. Jarman reminded the Board of the upcoming scheduled meetings. The Strategic Planning Meeting in Duplin County on Friday, March 6th, a week from today the joint meeting with Lenoir County Board of Education at the Woodmen Community Center at 6:00 p.m., and the Town Council Meeting in Pink Hill on Tuesday, March 10th at 7:00 p.m..

Mr. Hill stated, following the meeting with the legislators I met with Dr. Mazingo for about 1 1/2 hours and we had some very good discussions regarding my comments and his comments. He expressed concerns as to why we were approaching the meeting a little differently at this time. It comes down to a fundamental question. For years the school system has come to us and asked for things in the budget, we either said yes or no, and most of the time it's been yes with the exception of a few items. So what I am hoping we can do moving forward is have that one fundamental question which is what can we do for the school system. I hope we can return that question and say to the schools what can the school system do for us in reflection to the budget and, what it can do for the county as a whole. This should turn the meeting into a critical conversation meeting. Some may say we are trying to micromanage the school board and I hope that's not the case. I have been watching meetings and reading papers and every county around us is having critical conversations with their school systems because the school systems are impacting our local budget more and more. Some of it has nothing to do with our local system, but it has to do with how the State has responded. This is not a political issue and this didn't just start with the change in the legislature. This has been going on for the last 10, 12 or 15 years. So we have issues that are putting pressure on our budget, like lottery funds that are not even half of what we thought it would be, and ADM funds that no longer exist. We've asked the school system for a copy of their long range plan for meeting facility needs, which has been presented to the State School Board. We are asking for the age, capacity, number of students attending each grade, current use plans for all buildings, the anticipated useful life for all facilities and if there are any facilities reaching the end of their useful life, and documentation to support these conclusions, issues concerning their facilities not being appropriate for their educational programs, how many mobile units are being utilized and at what location, plans for adding, moving or removing mobile units, concerns or issues with any safety issues, and historical data on capital spent on facilities within the last five years.

We have requested student transfer information, by school, for the past 10 years, the number of transfers, and the impact on schools receiving and losing students, and any additional information Lenoir County Public Schools feel will assist the Lenoir County Board of Commissioners as we plan for future capital expenditures for school facilities, activity buses, and vehicles. Our issue really is capital, because it's beginning to squeeze our budget more and more, and we simply need to know. They have already come to us with the 1 on 1 initiative and they are anticipating that we will support them in their third year. We have put a statement out there that we will do that. We have to make sure we are asking them specific questions about capacity and how they can maximize the use of their current facilities. These are important questions. We do not want to get in a bind quicker than we anticipated and that we are not providing capital dollars for buildings that are not being fully utilized or not being used at all. For example, if we have 500 HVAC units and we have to keep all 500 units up, and the system only needs 450 or 400, that's wasted capital. If there are 10,000 light fixtures and there is only a need for 8,000, that's wasted capital. We had a change in our system going from 10,000 students to about 9,180. Our current expenditures at one time were in the \$8 million range, now its \$9.9 million. We are hearing a lot of different things about changes in grade configurations, schools of choice, magnet schools, closing schools, not closing schools, and we are asking questions for clarification so we can prepare our budget moving forward. I am hoping that our two Boards working together can come to a point where we can maximize the use of our local tax dollars. This is one of the largest chunks of our budget. I hope all of you will take this seriously and ask critical questions, not as a confrontation, but looking for inefficiencies. It is not that we think they are wasting money, we just think it's time to stop and look at what we're doing, and ask them to pause and consider how we are set up, and what we are doing. I hope that is what we get out of the meeting, a pause to stop and look at the whole way we are doing business. I hope everybody will go into the meeting with a positive frame of mind. It's a give and take meeting.

Mr. Daughety asked Mr. Hill to send him a list of questions for the School Board.

Mr. Rouse stated, I have been receiving questions from members of the community and I think this is legitimate and is part of our responsibility.

Ms. Sutton stated, along with a lot of other things, we have to be proactive, because we don't know what's coming down from Raleigh and we will have to work harder as a team.

Mr. Hill stated, this is not a blame game for anybody, because we've had a series of leaders in the school system. This is not a reflection on our manager or the superintendent, but it is time for our two Boards to sit down and talk about it. It really doesn't matter who's sitting in these seats but this is where we need to be when we are dealing with this big part of our budget. We need to be talking in this manner so we will have a better understanding and we can look our citizens in the face and say yes, we're doing the best job we can do with tax payer dollars.

Mr. Jarman stated, I had a conversation with Dr. Mozingo and he asked for some clarification on exactly what information the commissioners wanted. I will be emailing the list to him today and I will copy the Board so you will be aware of it. As Mr. Hill mentioned, if you look at it as a percentage of our budget, school bond debt service, along with the \$9.9 million we provide in current school expenses totals about 25% of our budget. If you throw LCC into education, it becomes about 28% of our budget. I will also say there have been some comments about the Board wanting to micromanage or that we are getting into the School Board's affairs. When you look at the General Statute and how it places the specific responsibility of facilities and capital on this Board, we are not asking questions about how they do business or how they structure education, but how they are spending capital. I will say you can talk to any of your Department Heads and show them this list of questions. These are the types of justifications they go through on everything they bring to us during the budget season. They are asked these questions. We ask questions about items that require a multiyear plan, so we will know what's coming down the road. This is what our departments are currently doing. I respect this Board taking it to this level, because we've been tightening up on everyone else and we need to look at capital that way as well. It's been mentioned that with lottery funds being reduced by 50% and ADM funds being eliminated, you have to be more accountable, and that is what this Board's philosophy has been. This is what we are doing, so I agree it's time for some critical conversations to take place.

Mr. Hill stated, the other thing I will suggest this Board does prior to the meeting is to go back to the NC Public School Forum and look at the study on expenditures per school district across the State. Look at all the different ways we're evaluated on how we spend on our students. On one level, with just our basic ability, we are 82nd in the State in our ability to pay. In some formats, we are as low as 75th on what we are doing. If you look at our effort, there are 5 or 6 different ways to look at it. Some show us as high as 45th or as low as 25th in what we are doing. When you merge the State, Federal, and Local together, we may be as high as 45th per pupil in expenditures. In some situations, I believe we are as low as 77th. In Sampson County they still have a City and County system, like we used to have, and last week they talked for the second time about whether they should merge or not. In Duplin County, they are asking if they have the facilities in the right places, and it's become an issue. In Onslow County, it's an issue of moving 1,000 students in a very large system from one place to another. In an agreement between the County Commissioners and the School Board, they will not build new facilities when they have acceptable places for those students to go. In Craven County, they are having the same issues. In Pitt County, they have drawn new district lines 4 or 5 different times in the last 25 years. They looked at their reassignment and added schools. Greene County has just added a school making a small adjustment. Wilson County redistricted a while back when they added an additional school. So we are sitting in the middle of this and I think it's time for us to ask these questions. I am looking forward to this meeting and I hope they are as well.

Mr. Jarman stated, when you take a look at some of the studies and where they rank us, you must keep a couple of numbers in mind.

We noticed a few of them were not exactly accurate and we are trying to understand from where they are pulling the numbers. \$9.9 million is what you provide for school current expenses and the debt service is right at \$6 million. If you look at the report they are showing that you are spending \$12 or \$13 million. You are really closer to \$16 million. We are not sure where they are pulling the numbers from and we don't think it's an exact or accurate reflection.

Mr. Daughety stated, when we did the bond issue it was Phase One of three phases. Since we have new members on the Board, it would be nice to see the plans for Phase 2 and 3 as we get into the discussions.

Mr. Jarman stated, the first item on the list is a copy of their long range facility plan and I would think some of those items should be in it. According to the General Statute the schools have to provide their facility plans to the State every five years.

Mr. Hill stated, if we do the other two phases, it would probably cripple us.

Mr. Daughety stated, it would be good to see what they project as their needs.

Mr. Hill stated, this is not about today, it's about the future, so we don't continue to make the same mistakes we made in the past. I rode through the community last week and looked at the Hwy 11 Corridor. Northeast, Southeast, Rochelle, and Contentnea Savannah are all within a 6 mile range. I looked at the population areas and then I looked at the expenditures at the old Sampson School, where they added a new gym. I looked at the building at Bynum School, where a really nice facility was added. Then we have Southeast, that is probably under capacity. Rochelle is under capacity. Kinston High is under capacity. It's not an issue of not having some capacity in some of the schools, the question is how low in capacity can you be before you are running an inefficient operation. There may not be a compelling need at looking at those kinds of changes with our Board, because they all have capacity, but there might be some compelling need if we are futuristic in our planning. If we continue down the road we are going, we will have some empty buildings. So something has to change.

Ms. Brown asked for more volunteers for the Read Across America Program. Also, I would like to congratulate Junious Smith, with the Free Press, for being on a team named one of the best in the State of North Carolina. He was acknowledged for his reporting skills.

Mr. Davis stated, the Air Force vs. Navy ball games went well and it was a very fine event. The attendance was almost nonexistent and because of the cold I can understand why. The banquet on Saturday Night was one of the greatest events I've been to in a long time. I think there were over 300 people in attendance. There were no vacant seats available. Bill Ellis and his staff did a wonderful job.

Mr. Hill stated, this past weekend, we had the Freedom Classic, the weekend prior to that, the Naval Academy played a team from Eastern Michigan, and next week, West Point will be here playing. Because of the weather they are having difficulties playing their games at home. I think our ties with the Freedom Classic have a lot to do with these recent visits. I had the opportunity to introduce the speaker at the Freedom Classic banquet, Jason Redmond, a Navy Seal, who was injured in Iraq. How he spoke to the players in attendance was a joy for me. Just watching those players listen to a true patriot, and the reverence they gave him, would bring tears to your eyes. They lasered in on him and it was an amazing evening.

Mr. Davis stated, in his opinion 85% of the people in attendance were from out of town.

Mr. Hill made a motion to move into closed session

Upon a motion by Ms. Brown and a second by Ms. Sutton, a closed session was entered into at approximately 9:35 a.m. with the following cited: Number 4:

(4) To discuss matters relating to the location or expansion of industries or other businesses in the area served by Lenoir County.

Upon a motion by Ms. Sutton and a second by Ms. Brown and unanimous approval, the Board moved out of closed session at approximately 9:57a.m.

The meeting re-convened in open session at approximately 9:58 a.m.

Mr. Hill stated, we are back in open session. We went into closed session and no action was taken on the item presented.

Upon a motion by Ms. Sutton and a second by Ms. Brown, the meeting recessed at 9:59 a.m. until Thursday morning, March 5th at 10:00 a.m.

The Lenoir County Commissioners' meeting reconvened at 10:10 a.m. March 5, 2015. Chairman Hill called the meeting to order.

Mark Pope, Economic Development Director, thanked everyone for coming today. He introduced members of the Economic Development Board, Bill Whaley, Harold Thomas, Jim McLain, Dr. Jack Harrell, and Tom Vermillion with the Committee of 100.

Mr. Pope stated, it's really a good day. Governor Pat McCrory Office announced that Pactiv, LLC would expand and bring 59 new jobs to Lenoir County with an investment of \$27 million in Kinston over the next three years. Pactiv is a global company that already has a large presence in North Carolina. Anytime one of our established companies chooses to expand, it sends a strong message about our State's great business climate. The expansion is good news and the project was made possible in part by a performance-based grant from the One-North Carolina Fund. The addition of these new jobs by Pactiv is great news for Kinston and Lenoir County and it's exciting to see them expand here.

Mr. Hill thanked the Board for their commitment, the hard work they are doing, and the manner in which they are working together. Mr. Pope, you are making our county look good. Mr. Vermillion, thank you for the unique way in which you make things happen. We understand what you are doing and we appreciate it.

Mr. Pope read the Resolution for the Board and members of the audience. This is a great feeling because we competed with two other states for this project.

Meeting Adjourned at 10:20 a.m.

Respectfully submitted,

Vickie F. King
Clerk to the Board