

MINUTES

LENOIR COUNTY BOARD OF COMMISSIONERS

April 18, 2016

The Lenoir County Board of Commissioners met in open session at 4:00 p.m. on Monday, April 18, 2016, 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, Commissioners, Roland Best, Mac Daughety, Reuben Davis, Eric Rouse, and Linda Rouse Sutton.

Members Absent: None

Also present were: Michael W. Jarman, County Manager, Tracy Chestnutt, Finance Officer, Vickie F. King, Clerk to the Board, Joey Bryan, MIS Director, Robert Griffin, County Attorney, members of the general public and news media.

Chairman Hill called the meeting to order at approximately 4:00 p.m. Ms. Brown offered the Invocation and Ms. Sutton led the audience in the Pledge of Allegiance.

PUBLIC INFORMATION:

Mr. Andy Bailey, Transportation Engineer, NC DOT, stated he was present today to share with the Board the Lenoir County Comprehensive Transportation Plan. He shared a power point presentation. Mr. Bailey stated the City plan was completed back in 2007, and it identifies multimodal projects and programs planned for population and employment estimates in 2030. Also, it only considered Kinston and immediate surrounding area. He explained the meaning of the Comprehensive Transportation Plan (CTP) for the County. He shared the common long range vision and guide for future development and transportation decisions. He explained how the CTP process involved developing a vision, conducting needs assessments, determine deficiencies, analyze alternatives, develop plans, and adopting the final plan. All involved includes Lenoir County, local municipal governments, school system, parks & recreation, transit, emergency services, community college, health department, planning & development, Global Transpark, NC DOT and the general public. There are many factors that need to be studied like safety, connectivity and mobility, traffic, North Carolina strategic transportation corridor facilities, and federally functionally classified roads. Mr. Bailey stated the State of North Carolina as a whole is growing at 0.9% annually and currently, Lenoir County's population is 58,830. According to the office of state budget and management, Lenoir County is declining at 1.1% annually. Mr. Bailey stated in May they will create a CTP committee develop and adopt another plan and move forward. Mr. Bailey asked if anyone had any questions he could answer at this time, if not feel free to contact him.

Mr. Hill thanked Mr. Bailey for the work he is doing. He stated he certainly understands the need for long range planning. We have seen visions come to light recently in our community with some of the things that transportation has had happening for over the past fifteen (15) years. It is a process and we encourage the stakeholders to get involved and become a part of this great work.

PUBLIC COMMENTS:

None

CONSENT AGENDA:

1. Approval of Minutes: Regular Board Meeting: April 4, 2016.
2. Resolution Approving Proposal for Advertising and Execution of Contract with Eastern Carolina Council – Area Agency on Aging on one (1) Lenoir County Transit Vehicle.: \$775.

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

BUDGET ORDINANCE AMENDMENTS/RESOLUTIONS:

Item No. 3 was a Resolution Authorizing Lenoir County Health Department to Execute a Purchase Order to Contract with A & B Cleaning Service, Inc.: \$5,812.96. Ms. Tracy Chestnutt, Finance Officer, stated in 2013, Lenoir County Health Department contracted with Drake Janitorial Service, Inc. to supplement two (2) retiring employees. Currently, their work is not satisfactory and we would like to replace them with A & B Cleaning Service, Inc. to exhibit a cleaner and healthier environment for our public and current staff. Upon a motion by Mr. Daughety and a second by Mr. Best, Item No. 3 was unanimously approved.

Item No. 4 was a Budget Ordinance Amendment: General Fund: DSS: \$65,000. Increase. Mr. Darrell Parrish, Tax Administrator, stated In July of 2015 the Tax Department began a software conversion from the “Bormuth” system to Cox & Company’s “ONETax” software. This is the first software conversion the Tax Department has gone through in 25 years. The Software Service’s Agreement with Cox & Company included the conversion and balancing of the data files, on-site training, and on-going support. The Tax Department went “live” with ONETax collections in November, personal property in December, and with real property in January. The collections and personal property conversions have progressed satisfactorily, but there have been issues with the real property conversion. During the 25 years that the Bormuth software was used, a large percentage of the values of real property parcels became based on “sound values”. That is, adjustments were made over the years that resulted in the values being based on manual overrides instead of being driven by valuation codes and tables. The Software Services Agreement with Cox & Company does not include the construction of valuation tables, the analysis, and conversion of override factors or the creation of standardized tables that drive the valuation of structures that are needed for our 2017 revaluation. Cost for Phase 1 is \$25,000 and the estimated timeframe is 2 months (May-June 2016). Phase 2 focuses on the development of commercial and industrial pricing tables and income models. The cost for Phase 2 is \$15,000, with a timeframe of approximately 6 weeks (July-mid-August 2016). Phase 3 involves the creation of the 2017 Schedule of Values, which must be totally rewritten as it will be based on the new ONETax software.

Mr. Parrish stated it is critical to developing a sound Schedule of Values for 2017, as it will be the basis of future Schedules using the ONETax software. The cost for Phase 3 is \$10,000, with a timeframe of 20 work days (September-October 2016). Phase 4 is ongoing throughout the project and includes assistance with neighborhood delineation, running reports and queries for statistical analysis, and acting as a liaison between the Tax Department and Cox & Company. Cost for Phase 4 is \$15,000 (30 days throughout the project). The Tax Department currently has money available in this year's budget, from lapsed salaries and benefits, to fund Phase 1. The balance of the cost of the project (\$40,000) will be reflected in the 2016-2017 Revaluation Budget. Upon a motion by Ms. Sutton and a second by Mr. Davis, Item No. 4 was approved with two dissenting votes by Mr. Daughety and Mr. Rouse.

Mr. Daughety asked Mr. Parrish why they agreed to a contract with Cox & Company that did not appear to include all the necessary information needed. Mr. Parrish replied part could be based on his inexperience in dealing with software conversions. Also, we have a new chief appraiser who has done revaluations throughout the state and he has been able to go in and use existing counties software and make adjustments so it would work for the newly revaluations, but no one in the Tax Department has the experience to build the tables from ground up. Mr. Hill asked wasn't the software the Tax Department converted from a manual based system which required manual changes. Mr. Parrish replied yes, and it's what they have used for over twenty-five (25) years. Mr. Parrish stated one of the issues is the depreciation tables for residents/homes, and anything built prior to 1975 have to be manually done because they cannot adjust them through a table. Each one must be individually touched, and that is not the preferred way to perform the revaluations. Mr. Rouse asked the price of the software recently purchased for the Tax Department. Mr. Parrish replied \$34,000 for the conversion and \$6,000 annually for maintenance. Mr. Rouse asked how were the evaluations done on the older homes with the old system. Mr. Parrish replied it was done manually. Mr. Rouse asked if it could continue being done that way. Mr. Parrish replied that would continue to make the problem worse because they must be able to support the values with each schedule adopted. Mr. Hill stated he understood the process when dealing with large software packages because you have to make the data fit your new service. When converting to new products the expectation from the company is "you are purchasing what they have" so it's possible for things like this to happen. The bottom line is you'll always end up having to go to outside sources to get through the hurdles, which is a standard practice. Mr. Jarman stated for information purposes, the Tax Department has reduced some employees, and the \$25,000 that's being funded this current year was already budgeted, it is not new money. Years ago it was required by the law to place funds in a pot specifically for revaluations, and if you began to do it in-house, which they did in the 90's, you could actually pay an employee out of that fund. In essence, it is a separate fund from the general funds, and each year they budget money for that purpose. Currently, there is a balance of about \$35,000 plus available for next year in that particular fund for revaluation.

Item No. 5 was a Budget Ordinance Amendment: Debt Service: \$95,156. Increase. Ms. Tracy Chestnutt, Finance Officer, stated the purpose of this amendment is to properly appropriate funds for revenue and expenditures related to the series 2015 bond refinance. Upon a motion by Ms. Sutton and a second by Mr. Davis, Item No. 5 was unanimously approved.

Item No. 6 was a Resolution Approving Citizens to Boards, Commissions, Etc. Ms. Brown stated, there are no applicants, so no action is required at this time.

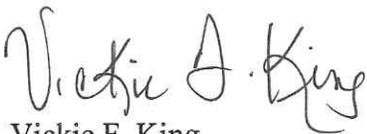
Item No. 7 was items from County Manager. Mr. Jarman stated attached are the regular financial performance summary and the inspections and transit summaries. Also, as a reminder in order to arrive on time to the NCACC District meeting on April 20th, in Duplin County they will need to leave from the courthouse at 4:15 p.m. Mr. Hill reminded everyone of the meeting at the Lenoir County Board of Education at 7:30 a.m. on the same day as the NCACC District meeting.

Item No. 8 was items from Commissioners Eric Rouse. Mr. Rouse shared information from the April 2016 transportation meeting. He stated the bridge project is approximately 55% complete, and stage 1 of the overflow bridge is currently being poured, and the girders are set on the Neuse River Bridge. The Riverwalk multi-use path from downtown through Pearson Park to the Power Plant project is approximately 99% complete with final inspection and vegetation establishment remaining.

Mr. Hill stated Lenoir Memorial Hospital continues to be in negotiations with UNC Health systems. They are not sure of the exact date when it will happen; nevertheless, when it does it will add a significant logo to the community.

Meeting Adjourned at 4:34 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Vickie F. King". The signature is written in black ink and is positioned above the printed name and title.

Vickie F. King
Clerk to the Board