

MINUTES  
LENOIR COUNTY BOARD OF COMMISSIONERS  
BUDGET PLANNING WORK SESSION  
ADMINISTRATION BUILDING CONFERENCE ROOM  
MAY 15, 2017

The Lenoir County Board of Commissioners began their scheduled Budget Work Session on Monday, May 15, 2017, at 2:00 p.m. at the Administration Building Conference Room, 101 North Queen Street, Kinston, NC.

Members Present included: Chairman Craig Hill, Vice Chairman; Linda Rouse Sutton and Commissioners; Jackie Brown, Roland Best, J. Mac Daughety, Eric Rouse, and Reuben Davis.

Members absent: None.

Also present were: Michael W. Jarman, County Manager; Joey R. Bryan, Assistant County Manager; Tracy Chestnutt, Finance Officer; Vickie F. King, Clerk to the Board; Department Managers, Tammy Kelly, Chris Harper, Bill Ellis, and Justin Kilpatrick, TACC9.

Mr. Hill welcomed everyone to the budget work session and turned the meeting over to Mr. Jarman.

Mr. Jarman stated as customary practice, if anyone has any questions during the budget presentation, please feel free to ask.

Mr. Jarman shared information from his power point regarding FY17-18 budget. He started with information regarding the revaluation. We all knew up front, and it was discussed last year that there would possibly be some value losses and something for the county to deal with this year. They met with staff, and they were made aware of the potential of the revenue loss. Prior to the completion of the revaluation, they were instructed to reduce operating costs as much as possible. What they were faced with this year was a loss in revenue of \$2,190,588 that is due to the new real property values. Compared to the actual real property values we had for 2016-17, that's a \$273,000,000 loss in real property value. The last revaluation was FY2009, real property values are at their lowest rate since FY2008. Mr. Jarman shared information regarding property tax revenues from 2012-2017. Total property tax revenues are at their lowest rate since FY 2012 including real, personal, motor vehicles, and public service companies. FY 17-18 is budgeting less revenue from property tax than 2013-2014.

Mr. Jarman discussed cuts. He stated county services have been held at existing levels for years due to the economy. Increases in services have only happened when mandated, or a revenue source other than tax was available. Additional cuts above what departments/administration have implemented will affect service levels. Current property revenues are similar to FY2013 (tax rate was raised \$.035). Mr. Jarman briefly shared how the submitted budget compared to FY 2013-2014 budget.

Mr. Jarman shared summary of expenditures for each department for FY13-14 vs. FY17-18 and how it compared. For FY13-14 vs. FY17-18 total increase of \$3,942,866 was noted. Mr. Jarman stated most departments were similar to the old and where increases were. Major increases were in Sheriff/Jail, EMS, Elections, and MIS. Mr. Jarman stated reducing law enforcement, emergency services, MIS would be detrimental to Lenoir County. In regards to sales tax, quarter cent sales tax was recommended in FY2011-2012, 2012-2013, and 2013-2014. Quarter cent sales tax was voted down in 2007 and 2012. Surrounding counties that have passed the quarter cent sales tax are Pitt County in 2008, Onslow County in 2010, Duplin County 2011, and Greene County 2013. The quarter cent sales tax would generate approximately \$1,300,000.

Mr. Jarman shared key “Budget Movers” messages from previous managers and showed how the thoughts were similar and consistent. He stated the message was either the same or similar for about the past 14 years in the budget manual. Regardless of the demands on expenditures, flat revenues and a reliance on property taxes have been a consistent issue.

Mr. Jarman shared several recommendations such as: working with Lenoir County School Board and Lenoir Community College Board of Trustees to pass the Quarter Cent Sales Tax to provide an additional recurring revenue, make reductions where feasible, and limit increases to mandated services or changes that significantly improve performance to prevent fines/increased costs, and increase the appropriation from Fund Balance. He stated the NC General Assembly has bills in front of it now that would raise the sales tax amount to ½ cent.

Mr. Jarman stated the FY2017-2018 budget is a one year budget. Using savings to balance a budget is not a sustainable practice, and they will try to minimize amount, but they will use some. Failure to pass the quarter cent sales tax this fiscal year will result in an increase in the property tax rate in FY2018-2019 or reductions in service that would hamper Lenoir County’s ability to grow at a time when our economy is improving.

Mr. Jarman stated the general fund budget projected for 2017-2018 had an increase of \$758,073 over 2016-2017 an 1.1% increase. Some of the major increases were from Board of Elections, which was mandated due to the possibility of four elections, Radio System Maintenance; we could either pay now or pay later, Jail, mandated to provide, Emergency Medical Services, will be reimbursed by others for 2 community paramedics, and an increase in the Mandated Retirement Contribution. As for expenditures, administration reviewed request, met with departments, and made reductions in some areas.

Mr. Jarman shared information and gave explanations pertaining to increases and decreases within each department. In regards to the FY17-18 general fund appropriations, Mr. Jarman stated debt service is over 10% which is an issue.

Mr. Jarman briefly discussed summary of revenues general fund and mentioned the increase in sales tax reduced the burden on property tax 1%. However, it is still half of our revenue.

Mr. Jarman stated as for new positions, Emergency Medical had two community paramedics, Transportation had two new full-time drivers, they reduced part-time staff. The additional full-time workers will make route scheduling more efficient and total salary cost was reduced, Register of Deeds, one new Deputy Register, (changed the part-time to full-time, part-timeworker was working 30 hours a week. They had that full-time position three years ago), Finance Department one new Accounting Tech II, with new employee they are back to the number of employees they had in 2005. Only one position requires full funding. This position is not included in the budget, however, there is a need for a Public Information Officer. It will be in the position & pay classification plan. This position was requested by George Graham several years ago when he was chairman, and we told him it was a luxury and we could not afford it at that time although we had more spendable money then. However, it is no longer a luxury, it's a necessity because there is too much misinformation going out, uninformed is one thing but misrepresenting the good work the county is doing and being misinformed is worse.

Mr. Jarman shared summary of authorized positions stating it went to 475 in 2012-2013 (five years). There is no increase for salaries included in the budget. In 2007-2008 a salary study was done showing we were 10% behind market and we have been trying to get back to market.

Mr. Jarman stated as it pertains to the insurance fund we are self-insured, so our insurance situation can change quickly due to the increasing age of our workforce, significant claims, increasingly high drug cost, increasing medical/hospitalization cost, and mandates of the Affordable Health Care Act or Repeal/Changes to the Health Care Act. Lenoir County increased both the employer and employee contribution in FY 2015-2016. We avoided any increases for ten years but have transferred additional funds each of the last two years. We continue to monitor this fund closely.

Mr. Jarman shared information regarding Lenoir County Public Schools current operating expense and other capital expenditures. In 2009, the debt service was highest. We did a revaluation and lowered the rate. The original plan was not to lower the rate and save money to get through higher years of debt service. The reduced lottery and no ADM funds continue to be an area of concern, and as stated previously we need to do something about the revenue source to meet future needs. If public school capital continues to decline we are estimating that at the end of the 17-18 budget year we will be down to about \$875,000 in that fund because of having to use it to meet debt service needs.

As we see movement with Lenoir County Public Schools becoming more efficient, operating less facilities, there will still be a need to continue to increase funds needed for school capital. Quarter Cent sales tax revenues can be used for school capital and would help that tremendously.

Mr. Jarman stated there has not been a change in three years to Lenoir Community College. This shows a \$100,000 increase. Part of the increase is because we shifted \$50,000 from capital to operating expense.

Mr. Jarman shared information regarding outside agencies requested vs. recommended. He stated all remained the same except for Forestry Services, and this will be their first increase in ten years and it is for a new vehicle.

Mr. Jarman gave a brief analysis of the general fund projected FY 2017-2018, expenditures \$68,156,524, Revenues \$64,058,815, and Fund Balance Appropriated \$4,097,709. He stated revenues shown include \$750,000 from the Public Schools Capital Fund Fund Balance Article 40 & 42 Sales Tax for debt service. We will be spending some fund balance which should be a one-time thing. He is not comfortable with it, and something has to be done next year, which is why they need to get the sales tax passed. Mr. Jarman stated as much as he and staff think the sales tax is a good thing, the way the law is written we can educate about the need and the revenues it brings, but advocating for it will have to come from members of the board.

Mr. Daughety asked what direction the board should take.

Mr. Hill stated once they vote on the budget turn around and immediately vote on the quarter cent sales tax and get it on the ballot for November and began the process.

Mr. Davis stated the entire board will have to be on board and in agreement in unity in order for it to pass.

Mr. Hill stated our citizens cannot stand another property tax increase, and this transition year will give them an opportunity to address it. If they don't increase income through sales tax, cuts would be deep enough to hurt because you are looking as less pick up services, less patrol cars on the roads. If revenues don't come that is bound to happen.

Mr. Daughety stated this is a good time for the county to sit down and come up with a strategic plan as to where they want to be as a county in ten years and to discuss other ways to create revenue and wealth other than taxes. As he is always against property taxes, he will not vote in favor of it this time but will be supportive in the sales tax because he thinks it is the fairest of the taxes and he will advocate for it. Mr. Daughety asked how soon could this be done. Mr. Jarman replied the soonest would be the November 2017 election, and in April 2018 they would begin to receive the revenues.

Mr. Hill stated they would really have to sell the idea of the sales tax, because if not even the schools budget will eventually be cut.

Mr. Jarman stated administration will be sending the board a brief sheet stating what needs to be done to get it on the ballot, when, what it means, etc. He will make sure the board has what they need to work with as soon as possible.

Mr. Hill stated he did not think they could pass the budget without passing the sales tax vote.

Mr. Rouse asked Mr. Jarman if he could put together what services that they are looking at cutting to off-set the fund balance transfer.

Mr. Jarman replied it was the same thing he gave them a few years back for a 5% cut. Mr. Rouse asked was that across the board and what programs. Mr. Jarman replied he did not know what programs the county could cut. If it's done across board, it will hurt the county services. Because some of our departments are so small if you ask them to cut 5% means that they need to cut \$18,000 and their total operating expense is \$14,000, so the only thing they could cut is staff. We would have to be very careful with that. Like with DSS we are mandated to provide a certain service. We could cut staff from 10 employees to 5, but then the state could impose fines and/or fees on us if the work is not done by a certain time, so we could end up spending more money because we didn't have enough employees. By reducing, services we will make the county look less successful.

Mr. Rouse asked if the county was providing any programs that they did not have to do, those that are not mandated that we are still doing. Mr. Jarman stated the biggest thing we are doing is the general assistance program but he would rather Tracy or Jeff to explain that because you could save the \$50,000 but it would cause headaches to the people it assists.

Mr. Jarman stated there are some cuts that we have pondered that could happen involving several positions, but with that said they are not game changers with the magnitude of what you need. If he thought they were within \$600,000-\$700,000 we might could make some cuts that would be very detrimental but you might could live with it, but \$4million in cuts you can't live with it because you are getting into law enforcement, EMS, MIS which is where the bulk of our increases are.

Mr. Rouse stated this has been struck down before and if they could get it passed it would be wonderful, but he thinks they need to map out a plan. Mr. Hill stated this is correct because our citizens cannot stand another property tax increase.

The meeting adjourned at 3:55 p.m.

Respectfully submitted,

Reviewed By

Vickie F. King  
Clerk to the Board

Joey R. Bryan  
Assistant County Manager

**MINUTES**

**LENOIR COUNTY BOARD OF COMMISSIONERS**

**May 15, 2017**

The Lenoir County Board of Commissioners met in open session at 4:10 p.m. on Monday, May 15, 2017, 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 Linda Rouse-Sutton, Commissioners, Jackie Brown, Roland Best, Reuben Davis, Eric Rouse, and Mac Daughety.

Members Absent: None.

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

Chairman Hill called the meeting to order at approximately 4:10 p.m. Ms. Sutton offered the Invocation and Mr. Rouse, led the audience in the Pledge of Allegiance.

**PUBLIC INFORMATION:**

Mr. Andy Bailey, NC DOT, Transportation Engineer, stated he was present to share a draft containing information regarding Lenoir County Comprehensive Transportation Plan (CTP) Socio-Economic Data, 2015 estimates and 2045 projections. Mr. Bailey stated in the development of the Lenoir County Comprehensive Transportation Plan (CTP), existing and anticipated deficiencies were determined through an analysis of the transportation system looking at both current and projected future travel patterns. For this CTP, the majority of travel demand in the north and central areas of Lenoir County, including the City of Kinston and the Town of LaGrange, was projected from 2015 to 2045 using the computerized Kinston Travel Demand Model (TDM). This TDM was developed in 2011 and approved by the Lenoir County Board of Commissioners in 2012 for use in evaluating alternatives to the Kinston Bypass as well as other projects within the area. Mr. Bailey stated the Lenoir County CTP Steering Committee and the NCDOT Transportation Planning Branch are requesting that the Lenoir County Board of Commissioners endorse these 2015 base-year estimates and 2045 future-year projections for these population and employment control totals. Mr. Bailey stated if anyone had specific questions to feel free to contact him. Upon a motion by Mr. Rouse and a second by Ms. Sutton the CTP Socio-Economic Data 2015 estimates and 2045 projections was unanimously approved.

Mr. Hill thanked Mr. Bailey for the report and stated there are a lot of things going on with transportation and he encourages everyone to continue to keep an eye and ear to the things that are currently going on because it is imperative. The transportation committee meetings are always open, and 70 Corridor meetings are open, and if you go to the NC DOT website, it will show a listing as well. It might not be the road in front of your particular house, but it can have a tremendous impact on our community and region at large.

Mrs. Geraldine Barbour, Chairperson, African American Heritage Commission (AAHC), stated some of the goals of the AAHC are to cull, document and preserve information about the achievements and roles of African Americans in the development of Lenoir County to obtain a building that will serve as a museum and headquarters for the Commission, and to identify significant historical sites which are related to the contributions of African Americans to Lenoir County. She stated the annual Funk Festival celebration is their current major fundraiser to implement their goals. The 2017 ceremony will be held in Kinston on May 26<sup>th</sup> and May 27<sup>th</sup>. A highlight of the event will be a tribute to Dick Knight who performed with the James Brown Orchestra and with Otis Redding during the 1960's. Also featured will be Milton Bullock, lead singer with the original Platters, and Lafayette Jones. This year's experiences at the Saturday event will be enhanced by the addition of elements of the "Chitlin' Circuit." Ms. Barbour stated the committee would appreciate any financial support in the form of a contribution or an ad to assist in the success of this undertaking. Ms. Barbour shared highlights from scheduled events to take place on both days. She stated activities would begin at 10:00 a.m. – 8:00 p.m. on Friday and from 10:00 a.m. – 11:00 p.m. on Saturday. She invited everyone to join them for two fun-filled days and thanked the Commissioners for their time.

Mr. Hill stated he would like to add an action item for approval to the agenda by way of a Proclamation honoring Robert "Dick" Knight. Mr. Hill read the Proclamation. Upon a motion by Ms. Sutton and a second by Mr. Best, the Proclamation honoring Robert "Dick" Knight was unanimously approved.

Ms. Kristin Alexander, Program Coordinator, Lenoir County Council on Aging, stated the Administration on Aging (AoA), part of the Administration for Community Living (ACL), has announced that "Age Out Loud" will be the theme of Older Americans Month in 2017. The theme for the May observance is intended to give aging a new voice, one that reflects what today's older adults have to say about aging. "The 2017 theme gives us an opportunity to shine a light on many important issues and trends," reported ACL. More than ever before, older Americans are working longer, trying new things, and engaging in their communities. They're taking charge, striving for wellness, focusing on independence, and advocating for themselves and others. They expect to continue to live their lives to the fullest, and they're insisting on changes that make that possible. What it means to age has changed, noted ACL, and Older Americans Month is a perfect opportunity to recognize and celebrate what getting older looks like today. In May AoA and ACL will amplify the many voices of older Americans and raise awareness of vital aging issues across the country. The observance will be promoted online using the official hashtags #OAM17 and #Age Out Loud. The National PACE Association will share additional details about the celebration, including resources and materials, as they are made available by ACL.

Ms. Lucy Marston, Lenoir County Tourism, stated, it gives me great pleasure to present the 2017 Governor's Volunteer Service Awards for Lenoir County. This is the 38th year that the State of North Carolina has given this award. Governor McCrory has called on North Carolinians to renew our efforts in volunteering in our communities. We have no better resources in North Carolina than our people, neighbors, family, friends, and coworkers. Just over 25% of the population in this state volunteers in some form and fashion, adding over \$5 billion in services to our economy. With the economy today, our needs could not be greater.



Our recipients today have lived up to the true meaning and understanding of being a good neighbor every day by setting an example for others. They show what it means to give of self, by giving of their time, talents, money, and by being an integral part of our active community. It's been said that service to others is the rent we pay here on earth. I am pleased to introduce our 2017 Lenoir County Volunteer Service Awards recipients of the year. The Handy Man's Group of First Presbyterian Church, Founder Mr. Larry Landry, Mr. Earl Stroud, Mr. Bud Bradshaw, Mr. Ted Berry, Mr. Tom Thutt, and Mr. Ron Rouse. Ms. Marston stated these gentlemen started in 2011 by doing simple church repairs. However, their mission has grown into repairs locally by assisting in moving, building and other projects. These gentlemen have built many ramps throughout our community. They charge for the materials, but they donate their labor. If there is a pressing need, sometimes there is help in a monetary way also. They have given time working with erasing the lines organization on the county, just to name a few. They include youth volunteers in their efforts teaching them skills and a sense of accomplishments earned with volunteering. The 2017 Governor's Award for Volunteer services goes to each of the six individuals.

#### **PUBLIC COMMENTS:**

None

#### **CONSENT AGENDA:**

1. Approval of Minutes: Regular Board Meeting: May 1, 2017.

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

#### **BUDGET ORDINANCE AMENDMENTS/RESOLUTIONS:**

Item No. 2 was a Proclamation Honoring Mr. Joe Exum. Ms. Sutton read the proclamation. Upon a motion by Mr. Rouse and a second by Ms. Sutton, Item No. 2 was unanimously approved.

Mr. Exum stated he was deeply touched by this proclamation coming from the Lenoir County Board of Commissioners. When he was younger, he never got any attention, and he felt like the beautiful people that really deserves this are Jerry Henderson, Miss Ursula, and the staff at the SPCA. They should be the ones receiving this honor because without Lenoir County Animal Shelter, and the SPCA things would fall over. They are the people who give up their time. He stated the work that he has done is entirely dependent upon them. Mr. Exum thanked the Board for thinking about him and giving him the proclamation. Mr. Exum stated the program is well over eleven (11) years old, and Happy Jack will be seventy-one (71) years old. In honor of his mother and father, this is something their family was to be about and to figure out how they could best help while the Lenoir Animal Shelter and the SPCA are busy with their hands full treating the symptoms of unwanted and abandoned pets. Therefore, he felt it would be essential to deal with the cause of over-population coming from the breeding of cats and dogs.

In order to address the cause of unwanted, abused, and abandoned animals, they devote all of their fundraisings efforts to spaying and neutering procedures. They had an attorney to draw up their 501-3c and devoted the resources of Happy Jack to a great cause. They have subsidized additional programs. The SPCA and Lenoir Animal Shelter have sponsored over 8,000 of these procedures throughout Lenoir County. The news of the most recent statistics provided is they are we are sure enough approaching a no-kill facility which means admissions, equals adoptions and rescues, and therefore the need to euthanize animals will be done away with because it cost to kill an animal. If they can prevent the cause, it will be looked at as an investment. Everyone have been very generous throughout the process, and it has been a team effort. He thanked the board for the proclamation.

Item No. 3 was a Proclamation Older Americans Month 2017. Mr. Davis read the Proclamation. Upon a motion by Mr. Davis and a second by Ms. Sutton, Item No. 3 was unanimously approved.

Mr. Hill thanked the citizens that are working so hard and for all of the Older Americans that have so much to offer not only in experience but regarding vitality that they have every single day. It's vital that we honor, respect and hold that very close to our hearts. Mr. Hill encouraged everyone to take the time to thank an older adult and show appreciation in some manner.

Item No. 4 was a Proclamation: Emergency Medical Services Week 2017. Ms. Jami Hardee, EMS Commander, read the proclamation. Upon a motion by Mr. Davis and a second by Mr. Best, Item No. 4 was unanimously approved.

Mr. Hill thanked the EMS staff for their hard work and everything they do.

Item No. 5 was a Resolution Honoring Retiring Employee Katherine Gray. Mr. Roger Dail, EMS Director, stated Ms. Gray has been employed with Lenoir County since 1987 and has been a vital part and will be greatly missed. Mr. Rouse read the resolution. Upon a motion by Mr. Rouse and a second by Mr. Best, Item No. 5 was unanimously approved.

Item No. 6 was a Resolution Approving Presentation of Badge and Service Weapon to Retiring Lieutenant Joey Allen Briley. Sheriff Ingram stated Lieutenant Joey Allen Briley began his law enforcement career with the Lenoir County Sheriff's Office on July 1, 1986. Lieutenant Briley has served in numerous capacities in his many years with the Sheriff's Office. His capacities ranging from Dispatcher, Deputy Sheriff, Crisis Negotiator, DARE Officer, School Resource Officer, Sergeant, and Lieutenant. In his years of service, Lieutenant Briley has proudly dedicated his adult life and career to working with students and children as an SRO, arresting criminals who had violated the law, and working to provide safety for the citizens of Lenoir County. North Carolina retirement rules state that an officer must have 30 years of credible service or be age 55 with at least 15 years of creditable service to retire. Lieutenant Briley has served Lenoir County and its citizens with 31 years of service and is over age 55 meeting established requirements making him eligible to retire, which become effective May 1, 2017. Upon a motion by Mr. Davis and a second by Mr. Daughety, Item No. 6 was unanimously approved.

Item No. 7 was a Resolution Adopting the Approval of the Lenoir County Detention Center Health Plan. Sheriff Ingram stated in accordance with N.C.G.S. § 153A-225 that deals with Medical Care of Prisoners, the Board of Commissioners is required to adopt a health plan for the care of inmates. As written in statute, “The unit shall develop the plan in consultation with appropriate local officials and organizations, including the sheriff, the county physician, the local or district health director, and the local medical society. The plan must be approved by the local or district health director after consultation with the area mental health, developmental disabilities, and substance abuse authority if it is adequate to protect the health and welfare of the prisoners. Upon a determination that the plan is sufficient to protect the health and well-being of the prisoners, the plan must be adopted by the governing body.” The compliance with this Detention Center Health Plan is the joint responsibility of the Lenoir County Health Department, the Lenoir County Sheriff, and Southern Health Partners, Inc., the contracted provider of care to the inmates of the Lenoir County Detention Center. This health plan has been approved by all required officials and is recommended that the Board of Commissioners adopt it. Upon a motion by Mr. Davis and a second by Mr. Best, Item No. 7 was unanimously approved.

Item No. 8 was a Resolution Approving a Purchase Order for Lawmen’s, Inc. & Craig’s Firearms.: \$19,350. Sheriff Ingram, stated the Lenoir County Sheriff’s Office currently issues patrol rifles, shotguns and handguns to deputies for the protection of themselves and others during incidents. Handguns, shotguns, and rifles have different applications in the law enforcement field. Handguns are for close range protection, shotguns are for close to medium range protection, and rifles are for medium to long range protection. A law enforcement officer is best equipped when he/she has access to each of the firearms. The Sheriff’s Office employs 67 sworn deputies but does not have enough rifles for each deputy at this time. Currently, deputies do have shotguns, but many are in need of replacement due to their age and wear. Also, there are not any other handguns to issue in case one is damaged or is in need of repair. The individual cost of a Remington 870-P shotgun with the carrier is \$515.00. The individual cost of a Smith and Wesson M&P15 rifle cost \$857.00. The individual cost of a Glock 21 Handgun is \$469.00. The Sheriff will purchase 12 shotguns, 12 rifles, and six handguns. The shotguns and rifles will be purchased from Lawmen’s Inc. at a total cost of \$16,500, and the handguns will be purchased from Craig’s Firearms at a total cost of \$2,850. Upon a motion by Mr. Davis and a second by Mr. Daughety, Item No. 8 was unanimously approved.

Item No. 9 was a Resolution Authorizing the Issuance of Blanket Purchase Order to the following Vendor for Lawn Maintenance Expenditures.: \$5,000. Mr. Hal Oliver, Landfill Manager, stated Lenoir County Solid Waste Department has nine (9) sites including the landfill that requires lawn maintenance. To control the vegetative growth including ditches and waterways where possible, it is in the best interest to contract with Ryan Riley LLC, to keep our sites presentable for the upcoming seasons. Execution of this agreement will eliminate ongoing vegetative growth on the Landfill grounds. Upon a motion by Ms. Sutton and a second by Mr. Best, Item No. 9 was unanimously approved.

Item No. 10 was a Resolution Authorizing FY16-17 Purchase Order to Ed Phillips, Inc.: \$9,293.54. Mr. Anthony Howard, Maintenance Mechanic, stated the HVAC system in the old jail in the A-block unit has a shorted-out compressor and has caused multiple leaks and in dire need of replacing. Upon a motion by Ms. Sutton and a second by Mr. Best, Item No. 10 was unanimously approved.

Item No. 11 was a Resolution Authorizing MIS Department to Execute a Purchase Order to Contract with KnowBe4.: \$3,811.50. Ms. Blanca Faasii, MIS Director, stated Exposure to phishing, ransomware, and viruses is a constant occurrence in our everyday world. It's estimated that in 2016, the cost of ransomware was over \$1 Billion, making it the most lucrative criminal business model in the history of malware. The recent escalating ransomware attacks have shown that no organization is safe. By using this training, and educating our users of such attacks and methods used might limit such attacks on our organization. This subscription will allow the MIS department to simulate attacks on our users and give us the opportunity to train them. Upon a motion by Mr. Davis and a second by Ms. Sutton, Item No. 11 was unanimously approved.

Item No. 12 was a Resolution Authorizing MIS Department to Enter Into a Four (4) Year Lease Agreement with Dell Financial Services: \$78,000 Per Year. Ms. Blanca Faasii, MIS Director, stated on April 21, 2008, the Lenoir County Commissioners approved a 4-year Technology Refresh Program that allowed Lenoir County to lease its desktop units. It has been very useful in keeping desktop PC's operating in an ever-changing environment that is IT. Also, this will allow us to have all of the operating costs covered under warranty for the entire four years. Ms. Faasii stated they are returning the machines leased back in 2013 as per the lease agreement. This lease will replace those machines and allow us to have new leased machines with warranty coverage for the entire new lease. Upon a motion by Ms. Sutton and a second by Mr. Best, Item No. 12 was unanimously approved.

Item No. 13 was a Resolution Approving a Five (5) Year Lease with VAR Technology Finance and issue a Purchase Order for a wide format Digital MFP Solution for GIS. Mr. Joey Bryan, Assistant County Manager, stated the GIS wide format plotter is over 12 years old and has reached its useful life. We continued with this equipment until we could evaluate the most cost effective solution to meet our future needs. We found that leasing a EPSON T5270 wide format plotter from VAR Technology Finance was the best option for the county. The Board is requested to approve a five (5) year lease with VAR Technology Finance for a wide format Digital MFP installation for GIS and authorize the Assistant County Manager to execute the agreement and issue a Purchase Order and move forward with the new lease amount of \$2,333.45 per year for a 5-year period with new equipment and the equipment is budgeted in the current budget. Upon a motion by Mr. Best and a second by Ms. Sutton, Item No. 13 was unanimously approved.

Item No. 14 was a Resolution Approving the Award of Contract and Authorizing County Administration to Execute the Contract for Renovation of the Lenoir County Livestock Building. Mr. Joey Bryan, Assistant County Manager, stated After Hurricane Matthew and the subsequent flooding, the Lenoir County Livestock Building was inundated with approximately 24+ inches of flood waters for over a week.

The wind and rain damage along with the prolonged exposure to the flood waters caused extensive damage to the roof and scupper systems with significant interior structure damage occurring in the electrical, plumbing, HVAC systems and more. On February 20, 2017, the Lenoir County Commissioners approved to allow Dunn and Dalton to design a Rebuild of the Lenoir County Livestock Building. Lenoir Administration placed the request for bid out on the county website soliciting base bid prices for primary work and 2(two) alternate cost-saving bids – Alternate #1 – Vaulted ACT Ceiling in Auction Area; Alternate #2 – Simple Saver Insulation System over Auction Area. Two (2) bid packages were received the first time, and it was rebid because it required three bids on the first time. We sent the request for bid out again, and the second time we received two bid packages again. The two bidders were Group III, and Bruin Builders. Bruin Builders were the low bidder, and we did ask for the Alternate #2 for \$15,500 for the simple saver because it would save about 50% on the utility costs. The Board is requested to approve the award of contract and authorizes Assistant County Manager to execute the contract for the Renovation of the Lenoir County Livestock Building. Upon a motion by Ms. Sutton and a second by Ms. Brown, Item No 14 was approved with one (1) dissenting vote from Mr. Daughety.

Mr. Daughety stated the bid amount was very high although it was the low bid. He stated as much as he wanted to expedite this project, for him to vote on a \$632,000 plus project he would need to see the bid broken down in a more detailed manner. Mr. Daughety asked if the Lenoir County flood ordinance had a cost effect on this bid and if so how much and is it possible for the county to grant themselves either a variance or amend it to exempt local government.

Mr. Jarman stated yes, the ordinance would impact the cost. When the county received the original estimates, the low bid was around \$233,000-\$240,000, and they went to \$430,000. The ordinance stated if you are going to expend more money than 50% of the value of the building then you are required to flood proof which will drive the cost up.

Mr. Daughety asked was it the Lenoir County flood ordinance that triggers it? Mr. Jarman replied that is correct. As for your question regarding the variance, the reason they have adopted the Lenoir County flood ordinance is so that they can participate in the national flood insurance program. Without this ordinance that regulates the construction, height, and location of property controlling what goes on in flood-prone areas, we would not be able to get flood insurance. If we don't have it, then we can't offer our citizens that type coverage. So, the county needed that ordinance to be able to participate in the flood insurance program.

Mr. Daughety asked now that the county has the flood ordinance can they exempt local government from it.

Mr. Hill stated he has followed the emails and has given it much thought and his comments are that he thinks it would not be ethical for this board to do that in reference to how they deal with citizens.

Some citizens have responded to this ordinance, and we should not hold ourselves any less accountable for that than we would the citizens. We have citizens that have gone out and rebuilt by the ordinance, and we should not put ourselves as a government entity even though we have the authority and power to do such, over the private citizen to do the same thing. That would be a dangerous precedent to set. He understands the question, and he understands the fact that they could do it, he just doesn't think it's fundamentally the right thing to do.

Mr. Jarman stated he instructed the board that they would be adhering to this ordinance, and he believes that it would be entirely inappropriate if they asked for a variance. Also, they asked for a variance to get the livestock project moving. The variance was due to the needed elevation of the building. The ordinance stated they had to elevate the receptacles by the ordinance to be within 2 foot above base flood elevation, and that put their ordinance in contradiction and made it to where they couldn't comply with the ADA regulation. They could not comply to both. There is only a 4 inch difference in the elevation so that variance was tentatively approved. The variance had to be approved by Gary O'Neal, and he said that he would, and the next step would be it going before the planning board for approval, and that step is not done until the county receives the permit to do the work. Had the county not approved that they would not be able to build at that location. That is the reason a variance was done. The National Flood group will look at it and approve it because of the specifics of it, it was logical. If the county were to ask for a variance just to save money they would say no, and it will remove us from the national flood insurance, and we would not be able to get any insurance. Mr. Jarman stated the county should not ask for a variance because the county should follow the same rules we expect of the citizens.

Mr. Daughety stated after clearing that subject; the county is asking him to vote for a \$632,000 item and without knowing what that amount details. For example; there was mention it might need a new roof if so how much is the roof, and what is the option. He doesn't have the information.

Mr. Jarman replied to Mr. Daughety explaining that the first-time people sent their quotes they did not have the scope of work for what they did. So, they might have given some figures such as \$55,000 for a roof, and someone else might have said \$110,000 to replace it. That is the reason you were advised to contact Michael Dunn who this board approved to contract with to do the scope of work, and he could have answered all of the specifics.

Mrs. Sutton stated they were in a meeting with Michael Dunn the other day and had the opportunity to ask any questions.

Mr. Hill said this board had been given detailed information regarding the livestock building. I understand you wanting the itemized cost you are looking for. However, the board has been given quite a bit of detail over the past nine months regarding going back into the building.

Mr. Hill mentioned one of the questions that kept arising during the meetings they had with cooperative extension and some farmers was: the idea that we can put up a building like this for less than that the suggested amount. The response was you could put up a building, but you will first have to do demolition, replacement, and other things and we have to adhere to code and ordinances which will drive up the cost. We can't go back into this building as is, plus flood-proofing is the prudent thing to do since its flooded three different times. Also, it's important for the county to move forward with this project at this time for several reasons: 1. Time 2. It's indirect/direct ties to the building that's located beside of it with the risk of \$1.1 million of grant money. Mr. Hill stated if he were sitting on the board of Golden Leaf and we didn't move forward with this project he is not sure he would be ready to make progress on the other building. We are putting the Cooperative Extension building at risk if we continue to delay this project.

Mr. Jarman stated to qualify variances more, for the county to get that for the change in the 4 inches in the receptacles with the flood insurance, they are flood-proofing, waterproofing all of the wires and doing all types of things and there was a lot involved in that. Also, as far as the bids, when we made the informal bids we had contractors to specify items, but the problem was when trying to analyze it you have to do a whole lot of comparing apples to apples, oranges to oranges. Therefore, when you go to a scope of work that scope specifies each item, etc. very specific. It does make it competitive pricing.

Mr. Hill stated another issue is we have a lot of contractors that are currently tied to other projects all over the state that would like to bid on other jobs but do not have enough in their bonds to fulfill other obligations. It's a tough spot for the board to be in, but it's time to move forward.

Mr. Rouse stated as for the variance if we require our citizens to comply this board should as well. He doesn't think it would be fair and it would be a gross abuse of power. If he were an individual citizen looking in it would be very problematic.

Ms. Sutton stated this board has hash and re-hashed. Upon a motion by Ms. Sutton and a second by Ms. Brown, Item No 14 was approved with one (1) dissenting vote from Mr. Daughety.

Item No.15 was a Resolution Approving Citizens to Boards, Commissions, Etc. Since this was the first appearance, no action is required at this time.

Item No. 16 was items from the county manager Mike Jarman. Mr. Jarman stated he only had one item needing action. The county received a bid for tax foreclosed property on Tower Hill Road that he would recommend approving at this time. It has a tax value of \$8,000, and the bid is for \$800. Initially with the low dollar amount, he did not want to entertain. However, when walking through the inside of the house you can look up inside the house and see a hole in the roof and a hole in the floor. Therefore, for \$800 it is worth letting someone take it over and get it back on the tax books. Upon a motion by Mr. Daughety and a second by Mr. Best Item No. 16 was approved.

Meeting Adjourned at 5:25 p.m.

Respectfully submitted,

Vickie F. King  
Clerk to the Board

Reviewed by,

Joey R. Bryan  
Assistant County Manager