

MINUTES
LENOIR COUNTY BOARD OF COMMISSIONERS
June 7, 2010

The Lenoir County Board of Commissioners met in open session at 9:00 a.m. on Monday, June 7, 2010 in the Board of Commissioners Main Meeting Room in the Lenoir County Courthouse at 130 S. Queen St., Kinston, NC.

Members present: Chairman George Graham, Vice-Chairman Claude Stroud and Commissioners, Jackie Brown, Reuben Davis, Chris Humphrey, Tommy Pharo and Linda Rouse Sutton.

Members absent: None

Also present were: Michael Jarman, County Manager, Tommy Hollowell, Assistant County Manager, Martha Martin, Finance Officer, Robert Griffin, County Attorney; and members of the general public and the news media.

Chairman Graham called the meeting to order at approximately 9:00 a.m. Ms. Brown offered the invocation and Mr. Graham led the audience in the pledge of allegiance.

PUBLIC INFORMATION

Ms. Sandy Landis, Community Council for the Arts Director, addressed the Board. Ms. Landis stated the Arts Council is a \$1.45 million asset to Kinston-Lenoir County. The Arts Council has been excellent stewards of all funds received and are very appreciative of the County and City's annual allocations. The Arts Council cut expenditures before being instructed to do so and has a loyal and efficient work force. The Arts Council has resided in the same facility for the past 20 years. This facility being a historical building repairs and updates are often needed. The current financial situation for the Arts Council is very difficult, there is no grant funding available for operational support. Ms. Landis concluded by stating the Arts are a part of the communities' economic recovery and are a "quality of life driver" for the entire county. The Arts Council will continue to seek grants and private donations to operate the facility, but due to the dire financial need, operations may not be able to continue through this summer. Ms. Landis asked the Board to review the request and thanked them for all they do for the Arts Council. The Board thanked Ms. Landis for her comments. Ms. Alice White of 1889 Hwy. 258 South addressed the Board regarding loud music from neighbors. Mr. White stated she has contacted the Sheriff's Department and the matter has not been taken care of. The Board instructed Major Chris Hill of the Sheriff's Department to speak with Ms. White to resolve the situation.

ITEMS FROM THE CHAIRMAN/COMMISSIONERS

No comments were made.

ITEMS FROM THE COUNTY MANAGER

Item No. 2 was Items from the County Manager. Mr. Jarman reminded the Board of "2nd Saturdays" that is being introduced by the CSS Neuse and Governor Richard Caswell State Historic Sites, Community Council for the Arts and the Lenoir County Cooperative Extension office. Ms. Tammy Kelly, Director of Cooperative Extension, stated 2nd Saturdays is being named a "Sensational Weekend Event. The event will host art walks, extended hours at specialty shops, brewery tours, K-Tribe Baseball and fireworks, dining experiences and unique eateries. Sensational Weekends will be held through the end of August.

CONSENT AGENDA

Upon a motion by Ms. Brown and a second by Mr. Stroud, the Board approved the Consent Agenda.

- 3. Approval of Minutes: Regular Board Meeting: May 17, 2010 Hall/Jarman
- 4. Resolution Approving the Releases and Refunds to the Individuals Listed Herein Parrish/Martin
- 5. Budget Ordinance Amendment: General Fund: DSS: \$230: Increase Jones/Martin
- 6. Budget Ordinance Amendment: Capital Improvements Fund: Economic Development: \$300: Increase Jarman/Martin

PUBLIC HEARING/LENOIR COUNTY BUDGET ORDINANCE INTRODUCTION

Item No. 7 was a Public Hearing: Fiscal Year 2010-11 Lenoir County Submitted Budget & Introduction of Fiscal Year 2010-11 Lenoir County Budget Ordinance. Upon a motion by Mr. Graham and a second by Ms. Brown the public hearing opened at 9:19 a.m. Mr. Humphrey stated the budget for FY 05-06 was \$45 million, the budget for FY 10-11 totals around \$61 million. Mr. Humphrey asked why there is such a large increase. Mr. Jarman stated school bond debt, salaries, additional staffing in EMS, law enforcement for the Town of LaGrange and library debt are all factors for the increase. Mr. Humphrey stated he is concerned about the amount of debt the county has. Mr. Jarman stated the school bond and library debt are investments for Lenoir County and were voted in by the citizens of Lenoir County. \$1.1 million was appropriated from Fund Balance to balance the budget; department managers work very hard not to use that appropriation. Services have not been cut and taxes have not increased to citizens. Mr. Humphrey stated revenues are down which should make the county hold the line on expenditures. Ms. Brown indicated Lenoir County also has a declining and aging population; it is very good that services have not been cut. Mr. Humphrey stated Lenoir County has one of the highest tax rates in Eastern North Carolina. Mr. Jarman stated the tax rate alone is a poor indicator of economic health for any county. The FY 10-11 budget is ½% reduction from last fiscal year. Mr. Humphrey stated the real estate market is slow in Lenoir County, he states clients say they do not want to live in Lenoir County. Mr. Pharo stated in working with the Chamber of Commerce, events are being held to attract more citizens to Lenoir County. Mr. Mark Pope, Economic Development Director, stated there are many different factors that determine where people want to live. New industries have been very good for Lenoir County and will attract citizens to Kinston. In order to attract citizens certain pieces have to be provided. Mr. Pope concluded the county will have to go through some growing pains to attract these citizens. Mr. Humphrey stated he is still in support of inspection services being combined between the City and County; the Tourism Department should be under the Chamber of Commerce to save money as well. Upon a motion by Mr. Graham and a second by Mr. Stroud the Board went of the public hearing at 9:43 a.m. No comments were made by the public. Upon a motion by Ms. Sutton and a second by Ms. Brown, the FY 2010-11 Lenoir County Submitted Budget was approved by a 6 to 1 vote with Mr. Humphrey dissenting.

BUDGET ORDINANCE AMENDMENTS/RESOLUTIONS

Item No. 8 was a Proclamation Honoring Social Services Employees. Mr. Jack Jones, Director of Social Services (DSS), addressed the Board. Mr. Jones stated this is an annual proclamation honoring DSS employees for their hard work and dedication. Wednesday, June 23, 2010 will be declared Social Services Employees Appreciation Day; a picnic will be held from 11:30 a.m. to 1:30 p.m. in honor of the day. Upon a motion by Ms. Brown and a second by Ms. Sutton, Item No. 8 was unanimously approved.

Item No. 9 was a Budget Ordinance Amendment: General Fund: DSS: \$57,305: Decrease. Mr. Jones stated the amendment reflects reallocation of Child Development Funding Authorization. Upon a motion by Ms. Brown and a second by Ms. Sutton, Item No. 9 was unanimously approved.

Item No. 10 was a Budget Ordinance Amendment: Fire Districts: Fire Protection: \$43,258: Increase. Ms. Martin stated the amendment appropriates funds to cover estimated revenues and expenditures for all fire districts for the remainder of FY 09-10. Upon a motion by Mr. Stroud and a second by Ms. Sutton, Item No. 10 was unanimously approved.

Item No. 11 was a Resolution Authorizing Painting of District Civil Courtroom in the Lenoir County Courthouse: Bruce Rouse/Senovio Acuna Painting & Wallpaper: \$3,500. Mr. Mike Wiggins, Maintenance Coordinator, addressed the Board. Mr. Wiggins stated the Lenoir County Courthouse addition was constructed in 1982-1983. The interior of the District Courtrooms has not been painted since that time. Medallions on the walls behind the Judge's benches have loosened and begun to fall. Water damage to ceilings has not been sealed and painted. The walls have become dirty and the existing paint has been rubbed off in places while trying to clean them. The current condition of the interior of the District Courtrooms does not present a favorable image for the County. Administration wishes to repair and paint the District Civil Courtroom while there is no court (June 21-June 25, 2010) in an effort to disrupt the legal proceedings as little as possible. The County Maintenance Department received three (3) bids to clean, repair, and paint the interior of the Civil District Courtroom in the Lenoir County Courthouse. Bruce Rouse/Senovio Acuna Painting and Wallpaper of Lenoir County, N.C. provided the County with the lowest bid to perform the work as specified. Upon a motion by Mr. Stroud and a second by Ms. Sutton, Item No. 11 was unanimously approved.

Item No. 12 was a Resolution Authorizing Purchase Order Execution: Tim McKinnie & Associates, Inc.: Cost Allocation Plan: \$5,000. Mr. Hollowell stated the Board approved acceptance on 6/16/08 of a proposal from Tim McKinnie & Associates, Inc. for preparation of the Cost Allocation Plan for a three (3) year period (FY07-08, FY08-09, and FY 09-10), at a fixed cost of \$5,000 per year. Tim McKinnie will be the on-site consultant compiling this plan. He has prepared cost allocation plans for 98 of the 100 counties in North Carolina and all major cities. Prior to forming Tim McKinnie & Associates, Inc., Mr. McKinnie was Vice-President of David M. Griffith & Associates, Ltd. (now Maximus), which conducted the Cost Allocation Plan for Lenoir County for fiscal years 1989-2000. The indirect cost allocation plan is very important to the Social Services Department because it determines the allowable costs incurred by the County to support and administer Federal programs. These costs are reported and reimbursed to the County on a monthly basis. The allowable annual costs for Social Services proposed by the plan ending June 30, 2009 were \$982,266. Upon a motion by Ms. Sutton and a second by Ms. Brown, Item No. 12 was unanimously approved.

Item No. 13 was a Resolution Approving Purchase Order Execution for Actuarial Valuation of Health Care Plan of Lenoir County: Cavanaugh MacDonald Consulting, LLC: \$5,000. Mr. Hollowell stated an actuarial study of Lenoir County's post-employment benefits is required to be conducted under GASB Statements 43 and 45. Preparation of the study will be phased in over a three (3) year period based on the size of the unit of government. Lenoir County's first study was completed in FY07-08. The results of these studies will be presented to the Board prior to budget work sessions. The Board can use these studies to assess the future liability of the County's post-employment benefits package and determine if changes need to be made to the plan.

The North Carolina Association of County Commissioners and the North Carolina League of Municipalities have entered into a long term arrangement with Cavanaugh Macdonald Consulting, LLC to prepare the actuarial studies at a reduced rate for all units of government in North Carolina. This study must be updated each year. Upon a motion by Mr. Davis and a second by Ms. Sutton, Item No. 13 was unanimously approved.

Item No. 14 was a Resolution Authorizing Lenoir County Health Department to Authorize an Emergency Work Order to Ed Phillips, Inc.: \$6,500. Mr. Joey Huff, Health Director, addressed the Board. Mr. Huff stated the resolution is to authorize an emergency work order to Ed Phillips, Inc. for the replacement and installation of two heating and cooling units and removal of existing equipment at the Lenoir County SPCA. The old units have caused continuous problems. One or both are in need of repair constantly. Two estimates were received, one for \$10,000 from Tolston. It was recommended by Mike Wiggins, Maintenance Coordinator, to replace the units utilizing FY 09-10 funding. Upon a motion by Mr. Davis and a second by Ms. Sutton, Item No. 14 was unanimously approved.

Item No. 15 was a Resolution Authorizing Support of Continuance of Health Department Clinics and Services through FY 2010-11. Mr. Huff stated the requested utilization of funds is based on projected expenditures for FY 2010-11. Upon a motion by Ms. Sutton and a second by Ms. Brown, Item No. 15 was unanimously approved.

Item No. 16 was a Resolution Declaring Property as Surplus and Authorizing the Sale of the Surplus Property by Auction. Mr. Wiggins stated the 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 into service. Upon a motion by Mr. Stroud and a second by Ms. Brown, Item No. 16 was unanimously approved. Mr. Wiggins notified the Board that over \$20,000 had been received from the last auction of vehicles.

Item No. 17 was a Resolution Declaring Property as Surplus and Authorizing the Sale of the Surplus Property by Auction. Ms. Martin stated the County has acquired various properties over a period of time mainly through tax foreclosures. Some of these properties have structures on them and some are vacant lots. These properties add no value to the operations of the County. The sale of these properties will return them to private owners and add them once again to the tax scrolls.

<u>Tax Department Record Number</u>	<u>Property Description</u>
7514	1637 Old Ridgeway Dr., Kinston
22162	Vacant Lot Hwy 58 South, Kinston
17291	Hickory Nut Drive, LaGrange
13803	103 N. East Street, Kinston
11567	1019 E. Gordon Street, Kinston
10409	620 E. Lenoir Avenue, Kinston

Upon a motion by Ms. Brown and a second by Ms. Sutton, Item No. 17 was unanimously approved.

Item No. 18 was a Resolution Approving the Acceptance of a Proposal for Advertisement by the Lenoir County Health Department for the Birth Control Program and Smoke Free Advertisement on the Lenoir County Transit Vehicles and the Execution of a Contract. Mr. Joey Bryan, Transit Director, addressed the Board. Mr. Bryan stated the Lenoir County Health Department's Birth Control Program has received funding for advertising with the support of the Title X Federal Funds. There has also been funding received to advertise on our transit vehicle a Smoke-free Restaurants and Bars Law advertisement.

The Health Department is a Lenoir County Transit (LCT) core agency and the existing county policy adopted by the governing body. Anticipated revenues are \$125/mo. x 1 advertisement on 1 vehicles x 12 mos. minus \$164 (1 time cost for sign and installation by Right-On Signs – Kinston) = \$1,336 - Birth Control Advertisement. \$125/mo. x 1 advertisement on 1 vehicles x 12 mos. minus \$164 (1 time cost for sign and installation by Right-On Signs – Kinston) = \$1,336 Smoke-free Advertisement. Total county revenue \$2,672. Upon a motion by Mr. Humphrey and a second by Ms. Sutton, Item No. 18 was unanimously approved.

Item No. 19 was a Resolution to Approve a Drug and Alcohol Testing Policy for Lenoir County Transit. Mr. Bryan stated North Carolina Department of Transportation (NCDOT) contracted with RLS and Associates to conduct a Drug and Alcohol Training Session on February 22 – 23, 2010 to ensure all Transit Systems were in compliance with the Drug and Alcohol Policies and Procedures. Each system has had to update their Drug and Alcohol Policy. On June 15, 2010, Lenoir County Transit (LCT) will receive a Drug and Alcohol Compliance Review to ensure NCDOT that LCT is in compliance with all areas of our Drug and Alcohol Testing Procedures and Reasonable Suspicion. Should there be any areas that LCT has any Findings or Deficiencies; LCT Management Staff will receive a time to put these Policies and Procedures in place. The reason for each transit system having the Review is to make sure that we are all in compliance with NCDOT. Upon a motion by Ms. Brown and a second by Mr. Pharo, Item No. 19 was unanimously approved.

Item No. 20 was a Resolution to Support the Location of a Traffic Control Signal on Hwy. 70 and Industrial Drive. Mr. Pope stated the resolution has been approved and endorsed by the Lenoir County Transportation Committee. The Lenoir County Industrial Park collectively employs more than 1900 people plus 200+ trucks entering and exiting the park on a daily basis. The Sanderson Farms Processing facility will add 1250+ jobs to the industrial park. With this volume of traffic a traffic signal is vitally important for the park. Without a traffic light at the junction of Hwy. 70 and Industrial Drive it places employees and fellow citizens in dangerous traffic situations. The placement of a traffic signal will be temporary as the location will be a service road with the completion of the Harvey Parkway Section A in 2012. Upon a motion by Ms. Sutton and a second by Ms. Brown, Item No. 20 was unanimously approved.

Item No. 21 was a Resolution Approving Easement to Progress Energy. Mr. Pope stated in April 2008, Sanderson Farms announced plans to locate a state of the art poultry complex in Lenoir County. This complex located in the Hwy. 70 West Industrial Park includes a hatchery, feed mill, and processing plant. Sanderson Farms will invest \$121 million and create 1650 new jobs. The hatchery site is located at the corner of Smithfield Way and Hill Farm Road. The easement specified will allow Progress Energy and the City of Kinston to provide utilities to the site. Upon a motion by Mr. Davis and a second by Ms. Brown, Item No. 21 was unanimously approved.

Item No. 22 was a Resolution Authorizing Purchase Order Execution: McJunkin Red Man Corporation: 39,400 Linear Feet: 6” Steel Pipe: \$679,684. Mr. Pope stated Lenoir County has been marketing the Hwy 70 Industrial Park to clients since 1989. The “Park” is located on a four-lane major highway with all utilities and access to the railroad. However, with the addition of Sanderson Farms to the “Park”, additional gas line capacity is necessary. Piedmont Natural Gas estimated the cost of extending the gas line to the Hwy 70 Industrial Park would be approximately \$3.4 million. On January 4, 2010, the commissioners supported an agreement with Piedmont Natural Gas to extend the gas transmission line, with all effort being made to pay for this project with grant funds. Bids for the 6” steel pipe that is required to construct the new gas line, were sent out on May 18, 2010, with three bids being received. The three bids were as follows:

Edgen Murray	\$688,558.50
Consolidated Pipe & Supply Company	\$687,698.90
McJunkin Red Man Corporation	\$679,684.00

It is recommended that the commissioners accept the lowest bid of \$679,684.00 from McJunkin Red Man Corporation. Upon a motion by Ms. Sutton and a second by Ms. Brown, Item No. 22 was unanimously approved.

APPOINTMENTS

Item No. 23 was a Resolution Appointing Citizens to Boards, Commissions, Etc. The following reflects existing vacancies and appointments. Ms. Sutton noted of a letter she received regarding the re-appointment of Mr. John McNairy to the Global TransPark Authority Board. The Board counted Mr. McNairy as a first appearance.

<u>BOARD/COMMITTEE/COMMISSION</u>	<u>APPLICANT/ CURRENT MEMBER</u>	<u>TERM EXPIRATION</u>
Lenoir Community College Board of Trustees 2nd Appearance	Grady Bethel (Re-appointment)	June 2014 M: Brown S: Sutton
East Carolina Workforce Development Board 1st Appearance	Brantley Briley (Re-appointment)	June 2012
Lenoir County Board of Social Services 1st Appearance	Dorethea M. Branch (Re-appointment)	June 2013
Lenoir Memorial Hospital 1st Appearance	Dexter Floyd (Primary) T. Carlton Young, Jr. (Alt.)	June 2014
Lenoir County ABC Board 1st Appearance	Jacob W. Dawson (Re-Appointment)	June 2013

CURRENT VACANCIES

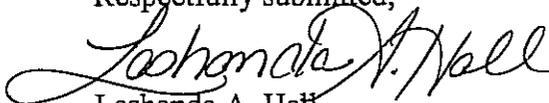
- Lenoir County Economic Development Board – At-Large Member
- Lenoir County Health Board – (1) Veterinarian, (1) Optometrist, (2) Public Members
- Lenoir County Planning Board – Districts One (1) and Four (4)
- Grifton Planning Board – One (1) Vacancy
- CJPP – Three (3) Vacancies
- Kinston Board of Adjustment – Two (2) ETJ Members; (1) Primary – (1) Alternate

Ms. Sutton requested the South Lenoir High School Girls Softball Team be invited to attend the next Board meeting to be recognized for their great season.

ADJOURN

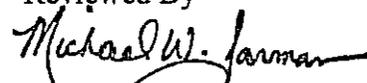
Upon a motion by Mr. Graham and a second by Mr. Stroud the Board adjourned at 10:32 a.m.

Respectfully submitted,



Lashanda A. Hall
Clerk to the Board

Reviewed By



Michael W. Jarman
County Manager