
Minutes
Cumberland County Board of Commissioners
July 6, 1999, 9:00 AM
Regular Meeting

PRESENT: Chairman Tom Bacote
Vice Chairman Ed Melvin
Commissioner Talmage Baggett
Commissioner Breeden

Blackwell

Commissioner Billy R. King
Commissioner H. Mac

Tyson II

Commissioner J. Lee

Warren, Jr.

Cliff Strassenburg, County

Manager

James Martin, Deputy

County Manager

Cliff Spiller, Asst. County

Manager

Juanita Pilgrim, Asst.

County Manager

Grainger Barrett, County

Attorney

Marsha Fogle, Clerk to the

Board

INVOCATION: Commissioner J. Lee

Warren, Jr.

RECOGNITION: Garris Neil Yarborough

The Board presented a plaque to Mr. Yarborough in appreciation of his service to the County of Cumberland as County Attorney from June, 1994 - June, 1999.

1. CONSENT AGENDA

Commissioner Blackwell pulled item A from the Consent Agenda.

MOTION: Commissioner King moved to follow staff recommendations on the remaining items on the Consent Agenda.

SECOND: Commissioner Melvin

VOTE: UNANIMOUS

A. Approval of Minutes: June 7, 8, 14, 21, 1999

Action on this Item is under the Regular Agenda items

B. Opening of Closed Session Minutes for public review.

BACKGROUND: The Board of Commissioners, at a meeting on October 20, 1997, authorized the County Attorney to review Closed Session Minutes periodically to determine the appropriateness of opening the Minutes for public review. The following Minutes were reviewed and the County Attorney (Neil Yarborough) has indicated they may be opened for public review:

November 7, 1994	June 27, 1995	February 12,
1996		
December 5, 1994	July 17, 1995	February 19,
1996		
January 17, 1995	August 21, 1995	March 18,
1996		
February 6, 1995	September 18, 1995	April 15,
1996		
February 28, 1995	October 16, 1995	May 6, 1996
March 20, 1995	October 24, 1995	May 28, 1996
March 28, 1995	November 6, 1995	June 3, 1996
April 3, 1995	November 20, 1995	June 17,
1996		
April 17, 1995	December 18, 1995	June 29, 1996
May 1, 1995	January 2, 1996	August 5,
1996		
May 23, 1995	January 16, 1996	August 19,
1996		
August 27, 1996	September 3, 1996	October 7,

1996		
October 21, 1996	November 18, 1996	November 26,
1996		
January 7, 1997	January 21, 1997	February 3,
1997		
February 17, 1997	August 4, 1997	September 15, 1997
October 27, 1997	November 17, 1997	January 5,
1998		
February 16, 1998	April 6, 1998	June 23,
1998		
June 27, 1998	September 21, 1998	November
16, 1998		
January 4, 1999	February 15, 1999	April 19,
1999		
June 7, 1999	February 25, 1997	March 17,
1997		
March 27, 1997	April 21, 1997	May 5, 1997
May 19, 1997	May 27, 1997	June 16, 1997
June 24, 1997	July 21, 1997	August 18,
1997		
September 23, 1997	October 6, 1997	November
25, 1997		
February 2, 1998	March 16, 1998	June 15, 1998
July 6, 1998	September 8, 1998	October 19,
1998		
December 21, 1998	February 1, 1999	March 15,
1999		
May 17, 1999	June 21, 1999	

C. Approval of Bid Awards for signage and graphics package for the DSS Administration Building Project

BACKGROUND: The following bids were received on June 23, 1999, for signage for the new DSS building:

ANDCO	\$183,035
Bunting, Inc.	\$146,005
Karman LTD Archt. Signs	\$201,035

The budget established for this phase of the project was \$125,000. The low

bid was received from Bunting, Inc., in the amount of \$146,005. There is sufficient money in the project contingency to fund the additional cost of this work.

ACTION: Award the bid to Bunting, Inc., in the amount of \$153,305 which includes the base bid and a 5% in-contract contingency, and approve associated budget revision (B00-003).

D. Approval of hazard mitigation grant budget for the Blairwood Drive property acquisition.

BACKGROUND: The County has received the Hazard Mitigation Grant Agreement for the voluntary acquisition of 3 properties on Blairwood Drive in Arran Lakes Subdivision. The total grant award is \$305,761 which is funded 75% Federal and 25% State. The activities associated with this project include securing appraisals, surveys and title searches of the properties prior to making offers to purchase. If the properties are acquired, the County will have the structures removed or demolished and will restore the properties to open space.

ACTION: Approve the budget in the amount of \$305,761 for the Program (B00-004)

E. Approval of By-Law Amendments for Mid Carolina Council of Governments

BACKGROUND: Mid Carolina Council of Governments' Board of Directors approved some changes to their By-Laws. The purpose of amending the By-Laws is to update them to be in compliance with the enabling legislation creating regional council of governments under the North Carolina General Statutes.

ACTION: Approve the amended By-Laws. (A copy of the amended By-Laws are on file in the office of the Director of Mid Carolina Council of Governments)

F. Budget Revisions

(1) Mental Health - Willie M Admin.: Increase in revenue/ expenditures in the amount of \$3,214 to reconcile the county

and state budgets (B00-001) Funding Source - State

(2) Community Development: Increase in revenue/ expenditures in the amount of \$403,981 to re-program prior years allocation for housing activities (B00-002) Funding Source - Federal

(3) Elderly Transportation/General Government: Revision in the amount of \$25,255 to appropriate fund balance to up front expenditures for the transportation of the elderly and handicapped. The General Fund will be repaid upon receipt of the FY00 state allocation (B00-005&005A) Funding Source - County

(4) Civic Center Motel Tax: Revision in the amount of \$4,000 to appropriate fund balance to fund tax distribution expenses from FY99 (B00-007) Funding Source - Motel Tax

(5) Special Fire District: Revision in the amount of \$294,228 to appropriate fund balance to distribute prior years revenue to the Fire chief's Association and to low wealth fire districts (B00-006) Funding Source - Special Fire District Tax

(6) Federal Forfeiture - Justice: Revision in the amount of \$36,000 to appropriate fund balance to purchase heavy duty pickup truck and specialized body previously approved by the Board on June 6, 1999 (B00-008) Funding Source - Federal Forfeiture

REGULAR AGENDA

A. Approval of Minutes: June 7, 8, 14, 21, 1999

ACTION: Approve

Commissioner Blackwell noted he voted to approve the Budget Ordinance for Fiscal Year 2000 at the June 14, 1999 meeting. The Winding Creek Building Capital Outlay budget was made a part of that Ordinance, and Commissioner Blackwell said he could not support the Winding Creek portion and wanted it to be clear in the

Minutes of June 14 that he does not support the Winding Creek portion of the Budget Ordinance.

MOTION: Commissioner Warren moved to approve the Minutes, noting Commissioner

Blackwell's exception.

SECOND: Commissioner Melvin

VOTE: UNANIMOUS

Chairman Bacote recognized Senator Larry Shaw and Mrs. Sharon Barrett (wife of the County Attorney) and welcomed them to the meeting.

2. Appointments to Boards/Committees:

MOTION: Commissioner Warren moved to appoint the nominees for the Board of

Adjustment and the Nursing Home Advisory Board by acclamation.

SECOND: Commissioner King

VOTE: UNANIMOUS

A. Board of Adjustment (2 vacancies)

Nominees: Margaret Davis
Douglas Stephens

B. Nursing Home Advisory Board (1 vacancy)

Nominee: Teresa Johnson

3. County Policy Committee Report and Recommendations

A. Consideration of mileage reimbursement for members of the Nursing Home and Adult Care Home Committees

BACKGROUND: Andrea Wright, Regional Long Term Care Ombudsman with the Mid Carolina Area Agency on Aging told the Committee that Sampson County pays mileage and that Harnett County has agreed to do so if Cumberland County agrees to the reimbursement. Ms. Wright would like to

have consistency within the agencies and recommended that the County consider mileage reimbursement for the volunteers as a reward and incentive for their hard work.

The Policy Committee recommends approval of mileage reimbursement for the members of these two committees at the rate of 31 cents per mile.

ACTION: Approve the mile reimbursement at the rate of 31 cents per mile for these two committees.

MOTION: Commissioner Melvin moved to approve the reimbursement as noted above.

SECOND: Commissioner Blackwell

DISCUSSION: Commissioner King noted that in this case we are approving compensation and in Item B we are looking at decreasing compensation. Commissioner Blackwell noted the difficulty in recruiting quality people to serve on these two Boards and said that the 31 cents per mile mileage may assist us in finding people to serve. Chairman Bacote said he was concerned we are not consistent about paying our board and committee volunteers and that perhaps the Policy Committee should look at the possibility of providing compensation for all of our boards/committees. Commissioner Blackwell pointed out there are statutory requirements to pay some of our boards/committees.

VOTE: UNANIMOUS

B. Consideration of stipends for Boards/Committees

BACKGROUND: On June 17, 1999, the Policy Committee reviewed stipends received by the following Boards/Committees:

Board of Elections: annually election	Chairman	Salary of \$8,300
	Members	\$35 per meeting
	All Members:	\$150 on the day of
ABC Board:	Chairman	\$250 per month
	Members	\$200 per month
Jury Commission:	Members	\$250 for their term

of service (2 years)

E&R Board: (established in the establishing Board)	Members	\$50 per meeting Resolution
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The Policy Committee recommends changes in stipends as follows:

Board of Elections	Chairman	\$50 per meeting
	Members	\$35 per meeting
	Election Day	\$150
ABC Board	Chairman	\$100 per month
	Members	\$50 per month

ACTION: Consider the recommendation of the Policy Committee.

Commissioner Baggett expressed concern that the Chairman of the Board of Elections in Cumberland County is the highest paid in the state. He noted he thought the current chairman took a voluntary reduction in the pay. Commissioner Baggett also noted that the ABC Board does give the County a lot of money (\$1 million, which equates to one penny on the tax rate). He said he thought perhaps the Board should take another look at board/committee compensations and try to be a little more uniform in our approach. Commissioner Melvin noted that over the past 18 months, the ABC Board has give the County \$1.5 million. He said he hoped a reduction in their compensation would not affect how much they give the County. Commissioner Blackwell said he did not believe compensation would affect how much the ABC Board appropriates to the County.

MOTION: Commissioner Bacote moved to refer the issue of compensation for all county boards/commissions to the Policy Committee for additional review and recommendations.

SECOND: Commissioner King

VOTE: UNANIMOUS

4. County Finance Committee Report and Recommendation

BACKGROUND: Mr. Maynard Jackson, Chairman of the Board of Jackson Securities, met with the County Finance committee on July 1, 1999 to discuss his firm's participation in the upcoming detention center financing and bond sale. He noted his firm did not get their fair share of compensation from the sale of hospital bonds. He stated his firm is strong both analytically and in distribution and is 100% minority owned. He said he was not blaming Robinson Humphrey for the inequities of the hospital bond sale as they were bound by the system set in place. Mr. Jackson said he would like for Jackson Securities to be the senior manager for the next bond sale, holding the books with 50% participation. Robinson Humphrey would receive the other 50% and the sale would be "group net" as opposed to "net designated". If this scenario is not acceptable, Mr. Jackson would like for Jackson Securities to be the co-senior at the 35% level which would help them earn back what was lost in the hospital deal. How the other 65% is underwritten would be up to the Board of Commissioners.

RECOMMENDATION FROM FINANCE COMMITTEE: Jackson Securities will be the senior manager for the next bond sale, holding the books with 50% participation and Robinson Humphrey would have the other 50%. This sale would be "group net".

Commissioner King noted that in the last three county bond sales, Jackson Securities has been on the short end, i.e., receiving 7% commission for the DSS Building bond sale, 4.6% commission from the Civic Center sale and .024% from the Hospital sale. He said Jackson Humphrey wants no special consideration, but their fair share. He said he did not believe there were enough votes to give Jackson Securities the 50% commission as they are requesting.

Commissioner Blackwell asked the County Manager for some guidance/ recommendations in this matter. Mr. Strassenburg said the purpose of the syndication is to bring together a group of underwriters who can best market the County's issue. He said there are two types of markets for these issues, retail sales and institutional sales. North Carolina retail is given priority. Mr. Strassenburg noted the principal difference between the hospital bond sale and the others was there were more underwriters with the hospital sale because of the amount of the issue. Robinson Humphrey was the lead underwriter receiving 65% with the other underwriters receiving 7% each. Mr. Strassenburg said he believed by doing the "group net" method, the

inequity would be eradicated. He said the Board needs to decide how many underwriters they want , who will be designated as the lead and what the percentages will be.

MOTION: Commissioner Warren moved that Robinson Humphrey be the lead underwriter at 65%, with Johnson Securities at 35% and that the sale be "group net".

SECOND: Commissioner King

DISCUSSION: Commissioner King said he thought that was a good starting point, but was concerned that North Carolina banks would not be participating this time. Commissioner Blackwell asked the County Finance Director for her comments regarding this issue. Ms. Cannon stated she thought the "group net" would result in a fairer distribution, but also had some concerns that the local banks would not be participating. She said the County's concern should be who can do the most economical job and save the county the most money. Commissioner Baggett asked if this motion passes would it cost the County any more money. Ms. Cannon said it would not and actually we don't know how much it will cost the county until after the sale. Commissioner Melvin asked if we could sell our bonds any faster by using the banks. Ms. Cannon said she believed we would have a good sale with Jackson Securities and Robinson Humphrey. Commissioner King said he thought this action by the Board was a good positive step. Commissioner Tyson noted his concern that North Carolina banks are excluded in this deal and he said he did not believe the County is sending a good signal.

VOTE: **FAVOR:** Commissioners Blackwell, Melvin, Bacote, Warren, King, Baggett

OPPOSED: Commissioner Tyson

5. Designation of a voting delegate for the NCACC Annual Conference

ACTION: Designate a voting delegate.

6. Designation of a voting delegate for the NACo Conference

ACTION: Designate a voting delegate, first alternate and second

alternate.

MOTION: **Commissioner Warren moved that the Chairman of the Board of Commissioners be designated the voting delegate for the NCACC Annual Conference and the NACo Conference.**

SECOND: **Commissioner King**

VOTE: **UNANIMOUS**

In addition, the Board voted unanimously to designate Commissioner Lee Warren, 1st alternate and Billy King 2nd alternate to the NACo Conference.

7. Consideration of hospital request to sub-lease office units in the Medical Arts Building

BACKGROUND: Counsel for the hospital asks that the Board of Commissioners grant a blanket consent to the hospital's leasing of units in the Medical Arts Building acquired in the acquisition of Highsmith-Rainey Memorial Hospital. Under the County's Restated Management Lease Agreement with the Hospital these leases would actually be sub-leases, to which the County must consent. The Hospital suggests approving a form of master sub-lease which would be used in all transactions. The County Attorney and the County Manager recommend that each sub-lease be in a form acceptable to the County Manager and the Office of the County Attorney, be on economic terms that are substantially equivalent to current market value and be approved as to each individual sublease by the Hospital CEO and consented to by the County Manager. Subject to these conditions, the County Manager and the Office of the County Attorney recommend granting blanket consent to the Hospital's request.

ACTION: Consider the request made by the Hospital, subject to the suggestions made by the Office of the County Attorney and the County Manager.

MOTION: **Commissioner Warren moved to approve giving blanket consent, subject to the conditions noted above.**

SECOND: **Commissioner King**

DISCUSSION: Commissioner Tyson said approval of this motion will be rubber stamping administrative decisions. He said the Board of Commissioners approves the budget for the hospital and he does not see why they should not approve the subletting of offices in the Medical Arts Building. Commissioner Melvin said he believed the Board should vote on each lease. Commissioner Blackwell asked if the Board of Commissioners approves other leases. The response was yes. He recommended that the sublease be in a form acceptable to the Board of Commissioners, the County Manager and the County Attorney, in addition to the other requirements.

MOTION WAS AMENDED TO INCLUDE COMMISSIONER BLACKWELL'S RECOMMENDATION.

VOTE: UNANIMOUS

8. Report and recommendation of the Joint Committee of the Board of Commissioners and City Council

BACKGROUND: The Joint Committee met on June 29, 1999. City Attorney Cogswell is preparing the minutes that will be available at a later time. The Committee recommends the following to the Board of Commissioners and the City Council:

- n the County and City should ask the Institute of Government to study the County and City planning processes and make recommendations for comprehensive joint planning;
- n the Chairman of the Board of Commissioners should appoint two members of the County Planning Board, to serve with two members of the City Planning Commission appointed by the Mayor, to work with staff of the County, the City, PWC and the School Board to analyze the need for future water and sewer extensions, identify resources available for these extensions and discuss organization structures that would allow the resources to be obtained for the plan.

ACTION: Consider the recommendations of the Joint Committee.

MOTION: Commissioner King moved to approve the recommendations above.

SECOND: Commissioner Blackwell

DISCUSSION: Commissioner Baggett stated he would support the motion; however he wanted the Board to be clear that the second

recommendation was made in order to appease the County and hopefully deter us in pushing for a representative on the PWC Board. He again noted PWC has provided money (\$10 Million) for the Museum downtown, money for 2 new PWC buildings, and money to provide utilities for Hoke County. He said this issue is not over yet and he won't let up until this County is represented on the PWC Board. Commissioner Warren said he shared Commissioner Baggett's concerns and this is simply putting a Band-Aid on a vital wound. He said while this is a first step, he is not extremely happy with the size this step. Commissioner King said he understands the concerns but in the spirit of cooperation he hopes the County will support these recommendations. Chairman Bacote noted that water and sewer extensions rest on the shoulders of PWC and there are a lot of citizens in need. Commissioner Blackwell said he does not disagree with any of the above statements; however he pointed out that the two Boards adopted a Resolution of Cooperation and this will at least get the two parties talking.

VOTE: UNANIMOUS

Cliff Strassenburg, County Manager, pointed out that the County is in the process of looking for a Director of the Planning Department. He suggested that perhaps this process should be put on hold to see what comes out of the Committee that will be appointed.

MOTION: Commissioner Baggett moved to delay the appointment of a Director for the County's Planning Department until the study is completed by the Institute of Government.

SECOND: Commissioner Blackwell

VOTE: UNANIMOUS

Commissioner Warren inquired as to the time line for this study. He said he did not want to put off selecting a Director for the County Planning Department for a long period of time. Commissioner Blackwell noted that the study will depend on the availability of staff at the Institute of Government. The Board of Commissioners and City Council can discuss the time line at their joint meeting on July 12. Commissioner Melvin suggested that the County Manager contact the Institute of Government prior to the July 12 meeting to

see when they could get started on the study.

9. CLOSED SESSION - Economic Development Matter

MOTION: Commissioner King moved to go into Closed Session to discuss an

Economic Development matter.

SECOND: Commissioner Tyson

VOTE: UNANIMOUS

MOTION: Commissioner Warren moved to go back into Open Session.

SECOND: Commissioner Melvin

VOTE: UNANIMOUS

MEETING ADJOURNED: 10:50AM

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