

CUMBERLAND COUNTY BOARD OF COMMISSIONERS
OCTOBER 5, 2009 - 9:00 AM
117 Dick Street, 1st Floor, Room 118
REGULAR MEETING

PRESENT: Chairman Jeannette Council
Vice Chairman Billy R. King
Commissioner Kenneth Edge
Commissioner Marshall Faircloth
Commissioner Ed Melvin
Commissioner Jimmy Keefe
James Martin, County Manager
Juanita Pilgrim, Deputy County Manager
Amy Cannon, Asst. County Manager
Harvey Raynor, Interim County Attorney
Phyllis Jones, Assistant County Attorney
Sally Shutt, Communications Manager
Scottie Harris, Animal Services Director
Candice White, Deputy Clerk
Marie Colgan, Clerk

ABSENT: Commissioner Breeden Blackwell

INVOCATION: Commissioner Marshall Faircloth

Minister: Dr. John Coker, First Presbyterian Church

Pledge of Allegiance

Chairman Council advised that Commissioner Blackwell was unable to be at today's meeting due to a medical reason.

Recognition of Outgoing Board Members:

E.C. "Chip" Modlin – Senior Citizen's Advisory Board

H. B. Smith Jr. – Cumberland County Finance Corporation and the
Cumberland County Industrial Facilities and Pollution
Control Financing Authority – (unable to attend)

AGENDA ADJUSTMENTS: County Manager Martin requested that the following be added as Closed Session items under Item #10:

Economic Development pursuant to NCGS 143-318.11 (a)(4) and
Personnel Matters pursuant to NCGS 143-318.11 (a)(6)

1. Approval of Agenda

MOTION: Commissioner Faircloth moved to approve the agenda as presented with the agenda adjustment for Item #10 Closed Session.
SECOND: Commissioner King
VOTE: Unanimous

2. Consent Agenda

MOTION: Commissioner King moved to approve consent items 2A – 2I6.
SECOND: Commissioner Edge
VOTE: Unanimous

- A. Approval of minutes for the September 18, 2009 special meeting, September 21, 2009 special meeting and September 21, 2009 regular meeting.
- B. Approval of Correction to the August 17, 2009 Minutes.

BACKGROUND: On August 17, 2009, the Board approved the minutes from the earlier Board of Commissioners' regular meeting in August. However, under Item 3A, the minutes were listed on the agenda as August 3, 2009. As you will recall, the August 3rd meeting was rescheduled to August 4, 2009 due to the death of Grainger Barrett. The actual minutes did reflect the correct date.

ACTION: Approve date correction to Item 3A on the August 17, 2009 minutes to reflect August 4, 2009.

- C. Approval of Declaration of Surplus County Property and Authorization to Accept Insurance Settlement.

BACKGROUND:

DATE OF ACCIDENT	September 8, 2009
VEHICLE	2007 Ford Crown Victoria
VIN	2FAHP71W77X134645
FLEET #	FL219
MILEAGE	62,626
DEPARTMENT	Sheriff's Office
SETTLEMENT OFFER	\$7,941.84
INSURANCE COMPANY	Travelers

This is a total loss settlement offers.

ACTION: Approve the following recommendations:

- 1. declare the vehicle described above as surplus

2. authorize the Risk Manager to accept \$7,941.84 as settlement
3. allow Travelers Insurance to take possession of the wrecked (surplus) vehicle

D. Approval of Adoption of a Resolution in Support of Health Reform.

BACKGROUND: Commissioner Billy King has requested that the attached Resolution be placed on the October 5th Board of Commissioners' agenda in support of the passage of health reform as requested by the National Association of Counties (NACo). Upon adoption, this Resolution will be distributed to each member of the county's Congressional delegation.

ACTION: Adopt Resolution and distribute a copy to Cumberland County's Congressional Delegation.

**THE BOARD OF COUNTY COMMISSIONERS
OF CUMBERLAND COUNTY**

**A RESOLUTION URGING IMMEDIATE PASSAGE OF COMPREHENSIVE
FEDERAL HEALTH REFORM LEGISLATION**

WHEREAS, experts from across the political spectrum agree that America's health system is "broken" and unsustainable in its present configuration; and

WHEREAS, families in Cumberland County are experiencing this crisis right now, confronting the high cost of health care that threatens their financial stability, leaves them exposed to higher premiums and deductibles, and puts them at risk for a possible loss of health insurance; and

WHEREAS, employer-sponsored health insurance premiums have nearly doubled in recent years making it increasingly difficult for employers, including county governments, to provide health insurance coverage for their employees and retirees; and

WHEREAS, millions of Americans do not have health coverage, or have inadequate coverage and as our economic challenges multiply, the problem of health care access grows, further straining counties' capacity to provide care for the uninsured, underinsured and medically indigent; and

WHEREAS, in 2008, Cumberland County had a population of 312,692 of which 50,396 individuals were Medicaid eligible and 18.8% of the population lived below the poverty level; and

WHEREAS, county officials are elected to protect the health and welfare of their constituents: and

WHEREAS, In 2008, 9,114 individuals (Adult and Child) were provided Behavioral Health services at the cost of \$5,025,427; and in 2009, the Health Department provided services to individuals at a cost of \$16,632,669 and the Department of Social Services provided services to 48,862 individuals at a Medicaid cost of \$6,090,609; and

WHEREAS, the National Association of Counties (NACo) Health System Reform Working Group, appointed by President Don Stapley in July 2008 and chaired by President-Elect Valerie Brown, has held three regional hearings to explore the health crisis and to hear what county officials believe should be done about it and has summarized its findings in *Restoring the Partnership for American Health: Counties in a 21st Century Health System* which was approved and adopted by resolution of the NACo Health Steering Committee and Board of Directors on March 9, 2009.

NOW THEREFORE BE IT RESOLVED that the Board of County Commissioners of Cumberland County endorses NACo's health reform principles, as summarized in *Restoring the Partnership for American Health: Counties in a 21st Century Health System*; namely, that reform legislation should

1. restore the partnership between county and federal governments;
2. provide access to affordable, quality health care to all;
3. invest in public health, including health promotion and disease and injury prevention;
4. stabilize and strengthen the local health care safety net system, especially Medicaid and disproportional share hospital (DSH) payments;
5. invest in the development of the health professional and paraprofessional workforce;
6. ensure that county health agencies have the resources to meaningfully use health information technology;
7. enable elderly and disabled persons to receive the services they need in the least restrictive environment; and
8. reform the delivery and financing of health services in the jail system.

BE IT FURTHER RESOLVED that the Board strongly urges the 111th Congress of the United States to enact comprehensive health reform legislation without delay before the end of its first session.

ADOPTED THIS 5th DAY OF OCTOBER, 2009.

THE BOARD OF COUNTY COMMISSIONERS OF CUMBERLAND COUNTY

By: _____
Jeannette Council, Chair

APPROVED AS TO FORM:

ATTEST:

Harvey W. Raynor, III Interim County Attorney Marie Colgan, County Clerk

Commissioner Faircloth wanted to ensure that the public understands that this resolution is non-partisan in nature and has been approved by the National Association of Counties. The adoption of this resolution shows that there is some health reform needed.

- E. Approval of Health Department Delinquent Accounts to be Written Off and/or Turned Over to Collectors.

BACKGROUND: At the Board of Health meeting on September 15, 2009, the Board approved writing off a total of \$17,952.30 as bad debts. Family Planning accounts in the amount of \$2559.76 will be written off as bad debt, however cannot be sent to our collection agency, Professional Recovery Consultants, Inc. pursuant to North Carolina Division of Health and Human Services Guidelines. The amount to be sent to the collection agency will be \$15,382.54. This write-off of bad debts is in compliance with the Board of Health's recommendation to write-off bad debts every quarter.

ACTION: Approve to write off bad debts in the amount of \$17,942.30 and to turn over to Professional Recovery Consultants, Inc. the amount of \$15,382.54 for collection.

- F. Approval of Acceptance of COPS Technology Grant 2009 for the Cumberland County Sheriff's Office.

BACKGROUND: The Cumberland County Sheriff's Office has been awarded a US Dept of Justice Grant for technology for \$100,000. There is no match required. The Sheriff's Office intends to use the funds to purchase digital radios for deputies and vehicles, as part of the incremental movement to an all-digital environment. The equipment purchased will also be capable of using the NC State Highway Patrol VIPER network.

The Cumberland County Board of Commissioners will need to recognize the revenue and accept the US Department of Justice COPS Technology Grant.

ACTION: Approve the US Department of Justice COPS Technology Grant and recognize the revenue by approving the attached associated budget revision.

- G. Approval of a Resolution in Support of North Carolina Department of Transportation Improvements to Angelia M. Street.

BACKGROUND: The Cumberland County Board of Commissioners approved the addition of Angelia M. Street to the State Secondary Road System on May 19, 2008. Additional funding is necessary to perform grading, drainage, and paving work associated with the project. The Department of Transportation

plans to utilize \$226,066.79 in Small Construction Funding to accomplish the improvements. Since this amount exceeds \$150,000, it is necessary to request a resolution from the Cumberland County Board of Commissioners which supports the project.

ACTION: Approve a Resolution in support of additional funding for improvements to Angelia M. Street.

RESOLUTION OF SUPPORT FOR IMPROVEMENTS TO ANGELIA M. STREET

WHEREAS, the property owners served by Angelia M. Street have petitioned the North Carolina Department of Transportation for addition to the State Maintained Road System; and

WHEREAS, Angelia M. Street is an industrial access road serving seven businesses that are beneficial to the community in providing viable employment and quality goods and services; and

WHEREAS, funding amounting to \$226,066.79 is proposed to perform the following proposed improvements and enhancements that will provide an increased level of service and aesthetic quality to the roadway:

- Drainage Improvements along the roadway
- Grading of the roadway
- Pavement structure improvements
- Pavement surface overlay
- Seeding and stabilization of roadway shoulders and ditches.

NOW, THEREFORE, BE IT RESOLVED, we the Cumberland County Board of Commissioners fully support the proposed improvements and enhancements to Angelia M. Street and concur with the project.

This Resolution shall be effective upon its adoption.

This is the 5th day of October, 2009

H. Approval of Reconveyance of Properties to Cumberland County Board of Education.

BACKGROUND: In October, 2007 the Cumberland County Board of Education conveyed to Cumberland County the following elementary school parcels: Cliffdale, Glendale Acres, Honeycutt, Eastover Central and District 7 in a deed recorded November 4, 2007, recorded in 8015/66 of the Cumberland County Registry. The purpose of this conveyance was to facilitate the School Board's construction of schools on these parcels. These schools have all been completed and, pursuant to an Interlocal Agreement, the School Board has requested the County reconvey the parcels to them.

ACTION: Authorize the Chairman and the Clerk to execute a deed suitable to Legal and deliver same to the Cumberland County School Board.

I. Budget Revisions:

ACTION: Approve budget revisions

(1) Library Grants

- a. Revision in the amount of \$6,225 to recognize Arts Council Grant funds for Storytelling Festival. (B10-098) Funding Source – Grant
- b. Revision in the amount of \$29,491 to recognize E-Rate funds. (B10-097) Funding Source - Grant

(2) Health

- a. NC Bioterrorism Preparedness and Response - Revision in the amount of \$21,638 to reconcile budget with State. (B10-102) Funding Source – State
- b. NC Bioterrorism Response Team – Revision in the amount of \$18,216 to budget local match as in-kind. (B10-101) Funding Source – In-Kind

(3) Senior Aides Grant

- a. Stimulus/General Government Other - Revisions in the total amount of \$157,157 to recognize stimulus funding and General Fund match. (B10-006 and B10-006A) Funding Source – Federal and General Fund Fund Balance
- b. Senior Aides Grant/Administration/General Government Other – Revisions in the total amount of \$183,895 to recognize additional state funding of \$66,285 for Senior Aides and \$51,355 for Administration and to transfer Local Senior Aides of \$64,857 from General Fund to Fund 139 and to increase In-kind funding of \$1,398. (B10-099 thru B10-099C) Funding Source – Grant and General Fund

(4) Emergency Services

Revision in the amount of \$60,000 to appropriate Communications Fund Balance for upgrades to the communication center. (B10-091) Funding Source – Fund Balance Appropriated-Communications

(5) Crown Center/Prepared Food and Beverage Fund

Revision in the amount of \$75,000 to appropriate Prepared Food and Beverage tax funds to transfer to the Crown Center for repair of the Coliseum's east parking lot. (B10-103 and B10-103A) Funding Source – Food and Beverage Fund Balance Appropriated

(6) Sheriff

Revision in the amount of \$100,000 to recognize a COPS Technology Grant to purchase handheld and vehicle installed radios. (B10-104) Funding Source – Federal

(7) Workforce Development

Revision in the amount of \$49,047 to establish new Disability Navigator Initiative Program. (B10-105) Funding Source - State

ITEMS OF BUSINESS

3. Presentation of the Tourism Development Authority (TDA) Annual Report for FY08-09 by Mr. Vivek Tandon, Chair.

BACKGROUND: The TDA is required to make an annual report each year to the Board of Commissioners. Attached for your information is the report. Mr. Vivek Tandon will be present at the October 4th meeting to review the report and answer any questions.

ACTION: Accept the Report
Mr. Vivek Tandon presented the following information regarding the FY 08-09 period.

The following funds have been distributed during the FY08-09 period:

Cumberland County Crown Coliseum	\$1,034,203.11
Arts Council of Fayetteville	1,034,203.10
Fayetteville Area Visitors & Convention Bureau	1,896,038.99
TDA Discretionary Funds	<u>172,367.14</u>
Total	\$4,136,812.34

TDA Discretionary Funds (unobligated) totaled \$455,103.88 as of June 30, 2009.

The TDA obligated the following funds for the following projects:

Airborne & Special Operations museum (3 years)	\$ 75,000.00
Army's Army – BRAC	25,000.00
Community Concerts	5,000.00
Triangle Futbol Club (maximum)	<u>25,000.00</u>
Total	\$ 130,000.00

As of June 30, 2009, the TDA had the following obligations:

NC Civil War Trails/FAVCB	\$ 12,700.00
Airborne & Special Operations Museum (2 years)	50,000.00
Triangle Futbol Club (maximum)	<u>25,000.00</u>
Total	\$ 87,700.00

MOTION: Commissioner Edge moved to accept the report.

SECOND: Commissioner King

VOTE: Unanimous

4. Presentation by Mr. Clinton McRae of the North Carolina Cooperative Extension Services Regarding the Hiring Process for the Cumberland County Cooperative Extension Director's Position.

Mrs. Juanita Pilgrim reminded members that the NC Cooperative Extension director is retiring after 30+ years of service and introduced Mr. Clinton McRae to provide information on the hiring process for the Director's position. Mr. McRae introduced Mr. Colby Lambert, the Interim Cooperation Extension Director, and provided the steps to be used to fill this position. Mr. McRae emphasized that he will work closely with the County Manager and Deputy County Manager during the entire process. The Board of Commissioners was invited to take part in the process as well. Mrs. Pilgrim clarified that the supplemental expense for the Interim Director will be picked up by the State, not the County.

5. Consideration of Setting a Public Hearing for October 19, 2009 Regarding Economic Development Incentive Agreement for the Bellagio Project.

BACKGROUND: In April, 2009 Rajan Shamdansani, developer of the Bellagio project met with the Board made a presentation outlining his plans for developing a parcel of land along Bragg Boulevard for luxury apartments and asked the Board to consider an economic incentive package for the project which would be equal to any that the City granted. Following that presentation staff worked on an amendment to the County's economic incentive policy which was adopted by the Board May 18, 2009. The County's policy was amended to authorize and establish guidelines for incentives to "gateway" projects, contingent on municipal incentives of at least \$250,000.00 over time, no more than the municipality's incentive in any fiscal year and requiring that the Chamber had to review the project for economic feasibility, and for potential of economic development which over a ten year period would produce County tax revenues of at least 250% of the incentive given and finally, to recommend the project to the County. The

City on August 24, 2009 approved and executed a property tax grant back agreement for the Bellagio project which granted the developer a 50% grant back on the City's taxes (appx. \$45,600.00 per annum) for a five year period provided the developer met all the terms of the agreement.

ACTION: Approve the below resolution setting a public hearing on the County's proposed grant back incentive to the Bellagio project at the next regularly scheduled Board meeting on October 19, 2009.

RESOLUTION

Whereas, the County has long been dedicated to stimulating economic development which increases the County's tax base, stimulates redevelopment and provides jobs for county citizens; and

Whereas, the County sees the desirability and necessity of improving the gateways to the Cumberland County Seat for attracting new development and new citizens to Cumberland County; and

Whereas, Bragg Boulevard has long been considered a gateway to the County Seat;

Whereas, the Board of Commissioner's consider that quality development along that gateway would stimulate further development, bring jobs and increase tax base; and

Whereas, Rajan Shandansani through the development company, 4200 Investments, LLC., has proposed to build a luxury apartment complex called The Bellagio which will increase the tax base by \$20,000,000.00 provide construction and permanent jobs and should stimulate additional development along the Bragg Boulevard gateway,

THEREFORE BE IT RESOLVED The Cumberland County Board of Commissioners shall hold a public hearing for the purpose of discussing the proposed economic incentive for a Property Tax Grantback agreement at 6:45 pm on October 19, 2009 in Room 118 of the Cumberland County Courthouse.

This the 5th day of October, 2009

After background information was provided by Mr. Harvey Raynor, Commissioner Keefe confirmed that no monies are being fronted for this project and that any tax abatement is based on how much is completed of the project.

MOTION: Commissioner Keefe moved to approve.

SECOND: Commissioner Faircloth

VOTE: Unanimous

6. Consideration of Policy Committee Report & Recommendation Regarding Amendment to Animal Services Ordinance – Article III – Dangerous Dogs / Potentially Dangerous Dogs.

BACKGROUND: The Policy Committee will meet on Thursday, October 1, 2009 to discuss amending the Animal Services Ordinance – Article III – Dangerous Dogs/Potentially Dangerous Dogs. Supporting documentation will be provided at the Board of Commissioners Meeting based on the report and recommendation of the Cumberland County Policy Committee.

Mr. Harvey Raynor provided a supplemental memorandum giving the following background information. The Policy Committee met on October 1, 2009 regarding this proposed amendment. The Interim County Attorney and Animal Services Director explained the basis for the request was an incident involving a dog, subsequently ruled by the Animal Services Board to be a potentially dangerous dog, in which it was discovered that the ordinance lacked adequate immediate remedies to seize a dog which had been so declared by the Animal Services Director pursuant to the ordinance pending the appeal process when the dog's owner refused to surrender the animal. Staff thought and the Policy Committee agreed that the potential for danger to the public should such a situation arise again warranted immediate consideration.

ACTION: Approve the amendment of the Animal Control Ordinance as follows: **ARTICLE X. ENFORCEMENT, SEC. 3-98. Penalties for violations.** (d) Any violation of this chapter shall also subject the offender to a Class 3 criminal misdemeanor and a maximum punishment, in addition to any civil penalties, of 30 days or less, imprisonment or a fine of 50.00 or less or both.

After explaining the background information, Mr. Raynor advised that this amendment will close a loophole in the ordinance which will add the option of criminal penalties in addition to civil penalties. Mr. Scottie Harris, Animal Control Services Director, added that all ordinances pertaining to his Department will be reviewed in the future and updated as needed. It was confirmed that this amendment will take effect upon adoption. Commissioner Edge thanked Mr. Harris for his promptness of bringing this to the Board and thanked the individuals that attended not only the Policy Committee meeting, but also today's meeting as concerned citizens.

MOTION: Commissioner Faircloth moved to approve.
SECOND: Commissioner Edge
VOTE: Unanimous

7. Update on Issuance of Qualified School Construction Bonds.

BACKGROUND: As the Board may recall, the Board of Education (BOE) received an allocation of \$15.9M of Qualified School Construction Bonds (QSCB's). These are new zero interest bonds that were established as part of the American Recovery Reinvestment Act of 2009. On July 9, 2009, the Board of Commissioners approved a resolution authorizing an application to the NC Department of Public Instruction (DPI), for our allocation which will be used for

classroom additions, cafeteria additions, and other renovations to existing schools. This application was approved by DPI.

Subsequent to that approval, DPI announced that approximately \$86M of the total allocation was still available from other school systems who did not apply for their individual allocation. The Board of Education then submitted an application to DPI for an additional allocation of \$16.3M on August 21, 2009. Unfortunately, this second application was not approved for any of the five largest LEA's who received direct allocations from the US Treasury Department.

On August 18, 2009, the NCACC hosted a meeting to discuss the issuance process, the Local Government Commission (LGC) requirements, and market conditions. Representatives from DPI and the LGC attended to answer questions from the County representatives. Additionally, representatives from several NC banks and the Guggenheim Partners Asset Management (GPAM) were available to discuss potential market opportunities. (GPAM is a privately owned investment management firm that has been very active in the QSCB market outside of NC.) To date, there have been no QSCB's issued in NC, and Guggenheim appears to be the only firm that is poised to place the bonds at this time.

The QSCB program offers tax credits (at a level set by the Treasury Department) to holders of the bonds. Based upon the unique structure of these bonds, a market for bonds with tax credits has not been fully developed. Upon advice of our Financial Advisor, and discussion at the NCACC meeting, we believe it was in our best interest to approach Guggenheim regarding their interest in a direct placement of our QSCB's. We have provided the appropriate financial information and our Financial Advisor has developed a term sheet for review by Guggenheim. There is a follow-up phone conference on Friday, October 2, 2009, to receive feedback regarding placement our QSCB's. Although Guggenheim is very interested in the NC market potential, they have a limited amount of funds available and hundreds of daily requests from all over the United States. We believe that a Cumberland County deal may be attractive, since we are a very strong NC credit and because the BOE has made significant progress designing the projects and preparing them for the bid process.

Management will continue to diligently pursue the most efficient and economical placement of these bonds before the issuance deadline of December 31, 2009.

ACTION: No action necessary – information only.

Mrs. Amy Cannon provided an update to the above background information stating that the County has received confirmation of an additional allocation of \$15.9M for next year with an issuance deadline of December 31, 2010. The total allocation will be around \$32M. Mrs. Cannon explained that even though these bonds were unique in that they were structured as 0% interest, a public market has not been developed for them at this time. However, Guggenheim Partners Asset Management has been issuing these at a very low interest rate and an application has been submitted but no reply has been received at this point. Another lender,

Wells Fargo, also has limited amounts of funding at the low interest rates and these are being pursued as well. Both of these would be non-public sales as these companies buy the bonds and hold them in their own portfolios. Mrs. Cannon advised that this is for information only, but expects to come back to the Board at the end of November for approval to go to the Local Government Commission with hopes of closing by mid-December.

8. Nominations to Boards and Committees

A. Human Relations Commission (1 Vacancy)

Vacancy: On November 20, 2006 the Board of Commissioners appointed Cornelius Williams to serve a first term on the Human Relations Commission. The appointment was for a two-year term; however, due to a typographical error, the expiration date for his first term was recorded as November 1, 2009. Therefore, Mr. Williams has served three years and is eligible for reappointment for one year.

Nominee: Cornelius Williams

9. Appointments to Boards and Committees

Commissioner Edge withdrew the nomination of Winton G. McHenry.

A. Board of Adjustment (1 Vacancy)

Nominees: Winton G. McHenry
Randy A. Newson

MOTION: Commissioner Faircloth moved to appoint Randy A. Newsom.
SECOND: Commissioner King
VOTE: Unanimous

10. Closed Session:
Economic Development pursuant to NCGS 143-318.11 (a)(4) and
Personnel Matters pursuant to NCGS 143-318.11 (a)(6)

MOTION: Commissioner King moved to go into Closed Session .
SECOND: Commissioner Faircloth
VOTE: Unanimous

MOTION: Commissioner Edge moved to go into Open Session.
SECOND: Commissioner King
VOTE: Unanimous

MOTION: Commissioner King moved to adjourn.
SECOND: Commissioner Faircloth
VOTE: Unanimous

MEETING ADJOURNED AT 11:50AM

Marie Colgan, Clerk to the Board