

MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
RETREAT
JANUARY 22, 2010

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Camp Royall, 250 Bill Ash Road, located in Moncure, North Carolina, at 8:30 AM on January 22, 2010.

Present: Chair Sally Kost, Vice-Chair George Lucier, Commissioner Carl Thompson, Commissioner Mike Cross, and Commissioner Tom Vanderbeck.

Staff Members Present: County Manager, Charlie Horne; Assistant County Manager, Renee Paschal; Finance Officer, Vicki Mc Connell; Deputy Clerk to the Board, Elizabeth Plata; Management Analyst, Sybil Tate; and Public Works Director, David Hughes

Day Three

7. Continue Commissioners goals for preparation of FY 2010-11 Budget if needed
8. Legislative issues (attachment: list of legislative issues)
9. Update on the process for updating the Land Conservation and Development Plan and discussion of the Major Corridors (attachment: summary of process and timeline)

CALL TO ORDER

Chair Kost called the meeting to order at 8:06AM. She reviewed the agenda for this session and reminded the Board of the following events:

- ✚ May 14, 2010- The Economic Development Corporation (EDC) breakfast at the Ferrington Barn
- ✚ May 20, 2010- The next Joint Elected Boards meeting with the EDC at 6:00PM at the Central Carolina Community College

Charlie Horne, County Manager, commented that the joint elected boards meeting on May 20, 2010 is a good opportunity for the commissioners to discuss the budget. Chair Kost responded that since the EDC meeting includes other boards, perhaps the budget discussion needs to be done with the EDC only.

Commissioner Lucier stated that the joint elected boards meetings should start focusing on projects to undertake such as water, sewer or other issues.

CAPITAL IMPROVEMENTS PROGRAM

Renee Paschal, Assistant County Manager, reviewed changes that the Board made to the Capital Improvements Program (CIP) as follows:

- The high school was added back to the CIP, but scheduled to open in 2015, which is one year past the current approved CIP. Staff is to get feedback from the Board of Education before finalizing
- Change the budget for the judicial facility to account for changes discussed on January 21, 2010. The total cost for the construction of the judicial facility is not to exceed \$20 million
- Use \$15 million as the jail planning number and go ahead with hiring a jail architect. Revisit this figure once the jail architect has developed a better cost estimate

- The consultant has rerun the debt model. With a \$4,200 impact fee and a reduction in the jail from \$17 to \$15 million, the needed tax increase is 0.15 cents. Staff is asking if they need to look at additional scenarios with lower impact fee increases. Commissioner Lucier mentioned that what the Board decides to do with the impact fee will have a smaller impact this year than the following year. Commissioner Lucier stated that the Board should consider raising the impact fee, but delaying implementation during this period of economic downturn. Ms. Paschal stated that if the impact fee is not raised, it may cause problems with the rating agencies. By consensus, the Board agreed to implement the new impact fee and change the time when this fee is collected to January 1, 2011
- Add up fit of Chatham Central and Jordan Matthews auditoriums and schedule in FY 2012 and 2013 (pushed back from requested FY 2011 and FY 2012). Get feedback from the Board of Education before finalizing. These projects were not in the recommended CIP.
- Reduce the estimate for the old library and EDC renovation from \$1,037,062 to \$769,262, a savings of \$267,800
- Reduce the estimate for addition to and renovation of the Emergency Operations Center from \$817,113 to \$500,000, a savings of \$317,113
- Schedule Northwood football field lighting in FY 2011 (moved up from FY 2012). The cost will be reduced from \$122,199 to \$116,380 (removing the inflationary factor)
- Schedule the law enforcement site improvements and emergency services storage building for FY 2011 (moved up from FY 2012). Add back \$51,058 in grant revenue. Reduce the cost by \$79,721 (remove inflationary factor). Total savings would be \$141,060. Move ahead immediately with the project. Including having an arborist investigate the tree in front of the Sheriff's Office to be able to decide what to do with it
- As recommended, begin the site process for a landfill big enough for 500 tons per day, but can be adapted for a smaller landfill. Analysis should include current landfill site. Use funds from capital reserve to pay for site consultant.
- Schedule the opening of the new northeast collection center in FY 2015 (moved back from FY 2014).
- Approve the recommendation of keeping the \$300,000 in the equipment budget for the Central Carolina Community College Siler City Building.

Commissioner Lucier asked staff to provide the figures for constructing a 180 tons per day landfill to be able to compare to the 500 tons per day and see how this affects the debt model.

Commissioner Lucier moved, seconded by Commissioner Vanderbeck, to accept the CIP with the changes listed above and descriptions of uncertainty explained in detail. The motion carried five (5) to zero (0).

Ms. Paschal stated that with the implementation of the pay classification study, it changes the bottom line by roughly \$570,000. Chair Kost clarified that this is not an across the board increase, but does provide a \$300 lump sum to all employees.

Commissioner Lucier asked about the significant difference in revenue projections versus expenditures from 2009 to 2010 and if this is the time to be continually over conservative. Chair Kost agreed with Commissioner Lucier adding that staff can be a little less conservative given that the County has a healthy fund balance. Ms. Paschal explained the difference in the fund balance is in part because there was a decrease in expenditures in 2009.

Chair Kost stated that she was considering increasing taxes about 3 cents to cover the operating impact of the new capital projects which equals about 2.3 million dollars.

Commissioner Thompson asked Chair Kost if she had taken the schools' budget into consideration. Chair Kost responded that if the schools have to pay arrears to the Chatham Charter schools, the fund balance will be impacted given that it would be a one-time expense. Commissioner Thompson stated that if there was ever a time to take drastic measures, it would be now considering the tough economic situation, even if this backfires down the road.

Commissioner Thompson stated that he feels encouraged with Chair Kost's analysis; that the fund balance has been in good standing for a while and now is the time to scrutinize the budget numbers, continue to evaluate departments, and be lean and efficient. Chair Kost clarified that the Board is asking the manager's staff to develop the budget based on an increase in property taxes by 2.5 cents when preparing the budget; that when it is presented to the Board, it may be revised again.

BREAK

Chair Kost called for a short break.

LAND CONSERVATION/DEVELOPMENT PLAN/MAJOR CORRIDORS

Cynthia Van Der Wiele, Sustainable Communities Director, reviewed the comprehensive land use plan. She stated that the idea behind the land use plan is to determine the desired outcomes for the county and the policies and actions for achieving these desired outcomes. Ms. Van Der Wiele explained that developing a land use plan is more like conducting a large scale community exercise in the early stages to get community input; that this will help with getting opinions on what citizens think the county should look like in 30 years and developing a community strategy on how to get there. Ms. Van Der Wiele stated that there are decisions to be made such as how much the county wants to grow and what sort of economy needs to be developed. A key element that is missing is the feedback from the children, youth, minorities, the general public at-large, business owners and citizen groups to be able to determine actions and outcomes, Ms. Van Der Wiele said. She stated that the Farmland Protection Plan should be finished and adopted in the next month or so. Ms. Van Der Wiele also mentioned that the green gas inventory is to be completed sometime in May, but need input from the Board on how to proceed once the inventory is complete; that a comprehensive transportation plan will be necessary as well. Ms. Van Der Wiele stated that staff feel it is prudent to develop a list of common goals and expectations so that a proper guideline is set up for the consultant on where the county is headed with this land conservation plan.

Chair Kost stated that the questions that staff have may be answered in a work session dedicated to this topic; that the Board also has questions about the process and where the county is going with this plan.

Commissioner Lucier agreed with Chair Kost and added that there are several plans for consideration at various stages of development that are important to the future of the county; that the Board had talked a couple of months ago about forming a subcommittee to include members of the farmland preservation plan, planning board, economic development strategic plan and members from the Chatham/Cary group. Commissioner Lucier stated that if the different groups coordinate their efforts into this land use plan, the plan will be consistent across the board and there will be little room for contradictions and confusion.

Chair Kost added that this collaboration can serve as a communication network to disseminate information and asked staff if there has been discussion about this approach. Jason Sullivan, Assistant Planning Director, stated that staff had discussed the possibility of having a subcommittee to oversee the draft plan and also have advisory board member involvement.

Commissioner Lucier stated that the Planning Board should take the lead in this plan since this type of project is in their charge, but will need the input from others; that this plan encompasses water and sewer which will impact development in Chatham.

Chair Kost asked if the intent was to create a new land use plan or revise the current one. Commissioner Lucier responded that the current land use plan has deficiencies that need to be addressed. Commissioner Cross added that it would make sense to revise the current plan and fill in the holes, rather than start a new plan which could take a long time to develop. Commissioner Thompson agreed.

Ms. Van Der Wiele mentioned that the timeline presented to the Board for drafting this plan or revising the existing plan is a little sketchy given that there are so many uncertainties at this time, but that public input is key in getting started. Chair Kost agreed and added that the current plan is a starting point and that input from the public is essential.

Commissioner Vanderbeck suggested that the input from younger people be obtained from the schools; that it can be turned into an assignment to get feedback from this group. Commissioner Cross suggested that staff look at other schools such as those in Wake County to see if they have already done something similar.

Chair Kost stated that while working on revising the land use plan, the Board will face resistance from those residents who do not agree with development in Chatham; that plans like the one with Cary can bring jobs to the county. Commissioner Lucier added that the land use plan needs to be compatible with those of the towns in Chatham. Mr. Sullivan added that in considering the budget for this project, the \$60,000 allocated each year may not be enough; that this will be a very unique plan which will require the help of a consultant with expertise in specialty areas.

Chair Kost asked if this item could be brought back before the Board for further discussion sometime in March before the budget work sessions. By consensus, the Board and staff agreed. Commissioner Vanderbeck asked that staff come prepared with a list of questions to the Board.

EMPLOYEE INCENTIVES PROGRAM

Commissioner Vanderbeck stated that the idea behind this program is a good one, but does not agree with having a monetary award for employees; that this can be more of a competition for ideas as a department in cost-savings with recognition and involving the public, similar to what United Way does. Ms. Paschal responded that the pay for performance system does exactly this, but it does provide a monetary reward to employees as an incentive for finding efficiencies and innovations; that the monetary award is an important piece for employees. Ms. Paschal also stated that the competition does not have to have single winners, but that employees can work together in teams. Commissioner Lucier added that there can be first, second and third place winners.

Ms. Tate added that it is possible to get multiple good ideas to implement. Chair Kost asked how the ideas would be judged and how the awards would be distributed if more than one person has a good idea. Commissioner Lucier stated that one way to do this would be to have a pot of money where if you have multiple winners, the money is distributed among those winners. Chair Kost mentioned that with programs like this, sometimes the monetary award is based on a percentage of the cost-savings; that employees can prove on paper that the county will save a certain amount of money, but in reality the savings can be less than expected.

Chair Kost added that by awarding employees a percentage of the savings per department can be unfair because employees in departments with bigger budgets will be more likely to come up with ideas than those employees in departments with smaller budgets. Chair Kost asked Ms. Tate if she had looked at other places that have these programs in place. Ms. Tate responded that the federal government uses incentive programs; that she got this idea from the ICMA. Ms. Tate also stated that Hillsborough and Mecklenburg have similar programs, but do not offer the monetary award. These counties have an online employee suggestion box for improving efficiencies, Ms. Tate said.

Chair Kost asked the Board if they agreed with having an employee incentives pilot program; that staff have to ensure there is a tracking system in place for these projects. Ms. Tate stated that staff can pick a few projects and incorporate them into the budget for tracking and follow up. By consensus, the Board agreed to try this program as pilot, to allocate a total of \$1,000 for awards for first, second and third place winners, and finally staff will determine when to give the awards (based on when the cost-savings are validated).

Chair Kost asked staff about the quarterly safety award program; that it seems like staff are struggling to find employees to give an award to. Ms. Paschal stated that the program is ongoing and the purpose of this was to generate interest in safety. Chair Kost stated that it was somewhat awkward. She asked that staff take a look at the program again.

FINANCIAL POLICIES

Chair Kost asked staff to review the changes to the fiscal policies on which the Board has agreed. The changes are as follows:

- Maximum amount of money that staff can transfer from contingency is \$25,000, any amount above that requires the approval of the Chair or Vice-Chair of the Board of Commissioners
- Add the following wording for the new positions section “New positions should not be added without consideration of all other alternatives.”
- Quarterly reporting of position changes to the Board between budgets

Commissioner Vanderbeck moved, seconded by Commissioner Lucier to adopt the financial policies with the changes mentioned above. The motion carried five (5) to zero (0).

LIBRARY

Mr. Hughes stated that there was a last minute revision to the change order for the library with the addition of a fire pump. When the fire flow testing in the internal line was done at the library, it was considerably lower than the first test and it was determined that the sprinkler system would not function adequately as designed, said Mr. Hughes. He also stated that a fire pump had to be designed and placed in the fire line.

Commissioner Vanderbeck asked if the designer was held accountable for this. Mr. Hughes stated that the testing was done by the Pittsboro Fire Department last year and when the test was done again because the time since the first one had expired, it was discovered that the flow was significantly lower. Mr. Hughes states that he himself and Roy Lowder, Utilities Director, went out and conducted the test again to verify the findings; that if the high service pumps were on during the fire flow, this could augment the pressure in the system causing a false reading. The total cost of this addition is \$224,638, Mr. Hughes said.

Chair Kost stated that this was an emergency and this tends to happen when constructing a larger building like the library.

Commissioner Cross moved, seconded by Commissioner Lucier, to approve the request for \$224,638 to purchase and install a fire pump at the new library and approval of the County Manager signing the change order. The motion carried five (5) to zero (0).

BREAK

Chair Kost called for a short break.

BOARD OF COMMISSIONER GOALS

The Board reviewed the Chatham County Board of Commissioners FY 2009-2010 Goals document and made the following changes or additions:

- Commissioner Vanderbeck asked that broadband connectivity be added to item (6) in the “Overall Goal” paragraph in the land use planning section on page 5
- Chair Kost asked that strategy #2 include the major corridors next year and delete strategy #3 under the land use planning section on page 5
- Commissioner Vanderbeck asked that staff look into codification, especially for items in the Planning Department
- Chair Kost asked that Chapel Hill come to a Board work session sometime in February or March to provide an update on the Pittsboro Express with regards to ridership, transportation routes and how this service is being marketed
- Chair Kost mentioned that she wants to focus on safety and preparedness for the State of the County Address to make sure that the county has a plan in place in case of a disaster or emergency. The Board asked to review emergency preparedness plans on March 1st

LUNCH

Chair Kost called for a short lunch break with the meeting to resume at 12:30PM.

CONTINUATION OF BOARD OF COMMISSIONER GOALS

After a lunch break, the Board continued to discuss the Chatham County Board of Commissioners FY 2009-2010 Goals document as follows:

- Chair Kost asked if staff feels like there are adequate ambulance services in the county. Mr. Horne responded that he believed there was adequate coverage because there have been very few complaints; that one problem is finding addresses where calls are made from. Chair Kost asked that this item be brought back to a work session for further discussion.
- Chair Kost asked for clarification on how the STAR team works at Jordan Lake. Mr. Horne stated that this specialized team is comprised of staff from several departments, including North Chatham Fire Department, who assist in search and rescue, assist with hazardous materials and other emergencies at Jordan Lake.
- Chair Kost asked about strategy #5 on page 10 and what exactly is staff looking to get out of studying options to volunteer organizational structure of fire districts.
- Chair Kost asked about the fire hydrant close to Moncure Elementary School. Mr. Hughes responded that the pressure on that side where the hydrant is located needs to be reduced because the elevation is lower; that when the new line was added, it was on a completely different pressure zone. Commissioner Cross asked if it was possible to cap the old line and move the new line completely. Chair Kost asked if this could be done with the existing water project budget. Mr. Hughes stated that this may be added to the USDA project that they are working on now. Chair Kost stated that if there is an opportunity to do this and not spend much money, it needs to be done and that this is also a concern for the fire departments.

Commissioner Thompson moved, seconded by Commissioner Cross, to allocate the amount of funds necessary to run the fire hydrant in Moncure. The motion carried five (5) to zero (0).

- Under the Personnel/Hiring/Staffing section, Chair Kost asked if staff monitor the diversity within the organization especially at the department head level. Mr. Horne responded that diversity is monitored. Commissioner Thompson added that he has a concern with the percentage of minorities in the administrative positions and the percentage of minorities in some departments in general; that he would like to see a plan, goals and objectives in place to move forward with bringing diversity to Chatham County departments. Mr. Horne responded that staff is familiar with what the agency is trying to achieve and that supervisors are given every opportunity to hire the best qualified applicant from a pool of applicants because of the extensive advertising. Commissioner Thompson stated that he would like to help in this process; that maybe he and Chair Kost can meet with Esther Coleman and Carolyn Miller to look at possible challenges for achieving diversity at the management level. Ms. Tate added that diversity in the workplace is part of the County Manager's Office work plan; that the percentage of minorities in managerial positions for 2009 was 16% and the target for 2010 is 20%.
- Commissioner Lucier asked for more specific information on the strategies and their status. Chair Kost agreed that much more information could have been provided in this goals document.

Chair Kost asked the following be added to the goals document:

- Staff to revisit agreements and fees
- Recreation Master Plan be added as a separate goal
- Staff look into obtaining feedback from the youth for the land use plan by working with the school
- Water policy tap fee based on square footage
- Establish a separate Zoning Board of Adjustment
- Aggressively market the Siler City Business Park
- After Census data is collected, address the Commissioner redistricting issue

- Legislative goals to be incorporated into the goals document after adoption

Chair Kost asked that these additions be incorporated to a draft goals document, divide the document into sections and give a section to each Commissioner to revise and clean up.

LEGISLATIVE GOALS

Commissioner Lucier stated that tourism and the election districts for the Board of Education need to be added to the legislative goals.

Commissioner Thompson asked that workforce development be looked into as far as what the Sanford Employment Security Commission's role is and also look into having a Job Link center in Chatham County. Commissioner Lucier stated that this issue needs to be addressed through the community college not as part of the legislative goals; that maybe Stephanie Williams can talk to the Board at a work session with regards to workforce development through the community college.

Chair Kost stated that given the time constraints, she will work with the Manager's Office to clean up the list of legislative goals to have it ready by Monday, January 25th to which the Board agreed. Chair Kost clarified that the following need to be added to the legislative goals list:

- Occupancy tax
- Visitor's Bureau
- Board of Education election districts
- Issue with regards to the Charter Schools- Dr. Logan will elaborate on this during the legislative meeting
- Board of Trustees
- Design building for schools
- Food sales tax distribution based on the 1997 population
- Study on obstacles for buying locally

Commissioner Vanderbeck moved, seconded by Commissioner Cross, to approve the legislative goals and to allow the Chair to work with the Manager's Office to make revisions and/or additions to the list that are not in the draft document. The motion carried five (5) to zero (0).

ADJOURNMENT

Commissioner Thompson moved, seconded by Commissioner Lucier, to adjourn the meeting. The motion carried five (5) to zero (0) and the meeting was adjourned at 12:41PM.

Sally Kost, Chair

ATTEST:

Sandra B. Sublett, CMC, NCCCC, Clerk to the Board
Chatham County Board of Commissioners