

MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
WORK SESSION
JUNE 06, 2005

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Agricultural Auditorium Building, 45 South Street, located in Pittsboro, North Carolina, at 10:15 AM on June 06, 2005.

Present: Chairman Bunkey Morgan; Vice Chair, Tommy Emerson; Commissioners Patrick Barnes, Mike Cross, and Carl Outz; County Manager, Charlie Horne; County Attorney, Robert L. Gunn; Assistant County Manager, Renee Dickson; Finance Officer, Vicki McConnell; and Clerk to the Board, Sandra B. Sublett

The meeting was called to order by the Chairman at 10:17 AM.

Work Session

1. Economic Development
2. Budget

PUBLIC INPUT

E. T. Hanner, former Chatham County Commissioner, stated that he appreciated the opportunity of speaking before the Board. He asked that \$125,000 be added to the minority business development fund. He also asked that an additional \$150,000 be allocated to the human relations commission.

Commissioner Pollard, former Chatham County Commissioner, stated that they had been meeting with a number of significant leaders in the African-American community. She stated that the two things that they have asked be requested from the Board are: 1) An additional \$125,000 to be added to the minority business development fund; 2) An additional \$150,000 to be allocated to the Human Relations commission for the purpose of hiring staff and setting up an office to develop a minority recruitment plan to assist in the implementation of a system that would assure the hiring of qualified minorities to serve in leadership position in Chatham County government and in the private sector. She stated that they volunteer themselves to serve in an advisory capacity regarding the recruitment and hiring of the Human Relations staff.

ECONOMIC DEVELOPMENT

Hal Milholen, Chairman of the Economic Development Corporation, stated that there is a lot of misinformation going around about the Economic Development’s request for a 43% increase; that they are requesting quite a bit of money to promote the expansion of the County’s industrial park; that the county now has an easement; that they had been promised an easement by one of the adjacent property owners; that through many e-mails and phone calls with this person, they were assured that an easement would be

forthcoming; that they were unsure as to what it was going to cost; that after further negotiations with an additional property owner, the owner agreed to give the County the land which will be used for the easement for the industrial park at a zero cost to the County; that they had been prepared to offer \$180,000+ to acquire the access; that if that amount is taken and the money that was to be used for legal fees, it almost covers the requested EDC budget in years past; that he finds it appalling that the County is sitting on a \$1.4 million piece of property that cannot be developed; that it is time that EDC is put into "high gear" to do so; that they were given this chore approximately 2 ½ years prior by the Board of Commissioners; that EDC stands ready, as they have proven thus far in obtaining the easement, to get the County park developed so that investors can be obtained; that he thinks that there are a lot of people standing ready to do it once the road is open; that there are also some State funds coming in through grants that will assist with it; that they requested \$38,893 in County funding for continuation expenses; that previously deficits were funded from EDC reserves; that EDC had, at one time, approximately \$40,000+ that had been created through fund raisers, donations, etc.; that those funds are no longer available; that since the economy has gone sour for a lot of people, the donations are not coming in at the rate in which they were; that they need to focus their attention on getting more donations to try to assist with some of the increases for which they are asking; that for a county the size of Chatham, which is growing by leaps and bounds, to expect that \$170,000 is going to develop the County from year to year is unreasonable; that over \$125,000 is related to personnel issues, payroll, health and dental insurance; that with a separate private organization, these have to be taken care of in their budget; that there are a few items which the County spends money on such as the Industrial Appreciation Day; that the main increase which they are asking for is directly related to developing the Industrial Park; that he recommends strong consideration of this issue; that there are three entities waiting to move into the park and start construction; and that they will not be tax-paying entities but will create jobs and the County tax base, etc. He asked for questions from the Board.

Chairman Morgan stated that several years ago, the Board decided that they should never use reserve funds for on-going expenses; that the EDC has been able to subsidize for approximately three to four years; and that it was permitted to be done in years past; that the EDC has now run out of funds. He cautioned the EDC Board not to use those funds for expenses. He stated that the EDC Board would now have to come back to reality; that the Board of Commissioners had made a commitment to make the Business Industrial Park work; that they hope to continue; and that they need the EDC to make it happen. He stated that there were questions as to some of the expenses sent to the Board by Tony Tucker, EDC Director.

Commissioner Emerson stated that he thought the County owed a tremendous debt of gratitude to Mr. Ed. Stone and his family. He asked that a letter of appreciation be sent to Mr. Ed Stone for providing the Business Industrial Park easement.

By consensus, the Board agreed.

Mr. Milholen stated that the County needs a grant writer. He stated that someone was desperately needed to help search for, apply for, and assist in writing grants for the County.

The Chairman stated that this issue had been addressed; that the County Manager had been working on it for some time; and that there was a lot of money out there, but it just had to be found.

Mr. Milholen stated that their budget was unanimously approved by the EDC Board.

Chairman Morgan stated that he had worked on the easement to the Business Industrial Park for almost two years; that negotiations with one of the property owners had been on-going for almost four years; that the County Attorney had worked hard on it; that he would talk with one owner and Ms. Andrews talked with another owner; that when he got into it, there were certain times that they had to have daily

communications and revise easements no less than four-five times; that the entire 90' easement was gotten from Mr. Stone; that discussions had been held to condemn the property; that when this is done, fair market value has to be paid; that that was what the property was on the market for at that time; that he asked Ms. Andrews, on a number of occasions, to respond immediately to help with the easement; that the EDC has asked her to do work, not as a volunteer, but professionally; that Ms. Andrews did not ask for any compensation for taking on the extra duty as a professional; and that he made a request that the Board compensate Ms. Andrews' law firm in the amount of \$10,000 due to the number of hours she has put in as a professional; that the County Attorney has said that there is no conflict of interest.

Mr. Milholen stated that this was just one example of the many things Ms. Andrews has done for the Board; that she has spent countless hours on dozens of issues with companies who came and looked at the County, did not like what they saw, and left the County; that it still takes a certain amount of effort by the director, the board, and Ms. Andrews in her legal capacity to ensure that what they are told is correct; and that this is one small example of what she has done for the Economic Development Commission.

Sam Adams, ECD member, stated that the Board of Commissioners originally charged the EDC with their vision of what they wanted the park to be; that Ms. Andrews has taken all of their computations and put them into an acceptable form; that she has also done a lot of incorporation work in preparation of the Committee of 100; and that he has to agree that the compensation amount discussed probably does not do her justice.

Chairman Morgan moved, seconded by Commissioner Emerson, to authorize payment to Jennifer Andrews, Attorney, in the amount of \$10,000.00 for work done on the Business Industrial Park easement from Mr. Ed Stone. The motion carried three (3) to two (2) with Commissioners Cross and Barnes opposing.

Mr. Bob Eby stated that he was appalled at what he had just heard; that he had been on a lot of boards; that a lot of boards have attorneys; that Ms. Andrews did work at the request of the EDC; that there should have been an invoice; and that he does not feel that this was the proper way to proceed with the County's money.

Commissioner Barnes stated that he had always been a proponent of the Business Industrial Park; that he felt that it should have been done a long time ago; that he feels that the County is years behind; that several industrial parks are needed; that one reason that it has been a "hard sale" in the past is that the infrastructure was not in place that is needed for industrial parks; that the County's surrounding neighbors have water and sewer; that they have worked at this very aggressively; that he has received more telephone calls on this issue than any other one since he has been in office; that the main criticism that he has heard of the Economic Development Commission is that it's County funded but privately operated; that it should be open to the citizens; that their records should be open to the public; that the news media should be allowed to come to the meetings; that until this is settled, there will be opposition to the EDC; that it does not have full public support; that he thinks this is a crime; that the County needs a strong Economic Development Corporation; that public support is needed; that Commissioner support is needed; that until this matter is resolved, the County is defeating its own purpose; that there is anti-public support, it will drift over to the Commissioners; that he is uncertain as to how to resolve it, but that it will have to be resolved if it is to become as strong as needed. He stated that if it is not resolved, there will be people in the public sector that will make it come to these decisions through law suits and court; that he doesn't feel that this is necessary; that he would hate to see it come to that; that it will diminish the power and strength of the EDC; that this is something that must be faced as reality as it will take place; and that he feels that the sooner this is resolved, the better off the EDC and the County will be.

Mr. Milholen stated that Mr. Barnes' comments were correct; that this was not the premise under which the EDC was set up; that he feels that there are some non-disclosures that are not public record; and

that it is very important that the information not be disclosed until the company says that it is ok to do so.

Commissioner Barnes stated that he didn't feel that these types of things had to be made public and that he didn't feel that the public expects that they had to be disclosed. He stated that he felt that if the board was going to rid themselves of the on-going conflict, that some of the philosophy was going to have to change.

Chairman Morgan stated that there had been a question about not having a "plan".

Tony Tucker, Director, stated that there was a "plan"; that a regional plan was also in place; that it is top-notch; that there may be reasons that it is not liked; that everything in it concerns the County; that it is more than the County could afford to put together on its own; that if he had to write a plan for the County, it would parallel the regional plan; that to save money, his board decided to go with the regional plan; that he has internal documents of his own with which he works; and that he was writing a plan for the commission when he started working on the regional plan.

The Chairman asked about an increased number of employees in the County through the EDC.

Mr. Tucker stated that 3M exceeds one hundred employees; that there are a lot of good stories to tell; that he doesn't want to take up the Commissioners' time with all of this that off sets the negativity in the County; that 3M also helped to get a water line from Lee County; that this resulted in the Pittsboro Waste Water Treatment Facility which has the highest rated discharge capability of any sewer plant in the State; that this is all because 3M came to the County; that a reuse line is going to be run to 3M; that they will take some of the water that is discharged out of the plant and use it on a production process which will relieve the load on the local plant; that Biolex first came to the Old Chatham Mill with five employees; that they have now moved into a 40,000 sq. ft. building and expect to employ one hundred employees by the end of the year; that they are paid top-notch wages at approximately \$60,000 per employee; that McGill Environmental, in Merry Oaks, has sixty-seventy employees; that Marble Expressions in Siler City employs five people; that the great story is what is happening in Goldston with American Moulding & Manufacturing; that they were able to take an unoccupied building, go to the Town of Sanford, and partner with them to use their capacity to run a line to the building which will allow the hiring of up to 175 employees; that eventually the Town of Goldston will be able to tap on to the sewer line; that it will open new horizons for their town; that these things are going on constantly; that their budget is very small for what they are getting out of it; and that he feels that they have done a lot with very little. He stated that it takes approximately \$206,000 just to keep the doors open; that the remainder of the request is to market the County's land; and that if the land is to be developed, it has to be marketed.

Mr. Tucker stated that it was his pleasure to come before the Board and answer questions; that a lot has been written and a lot of comments made; that not a single person has expressed a concern to him about anything; and that he invites anyone to come, sit, and talk about the issues.

Commissioner Emerson commended Mr. Tucker for his efforts.

Paul McKoy stated that he felt it would be beneficial for the County Manager to attend the EDC Board meetings; that he thought it would alleviate a lot of problems between the Board of Commissioners and the Economic Development Board; and that the board needs funds to operate.

The Chairman stated that staff had been challenged to keep the budget down, that the Economic Development budget had been funded as requested, and that he thinks the Economic Development Board will see some things working.

CLOSED SESSION

Chairman Morgan asked to hold a Closed Session for the purpose of discussing personnel at the end of the meeting.

By consensus, the Board agreed.

BREAK

The Chairman called for a ten-minute break.

MACGREGOR DEVELOPMENT

The County Attorney explained that the judge affirmed the action of the Board of Commissioners in issuing the conditional use permit for MacGregor Development.

SPROTT CHRISTIAN YOUTH CENTER

Commissioner Cross stated that the facility currently known as the Sprott Christian Youth Center was erected in 1936 as a gymnasium on the old Moncure School property; that many of Moncure's citizens attended school there, participated in a variety of activities in the gymnasium, and value this property because of their fond memories and the historical value of the facility to the community. He stated that the property, along with a duplex to be used to provide income to sustain it, was deeded to the Trustees of Moncure United Methodist Church on November 12, 1975 by D. J. Sprott and wife; that the agreement stated that 1) The facility be known as "Sprott Christian Youth Center" and be a memorial to the memory of Lillian Sprott; 2) The property shall be used for purposes reasonably calculated to promote the spiritual development and understanding of the youth, and other persons of the community, including but not limited to instruction in Christian Education, athletics, and fellowship activities on both a denominational and non-denominational bases; that on October 20, 1999, the property was deeded to Sprott Christian Youth Center, Inc. subject to the conditions of the agreement; that on February 23, 2005, the property was deeded back to Moncure United Methodist Church subject to the same agreement; that over the years, hundreds of youth have participated in activities at the facility including scouting, basketball, volleyball, ping pong, foosball, and educational programs and have gone together to summer camps; that community events have been held and even catered out of the on-site kitchen; that the facility has housed a community clothes closet, a satellite sheriff's office, a library, and Boy Scout and Girl Scout meeting rooms; that it also has space for other community rooms and activities; that over the past several years, the facility has not been well-maintained; that the apartments were not taken care of and the income has not been realized that should have been; that for this reason, the apartments and the youth center are in need of updating and repair to be brought up to today's standards; that since receiving the deed to the facility, the Moncure United Methodist Church has had many discussions as to the best use of the facility and has decided that the community not only needs the center for youth and adult activities, but in order for it to be successful, the community must be involved in the use and programming; that the Moncure/Haywood Ministerial Alliance and the Southeast Chatham Citizens Advisory Council have voiced strong support and enthusiasm; that they have also been working on the apartments recently to begin getting them ready to lease and have met with contractors to get an idea of the funding needed for repairs to the facility and apartments; that they have been told that they will need between \$250,000-300,000 which includes money for HVAC systems and adequate rest rooms as well as updating plumbing and electrical and paint, carpet, etc.; that additional funds could be used to pave the drive and parking areas; that in the near future, they must accomplish the following goals: 1) Set up a board of directors which will include members from across the community from such organizations as the Lions Club, PTA, SECCAC, community churches,

and perhaps someone from the Chatham County Parks and Recreation Department, if interested; 2) Secure funding for repairs and renovations; 3) Work within the community to begin to develop programming for the center.

He stated that he had been asked to approach the Board of Commissioners to support the Moncure Community by providing the funding needed to revitalize this much needed community center.

Commissioner Emerson raised the issue of "Christian" being in the name of the center and the objections it might raise with using government funds for a Christian, non-profit entity. He asked that the County Attorney check into this matter.

The County Attorney allowed that a statement in the history stated that the center was deeded back to the church in 2005; and that this issue should be further investigated.

BUDGET

The County Manager led budget discussions on the proposed Fiscal Year 2005-2006 budget.

Meal and Mileage Reimbursement Rates:

By consensus, the Board agreed to the proposed changes in meal and mileage reimbursement rates.

Tax Rate:

By consensus, the Board agreed to the alternative tax rate of 59.7 cents proposed by the County Manager.

Fire and Sanitary District Rates:

By consensus commissioners agreed to the Manager's recommendation for fire and sanitary district rates.

Chatham County Schools:

By consensus, the Board agreed to the Manager's recommended budget for Chatham County Schools, with the addition of a \$69,000 transfer from impact fees to fund the proposed mobile unit and furnishings.

LUNCH BREAK

The Chairman called for a short lunch break.

Sheriff's Office:

Commissioner Emerson moved, seconded by Commissioner Cross, to approve six new road deputy positions in the current year. The motion carried four (4) to one (1) with Commissioner Outz opposing.

Telecommunication/Buildings and Grounds/Sedimentation and Erosion Control/All Other Expansion Requests (except for Sheriff's Office vehicles):

By consensus, the Board agreed to the Manager's proposal for two telecommunication positions, a

buildings and grounds position, the sedimentation and erosion control program, and all other expansion requests proposed in the recommended budget, except for the Sheriff's Office vehicles.

Sedimentation and Erosion Control and Well Camera Fee:

By consensus, the Board agreed to the Manager's proposal for sedimentation and erosion control fees and the well camera fee for environmental health.

False Burglar Alarms:

By consensus, the Board agreed to follow the Manager's and Sheriff's recommendation not to impose a fee for false burglar alarms at this time, but to reevaluate this matter at a later date after the Sheriff's Office has had time to collect data and educate burglar alarm owners about the impact of false alarms.

Special Allocations in Reserve for Requests:

By consensus, the Board agreed to hold the \$100,000 for special allocations in reserve for requests that might come up during the fiscal year.

Non-Profits Funding:

By consensus, the Board agreed to the Manager's recommendation for funding non-profits, including diverting \$5,000 for the recommendation for Orange-Person-Chatham Mental Health to Orange-Chatham Alternative Sentencing for a Pre-Trial Release Program.

Commissioners discussed the \$25,000 allocation to Habitat for Humanity and requested that this funding be taken from the Briar Chapel Affordable Housing Funds, if permissible.

Grant Funded Positions:

By consensus, the Board agreed to the Manager's recommendation for grant-funded positions, but stipulated that the Sheriff could reallocate a position for the Safe Start worker, but could not use a road deputy position for that purpose.

Central Carolina Community College:

By consensus, the Board agreed to defer Central Carolina Community College's request for \$10,000 to cover the salary of the Arts Incubator Director.

Department of Social Services:

By consensus, the Board agreed to follow the Manager's recommendation for the Department of Social Services.

County Engineer:

By consensus, the Board agreed to revisit the issue of hiring a County engineer during their Fiscal Year 2007 budget retreat.

Board of Commissioners' Salary:

Chairman Morgan moved, seconded by Commissioner Emerson, to not fund the increase in the Board of Commissioners' salary. The motion carried five (5) to zero (0).

Economic Development Corporation:

By consensus, the Board agreed to fund the Economic Development Corporation budget as requested, contingent upon the Economic Development Corporation following the North Carolina Open Meetings and Public Records laws.

Sheriff's Vehicles:

By consensus, the Board agreed to purchase fourteen sheriff's vehicles. Commissioner Outz stated that he would only support the purchase of seven vehicles.

Commissioner Emerson asked that the cost of vehicles with "slip rear-ends" be researched.

BREAK

Chairman Morgan called for a five-minute break.

CLOSED SESSION

Commissioner Cross moved, seconded by Commissioner Barnes, to go out of Regular Session and convene in Closed Session for the purpose of discussing personnel. The motion carried five (5) to zero (0).

REGULAR SESSION

- Commissioner Emerson moved, seconded by Commissioner Cross to adjourn from Closed Session and reconvene in Regular Session. The motion carried five (5) to zero (0).

Register of Deeds, Sheriff, and County Manager Salaries:

Commissioner Emerson moved, seconded by Commissioner Cross, to approve a 3.5% salary increase for the Register of Deeds, Sheriff, and County Manager, effective July 1, 2005. The motion carried four (4) to one (1) with Commissioner Outz opposing.

ADJOURNMENT

Commissioner Emerson moved, seconded by Commissioner Outz, to adjourn the meeting. The motion carried five (5) to zero (0), and the meeting was adjourned at 2:38 PM.

Bunkey Morgan, Chairman

ATTEST:

Sandra B. Sublett, CMC, Clerk to the Board

Chatham County Board of Commissioners