

MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
WORK SESSION
JUNE 06, 2007

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Central Carolina Community College, Multipurpose Room, 764 West Street, located in Pittsboro, North Carolina, at 9:00 AM on June 06, 2007.

Present: Chairman Carl Thompson; Vice Chair, George Lucier; Commissioners Patrick Barnes, Mike Cross, and Tom Vanderbeck; County Manager, Charlie Horne; County Attorney, Kevin Whiteheart; Assistant County Manager, Renee Paschal; Finance Officer, Vicki McConnell; and Clerk to the Board, Sandra B. Sublett

The meeting was called to order by the Chairman at 9:04 AM.

Work Session

2007-2008 Fiscal Year Proposed Budget

NONPROFITS

Commissioner Lucier moved, seconded by Commissioner Vanderbeck, to fund the County recommendations for Nonprofits with the four additions, Family Violence and Rape Crisis (additional \$5,000), Partnership for Children (\$5,000), Fair Association (\$5,000), and Rocky River Heritage Foundation (\$5,000). The motion carried five (5) to zero (0).

FIRE DISTRICT TAX RATES

Mark Riggsbee, North Chatham Fire Department Chief, stated that they were requesting a one-cent rate increase; that the increase was needed for additional paid staff as volunteer staff continues to dwindle; that they have a fleet of aging trucks which need to be repaired and/or replaced; that the maintenance costs are beginning to exceed their budget; that they have started a vehicle replacement fund; that the area is growing drastically; that their trucks are having to run more; that they were able to lower their rating in the North Chatham Fire District; that they felt that this year they could more than compensate for the increase in the money that they have saved homeowners.

Mr. Riggsbee answered questions from the Board.

Commissioner Barnes expressed concern that during the last election, Mr. Riggsbee caused him a lot of grief. He stated that the North Chatham Fire Department was asked by County Board of Elections about having voting there; that setting up the voting at the school was an imposition with regard to parking, difficulty in accessing the building, and with school related projects; that when the County asked the fire department about using their station, the reply was rude, impolite, and nothing in the spirit of cooperation; that it made everyone in the area furious, including him; that Mr. Riggsbee is in attendance asking the County for money; that when the County needed help, they were turned down; that his phone rang off the hook; that everyone in that part of the County asked why the fire department could not be used as a polling place; that he made a vow that he would confront him and tell him that if his attitude couldn't change, he wouldn't vote to give him a cent.

After further discussion, Mr. Riggsbee stated that he would like to work with the County in any way that they can; that last year, the situation was for early voting which involved an extended period of time; that they did work with the Board of Elections' staff and tried to work it out so that they could operate; that when citizens come in for extended voting, it locks down a portion of the facility where no one could enter at any time; that the Board of Elections decided that there was no area in the facility that would work; that they were offered other facilities that were not suitable as they were not in the right geographical location; that they were offered several other stations, none of whom were suitable for the area. He stated that they would like to

work with them in the future, in any way possible, for the voting situation. He further stated that the one-day voting was no problem, that it was the extended voting that caused the problem.

Commissioner Barnes encouraged the fire department to change their attitude and adopt a spirit of cooperation. Mr. Riggsbee assured the Board that this would be the case.

Chairman Thompson asked Mr. Riggsbee to carry those sentiments back to his department and thanked him for his presentation.

Commissioner Lucier asked to hear from any fire departments who are asking for an increase in funding.

By consensus, the Board agreed.

Darrel Griffin, Pittsboro Fire Department Chief, stated that they are asking for a ½ cent increase due to lack of volunteers; that they want to build a new station on Old Graham Road on land already purchased; that the main reason is for personnel; that in the daytime, they are low on help; that they have twenty-nine volunteers, but only ten-twelve are active after 6-7 PM; and that they want to add three positions.

Todd White, Bonlee Fire Department, stated that they are asking for a one-cent for gas and maintenance on vehicles plus part-time help; that they have no response during the daytime; and that their one-cent increase will generate \$25,000.

The County Manager stated that the Staley and West Sanford Fire Departments did not have people to send to the meeting; that staff had not recommended an increase due to inadequate information to justify an increase.

Vicki McConnell, Finance Officer, commented that they had reduced Staley's rate to eight cents; that they would prefer to keep their rate the same as it is in Randolph County; and that she proposed 9.38 which she was also recommending. The Assistant County Manager stated that staff recommendation was to reduce the rate from ten cents to eight cents which is still lower than the previous year.

Commissioner Cross asked how the County is doing with paid firemen and if they were able to fall under the same insurance system.

Tom Bender, Chatham County Fire Marshal, reported on County Fire Departments and paid personnel as follows:

North Chatham Fire Department, Station One, twenty-six paid personnel
Bennett, Station Five, no paid personnel, thirty-eight volunteers
Bonlee, Station Six, two part-time personnel, remainder volunteers
Silk Hope, Station Seven, one part-time maintenance person, thirty-two volunteers
Moncure, Station Eight, two paid personnel (currently unfilled), twenty-eight volunteers
Siler City, Station Nine, one paid person, remainder volunteers
Goldston, Station Eleven, one part-time person, thirty-five volunteers
Pittsboro, Station Twelve, five paid personnel, twenty-nine volunteers
Staley, Station Twenty-Seven, one paid person, supplemented by volunteers
West Sanford, all volunteers, requesting one paid person
Parkwood, twenty-four paid personnel, forty-five volunteers

Mr. Bender stated that in the past, anyone living five miles past a fire station, was rated a Class Ten and was unprotected by their insurance company; that by going to the six-mile districts, and they were able to make those people in the five to six miles a "9-E" which saved them an estimated twenty-one to twenty-eight percent on fire coverage homeowners insurance.

Commissioner Cross stated that he was interested if the paid volunteer firemen had insurance available. He stated that the Board had discussed during the last budget cycle if insurance could be obtained for them by the same provider at a lower rate.

The County Manager stated that staff had addressed the fire departments as a whole and figuring out they might get them under an umbrella, but at this point, they have not been

successful with the numbers and grouping process; that volunteers are becoming more difficult to get; that he feels that the departments realize that they have to do something different in terms of paid staff.

Commissioner Barnes cautioned the Fire Marshal to work with the North Chatham Fire Department to be the shining example of the County stating that they were receiving approximately half of the four million dollar fire district budget. The Fire Marshall stated that he would work with them to make improvements needed.

Commissioner Cross moved, seconded by Commissioner Barnes, to approve the Fire District Tax Rates with an amendment to increase the Staley Fire Department budget to 9:38 cents. The motion carried five (5) to zero (0).

BREAK

The Chairman called for a short break to move tables.

BOARD OF EDUCATION

New Schools:

Norman Clark, Chairman of the Chatham County Board of Education, stated that they appreciated the diligent effort of the Board of Commissioners has shown in working with the School Board in trying to find ways to “feed the multitude with one fish”. He stated that some new information has come to the Board; that they looked at cutting the size of the high school to 800 students but keeping the core of 1,200; that this would make the school expandable; that that is more acceptable to the Board of Education; that it still has all the things that they desire and meets the budgetary requirements; that the only caveat is that the figures are that these are the Department of Instruction’s estimates based on their cost and that it doesn’t include any green construction; and they appreciate the efforts of everyone to reach an agreeable resolution.

Commissioner Lucier asked what happened to the debt service if the high school was moved up by one year instead of opening in the year 2011 as planned.

The Finance Officer stated that this would be worse; that it could not be moved up a year; and that it could be moved out a year but not up a year.

Ann Hart, Superintendent of Schools, stated that while they predict the fall of 2009 for the completion of the middle school, it is dependent upon finishing the design; that theirs is also an ambitious school; and that it may be delayed a month or two dependent upon the work that has to be done.

Commissioner Lucier asked if plans were still in the making for the Jack Bennett Site. Mr. Clark replied in the affirmative.

Commissioner Lucier asked if there was a potential for shifting the two sites for the middle school and the high school. He stated that it might be possible to have practice fields at the Big Woods Road site (recreational facility) which would save the schools several acres and allow for more flexibility. He stated that he was happy with the 800 to 1200 expandable core stating that it was a six million dollar savings.

The County Manager clarified that the circumstance did not take into the possible green building adaptation. Mr. Clark replied in the affirmative.

Commissioner Barnes stated that he knows that everyone is advocates of the LEED program; that he would like, but not to the point that it will cost a large addition in money that may or may not be recouped, like to do green buildings and LEED work without going through the full LEED certification; that long term maintenance certification is a big part; that there is a big difference in price; and that sometimes it is foolish to spend the money that will not be recouped just to have the name on the project.

Commissioner Lucier suggested that they work with Green Building Task Force.

Dr. Hart stated that they were employing green design and techniques throughout and chose not to make the building certified because of the cost; that it may come down in the future as greens is becoming more accessible; and that they have gone through every place and indicated this.

Dr. Hart stated that they had a special progress at this time with Progress Energy; that they have provided an on-line energy manager; that they have provided one employee for one day per week; that it is a pilot program for first school system in the State.

Mr. Clark stated that they will be going out to bid for a new architect and will be able to use the Green Task Force to identify architects who use green techniques in their design project.

Current Expense Expansion Budget:

Commissioner Lucier confirmed the School Board request for \$29,030,262 which included the debt service of 3.4. He asked the staff recommendation.

Renee Paschal, Assistant County Manager, explained that the recommendation fully funds the request for the teachers' supplement; that it eliminates roughly \$620,000 from the expansion budget; that the continuation budget is the difference in the Virginia Cross School as it was over-projected; that that difference is \$310,735; that the other reduction is in the expansion budget which takes away any funds for expansion in the school request; that the Board of Commissioners' is fully funding their continuation budget, almost fully funding capital outlay, and fully funding the request for teachers' supplement.

Commissioner Barnes asked if the two cents increase in property tax that they would have had would be cut to one cent. Ms. Paschal replied in the affirmative. She stated that the new expansion number would be \$762,000 minus the \$310,000 which is the teachers' supplement.

Capital Outlay:

There were no questions regarding capital outlay.

Northwood High School:

Chairman Thompson stated that they had recently received documentation listing approximately six different scenarios for construction and renovation at Northwood High School.

Dr. Hart stated that her board looked at the long-range facility plan and used the stand-alone one-story (\$13.5 million); that she would caution the Board that those are estimates; that there has been no formal design work done; and that was done to increase capacity to 1,200.

Commissioner Lucier reviewed the different issues to Northwood expansion stating that there was the media center, cafeteria, auxiliary gym, and additional classroom issues. He stated that by reducing the cost of the high school from 44 to 38 million, the six million dollar savings should go back to serve the students at Northwood High School who are in a crowded situation. He stated that the question was how to best deal with it; that with the auxiliary gym, it's not just a school issue, it's a County recreation issue; that there is not enough gym space in the County to handle recreational activities that are now going on; that as the County continues to grow, it is pretty hard to get practice time at the schools; that another gym in the County would be something the schools could use during the day and the Recreation Department could use it at night.

Commissioner Barnes stated that for the thirteen million dollars, property taxes would have to be raised another cent; that he doesn't think that should be done; that he is as opposed to an additional gym at Northwood as Commissioner Lucier is for it; that with everything else going on, he does not see the justification for it; and that he feels the six million dollars for renovations to the high school is justified, but an additional thirteen million dollars is not. He stated that if the County can get their 1% Land Transfer Tax, it will open the door for a lot of things; that if they do not get it, the next several years will be hard budget-wise.

Commissioner Lucier stated that he deals with a lot of recreation coaches; that he feels that the need is determined by whom they talk to; that he can say that the situation is not good in terms of availability of gym space; that it is part health issue for the students and part health issue for the County at large; that he thinks the County's recreation activities have been short-changed for a number of years; and that he doesn't think they should continue to do that.

Chairman Thompson asked if there were other areas in the County where there were problems with gym space.

Mr. Clark stated that the problem didn't seem to be gym space but more of a problem with the condition of the gyms; that they have very old gyms at Silk Hope, Bonlee, and Bennett; that Bonlee and Silk Hope need some expansion work and renovations; that Commissioner Lucier is correct in that from a recreation standpoint, the County is growing so fast and doesn't have recreational facilities to accommodate everyone; that at the schools, they have some severe needs and that while an auxiliary gym would help, it wouldn't solve the majority of their problems; but that the gym would serve more than just Northwood in that it would serve the County. He stated that one of the biggest issues at Northwood at the present is the cafeteria; that they are having three huge lunch shifts which are overcrowded; that if they received six million dollars, they might renovate or expand the cafeteria; that they have options for which the money could be used.

Dr. Hart stated that Bonlee and Silk Hope need to be expanded; that they are very small; and that the gym is too small to accommodate school issues as well as community issues.

Commissioner Vanderbeck asked if the gym provided flex space for teaching and if part of it could be used during the day for classrooms to cover several needs.

Mr. Clark stated that it was used all during the day for physical education.

Commissioner Vanderbeck stated that a lot of money shouldn't be put into it because the County is getting an entire new school; that they don't want it to be a ghost town years down the road.

Dr. Hart stated that all classrooms and instructional space requires desks; that where they flex is where there is a stage; that the stage would help make a flex space; that the problem with trying to use a gym for anything other than health, gym, or physical education, is that the rest of the time the furniture cannot be moved period by period.

Commissioner Vanderbeck suggested that be considered and some of the money be put into taking care of the cafeteria needs because they are over maxed out stating that he was trying to stay within the savings that they just found from the high school.

Commissioner Barnes cautioned that by the time renovations can be designed, permitted and put out for bids, the new high school would be built in 2011; that the time frames will be about the same for doing the additional work as building the high school; that the students will be split approximately in half; that half will go to the new school and half will go to Northwood; and that there will be time to add on at that point as the student population will decrease at Northwood.

Mr. Clark stated that by the time the new high school opens, the population at Northwood will be reduced; that Commissioner Barnes is correct in his statement; that the demands on the facility space will lessen; and that on the other hand, the space that is being proposed will still be used by the community.

Dr. Hart stated that there would be approximately 600-700 students at Northwood and the new high school at that time.

Commissioner Barnes expressed concern with regard to the different cleanliness in each of the schools stating that there was a world of difference in how some of the schools were cleaned as opposed to others.

After further discussion, Chairman Thompson reiterated that the Board is looking at a two cents increase; that he thinks there is a consensus with the Board to not go beyond that at

this point; that Commissioner Lucier and he are old jocks who are gym people which is why they support the gym; that he understands the need for the gym at Northwood; that one of the things that they have to consider is what is before them; that one thing they have not heard is a recommendation from the School Board when they have six million dollars put before them; that he feels that the Board of Education knows their needs better than the Board of Commissioners does; that his idea would be to work with the auxiliary gym as the first need; that he knows they have cafeteria needs as well; that he would like to see the Board of Education put a plan together to utilize the six million dollars and to have an expansion plan, which in stages, could be used if the Land Transfer Tax is put through; and that he would suggest that they consider where Silk Hope and Bonlee Schools needs lie.

Dr. Hart asked if the Board of Commissioners could tell them a full amount as she would like for the entire Board of Education to be able to discuss the project, the preferred phases, and the utilization of the funds.

Commissioner Lucier stated that the judicial facility impacts this; that he thinks that the Finance Officer added twenty-six million for debt purposes; that he still remains somewhat uncomfortable with building a judicial building with a lot of extra space in it when the schools are crowded; that he has some issues with that; that the two are not totally unrelated; that if the Board is going to try to stick within a two cents tax increase, according to the Finance Officer's figures for debt purposes, 1.2 million is equivalent to .1 cents; that 2.4 million is equivalent to .2 cents; and that 6 million is equivalent to ½ cent in terms of long-term CIPS.

Mr. Clark, for clarification, asked if the Board wanted them to return with specific plans with what their most critical needs for the \$6.6 million.

By consensus, the Board agreed.

Commissioner Cross stated that everyone was speaking of the six million dollars as extra available money. He cautioned that, in fact, it is an estimate of no more than available credit. He stated that if the Board did not have some strong need to spend the money, he would suggest that they hold on to it because their estimates of projects to be built, may run higher than anticipated.

Commissioner Lucier stated that the high school had already been budgeted for forty-four million, but the estimate for it is now thirty-eight million for a smaller, more expandable school. He stated that they would be splitting the pot and moving money from one project to another.

Kevin Whiteheart, County Attorney, stated that there was a provision under Chapter 143 in the General Statutes that relates to performance contracting which is a method that the Legislators set up approximately six years prior that says the County can borrow up to two million dollars; that it does not go against the debt limit provided that the money borrowed is to save money on energy costs, water and sewer savings, etc.; that it builds a pot of money, in that for a small outlay, one would receive a bigger bang for their buck; that it may be something that the County can look at; that for a small amount of investment that doesn't go against the debt ceiling, three times the amount of money may be generated; that it doesn't have to be done before the budget is passed; that it can be researched to see if there is enough monies available to be brought to the Board for their consideration.

By consensus, the Board agreed and asked the County Manager to research this matter.

BREAK

The Chairman called for a short break.

The Chairman called the meeting to order at 11:10 AM.

PLANNING BOARD APPOINTMENT

Commissioner Cross moved, seconded by Commissioner Barnes, to nominate Dr. B. J. Copeland, 1760 DeWitt Smith Road, Pittsboro, NC, to the Planning Board to replace Evelyn Cross. The motion carried five (5) to zero (0).

RESOLUTION IN SUPPORT OF THE STATE ENERGY OFFICE

Commissioner Vanderbeck read a Resolution in Support of the State Energy Office.

Commissioner Vanderbeck moved to adopt Resolution #2007-27 in Support of the State Energy Office.

Commissioner Lucier seconded the motion and asked that an amendment to include that it is critical for North Carolina's long-term future that Chatham is a leader in energy conservation be added to the resolution.

Commissioner Vanderbeck amended his resolution to include the amendment.

The Chairman called the motion. The motion carried five (5) to zero (0). The resolution is attached hereto and by reference made a part hereof.

Commissioner Lucier asked that a copy of the resolution be sent to Orange County and Representatives Joe Hackney and Ellie Kinnaird.

CAPITAL IMPROVEMENTS PLAN

A discussion ensued regarding funding for the judicial center and its twenty-six million dollars designation and the Central Carolina Business Campus.

The County Manager stated that part of the bid package could be altered and that figures could be subtracted based upon what the Board saw.

Commissioner Barnes stated that with \$12 million for the judicial building, \$13.5 for Northwood, \$1 million for the middle school, and \$1 million for CCCC; that with Northwood removed, it would leave one cent there and then one cent at the school for a total of two cents; and that the judicial building is in the two cents.

Commissioner Lucier stated that his argument is that he would prefer to return a couple of million dollars from the judicial center to the schools for various renovation activities than put all twenty-six million into the judicial building. He stated that he was uncertain as to if it needed to be decided at this time and that it might be worthwhile to wait until the information could be received from the schools about the preference of their projects.

The Finance Officer stated that if the Board dedicated one cent to capital, then depending on the timing, more money could be gotten the longer they delayed.

Commissioner Vanderbeck stated that, for the record, on the judicial building, he has a problem that regarding the campus and the moving of the three historic buildings. He stated that the buildings serve no functional use unless approximately one million dollars is put into their restoration; that this is after moving then and putting in foundations at a cost of approximately \$375,000; that they have the opportunity to build a government campus at a good price and to get ahead of the curve with the anticipation of a new jail and some other buildings; that someone has expressed an interest in taking the buildings off the Board's hands and relocating them; that he talked with someone else in the County regarding the upkeep and what they could do with the buildings; that unless the Historical Society wants to come up with their own funds to save one of the three buildings, he is happy to let them go to the contractor and keep the land; that if they have to save money, whether they can save by doing some of the work in phases, by constructing some of the parking lots at a later date, he is looking forward to a great government facility for the community for indoor and outdoor space.

Commissioner Barnes stated that he agreed with Commissioner Vanderbeck totally; that as far as the County moving the buildings, much less doing the renovations, there is no way as the County does not have that kind of money; that if the estimate to move the buildings was \$375,000, that would go a long way toward the judicial center; and that it would probably be better to tear down the buildings and start over than to renovate.

Commissioner Lucier also expressed support in not moving the buildings.

Commissioner Cross also agreed that it was not a good idea to move the buildings and suggested that they be offered to the Town of Pittsboro to see if they wish to remove and renovate the buildings.

Commissioner Vanderbeck stated that when the new judicial facility is built, there might be room to house the Historical Society in a larger space than they now have.

Chairman Thompson stated that he, too, wanted to go on record for not spending any more money to move the buildings.

By consensus, the Board decided unanimously to go on record to not support the expending of County funds to move and/or renovate the three buildings stating that it didn't seem right to move a building that couldn't be used for a cost of \$375,000.00.

DEPARTMENTS

Chairman Thompson opened the floor for discussion on any department on which Board Members had questions.

Commissioner Barnes stated that he felt that the only serious discussions they had were the judicial building and schools.

Chairman Thompson stated that there was good justification for the increases he saw in departments.

Commissioner Vanderbeck stated that the Cooperative Extension had asked for an Environmental Education Agent.

Renee Paschal, Assistant County Manager, stated that the Environmental Education Agent was not recommended by the State; that one reason was it that the County has an extensive ranking process; that it includes the scoring criteria approved by the Board in December; that they go through the ranking process and prioritize all of the expansion requests; that they basically fund those things that they can with the money they have; that this position did not make the cut; that they also have questions about how they interface with the various groups in the County such as the Environmental Review Board (how they staff the board, how they interface with the Planning Department, etc.); that those questions did not appear them to be answered yet; that they thought that that was something more appropriately studied further and perhaps brought back for funding during the next year.

Commissioner Vanderbeck stated that this was good, as long as it was not a dead issue. He stated that with a new grants writer, that was something that he would like for the Board to pursue.

The County Manager stated that they had asked Glenn Woolard, Cooperative Extension Director, to get more information about how this would work because it was unclear when they asked questions about it.

Commissioner Barnes stated that the prior night's Planning Board meeting, there was one thing that came out that was previously discussed; that the Planning Board was asking about the total number of employees in the Planning Department; that their concern is that they do not have enough employees to take care of the mass of things that is coming in; that the County Attorney attended the meeting and did a superb job; that in his estimation, the Planning Department is too small and he would like to see it increased; and that he would not mind tapping into the reserve to further staff the Planning Department, if needed.

The County Manager stated that the Board would be able to come back after the process to see what it will look like and respond as necessary in terms of expanding the staff.

Commissioner Lucier stated that he would like to see an overall plan of the County's new task force and committees and how they are coordinated within County government and the role of the Planning Department in that. He stated that he thinks it might be helpful to think about what would work best given the new additions during the last year.

The Chairman stated that he thought it was a good idea; that the Planning Board and Staff then know what their relationship is to each other.

The County Manager stated that having everyone understand, when and where things go, that they are returned to the Planning Board and then ultimately to the Board of Commissioners' for decision making, is critical for everyone involved and also for the user; and the sooner the flow is determined, the better it will be.

Commissioner Vanderbeck stated that this will tie in with that in that currently Triangle J is working with the Major Corridor Ordinance; that there is a planner from the State or local group or Triangle J doing that which is setting a model in how the Planning Department might be able to work and take it further; that it also leads him back to some coordination on moratorium in conjunction with Triangle J as someone outside with vast reserves of resources to help the County pull it together while taking the weight off the currently challenged Planning Board, that they be worked in and with the Board and then linkages might be seen that they are looking to develop with all the boards as the moratorium is worked through; and that he knows that the County Manager is waiting for them to come up with some more figures on that one to address the moratorium.

The County Manager stated that one of the estimates received over the last couple of days they are suggesting come out of contingency or fund balance; that one is the planning consults that the Board may need beyond Triangle J and the US Highway #64 Corridor planning process; and that he received an e-mail from David Weiserman asking all entities that are now involved to contribute \$15,000; that the planning consult may be between \$150,000-160,000.

Commissioner Vanderbeck stated that he thought it was a great idea to have it come out of the fund balance commenting that fund balance was high enough to deal with some of these things.

Commissioner Barnes stated that the Courthouse Annex has a serious lack of restrooms. He asked when renovations would begin on that building. The Finance Officer stated that it would be after the judicial center was built.

LUNCH

The Chairman called for a thirty-minute lunch break.

The Chairman reconvened the meeting after the lunch break.

DEPARTMENTS (cont.)

Commissioner Lucier asked if the salary for the County Attorney included a salary for a paralegal. Renee Paschal responded that it included the salary for an administrative person, not necessarily a paralegal.

Commissioner Vanderbeck asked if they would be sharing an administrative assistant between the Public Works Director and the County Attorney. Ms. Paschal explained that that was only a temporary arrangement until the County Attorney can get furniture and an assistant.

Commissioner Lucier asked if the school had their own facilities management. The County Manager responded that schools are totally separate from the County. Commissioner Lucier stated that there had been some issues with the schools regarding upkeep, etc.; that he wonders if there is a better way of doing that; that all Board members have commented on the unevenness of the facilities upkeep of the schools; that he doesn't know the best answer; and that the Board might want to think about anything that could be shifted back and forth with regard to facilities maintenance.

Commissioner Vanderbeck stated that he thinks that if the management of the facilities is poor, then it will lead to its demise sooner; that that it is critical from a long-term perspective; and that the buildings need to be maintained so that they will last longer and serve the public better.

Chairman Thompson stated that he feels that this is more of a directive coming from the head of the facility explaining what they want done; that he feels that maybe they got the message this morning; that he thinks some people will gravitate to the level of performance based on what they are allowed to do sometimes; and that if they have a standard set for them, then he believes that they can change.

Commissioner Lucier asked about the large increase in General Services with regard to their budget. Ms. Paschal explained that that pertained to consultant fees for impact fee studies, contingencies, etc. She stated that transfers were also increased; that one increase was the property tax between four cents and the debt reserve; that allocation to the vehicle reserve was increased by \$500,000.00; and that the CIP projects in next year's budget were also funded.

Commissioner Lucier asked about the Recreation Department. He stated that the hiring of the extra person in the department was needed. He asked if there was going to be a discussion with regard to land acquisition program, stating that they had talked about the joint committee including someone from the Recreation Department and the School Board to start trying to save some money to buy some property to try to get ahead of the curve. He stated that the Recreation Department has already looked at Camp Maranatha Springs; that he thinks that the appraisal was \$1.3 or \$1.4 million; that it is an excellent piece of property; that at some point, it could be a northwest park as well as a school site with 120 acres; that with the exception of a couple of buildings, the soils and topography are great; and that he feels it would be a good purchase for the County.

Commissioner Barnes stated that the entire Recreation Department Program in Chatham County is pitiful; that he is talking about what the County puts into it and what it has compared to surrounding counties; and that they are definitely going to have to work on it.

Commissioner Vanderbeck stated that all ties in with economic development, community services, facilities for communities for families staying in Chatham County and those companies relocating here; and that they want to be a destination here.

Commissioner Barnes stated that GE and Honda have just gotten into the jet airplane business; that by the County's not having what it should have, it looks like the plant used to manufacture the engines would go to Alamance County; that they have the infrastructure, their EDC in place; and that that is three times in the past two weeks that he has read things like this going to other counties.

Chairman Thompson stated that all of the comments were good and that he feels that they need to be addressed in a future work session and that a land search committee needs to be discussed.

Commissioner Lucier asked if this could be done at the July 18, 2007 Board of Commissioners' meeting.

Commissioner Lucier also asked that Camp Maranatha Springs be addressed. He asked if the requirements were 1/3 up front and the remainder over five years. The County Manager stated that unless the requirements had changed, they needed the first portion, approximately \$450,000-500,000 up front.

Commissioner Lucier stated that he thought that the Board also needed to look at buying property for the northeast park; that there is a southwest park; that the Maranatha Springs property could potentially be a park site as well as a school site; and that he feels that the Board needs to start looking at property in the southeast as it is not going to get any cheaper and the needs are going to get greater.

The Assistant County Manager stated that the Board would be looking at adding to the tax rate to accomplish that; that the other issue is that if the County was to get the Land Transfer Tax, part of the proceeds could be used for the land.

Commissioner Vanderbeck stated that any discussion that the Board has, as far as land acquisition, needs to be done with an overlay with the Public Works Department; that not only would there be existing infrastructure, there would be future infrastructure; and that those things need to work in concert as much as possible.

Commissioner Cross asked if the County still owned approximately twenty acres around the Bynum ball field. The County Manager stated that the County owned some land, but that he was not certain of the exact acreage. Commissioner Cross stated that he thought that the land was purchased to expand the sewer plant; that he doubts that will ever be done; and that the Recreation Department might be informed of this.

The Assistant County Manager explained that the County tried to do that about ten years ago; that they tried to apply for a PARTF grant to expand the Earl Thompson Park; that they received a lot of resistance from the Bynum Community; and that the roads are narrow and have a narrow access into the park.

Commissioner Vanderbeck stated that he didn't feel the wastewater treatment plant would be expanded; that it becomes less viable as the new rules come into place for Jordan Lake and the stormwater things; that he doesn't feel that the State will allow a larger capacity to dump affluent into the river there.

Commissioner Lucier asked about the budget for Economic Development stating that it was approximately twice as much as he thought it was.

Ms. Paschal explained that it included debt service for the Business Park for next year in the amount of \$329,000.

Commissioner Lucier stated that the new Economic Development Director should probably update their objectives, especially with Lee and Harnett Counties. The County Manager stated that he thought this was one of her first interests.

Ms. Paschal explained that staff budgeted for a pay increase for Commissioners' salaries and an increase in the travel allowance.

Commissioner Lucier asked the difference in the Waste Management Fund and the Waste Management. He asked what had happened to the Water Capital Reserve asking if the Board was going to spend as much money due to the Harnett County Contract, if the money still had to stay in the five million into the water reserve.

The Finance Officer stated that she felt the money should stay in the water capital reserve because the amount of money available for debt payments for the new water lines is contingent on how well the water operating fund does and how much availability fees are collected; that if either one of these sources of revenue are less than projected, then money would need to be transferred from the general fund to pay the debt. She reiterated that the money was set aside in a capital reserve fund and could only be used for water capital purposes.

Commissioner Lucier stated that the Board may want to consider moving a bit of the money to start the land acquisition project, i.e. Camp Maranatha Springs, stating that instead of putting all five million dollars in there, put four and one half million and use five hundred thousand to purchase the land.

Commissioner Barnes asked if this could be done.

The Finance Officer stated that money had already been moved to the reserve fund, but if the Commissioners wanted to transfer the money back to the general fund, it could be done.

Commissioner Lucier stated that this was money put into fund balance and he thought it was reasonable to take a little of it out. The Finance Officer stated that once it goes into water reserve fund, it is supposed to be used for what it is intended. She stated that if the Board wanted to spend money for Maranatha Springs, she thought there was enough money in the general fund to do that.

Chairman Thompson stated that the idea was to look at a small amount of money to be used for a down payment on Camp Maranatha Springs; that he thinks the issue is now from where the money should come; that he is hearing that the money may be available; and that he thinks the idea should be endorsed and voted on at a later meeting.

Commissioner Vanderbeck stated that in talking about land banking and preparing for schools in the future; that in the moratorium, they have talked about affordable housing in developing those ordinances; that to deal with that, they currently know that they have an existing need for one proposed development for fifty units; that Pittsboro would cover 1/5 of the need in the County as was identified some years back; that this is ahead of the land issue with a pressing identified need at this time; that the County doesn't have the funds or the development; that they are currently working on the one in Pittsboro with Habitat; that they have the one coming up in Briar Chapel; that they have identified a need; that they have the funding to do a needs assessment to bring them up-to-date; that there is no denying that there is not enough affordable housing here; that it hurts the County from an economic development standpoint where there are people who cannot work in the County; that there are also people who are living in other counties who travel into the County for jobs; that the Board needs to put some money away for affordable housing, potentially within the next year if they can get everything lined up, infrastructure settled, and get a developer who wants to do this; that they have to have available funds into which they can tap; that he would appreciate any creative ways in which the Board would be able to do this.

The County Manager stated that he thought this was consistent with the DHIC request to consider the \$400,000.00; that if the Board wanted to set it up, it could be done contingent upon DHIC or other housing opportunities becoming available; and that it is a decision for the Board to make.

Commissioner Vanderbeck stated that it was not that the Board had to take it out; that funds were there when and if the occasion arises; that it would be a one-time thing; that something is going to happen; that he liked the one mentioned because of starting off with the County seat; that it all fits; and that the County needs to be on the leading edge of it.

Commissioner Lucier asked what happened to Pittsboro.

Commissioner Vanderbeck stated that they had a developer from a local developer that raised some questions and has currently put an offer on the property. He stated that it would be revisited at that property or some other place.

The County Manager stated that those funds were predicated upon Pittsboro's matching funds.

Commissioner Vanderbeck moved to create a reserve fund for Affordable Housing in the amount of \$400,000.00 to be left in General Fund and, at the Board's discretion, which can be used as needed. He stated that the intent of his motion is to send a message to the citizens that they have set aside funds for affordable housing and that they plan to have a summit after a feasibility study is completed in the fall.

Commissioner Lucier asked if the motion was to reserve a part of the fund balance.

Commissioner Vanderbeck stated that the motion was to reserve a portion of the fund balance to the tune of \$400,000.00. The County Manager stated that it becomes a fund balance that is available for appropriation and a fund for restricted use.

Commissioner Lucier asked if it impacted the fund balance immediately or after it is taken out.

The Finance Officer explained that it would stay in the fund balance but will be part of the restricted fund balance.

Chairman Thompson asked for a second to the motion.

Commissioner Lucier stated that he would prefer to look at the fund balance and vote on the matter at the July 16, 2007 Board of Commissioners' meeting.

The motion died for lack of a second.

CLOSED SESSION

Commissioner Vanderbeck 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 Vanderbeck moved, seconded by Commissioner Lucier, to adjourn the Closed Session and reconvene in Regular Session. The motion carried five (5) to zero (0).

Sheriff:

Commissioner Cross moved, seconded by Commissioner Lucier, to set the salary of the Sheriff's salary at \$85,000.00. The motion carried five (5) to zero (0).

Register of Deeds:

Commissioner Barnes moved, seconded by Commissioner Cross, to set the salary of the Register of Deeds' salary at \$71,760.00. The motion carried five (5) to zero (0).

County Manager:

Commissioner Barnes moved, seconded by Commissioner Cross, to set the salary of the County Manager at \$125,882.00. The motion carried five (5) to zero (0).

The Assistant County Manager reviewed the list of changes to the recommended budget as follows:

Eliminate expansion budget in Chatham County Schools	-310,963
Reduce continuation allocation by difference in Virginia Cross projected versus actual	-310,735
Total Reductions to School Budget	-621,698
Reduce EDC (mistake)	-154,000
Increased cost of Human Relations Director	39,341
Increased allocations to non-profit agencies	20,000
Performing Arts Feasibility Study	4,000
Salaries for Sheriff, Register of Deeds, and Manager	13,365
Increased DJJDP Match	5,000
Total Reductions	-693,992

Ms. Paschal stated that, in addition, staff will increase the transfer to the debt reserve by \$681,001 for the one-penny increase for capital projects, leaving the tax rate at 61.7 cents which will be reflected in the budget ordinance; that any other changes that come up will be taken from contingency; and that she will provide a detailed description of changes when the budget ordinance is presented.

Commissioner Lucier moved, seconded by Commissioner Barnes, to approve the above list. The motion carried five (5) to zero (0).

Commissioner Lucier stated that Commissioner Vanderbeck, the County Manager, and he met with Moses Cary, Barry Jacobs, Nora Blackmon, and others regarding the energy resolution; that they agreed that they wanted to be a part of the resolution; that they briefly touched on the parks; that he had prefaced it that they were looking at a 4% increase; that he didn't feel that it was a good time to talk about it; that they will set up a tentative date for the group to meet including OWASA, their director, a representative from their board, a representative from the university, the other municipalities of Chapel Hill, Orange County, Carrboro to tentatively get together on August 14th or 21st to continue a discussion on this prior to getting a meeting with full boards to discuss these issues. He stated that there was one item regarding the Jordan Lake brought up by Barry Jacobs which was about having the people who are down stream be a part of keeping the water clean; and that they are some reciprocal

agreement that because they are getting clean water, that they should be a part of whatever it takes to clean it up.

ADJOURNMENT

Commissioner Vanderbeck moved, seconded by Commissioner Cross, to adjourn the Budget Work Session. The motion carried five (5) to zero (0), and the meeting was adjourned at 1:41 PM.

Carl Thompson, Chairman

ATTEST:

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