

MINUTES

**STATE OF NORTH CAROLINA
COUNTY OF HENDERSON**

**BOARD OF COMMISSIONERS
JANUARY 2, 2007**

The Henderson County Board of Commissioners met for a regularly scheduled meeting at 5:30 p.m. in the Commissioners' Conference Room of the Henderson County Office Building.

Those present were: Chairman Bill Moyer, Vice-Chairman Charlie Messer, Commissioner Larry Young, Commissioner Chuck McGrady, Commissioner Mark Williams, County Manager Steve Wyatt, Assistant County Manager Selena Coffey, County Attorney Russell Burrell, and Clerk to the Board Elizabeth W. Corn.

Also present were: Planning Director Anthony Starr, Finance Director J. Carey McLelland, Deputy Clerk to the Board Terry Wilson, Research/Grants Coordinator Amy Brantley, Public Information Officer Chris S. Coulson, County Auditor Darlene Burgess, Associate County Attorney Sarah Zambon, and Sheriff Rick Davis.

CALL TO ORDER/WELCOME

Chairman Moyer called the meeting to order and welcomed all in attendance.

PLEDGE OF ALLEGIANCE

Commissioner McGrady led the Pledge of Allegiance to the American Flag.

INVOCATION

County Manager Steve Wyatt gave the invocation.

INFORMAL PUBLIC COMMENTS

Chairman Moyer asked each person who had signed up for informal public comments to limit their time to about 3 minutes.

- 1. Ben Eaton** – Mr. Eaton lives at 881 Upward Road in East Flat Rock. He had read about the proposal from the Planning Board to zone part of Upward Road as residential in the Time-News. From the interstate on Crest Road, approximately 1 mile, there are no residential properties on the right-hand side of the road between the interstate and Crest Road. There is a house on the corner of Crest Road in which a business is being operated. The property next to Zaxbys is already on the market as commercial. There are only 5 residences on this property and one of them operates a business from his property. Mr. Eaton doesn't understand why it would be zoned residential with all of the business around it.
- 2. Fielding Lucas** – Mr. Lucas resides at 50 Squirrel Trail in Hendersonville. His views were in regards to Blue Ridge Community College (BRCC). Mr. Lucas stated as the new Technology Center moves toward completion and it's readiness to assume the task of preparing our work force for participation in the technology industry of the 21st Century, we know there were shortages in funding for the complete outfitting of the building. What about its facility, is there a staffing plan? What about it's recruiting of qualified students? The BRCC Board should be right in the middle of getting support for this task and management should not be involved in the project up to its neck all day, every day looking for a new baseball coach or struggling to get its athletic program on a sound financial footing or worrying about recruiting a good left-handed pitcher. We will have spent around a million dollars of Foundation, private, State and County funds on this debacle. If offered the choice, might not the Moreno family have preferred to have their name on a

DATE APPROVED _____

breakthrough virtual reality teaching laboratory than a baseball diamond, or the Foundation awarding science rather than athletic scholarships?

The State Board cannot afford to lose this battle nor can its master, the Governor, allow them to lose. The Lt. Governor is an ex-officio member of the Board and the Chair is a Governor's appointee, else they may have a full scale insurrection on their hands. Blinking at the driving ego and passion of one president, then multiplied by 58 is not the kind of anarchy that can be tolerated in any organization legally responsible for managing public funds intended for the education of the community work force.

The State Board did not ask for much; a negotiated payback of misapplied State funds, and surely the County must demand the same; a cease and desist order against current and future use of State money, demand restitution from those who used the facility but did not pay for it and acceptance of their rebuke for not having done a responsible job of managing public funds.

The reprimand is not limited to the athletic program for you cannot go back and read the 2003, 2004, and 2005 audit reports as he had done, without feeling some pain of shared guilt. Our President said those discrepancies would be fixed and they were not, in fact, in one case it had actually worsened over the two year period since first reported. The audit reports Mr. Lucas referred to are all available on the State Auditor's website.

Mr. Lucas recommended that the BRCC Board cancel the plan to encourage support from the NCACCT and the NCACCP, acknowledge Board responsibility for failure in oversight of the athletic program during the years in question, strongly encourage the immediate retirement of President Sink, appoint a temporary President and a search committee to find his replacement, direct Staff to update or prepare if one does not now exist, a complete program plan for the implementation of the Technology Center and establish an oversight sub-committee to follow through. He feels that it would be appropriate to include a representative of the Board of Commissioners and perhaps the Board of Public Education, if agreeable to them. The State Board acknowledges your activities in correcting the errors but seems to demand that you acknowledge the errors that required those corrections. Why not? Please stop saying there was no wrongdoing because only the team benefitted. Should the same tolerance of law-breaking be applied to the "Center Stage Players" or the "Grass Roots Conservation Club" or other extracurricular activities?

So let's quit escalating the temper of the dialog and go back to work on our basic task which we know we are able to do and do really well, educating college students and serving the community and its work force.

3. **Fred Dorsey** – Mr. Dorsey spoke in regards to Blue Ridge Community College. In the 1970's Congressman Taylor, Senator Buddy Wilkie, Senator Carroll Wilkie, and he fought for funds for a fledging Blue Ridge Tech. Today we would probably fight the Blue Ridge Board of Trustees. If he were asked to do another commencement address he would hesitate. He feels that what is seen here is only the tip of the iceberg. There are things going on at BRCC that he observed while taking a course there. In 2004, he signed up to do what he thought was a community service by teaching and tutoring for the Blue Ridge Literacy Council. Due to political statements by Mr. Sink and the Times-News and other activities Mr. Dorsey observed, while a student, he can no longer in good faith tutor at BRCC. He requested the Board of Commissioners appeal to the proper authorities, the BRCC Board of Trustees and State Auditor, to look at this. He believes that the "Sunshine Law" is being ignored.

DISCUSSION/ADJUSTMENT OF AGENDA

Commissioner McGrady made the motion to adopt the agenda with the addition of a closed session. All voted in favor and the motion carried.

CONSENT AGENDA

Commissioner McGrady made the motion to adopt the consent agenda. All voted in favor and the motion carried.

Minutes

Draft minutes were presented for the Board's review and approval of the following meeting:
September 5, 2006

Tax Collector's Report

Terry F. Lyda, County Tax Collector, had provided the Tax Collector's Report dated December 29, 2006 for the Board's review and consent approval.

County Financial Report/Cash Balance Report – November 2006

These two reports were presented for the Board's review and consent approval.

Non-Departmental costs include insurance premiums paid to date for Property and Liability insurance coverage and Worker's Compensation costs. These costs will be allocated out to all departments on a pro rata basis prior to fiscal year end.

The current YTD deficit in the Emergency 911 Communications Fund is due to the purchase of new technology and equipment during the first quarter that was budgeted in the current fiscal year.

The YTD deficit in the CDBG-Scattered Site Housing Project, the Mills River Watershed Protection Project and the Lewis Creek Restoration Project is temporary due to timing differences in the expenditure of funds and the subsequent requisition of Federal and State grant funds to reimburse project expenditures. Reimbursement requests are normally done on a quarterly basis.

The YTD deficit in the new Etowah Branch Library Project will be covered by funds (\$300,000 total) to be received from the Funds from the Friends of the Library and the Community Foundation until bank financing is in place for this project.

The YTD deficit in the Mills River Elementary School Project includes architectural fees that have been paid on the project to date and will be reimbursed from the issuance of general obligation bonds in the future.

The YTD deficit in the Solid Waste Landfill Fund is due to construction expenditures incurred on the new transfer station project. The total cost of this project is being paid out of retained earnings in the Fund.

Henderson County Public Schools Financial Report – November 2006

This November report was presented for the Board's review and consent approval.

EMS Accounts Receivable Report

This report was provided for the Board's review and consent approval.

Waterline Extension – Willow Run Farms

The City of Hendersonville had requested County comments on proposed water line extension for Willow Run Farms.

A City of Hendersonville Project Summary Sheet, with backup documents and County review sheet with staff comments was attached to the agenda for Board review and action.

If the Board is so inclined, the following motion was suggested:

I move that the Board approve the Willow Run Farms water line extension and direct staff to convey the County's comments to the City of Hendersonville.

Improvement Guarantee for Haywood Park Estates

Mr. Luther Smith on behalf of the Castle Garden Villas, LLP, submitted an improvement guarantee application for the Haywood Park Estates minor subdivision. Haywood Park Estates was approved by the Planning Department on November 27, 2006. The improvement guarantee was proposed to cover the cost of road construction which includes paving, drainage, shoulder stabilization and installation of the water supply system.

According to Sections 170-38 and 170-39 of the Henderson County Subdivision Ordinance, where the required improvements have not been completed or in lieu of completing all of the required improvements in order to submit a Final Plat and also prior to Final Plat approval, the developer may post a performance guarantee for the improvements. Section 170-38 of the Henderson County Subdivision Ordinance also states that the installation of the improvements must be completed within two years of the date of approval of the improvement guarantee. The developer intends to post with the County an irrevocable letter of credit in the amount of at least \$110,604.00 to cover the cost of the improvements (\$88,483.00) as well as the required twenty-five percent (25%) contingency (\$22,121.00). The proposed completion date for the improvements is December 30, 2007.

A draft Performance Guarantee Agreement was attached to the agenda for the Board's consideration. If the application is approved, the developers must submit an irrevocable letter of credit in accordance with the terms of the Agreement. Once the County receives a letter of credit in proper form, the relevant parties must execute the Agreement.

If the Board is so inclined, the following motion was suggested:

I move that the Board of Commissioners find and conclude that the request for an improvement guarantee complies with the provisions of the Subdivision Ordinance and is approved.

Improvement Guarantee for Cobblestone Village

Mr. Brian Ely, owner and developer, submitted an improvement guarantee application for the Cobblestone Village major subdivision. Cobblestone Village was conditionally approved by the Planning Board on June 20, 2006. The improvement guarantee application was proposed to cover the cost of paving roads within a portion (Phase I) of Cobblestone Village.

According to Sections 170-38 and 170-39 of the Henderson County Subdivision Ordinance, where the required improvements have not been completed or in lieu of completing all of the required improvements in order to submit a Final Plat and also prior to Final Plat approval, the developer may post a performance guarantee for the improvements. Section 170-38 of the Henderson County Subdivision Ordinance also states that the installation of the improvements must be completed within two years of the date of approval of the improvement guarantee. The developer intends to post with the County an irrevocable letter of credit in the amount of at least \$138,635.00 to cover the cost of the improvements (\$110,908.00) as well as the required twenty-five percent (25%) contingency (\$27,727.00). The proposed completion date for the improvements is August 1, 2007.

A draft Performance Guarantee Agreement was attached to the agenda for the Board's consideration. If the application is approved, the developers must submit an irrevocable letter of credit in accordance with the terms of the Agreement. Once the County receives a letter of credit in proper form, the relevant parties must execute the Agreement.

If the Board is so inclined, the following motion was suggested:

I move that the Board of Commissioners find and conclude that the request for an improvement guarantee complies with the provisions of the Subdivision Ordinance and is approved.

Improvement Guarantee for Mountain Meadows

Mr. Jeff Donaldson, owner and developer, submitted an application for an improvement guarantee for Phase II of the Mountain Meadows major subdivision. Mountain Meadows is a 42-lot major subdivision located off of Oleta Road. On September 6, 2005 the Board of Commissioners approved an improvement guarantee application for Phase I of Mountain Meadows. Phase II was conditionally approved by the Planning Department on December 13, 2006. Mr. Donaldson had indicated that all improvements, except for the improvements to be bonded, would be completed before final plat approval. The improvement guarantee application was proposed to cover paving of the road with Phase II.

According to Sections 170-38 and 170-39 of the Henderson County Subdivision Ordinance, where the required improvements have not been completed or in lieu of completing all of the required improvements in order to submit a Final Plat and also prior to Final Plat approval, the developer may post a performance guarantee for the improvements. Section 170-38 of the Henderson County Subdivision Ordinances also states that the installation of the improvements must be completed within two years of the date of approval of the improvement guarantee. The developers intend to post with the County an irrevocable letter of credit in the amount of at least \$38,206.25 to cover the cost of the improvements (\$30,565.00) as well as the required twenty-five percent (25%) contingency (\$7,641.25). The proposed completion date for the improvements is July 1, 2007.

A draft Performance Guarantee Agreement was attached to the agenda for the Board's consideration. If the application is approved, the developers must submit an irrevocable letter of credit in accordance with the terms of the Agreement. Once the County receives a letter of credit in proper form, the relevant parties must execute the Agreement.

If the Board is so inclined, the following motion was suggested:

I move that the Board of Commissioners find and conclude that the request for an improvement guarantee complies with the provisions of the Subdivision Ordinance and be approved.

Improvement Guarantee for Shuey Knolls, Phase II

Henderson County Habitat for Humanity, owner and developer, submitted an application for a second improvement guarantee for Shuey Knolls. Shuey Knolls is a 103-lot major subdivision located off of U.S. Hwy 64 (Chimney Rock Road). The Board of Commissioners approved an application for an improvement guarantee for Phase I of Shuey Knolls on September 6, 2005. The improvement guarantee application was proposed to cover road construction which includes paving, drainage, shoulder stabilization and water system improvements in Phase II.

According to Sections 170-38 and 170-39 of the Henderson County Subdivision Ordinance, where the required improvements have not been completed or in lieu of completing all of the required improvements in order to submit a Final Plat and also prior to Final Plat approval, the developer may post a performance guarantee for the improvements. Section 170-38 of the Henderson County Subdivision Ordinances also states that the installation of the improvements must be completed within two years of the date of approval of the improvement guarantee. The developer intends to post with the County an irrevocable letter of credit in the amount of at least \$153,532.63 to cover the cost of the improvements (\$122,826.10) as well as the required twenty-five percent (25%) contingency (\$30,706.53). The proposed completion date for the improvements is June 30, 2007.

A draft Performance Guarantee Agreement was attached to the agenda for the Board's consideration. If the application is approved, the developers must submit an irrevocable letter of credit in accordance with the terms of the Agreement. Once the County receives a letter of credit in proper form, the relevant parties must execute the Agreement.

If the Board is so inclined, the following motion was suggested:

I move that the Board of Commissioners find and conclude that the request for an improvement guarantee complies with the provisions of the Subdivision Ordinance and is approved.

Pawnshop license renewal – Etowah Pawn Brokers, Inc.

Bruce Gosnell had applied, pursuant to §134-5 of the Henderson County Code, for a renewal of his license to conduct the business of pawnbroker with Henderson County. Mr. Gosnell had previously been granted this license. He had supplied the required documentation for such license, including the \$50.00 annual fee.

If the Board is so inclined, the following motion was suggested:

I move that the Board grant a renewal of pawnshop license to Bruce Gosnell, as applied for.

Approval of order from quasi-judicial hearing

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

BEFORE THE BOARD OF COMMISSIONERS
FILE NUMBER: SP-04-01-A1

IN THE MATTERS OF THE APPLICATIONS OF
CAMP RILEY, INC.,
Applicant,

to the

HENDERSON COUNTY BOARD OF COMMISSIONERS,
Permit Authority,

Regarding

LEONI'S MOUNTAIN LAKE HOMES.

The Henderson County Board of Commissioners held a quasi-judicial hearing on 4 December 2006, to consider the application SP-04-01-A1, for the amendment of a previously granted special use permit. This application was submitted by the property owner, Camp Riley, Inc. Having heard all of the evidence and arguments presented at the hearing, the Board of Commissioners makes the following findings of fact:

1. A quasi-judicial hearing was held by the Henderson County Board of Commissioners on the special use permit application SP-04-01-A1. All members of the Board of Commissioners were present and participated in this hearing. Commissioner Williams had served on the Henderson County Planning Board during the period in which it gave its recommendation on the proposed amendment, but did not actually participate in the matter at that level. Further, Commissioner Williams is able to make an impartial decision in this matter, and no party (as named below) or Commissioner objected to his participation in this hearing.
2. Notice of the quasi-judicial hearing, pursuant to the Henderson County Code, and the Rules of the Henderson County Board of Commissioners was duly and timely given. This notice included legal advertisement in *The Times-News* newspaper published 15 November 2006 and 22 November 2006,

notices sent by certified mail to the applicant and all adjacent property owners to the boundary of the subject property, and the posting of notice on the subject property.

3. At the commencement of this hearing, the Chairman stated that the Board recognized the applicant and the Henderson County Planning Department as parties to this hearing, and inquired whether any person or entity sought to become a party to this action. The following persons, who own adjoining parcels to the property in question, were made parties to this action: Brenda Coates and Don Garland.
4. The Chairman stated that the sole issue was the proposed amendment of the previously granted special use permit SP-04-01, and the sole change proposed by the amendment was allowing an additional method of solid waster disposal (public sewer service) for the developer to choose beyond that previously allowed under the special use permit.
5. Except as modified hereby, all findings and conclusions stated in the Order granting permit SP-04-01 remain as true, and are incorporated herein by reference.
6. Except as expressly modified hereby, all the terms and conditions of the Order granting permit SP-04-01 will remain in full force and effect after entry hereof.
7. The proposed amended special use, as granted below, satisfies all requirements for special uses under the Henderson County Code.
8. The Planning Department recommended and all other parties agreed that the amendment be granted, subject to the following additional conditions:

Plans and accompanying documentation, to ensure that the water and sewer systems proposed for the planned unit development have been designed by a professional engineer, and have been approved by the appropriate local and State agencies, shall be submitted as part of the application. Should the applicant provide a public sewer, the infrastructure to serve the development shall be bonded, in accordance with the Henderson County Subdivision Ordinance, prior to construction. Once public sewer is installed and/or bonded, the group septic option would no longer be available under the special use permit.

From the foregoing, the Board of Commissioners concludes as follows:

1. All parties were properly before the Board, and all evidence presented herein was under oath, and was not objected to by any party. All evidence relied upon in this Order was credible and reliable.
2. The Board of Commissioners has jurisdiction to hear this matter.
3. All parties, and all persons entitled to notice, have been given proper notice of this hearing and afforded the right to be heard.
4. The application for amendment of the special use permit meets all the standards of the Ordinance, subject to the conditions set forth below, and the application for the amended special use permit should be granted, subject to the conditions set forth below.

IT IS THEREFORE ORDERED by the Henderson County Board of Commissioners that Henderson County special use permit amendment application number SP-04-01-A1 is hereby granted, subject only to the following conditions:

1. Applicant will be allowed to employ public sewer service as an additional method of solid waster disposal for the developer to choose beyond that previously allowed under the previously granted special use permit SP-04-01.
2. Plans and accompanying documentation, to ensure that the water and sewer systems proposed for the planned unit development have been designed by a professional engineer, and have been approved by the appropriate local and state agencies, shall be submitted as part of the application. Should the applicant provide a public sewer, the infrastructure to serve the development shall be bonded, in accordance with the Henderson County Subdivision Ordinance, prior to construction. Once public sewer is installed and/or bonded, the group septic option is no longer allowed under special use permit SP-04-01.
3. Except as expressly modified hereby, all the terms and conditions of the Order granting permit SP-04-01 will remain in full force and effect after entry hereof.

Announced 4 December 2006, and approved in final form, this the 2nd day of January, 2007.

THE HENDERSON COUNTY BOARD OF COMMISSIONERS

By: _____
William L. Moyer, Chairman

Attest:

Elizabeth W. Corn, Clerk to the Board of Commissioners

ACCEPTANCE BY THE APPLICANT

I, _____, do hereby on behalf of Camp Riley, Inc.,
acknowledge:

- (1) the receipt of this order on behalf of Camp Riley, Inc., the owner of the property which is the subject of this Order;
- (2) that nothing may be done pursuant to this Order except in accordance with all of its conditions and requirements; and,
- (3) that this restriction is and shall remain binding on Camp Riley, Inc., and its successors in interest.

This the day of January, 2007.

On Behalf of Camp Riley, Inc.

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

I, _____, Notary Public for said County and State, certify that _____, who is the _____ of Camp Riley, Inc., personally came before me this day and acknowledged the due execution of foregoing instrument on behalf of Camp Riley, Inc.

THIS the day of January, 2007.

Notary Public

My Commission Expires:

Appointment of Legislative Liaison to the NCACC

The North Carolina Association of County Commissioners requested that all 100 counties appoint one county commissioner as its Legislative Liaison. Each county's Legislative Liaison would serve as a conduit of information between the Association and the Board.

Responsibilities will include:

- Ensuring other county commissioners are aware of legislative developments concerning issues of importance to counties
- Placing items of statewide importance on county Board of Commissioners agendas to generate discussion and elevate public awareness
- Providing a local voice that local media can rely upon for information on legislative issues
- Setting up or making sure regular meetings with local legislators are taking place
- Providing feedback to the county's Association District Director on what local legislators, fellow Board members, other officials and the general public are saying about bills and issues, and what issues are elevated in the county.

If the Board is so inclined, the following motion was suggested:

I move that Commissioner Messer be designated as the Legislative Liaison to the NCACC.

NCACC Safety and Wellness Grant

A copy of the NCACC Safety and Wellness Grant Application was attached as part of the agenda. This new program was being offered by the NCACC for the risk management pools, offering startup funds for safety and wellness programs. There was no County match required for the grant.

The application specifically targeted fleet maintenance and defensive driving for county employees. The goal of the program was to enhance employee driving abilities, decrease claims, and introduce automated tracking measures with respect to fleet maintenance.

If the Board is so inclined, the following motion was suggested:

I move that the Board support and approve the submission of the Safety and Wellness Grant Application to the NCACC.

NOMINATIONS

Notification of Vacancies

The Board was notified of the following vacancies which will appear for nominations on the next agenda:

1. EMS Quality Management Committee – 1 vac.
2. Hospital Corporation Board of Directors – 1 vac.
3. Senior Volunteer Services Advisory Council – 1 vac.

Chairman Moyer explained that these items will be listed for nominations on the next Board agenda.

Nominations

Chairman Moyer reminded the Board of the following vacancies and opened the floor to nominations:

1. Child Fatality Prevention Team – 1 vac.

There were no nominations at this time so this item was rolled to the next meeting.

2. Community Child Protection Team – 1 vac.

There were no nominations at this time so this item was rolled to the next meeting.

3. Henderson County Planning Board – 1 vac.

There were no nominations at this time so this item was rolled to the next meeting.

4. Henderson County Zoning Board of Adjustment – 2 vac.

There were no nominations at this time so this item was rolled to the next meeting.

5. Hendersonville City Board of Adjustment – 1 vac.

There were no nominations at this time so this item was rolled to the next meeting.

6. Juvenile Crime Prevention Council – 4 vac.

There were no nominations at this time so this item was rolled to the next meeting.

7. Planning for Older Adults Block Grant Advisory Committee – 3 vac.

There were no nominations at this time so this item was rolled to the next meeting.

APPOINTMENT OF COMMISSIONER REPRESENTATIVES

Commissioner Representatives were presented as follows:

Agriculture Advisory Board	Mark Williams
Apple Country Greenway Commission	Chuck McGrady
Asheville Regional Airport Authority Board	Chuck McGrady
Cane Creek Water and Sewer District Advisory Committee	Charlie Messer
Criminal Justice Partnership Program	Charlie Messer
Community Child Protection Team	Chuck McGrady
Downtown Hendersonville, Inc.	Chuck McGrady
Environmental Advisory Committee	Chuck McGrady
Fire and Rescue Advisory Committee	Bill Moyer – Charlie Messer
French Broad River MPO – Transportation Adv. Committee	Bill Moyer – Chuck McGrady
Governmental Financing Corporation	Bill Moyer – Charlie Messer
Henderson County Board of Health	Larry Young
Henderson County Planning Board	Mark Williams
Henderson County Transportation Advisory Committee	Chuck McGrady
Hospital Corporation Board of Directors	Bill Moyer
Joint School Facilities	Bill Moyer – Larry Young
Juvenile Crime Prevention Council	Mark Williams
Land-of-Sky Regional Council	Bill Moyer – Chuck McGrady
Library Board of Trustees	Larry Young
Local Emergency Planning Committee	Bill Moyer
Local Government Committee of Cooperative Action	Bill Moyer – Mark Williams
Metropolitan Sewerage District of Buncombe County	Mark Williams
Mud Creek District Ad. Council/Water and Sewer Ad. Council	Bill Moyer

Recreation Advisory Board
 Solid Waste Advisory Committee
 Travel & Tourism Committee
 Western Highlands Local Management Entity

Charlie Messer
 Chuck McGrady
 Larry Young
 Charlie Messer

Commissioner McGrady made the motion to accept the appointments as presented by Chairman Moyer for commissioner representation. All voted in favor and the motion carried.

DISCUSSION ITEMS

Cost Effective School Construction Alternatives

Chairman Moyer stated the Board of Commissioners and representatives of the School Board were having discussions to try to resolve the two key issues between the two boards; the size of the schools and cost of construction. The Board of Commissioners were concerned if they were doing due diligence to the public in regards to ways the schools could be built cheaper, yet effectively without cutting the quality of the classrooms. The School Board had made arrangements for the Board of Commissioners to tour a number of schools. The Board of Commissioners and the School Board are both committed to getting the schools built as soon as possible.

County Manager Steve Wyatt informed the Board that representatives from Mosley Architects would be making a presentation. Mr. Wyatt called Dan Mace, Vice President of Mosley Architects to the podium.

Mr. Mace expressed the appreciation of Mosley Architects for being given the opportunity to come before the Board and discuss their firm and school issues. Mosley Architects has been in business since 1969 and has grown steadily. Currently they rank 30th largest in the country in Architectural Engineering Firms. They only serve North Carolina, South Carolina and Virginia. They rank 11th in the country in terms of Leed Accredited Professionals; architects which are trained to design energy efficient buildings and they rank 9th in the country; in the top 20 (K12) Design Firms. In the last 10 years they have designed and bid over 93 Elementary School Projects, 41 Middle School Projects and 49 High School Projects.

Mr. Mace introduced the team from Mosley Architects. Tom Hughes had over 2 years experience exclusively designing schools. He is a Registered Educational Facility Planner and would be the principal person in charge of the projects. Jimmy Wilhide would be the project manager and project architect.

What makes cost effective school design and construction today?

- Cost efficient design and construction & prototypes
- Analysis of up-front cost versus life-cycle cost
- Quality educational environments that support learning
- Energy efficient maintenance and operation
- Delivery of quality facilities on budget and schedule

Some of the points used for a cost effective school construction project.

- Planning provided for a compact design that offers a positive learning environment
- Use of sensible materials and construction methodologies
- Sensible construction with repetition for efficiency
- Good contractor participation to drive competition
- Reputable firm such as Moseley Architects with good construction documents

Major Issues in Elementary School Design

Security

- Designation of main entrance clearly in design to channel parents and visitors to the proper destination

- Main office at entrance for observation and supervision
- Use of “second vestibule doors” to funnel all parents and visitors to the main office for check-in

Cluster high traffic areas around Main Entrance

- Front office, guidance areas, nurse, social support, and conference areas

Community focus of major spaces for off-hours use

- Supervised entry to cafeteria, gymnasium and library/media center
- Ability to cordon off classroom areas and separate facility into control areas

Organization

- Keep PK, K close to administrative
- Group grade levels PK-1, 2-3, 4-5
- Main Street services for Music, Art and Library
- Music near stage for access/use
- Library physical and spiritual center of the school

Systems

- Integrated systems for building design to maximize efficiency, operations and maintenance, and life cycle costs

Technology

- Technology rich environments that combine seamlessly with classroom and instructional environments

District Issues

- Maximize building program efficiency
- Keep design economical – good design related to community
- Construction types based on current economic trends
- Maintain quality roofing systems and mechanical systems
- Owner participation in selection of materials and systems
- Appropriate scale of elementary school design
- Accommodate the educational curriculum and program
- Community involvement and use of schools – front door
- Good educational environment design
- Technology-rich environments
- Safety, security and control
- Separation of pedestrian and vehicular traffic
- Support the learning environment

Studies have shown that day lighting improves student performance and that student’s progress 20-26% faster on reading and math test over a course of one year. There are demonstrated positive achievement results directly attributed to the introduction of natural daylight into the instructional environment.

Using energy efficient systems will produce energy savings from mechanical systems and water consumption, building operations and maintenance costs, and control systems will offset any initial investments and over the long term will allow for more dollars to be dedicated to educational and instructional need.

Discussion Followed.

Request for expansion of sewer services to Kenmure property

Chairman Moyer stated that this item was approved by the Board approximately 1 month prior. This is the latest Phase of Kenmure and goes across Pinnacle Mountain Road. When the County sent their approval to the City, the City raised the issue that it was a different drainage basin. This issue was discussed before and basically the County has an agreement that they don't approve any sewer that is outside our drainage basin. The city responded that if the County approved this expansion the agreement would have to be amended and talk about possibly amending the urban services of district boundary.

Gary Davis, Engineer for H. Lee King, President of Kenmure Enterprises Inc., distributed a map to the board and stated that Kenmure is located in the Mud Creek Sanitary Boundaries and is approximately a 1400 acre development consisting of approximately 700 homes. Kenmure is currently being served by the city for sewer and water. Mr. Davis pointed out on the map the proposed area they were requesting to expand, including 70 acres and 70 home sites, in the boundaries of the Mud Creek Sanitary District. This area will require a pump to pump over the hill to an existing station located within the Kenmure Properties which is currently oversized for the boundaries.

Chairman Moyer explained that requested here was approval of the Board to authorize Staff as to how to proceed with amending the Urban Services Boundary District if necessary and to enter into negotiations and agreement with the City to resolve this issue.

Chairman Moyer made the motion that the Board authorizes staff to take action necessary to expand the urban services area. A vote was taken and passed 4-1 with Commissioner McGrady voting nay.

Break

A five minute break was taken in order to change video tapes.

Blue Ridge Community College Issues

Chairman Moyer called the Chairman Joe Spearman and the Vice-Chairman Mary Ann Engel of BRCC Board of Trustees to the podium.

Joe Spearman thanked the Commissioners for the invitation to the meeting to answer any questions that the Commissioners had regarding BRCC use of County funds; its athletic program and salary supplement for the President. Chief Financial Officer David Whitson and Mary Ann Engel provided financial records for the athletic program and Lee Mulligan shared the salary supplement information.

Mary Ann Engel understood that the areas of concern with the Board of Commissioners dealt with figures for local funding.

David Whitson stated that no County Funds were needed or used to build the Baseball Field. It was constructed with Private Funds in 2002. The facility belongs to Henderson County and is open to use by community groups. County Funds were used for maintenance of the field in the same way that public schools maintain their athletic facilities and in accordance with State Statutes.

The expenditures of County Funds for Maintenance of the baseball field 2002-2006 were as follows:

Category	Expenditures (4 – year)	Insurance Reimbursement	Net Expenditures
Baseball Field Signs	\$ 618.95		\$ 618.95
Benches	\$ 899.48		\$ 899.48
Dugout Repair/Maintenance	\$ 8,874.22	\$ 7,641.41	\$ 1,232.81
Fence Repair	\$ 11,392.65	\$ 7,637.65	\$ 3,755.00
Field Maintenance	\$ 13,737.40	\$	\$ 13,737.40
Landscaping	\$ 2,343.71	\$	\$ 2,343.71
Portable Toilet	\$ 2,389.01	\$	\$ 2,389.01

Scoreboard Installation	\$ 9,817.79	\$	\$ 9,817.79
Sidewalk Construction (ADA)	\$ 4,800.00	\$	\$ 4,800.00
Vehicle Maintenance	\$ 1,901.45	\$	\$ 1,901.45
Equipment Maintenance	\$ 879.90	\$	\$ 879.90
Cell Phone	\$ 2,373.39	\$	\$ 2,373.39
Security	\$ 1,168.75	\$	\$ 1,168.75
TOTALS	\$ 61,196.70	\$	\$ 45,917.64

Volleyball Expenses FY 2004-2006

Cell phone	\$1076.40
Security	<u>\$ 675.00</u>
TOTAL	\$1751.40

County Responsibility – North Carolina General Statutes – Support for Community Colleges

§ 115D-32 Local financial support of institutions

- (a) **The tax-levying authority of each institution shall be responsible for providing, in accordance with the provisions of G.S. 115D-33 or 115D-34, as appropriate, adequate funds to meet the financial needs of the institutions for the following budget items:**
- (1) Plant Fund: Acquisition of land; erection of all building; alterations and additions to buildings; purchase of automobiles, buses, trucks, and other motor vehicles; purchase or rental of all equipment necessary for the maintenance of buildings and grounds and operation of plants; and purchase of all furniture and equipment not provided for administrative and instructional purposes.
- (2) Current expenses:
- (a) Plant operation and maintenance:
1. Salaries of janitors, maids, **watchmen**, maintenance and repair employees.
 2. Cost of fuel, water, power, and **telephone services**.
 3. Cost of janitorial supplies and materials.
 4. Cost of operation of motor vehicles.
 5. **Cost of maintenance and repairs of buildings and grounds.**
 6. Maintenance and replacement of furniture and equipment provided from local funds.
 7. Maintenance of plant heating, electrical, and plumbing equipment.
 8. **Maintenance of all other equipment, including motor vehicles, provided by local funds.**
 9. Rental of land and buildings.
 10. **Any other expenses necessary for plant operation and maintenance.**
- (b) **The Board of Trustees of each institution may apply local public funds provided in accordance with G.S. 115D-33(a), as appropriate, or private funds, or both, to the supplementation of items of the current expense budget financed from State funds, provided a budget is submitted in accordance with G.S. 115D-54.**

President's Salary Supplement

BRCC Board of Trustee member Lee Mulligan spoke in regards to the President's Salary Supplement.

- Henderson County has been paying a salary supplement for BRCC's President since 1979
 - Started when Dr. William Killian was President
 - Continued when Dr. David W. Sink, Jr. was hired
- 56 of the 58 Community Colleges in North Carolina have additional supplements for their Community College Presidents
 - 55 Community Colleges receive supplements from their supporting counties.

○ One institution provides its supplement from a private foundation
Each year the BRCC President's salary supplement is clearly identified in the budget details provided to the County Manager as "Executive Management Salary or Salaries and Salary Supplements".

This information was provided as part of BRCC's annual budget request to the County Commissioners for their review and discussion.

Dr. Sink has received this supplement every year since 1987.

There had been no attempts at any time on the part of BRCC to disguise or conceal this practice.

Dr. Sink's compensation is commensurate with his experience and record of success and service.

- 30 years of experience in the North Carolina Community College System
- BRCC has been ranked "Superior" for the past six years by the NC Community College System – one of only two colleges to receive this distinction
- BRCC's continuing education program in Work Force Development and Life-long Learning is first in the State in the ratio of continuing education students to curriculum students
- Dr. Sink's salary is comparable to other institutions the same size as BRCC in North Carolina

Salary Supplements are essential because State funds for the salaries of Community College Presidents are limited. Local funds are essential to attract qualified senior leaders for community colleges.

Chairman Moyer stated the Board of Commissioners was interested in discussion of the resolution adopted by the State Board; the synopsis of finds, position of community college and where the issues are going from this point.

Kenyan Briggs of the State Board will be working with David Whitson to try to find an agreeable understanding as to what if any State Funds were used for salaries or coaches. The Trustees have always maintained if any funds were used inappropriately they are more than willing to replace those funds to the proper area. There is no policy in the General Statutes from the State Board or anywhere else regarding athletics in the community college system and thus why there is a problem with the interpretation. There are no guidelines or rules of how coaches should be paid; what sources or funding, or if they can be fulltime faculty members or not.

With respect to County funds Chairman Moyer stated in his opinion that every year during budget time the Board of Commissioners is assured that no County monies were going into the athletic program. He questioned what the Community College was proposing back to the Board in regards to this issue.

Chairman Moyer determined that the Board of Commissioners would take the information collected, study it, and place it back on the Agenda for the next meeting.

Communication Center Improvement Proposal

Chairman Moyer stated that the Board was considering the Communication Centers as part of the Sheriff's Office or another location.

County Manager Steve Wyatt emphasized that the Board of Commissioners, himself, and the Sheriff had been looking at improving the Communications Center and its operations. They would like to see a systematic approach taken when looking at the equipment, personnel, operations, protocol, and the facility in a way to elevate them to a state of the art, number one 911 Center in the State of North Carolina. They have discussed finding someone with the credentials to come in and do assessments, studies, and improvement plans. Steve Allen, President of Solutions for Local Government had submitted a proposal to the Board.

Sheriff Davis stated that he would address the Board with periodic reports in order to address their concerns. He reminded the Board that the County Manager was implementing zero based and performance based budgeting. He requested postponement of this item for at least one year so that his office could verify the numbers provided to the Board by the sheriff's office were accurate.

County Manager Steve Wyatt supported Sheriff Rick Davis's decision to postpone for one year to further study what was needed.

Chairman Moyer ascertained that the Board was agreeable with the Sheriff to come up with an appropriate time schedule and list of task, etc. to move this project along when they feel it is ready.

Henderson County Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2006

Carey McLelland presented the Board with the Comprehensive Annual Financial Report for fiscal year ended June 30, 2006. The Board and Financial Director discussed General Fund Activity, Capital Projects, General Fund Balance Position, Debt Position, fiscal highlights, and the audit results. Mr. McLelland noted there would be a significant accounting change in the next couple of fiscal years.

General Fund Revenues

- Revenues and Transfers total \$97.1 Million
- Increase of 10.2% over FY 2005
- Leading Sources of Revenue
 1. Property Taxes (48.7%)
 2. Sales Taxes (21.2%)
 3. Intergovernmental (16.5%)

Property Taxes

- FY 2006 Total Assessed Value - \$9.1 Billion
- Increase of 3.2% over FY 2005 Total Value
- 97.1% of First Year Tax Levy Collected
- Continues to be one of the Top 1st Year Tax Collection Rates in the State

General Fund Expenditures

- Expenditures and Transfers totaled \$92 Million
- Increase of 7.2% over FY 2005
- Leading Expenditure Categories include:
 - ❖ Public Safety (20.2%)
 - ❖ Human Services (30.7%)
 - ❖ Education (22.4%)

County Manager Steve Wyatt stated that human services are larger than education because of restricted intergovernmental revenues. If this were based on county tax dollars alone it would be reversed and education would be larger than human services.

Expenditure for Public Schools = 26.3% of General Fund

\$24.2 Million General Fund Dollars for Schools

- Current Expense \$16.9 Million
- Capital \$ 1.6 Million
- Debt Service \$ 5.7 Million
- Ranked 25th out of 100 counties in total resources per student (4th in WNC)
- Current expense funding per student ranked 27th (4th in WNC)

Capital Project Expenditures

- \$10.3 Million in School Capital Projects

- Dana Elementary - \$8.4 Million
- Sugarloaf Road Elementary - \$1.9 Million
- \$8.6 Million – Human Services Building
- \$1.4 Million – New Animal Shelter
- \$992,000 – Historic Courthouse Project
- \$888,000 – Mills River Sewer Project
- \$365,000 – BRCC Technology Building

Fund Balance Position

- Total General Fund Balance = \$21.3 Million
- Increase of \$5.0 Million over FY 2005
- \$12.9 Million unreserved as of 6/30/06
- 14.02% of FY 2006 General Fund Expenditures
- Appropriated fund balance of \$515,000 for the FY 2007 budget

Unreserved Fund Balance as a percentage of General Fund Expenditures

FY 2002-03 10%

FY 2003-04 just under 10%

FY 2004-05 12%

FY 2005-06 14%

- Surpasses 8% Local Government Commission Recommended Minimum in Unreserved
- Surpasses Board of Commissioners Goal of 12% in Unreserved General Fund Balance
- Fund Balance growing and remains sound

Debt Position

- Outstanding Debt @ 6/30/06 \$107.1 Million
- Debt Evidenced By
 - Bonds \$ 6.7 Million
 - COPs and Installment Financing Contracts \$100.4 Million
- \$41.6 Million in New Debt Issued For County, School, and Community College Projects in June 2006

Debt Levels

- Actual outstanding debt = 1.17% of total assessed value for FY 2006 (3.0% debt policy maximum)
- Actual debt service payments = 9.20% of General Fund Expenditures for FY 2006 (15.0% debt policy maximum)

Subsequent Year Debt

- Board to review and prioritize Strategic Plan and Capital Improvement Plan Projects in January 2007 that may have debt issuance implications for FY 2008
- Possibility of issuing General Obligation Bonds for elementary school projects with project costs yet to be determined

2006 Fiscal Highlights

- Financing for Historic Courthouse Rehab, BRCC Technology Education Bldg and new Sugarloaf Road Elementary School projects completed
- Received bond rating increase to AA- from Standard & Poors
- Unreserved General Fund Balance surpasses Board of Commissioner's minimum 12 percent goal

Positive Audit Results

- All financial records, related data and minutes requested by auditor made available
- No disagreements with management

- No significant audit adjustments
- Auditor encountered no difficulties in performing the audit
- No Single Audit Findings or Questioned Costs on Federal and State grant programs
- “Unqualified Audit Opinion” (BEST)
- LGC had reviewed and approved audit report

J. Roger Gregg, CPA for Gregg & Company, P.A. stated that the audit report was excellent. The County’s financial health was superior. All of the compliance testing related to the stewardship of federal funds was spotless and he reported that the County continues to head in the right direction financially. They have undertaken a review of the internal accounting system with respect to the EMS Department in an attempt to understand how the accounting controls are functioning and additionally with a view toward looking at the efficiency of how the operation is being conducted with existing personnel. They recommend that consideration be given to hiring an additional person for timely processing of transactions and follow-up.

Other Post Employment Benefits (OPEB)

- Governmental Accounting Standards Board (GASB) Statement #45
- Health and Dental insurance coverage liability for all current and retired employees must be recorded in FY 2009
- Actuarial valuation completed currently estimates liability at \$11 million
- Future Funding – pension trust fund or “pay-as-you-go”

Chairman Moyer requested the County Manager and Staff to investigate ways to correct the back-log of billing for EMS and bring the information back to the Board.

Blue Ribbon Committee on Illegal Immigration

Steve Wyatt stated that after discussion with Staff and Board the Committee should be made up of eleven (11) members. At least five members should be citizens at large. An additional minimum of five members should be selected from the following various boards or agencies:

- Board of Social Services
- Board of Public Health
- Board of Public Education
- Blue Ridge Community College Board of Trustees
- Local Law Enforcement
- Pisgah Legal Services
- Faith Community
- Business Community
- Agriculture
- Latino/Hispanic Advocate
- Hospital(s)
- Senator Dole’s office
- Red Cross
- Rescue Mission
- Salvation Army
- Municipalities
- Chamber of Commerce

The final member may be a citizen at large or an agency representative, at the Board’s discretion.

Chairman Moyer made the motion that the Board proceed to request interested citizens to submit applications and place this Committee on Nominations at the February 5th meeting. All voted in favor and the motion carried.

UPDATE ON PENDING ISSUES

Mental Health Update

Steve Wyatt informed the Board that PSC, the Pharmacy Assist Program, had determined there was no demand at this time for their services in Henderson County.

Access of medical records of the former New Vista's Mountain Laurel clients had been established. Mr. Wyatt recommended that everyone get their records to their new provider. There still will be access but it will be much more difficult if they wait until a later date.

STAFF REPORTS

County Attorney's Report

Russell Burrell reported that the closing on the Club House Property had been completed.

County Manager's Report

Steve Wyatt reported that the Edneyville EMS had opened January 1, 2007 at 8:00 a.m. He also reported that the Budget in Brief, 2006 Report to Citizens was printed for review.

IMPORTANT DATES

Alternative date for March 5th meeting

Chairman Moyer made the motion that the Board cancel the mid-August meeting for 2007. All voted in favor and the motion carried.

Chairman Moyer made the motion that the Board reschedule the Monday, March 5 meeting to Monday, March 12, 2007. All voted in favor and the motion carried.

Schedule NCDOT Secondary Road Public Hearing

Chairman Moyer suggested that the Board look at the available dates for NCDOT Public Hearing on Secondary Roads which takes approximately one hour and choose the best date.

Land Development Code

County Manager Steve Wyatt suggested that the Board choose a day to look at the LDC and give feedback before workshops.

CANE CREEK WATER & SEWER DISTRICT – no business

CLOSED SESSION

Commissioner McGrady made the motion for the Board to go into closed session as allowed pursuant to NCGS 143-318.11 for the following reasons:

1. *(a)(6) To consider the performance and conditions of appointment of individual public officers or employees. All voted in favor and the motion carried.*

Commissioner McGrady Made the motion for the Board to go out of closed session. All voted in favor and the motion carried.

ADJOURN

Commissioner McGrady made the motion to adjourn. All voted in favor and the motion carried.

Attest:

Terry Wilson, Deputy Clerk to the Board

William L. Moyer, Chairman