

## **DRAFT MINUTES**

### **STATE OF NORTH CAROLINA COUNTY OF HENDERSON**

**BOARD OF COMMISSIONERS  
OCTOBER 15, 2008**

The Henderson County Board of Commissioners met for a regularly scheduled meeting at 9:00 a.m. in the Commissioners' Meeting Room of the Historic Courthouse on Main Street, Hendersonville.

Those present were: Chairman Bill Moyer, Commissioner Larry Young, Commissioner Chuck McGrady, Commissioner Mark Williams, Vice Chairman Charlie Messer, 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 Teresa Wilson, Research/Budget Analyst Amy Brantley, Engineering and Facility Services Director Marcus Jones, Health Director Tom Bridges, Associate County Attorney Sarah Zambon, DSS Director Liston Smith, Tax Assessor Stan Duncan, Tax Collector Terry Lyda, Delinquent Tax Collector Lee King, Sergeant Ben McKay, Captain of Patrol Tim Griffin, Sheriff Rick Davis, Animal Services Director Brad Rayfield, IT Director Becky Snyder, Library Director Bill Snyder, Register of Deeds Nedra Moles, Planner Hope Bleecker, Recreation Director Tim Hopkin, Planner Matt Cable, Code Enforcement Director Toby Linville, Risk Manager Yvonne Moebs, and Communications Officer Pam Brice.

### **CALL TO ORDER/WELCOME**

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

### **PLEDGE OF ALLEGIANCE**

Joey Radesi from the Discovery Team 4-H Club led the Pledge of Allegiance to the American Flag.

### **INVOCATION**

County Manager Steve Wyatt gave the invocation.

### **RECOGNITION OF FRANK BONNER SCHOLARSHIP WINNER – YVONNE MOEBS**

Chairman Moyer recognized Risk Manager Yvonne Moebs. On behalf of the Board he congratulated Ms. Moebs as the winner of the 2008 Frank Bonner Scholarship award. It is a \$2500 scholarship award to finance attendance at the Public Risk Management Association Institute, which is an extensive program focused on public entity risk management.

County Manager Steve Wyatt said it was a pleasure to recognize one of our own who is simply outstanding not only in Henderson County but is now being recognized throughout the state of North Carolina as someone who is really making a difference and setting an example for other counties. We all know the challenges that are involved with insurance, property liability, casualty, workers compensation, employee benefits and Henderson County has taken that challenge to a very high level.

Risk Manager Yvonne Moebs thanked the Board and stated she was honored to receive the award. Ms. Moebs felt that she would be a sponge when she arrived in San Antonio on Saturday and would attend class beginning on Monday morning. This class would enhance the policies and procedures that Henderson County currently has and implement new procedures that would help even more.

### **NEW EQUIPMENT**

County Manager Steve Wyatt asked Terry Layne and his assistant to come forward to give an example of one of the innovative items that the County has done in the worker's compensation area and to service the Henderson County citizens. Mr. Layne demonstrated a hydraulic stretcher, which is a very expensive piece of equipment. He explained that it was a power-lift stretcher and capable of lifting 700 pounds. Prior to purchase of the stretcher personnel had to bend over and lift patients up and place them into the ambulance.

DATE APPROVED \_\_\_\_\_

Besides the ambulance the stretcher is the most used piece of equipment. In the past there have been injuries due to the lifting, and the hydraulic stretcher should reduce dramatically the numbers of injuries that occur.

County Manager Steve Wyatt agreed that the stretchers were very expensive but that one (1) worker comp injury being avoided would pay for all seven (7) of the stretchers.

### **INFORMAL PUBLIC COMMENTS**

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

1. Ken Hahn – Mr. Hahn was present on behalf of the Henderson County senior softball league. Mr. Hahn shared information about the league. He was concerned that as of July they were being charged for use of the fields at Jackson Park. Since July the league had paid out \$400 for use of the fields and he was afraid that this league would disappear or move somewhere else if the charges continued. He requested that the Board look at waiving the charge and allow use of the fields on a first come, first serve basis. Mr. Hahn gave a copy of a petition to the Clerk.

### **DISCUSSION/ADJUSTMENT OF AGENDA**

Chairman Moyer requested the addition of item G – CDBG Waiver of Loan Provisions, and item H – Redistricting.

There were no further additions to the agenda.

*Commissioner McGrady made the motion to approve the agenda with the additions as requested. All voted in favor and the motion carried.*

### **CONSENT AGENDA**

Chairman Moyer requested that the August 12 minutes be pulled for corrections.

*Commissioner McGrady made the motion to approve the consent agenda minus the August 12 minutes. All voted in favor and the motion carried.*

The consent agenda consisted of the following:

#### **Minutes**

Draft minutes were presented for the Board's review and approval of the following meeting(s):

- September 2, 2008 – Regularly Scheduled Meeting
- September 17, 2008 – Regularly Scheduled Meeting
- September 23, 2008 – Special Called Meeting

#### **Tax Collector's Report**

Terry F. Lyda, Tax Collector, had provided the tax report dated October 3, 2008, for the Board's information and consent approval.

#### **Tax Releases**

A list of 49 tax release requests was presented for the Board of Commissioners review and approval.

Suggested Motion:

*I move the Board approves the Tax Release Report as presented.*

#### **Approval of FY 2010-2011 Henderson County Work First Biennium Plan**

In accordance with the state biennial planning schedule, Henderson County Department of Social Services has prepared a recommended Work First Block Grant Plan for FY 2010-2011. The state requests the plan be submitted on or before October 31, 2008.

Henderson County's Work First Planning Committee has worked on and reviewed the plan. The Board of Social Services will formally review the plan at their meeting on October 21, 2008 prior to the plan being submitted to the state. The FY 2010-2011 plan presents no fiscal impact to the county.

Requested is: (1) Certification of the Board of Commission's majority approval of the plan; and, (2) Chairman's signature.

Suggested Motion:

*I move the Board approve the FY 2010-2011 Work First Biennium Plan and authorize the Chairman to execute the required documentation.*

#### **Policy Revision – Henderson County Facility Use Policy**

The Facility Use Policy provided contained revisions that clarify the use requirement of the Board of Commissioners meeting room with the Historic Courthouse. It was intended that the room be available only with approval by the Board of Commissioners and the revision reflects this requirement. A copy of the Facility Use Policy is attached hereto and incorporated as a part of the minutes.

Suggested Motion:

*I move the Board approves the revised Facility Use Policy dated October 15, 2008.*

#### **Quarterly Schools Maintenance Report**

The Public Schools Quarterly Maintenance Report for September 2008 was presented for the Board's information and consent approval.

#### **Surplus Equipment**

Provided for the Board's consideration is a resolution (Exhibit A) declaring the attached list (Exhibit B) of equipment no longer used by the County as surplus property. The equipment consists of eight (8) roll-off containers that were used to collect and transport waste and recycling. The containers listed are not serviceable and will be included in Solid Waste's scrap metal operations to generate revenue.

Suggested Motion:

*I move that the Board approves the provided resolution declaring the list of equipment presented as surplus and authorizes Staff to include the containers in the scrap metal operations to generate revenue.*

Exhibit A

#### **RESOLUTION DECLARING PERSONAL PROPERTY AS SURPLUS AND AUTHORIZING THE SALE OF SURPLUS PROPERTY AS SCRAP METAL**

**WHEREAS**, Henderson County owns equipment itemized on the attached Exhibit B, hereinafter referred to as "surplus property", that is either obsolete or no longer needed for any governmental use by the County; and

**WHEREAS**, the Henderson County Board of Commissioners is desirous of declaring the equipment as surplus and selling them as scrap metal within Solid Waste's scrap metal operations,

**NOW THEREFORE BE IT RESOLVED**, by the Henderson County Board of Commissioners as follows:

1. The equipment itemized on the attached Exhibit B is hereby declared to be surplus property.

2. The Solid Waste Manager is authorized to include the equipment itemized on the attached Exhibit B in Solid Waste's scrap metal operations to generate revenue.

THIS the 15<sup>th</sup> day October, 2008.

HENDERSON COUNTY BOARD OF COMMISSIONERS

BY: \_\_\_\_\_  
William L. Moyer, Chairman

ATTEST:

\_\_\_\_\_  
Elizabeth W. Corn, Clerk to the Board

[OFFICIAL SEAL]

Exhibit B

List of Surplus Equipment (Roll-Off Containers)

<u>Roll –Off Container</u>	<u>Asset Number</u>	<u>Make</u>	<u>Serial</u>
1	11070	Baker	9578
2	6680	Galbreath	R2278-1
3	No tag	No label	none
4	10556	No label	none
5	No tag	WM	none
6	6808	Galbreath	none
7	5101	Baker	none
8	5102	Baker	none

**Surplus Vehicles**

Attached for the Board's consideration is a resolution (Exhibit A) declaring the attached list (Exhibit B) of vehicles no longer used by the County as surplus property. The resolution also authorizes staff to advertise the surplus vehicles for sale by electronic public auction at [www.govdeals.com](http://www.govdeals.com) after the required advertisement of the sale.

Suggested Motion:

*I move that the Board approves the provided resolution declaring the list of vehicles presented as surplus and authorizes Staff to sell the surplus vehicles via electronic public auction using GovDeals auction services.*

Exhibit A

**RESOLUTION DECLARING PERSONAL PROPERTY AS SURPLUS  
AND AUTHORIZING THE SALE OF SURPLUS PROPERTY  
BY ELECTRONIC PUBLIC AUCTION**

**WHEREAS**, Henderson County owns vehicles itemized on the attached Exhibit B, hereinafter referred to as "surplus property", that is either obsolete or no longer needed for any governmental use by the County; and

**WHEREAS**, the Henderson County Board of Commissioners is desirous of declaring the vehicles as surplus and selling at a public auction as authorized by NCGS 160A-270; and

**WHEREAS**, it is the intent of the County to sell said surplus vehicles by electronic public auction at [www.govdeals.com](http://www.govdeals.com).

**NOW THEREFORE BE IT RESOLVED**, by the Henderson County Board of Commissioners as follows:

3. The vehicles itemized on the attached Exhibit B is hereby declared to be surplus property.
4. The Finance Director is hereby authorized to sell by electronic auction at [www.govdeals.com](http://www.govdeals.com) the surplus property described above to the highest bidder.
5. All surplus property will be sold "as is", all sales final, cash, certified check or money order only. Henderson County makes no express or implied warranties of merchantability of any surplus property, or part thereof, or its fitness for any particular purpose regardless of any oral statements that may be made concerning the surplus property or any part thereof.
6. A notice summarizing this Resolution and the sale of the surplus property by electronic public auction shall be advertised by the Finance Director on the County's website at [www.hendersoncountync.org](http://www.hendersoncountync.org) at least ten (10) days prior to the public auction.

**THIS** the 15<sup>th</sup> day October, 2008.

HENDERSON COUNTY BOARD OF COMMISSIONERS

BY: \_\_\_\_\_  
William L. Moyer, Chairman

ATTEST:

\_\_\_\_\_  
Elizabeth W. Corn, Clerk to the Board

[OFFICIAL SEAL]

Exhibit B

List of Surplus Vehicles

<u>Year / Make / Model</u>	<u>VIN #</u>	<u>County Asset #</u>
2001 Chevrolet Impala	2GIWF55K519221903	11259
2001 Chevrolet Impala	2G1WF55K119219498	11257
1999 Ford Crown Victoria	2FAFP71W1XX139217	10966
1985 White-Volvo Road Tractor	1WVYOCJF3FNO74061	none
1991 International Eagle Road Tractor	2H5FBG3R1MC048605	10757
1978 International Loadstar [Firetruck]	00532GHB28511	10558
1996 Ford F250 4WD	2FTHF26H2TCA06728	5939
1978 Anchor Road Trailer	Serial # 900340	4800
1981 Great Dane Box Trailer (731w45)	serial # 1grac9029cs025804	none
1978 Trailermobile (034A-1CAV)	serial # t65242	none
1978 Trailermobile (034A-1CAV)	serial # t65177	none
1978 Trailermobile (034A-1CAV)	serial # t65406	none
Caterpillar 826C Campactor	serial # 87x01500	none

1969 Military Generator / Trailer	serial # 10247	none
1953 Military Fruehauf Trailer (xm105-e3)	serial # av280403	none

### **Traffic Equipment Grant**

The Henderson County Sheriff's Office requests that the Henderson County Board of Commissioners approves the provided grant contract resolution which will provide traffic enforcement equipment (six radar units) 100% funding on an equipment grant awarded to Sheriff Davis for being a Law Enforcement Liaison in Region 10 of the Governors Highway Safety Program. A copy of the resolution is attached hereto and incorporated as a part of the minutes.

#### **Suggested Motion:**

*I move that the Board approves the grant contract resolution and authorize Sheriff Rick Davis to proceed with the approved equipment grant.*

### **Heavy equipment Grant**

During 2008, the General Assembly eliminated "heavy equipment" held for "short-term lease or rental" from the definition of taxable property for the purpose of the ad valorem business personal property tax (Session Law 2008-144). In lieu of such tax, the General Assembly has permitted local governments to enact a "gross receipts tax" on the actual rental income generated from the short-term lease or rental of such heavy equipment. Such tax may be levied by counties at the rate of one and two-tenths percent (1.2%) of the gross receipts from such short-term lease or rental. A copy of the resolution is attached hereto and incorporated as a part of the minutes.

A draft resolution was provided for the enactment of such a tax for Henderson County, to replace the revenue lost by the elimination of such property from subjection to the ad valorem business personal property tax.

#### **Suggested Motion:**

*I move that the Board adopts the resolution enacting the heavy equipment gross rental receipts tax.*

### **Chapter 200A, Land Development Code, Flood Damage Prevention Regulations State Requested Text Modification**

Text Amendment #TX-2008-02, which was initiated by Henderson County Planning Staff on April 2, 2008, requested that the County adopt the finalized Flood Insurance Rate Maps (FIRMs) and make the necessary associated amendments to the flood damage prevention regulations of Chapter 200A, Land Development Code. The Board approved Text Amendment #TX-2008-02 at its meeting on Monday, July 7, 2008. This action was required for Henderson County in order to maintain its status in the National Flood Insurance Program (NFIP).

The approved text amendments to the LDC were reviewed by the North Carolina Floodplain Management Branch prior to the July 7, 2008 meeting in order to ensure compliance with the State Model Flood Damage Prevention Ordinance and consistency with the new FIRMs. On July 15, 2008, Staff provided official copies of the approved text of Chapter 200A, Land Development Code to the NC Floodplain Management Branch for its final review and approval. The NC Floodplain Management Branch is requesting additional text modifications, which are technical in nature, to the flood damage prevention regulations of Chapter 200A, Land Development Code to ensure compliance with the State and Federal Emergency Management Agency (FEMA). The following modifications were requested by the State of North Carolina:

1. §200A-203.6 A.(1) (Floodway and Nonencroachment Area): Removal of "or" at end of the line consistent with the originally adopted Flood Damage Prevention Ordinance.
2. §§200A-200 (Statutory Authorization, Findings of Fact, Purpose and Objectives) and 202 (Administration): Cross referencing should be corrected to read §200A-336 (Variances (Flood Damage Prevention)) instead of §200A-338 (Variances (Flood Damage Prevention)).

3. §200A-359 (Definitions): To the definition of “Structure (Flood Damage Prevention)” add the following: “a walled and roofed building, a manufactured home, or a gas, liquid, or liquefied gas storage tank that is principally above ground.”

Suggested Motion:

*I move that the Board approves the State of North Carolina Floodplain Management Branch requested text modifications to ensure compliance with the State of North Carolina and FEMA and further move that this approval is consistent with the recommendations of the Henderson County 2020 Comprehensive Plan.*

#### **Petitions for addition to State Road system**

It has been the practice of this Board to accept road petitions and forward them to NC Department of Transportation for their review. It has also been the practice of the Board not to ask NCDOT to change the priority for roads on the paving priority list. Recommended approval was requested of the following petitions:

1. Duncan Estate Drive
2. Part of Kanuga Forest Drive

Suggested Motion:

*I move that the Board approves the petitions and forwards them to NCDOT for action.*

#### **NOMINATIONS**

##### **Nominations**

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

##### **1. Community Child Protection Team (CCPT) – 1 vac.**

Chairman Moyer requested that Sheriff Davis provide a name for position #6 – local law enforcement by the next meeting. There were no nominations at this time so this item was rolled to the next meeting.

##### **2. EMS Quality Management Committee – 1 vac.**

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

##### **3. Environmental Advisory Committee – 1 vac.**

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

##### **4. Hendersonville City Zoning Board of Adjustment – 1 vac.**

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

##### **5. Historic Resources Commission – 1 vac.**

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

##### **6. Home and Community Care Block Grant Advisory Committee – 1 vac.**

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

##### **7. Juvenile Crime Prevention Council – 9 vac.**

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

##### **8. Senior Volunteer Services Advisory Council – 1 vac.**

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

#### **ECONOMIC ISSUES**

## Why?

### ► Vulnerabilities

#### ■ Sales Tax

► \$19,917,491 budgeted for FY 08-09

#### ► Reduction Impacts

- - 1 % = \$ 199,175
- - 2.5 % = \$ 497,937
- - 5 % = \$ 995,875
- - 7.5 % = \$1,493,812
- - 10 % = \$1,991,749



## Why?

### ► Additional sales tax impacts

- Sales tax revenues that will be received as a result of the agreement between the County and the Fire Districts

► \$1,975,826 budgeted for FY 08-09

#### ► Reduction Impacts

- - 1 % = \$ 19,758
- - 2.5 % = \$ 49,396
- - 5 % = \$ 98,791
- - 7.5 % = \$ 148,187
- - 10 % = \$ 197,583





## Why?

### ► Vulnerabilities

#### ■ Property Tax

- \$57,720,432 budgeted for FY 08-09
- Budgeted amount assumes a 97% collection rate

#### ► Reduction Impacts

- - 1 % ( 96% collection) = \$ 577,204
- - 2.5 % (94.5% collection) = \$1,443,011
- - 5 % ( 92% collection) = \$2,886,022
- - 7.5 % (89.5% collection) = \$4,329,032
- - 10 % ( 87% collection) = \$5,772,043

## Why?

### ► Vulnerabilities

#### ■ Sales and Services

- \$7,895,956 budgeted for FY 08-09

#### ► Reduction Impacts

- - 1 % = \$ 78,960
- - 2.5 % = \$ 197,399
- - 5 % = \$ 394,798
- - 7.5 % = \$ 592,197
- - 10 % = \$ 789,596

## Why?

### ► Vulnerabilities

#### ■ Landfill User Fees

► \$4,621,300 budgeted for FY 08-09

#### ► Reduction Impacts

- - 1 % = \$ 46,213
- - 2.5 % = \$ 115,533
- - 5 % = \$ 231,065
- - 7.5 % = \$ 346,598
- - 10 % = \$ 462,130

## FY 08-09 Revised Budget \$117,844,811

\$117,844,811

- \$20,202,024

\$97,642,787

Revised Budget

Restricted Intergovernmental Revenues

Remaining Revenues

General Government	Minus Debt Service	=
\$61,347,355	\$3,975,331	\$57,372,024

Public Schools	Minus Debt Service	=
\$32,221,789	\$9,760,528	\$22,461,261

BRCC	Minus Debt Service	=
\$4,073,643	\$1,668,510	\$2,405,133

TOTAL	\$15,404,369	\$82,238,418
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Due to recent events affecting economic issues in the county and the nation, the Board is requested to discuss local economic and budget concerns, how the economic climate affects facility issues, and economic development.

Chairman Moyer stated that the agenda item is economic issues with subcategories economic and budget concerns, facility issues, and economic development matters. He made some introductory comments that rolled all three of together because he felt it was hard to separate them and then he would turn it over to Steve. There will be a little presentation to give you some background information on where we stand with respect to our revenue issues. Obviously with what is transpiring in the economy, this has certainly been our concern. There was concern last year regarding the economy when we did our budget and we did not raise taxes to cover the debt service for Mills River and Hillandale Elementary schools and the final phase of Dana Elementary. Money was taken from the Fund Balance to pay the school debt service and other items rather than to impose any additional taxes on the citizens. We were hopeful that this year would be better it appears it will be even worse. Chairman Moyer does not think the State situation is clear yet, and he doesn't believe we're going to be honestly told what it is until after the election. Unfortunately from the county standpoint when things are not good at the state level, they often pass the responsibilities and the cost and the burden back down to the counties and tell us to deal with it. He feels that we are going to have to be prepared to do that. We also know that we are facing a very difficult budget year coming up with the debt service for the schools and other matters. Chairman Moyer thought it was prudent to send a memo to the County Manager and to the Commissioners suggesting at this meeting that we look at an across the board 5% reduction in our county budgets, that we look at a hiring freeze, and we look at drastic restrictions in travel and training and capital projects for the remainder of the year until we see how things shape up in the next couple of months. We've had a number of these discussions at our most recent meetings with respect to facilities issues. We've been trying for years to consolidate the Sheriff's operation into one place and get more efficient in some of our various departments, and relieve some of the overcrowding in the courthouse on Grove Street. All of these will involve money and some of them a very substantial amount of money. Chairman Moyer proposes that we basically put them all on hold for four to six months until we see what happens to the economy and what shakes out at the state and federal level after the election, and when we see what's happening to the stock market and the economy. The third piece is the impact that the economic times are having on our restaurants, our merchants, and that eventually will effect how much sales tax revenue we get in our county. We certainly are as a Board aware that the citizens are probably going to have less money to spend for the holidays. Chairman Moyer recommends to the Board that we put \$15,000 up and start a "dine Henderson County/shop Henderson County" campaign; that we try to enlist the LGCCA through our meeting with the Mayors cooperation from all of the communities, all of the municipalities and the Chamber. He has already talked with the Chamber and they are certainly on board. We need to get a pool of money, and he feels we really have to start now to try to get our citizens to shop locally, support our local restaurants and our local stores. It also will help our suppliers. He feels the economy is certainly going to be the most significant issue that we will be facing over the next couple of months. You have to let money drive where your programs and everything are going to be, but when you're looking at the economic situation we are facing we have to be realistic and take that into consideration. When we had good times a few years back we did save money and put it away and thank goodness we did. You can contrast that to the Federal Government that spent money during good times and now they are in critical shape with respect to the deficits. We must keep our County on a very solid footing. We've got to be sure our financial foundation is solid, and we've got to be sure that if we do need to raise money that we have a good credit rating, that we're recognized by the rating agencies and our banks as being in good shape. Chairman Moyer feels that it is critical that we take the steps to keep and make sure that our County stays very strong economically through this period. Having said that though, we also have an obligation to help our people in times of need and obviously these are situations that are going to put additional burden on the Sheriff's Department, the Department of Social Services, and the Health Department. We have to be prepared to deal with that and when we look at where we cut our budget and how we move forward, he feels we certainly will be mindful of the needs of the citizens as to how we address these issues. Chairman Moyer knew that Steve had been working on this and he turned it over to him. He felt Steve could explain where he stands and then the Board would discuss these issues and see where the Board wanted to go.

**Economic and Budget Concerns - Facility Issues**

Steve Wyatt stated that Chairman Moyer's comments are fair, accurate. He apologized for not having the visual presentation. Mr. Wyatt has learned to always have a manual backup and referred to the copy given out earlier in the meeting. You know why are we having this conversation, Bill mentioned the State, specifically Governor Easley has ordered state agencies to cut 2% of their budgets as an interim measure looking at the economy. Of course this won't be an issue that he has to deal with much longer but he did that about 30 days ago. Mr. Wyatt shared the information which causes the county concern because he feels as Bill referred to it all goes down hill and we don't have any further to go than here. When the Governor made his announcement that sent him to discuss with some of our folks about the need to start working on a contingency plan. There is a history here of the State taking away County resources and that is a possibility. So we have vulnerabilities from the State level and we also have vulnerabilities economically. If you look at the first vulnerability that would concern you it is based on two things, the States ability to take away money but also the economy and our sales tax. He stated that we made some hard decisions and took a hard stand on this issue back during the previous budget cycle. We actually trimmed that figure down, looking down the road and seeing not too rosy of a picture by doing a trend analysis that reduced during the last few weeks of our budget preparation about 10% off of our sales tax projections. This lead Mr. Wyatt to a point, with sales tax based on life as we foresee it today, we are in pretty good shape. Based on the budget amount we are not projecting to realize what we did last year. Mr. Wyatt has been sharing the totals as they come in and it runs about two or two and a half months behind. We would not have made sales tax budget last year...we would have been close but we would have been just short had the State not implemented the ad valorem method two months early; that actually put us over. He feels we have been living right. The State had said they won't do it, they will do it in July but they did it two months earlier so we actually netted out a little bit over budget there. Again, we would not have based on just purely sales which is economic impact. So we've budgeted about \$19.9 in the coming year. What is the impact of the current economy, or the psychology that is out there in the market place? Here are some scenarios just ran down. A 1% impact negative of course would work the other way also but we're talking negative impact. That gives you a range of figures. Additional sales taxes are on the next page issue. We have an inter-governmental agreement with the fire departments, and the fire districts bring in about \$2 million dollars which is no small amount of money but again a correlation on the reductions the reduced of impacts which gives you a range. Property tax...a lot of talk in the community; Mr. Wyatt has had several citizens approach him about property values, their home values or business values. It is a more complex issue, in the long term that could really be an issue. Hopefully the situation will be alleviated but prior to that happening what is the shorter term or more immediate impact...it could well be that if not this year perhaps in the coming year that collection rate is affected prior to any impact on actual values. Mr. Wyatt stated that no county or city that I know of is real confident about growth for the next year's budget in property values; more concern is time and values will probably moderate in the longer term but collections might be an issue. So we've simply run some scenarios there to give you some ideas about the potential impacts of collections. We budget 97%...if it's off a percent you can see that's \$577,000 and it runs on down the line. We have \$7.9 roughly million budgeted in sales and service fees...again we've run some scenarios to give you some ideas of dollars there. Collections for EMS billings or other Governmental fees are certainly things that could be impacted. Landfill fees, finally, another large item, about \$4.6 million...that is an enterprise fund that is funded solely by user fees there and that gives you again the same similar type range. The next page shows you the fiscal year budget that we're in...\$117,844,811...those of you in the audience that's the total budget however, we have to walk you through scenarios that show that a lot of that money is not in our control. There are restricted inter-governmental revenues that have to be spent for specific purposes and that's about \$20 million dollars that takes that figure down to \$97 million roughly. We've broken that down into general government...schools...then you've got debt service. Those are existing obligations for debt that are in the budget. When you look at the non-debt service general operational budget for just County Government, it leaves you with about \$57.4 million dollars roughly. You can see how those are broken down there. So for the essence of this discussion let me wrap up with say in anticipation of this Board item we have implemented a temporary hiring freeze. We've got about a half a dozen vacant positions that he is aware of that have been frozen at this time. As always we continue to look at operational efficiencies. We have to

make decisions with incomplete information. Mr. Wyatt feels that the Chairman alluded to the fact that perhaps in the next couple of months the picture will clear. We will probably know more but it still may be a very cloudy picture. We do not have our audit complete from last year. He is confident, based on preliminary discussions, that due to the good work of a lot of these folks that are here that the County departments under spent and the issue of being able to replenish the fund balance is certainly there. He did not have a number that he could share and hoped to have it either in December or January; again that picture clearing up. The question he would ask or propose is where is the Board's comfort level? Each one of us processes the information that we are bombarded with every day based on the economic situation. When you turn on the television or radio or look at the newspaper you hear about two things; you hear about the election and the economy. We all process information and that information is changing daily so we ask you to think about where is your comfort level? Mr. Wyatt asked if the Board was confident that we are about where we need to be and this is something that we need to monitor...continue to monitor as we do or is it no, we think we're to close and we need to look at perhaps paring back some amount to set aside. Those are the issues that the Board will need to work their way through.

Chairman Moyer asked where Mr. Wyatt stood with respect to the 5% reduction in looking at the departments.

Steve Wyatt stated at this point and time based on the projections which he thought were fairly accurate, he questioned 5% of what number (\$57 million out of general Governmental operations). It was his understanding that the schools and the community college are not to be affected but that's a question the Board would have to answer; 5% of what number. Obviously the restricted inter-governmental revenues are not something that is available. We have our debt service schedule that is pretty much bonds and C.O.P's, he did not know if there was a list in there for vehicles included in that amount. Selena Coffey answered there was not. This is current debt and obviously that takes the \$15 million. Mr. Wyatt questioned what is to be effected. If you looked at 5% of the \$57 million, you would be looking at roughly \$2.6 million dollars out of operational costs. Is that doable? We have had our staff, each department head has been asked to draft a plan. We received those plans he believes we're in the process of reviewing those plans. It appears that all but a couple, perhaps two or three departments, were able to come up with the number. However, he said that he believed some of the ideas that have been broached about saving he felt would give you indigestion. Some of them he did not feel would be things that either he or frankly the citizens would support, or he did not believe the Commissioners would support. So we haven't gone into that detail. What his recommendation is at this time based on those revenue projections is that if the Board feels like that the margin is too narrow perhaps we could be instructed to come back with not a 5% reduction but a dollars perhaps a number in the one to two million dollar range and be instructed to put a list together of how we would achieve that and get that back to you to your review, because obviously you're going to want to have impact on those decisions if citizens services are going to be affected because your phone is going to ring. Again, two things...one – who's included because as that number gets smaller then the impact of any percentage cut obviously is magnified as we go down."

Chairman Moyer – "Questions for Steve on any of the numbers or the presentation? Just to recap I think where we are – there is a temporary hiring freeze except for emergency services I believe is what we did. I asked them to take a look at the various departments and make a recommendation with respect to proceeding. I think you heard him say, which I think is appropriate, anytime you have a cut it really is not practical to do it 5% across the Board, it should be done selectively. When you have a downed economy like this some departments are affected much more than others and some services are not as critical as others. Of course that can be in the eyes of the person looking at it; to me it certainly is a true statement. I personally feel that we should move forward and come up with a figure and say to Steve – we need a bigger cushion for what lies ahead and lets take a look at trying to come up with a reserve of...and I think a million to a million and a half reduction in expenses, and ask him to come back to us at our next meeting with a plan as to how we would save that money, and realistically save it...not phony games moving stuff around but realistic steps that would give us a cushion of a million to a million and a half by year end. That will give us four to five months to take a look at things, see what's happening, hopefully things will get better quickly. If they don't

we will have added to our cushion...if they do we shouldn't have to go any further and we can adjust the strings. Certainly from my standpoint, based on what we see now, I think we should take a step and I think growing a reserve of \$1 million to \$1.5 million is where we should go in addition to putting off all capital projects on hold until...four to six months."

Commissioner Williams – "I've done a little number crunching up here while we were talking about this...if you go the route of let's say a two and a half percent reduction of that adjusted figure, this is just on the general government, that's taking the total less the debt servicing and of course less any restricted inter-governmental revenues...two and a half percent would be basically \$1.4 million. That equates to a 1% reduction in sales tax revenue."

Chairman Moyer – "That's a good figure and that's a good way to look at it, other comments from Commissioners?"

Commissioner Williams – "I think that frankly we need to tighten up, speaking personally from a household standpoint as well as just a standpoint from being involved in business world, cuts are having to be made everywhere. I know my own household, we've adjusted our lifestyle. Not that the situation has really changed for us but just for the overall economy, the uncertainty, we think a lot more when we make an extra trip to the grocery store or wherever. I think we're all trying to be more conscientious about what we do. In the business world I've talked with multiple business owners and the practice has been pretty much as we are doing is a vacancy related to attrition or whatever the case may be more often than not there's been a freeze on hiring and also looking at other ways to cut back and to reduce expenses. Now that's going to have an affect too, there probably will be some lost jobs. There are a lot of fallout impacts there. I think that particularly from a County standpoint I don't know that I am a point where I want to start talking about County layoffs. I think that a hiring freeze at this point and time is an appropriate direction to take, particularly relying on attrition and taking the opportunity right now to tighten our belts and see some of the benefits. Yes, there will be sacrifices on the part of departments and it's going to be sacrifices in my household, it's going to be sacrifices in business. Times are tough and it's just one of those things we all kind of have to make those sacrifices to get through it."

Commissioner McGrady – "Mr. Chairman I'm supportive of the hiring freeze generally with exceptions as needed. I'm supportive of not going forward with any new capital projects of any sort. I'm supportive of planning for a cut and coming back with some specific recommendations where cuts can be made. I'm not supportive of just a...taking some number whatever it is and then saying to every County department that you are going to cut by this much. I think that departments are affected differently in times like these. Departments like the Health Department or the Department of Social Services... there is actually more demand when we have bad economic times than in other times. I think we need to reflect that in whatever decisions. We spent a lot of time back in May and June going through a budget in determining exactly how much money we were going to give for this program, that program, and this department and I think that if we decide we need to plan for a gap in our...between revenues and what our expenses are going to be which is what we need to do. We need to spend as much time looking back and figuring out exactly what is appropriately cut at this point and time. So I'm supportive Mr. Chairman, as I understand, what you're suggesting and that is giving direction to the County Manager to come back, assuming the number \$1.4 million or whatever you want to use...percentage of that at our next meeting with some specific recommendations after as he has getting input from all the different departments."

Chairman Moyer – "I think then I'll put the motion on the floor, it has several pieces, that we make permanent the hiring freeze except for emergency services and special situations judged by the County Manager and that we stop all capital projects moving forward except those that are in the final clean up stage until we take a look at that in four to six months, and that we ask the County Manager to come up with a plan, not across the board but selectively looking and appropriately looking at all departments, and take the steps necessary to build a reserve of \$1.4 million as a cushion and bring it back to the Board at the next meeting." If we wait until the end of the year we are not going to be able to build up any reserve. We have

to get started on it right away so it will be possible to look at staff's recommendations at the next meeting. He realizes this puts a real burden on Steve and Selena to evaluate what the effect will be on the various departments but it has to be done. Then we can come back at the next meeting and take a look at what they recommend and see where we go.

Commissioner Williams – "The harsh reality can be that by January we start looking at budgets for next year we may not be looking at 2.5 percent cuts, we may be looking at 5 or 10% cuts. It's a whole lot better to prepare ourselves in advance rather than waiting until we get into an emergency situation."

Commissioner McGrady – "I'm sure Mr. Chairman I know what you mean but...so that the public is aware when you are referring to all capital projects you are not including the school construction that is going on you're just talking about capital projects within the County's budget not the school board's budget."

Chairman Moyer – "Yes, capital projects within the County's budget but again I want the County Manager to come back to us because I am including vehicles – all vehicles in the Sheriff's Department, including all computers." He felt we need to take a look at everything. We've come up with a very aggressive schedule to be sure that we have the latest and best equipment. It is very important that we do this but we have right now an extraordinary situation which hopefully none of us see again in our life. We have to do our part and tighten up just like everybody else to get our costs down wherever we possibly can again without taking away emergency services.

Commissioner Young – "While we are not talking about the new schools as far as capital projects, I think it is a good time to put the school system on notice that we're not going to do any new capital projects for them or us either one until we know where we're going."

Chairman Moyer – "That's a good point Larry, I have met with Chairman Bazzle and told him that before they do get to far ahead in their thinking we needed to have a joint facilities meeting because there were some serious issues with respect to the economy. He said he was not ready for such a meeting yet but they would take a look at their plans and talk to us before they go to far with their planning."

Commissioner Williams – "You want to encourage the schools to take a look at their budgets. They may be in a position too, you know we're not imposing any cuts in their part but if some decisions could be made there to help this impact it would be appropriate."

Commissioner Young – We don't know exactly where we're headed in this so it could very well come down in next year's budget we're going to have to ask them to take a cut, if it comes to that. Also, I think another place we need to look is the fire departments; asking them to cut their budgets. They are part of the County departments also."

Chairman Moyer – "Yes I think we're going to have to be looking in every direction as things move forward. Hopefully things will get better but we've got to prepare to be sure that we stay in a very sound financial position all across the board. Any further discussion on the motion, all in favor of the motion say I? *All voted in favor and the motion passed.*"

### **Economic Development/Shop Henderson County**

Chairman Moyer noted that the last piece is the program to encouraging our citizens to dine in Henderson County restaurants and to shop in Henderson County stores. This has been tried in the past with some success. Mr. Moyer feels that this is going to be a critical year and it is important for the citizens to shop locally. The program will be led by the Chamber of Commerce and they will assist in raising additional money. The Chamber has contacted the newspaper and Times-News will help with advertising. The LGCCA would be meeting on October 16 and Chairman Moyer and Commissioner Williams would be discussing the program with mayors and try to get each municipality to assist in the program by putting

money in the pot. Henderson County would like to begin by placing \$15,000 in the pot to get the program going as soon as possible.

Commissioner Young reminded everything how important it was to push the 1/4% sales tax increase to be passed in the upcoming election so that money would be available to meet the budget.

Commissioner Williams asked what the focus of the program would be. Would it be spots on Channel 11 or ads in the newspaper?

Chairman Moyer stated that he had only spoken with Bob Williford preliminarily. There would be a lot of ads in the newspaper. He thought that the concept was that for every ad we purchase we get one free, but this was uncertain. They hope to find a similar agreement with the radio stations.

Commissioner Williams suggested publicizing to other surrounding counties the opportunity to dine and shop in Henderson County.

Chairman Moyer suggested beginning with \$15,000 and felt that it would be an appropriate recommendation of coming up with more in November if possible. He hoped that Hendersonville would put in \$15,000 and the other municipalities would come together with the rest for a total of \$50,000.

Commissioner Williams inquired what the dollars spent amount would have to be to equate to the \$15,000, to break even.

Chairman Moyer felt that if this could help keep one or two additional merchants in business it would be worth the investment.

Commissioner Messer, as a local merchant on the North end of the County, agreed and stated he had been preaching this a long time.

Commissioner Young expressed what a good system we had with the Travel & Tourism including the board and directors who promote travel and tourism which increases our sales taxes.

Chairman Moyer noted that Travel & Tourism are funded by the room tax and if the County begins to see a drop in room tax Travel & Tourism will have less money to promote the area as well.

*Chairman Moyer made the motion that the Board support, as economic development, a program to encourage shopping and dining in Henderson County, and that Henderson County put \$15,000 in the pot to start and ask the City of Hendersonville to match and other municipalities to contribute, and that we run the program through the Chamber and begin immediately, and if we have to come back and look at it again as to whether we've put enough in we would come back and take another look at the end of November. All voted in favor and the motion carried.*

**MAINTENANCE OF EFFORT FUND ALLOCATION/WESTERN HIGHLAND AREA  
AUTHORITY QUARTERLY FISCAL MONITORING REPORT (FMR) FOR THE PERIOD  
ENDED JUNE 30, 2008**

County Manager Steve Wyatt stated that several years back when the State reorganized its approach to mental health services, each county was required to maintain a level of funding in the new system. That system involved setting some population standards for regional efforts. Henderson County is in the Western Highlands region with seven (7) other counties in the vicinity north and south of Buncombe County.

Western Highlands is governed by a Board with two representatives from each county and a director; it is a local government entity under state law. The Counties are charged with maintaining that financial



commitment. We budget Maintenance of Effort, maintaining the same financial effort prior to the reorganization of mental health service delivery.

Henderson County has \$528,612 mandated for allocation for the provision of mental health services in the county for the period between November 1, 2008 and October 31, 2009. The Board of Commissioners at least annually looks at making investments in local private mental health providers or a lot of times non-profit mental health providers to ensure that there is a system of service delivery, because this system was taken away by the State's action. A formal process is completed where applications are made and generally the requests are higher than the dollar available. Arthur Carder, CEO for Western Highlands, is asked to take a look at the applications and bring back recommendations, discuss them with the Board, and answer any questions the Board may have in regards to the requests.

Chairman Moyer stated that since this process began it has been observed that there are many gaps where people are not receiving the service they need and Western Highlands works with the county trying to identify those areas; this is where the County tries to put the money to avoid the gaps. During these unusual times we must look at what might happen for the remainder of the year.

Arthur Carder acknowledged that with the hard times and economic issues we are all facing, unfortunately as this occurs, the need for their services increase; the money however does not increase. He suggested that the funding allocations be staged to the providers over a quarterly process rather than applying all the funds at one time. Currently the County issues Western Highlands a check which is placed in the bank and then sent out to the providers (which the providers must account for) in a lump sum.

Western Highlands LME has reviewed the Maintenance of Effort funding applications which were received by the county in September, and has recommended allocation at this time of \$510,000. Allocating this amount would leave \$18,612 in Maintenance of Effort funds to be allocated throughout the remaining fiscal year. Western Highlands LME's specific recommendations are:

#### Blue Ridge Community Health Services

The Blue Ridge Community Health Services has requested \$30,000 to expand their psychiatric services and anything we can do to get additional psychiatric care and services available to our consumers is critical. This is one of the hardest pieces to stabilize and support and bring into our area. They have been very active in working with our primary care partners and doing some integrated work around behavioral health.

Requested - \$30,000

Recommended - \$30,000

#### Henderson County Health Department

Henderson County Health Department requested \$60,103 primarily for counseling for maternity clients with mental health issues and some adolescent child oriented services. The assessment is that a large number of the consumers do go through this program and are probably eligible for some state funding or Medicaid and \$30,000 was suggested to fund the program and Mr. Carder also suggested that the Health Department work with Western Highlands to develop a contract to be able to draw down and get reimbursed for the services they deliver for some of these particular clients.

Request - \$60,103

Recommended - \$30,000

#### Mainstay

Mainstay is primarily a domestic violence supports service. Mr. Carder also suggested that Mainstay work with Western Highlands to develop a contract to look at additional services that could be billable through the Western Highlands system.

Requested - \$25,000

Recommended - \$25,000

Parkway Behavioral Health

Parkway Behavioral Health requested \$197,500 however Mr. Carder felt that a more detailed budget proposal of how the funds would be utilized is needed for both the County and Western Highlands. It would target dual diagnosis consumers; those people with mental health and substance abuse services and their adjudication of psychiatric services prior to those funds going out. They propose a lot of good services and it is a good model but the goal would be to get one thing accomplished at a time and build on it.

Requested - \$197,500

Recommended - \$100,000

Sixth Avenue Psychiatric Rehabilitation

The Sixth Avenue Psychiatric Rehabilitation (The Clubhouse) is a critical program to the community with no other alternative to them in terms of making sure of response to this particular population who are dependant upon stability and ongoing supports to maintain themselves in the community. They do a lot with the peer to peer training and the activities of the Clubhouse are respected throughout our entire eight (8) county area.

Request - \$200,000

Recommend - \$200,000

The Free Clinics

The Free Clinic operates two different kinds of programs; the psychiatric clinic and the community psychiatry clinic and offered two proposals, one for \$45,000 and the other for \$80,000. Mr. Carder suggested that both be funded at the full level requested.

Request - \$125,000

Recommended - \$125,000

Total Recommended Funding - \$510,000

Western Highlands also recommends that prior to approval, Parkway Behavioral Health submit a revised proposal focusing on Dual Diagnosis MH/SA consumers and support for Expanded Psychiatric Services. Additionally, Western Highlands recommends that Blue Ridge Community Health Services, the Department of Public Health and Mainstay Inc. work with the Western Highlands LME on contracts to move services into a billable process.

Discussion followed in regards to implementing a 10% reduction or reduction in funding to Parkway Behavioral Health and staging the payments as suggested by Mr. Carder. This would leave approximately \$60,000 in additional reserve for possible future emergencies.

*Chairman Moyer made the motion that the Board appropriates \$450,000 of Maintenance of Effort funds using the list recommended by Western Highland as a guide, and authorize the County Manager and Arthur Carder to work together to refine the list as discussed, stage the payments, and put the rest of the MOE Funds into a reserve to help these or other agencies later in the year in addition to the \$18,612 remaining. All voted in favor and the motion carried.*

**ENGINEER AGREEMENT WITH MCGILL & ASSOCIATES – FY09 STORMWATER MASTERPLAN – HENDERSON COUNTY ENGINEERING**

Marcus Jones stated as directed by the Board during the September 17, 2008 Board of Commissioners' meeting, Engineering staff has negotiated the proposed Engineer Agreement with McGill & Associates (which was provided) to perform the FY09 Stormwater Master Plan. Also during the September 17 meeting, McGill & Associates was selected as the most qualified firm to perform the Master Plan. In addition to the agreement with McGill & Associates, Lapsley & Associates will be working with them under a sub-agreement to perform portions of this project.

The Master Plan will inventory existing conditions within critical areas within the County, model stormwater, develop and prioritize improvements and develop a proposed Stormwater Ordinance for the

Land Development Code. The Stormwater Ordinance will create a delegated Stormwater Program from the State similar to the County's delegate Erosion Control program begun in October 2007. In turn, a County Stormwater Program would not be an additional expense to our community; it would simply move the Stormwater fees from the State to the County. The approved Clean Water Management Trust Fund Mini-Grant and local match will fund this Master Plan. A presentation was given which provided further information on Stormwater Management and a County delegated program.

The proposed agreement with McGill & Associates to perform the above scope of services is \$70,000. The scheduled completion of the study is March 2009 which will allow staff to incorporate proposed findings into the FY10 budget process. The funding for the Master Plan is from the approved Clean Water Management Trust Fund grant of \$50,000 and the local match of \$20,000 which is included in the FY09 budget.

### **Review of information presented to date**

Why do we need to manage stormwater and polluted runoff?

- Increases localized flooding
- #1 cause of water pollution in NC
- Increases cost for water treatment
- Harms wildlife

NCGA Session Law 2006-246 – On July 1, 2007, the Water Quality Section of NCDENR began managing stormwater in Henderson County.

- Will be managed out of Raleigh
- “Self imposed unfunded mandate”
- Permit fee is \$505

### **Options for Henderson County**

SWM Options for Henderson County

- “Do nothing option” with NCDENR managing the State SWM Program
- Develop a Delegated County Program
  - Similar to Erosion & Sediment Control
  - Partnership with Municipalities
  - Complimentary to E & SC

### **Clean Water Management Trust Fund**

NC Clean Water Management Trust Fund – Out of Cycle Grant Awarded to Henderson County for Stormwater Master Plan in June

- Model Stormwater in County
- Identify projects to help control existing flooding problems (CIP)
- Develop SWM Ordinance (Delegated Program)
- Local Grant Match in FY09 Budget

### **SWM Program Budget**

- Combine SWM with Erosion Control
- Stormwater Enterprise Fund
  - Revenues from permit fees offset expenses with retained earnings (self-supporting)
  - Retained earnings possible to fund Stormwater Capital Improvements to resolve existing flooding problems
- State program is funded by permit fees (fee currently paid to NCDENR)
- Estimated annual revenue
  - From State program, monthly permit rate is approximately 15 permits

- Annual permits estimated at 180 permits
- State permit fee is \$505
- Estimated annual revenue (180 permits x \$505) = \$90,900.00
- Estimated annual expenses added to Erosion Control's current budget
  - One additional staff if municipalities participate (salary & related): \$60,000
  - Other operating expenses: \$5,000
  - Total Operating Expense: \$65,000 with approximately \$25,000 in retained earnings
  - Vehicle & Equipment (start up cost only): \$30,000

### **Implementation of SWP**

- Fiscal Year 2009
  - Approve Agreement with Engineer
  - Model Stormwater
  - Develop Ordinance
  - Apply to State for Delegated Program
  - Estimate and Budget for Program Cost
- Fiscal Year 2010
  - Begin Program

### **Additional Considerations for County SWM**

- Not a new regulation / developer expense, currently a State program / expense
- Develop program to fit specific needs of County (not part of Statewide program)
- Efficient Regulation = Better Regulation for Applicants and Environment
  - One stop for Erosion Control & SWM
  - Quicker response: Local vs. Raleigh
  - Possibility for reduced permit fee
  - Efficiency Develops a cooperation not confrontation

Chairman Moyer stated that at economic times like this when launching new programs, you must take a hard look at them to see whether there are efficiencies, whether the efficiencies outweigh the cost, whether the burdens put on staff are fair, etc. We were moving into the possibility of having a delegated program for the county but we have never, as far as he is concerned, taken that step to authorize the County Manager to go ahead and see what grants were available or see what we could do if we wanted to move in that direction. When you go back over the minutes and look at various options that were laid out by Marcus Jones; no county program, further discussion, initiate a county program, it is evident that we wanted more discussion and further information but were still concerned with the cost and whether or not we wanted to go with a delegated program or just leave things with the state. Chairman Moyer's inclination was rather to launch another program is to put this off until the next budget year and wait to see what happens with the economy. It will continue to be studied to see what is appropriate.

County Manager Steve Wyatt stated that the concern he had was that we are getting ready to spend some real money for the Clean Water Management Trust Fund grant and take on a substantial amount of work. He questioned Marcus Jones as to whether there is value to moving forward if we are not going to do the stormwater delegated enforcement. There are some benefits but he was not convinced that it was worth moving forward at this time unless we are interested in keeping the train moving in that direction without slowing down. We are proud of the Sedimentation and Erosion Control program which gives the Board a track record of success in a similar type program. The Board needs to decide if we are still interested in pursuing the program and when.

County Engineer Marcus Jones responded that he felt that the economy triggers a reason to go forward with a delegated program. Without the delegated program the ordinance, he felt, was not something the county should pursue. The real “meat” to this grant is the ordinance for a delegated stormwater program.

Chairman Moyer is in favor of moving forward with a timeline of July 1, 2010 rather than taking the steps now and looking to launch a new program July 1, 2009.

Mr. Jones stated that the funds are in place from the clean water management trust fund grant and the local budgeted money to go ahead with this program with the modeling and the ordinance development. With that information developed we can go directly with starting a program or we can evaluate the situation at that time and hold off. The efficiencies that you have by having these two programs done together will provide the opportunity to do it more efficiently, less expensively than it is currently done with one at state level and one at local level.

Mr. Wyatt clarified that Sedimentation and Erosion Control is up and running and the administration of the stormwater program would be through the same administration. He feels that the Board is saying that they are still interested in the program but not willing to make a commitment. They would like to go ahead with the next stage and work out the details with a target date of July 1, 2010. This leaves the options open and gives you the ability to move forward.

Chairman Moyer questions the amount of county dollars that are in the budget this year for this program.

Mr. Jones responded \$20,000.

Chairman Moyer pointed out that he had been through these programs and he felt that stormwater management ordinance and control is far different than the sedimentation control. An ordinance could be one level but if you go full flow ordinance you are talking major; retention ponds and measuring runoff. This is a major engineering effort which can be very costly if not for us for the developers. These are not the two same things at all and talk about little deficiency in managing the two together, the cost is in the implementation of it, not just for us but for the developer.

Mr. Jones stated that this is already a state program; we are not looking at implementing a new program or new requirements or new expenses to our citizens. They are there and all that money for the permit fees is going to Raleigh.

Commissioner McGrady stated that this regulation is in place whether we want it or not. The question is whether we are going to handle the regulation or whether the state is. The hope is that the state is and it will be like the Soil and Sedimentation was and they are not really going to do anything. He has a suspicion that what is going to happen is it's going to slow down economic development that's occurring because you are going to have this state regulatory process which he feels that the county can handle more efficiently here. He did not feel that the Commissioners had ever made a decision to move forward specifically. The Board did make a decision to seek state funding and have received it. If we back away at this point he did not know that the mini grant (\$50,000) would be there a year from now. He was not significantly concerned with the July 1, 2010 implementation as opposed to July 1, 2009. Commissioner McGrady felt that the money was available and we probably need to take responsibility of this program, otherwise Raleigh would be regulating the program for Henderson County and not very efficiently. He was supportive of moving forward but not as soon as July 1, 2009. The purpose of mini grants is to look at plans.

Commissioner Messer felt that this was a difficult decision. It should be put off for a year and a half because of these economic times. We need to really evaluate the cost.

Commissioner Young questioned the cost of the program.

Mr. Jones stated that a preliminary budget was provided. The cost of the state permit fee is \$505 and by taking the monthly rate of permits the state does we estimated about \$90,000 in revenue. This program would require one new job for Henderson County at approximately \$60,000 including salary and benefits. The first year a vehicle would be necessary however Mr. Jones feels that the revenue would be over the expenses.

Commissioner Young was concerned that the funding would have to come out of the budget for the program. He felt that if business slowed down the income coming in from fees would not be adequate to cover the costs.

Marcus Jones stated that at this time enough fees are coming in to cover costs in Soil and Sedimentation; it is possible depending on the economy.

County Manager Steve Wyatt stated that inspections numbers are down and revenue numbers are down. This program pays for itself based on revenue and must be looked at on a monthly basis. If fees are not covering those costs, cuts must be made from the departments.

Chairman Moyer questioned if this item could be carried until the next meeting so that he could see records of permits by the state since July 1 and how the numbers have changed.

Marcus Jones stated that he was receiving a lot of pressure.

Commissioner McGrady stated that if the item were rolled to the 3 November meeting he would intervene with the trust fund. He felt that they would give the County a reprieve. The trust fund needs to allocate our money (\$50,000) as there are lots of people seeking money.

Commissioner Young was not ready to begin the program with the economic conditions as they are.

Commissioner McGrady stated that the developers were going to spend the money anyway but would be sending the money to Raleigh and we are going to get Raleigh based regulation. He felt it would be foolish not to plan to take responsibility for this program and do the planning that we need then and ultimately keep those fees and monies here with a locally based regulatory system. If we don't do that we still get the regulation but not out of Henderson County.

Chairman Moyer felt that the item should be put off until the first meeting in November so that the Board could take a more detailed look at the cost associated with the program, the permits, how they operate, what they will produce as far as revenues, and how we will manage this program before we make a final decision.

Commissioner Messer didn't want to be rushed into a decision without more information.

Chairman Moyer stated that the Board is not making the decision to go ahead with a delegated program. They are only making the decision to continue to look at the program, take a look at the ordinance, wait to see what happens with the economy for a year, and then make the decision whether to go with the program.

*Chairman Moyer made the motion that the Board take a look at the program the beginning of November and that staff make available information in regards to permits, costs, and how the program would be ran and then place it on the agenda for November 3, 2008 as a major discussion item.*

### ***BREAK***

A break was taken to change video tapes.

Chairman Moyer called the meeting back to order.

*Commissioner McGrady made the motion to go into public hearing in regards to the permanent closing of easement located on the Properties of David M. Bayless and Ronald G. Calvert. All voted in favor and the motion carried.*

**PUBLIC HEARING – Permanent Closing of Easement – Bayless/Calvert**

Property Addressing Coordinator Curtis Griffin stated that a request was made to close a public right of way or easement for David M. Bayless and Ronald G. Calvert properties outside of Great Druid Hills. North Carolina General Statute 153A-241 requires that a public hearing be held for the permanent closing of a public road or easement. The public hearing was set September 2, 2008 for the purpose of closing easements on the properties of David M. Bayless and Ronald G. Calvert, Hendersonville, North Carolina.

AN ORDER CLOSING ALL EASEMENTS ON THE PROPERTY'S OF DAVID M. BAYLESS AND RONALD G. CALVERT, PARCEL IDENTIFICATION NUMBERS 9660216856, 9660214602 AND 9660212452

WHEREAS, the Henderson County Board of Commissioners on September 2, 2008 adopted a resolution of intent to consider closing the easements located on the property;

WHEREAS, the Henderson County Board of Commissioners proposed to hold a public hearing on the closing of easement on the above property owners;

NOW, THEREFORE BE IT RESOLVED by the Henderson County Board of Commissioners hereby adopts this order pursuant to North Carolina G.S. 153A-241, permanently closing the easements located on the properties of David M. Bayless and Ronald G. Calvert which shall be shown on a plat to be provided by the party requesting the easement closure.

BE IT FURTHER RESOLVED that said plat shall be recorded by the requesting party, with the Henderson County registrar, upon approval by the County.

This the 15<sup>th</sup> day of October 2008.

**Public Input**

There was none.

*Commissioner Messer made the motion that the Board to approves closure of the easements and certify Orders of Closures. All voted in favor and the motion carried.*

*Commissioner McGrady made the motion that the Board go out of public hearing.*

*Commissioner Messer made the motion to go into public hearing in regards to the permanent closing of easement located on the Property of David L. Bayless. All voted in favor and the motion carried.*

**PUBLIC HEARING – Permanent Closing of Easement – Bayless**

Property Addressing Coordinator Curtis Griffin stated that a request was made to close a public right of way or easement for David L. Bayless outside of Great Druid Hills. North Carolina General Statute 153A-241 requires that a public hearing be held for the permanent closing of a public road or easement. The public hearing was set September 2, 2008 for the purpose of closing easements on the properties of David L. Bayless, Hendersonville, North Carolina.

AN ORDER CLOSING ALL EASEMENTS ON THE PROPERTIES OF DAVID L. BAYLESS PARCEL IDENTIFICATION NUMBER'S 9660218492 AND 9660218255

WHEREAS, the Henderson County Board of Commissioners on September 2, 2008 adopted a resolution of intent to consider closing the easements located on the properties of David L. Bayless parcel identification

numbers 9660218492 and 9660218255 and a public hearing thereon was held October 15, 2008; and

WHEREAS, the closing of easements on the properties of David L. Bayless would not be contrary to the public interest; and no individual owning property in the vicinity of the easements would be deprived of reasonable means of egress to his or her property by the closing of said easements.

NOW, THEREFORE BE IT RESOLVED by the Henderson County Board of Commissioners hereby adopts this order pursuant to North Carolina G.S. 153A-241, permanently closing the easements located on the properties of David L. Bayless, which shall be shown on a plat to be provided by the party requesting the easement closure.

BE IT FURTHER RESOLVED that said plat shall be recorded by the requesting party, with the Henderson County registrar, upon approval by the County.

This the 15th day of October 2008.

#### **Public Input**

There was none.

*Commissioner Young made the motion that the Board to approves closure of the easements and certify Orders of Closures. All voted in favor and the motion carried.*

*Commissioner McGrady made the motion to go out of public hearing. He further moved that the Board go into public hearing with respect to the permanent closing of easement located on the Properties of James E. Schultz, Debra L. Kaufman and Lynn S. Gosnell. All voted in favor and the motion carried.*

#### **PUBLIC HEARING – Permanent Closing of Easement – Schultz/Kaufman/Gosnell**

Property Addressing Coordinator Curtis Griffin stated that a request was made to close a public right of way or easement for James E. Schultz, Debra L. Kaufman and Lynn S. Gosnell outside of Great Druid Hills. North Carolina General Statute 153A-241 requires that a public hearing be held for the permanent closing of a public road or easement. The public hearing was set September 2, 2008 for the purpose of closing easements on the properties of James E. Schultz, Debra L. Kaufman and Lynn S. Gosnell, Hendersonville, North Carolina.

AN ORDER CLOSING ALL EASEMENTS ON THE PROPERTIES OF JAMES E. SCHULTZ, DEBRA L. KAUFMAN, AND LYNN S. GOSNELL, PARCEL IDENTIFICATION NUMBER'S 9660216510, 9660214336 AND 9660215386

WHEREAS, the Henderson County Board of Commissioners on September 2, 2008 adopted a resolution of intent to consider closing the easements located on the properties of James E. Schultz, Debra L. Kaufman and Lynn S. Gosnell, parcel identification numbers 9660216510, 9660214336, and 9660215386 and a public hearing thereon was held October 15, 2008; and

WHEREAS, the closing of easements on the properties of James E. Schultz, Debra L. Kaufman and Lynn S. Gosnell would not be contrary to the public interest; and no individual owning property in the vicinity of the easements would be deprived of reasonable means of egress to his or her property by the closing of said easements.

NOW, THEREFORE BE IT RESOLVED by the Henderson County Board of Commissioners hereby adopts this order pursuant to North Carolina G.S. 153A-241, permanently closing the easements located on the properties of James E. Schultz, Debra L. Kaufman and Lynn S. Gosnell, which shall be shown on a plat to be provided by the party requesting the easement closure.



BE IT FURTHER RESOLVED that said plat shall be recorded by the requesting party, with the Henderson County registrar, upon approval by the County.

This the 15<sup>th</sup> day of October 2008.

**Public Input**

There was none.

*Commissioner Williams made the motion that the Board to approves closure of the easements and certify Orders of Closures. All voted in favor and the motion carried.*

*Commissioner McGrady made the motion to go out of public hearing. All voted in favor and the motion carried.*

*Commissioner McGrady made the motion that the Board go into public hearing to consider economic development incentives for Leisure Craft Inc. All voted in favor and the motion carried.*

**PUBLIC HEARING – Economic Development Incentives – Leisure Craft**

County Attorney Russ Burrell stated that notice is hereby given pursuant to N.C. Gen. Stat. §158-7.1 that the Henderson County Board of Commissioners held a public hearing on 15 October 2008 at 7:00 p.m., or as soon thereafter as the Board can consider the matter, to consider the request of Leisure Craft Corporation, for economic development incentives to assist in investment resulting in the expansion of its existing plant, and the addition of new jobs.

The Company is a manufacturing concern with a facility located near Hendersonville, North Carolina. The public benefit to be derived from the capital project is a total new taxable capital investment in the amount of approximately One Million Five Hundred Thousand Dollars (\$1,500,000.00) in machinery and equipment over one and one-half years, creating not fewer than fifteen (15) new full time employment positions.

The Board will consider granting assistance toward actual expenditures incurred in the Company's plan to construct its operation up to a maximum payment of Twenty-Four Thousand Two Hundred Fifty-Five Dollars (\$24,255.00), to be paid over a period of five (5) years. Each year's incentive payment would be no greater than Four Thousand Eight Hundred Fifty-One Dollars (\$4,851.00).

If approved, the request would be funded through the general tax revenue. The hearing was held in the Meeting Room of the Henderson County Historic Courthouse at 1 Historic Courthouse Square, Hendersonville, North Carolina. The public was invited to attend and comment.

Andrew Tate, President and CEO for Henderson County Partnership for Economic Development, stated again that the public benefit to be derived from the capital project is a total new taxable capital investment in the amount of approximately One Million Five Hundred Thousand Dollars (\$1,500,000.00) in machinery and equipment over one and one-half years, creating not fewer than fifteen (15) new full time employment positions. Their options are to make the expansion take place here in Henderson County or to partner with one of two existing businesses out of state to proceed with this venture. Leisure Craft has committed to utilizing any assistance considered by Henderson County toward the connection and construction of sewer to their facility. That sewer construction is estimated at roughly \$70,000. Obviously the Henderson County Partnership for Economic Development is in support of this project and would seek your consideration for economic development assistance for Leisure Craft.

Dick Herman, owner of Leisure Craft, addressed the Board thanking them for their consideration.

**Public Input**

There was none.

*Commissioner Williams made the motion that the Board grant assistance in incentives of \$24,255.00 to be paid over a period of 5 years to Leisure Craft, to enter into agreement and authorize the Chairman to sign to that affect. All voted in favor and the motion carried.*

### **Continuation of Discussion Items**

#### **ENGINEER AGREEMENT WITH MCGILL & ASSOCIATES – FY09 FACILITY FEASIBILITY STUDY – HENDERSON COUNTY SOLID WASTE**

County Engineer Marcus Jones stated as directed by the Board during the September 17, 2008 Board of Commissioners' meeting, engineering staff has negotiated the proposed agreement with McGill & Associates to perform the FY09 Solid Waste Feasibility Study. Also during the September 17 meeting, McGill & Associates was selected as the most qualified firm to perform the study. The study will review the existing Stoney Mountain Facility and develop a plan to address existing problems with traffic, access and to analyze and incorporate an expanded recycling operation. Additionally, the scope was expanded to review, analyze and propose improvements to the County's collection operations and incorporate the expansion into the proposed onsite operations and facilities.

Mr. Jones stated that a significant amount of equipment has been placed in surplus and he expects a couple more when they finish closing out the C & D Landfill that will go along way if not completely pay for the study. This is a separate enterprise fund independent from the general fund and property taxes dollars.

Chairman Moyer felt that over the past couple of years a lot of work has been done to clean up the operation at the landfill yet there are still serious traffic issues, improvements needed in the recycling area, and it is important that we move ahead with this study.

Commissioner McGrady stated that the Solid Waste Advisory Committee was fully supportive of the study. This is a planning effort only and we are not making any commitments to funds; we need some solid recommendations.

The proposed agreement with McGill & Associates to perform the above scope of services is \$78,500. The schedule of the study will allow staff to incorporate proposed improvements and findings into the FY10 budget process. The funds for the study are available in the FY09 Solid Waste Enterprise Fund budget.

Commissioner Williams asked what the possibilities were for doing the study in-house.

Marcus Jones explained that with existing staff it would be difficult to do it in a timeframe that would be appropriate.

*Commissioner Messer made the motion that the Board authorizes the County Engineer to execute the proposed agreement for \$78,500 with McGill & Associates to conduct the FY09 Solid Waste Feasibility Study. All voted in favor and the motion carried.*

Chairman Moyer stated that a very clever idea had been brought up, "tarp day." One thing that we try to do is enforce people covering their loads when they come in. Some of the tarps are not in very good condition and the idea is to replace the older tarps with new ones free. If they have no tarp they will get a warning the first time but in the future will be sited.

Marcus Jones introduced Will Segar the new Solid Waste Manager who came up with the idea of "tarp day".

#### **BLUE RIDGE COMMUNITY COLLEGE/FOUR SEASONS HOSPICE PROPERTY**

Commissioner McGrady requested that he be recused as he is a board member of the Four Seasons Hospice and President of the Condo Association.

It was consensus of the Board that Commissioner McGrady be recused from voting but still reserves the right to give input.

Dr. Parkhill presented the college's request on behalf of the Board of Trustees. In September, 2004, Blue Ridge Community College entered into a long-term lease of 2.5 acres of college property with Four Seasons Hospice and Palliative Care, which allowed Hospice to build an administration building on South Allen Road adjacent to the former Pardee Care Center and adjacent to unimproved college land. Hospice has been interested in acquiring that tract which will give them title to both the building and the land. The tract is part of 30 acres, originally deeded to BRCC by Henderson County in 1999. When the County deeded the property, it requested right of first refusal before the land was sold. The College is requesting the Board of Commissioners allow the College to proceed with the sale of the tract and the proceeds will be placed in BRCC's capital project funds and be used for repair and renovations of their facilities at the Flat Rock Campus.

*Commissioner Young made the motion that the Board grants the request from the College to proceed with the sale of the subject tract, and direct that the proceeds be placed in the College's capital projects fund and used for repairs and renovations to facilities on the Flat Rock Campus. The vote passed 4-0 with Commissioner McGrady being recused.*

#### **UPDATE OF PENDING ISSUES**

This is an effort to keep the lines of communication open. It allows Commissioners and staff an opportunity to bring the full Board up to date on issues that occur between meetings. It is also a time for staff to ask for direction so that the County's public positions on current and upcoming issues can be developed. Individual Commissioners will also be given the opportunity to report on related committee work and assignments.

#### **Major Road Project Update**

Commissioner McGrady explained that this item was placed on the agenda to allow him to keep the Commissioners abreast of developments. There is a regional planning process for transportation projects; primarily roads, that involves the Metropolitan Planning Organization French Broad MPO of which he is the Chair. The department is moving forward with its next set of planning processes and has asked the various counties and municipalities to come forward to revise the priority needs list.

Chairman Moyer asked if there was any connection with this issue and the secondary road issue that has been discussed by the Board on several occasions.

Commissioner McGrady responded that there was no connection specifically. These are two very different processes.

Renee Kumor stated that part of their presentation was driven by their Chairman Jim Crafton who sits on the Board as Henderson County's citizen representative. Mr. Crafton is concerned that during this transportation planning process there is enough lead time that citizens in our community are aware of what is going on so that in 2011 when the TIP (transportation improvement plan) is proposed to be adopted everyone has had an opportunity to comment. A list of potential issues was provided to the Board.

#### **Sales Tax Referendum Update**

Chairman Moyer explained that the League of Women Voters held a forum the previous night and a lot of good information was given. The PIO, Pam Brice, taped the forum and it will be shown on Channel 11 as an opportunity to educate the public on the sales tax referendum. There is a multi-page ballot this year, and the last item on the last page is the sales tax referendum.

Renee Kumor thanked the Board for allowing the League to hold the forum. She also added that after the presentation the League was invited to make their presentation at Carolina Village.

Chairman Moyer stressed that this was a very important issue. The referendum would not solve the issue of paying debt service but would be a great help. Chairman Moyer reminded the citizens that the Board could not continue to raid the fund balance and certainly with the economic conditions we are facing and with what the state may do with our monies, this year it will boil down to severely cutting services or raising the property taxes, he did not see any other options if the referendum did not pass.

### **Water Task Force**

County Manager Steve Wyatt provided a draft charter for the Water Supply and Distribution Task Force.

Chairman Moyer stated that the committee's purpose was expanded to gather and analyze data and pertinent information concerning water sources and supply; usage and demand both current and projected; treatment, distribution and store/reserve capacities and capabilities. Speaking in regards to the Northern end of the county, when we got into the water crisis we had specific issues with respect to our reserve capacities, storage capacities, and what would happen if there were a major problem in the system. We are asking the committee to begin by pulling all this information together and then work on various solutions. This is a 180 day task. We tried to scale the task force down to a manageable number while satisfying everyone. In talking to the municipalities, they voted to support this task force and most of them felt that it should be mainly driven by the county and the municipalities and that the majority of the make-up of the task force should be such. Therefore the make-up of the task force was modified to include two people from each jurisdiction, a local business representative, an individual from agriculture/horticulture, and a professional engineer who has worked in the water area. The staffing will be done primarily by the City of Hendersonville and Marcus Jones from Henderson County. This information will be shared at the LGCCA meeting the following day so that the make-up of the committee can begin.

*Commissioner McGrady made the motion that the Board approves the charter and purpose of the Water Supply and Distribution Task Force. All voted in favor and the motion carried.*

### **Waiver of Loan Provision**

County Attorney Russ Burrell stated that a recipient of Community Development Block Grant – Scattered Site Housing assistance from Henderson County, Steven Underwood, seeks a waiver of the provision in the terms of the documentation of his assistance which provides that should he ever re-finance any loan for which the real estate (which is the subject of the assistance) is collateral, he would owe repayment of the assistance amount. The administrator of the program under which Henderson County participates has reviewed the request, and recommends granting the waiver.

Granting this waiver would allow Mr. Underwood to re-finance his current first mortgage, lowering his interest rate from 9.99% to 6.75%.

*Commissioner McGrady made the motion that the Board grants the waiver of the loan provision as requested, and that the Chairman, the County Manager and the County Attorney execute any documents necessary to carry out this waiver. All voted in favor and the motion carried.*

### **Redistricting**

Chairman Moyer placed this item on the agenda in order to bring everyone up to date in regards to where we stand. We may need to look at redistricting, however it is a troublesome time to do it but if not done now we would need to wait until after the census figures come in. This will take time, energy and effort to get this done and Chairman Moyer had mixed emotions about it. This could be looked at as a political issue. There is no question that our districts are getting a little out of balance because of population. It becomes very hard to keep it within balance. There is concern about getting representatives clustered in certain areas of the county and what should be done to correct this. One suggestion that has come up prominently is that maybe people

should be allowed to vote for their district only or as Buncombe County does, have the people elect the Chairman rather than the Commissioners.

Commissioner Williams felt that the timing came up coincidentally with him moving outside of his district however he had no prior discussion of this with the Chairman. He did want the Board to have a good, broad representation throughout the County and various communities.

Chairman Moyer stated that this item was on the agenda but he did not want action taken at this meeting. He was questioning if the Board wanted this item to be placed on the agenda for a meeting in November in order to have detailed discussion.

Commissioner McGrady was supportive at looking at redistricting. His district includes Laurel Park and Green River and he questioned what they have in common. He favored the Chairman's idea of having two (2) at large districts and three (3) districts that may be voted on within the district; an urban district in the middle (trying to get as much urban – suburban together) and split the County East and West or North and South. Commissioner McGrady felt this should be done before December.

Commissioner Young felt that the Board should wait until the census comes out to look at redistricting.

Commissioner Messer agrees that redistricting needs to be looked at. This timeframe should be determined at a November meeting.

Chairman Moyer felt that the consensus was that the Board takes a look at redistricting during a November meeting. Chairman Moyer will work with Steve Wyatt to get as much information as possible before the November meeting.

#### **STAFF REPORTS**

##### **County Attorney's Report**

There was nothing further at this time.

##### **County Manager's Report**

The County Manager updated the Board briefly stating at the last meeting they had mentioned that the County Commissioners Association is undergoing their legislative goals process. Several staff members had been included in the conference call. He reminded the Board if there are issues that any Commissioner would like to see the Board take formal action on and put before any of the steering committees in order to get to the legislative goals process the time is quickly running down.

Chairman Moyer stated that we are well represented on these committees. The prior day he and several staff members were included in the conference call including Steve Wyatt, Carey McLelland, and Stan Duncan who provided the knowledge needed to comment on certain items.

#### **IMPORTANT DATES**

Chairman Moyer reminded the Board of the United Way fundraiser at Boyd Park with the City of Hendersonville the following day.

The Volunteer Appreciation Banquet would be held Tuesday, October 21 at Blue Ridge Community College in the Technology Center.

A public hearing was scheduled for Thursday, October 23 in the Commissioners' meeting room for the draft minimum housing code. Commissioner Williams would not be able to attend as he would be out of town on business.

#### **CANE CREEK WATER & SEWER DISTRICT**

*Commissioner McGrady made the motion for the Board to convene as the Board of Cane Creek Water & Sewer District. All voted in favor and the motion carried.*

Please see separate Cane Creek minutes for action.

*Commissioner McGrady made the motion for the Board to adjourn as the Board of Cane Creek Water & Sewer District and reconvene as the Henderson County Board of County Commissioners. All voted in favor and the motion carried.*

**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)(3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body.*
- 2. (a)(3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged. To consult with an attorney employed or retained by the public body in order to consider and give instructions to the attorney with respect to the following claim:*

**In re the Appeal of Bell**

- 3. (a)(5) To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (I) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange or lease.*

*All voted in favor and the motion carried.*

**ADJOURN**

There being no further business the meeting was adjourned.

ATTEST:

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Teresa L. Wilson, Deputy Clerk to the Board

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William L. Moyer, Chairman