

## MINUTES

February 9, 2012

The Davidson County Board of Commissioners met at 8:00 AM on Thursday, February 9, 2012, in the Commissioners' Meeting Room of the Governmental Center at 913 North Greensboro Street, Lexington, North Carolina, for its annual Budget Retreat.

### PRESENT

Commissioners: Chairman Sam Watford, Vice Chairman Larry Potts, Cathy Dunn, Billy Joe Kempley, Fred McClure, Don Truell, Todd Yates.

### Others Present

County Manager Robert Hyatt, County Attorney Chuck Frye, Assistant County Manager Zeb Hanner, Deputy Clerk to the Board Debbie Harris, Finance Director Jane Kiker, Social Services Director Dale Moorefield, IT Director Joel Harley, Support Services Director Dwayne Childress, Human Resources Director Jim Tysinger, Integrated Solid Waste Director Charlie Brushwood, Recycling Director Steve Swaim, Emergency Services Director Jeff Smith, Tax Administrator Joe Silver, Health Director Layton Long, Parks and Recreation Director Charles Parnell, Facilities Maintenance Manager Tim Phelps, 911 Director Terry Bailey, Inspections Director Ron Triplette, Register of Deeds David Rickard, Sheriff David Grice, Public Services Director Rex Buck, Integrated Solid Waste Site Safety Manager Jim Gilreath, Utility Systems Manager Laura Vanhoy, Capital Projects Manager Rick Prevette, Planning and Zoning Director Guy Cornman, Soil and Water Director Andy Miller, Cooperative Extension Director Troy Coggins, Library Director Ruth Ann Copley, Clerk of Superior Court Brian Shipwash, Peter Scheer with Richardson Smith Gardner, David Klein with Santek, David Bodenheimer with the Lexington Dispatch and Barney W. Hill.

### CALL TO ORDER AND WELCOME

Chairman Sam Watford called the meeting to order and welcomed guests.

### ADOPTION OF AGENDA

County Manager Robert Hyatt informed the Board that a request had been made by Commissioner McClure to add a presentation from Santek regarding Landfill operations to the agenda. It was the consensus of the Board to add this matter after the Solid Waste Advisory Board discussion at the end of the

2:00 session. Commissioner Yates requested that a discussion regarding job incentives be added to the agenda. This matter was placed at the 1:30 slot.

On a motion by Vice Chairman Potts and a second by Commissioner Dunn the Board voted unanimously 7-0 to adopt the amended agenda. (Exhibit 1)

#### STATUS REPORT OF 2011-2012 BUDGET

Assistant County Manager Zeb Hanner reported to the Board that he had compared our budget/financial status to those of Alamance, Catawba, Cabarrus, Randolph and Rowan Counties, and stated that our numbers show that we have found ways to bring in monies over and above the property tax. As a whole, Davidson County is doing better than the comparative counties; and even better than our larger counterparts, Guilford and Forsyth counties. Mr. Hanner reported that property taxes should be up from last year and we should end up ahead of revenue projections from last year. He reported that the County as a whole is spending less than it did last year and that the departments and employees are doing a good job overseeing and monitoring their spending. Mr. Hanner reported that the County should make its budget this year. He further reported that in years past there were portions of the budget that had historically not been spent by the departments; however, with tightening down of budgets over the past couple of years, this amount is beginning to flatten out.

#### BUDGET DISCUSSIONS

- Tax Projections by Joe Silver Tax Administrator Joe Silver reported that the Tax Department is showing an increase in revenue; not necessary from real property, but from an increase in vehicle values. He reported that should the current trend continue, the County will not have to reevaluate property until 2015, when mandated by law. Commissioner Kepley reported that a citizen brought a Verizon cellular telephone bill to his attention and pointed out the fact that the bill shows a tax being paid to Forsyth County instead of Davidson County. This individual lives in Clemmons (in Davidson County); therefore sales tax is not being credited to the correct county. A discussion ensued regarding how much money the County could potentially be losing due to these types of mistakes, as a great deal of Winston-Salem, Clemmons and High Point mailing addresses are actually in Davidson County. Mr. Silver reported that he would have his staff investigate this issue. He further reported that final notices regarding tax statements had been sent out this week

and that property owners are calling in with complaints that their taxes have not decreased while their property values have fallen. He reported that pursuant to State Law we cannot go back and change values because property values decrease in the market. Mr. Silver also reported that in an effort to increase tax collections, the Tax Department is attempting to locate and identify small businesses that are not currently listing their personal property for tax billing purposes.

- Personnel/Operating Costs (salaries, health insurance, retirement, fuel utilities) Mr. Hyatt reported that there may be issues to look at regarding benefits for the next fiscal year in budget preparation. He reported that retirement amounts may actually go down next year although it was originally reported that they were projected to increase. Human Resources Director Jim Tysinger reported that the County may be looking at a 2% to 5% increase in health insurance for the next fiscal year. Mr. Hyatt reported that a small cost of living increase for employees was included in the projected budget amounts for next year and that the Board could look figures for raises and/or bonuses and what impacts these would have on the budget; both long and short term. During a discussion on departmental job studies, it was reported that these job studies have only resulted in an increase in salary for approximately 37.3% of County employees. Mr. Tysinger reported that while it is the objective of the job studies to keep Davidson County competitive in the job market, and some of the salaries in the job studies were increased to keep us more competitive, our wages are still not at the level of our comparative counties. He further reported that Davidson County has been falling behind in market salaries, according to the Bureau of Labor Statistics. During a discussion on fuel charges, Support Services Director Dwayne Childress reported that fuel costs are being bid out each time fuel is purchased to ensure that we are getting the best fuel prices on a consistent basis.

- Fees, Charges and Collections (rental of County facilities, sewer rates, landfill tipping fees, recycling)

- *Rental of County Facilities.* Mr. Hyatt spoke regarding fees and charges being proposed by the Recreation Advisory Board. Parks and Recreation Director Charles Parnell addressed to the Board regarding the need to charge fees for the use of County owned facilities, above and beyond current use by booster clubs for participation in County sponsored functions. He feels that the Parks and

Recreation Department should be able to generate their own revenue for the additional use of these facilities. Mr. Parnell reported that the only revenue they now generate is a flat \$5.00 fee per child for each sport; with the remainder of the fees charged by the various boosters clubs being retained by the boosters club. He stated that it is the intention of the Recreation Advisory Board that Parks and Recreation be able to recoup some of their expenses, and being able to charge a rental fee and light reimbursement fee would enable them to do so.

- *Parking Deck.* The parking deck/parking lot was discussed and both Mr. Hyatt and Public Services Director Rex Buck spoke regarding this matter. It was reported that staff has been reduced by one day per week at the parking deck and it is no longer staffed on Friday. It was further reported that the deck and lot basically break even on a yearly basis and do not generate any revenue for the County. Mr. Buck reported that he had a company provide a presentation on an automatic parking attendant. The proposed system would do away with attendants, but the downside is the installation cost is \$100,000.00 for the deck and lot. Mr. Hyatt reported that with the Sheriff's Department moving out within the next couple of years that the deck and lot will be less utilized. There was a discussion about the possibility of making the deck and/or lot unmanned, but in the event that should occur, security measures would need to be put in place to ensure the safety of the employees and citizens.

- *Sewer Rates.* Mr. Buck provided an overview of the sewer rates of Davidson County compared to other entities/agencies – both inside and outside the County. Mr. Hyatt spoke regarding the possible need to increase sewer rates charged by the County as rates charged to the County are increased, to be able to break even.

- *Landfill Tipping Fees.* Peter Scheer with Richardson Smith Gardner spoke regarding the forecast for the Landfill. He recommended that no tipping fee increase be implemented for this year; however, his report did recommend a \$2.00 per ton increase for the next fiscal year in the tipping fee. The fact that a rate increase may force business to other counties for services was discussed among the Board members. Mr. Scheer reported that another possible solution was a \$1.00 per ton increase per year over a two year period to lessen the burden on consumers. It was discussed

that a rate increase would be an additional burden on our municipalities, and they are the largest consumer of this service.

- *Recycling.* Recycling Coordinator Steve Swaim spoke regarding the fact that the tonnage numbers in the Recycling Center have decreased in the past year. He reported that North Davidson Services is paying for recycling collected and this has had an effect on our numbers. Mr. Swaim stated that he does not fault the municipalities for taking their goods to North Davidson Recycling. Even though our Center is not seeing these goods, he feels that recycling in general is successful in Davidson County as this portion of the trash is being diverted.

- *Involuntary Commitments.* It was reported by Mr. Hyatt that Davidson County has approximately 30 to 40 Involuntary Commitments each month. A transport fee of \$150.00 per patient was imposed by a previous Board of Commissioners, and we are collecting very little of this money; perhaps \$2,000.00 per year according to Finance Director Jane Kiker. Very few of the individuals committed have insurance; therefore we can only bill to the individuals or their responsible parents. There is an inordinate amount of manpower being expended in an effort to attempt to collect these funds, with very little success, as very few of the individuals committed have adequate funds with which to pay these bills. It was discussed that the best possible recourse may be to abolish this transport fee. Sheriff Grice reiterated that very few of these individuals have the means to be able to pay this fee. He reported that the average time expended at the hospital for each commitment is two to three hours. It was the general consensus of the Board that this matter be placed on an upcoming agenda for action.

- State Budget Issues Chairman Watford reported that the mental health issue is one of the biggest issues that the State has to contend with at this time. Commissioner McClure spoke on a move by the State to increase sales tax revenues for the counties. He stated that the State is possibly going to look at the way the whole taxing procedure is implemented. Chairman Watford asked Sheriff Grice about a potential increase in the misdemeanor jail population pursuant to the Justice Reinvestment Act, and Sheriff Grice reported that Davidson County is not a participant in the program.

Mr. Hanner spoke regarding needs recently submitted by the three school systems of approximately \$60,000,000.00, which are not currently on the Five Year Capital Improvement Plan. He provided a summary of the County's Plan, reporting on projects currently in progress as well as those currently scheduled through 2013. Mr. Hanner then explained that the only projects the Board is committed to complete are those that are included in this fiscal year.

#### FACILITIES ISSUES

- Update on Various Projects
- Windstream Building
- Courthouse (Lexington and Thomasville)
- Old Willie M. Building
- Lank Building

Support Services Director Dwayne Childress provided an update on current facilities projects. Capital Projects Manager Rick Prevette and Facilities Maintenance Manager Tim Phelps both assisted with this presentation and answered questions from the Board. Extensive discussion about the Lexcom building took place, regarding expenses and use, as well as the architectural and design services. There was also an extensive discussion about the Lank building, as it was the opinion of several of the Board members that the quote for services from Ware Bonsall was exorbitant. Mr. Hyatt suggested the possibility of an ad hoc committee being established to plan and oversee what needs to be done on both the Lank and Lexcom facilities and report back to the Board with proposals. The Board decided that the matter of this ad hoc committee would be discussed at the end of the day. There was a brief discussion about the status of the Thomasville Courthouse and the Old Willie M. Building.

#### EMERGENCY MANAGEMENT (PROCLAIMING A STATE OF EMERGENCY)

- Why is it necessary?
- What does it mean?
- What has to be included?
- Who needs to be involved and who makes the decision?
- Debris Management (Standard Operating Guidelines)

Emergency Services Director Jeff Smith provided a powerpoint presentation regarding State of Emergency and what transpires during an emergency situation, ie. the chain of command and how it works. He reported that the County has the responsibility to coordinate during an emergency with state and federal agencies. Mr. Smith reported that the declaration of a State of Emergency by the County triggers certain actions of behalf of State and Federal agencies who can offer assistance and possible financial aid. There was discussion on how the declarations can be tailored to each occurrence, being very broad or limited in scope, depending on the situation.

#### LUNCH

Integrated Solid Waste Site Safety Manager Jim Gilreath spoke regarding debris management as it relates to debris clean-up after a disaster. He went over the proposed Standard Operating Guidelines Contingency Plan that was presented to the Board in draft form in the agenda packet for their consideration of approval at a later date.

#### PLANNING AND ZONING

- Lower Abbotts Creek Watershed Restoration Plan Cy Stober with the Piedmont Triad Regional Council presented a draft of the Abbotts Creek Watershed Restoration Plan. He went through the biggest issues facing the watershed and the policy recommendations proposed through the Plan.
- Boone's Cave Master Plan Update Paul Kron with the Piedmont Triad Regional Council spoke regarding the Boone's Cave Park Master Plan and reported that this is a very comprehensive plan due to both the historical significance of the site and the importance of the park. He stated that the recommendations of the Plan are formulated to enhance user experience, while being environmentally sensitive to the site and maximize preservation and interpretation.
- Transportation/Recreation Investment Partnership (TRIP) Edgar Miller, President of TRIP, spoke regarding the TRIP Master Plan adopted in 2005, and the efforts made toward completing the Plan. William Deal, Chairman of the TRIP Board of Directors, provided a brief history of TRIP, what the future priorities are for the partnership, and reported that TRIP will be undertaking a strategic plan process.
- Code Enforcement Planning and Zoning Director Guy Cornman provided an overview of what procedures and steps are followed when a complaint is received in his office.

CUSTOMER SERVICE PROJECT UPDATE

Zoning Officer Lee Crook provided an update on the Customer Service Project and the findings of the process. He reported that the satisfaction/success of the participating departments were measured and customer expectation and needs were outlined. Mr. Crook stated that the response to the surveys mailed out was deemed successful; however, the scheduled meetings were not well attended by the public. Planner/Watershed Administrator Scott Leonard reported that a mission statement of the group was established as “To go above and beyond meeting the customers’ expectations and needs.” He further reported on the steps that were going to be taken by the participating departments to address the needs and concerns expressed throughout the process and explained keys to customer service established at the end of the process. Mr. Leonard spoke about changes the group hoped to implement throughout the entire organization. Proposed changes include: (1) a quality assurance program; (2) additional staff for inspections; (3) internal contact list; (4) social media presence; (5) development of a flow chart for overall processes; (6) customer service comment cards; (7) website tweaks; (8) adoption of a same day call return policy; (9) formal quarterly meetings; (10) cross training of existing staff; and (11) redesign of offices. Mr. Crook reported that the test group for these proposed changes will be the four departments who participated in the program,

ROLE OF COMMISSIONERS (POSSIBLE LIAISON TO DEPARTMENTS) Chairman Watford reported that he requested that this matter be placed on the agenda, and suggested that a Commissioner be assigned to each department to answer questions/address issues that were presented, instead of each of them independently answering each inquiry; in an effort to more efficiently handle business as opposed to all seven answering the same calls and emails.

DISCUSS ITEMS REQUESTED BY COMMISSIONERS AND ADD ITEMS TO THE AGENDA

- Santek Presentation Commissioner McClure provided a brief overview as to why he had invited Santek to come to the meeting. David Klein with Santek addressed the Board regarding opportunities he feels exist if the County were to partner with Santek for Integrated Solid Waste operations. He reminded the Board that he had previously addressed them in November and provided information. Mr. Klein reported that he feels the landfill is an underutilized asset and that there are opportunities for cost savings. When asked by Commissioner McClure what the



next step would be if the County were interested, Mr. Klein responded that establishing an advisory committee to start a dialogue would be a needed step. Commissioner Yates asked what Davidson County needs to do to look at some hard numbers, so options could be viably weighed, and Mr. Klein reported that he felt the County needed to put out a Request for Qualifications to solicit responses, and that would garner proposals and figures from any interested companies.

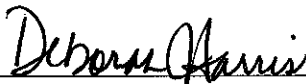
- Video Recording Commissioners' Meetings IT Director Joel Hartley provided current information on the software, hardware and manpower needed should be Board decide that they would like to video meetings. He reported that we currently have the equipment necessary to stream audio of the meetings to our website and this option would require no additional funds. Mr. Hartley reported to the Board that the figures provided for the Granicus Program were for several modules that handled different aspects of the process, and that he could break each module out individually to show what it is for and what it would cost.
- 24 Hour EMS Service at New Southmont Base Mr. Hyatt provided an overview of the newly constructed Southmont EMS Base and the potential of staffing the base on a 24 hour per day/7 day per week basis. He reported that the County has added four additional staff positions, but that this will not staff the base 24 hours a day. Mr. Hyatt and Mr. Smith reported that they do not know at this point in time whether the figures will support 24 hour per day/7 day per week staffing versus prime-time service (7:00 a.m. to 7:00 p.m.). It was reported that other EMS bases will serve as a back up if we do not staff the Southmont base 24 hours a day. Another option would be to move additional positions to the Southmont base from one of the Lexington bases and make one of the Lexington bases a prime-time only base. Both Mr. Hyatt and Mr. Smith reported that they felt the best option at this point was to stay as a prime-time base and track the numbers to ascertain which option is the best for the new base. Mr. Smith reported that we can track calls through 911 to determine call times and volume.
- Reservoir (Raw Water Supply) Commissioner Kepley addressed the Board and made a plea for support for the establishment of a reservoir in Davidson County.
- Solid Waste Advisory Committee Bylaws Revisions Recycling Coordinator Steve Swaim addressed the Board and explained why the Solid Waste Advisory Committee has been revived. It

was decided by the group to be more formal and to establish bylaws. It is the intent that the makeup of the Committee be diverse. Mr. Swaim reported that at this time it is the request of the Committee that the Board of Commissioners approve one of the two models proposed in the memo included in the agenda packet to enable a board to be established for the Solid Waste Advisory Committee. It is the feeling of the group that has been meeting that a seven member board is the optimum number. Mr. Hyatt reported that this matter is on the agenda for Tuesday, February 14, 2012; that this matter was put on today's agenda so the Board of Commissioners could be considering the contents of the memo from this agenda before Tuesday evening.

- Job Incentives Commissioner Yates asked for an open discussion on job incentives and proposed a \$.54 tax incentive on renovations and use of any building that is not currently being used; with a minimum investment threshold being established, as an incentive to get citizens back to work. He also proposed that incentives be awarded/made available for individuals who do expansion/improvement projects on their homes and/or businesses, in an effort to get people back to work. Chairman Watford explained that incentives are statutorily regulated and that we would have to follow these regulations in setting up any type of incentives. Mr. Hanner reminded the Board that should incentives be established, the taxes would have to be paid prior to any incentives being rebated. Commissioner Yates requested that a committee be established to develop a plan. Commissioner Potts reported that we needed to ensure parity between old business and new businesses and between the incentives offered. Commissioner Yates stated that he feels that this is an endeavor that needs to be undertaken to encourage new business, whether it be by EDC or by the County. It was reported that the School of Government has completed a study of the incentive protocols of all 100 counties and we can look at this to see what other counties are doing. Commissioner Yates stated that the intent of this proposal is to make Davidson County more desirable to do business in.
- Construction Committee Mr. Hyatt reported that the County has had success using ad hoc committees in the past; that they seem to move any process along faster. Commissioner McClure stated that he would like to be on the committee. Commissioner Yates also stated that he would like to serve on the committee and that he thought with the amount of Capital Projects the County

has going on at any point in time, it might be a good idea to keep a standing building committee. It was determined that Commissioner McClure, Commissioner Yates and Vice Chairman Potts would be the Board of Commissioner members assigned to this committee. It was requested that Capital Projects Manager Rick Prevette be a member of the committee.

ADJOURNMENT

  
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Deborah J. Harris, Deputy Clerk to the Board  
Davidson County Board of Commissioners

  
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Sam L. Watford, Chairman  
Davidson County Board of Commissioners