

MINUTES

June 24, 2008

The Davidson County Board of Commissioners met at 7:00 P.M. in the Commissioners' Meeting Room, Governmental Center, 913 North Greensboro Street, Lexington, North Carolina for a regularly scheduled meeting.

PRESENT

Commissioners: Chairman Larry Potts, Vice Chairman Billy Joe Kepley, Larry Allen, Don Truell, Dr. Max Walser, Sam Watford

County Manager Robert Hyatt, Assistant County Manager Zeb M. Hanner, County Attorney Robert Hedrick, Deputy Clerk to the Board Debbie Harris, Purchasing Director Dwayne Childress, Finance Director Jane Kiker, Assistant Fire Marshall Brad Needham, Human Resources Director Jim Tysinger, DSS Staff Attorney Charles E. Frye III, Planning and Zoning Director Guy Cornman, Transportation Director Zeb Hanner, Health Director Layton Long, Fire Marshall Chris Kearns, Elizabeth Hester, Cathy Dunn, DSS Director Keith Johnson, Integrated Solid Waste Director Charles Brushwood, EMS Director Doug Lowe, Kenny Meredith, Dr. Fred Mock, Buddy Kiger, Mark Crook, Barney Hill, Winston-Salem Journal Reporter Michael Hewlett, and Dispatch Reporter Seth Stratton.

A. CALL TO ORDER AND WELCOME

Chairman Potts called the meeting to order and welcomed guests.

It was reported by County Manager Robert Hyatt that Commissioner McClure was absent from this meeting due to medical reasons.

B. INVOCATION

The invocation was led by Commissioner Watford.

C. PLEDGE OF ALLEGIANCE

D. RECOGNITION

Chairman Potts recognized Pat Shelton from the Thomasville Chamber of Commerce and Christine England from the Lexington Chamber of Commerce.

Chairman Potts recognized Elizabeth Candice Hester for being awarded a teaching scholarship and presented a check to the individual. The presentation of these scholarships brings the total number of recipients to 74.

Exhibit A

E. REGISTER FOR PUBLIC ADDRESS

Chairman Potts noted the register for public address.

F. ADOPTION OF THE AGENDA

County Manager Robert Hyatt reported that he would like to add as Item H.17 the Sewer Rate Increase issue. On a motion by Commissioner Wasler and a second by Commissioner Allen the Board voted unanimously 6-0 to adopt the amended agenda. (Exhibit 1)

G. PUBLIC ADDRESS

There was one individual signed up to speak at Public Address.

Homer Watts, Town Crier Auction Company, addressed the Board regarding his complaint regarding the handling of this year's surplus sale. Mr. Watts reported that he will not be able to continue with this sale in the future unless he is guaranteed a profit of \$1,200.00. He stated that he has conducted this auction for several years with good results and would like to be guaranteed a flat fee. Mr. Watts offered his resignation to the Board of his future services. (Exhibit 2)

H. ITEMS FOR DECISION/INFORMATION

Consent

On a motion by Commissioner Truell and a second by Commissioner Watford the Board voted 5-1 to approve the consent agenda. Vice Chairman Kepley voted "No."

1. Minutes

The Board approved the Minutes of April 7, 2008, June 5, 2008 and June 10, 2008 Board of Commissioners meetings. (Exhibit 3)

2. Budget Amendments

The Board approved budget amendments for the Health Department, Cooperative Extension, Department of Social Services, Day Reporting, Transportation, and Planning and Zoning. Also approved were surplus collections appropriations to the Griffith, Midway, Welcome, Wallburg and Pilot Fire Departments. Appropriations of various other funds were also approved by the Board. (Exhibit 4)

3. Pyrotechnics Permits

The Board approved the issuance of pyrotechnics permits as follows:

- 1) Wayne Knight for an event to be held at First Pentecostal Holiness Church on July 4, 2008;

- 2) Patrick Gilchrist for an event to be held at the Christian Life Center – Assembly of God, on July 4, 2008;
- 3) Frank Fraley for an event to be held at The Boat Dock on July 4, 2008;
- 4) Jeff Hale for an event to be held at Finch Park on July 4, 2008;
- 5) Jeff Hale for an event to be held at Denton Farm Park on July 4, 2008;
- 6) Jeff Hale for an event to be held at Finch Field on July 4, 2008;
- 7) Jeff Hale for an event to be held at Finch Field on July 27, 2008; and,
- 8) Jeff Hale for an event to be held at Finch Field on August 1, 2008. (Exhibit 5)

4. Reclassifications

The Board approved the request of Nancy Borrell, Director of Davidson Works, to reclassify one Office Support III, Grade 57, (Temporary) staff position (position #30423, authorization #1) to Office Support III (Full-Time) staff position (position and authorization number to be assigned) with the salary increased to the minimum of the pay grade, but no change in the pay grade. (Exhibit 6)

Deliberation

5. Resolution in Support of Turning Lane Project at Ledford Middle School

Planning and Zoning Director Guy Cornman gave preliminary information regarding the need for a right hand turning lane to be placed on W. Lexington Avenue Extension (SR 1755) at Ledford Middle School to the traffic signal at new NC 109. Mark Crook of the North Carolina Department of Transportation (NCDOT) also spoke regarding this issue and the need to alleviate the traffic stacking up at the stop light. Mr. Crook reported that NCDOT has allocated \$182,000.00 out of their economic development fund to fund the project and the NCDOT has requested a Resolution in support of this project from the Board. On a motion by Commissioner Kepley and a second by Commissioner Walser the Board voted unanimously 6-0 to adopt a resolution supporting a right hand turn lane for W. Lexington Avenue Extension (SR 1755) at Ledford Middle School. (Exhibit 7)

6. Authorize Cities to Issue Permits for Pyrotechnics

County Attorney Robert Hedrick addressed the Board regarding the need for the Board to authorize the cities located within Davidson County to issue permits for pyrotechnics events located within their municipalities. Fire Marshall Chris Kearns reported that there is no need to make individuals pay for two separate permits as the cities are already issuing their own permits. The authority to issue one permit

only can and must be granted by the Board. On a motion by Commissioner Walser and a second by Commissioner Watford the Board voted unanimously 6-0 to adopt a resolution authorizing cities in Davidson County to issue permits for pyrotechnics. (Exhibit 8)

7. Rezoning Applications to Set for Public Hearing

Planning and Zoning Director Guy Cornman presented applications for rezoning to the Board. These applications were for Dorothy Sowers, for a change from Heavy Industrial District (HI) to Highway Commercial District (HC); Craig Smith, for a change from Highway Commercial District (HC) and Limited Industrial District (LI) to Rural Agricultural District (RA-1 and RA-3); and Isabel Frazier, for a change from Highway Commercial District (HC) and Limited Industrial District (LI) to that of Rural Agricultural District (RA-1 and RA-3). Mr. Cornman requested that a public hearing for these matters be set for August 4, 2008. On a motion by Commissioner Watford and a second by Commissioner Truell the Board voted unanimously 6-0 to set these rezoning applications for public hearing on August 4, 2008 at 7:00 p.m. (Exhibit 9)

Mr. Cornman further addressed the Board and presented an application to modify the existing Conditional Use-Rural Commercial (CU-RC) District Permit for David R. and Margaret L. Pugh, located at 590 Bud Sink Road. Mr. and Mrs. Pugh have been working with the NC Department of Transportation (NCDOT) to address the traffic volume ingressing and egressing their property. The proposed solution will necessitate increasing the size of the CU-RC district to include a new traffic pattern. Mr. Cornman noted that although the original Agenda information requested that the hearing be scheduled for August 4, 2008, it has been determined that Mr. and Mrs. Pugh must wait one year from the date their original application to request a variance was issued on September 7, 2007; therefore, he requested that the public hearing be set on September 8, 2008. On a motion by Commissioner Truell and a second by Commissioner Allen the Board voted unanimously 7-0 to set this rezoning application for public hearing on September 8, 2008 at 7:00 p.m. (Exhibit 10)

8. Purchase of Lot for Emergency Services Base

County Attorney Robert Hedrick addressed the Board and provided information regarding the Option to Purchase a Lot from Clyde Lynn Reece and others for an Emergency Services base in Wallburg. On a motion by Commissioner Allen and a second by Commissioner Watford the Board voted unanimously

6-0 to enter into an Option to Purchase the aforementioned Lot in Wallburg from Clyde Lynn Reece, *et al.*
(Exhibit 11)

9. Consider Recommendation from Davidson County Board of Education to Award Bids for Classroom Additions

County Manager Robert Hyatt addressed the Board regarding bid information that has been received from the Davidson County School Board for classroom additions to East Davidson High School and E. Lawson Brown Middle School. It has been requested that bids for classrooms be approved as follows:

- 1) East Davidson High School to Bar Construction Company, with a bid of \$2,536,500.00, if proposed alternatives are accepted and a project budget of \$3,268,500.00; and,
- 2) E. Lawson Brown Middle School to Jarrell Contractors, Inc., with a bid of \$3,234,000.00, if proposed alternatives are accepted and a project budget of \$4,231,000.00.

Discussion ensued regarding this issue. Dr. Mock reported that he appreciated the participation of the liaisons from the Board of Commissioners. On a motion by Commissioner Allen and a second by Commissioner Watford the Board voted unanimously 6-0 to award the bid for the East Davidson High School Addition Project to Bar Construction Company in the amount of \$3,268,500.00; and the E. Lawson Brown Middle School Addition Project to Jarrell Contractors, Inc., in the amount of \$4,231,000.00.

(Exhibit 12)

10. Capital Reserve Policy

Jane Kiker, Finance Director, addressed the Board and provided information that at the August 28, 2007, meeting, the Board of Commissioners approved a Fund Balance Policy. This policy included a provision for the creation of a Capital Reserve Fund wherein general fund balances in excess of 20% may be transferred to pay for future capital projects. The proposed resolution is the action needed to create this Capital Reserve Fund. On a motion by Commissioner Truell and a second by Commissioner Watford the Board voted unanimously 6-0 to adopt a resolution to establish a Capital Reserve Fund for Davidson County, with funds being appropriated annually as defined in the County Fund Balance Policy. (Exhibit 13)

11. Designate Voting and Alternate Delegate for the NaCO Annual Conference

County Manager Robert Hyatt addressed the Board with information received from NaCO regarding designating a voting and alternate delegate to participate in the Association's annual election of officers, policy adoption for this year's American County Platform and any other issues discussed at the meeting. It was reported that the two Board members attending the Conference were Commissioners Watford and McClure. On a motion by Commissioner Walser and a second by Commissioner Allen the Board voted unanimously 6-0 to designate Commissioner Watford as the voting delegate to the 2008 NaCO Conference and Commissioner McClure as the alternate delegate to the 2008 NaCO Conference. (Exhibit 14)

The Board also discussed the upcoming North Carolina Association of County Commissioner (NCACC) Conference in August. It was reported that Vice Chairman Kopley would be one of the Board members attending this conference. On a motion by Commissioner Watford and a second by Commissioner Walser the Board voted unanimously 6-0 to designate Vice Chairman Kopley as the voting delegate to the 2008 NCACC Conference.

12. Consider Grant Agreement with NC Clean Water Management Trust Fund

County Manager Robert Hyatt addressed the Board and reported that on February 27, 2007, the Board of Commissioners authorized the submission of a grant application to the Clean Water Management Trust Fund (CWMTF). The Board submitted this application at the request of the Handy Sanitary District. In response to this grant application, Davidson County has received notification that the CWMTF has approved a grant in the amount up to \$10,000 for the design and permitting only of the proposed project. A copy of the grant agreement with the CWMTF for the Board's consideration is attached to the Agenda and incorporated herein by reference. Mr. Hyatt reported that this project is a planning grant only, to study the costs/feasibility to install a sewer line to approximately 20 residents in the south end of the County.

The grant does require a local match of \$5,000. When this item was originally presented to the Board in February, 2007, the Handy Sanitary District stated that they would be responsible for administering the grant and for providing the local match related to the project. A letter has been provided by the Sanitary District confirming these commitments. There was a discussion regarding this issue by the Board. On a motion by Commissioner Watford and a second by Commissioner Truell the Board voted unanimously 6-0 to approve the grant agreement with the CWMTF. (Exhibit 15)

13. Landfill Gas to Energy Project

Purchasing Director Dwayne Childress addressed the Board and provided information regarding the bid tabulation and recommendation for developer selection for the Davidson County Landfill Gas to Energy (LFGTE) Project. Richardson Smith Garner and Associates, Inc, (RSG) conducted the bidding for Davidson County for the Davidson County LFGTE Project which bid on April 23, 2008. Based on the combination of proposed revenue sharing, local experience and demonstrated qualifications, RSG recommends that this LFGTE Project be awarded to Enerdyne Power Systems, Inc./DTE Biomass Energy, Inc., and that negotiations of a final agreement commence at the County's earliest convenience. It has been projected that this Project has an estimated annual revenue of \$200,398.35, and the project will be funded by the Enterprise Fund of the Landfill. Integrated Solid Waste Director Charles Brushwood addressed the Board and provided an explanation of why the County needs to outsource this project. Enerdyne representative Bill Brinker addressed the Board regarding tax credits and how much energy is expected to be produced. A discussion regarding the matter ensued by the Board. On a motion by Vice Chairman Kepley and a second by Commissioner Watford the Board voted unanimously 6-0 to award the bid for the LFGTE Project to Enerdyne Power Systems, Inc./DTE Biomass Energy, Inc., and that negotiations of a final agreement commence. (Exhibit 16)

14. Consideration of Amendments to Volunteer Fire Department Contracts

County Attorney Robert Hedrick addressed the Board and provided proposals for potential amendments to the current Volunteer Fire Department (VFD) Contracts to include guidelines of what each individual VFD will be required to submit and/or follow prior to the approval of their proposed budget each year. Proposed language for the change to the contracts was presented to the Board for consideration, which provided for the inclusion of paragraph 7 as follows:

In consideration of the renewal of this agreement for the upcoming fiscal year, the Fire Department, on or before April 15th of each year, shall provide to the Davidson County Board of Commissioners the following:

- A. Copy of an annual audit or review of its financial records by an independent accountant for the last fiscal year;
- B. Copy of a detailed budget for the upcoming fiscal year;
- C. Recommendation for the fire tax rate to be levied within the fire protection district being served for the upcoming year; and,
- D. If an increase to the fire tax rate is being recommended, a narrative explaining in detail why the increase is being proposed and how the additional revenue will be expended.

There was a discussion regarding the different types of audits that could be requested and which would be the best type to request from the Fire Departments. County Manager Robert Hyatt, Fire Marshall Chris Kearns and Finance Director Jane Kiker addressed the Board to provide their opinions of the proposed amendments to the contract and the audit provision. After discussion regarding this matter and on a motion by Commissioner Allen and a second by Commissioner Walser the Board voted 6-0 to approve the proposed amendments to the current Volunteer Fire Department Contracts. (Exhibit 17)

15. Appointments

After a brief discussion regarding the appointments a vote was taken. On a motion by Commissioner Truell and a second by Commissioner Allen the Board voted unanimously 6-0 to reappoint Commissioner Sam Watford to the Department of Social Services Board. (Exhibit 18)

On a motion by Commissioner Allen and a second by Commissioner Watford the Board voted unanimously 6-0 to appoint Raymond Widener and Tim Tilley to the Child Community Protection Team to fill the two at-large vacancies and Tony Roberson to fill the law enforcement vacancy of the Team. (Exhibit 18)

On a motion by Commissioner Truell and a second by Commissioner Watford the Board voted unanimously 6-0 to reappoint Dr. Peter Rogaski (starting May 10, 2008) and Dr. Mark Davis (starting July 23, 2008) to the Department of Health Board. These will be additional three year terms. (Exhibit 18)

16. Request to Set Public Hearing for Regional Operating Assistance Program (ROAP) Grant Application

Transportation Director Zeb Hanner addressed the Board and requested that a Public Hearing be scheduled for the August 12, 2008, Meeting of the Davidson County Board of Commissioners for the Transportation Department's 2008-2009 Rural Operative Assistance Program (ROAP) Grant Application. On a motion by Commissioner Watford and a second by Commissioner Truell the Board voted unanimously 6-0 to direct that a Public Hearing be scheduled for the August 12, 2008, Board of Commissioners Meeting at 7:00 p.m. for the Transportation Department's 2008-2009 ROAP Grant Application. (Exhibit 19)

17. Sewer Rate Adjustment

Commissioner Watford addressed the Board regarding the Sewer Rate Adjustment. He reported that he felt that it would be unfair to the citizens to charge them for a base rate and then also per cubic foot

and that until further discussion by the Board on this matter that the new policy should not be enacted. Commissioner Watford further stated that he felt a more fair procedure may be to have a base rate that includes a minimum amount of capacity and then a fee for anything above the minimum usage. County Manager Robert Hyatt reported that there was no minimum fee established and that he feels that the County needs to charge a minimum fee to the customers. He agreed that some counties do charge in the manner Commissioner Watford spoke of and that others do have the minimum fee with all usage in addition to that fee being billed. Mr. Hyatt reported that this can be taken out of the budget at any time. On a motion by Commissioner Watford and a second by Commissioner Allen the Board voted unanimously to approve removing the Sewer Rate Adjustment from this year's budget and that it not be enacted until further discussion and instruction of the Board. (Exhibit 20)

I. CLOSED SESSION- Real Estate and Economic Development

On a motion by Commissioner Watford and a second by Commissioner Allen the Board voted unanimously 6-0 to go into Closed Session for issues of real estate and personnel.

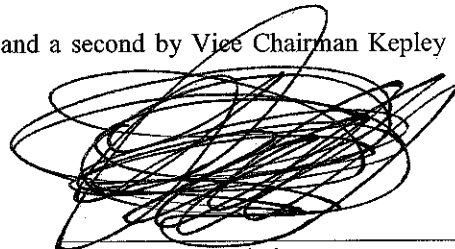
RETURN TO OPEN SESSION

On a motion by Commissioner Watford and a second by Commissioner Walser the Board voted unanimously 6-0 to return to Open Session.

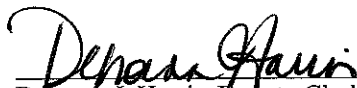
County Attorney Robert Hedrick reported discussion of matters regarding real estate with no action taken.

J. ADJOURNMENT

On a motion by Commissioner Allen and a second by Vice Chairman Kepley the Board voted unanimously 6-0 to adjourn.



Larry W. Potts, Chairman
Davidson County Board of Commissioners


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