

LEE COUNTY

NORTH CAROLINA

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MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS FOR THE COUNTY OF LEE, STATE OF NORTH CAROLINA

OCTOBER 1, 2007

The regular meeting of the Board of Commissioners for the County of Lee, State of North Carolina, convened at 9:00 A.M. in the Commissioners' Room, Lee County Government Center, 106 Hillcrest Drive, Sanford, North Carolina, on said date. Commissioners present were Robert H. Brown, James C. Kelly, Jerry M. Lemmond, Nathan E. Paschal, Robert T. Reives, Linda A. Shook, and Kirk D. Smith.

Chairman Brown called the meeting to order and the following business was transacted:

Chairman Brown asked for a moment of silence in memory of Commissioner Reives' mother who recently passed away, followed by the invocation delivered by retired Rev. Tom Spence.

The pledge of allegiance was recited.

Ms. Mary Yow from the Employee Selection Committee introduced Ms. Susan Oskirko, Social Work Supervisor in the Department of Social Services as the *October 2007 Employee of the Month*. Chairman Brown presented Ms. Oskirko with her awards which include a day off with pay, a *Star Award*, a framed certificate, a pizza (compliments of Papa John's Pizza), Coca Cola products from Sanford Coca Cola Bottling Company, and a movie rental from the Movie Gallery.

Chairman Brown presented to family members, a resolution in memory of Mrs. Annie Laurie Pomeranz that was adopted at the September 10, 2007 meeting.

The Board considered additions/changes to the agenda. Commissioner Reives asked that County Manager John Crumpton present his 90-Day Report to the Board at the beginning of the meeting instead of at the end as stated on the agenda. Chairman Brown asked the Board to consider an offer of property made to the County under New Business. Commissioner Reives moved to approve the above revisions to the agenda. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook, and Smith
Nay: None

The Chairman ruled the motion had been adopted unanimously.

Commissioner Reives moved to approve the agenda as presented. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook, and Smith
Nay: None

The Chairman ruled the motion had been adopted unanimously.

Commissioner Lemmond moved to approve the Consent Agenda as presented, which consisted of the following items:

- Minutes from the June 18, 2007 closed session;
- Minutes from the September 10, 2007 closed session;
- Minutes from the September 10, 2007 regular meeting;
- Minutes from the September 10, 2007 Finance Committee meeting;
- Budget Amendment # 10/01/07/#08 (copy attached);
- Donation of stove and hood range, valued at \$950, to the Enrichment Center;
- Letter to the NC DOT for a stop light study at the entrance to Wyeth on 15/501;
- Agreement with Fleming Taxi for after-hours COLTS transportation services (copy attached); and
- Extension of Archeological Contract with Wake Forest University for the Endor Iron Furnace through October 5, 2007.

Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook, and Smith
Nay: None

The Chairman ruled the motion had been adopted unanimously.

No one present signed up to speak during the *Public Comments* section of the meeting.

County Manager John Crumpton presented his *90-Day Report to the Board* that addressed goals and opportunities he would like to see Lee County pursue. Mr. Crumpton's number one issue is to reduce the increasing annual expenditures in the budget. Re-occurring expense increases need to be reduced before the County can address long-term capital projects. Mr. Crumpton stated that by restricting the annual increase the County will free up re-occurring revenue that comes from the growth in the County that can be used to address projects listed in the Capital Improvement Plan (CIP). Department heads will be put on notice that increasing staff in their department is going to be extremely difficult. Mr. Crumpton feels the County is in good financial condition at this time, and feels there is adequate funding in the County's General Fund. Last year expenses increased 7.86 percent, while the natural increase in revenue from growth was only 3.74 percent. A similar problem will occur next year when the new SanLee Middle School is opened and the debt service increases again. In order to stop this trend of increasing expenditures, departments will have to limit their total budget requests to the annual rate of inflation or less. Departments will have to become better stewards of their financial resources. Outside agencies will also be put on notice that next year's budget will be difficult and increases will be difficult to approve. The County's ability to borrow new funds is greatly influenced by the recent borrowing of \$54 million to build two new schools and fund smaller projects for Central Carolina Community College. The biggest debt payment the county will make will be in next

year's 2008-09 budget. The debt repayment schedule is basically structured so the county can borrow again in five-years from the last issuance; which will be in 2011, unless a significant tax increase is approved. Mr. Crumpton addressed the following as his "top ten" priorities that need to be identified in the coming months:

1. Space Needs - (A) Poor working conditions, safety issues and operational issues/customer convenience at the Community Development office; (B) Emergency Management and Fire Marshal's offices have outgrown their space, which is currently located at City Hall; and (C) overcrowding and lack of storage space for files at the Government Center.
2. Performance Measures Initiative - Whether or not the Board approves a Merit Pay Program, Performance Measures need to continue and be enhanced so we can measure how we are performing as an organization. It is also felt that performance Measures can tie into an Annual Review/Evaluation of each employee. Employee evaluations need to be completed on an annual basis with a six-month progress evaluation completed during the year on all full time employees.
3. Overall Organization/Position Classifications/Departments – Needs to be studied for reorganization into functional requirements. Mr. Crumpton will address this more in detail during the upcoming budget process.
4. General Services – This department needs to be reorganized since the Assistant County Manager position has been eliminated. Clear lines of authority and reporting will be set up when the new General Services Director position is filled.
5. Time and Attendance Program – Time and attendance-payroll management system needs to be implemented as soon as possible. This project is currently under construction.
6. Safety Issues – Safety needs to be at the top of the list. Accident Review Committee and Safety Committees need to be meeting and active in reducing injuries and accidents. Workers Comp and Property and Liability premiums appear to be high for a County this size. This is mainly due to the number of claims submitted and increases in payroll dollars.
7. Solid Waste – The closure of the County's C&D landfill will be addressed later in the meeting. Mr. Crumpton feels that waste issues need to be addressed – collection – private versus public.
8. County Vehicles – County vehicles need to be purged as many are un-necessary, causing higher premiums. Also need to review the vehicle maintenance costs and review alternatives.
9. Customer Service - Need to continue the good work that has been started with the Customer Service training. Needs to be taken to a higher level.
10. Overall Attitude of Employees – Morale appears to be improving daily. Need to change how people think about their jobs and what there job is. Principles such as teamwork, continual improvement, and being a great customer service agency will be discussed constantly. Departments will be challenged to shrink to greatness. Mr. Crumpton believes that smaller teams work better than bigger teams. The bureaucratic process doesn't have time to stop a lean organization from making changes and improving. If it is the Board's wish to hold the tax rate next year, the idea of operating a lean and efficient workforce will have to be the main focal point.

After some discussion, Commissioner Smith moved to accept Mr. Crumpton's *90-Day Report to the Board*. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook, and Smith
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered a funding request for an engineering study at the Lee County Industrial Park. Economic Development Director Bob Heuts stated he had received a proposal from Soil & Environmental Consultants, PA, to complete an engineering study of the wetland issues at the Industrial Park and to begin the process of bringing the Industrial Park into compliance with Federal permit. The Finance Committee discussed this matter at their last meeting on September 10, 2007, and recommended approval of Mr. Heuts' request. After some discussion, Commissioner Reives moved to approve up to \$4,100 to enter into a contract with Soil & Environmental Consultants, PA, for an engineering study to get in compliance at the Lee County Industrial Park. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook, and Smith
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered a recommendation from the Lee County Planning Board. Assistant Community Development Director Marshall Downey stated the Planning Board unanimously recommended approval of the rezoning petition by Mr. Tony Blakeley to rezone from Residential Restricted (RR) district to Residential Agricultural (RA) district two lots on Cedar Lane Road. Commissioner Reives moved to accept the recommendation of the Planning Board. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook, and Smith
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered a recommendation from the Lee County Fire Advisory Board. Mr. Donald Andrews, Chairman of that Board stated the Fire Advisory Board had developed a list of six goals and objectives to bring unrated properties within Lee County inside a rated fire district. Currently 14% of the county's residences and businesses are outside a rated fire district. Mr. Andrews further stated his board has been working with the Lee County Fire Marshal's office, the North Carolina State Fire Marshal's office and the Lee County Strategic Services office, and it has been determined there is a need for four (4) sub-stations across the county. The Fire Advisory Board, over the past two years, has looked at the financial positions of all county fire departments. As part of the process, they have looked at the impact of constructing sub-stations across the County. The Fire Advisory Board feels there are two districts that could build a sub-station without tremendous burden on their department and/or district. After meeting with representatives from the county fire departments, Fire Marshal's office and Fire Advisory Board, it is recommended there is a need for sub-stations and to use one design of a building that would meet those needs. It is also hoped that by using one design, bids would be lower, thus reducing the cost of construction. Tentative pricing places the cost of construction at \$300,000 per building. The Fire Advisory Board feels the Cape Fear Fire Department and Lemon Springs Fire Department are in the best position at this time to move forward with a sub-station. In developing a cost/benefit comparison, the proposed sub-stations would pay for themselves in potential insurance savings over a period of 5-7 years. The construction of these two sub-stations would

decrease the number of residences and businesses currently not in a rated fire district from 14% to 8%. The Lemon Springs Fire Department has already purchased the land needed for their sub-station and has the required personnel to operate such a station. The Cape Fear Fire Department is working with the Strategic Services office to identify potential sites and has appointed a committee to work with local property owners on either purchasing land or a lifetime lease arrangement. The Cape Fear Fire Department is also working with the City of Sanford to contract coverage for the 267 residences and businesses from the new 421 by-pass west of the Sanford city limits. Mr. Andrews stated the Fire Advisory Board feels strongly in recommending approval for the construction of a sub-station in the Cape Fear Fire District and Lemon Springs Fire District and encourages support of the Cape Fear Fire Department in their negotiations on a contract with the City of Sanford to service the area west of the 421 by-pass.

At this time, the Board decided to hear a presentation from the Cameron Fire Department before voting on the above matter.

Mr. J. D. Collins, Chief of the Cameron Fire Department furnished the required paperwork to appear before the Board to address his departments request to build a sub-station in Lee County. Mr. Collins stated the Cameron Fire Department had been serving the southern portion of Lee County since 1973 with an established tax district since 1993. He also stated it would be devastating for their department to lose Lee County's funding. Mr. Collins stated his department is interested in building a sub-station in the same vicinity as the one designated for the Lemon Springs station, and they have the necessary equipment needed to setup the sub-station. Mr. Collins asked for a 30-day extension so he could provide a plan for the Board to consider at the first meeting in November.

Chairman Brown stated there were two requests before the Board – one from the Fire Advisory Board and one from the Cameron Fire Department. Commissioner Shook moved to approve the recommendation from the Lee County Fire Advisory Board to construct fire department sub-stations in the Lemon Springs and Cape Fear Fire Districts. After further discussion, Commissioner Paschal moved to table the matter for 30 days to allow the Cameron Fire Department the opportunity to submit plans for a sub-station in southern Lee County. Upon a vote of Mr. Paschal's motion, the results were as follows:

Aye: Paschal
Nay: Brown, Kelly, Lemmond, Reives, Shook, and Smith

The Chairman ruled the motion had failed with a six to one vote.

Upon a vote of Commissioner Shook's motion, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook, and Smith
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered a request from the Lee County Fire Advisory Board to approve a request from the Northview Fire Department to purchase a 100' aerial platform truck for a total price of \$600,000. Mr. Donald Andrews, Chairman of the Fire Advisory Board stated that as part of the FY 2007-08 budget review, the Northview Fire Department requested a funding increase of \$36,500 in capital reserve. The increase allowed the department to fund the debt of \$850,000 on a 20-year loan for a 100' aerial platform truck. The funding request was approved contingent

upon the fire department reviewing the purchase with the Fire Advisory Board and obtaining approval from the Board of Commissioners. Mr. Andrews further stated the Northview Fire Department has worked hard to upgrade their trucks in an effort to address the demands in the industrial park. After much discussion, Commissioner Lemmond moved to approve the request from the Northview Fire Department to purchase a 2003 Pearce 100' aerial platform truck. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook, and Smith
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered a request from the Lee County Board of Education to use un-spent contingency funds. School Board member John Bonardi asked the Commissioners to designate extra funds from the SanLee Middle School to the debt of the school project and those debt funds (from the General Fund) be given to the school for new air conditioning at Lee County High School. The Lee County Board of Education, meeting on September 11, 2007, voted to request the Lee County Board of Commissioners to direct any unspent contingency funds resulting from substantial completion of the new middle school to public school capital projects as prioritized by the Lee County Board of Education, including air conditioning in the new gymnasium at Lee County High School. Mr. Bonardi request was different from what the Board of Education had originally requested from the Commissioners. In a letter to the Commissioners, from County Attorney K. R. Hoyle (who was absent from the meeting), stated this budget impact would violate the terms of the County's present COPS financing and would probably affect the County's ability to obtain favorable financing the future. After consulting with bond counsel, Mr. Hoyle recommended the request be denied because such action would be an event of default under the terms of the 2004 and 2006 COPS financing. After much discussion, Commissioner Lemmond moved to deny the request based on the County Attorney's recommendation. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook, and Smith
Nay: None

The Chairman ruled the motion had been adopted unanimously and the motion was denied.

The Board considered a request to close the County's C&D landfill as of June 30, 2008. County Manager John Crumpton informed the Finance Committee, at their August 13, 2007 meeting, the County had entered into a contract with Richardson Smith Gardner & Associates to perform engineering services related to the County's construction and demolition debris (C&D) landfill. The first phase of the contract included an evaluation of future options for the C&D landfill. Mr. Crumpton stated that if the County continues the current operation of the C&D landfill, it is estimated the costs will exceed revenues by approximately \$125,000 to \$150,000 a year. The estimated cost of closure, based on a June 30, 2008 closure date, is \$210,000. The Solid Waste Fund has approximately \$850,000 in fund balance to use for closure costs and future monitoring costs. The Finance Committee, along with Mr. Crumpton, recommends the C&D landfill be closed June 30, 2008, and the County use Richardson Smith Gardner & Associates to assist with the closure process. It was noted that if the landfill is closed, construction and demolition debris would be taken to the Waste Management site on Wilkins Drive or to a site across the Lee County-Chatham County line. After some discussion, Commissioner Shook

moved to accept the recommendation of the Finance Committee and County Manager to close the County's C&D landfill as of June 30, 2008. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook, and Smith

Nay: None

The Chairman ruled the motion had been adopted unanimously.

Chairman Brown presented and read a letter from Dennis Wicker, Helms Mulliss Wicker Attorney at Law notifying the Commissioners of a potential donor who was seriously considering donating a gift of real property to Lee County adjacent to an existing recreational area owned and operated by Lee County under the Parks and Recreation Department. The letter stated the donation to the County would occur by July 1, 2008. Mr. Wicker asked for a letter from the Lee County Board of Commissioners stating the County would be willing to accept the donation. A Deed of Gift to the County would be executed at a later date containing a reversionary clause stating the property would revert back to the donor if at any time the property ceased to be used as an expansion of the current recreational area. After some discussion, Commissioner Paschal moved for the Chairman to provide a letter accepting the proposed donation as outlined in Mr. Wicker's letter. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook, and Smith

Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered an appointment to the Mid-Carolina Work Force Development Board. Mr. Gregory Hall submitted an application to serve in the vacant position on this Board. Commissioner Lemmond moved to accept the application and appointment of Mr. Gregory Hall to the Mid-Carolina Work Force Development Board. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook, and Smith

Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Monthly Financial Report for the month ending August 31, 2007, was presented by Finance Director Lisa Minter. Commissioner Kelly moved to accept the report as presented. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook, and Smith

Nay: None

The Chairman ruled the motion had been adopted unanimously.

Commissioner Lemmond moved to go into closed session to consider the qualifications, competence, performance, condition of appointment of a public officer or employee or prospective public officer or employee per N. C. General Statute 143-318.11(a)(6). Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook, and Smith

Nay: None

The Chairman ruled the motion had been adopted unanimously and the Board was in closed session.

After returning from the closed session, with all members present, Chairman Brown reconvened the regular meeting.

Commissioner Kelly moved to accept the recommendation of the Tax Administrator Search Committee for the hiring of “an un-identified person at this time” until a contract can be provided and then proceed with the official hiring. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook, and Smith
Nay: None

The Chairman ruled the motion had been adopted unanimously.

With no further business to come before the Board, Commissioner Lemmond moved to adjourn the meeting. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, Shook and Smith
Nay: None

The Chairman ruled the motion had been adopted unanimously and the meeting adjourned in keeping with the motion.

Robert H. Brown, Chairman
Lee County Board of Commissioners

ATTEST:

Gaynell M. Lee, Clerk