

**MINUTES OF THE MEETING OF THE RUTHERFORD COUNTY BOARD OF COUNTY COMMISSIONERS HELD AT THE RUTHERFORD COUNTY OFFICE BUILDING IN THE COUNTY COMMISSIONERS' MEETING ROOM ON OCTOBER 3, 2011, AT 6:00 P.M.**

**PRESENT: CHAIRMAN BILL ECKLER  
VICE CHAIRMAN JULIUS OWENS  
SUSAN CROWE  
EDDIE HOLLAND  
ROGER RICHARD**

\*\*\*\*\*

**CALL TO ORDER/PLEDGE OF ALLEGIANCE/INVOCATION**

Chairman Eckler called the meeting to order. Commissioner Crowe led in the Pledge of Allegiance to the Flag. Rev. Ernie Cole gave the invocation.

**ADOPTION OF AGENDA**

Chairman Eckler requested that the agenda item regarding the gas to green contract be removed from the agenda and that the employee assistance program and a closed session for personnel, N.C.G.S. 143.318.11(a)(6), be added to the agenda.

Commissioner Crowe made a motion to approve the agenda as amended. Commissioner Richard seconded the motion. The motion was unanimously approved.

Deletions to agenda:

- VII. New Business
  - B. Gas to Green Bid

Additions to agenda:

- VII. New Business
  - G. Employee Assistance Program
- IX. Closed Session
  - B. PERSONNEL/N.C.G.S. 143-318.11(a)(6)

**PUBLIC HEARING/ECONOMIC DEVELOPMENT GRANTS/HORSEHEAD HOLDING CORPORATION**

Chairman Eckler called the public hearing to order to receive comments on the application for \$1 million in Community Development Block Grant funds, \$500,000 in an Industrial Development Fund Utility grant, and a \$500,000 grant from the NC Rural Economic Development Center for the

Horsehead Holding Corporation. The purpose of the funds is to assist with the construction of water, sewer, and rail access to their industrial site in southern Rutherford County. Ms. Teresa Spires of IPDC outlined the proposed uses of the grant funds. She explained that all the grants have clawback provisions in them in case the company fails to provide the promised jobs.

No one else wished to speak. Chairman Eckler declared the public hearing closed.

Vice Chairman Owens made a motion to approve the resolution for the CDBG grant application for the Horsehead infrastructure project. Commissioner Crowe seconded the motion. The motion was unanimously approved.

**RESOLUTION FOR THE COUNTY OF RUTHERFORD APPLICATION FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING FOR THE HORSEHEAD CORPORATION EXPANSION INFRASTRUCTURE PROJECT**

**WHEREAS**, the Rutherford County Board of Commissioners has previously indicated its desire to assist in economic development efforts within the County; and,

**WHEREAS**, the Board has held two public hearings concerning the proposed application for Community Development Block Grant funding to benefit Horsehead Corporation; and,

**WHEREAS**, the Board wishes the County to pursue a formal application for Community Development Block Grant funding to benefit Horsehead Corporation; and will invest monies in the amount of \$500,000 into the project as committed to in the application.

**WHEREAS**, the Board certifies it will meet all federal regulatory and statutory requirements of the Small Cities Community Development Block Grant Program,

**WHEREAS**, the Board agrees to hire Isothermal Planning and Development Commission to administer the CDBG grant,

**WHEREAS**, the Board re-affirms its required CDBG policies including Fair Housing, Equal Employment, Procurement, Citizens Participation, Residential Anti-displacement, Language Access for Persons with Limited English Proficiency, Section 3 and Section 504. The County also approves the attached Assessment Policy.

**NOW, THEREFORE BE IT RESOLVED**, by the County's Board of Commissioners that the County of Rutherford is authorized to submit a formal application to the North Carolina Department of Commerce for approval of a Community Development Block Grant for Economic Development to benefit Horsehead Corporation.

Adopted this the 3<sup>rd</sup> day of October, 2011 in Rutherfordton, North Carolina.

Vice Chairman Owens made a motion to approve the resolution for the Department of Commerce grant for the Horsehead infrastructure project. Commissioner Crowe seconded the motion. The motion was unanimously approved.

**RESOLUTION**

**BE IT RESOLVED**, that a grant from the Department of Commerce through the County of Rutherford be made to assist the Horsehead Corporation Expansion Infrastructure project.

**BE IT FURTHER RESOLVED**, that Rutherford County will administer this grant in accordance with the rules and regulations of the Department of Commerce.

**BE IT FURTHER RESOLVED**, that the County will contract with Isothermal Planning and Development Commission to administer this project. They will work with the County Finance Department.

**BE IT FURTHER RESOLVED**, that the grant will be monitored quarterly to assure compliance with this proposal and the Department of Commerce regulations.

**BE IT FURTHER RESOLVED**, that the amount of the grant application will be \$500,000.

**ADOPTED** this 3rd day of October, 2011.

Vice Chairman Owens made a motion to approve the resolution for the NC Rural Center grant application for the Horsehead infrastructure project. Commissioner Crowe seconded the motion. The motion was unanimously approved.

**AUTHORIZING RESOLUTION BY GOVERNING BODY OF THE APPLICANT  
Economic Infrastructure Grants Program**

**WHEREAS**, the North Carolina Rural Economic Development Center, Inc. (Rural Center) has authorized the awarding of grants from appropriated funds to aid eligible units of government in financing the cost of infrastructure activities needed to create jobs; and

**WHEREAS**, Rutherford County needs assistance in financing an infrastructure project that may qualify for Rural Center funding; and

**WHEREAS**, the Rutherford County intends to request grant assistance for the Horsehead Corporation Expansion Infrastructure Expansion project from the Economic Infrastructure Grants Program;

**NOW THEREFORE BE IT RESOLVED, BY THE BOARD OF RUTHERFORD COUNTY:**

That Rutherford County will arrange financing for all remaining costs of the project, if approved for a grant.

That the County Manager and successors so titled, is hereby authorized to execute and file an application on behalf of Rutherford County with the Rural Center for a grant to assist in the above-named infrastructure project.

That William Eckler, Interim County Manager, and successors so titled, is hereby authorized to execute and file an application on behalf of Rutherford County with the NCREDC (Rural Center) for a grant to assist in the above named infrastructure project.

That William Eckler, Interim County Manager, and successors so titled, is hereby authorized and directed to furnish such information as the Rural Center may request in connection with an application or with the project proposed; to make assurances as contained in the application; and to execute such other documents as may be required in connection with the application.

That Rutherford County has substantially complied or will substantially comply with all federal, state, and local laws, rules, regulations, and ordinances applicable to the project and to the grants pertaining thereto and that they will contract with Isothermal Planning and Development Commission to provide grant administration services for this project.

Adopted this date October 3, 2011 at Rutherford County, North Carolina.

Commissioner Crowe made a motion to approve the resolution establishing an assessment policy for the provision of water and/or sewer service to future users in the area served by the expansion funded by the CDBG grant. Vice Chairman Owens seconded the motion. The motion was unanimously approved.

### **Assessment Policy**

#### **Horsehead Corporation Expansion Infrastructure**

Rutherford County is required, as a condition of a Community Development Block Grant for Economic Development (CDBG-ED) to construct a raw water intake and water line, a 500,000 water storage tank and domestic sewer service to allow for the construction of minerals processing facility. The assessment policy delineated herein is designed to give Rutherford County a mechanism to equitably provide water and/or sewer service to future users in the area whose water or sewer service will be upgraded as a result of CDBG-ED funding.

1. Future users connecting to the system using the water or sewer lines constructed as a result of this project shall be required to pay an assessment fee of \$500 per tap to Rutherford County. This fee is in addition to normal tap fees and shall be paid in full prior to connection to the designated lines.
2. The assessment fee required in Section 1 shall not be imposed on any business that is owned by low and moderate income individuals, or any residence that is owned or occupied by low and moderate income individuals. This assessment fee shall be waived by Rutherford County for any business that ties into the service that presently employs greater than 60% low and moderate income persons and/or will create new jobs of which 60% of positions will be filled by low and moderate income persons.
3. Rutherford County reserves the right to reduce the assessment fee charged to any future users based on the economic impact on the County's overall economy.
4. All revenue generated by this assessment policy prior to completion of the project shall be used to reduce the amount of the CDBG-ED funds. Fifty percent (50%) of all revenue generated by the assessment policy thereafter shall, for a period of five (5) years, be returned to the CDBG Program at the Commerce Finance Center for funding of future economic development projects. The fifty percent (50%) retained by the County shall be used to finance

future capital improvements to the County's water system with priority placed upon improvements to benefit persons of low and moderate income.

ADOPTED this 3<sup>rd</sup> day of October, 2011.

### **CONSENT AGENDA**

Vice Chairman Owens made a motion to approve the minutes of the September 12, 2011 meeting as corrected. The motion was unanimously adopted.

### **PUBLIC COMMENTS**

Mr. Thomas Graham reported that he had visited the site of the proposed green house project last March and again this week and that nothing had been done there. Regarding the gas to green proposal, he said he supports the project in general but he worried whether further appropriations will show the same lack of action in the gas extraction phase.

Jim Brewer commented on several matters - the question of cell phone use during the meeting and his support of volunteerism in the improvement of area parks. Also, he said he has heard that the Commissioners have received a good number of applications for the county manager position but that nothing has been done, which he said makes the Commissioners look bad.

Omer Causey said the request from ICC for a property transfer is not sufficiently detailed. He suggested that before any action is taken that a joint planning effort be established to revisit the master plan previously drawn up for the property.

Boyce Abernathy cited changes in the Schedule of Values Standards and Rules that he felt were improvements, but he said that more needs to be done to provide sufficient detail as required by the statutes. He said he hoped additional improvements could be made next time.

David Reno reminded the Commissioners that the last election had been about a conservative approach to government. He reviewed information about the ICC request for a property transfer, including documents from the time of the acquisition of the property. He concluded from the record that ICC had been offered first right of refusal and had declined to act.

### **APPOINTMENT/PLANNING COMMISSION**

Vice Chairman Owens made a motion to appoint Mike Parton to the Rutherford County Planning Commission. Commissioner Richard seconded the motion. The motion was unanimously approved.

**UPDATE/FACEBOOK**

Mr. George Henry announced that Facebook will be building a second facility the same size as the original one starting immediately. About 600 people will be working on the construction phase. Chairman Eckler thanked Mr. Henry and Facebook for their community service.

**UPDATE/PANGAEA**

Mr. Ron Walter, Executive Director of Pangaea, made a presentation on the mission, recent history, and accomplishments of Pangaea. The organization is classified as a non-profit under 501(c)(3) of the IRS code. They have received in excess of \$3 million in funding from sources such as Advantage West, Z. Smith Reynolds, and the Golden Leaf Foundation and have installed 160 miles of fiber in Polk and Rutherford County. All schools and all manned fire stations in Rutherford County are connected. In addition, some commercial customers are using the fiber, for which they pay a fee. Pangaea is continuing to grow.

**CELLPHONE AND FLASH MEDIA/COMMISSIONERS' ROOM**

Chairman Eckler directed that the question of the use of cell phones and flash cameras in the Commissioners' Room be referred to the county attorney.

**RAY HENSON PARK/NAME CHANGE**

Jerry Stensland of the Arts Parks and Recreation Department reported on the activity of the Cliffside community to make improvements at the Ray Henson Park. Responding to the question of the county providing funds for the park, he explained that there had been an insurance settlement for the replacement of a picnic shelter. Volunteers have removed the roof and have done other work at the park. A group of citizens in Cliffside are requesting the official name of the park be changed to Honeysuckle Park, which was the original name. It was changed to Ray Henson in honor of a former park caretaker. The existing sign for Ray Henson Park would be relocated to the little league field.

Terry Harris, president of the Duke Energy Retirees, said that they have painted and have taken off the roof that is to be replaced. He presented a petition from the citizens with about 100 signatures asking for the name change.

Vice Chairman Owens made a motion to approve the petition to rename the Ray Henson Park to be called the Cliffside Honeysuckle Park. Commissioner Holland seconded the motion. The motion was unanimously approved.

**TAX REFUNDS AND RELEASES**

Commissioner Richard made a motion to approve tax refunds of \$1,396.71 and tax releases greater than \$100 totaling \$24,133.79 as outlined by Interim Tax Collector Rheba Ward. Tax

releases of amounts less than \$100, which totaled \$2,452.07, were submitted by the Finance Office. (A copy of these tax refunds and releases is in the Minute Book.) Vice Chairman Owens seconded the motion. The motion was unanimously approved.

**BUDGET AMENDMENTS**

Paula Roach of the Finance Department presented and explained the budget amendments.

Commissioner Crowe made a motion to approve the budget amendments. Commissioner Richard seconded the motion. The motion was unanimously adopted.

	Expense	Revenue
<b>GENERAL FUND</b>		
Grassroots Grant Expenditures	\$ 1,329	
Fund Balance Appropriated		\$ 1,329
*carry forward FY10-11 grant funds		
Firing Range - Roof Repairs/Maintenance	\$ 1,284	
Cliffside Park - Roof Repairs/Maintenance	\$ 8,350	
Insurance Claims & Dividends		\$ 9,634
*insurance proceeds received		
Maintenance - Vehicle Maintenance	\$ 6,846	
Sheriff - Vehicle Maintenance	\$ 12,756	
EMS - Vehicle Maintenance	\$ 10,022	
Fund Balance Appropriated		\$ 29,624
*reappropriate insurance proceeds received FY10-11; repairs completed FY11-12		
Sheriff - Equipment purchased with Seizure Funds	\$ 10,425	
Federal/State Forfeited Funds		\$ 10,425
*US Marshals/DEA distribution received		
Sheriff - Capital Outlay Vehicle Lease Purchase	\$ (5,476)	
Sheriff - Capital Outlay Lease Purchase	\$ 8,764	
Sheriff - Capital Outlay Equipment	\$ 2,127	
IT Capital Outlay Lease Purchase	\$ (10,940)	
Fund Balance Appropriated		\$ (5,525)
*adjust budget to FY10-11 balances		
Sheriff - Project Lifesaver	\$ 30	
Project Lifesaver Donations		\$ 30
*donations received		
Sheriff - Forensics Supplies	\$ 900	
Domestic Violence Weapons Storage Fees		\$ 900
*storage fees received		
Animal Shelter - Cleaning Supplies	\$ 10	

Minutes of Rutherford County Commissioners' Meetings October 3, 2011

	Expense	Revenue
Animal Shelter Donations		\$ 10
*donations received		
Cooperative Extension - Farm City Activities	\$ 752	
Fund Balance Appropriated		\$ 752
*reappropriate prior year donations		
Soil and Water Grant - Rutherfordton Elementary	\$ 2,500	
Soil and Water Grant - Chase Middle	\$ 2,500	
NC Foundation for Soil and Water		\$ 5,000
*grants for outdoor classrooms; no local match		
Senior Center - Senior Health Insurance Information Program	\$ 4,184	
Medicare Education Grant/SHIIP		\$ 4,184
*grant received		
Professional Services - Gilbert Town Archaeological Study	\$ 39,482	
American Battlefield Grant - Gilbert Town		\$ 39,482
*reappropriate grant		
<b>DSS FUND</b>		
Social Services - Vehicle Maintenance	\$ 16,192	
Fund Balance Appropriated		\$ 16,192
*reappropriate insurance proceeds received for hail damage		
<b>TRANSIT FUND</b>		
Vehicle Replacement - County Share	\$ (25)	
Vehicle Replacement - Federal/State Share	\$ (220)	
State Grant Vehicle Replacement		\$ (220)
Highway Use Tax	\$ 3,528	
Fund Balance Appropriated		\$ 3,503
*adjust budget to FY10-11 balances		
Transit - Vehicle Maintenance	\$ 3,028	
Fund Balance Appropriated		\$ 3,028
*reappropriate insurance proceeds received for hail damage		
<b>SOLID WASTE FUND</b>		
Capital Outlay Equipment - Hydraulic Excavator	\$ 150,000	
Fund Balance Appropriated		\$ 150,000
*Replace 1988 Caterpillar Pan with new Hydraulic Excavator		
<b>GENERAL FUND</b>		
Rutherford Center - HVAC unit	\$ 7,980	
Property Tax Transfer to Debt Service Fund	\$ (7,980)	
*HVAC unit for Rutherford Center; gas pack unit to be replaced		

**SURPLUS EQUIPMENT/AUCTION/GOV.DEALS**

Commissioner Richard made a motion to declare designated county-owned vehicles as surplus to be sold on govdeals.com and to declare miscellaneous items stored at the county's Shiloh facility as surplus to be sold at auction. Vice Chairman Owens seconded the motion. The motion was unanimously adopted.

**LAND REQUEST/ISOTHERMAL COMMUNITY COLLEGE**

Dr. Bobby England spoke on behalf of the ICC Board of Trustees to make the request that ownership of the property known as the Littlejohn property, comprising 21.77 acres adjacent to the campus, be transferred to the college. He said the original owners had a long term agreement with the college for first right of refusal; however, when the county expressed an interest in the property as a part of the larger Daniel Road acquisition, the college trustees told the owners that they did not oppose the sale.

Vice Chairman Owens proposed that a study committee be formed to examine the request.

Commissioner Crowe asked that former Commissioner Chivous Bradley provide information about the original purchase by the county. Mr. Bradley said that the Commissioners at the time of the purchase were interested in obtaining all the property at the Daniel Road site. When the Littlejohns were reluctant to sell because they wanted the land to go to the college, the county manager met with them and the college representatives. All agreed to the purchase of the property by the county.

Vice Chairman Owens made a motion to defer action until a study committee could determine what is in the best interests of the taxpayers. The motion died for lack of a second.

Commissioner Crowe made a motion to approve the transfer of the property known as the Littlejohn property to Isothermal Community College.

Vice Chairman Owens offered an amendment to the motion to delay action until the Board of Commissioners can meet with the ICC Board of Trustees. The vote on the amendment was:

Ayes: Commissioners Eckler and Owens.

Noes: Commissioners Crowe, Holland, and Richard.

Vice Chairman Owens objected saying that he did not know exactly which property was under consideration. Chairman Eckler also said he was unclear about the property. Dr. England stated that it was a portion of the land request made by the college to the Commissioners in February 2011. It is a single parcel with the original single PIN number when it was purchased by the county. No additional property is being requested by the college.

Chairman Eckler directed that Commissioner Crowe's motion be held open while the county attorney checked into the legalities of how the county should proceed.

### **SCHEDULE OF VALUES**

Commissioner Richard made a motion to delay action on the Schedule of Values for one week. Commissioner Crowe seconded the motion.

Chairman Eckler asked Attorney Miller to explain what the effect of a one week delay would be. She reviewed the necessary public notice and time for appeals and said that it would still be possible to meet the statutory requirements.

The vote on the motion was:

Ayes: Commissioners Richard and Crowe.

Noes: Commissioners Eckler, Owens, and Holland.

Vice Chairman Owens made a motion to approve the Schedule of Values as presented. Commissioner Holland seconded the motion. The vote on the motion was:

Ayes: Chairman Eckler, Vice Chairman Owens and Commissioner Holland.

Noes: Commissioners Richard and Crowe.

### **LAND REQUEST/ISOTHERMAL COMMUNITY COLLEGE (cont'd)**

Commissioner Crowe's motion to approve the transfer of the property known as the Littlejohn property to Isothermal Community College was on the table.

Attorney Miller confirmed that the Board of Commissioners has the legal authority to transfer ownership of property to another governmental unit and that Isothermal Community College meets the definition.

Vice Chairman Owens again voiced his concerns that in view of the value of the proposed land transfer, the taxpayers should be given every consideration. He asked Dr. Myra Johnson, President of ICC, whether she would support the idea of a joint study committee. Dr. Johnson said she supported the request by the ICC Board and she acknowledged that the Commissioners' role was to represent the public.

The vote on the motion was:

Ayes: Commissioners Eckler, Holland, Crowe and Richard.

Noes: Commissioner Owens.

### **ANNOUNCEMENT/EMS PLAN**

Chairman Eckler reported that the EMS will be submitting its annual plan to the state this week.

**EMPLOYEE ASSISTANCE PROGRAM**

Vice Chairman Owens made a motion to accept the proposal from Woodbridge Psychological Services to provide an Employee Assistance Program to the county at no cost to the county. Chairman Richard seconded the motion.

Vice Chairman Owens said that from the start of his service as a Commissioner he has been concerned about county employees who are exposed to difficult situations in the course of their work.

HR Director Judy Toney outlined some of the aspects of the proposed program and thanked Doctors Terry Ledford, Tom Lebreche and Dean Perry for their assistance in setting up the program.

The motion was unanimously approved.

**CLOSED SESSION/ATTORNEY CLIENT NCGS 143-318.11(a)(3)/PERSONNEL/N.C.G.S. 143-318.11(a)(6)**

Commissioner Crowe made a motion for the Commissioners to go into closed session for attorney client under NC G.S. 143.318.11(a)(5) and personnel under NC G.S. 143.318.11(a)(6).

7:40 P.M. The Board went into Closed Session.

8:07 P.M. The Board returned to Open Session.

**INTERIM EDC DIRECTOR**

Vice Chairman Owens made a motion to name Debbie Clary as interim EDC director. The motion failed on a 4-1 vote. The vote on the motion was:

Ayes: Commissioner Owens.

Noes: Commissioners Eckler, Crowe, Holland, and Richard.

Commissioner Crowe made a motion to name Jim Lancaster as interim EDC director. Commissioner Holland seconded the motion. The vote on the motion was:

Ayes: Commissioners Eckler, Crowe, Holland, and Richard.

Noes: Commissioner Owens.

**ADJOURNMENT**

Commissioner Crowe made a motion to adjourn. Commissioner Richard seconded the motion. The motion was unanimously approved.

Meeting adjourned at 8:12 P.M.

---

Chairman, Board of Commissioners

---

Vice Chairman, Board of Commissioners

Attest:

---

Clerk, Board of Commissioners