

MINUTES OF THE MEETING OF THE BOARD OF COUNTY COMMISSIONERS HELD AT THE RUTHERFORD COUNTY OFFICE BUILDING IN THE COUNTY COMMISSIONERS' MEETING ROOM ON DECEMBER 1, 2008, AT 10:00 A.M.

**PRESENT: COMMISSIONER SUSAN GREEN CROWE
COMMISSIONER MARGARET HELTON
COMMISSIONER EDDIE HOLLAND
COMMISSIONER PAUL MCINTOSH
COMMISSIONER BRENT WASHBURN**

CALL TO ORDER\PLEDGE OF ALLEGIANCE\INVOCATION

Outgoing Chairman Chivous Bradley called the meeting to order. The pledge of allegiance was led by a member of the R-S Central Marine Corps JROTC. Rev. Dean Baughn of the First Baptist Church of Rutherfordton gave the invocation.

SWEARING IN CEREMONY

Judge Laura Powell administered the oath of office to Ronald Hawkins as Soil and Water Supervisor.

Faye Huskey was sworn in as Register of Deeds by Judge Powell.

Judge Powell advised that Robyn Spence had been sworn in as Clerk of Court earlier in the day at the Courthouse.

Rutherford County Board of Education Members John Mark Bennett, Barry Gold, Jackie Hampton and Ritchie Garland were sworn in by Judge Powell.

Susan Green Crowe was sworn in as a member of the Rutherford County Board of Commissioners by Judge Powell.

Judge Powell administered the oath of office to Eddie Holland as a member of the Rutherford County Board of Commissioners.

Outgoing Chairman Bradley relinquished the gavel to Vice Chairman Paul McIntosh.

ELECTION\CHAIRMAN

Commissioner McIntosh assumed the chair and nominated Commissioner Brent Washburn to serve as Chairman. Commissioner Helton seconded the motion. The nominations were closed, and Commissioner Washburn's election as Chairman was unanimously approved.

ELECTION\VICE CHAIRMAN

Chairman Washburn assumed the chair. Commissioner Crowe nominated Commissioner Margaret Helton to serve as Vice Chairman. There being no other nominations, Chairman Washburn

declared the nominations closed. Commissioner Helton's election as Vice Chairman was unanimously approved.

PUBLIC HEARING

Chairman Washburn opened the public hearing to receive comments on an economic development incentive grant to an unnamed industry pursuant to North Carolina General Statute 158-7.1.

Manager Condrey made a request that the public hearing be recessed until December 8.

EDC Director Tom Johnson reported that the prospective company has not come to a decision about locating in Rutherford County. He stated that the county has been working on this project since February, but in the current economic climate, it is hard to get companies to make a commitment.

Mr. Duncan Edwards asked how the incentive offered by the county will be funded. Mr. Johnson said the cash portion upfront would be financed, and the company will pay it back over a four year period. The remainder is spread over 14 years and would be paid to the company yearly after county taxes are received. Finance Director Scherer estimated that the county would recoup its investment by Year 8.

Mr. David Reno urged the Commissioners to structure the industrial grants so should the company fail in its portion of the agreement, incentive dollars will be restored to the county.

Mr. Bill Eckler asked whether public comments would be received at the December 8 meeting and stated that he would like to speak at that time.

Mr. Boyce Abernathy asked whether the Local Government Commission will have oversight of the agreement, and Finance Director Scherer confirmed that it would.

Chairman Washburn recessed the public hearing to December 8 at 8:00 a.m.

PUBLIC COMMENTS

Chairman Washburn opened the floor for public comments.

Mr. Roger Richards reviewed the history of his property tax appeal and said that because he had not been granted a prompt hearing, he had been denied due process.

ADOPTION OF AGENDA

Chairman Washburn read the items on the supplemental agenda. Vice Chairman Helton made a motion to approve the agenda as amended. Commissioner McIntosh seconded the motion. The motion was unanimously approved. Amendments to the agenda were:

- Resolution in Support of Thomas Jefferson Classical Academy Charter School in Lake Lure was removed.
- Appointment to Airport Authority added.
- Resolution supporting Mountain Valleys Resource Conservation and Development Council added.

CONSENT AGENDA

Commissioner McIntosh made a motion to approve the consent agenda. Vice Chairman Helton seconded the motion. The motion was unanimously approved.

Minutes

By consent, the minutes of the November 3, 2008, and November 14, 2008, meetings were approved.

Tax Refunds and Releases

By consent, tax refunds of \$4,982.36 and tax releases greater than \$100 totaling \$24,905.29 as outlined by Tax Administrator Kep Kepley were accepted. Tax releases of amounts less than \$100, which totaled \$6,170.89, were submitted by the Finance Office. (A copy of these tax refunds and releases is in the Minute Book.)

Bonds for County Officials

By consent, surety bonds for the following county officials were approved:

Sheriff	\$10,000
Social Services Director	\$100,000
Coroner	\$2,000
Tax Administrator	\$100,000
Finance Director	\$100,000
County Manager	\$100,000
Register of Deeds	\$10,000

APPOINTMENTS\COUNTY COMMISSIONERS

Following discussion of available seats and the Commissioners who would fill them, Vice Chairman Helton made a motion that the following appointments be approved:

Commissioner Holland	Rural Planning Organization
	Tourism Development Authority
Commissioner Crowe	Transportation Committee
	Western North Carolina Political Caucus

Commissioner McIntosh seconded the motion. The motion was unanimously approved.

APPOINTMENTS\FARMLAND PRESERVATION ADVISORY BOARD

Vice Chairman Helton made a motion to approve the appointment of Mr. Johnny Bradley and Mr. Jerry Brantley to serve three-year terms beginning January 1, 2009, on the Rutherford County Voluntary Farmland Preservation Board. Commissioner Holland seconded the motion. The motion was unanimously approved.

VOTING DELEGATE/LEGISLATIVE GOALS CONFERENCE

Chairman Washburn asked for a volunteer from the Board to serve as voting delegate to the North Carolina Association of County Commissioners Legislative Goals Conference January 15,-16, 2009, in Raleigh. Commissioner McIntosh volunteered to serve. His appointment was unanimously approved by a show of hands.

APPOINTMENT/AIRPORT AUTHORITY

Chairman Washburn noted that the vote on an appointment to the Airport Authority had been made at the November 14 meeting which was a special meeting. Enabling legislation which called for the creation of an airport authority specified that appointments must be made at regular meetings of the County Commissioners. Therefore, action would need to be taken on this appointment at this meeting.

Commissioner McIntosh nominated Robert McCutcheon to serve as a member of the Airport Authority Board. Vice Chairman Helton nominated Julius Owens for the seat. The vote on the nominees was as follows:

Robert McCutcheon: Chairman Washburn, Commissioners McIntosh and Holland
Julius Owens: Vice Chairman Helton, Commissioner Crowe

Commissioner Holland stated that he voted as he did because he felt he had an obligation to honor the action of the previous board of commissioners.

RESOLUTION\EMERGENCY MANAGEMENT AGENT

Commissioner Washburn made a motion to approve the resolution designating Roger Hollifield and Barry Davis to act as agents for Rutherford County in making application for federal and state grants for disaster relief and/or emergency assistance. Commissioner Crowe seconded the motion. The motion was unanimously approved.

RESOLUTION

BE IT RESOLVED BY the County Commissioners of Rutherford County that Roger Hollifield and Barry Davis are hereby authorized to execute and file applications for federal and/or state assistance on behalf of Rutherford County for the purpose of obtaining certain state and federal financial assistance under the Robert T. Stafford

disaster Relief and Emergency Assistance Act (Public Law 92-288 as amended) or as otherwise available.

BE IT FURTHER RESOLVED that Roger Hollifield and Barry Davis are authorized to represent and act for Rutherford County in all dealings with the State of North Carolina and the Federal Emergency Management Agency for all matters pertaining to such disaster assistance required by grant agreements and the assurances provided.

BE IT FINALLY RESOLVED THAT Roger Hollifield and Barry Davis are authorized to act severally.

Adopted this the 1st day of December, 2008.

MEMORANDUM OF UNDERSTANDING/RURAL PLANNING ORGANIZATION

Josh King of Isothermal Planning and Development Commission presented an updated Memorandum of Understanding for Cooperative, Comprehensive and Continuing Transportation Planning and the Establishment of a Rural Planning Organization for the counties of Rutherford, McDowell, and Polk and the municipalities therein. The county first entered into this agreement in 2001. It is being amended to change the composition of the membership to reduce the ratio of NCDOT representatives.

Commissioner McIntosh made a motion to approve the Amended Memorandum of Understanding. Chairman Washburn seconded the motion. The motion was unanimously approved.

REVENUE STUDY COMMITTEE/RESOLUTION/APPOINTMENT

Mr. Rob Bole, chairman of the Revenue Study Committee appointed by the previous Board of Commissioners to research and make recommendations for ways to make the taxation system more equitable to Rutherford County citizens, reported on the activities of the committee. Among several possible changes that had been studied, the committee is recommending that Rutherford County go on record in support of legislation at the state level that would broaden the number of services subject to sales tax in North Carolina and to submit a recommendation to the NC Association of County Commissioners identifying this as a legislative goal. The committee had drafted a resolution for consideration by the Commissioners.

Mr. Bole explained that counties need to work to ensure that any changes to the state system will result in additional revenue being returned to the counties, and that this would give Rutherford County the opportunity to adjust the property tax rate accordingly.

Commissioner McIntosh noted that increasing the number of services that are taxed could result in a shift of a portion of the tax burden from property tax owners to consumers. He asked about the state committee that has been working on state-wide tax issues for some years. Mr. Bole stated that broadening the sales tax base had been one of their recommendations; however, this committee has dissolved.

Commissioner Crowe noted that neither the specific services that would be taxed nor how much the sales tax rate would be lowered had been identified.

Mr. Bole referred to an internet site that lists services that other states currently tax. He said the rate and the services to be taxed would be decided by the state and that the amount of revenue it would produce would not be known until the change was implemented.

Chairman Washburn said he had served with the committee and that it was his hope that all the 99 other counties would pass a similar resolution so that, whatever services the state chooses to tax, the counties would be included in the distribution of the revenues.

Mr. Bole asked that the Revenue Study Committee be extended to look at possible economies and efficiencies in the operation of the nine separate government units in Rutherford County and that Ms. Julia Hensley be appointed to serve on the committee.

Commissioner Helton asked that action on the resolution be postponed. Commissioner Crowe again stated that the information was incomplete. The Commissioners agreed to consider the resolution at the special meeting scheduled for December 8.

Chairman Washburn made a motion to extend the life of the Revenue Study Committee to study economies and efficiencies and to appoint Ms. Julia Hensley as a member of the committee. Commission McIntosh seconded the motion. The motion was unanimously approved.

AIRPORT/TRANSPORATION IMPROVEMENT PLAN

Alan Guffey appeared representing the Airport Authority and explained that the list of projects in the long range TIP plan is presented to the Commissioners every year and only projects identified in the plan can be eligible for grant funding.

Commissioner McIntosh made a motion to approve the Rutherford County Airport Transportation Improvement Program for 2010-2014. Chairman Washburn seconded the motion. The motion was unanimously approved.

BUDGET AMENDMENTS

Finance Director Scherer presented and explained the budget amendments.

**Budget Amendments
December 1, 2008**

	Expense	Revenue
GENERAL FUND		
Sheriff - Project Lifesaver	\$ 610	
Project Lifesaver Donations		\$ 610
* donations received		
Sheriff - DARE Supplies	\$ 25	

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Misc Revenue - Donation		\$ 25
*donation received		
Sheriff - Uniforms and Equipment	\$ 648	
Misc Revenue - Sale of Ammo Brass		\$ 648
* sold ammo brass for the purpose of purchasing new shotguns		
Sheriff - Fuel	\$ 60	
Misc Revenue - Dogs Against Drugs Reimbursement		\$ 60
* reimbursement for transporting K9		
Sheriff - Salaries	\$ 3,732	
Polk County Trial Reimbursement		\$ 3,732
* reimbursement received for services provided for Polk County		
Detention Center - Prof Svcs	\$ 2,860	
Fund Balance Appropriated		\$ 2,860
* professional liability deductible - NCACC		
Cooperative Extension - Farm City Activities	\$ 1,290	
Farm City Donations		\$ 950
Fund Balance Appropriated		\$ 340
* donations received and reappropriate prior year balance		
SCHOOL CAPITAL PROJECTS FUND		
Rutherfordton Elementary - Construction	\$ 16,051	
Rutherfordton Elementary - Contingency	\$ (16,051)	
* change order request #3/Beam Construction		

Commission Crowe made a motion to approve the budget amendments. Vice Chairman Helton seconded the motion. The motion was unanimously approved.

FINANCIAL UPDATE/AUDIT

Finance Director Scherer reviewed and explained fiscal operations for the year ended June 30, 2008.

Mr. Charles Killian of Gould Killian CPA Group, P.A., presented and commented on the audit performed by his firm. He stated that the audit had produced a clean opinion. He noted some administrative requirements to comply with state and federal grants and said that steps had been taken to get control procedures in place.

Commissioner McIntosh made a motion to approve the FY 2007-2008 Audit. Commissioner Crowe seconded the motion. The motion was unanimously approved.

PARKING LOT\BIDS

Manager Condrey reported that only one bid had been received for the work approved by the previous Board of Commissioners to pave and mark the parking lot where the old jail once stood. The Commissioners agreed they would like to have additional bids and that work should be postponed under spring.

Commissioner Holland made a motion to reject the bid for paving the parking lot at North Washington and Third Streets. Commissioner Crowe seconded the motion. The motion was unanimously approved.

RESOLUTION\LAKE LURE-RUTHERFORDTON SEWER PROJECT

Karen Andrews, Town Manager of Rutherfordton, and Harlow Brown, former manager of Broad River Water Authority, presented plans for a project to run a sewer line connection from Lake Lure to Rutherfordton. The current treatment plant in Lake Lure will be converted into a pumping station, and there will be pumping stations along the 18-mile route of 16" pipe to Rutherfordton's treatment plant. He requested the endorsement of the County Commissioners for the plan, which he said would enhance their ability to obtain grant funds. Other municipalities and Isothermal Planning and Development Commission are also being asked for their endorsement.

Commissioner Washburn asked about the possibility of laying fiber lines at the same time and suggested there might be funding opportunities for fiber installation. Mr. Brown said that fiber is part of the plan.

Commissioner McIntosh made a motion to approve the resolution of support for interconnection of a "green line" between the Town of Lake Lure and the Town of Rutherfordton. Chairman Washburn seconded the motion. The motion was unanimously approved.

**A RESOLUTION OF SUPPORT FOR THE RUTHERFORDTON
INTERCONNECT "GREEN LINE" BETWEEN THE TOWN OF LAKE LURE AND
THE TOWN OF RUTHERFORDTON**

WHEREAS, The Town of Lake Lure is currently in a Special Order of Consent (SOC) with NCDENR Division of Water Quality to make certain improvements to our wastewater treatment plant; and

WHEREAS, the Town of Lake Lure desires and needs additional sewer capacity for the long-term growth of the community; and

WHEREAS, the Town of Lake Lure wastewater treatment plant will require extensive improvements or replacement in the next 5-10 years that would cost the Town an estimated \$20 million; and

WHEREAS, the estimated cost to complete this project is between \$9-\$10 million to engineer and construct the Interconnect "Green Line"; and

WHEREAS, the Interconnect "Green Line" Project would allow the Town of Lake Lure to permanently eliminate our NPDES permit to discharge wastewater into the Broad River; and

WHEREAS, the Town of Rutherfordton has substantial capacity in their current wastewater treatment plant; and

WHEREAS, the Town of Rutherfordton made substantial improvements to their wastewater treatment plant to upgrade and modernize operations; and

WHEREAS, the Interconnect "Green Line" Project would bring additional revenues to the Town of Rutherfordton to support their operation and maintenance of their wastewater plant and collections system; and

WHEREAS, the Interconnect "Green Line" Project would allow for potential growth along the 64/74A corridor in Rutherford County; and

WHEREAS, North Carolina Department of Natural Resources, the Rural Center, and the Clean Water Management Trust Fund all support regionalization of wastewater plants and elimination of NPDES permits in communities; and

NOW, THEREFORE, BE IT RESOLVED that the Rutherford County Board of Commissioners supports moving forward with all aspects of this project, with a goal of the Interconnect "Green Line" being constructed and operational within 3-4 years of adoption of this Resolution.

Adopted this 1st day of December, 2008.

RESOLUTION SUPPORT FUNDING OF MOUNTAIN VALLEYS RESOURCE CONSERVATION AND DEVELOPMENT

Commissioner Holland made a motion to approve the resolution expressing support for federal funding to cover personnel expense for a coordinator for Mountain Valleys Resource Conservation & Development, an organization that works to protect the environment and natural resources in Western North Carolina. Commissioner McIntosh seconded the motion. The motion was unanimously approved.

**RESOLUTION
SUPPORTING THE FUNDING OF MOUNTAIN VALLEYS RC&D**

WHEREAS, Rutherford County is located within the geographic service area of Mountain Valleys Resource Conservation & Development (RC&D); and

WHEREAS Mountain Valleys RC&D plays an important role in protecting the environment in a way that improves the local economy and standard of living in Rutherford County; and

WHEREAS, the Rutherford County Board of Commissioners believes that natural resources conservation continues to be of prime importance in Western North Carolina; and

WHEREAS, Mountain Valleys RC&D provides technical assistance and project administration for vital resource projects; and

WHEREAS, the lack of adequate Federal funding will cause Mountain Valleys RC&D to no longer have the assistance of a full-time coordinator.

NOW, THEREFORE, BE IT RESOLVED the Rutherford County Commissioners encourages and supports any and all efforts to secure adequate Federal funding to fully staff Mountain Valleys RC&D, allowing that organization to continue to serve Rutherford County and Western North Carolina.

Adopted this the 1st day of December, 2008.

CLOSED SESSION/PROPERTY ACQUISITION G.S. 143-318.11(A)(5)

Vice Chairman Helton made a motion to go into closed session to discuss property acquisition. Commissioner Crowe seconded the motion. The motion was unanimously approved.

11:48 A.M. – The Board went into Closed Session
12:30 P.M. – The Board returned to regular session.

ADJOURNMENT

Chairman Washburn declared the meeting recessed to December 8 at 8:00 A.M..

Recessed at 12:30 P.M.

Chairman, Board of Commissioners

Vice Chairman, Board of Commissioners

Attest:

Clerk, Board of Commissioners