

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 7, 2009, AT 6:00 P.M.

**PRESENT: CHAIRMAN BRENT WASHBURN
VICE CHAIRMAN MARGARET HELTON
SUSAN CROWE
EDDIE HOLLAND
PAUL MCINTOSH**

* * * * *

CALL TO ORDER\INVOCATION\PLEDGE OF ALLEGIANCE

Chairman Washburn called the meeting to order. Human Resources Director Judy Toney gave the invocation. Commissioner Holland led the pledge of allegiance to the flag.

ADOPTION OF AGENDA

Chairman Washburn read the items on the regular agenda and the supplemental agenda. Vice Chairman Helton made a motion to approve the agenda as amended. The motion was unanimously approved.

Election/Chairman

Chairman Washburn opened the floor for nominations for Chairman.

Commissioner McIntosh nominated Commissioner Washburn. Commissioner Crowe nominated Commissioner Helton.

The vote was:

Washburn - Commissioners McIntosh and Holland
Helton - Commissioner Crowe

Commissioners Washburn and Helton did not vote.

Election/Vice Chairman

Chairman Washburn opened the floor for nominations for Vice Chairman.

Commissioner Holland nominated Commissioner Helton. There were no other nominations. Commissioners Washburn, Crowe, Holland, and McIntosh voted in favor. Commissioner Helton did not vote.

PUBLIC COMMENTS

Chairman Washburn told those present that a new digital timer has replaced the hand-held cards. He asked that when citizens fill out the form requesting to make a public comment, they

include a telephone number so that Commissioners or county staff can easily contact them for additional questions or clarifications.

Mr. Henry Edwards reviewed his case for tax relief on property that had been taken for highway rights of way. The Property Tax Commission denied his first appeal but eventually ruled in his favor. He quoted a member of the property tax commission as saying that Rutherford County uses an arbitrary method of property evaluation. Mr. Edwards has received a refund check, but since the county has not yet made this a uniform procedure for all similarly affected taxpayers, he has decided to donate his refund to Hospice.

Mr. Boyce Abernathy spoke in opposition to accepting any federal funds in the form of grants. He said it makes no sense if the funds are borrowed money from communist China. The next generation will have to assume the burden of the deficit. He advocated sending a letter to our congressmen telling them not to put the county any further into debt.

Mr. Jim Brewer complimented Jennifer Naskov on the work she did to bring information on pet shelters to the Commissioners at the last meeting. He has talked with vendors at the Farmers' Market and said that they expressed a preference for space at the 221 flea market. He urged Commissioners Crowe and Helton to keep up the good work.

Mr. Charles Brooks spoke on behalf of the members of American Legion Post 74 and asked that the plaques honoring veterans be moved away from the entrance to the courthouse where the security apparatus has been installed and located in a more suitable location that will more appropriately honor them for their contributions to our country.

Ms. Cheri McAlister described some of the programs sponsored by the community pet center at no cost to the county. Some of the programs are the training of dogs at the correctional facility, and obedience training provided to pet owners. She asked that commissioners go forward with the Daniel Road Complex.

Ms. Sara Dale introduced herself as a senior at East High School and a volunteer at the animal shelter. She said there is a serious pet overpopulation problem in Rutherford County and that resources are extremely limited. The animal shelter is old and both volunteers and animals are at risk. She feels that something needs to be done.

Former Commissioner Chivous Bradley thanked the County Commissioners for their service. He spoke on behalf of the newly formed Carolinas Foothill Chapter of the Overmountain Victory Trail. The national board of the OVTA recently met in Rutherford County. He encouraged the Commissioners to adopt a resolution in favor of establishing a visitors' center for the OVTA in Rutherford County and to support Option 3 of the proposed 221 bypass which would allow for development of the trail.

Ms. Megan Watson, a volunteer at the community pet center, spoke about the overcrowding at the shelter, the lack of exercise space for the animals, and the inadequacy of the trailer used for both office and storage space. She said Rutherford County needs a new shelter to help the animals.

Mr. Zoran Naskov spoke about the budget shortfall and the three furlough days that county employees are giving up to help meet the financial squeeze. He objected to the budget amendment

approving the expenditure of county funds as a local match for improvements at the airport at the same time that county employees are being asked to forego work days.

Ms. Jamie Lou Padgett said the airport currently has empty hangars and very little occupancy. She questioned the number of jobs the airport has created or the profit it has generated. She warned against hidden expenses.

Mr. Udo Stillmayer spoke against the airport expansion. He said there are six empty hangars now and yet the county is willing to spend more money on more hangars.

Chairman Washburn recognized each of the Commissioners for a three-minute comment.

Commissioner Holland commended the department heads and employees of the county for working through difficult times. He said the county will get through this.

Commissioner Crowe thanked the citizens in attendance for their participation.

Commissioner Washburn commented that the suggestion to move the Medal of Honor portraits in the courthouse has resulted in meetings between the county manager and the Clerk of Court. Manager Condrey said that a possible location is the wall on the left approaching the Register of Deeds Office.

Commissioner McIntosh explained that the hangars at the airport are, with one exception, owned privately and not by the county. He noted that the proposed improvements will allow for additional hangars and for the possibility of industrial development, which could produce potentially as much as \$618,000 in new tax revenues. In response to Mr. Naskov's letter in the local newspaper about the county's debt, Commissioner McIntosh clarified that the majority of the debt being carried by the county is for school development and that the school indebtedness is being repaid largely from sales tax revenue and not from property taxes.

Vice Chairman Helton thanked everyone for their thoughts and prayers during her recent sickness. She thanked Mr. Brooks for speaking about the veterans' plaques.

CONSENT AGENDA.

Commissioner McIntosh made a motion to approve the consent agenda. The motion was approved on unanimous vote.

Minutes

By consent, the minutes of the November 2, 2009, meetings were approved.

Tax Refunds and Releases

By consent, tax refunds of \$3,382.03 and tax releases greater than \$100 totaling \$8,070.16 as outlined by Tax Administrator Kep Kepley were accepted. Tax releases of amounts less than \$100, which totaled \$3,920.71, were submitted by the Finance Office. (A copy of these tax refunds and releases is in the Minute Book.)

RECOGNITION OF TIM WILL AND ANNA LEVITSKY OF FoothILLS CONNECT

Jim Brown, Chairman of the Board of Foothills, introduced the members of the Foothills staff who were present. He described how Anna Levitsky found information on the internet about the Purpose Prize, a national award recognizing social innovators over the age of 60 and had, on her own initiative, nominated Tim Will for the award. Tim Will received one of five awards in the country for his work in bringing the Farmers Fresh concept into operation. The honor carries a \$100,000 cash award, which he is donating to Foothills Connect. Mr. Brown said that Tim Will had not only the vision to see how the program could work, but also the drive and ability to make it a reality.

Chairman Washburn made a presentation to Anna Levitsky and praised her resourcefulness in pursuing the award. He made a presentation to Tim Will and thanked him and all the people involved with Foothills Connect for their work to create economic activity in the county.

APPOINTMENTS/FARMLAND PRESERVATION BOARD

Chairman Washburn presented nominations by the Rutherford County Voluntary Farmland Preservation Board for three new members. Commissioner Crowe made a motion to approve Reid Helton, Javan Calton and Bill McKinney to serve three year terms beginning January 1, 2009 on the Rutherford County Voluntary Farmland Preservation Board. The motion was unanimously approved.

2008-2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Finance Director Scherer discussed the two different types of funds managed by the county. She went over the financial report and explained the changes in fund balance. She said the fund balance is important for the county's classification by rating agencies and especially crucial in time of emergencies. The county was fortunate to have a healthy fund balance when the national financial downtown came about. Some of the fund balance will be used in 2009-2010 (none was used in 2008-2009), leaving a fund balance of about 19.5%, which will keep the county in a good financial position. The largest portion of the decrease in tax collections is a result of the Grey Rock default. Overall the county's debt has decreased. In the solid waste fund there is declining tipping fees and increasing operating expenses.

Mr. Charles Killian of Gould Killian CPA Group reported that the county has earned a certificate of excellence in financial accounting again this year, for the 20th time. He interpreted the auditors' findings in detail. He said the county had a remarkably clean audit. There was one recommendation for additional staff training and additional file reviews. Correspondence to management had no issues.

Commissioner McIntosh made a motion to approve the annual financial report. The motion was unanimously approved.

BUDGET AMENDMENTS

Finance Director Scherer explained the budget amendments.

Vice Chairman Helton requested that the budget amendment for the airport grant be voted on separately.

Commissioner Crowe made a motion to approve the budget amendments with the exception of the airport grant. The motion was unanimously approved.

**BUDGET AMENDMENTS
DECEMBER 7, 2009**

	Expense	Revenue
GENERAL FUND		
Sheriff - Workers Compensation	\$ 991	
EMS - Workers Compensation	\$ 2,312	
NCACC Insurance Pool *additional premium due following FY08-09 workers compensation audit	\$(3,303)	
Community Based Gang Prevention Grant Expenditures (Youth Empowerment)	\$ 25,000	
Byrne/JAG Grant *grant received from Dept Juvenile Justice Delinquency Program through ARRA funding/Byrne-JAG program		\$ 25,000
Sheriff - Vehicle Maintenance	\$ 1,815	
Courthouse - Repairs & Maintenance	\$ 11,460	
Communications - Repairs & Maintenance/Communication Tower	\$ 6,314	
Insurance Claims & Dividends * insurance proceeds received		\$ 19,589
Sheriff - Road Patrol Equipment	\$ 1,169	
Sheriff Donations *donations received		\$1,169
Sheriff - Project Lifesaver	\$ 60	
Project Lifesaver Donations *donations received		\$ 60
Sheriff - Equipment Purchased with Seizure Funds	\$ 10,648	
Drug Seizure Funds *unauthorized substance tax distribution		\$ 10,648
Sheriff - Professional Service Fees	\$ 1,000	
Sheriff - Domestic Violence Weapons Storage Fees *storage fees received		\$1,000
Airport Fuel Purchases	\$ 20,000	
Airport Fuel Sales		\$ 20,000
* Increase due to need for additional Low Lead fuel and increase in cost of Jet A and Low Lead fuel.		
Contribution to DSS Fund	\$(1,972)	
Fund Balance Appropriated * reduction county funds for adult day care and temporary shelter care		\$ (1,972)
DSS FUND		
*adjustments due to funding received		

Minutes of Rutherford County Commissioners' Meeting on December 7, 2009

	Expense	Revenue
Smart Start Child Care	\$ 23,509	
Child Day Care Expenditures	\$ 370,317	
Smart Start Revenues		\$ 23,509
Child Day Care Revenues (reduction-ARRA funds received)		\$ (18,225)
ARRA Child Day Care Revenues		\$ 388,542
Crisis Intervention Program	\$ 30,009	
Crisis Intervention Revenues		\$ 30,009
Domestic Violence Program	\$(3,201)	
Domestic Violence Program Revenues (100% federal)		\$ (3,201)
WF Functional Assessment	\$(2,200)	
WF Functional Assessment Revenues (100% federal)		\$ (2,200)
Adult Day Care Program	\$ 1,143	
Adult Day Care Revenues		\$1,000
Temporary Shelter Care	\$ 5,594	
Temporary Shelter Care Revenues		\$7,709
Contribution from General Fund		\$ (1,972)
ARRA - Food Nutrition Services	\$ 33,121	
ARRA - Food Nutrition Revenues		\$ 33,121
BUILDING FUND		
Contribution to Grant Fund - Local Match Shuler Grant	\$ 86,250	
Fund Balance Appropriated *appropriate local match		\$ 86,250
SOLID WASTE FUND		
Collections - Workers Compensation	\$ 1,669	
Fund Balance Appropriated *additional premium due following FY08-09 workers compensation audit		\$1,669
SWEEP Committee Expenditures	\$ 543	
SWEEP Donations *donations received		\$ 543
TOURISM DEVELOPMENT FUND		
Budget Reduction Requested *Memo and documentation attached		\$ (45,559)
GRANT FUND		
Carpenter Design Building Improvements	\$150,000	
Rural Center Building Reuse Grant		\$150,000

Commissioner McIntosh made a motion to approve the budget amendment for the airport grant obtained through Congressman's Schuler's office. He commented that industries frequently look for an airport facility and that the airport is a profit maker for the county.

Finance Director Scherer clarified that the report analyzing airport fuel and maintenance revenue and expenses before and after the transition from the fixed base operator was not a complete picture of financial activity arising from the airport.

Manager Condrey pointed out that the fourth largest tax receipt in the county is for an airplane.

Commissioner Crowe said she could support an investment in a fuel farm but not for this proposal.

Mr. Rob Bole, a member of the airport authority, reported that the grant in the amount of \$776,250 for West Hangar Development is a federal earmark grant and can not be applied to other uses. The initial phase, for site preparation including grading, drainage and erosion control, has been designed and bids received. The low bid of approximately \$426,000 has been tentatively approved by the state and by the North Carolina Aeronautics Council. Remaining funds from the federal grant could be put toward paving a taxi lane and an access road and possible security fencing. These development plans were included as a priority project in the TIP previously approved by the County Commissioners and submitted to the state. As a result of this grant, other funds will be freed up and can be applied toward a fuel farm. He also reported that there is a prospect for an economic development project at the airport.

Manager Condrey said that historically the development of the airport has been accomplished with grant funds. He explained that the general fund that supports the county's operations budget, and which has had to be cut four times to keep the budget in balance, is separate from the building fund, which is restricted to capital expenditures. Capital money cannot be used for general operations.

Vice Chairman Helton said that in her opinion the airport authority has too much power and that it should be changed to an advisory board.

Commissioner Crowe said she agreed with Vice Chairman Helton's comments.

The motion was approved on a 3-2 vote, with Vice Chairman Helton and Commissioner Crowe voting against.

	EXPENSE	REVENUE
GRANT FUND		
Shuler Grant - Rehabilitate Taxiway & Apron	\$ 862,500	
Shuler Grant - Federal Funds		\$ 776,250
Contribution from Building Fund - Local Match * grant received for airport improvements		\$ 86,250
Urgent Repair Program 08 Expenses	\$ 39	
Interest Earnings *interest earned on URP08 grant revenues		\$ 39

SURPLUS EQUIPMENT

Manager Condrey advised that the Sheriff's Department has surplus equipment that some fire departments could use.

Commissioner Crowe made a motion to approve the transfer of 10-12 surplus vehicle consoles from the Sheriff's Department to the Fire Departments for their use. The motion was unanimously approved.

FINANCING FOR AMBULANCE FOR HICKORY NUT GORGE EMS

Manager Condrey presented a request from Hickory Nut Gorge EMS to be allowed to finance the purchase of an ambulance under the county credit rating, which will allow them to get a more favorable interest rate. This procedure has been utilized in the past in similar situations. The county will assume no obligation for the debt.

Vice Chairman Helton made a motion to include this item on the January 4, 2010 agenda following a public hearing by the HNG EMS. The motion was unanimously approved.

APPLICATION/RURAL CENTER GRANT

EDC Director Tom Johnson requested approval to submit a Rural Center Grant to upfit an existing building. The unnamed company would have to provide matching funds. The county's match would be met by staff time. A public hearing is proposed for December 21, 2009, at which time the name of the company will be disclosed.

Commissioner Crowe made a motion to approve the submission of a Rural Center Grant application of up to \$480,000 for the renovation of an existing vacant building for an industry prospect. The motion was unanimously approved.

DSS PROCEDURES FOR UNCLAIMED BODIES

DSS Director John Carroll presented for the Commissioners' information the guidelines for the disposition of bodies that are unclaimed. The procedures, which provide for disposition of the body and authorization of payment for cremation, has been approved by the Board of Social Services.

RESOLUTION/OVERMOUNTAIN VICTORY NATIONAL HISTORIC TRAIL

Vice Chairman Helton made a motion to approve a resolution requesting the National Park Service to consider Ruth School or other locations in Rutherford County for a new headquarters and visitors center for the Overmountain Victory National Historic Trail. The motion was unanimously approved.

RESOLUTION

WHEREAS, the National Park Service is studying a potential new headquarters and visitors center for the Overmountain Victory National Historic Trail; and

WHEREAS, significant events of the Overmountain Men's march such as the encampment of both patriot and British soldiers at Gilbert Town and the hanging of nine British sympathizers at Biggerstaff's Old Fields occurred in Rutherford County; and

WHEREAS, Gilbert Town is on the National Register of Historic Places and has twice been awarded grants from the American Battlefield Protection Program including to fund the recently completed preservation plan; and

WHEREAS, the Biggerstaff Hanging Tree site has been recently preserved and will be part of a range of publicly accessible Revolutionary War assets; and

WHEREAS, more than 4.5 miles of certified OVT exist in Rutherford County and trail plans exist to extend that throughout the county; and

WHEREAS, local governments and organizations have taken numerous steps in recent years to highlight and celebrate the Overmountain Men story; and

WHEREAS, a new chapter of the Overmountain Victory Trail Association was started in Rutherford County in 2009 and will serve the entire region; and

WHEREAS, the 2009 reenactment at Gilbert Town on Oct. 2 had the largest single day turnout in the history of the Overmountain Victory Trail Association with over 800 students attending ; and

WHEREAS, Rutherford County owns the historic Ruth School that is located on the OVNHT commemorative driving route and sits a few hundred yards from the actual route the militia took; and

WHEREAS, the Ruth School is located near the intersection of two major highways (US221 and US64); and

WHEREAS, a planned US221 bypass will make the Ruth School high profile and visible location and trailhead.

NOW, THEREFORE, BE IT RESOLVED, that the Rutherford County Board of Commissioners does request that Rutherford County and specifically the Ruth School in Rutherfordton be included in the National Park Service's study list for the headquarters of the Overmountain Victory National Historic Trail.

Adopted this the 7th day of December, 2009.

ROAD PETITION\KNOLLS DRIVE

Commissioner Crowe made a motion to forward to the NC Department of Transportation the petition from property owners to add Knolls Drive to the state road system. The motion was unanimously approved.

GOLF CART ORDINANCE

Commissioner Crowe made a motion to call for a public hearing at the next Commissioners meeting on a proposed golf cart ordinance as requested by the property owners on Moss Drive. The motion was unanimously approved.

CLOSED SESSION

Vice Chairman Helton made a motion to go into closed session for attorney-client privilege under G.S. 143.318.11(a)(3) and industrial location under G.S. 143.318.11(a)(4). The motion was unanimously approved.

7:43 P.M. – The Board went into Closed Session

8:57 P.M. – The Board returned to regular session.

GRANT APPLICATION\RURAL CENTER

Commissioner Crowe made a motion to approve the application to the Rural Center for a grant up to \$480,000 in support of an unnamed industry. The motion was approved on a vote of 4-1, with Commission Holland opposed.

ADJOURNMENT

Chairman Washburn declared the meeting adjourned.

Meeting adjourned at 8:59 p.m.

Chairman, Board of Commissioners

Vice Chairman, Board of Commissioners

Attest:

Clerk, Board of Commissioners