

MINUTES OF THE MEETING OF THE BOARD OF COUNTY COMMISSIONERS HELD AT THE RUTHERFORD COUNTY OFFICE BUILDING IN THE COUNTY COMMISSIONERS' MEETING ROOM ON FEBRUARY 1, 2010, 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. Vice Chairman Helton gave the invocation. Commissioner McIntosh led the pledge of allegiance to the flag.

ADOPTION OF AGENDA

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

Additions to the agenda were:

- VII. New Business
 - C. Isothermal Community College Capital Reserve Fund
 - D. Budget Amendment
- VIII. Old Business
 - C. Option to Purchase Real Property
- IX. Closed Session
 - B. Industrial Location/G.S. 143-318.11(a)(4)

PUBLIC HEARING\INDUSTRIAL INCENTIVE AGREEMENT

Chairman Washburn opened the public hearing to listen to comments regarding the granting of industrial development grants to a new manufacturing operation pursuant to NC General Statute 158-7..

Mr. Tom Johnson spoke to the Board saying that the location of a potential new industry in Rutherford County is not a firm deal and that the incentive grant program being offered to the industry is not ready for a vote by the Commissioners at this time. The company expects to invest at least \$4 million and to create 32 new jobs. The incentives are for five years on an established scale of discounts. Added incentives would be available in any year that the company invested an additional \$1 million.

Mr. John Toriello, Vice President of Project Saati, described the company as a worldwide company headquartered in Italy with revenues of \$200 million, \$40 million of which are in the United

States. The company makes screen printing fabric and is attracted to Rutherford County because of its workers skilled in the textile trade, because they saw an area in need of economic development, and because of the availability of real estate. He forecasted that the eventual investments and jobs will exceed the numbers to which the company is officially committing.

Individual Commissioners spoke of their positive opinion of the company. Manager Condrey stated that each of the board members had been informed of the negotiations, and each is supportive of the company if it comes to a decision to locate in Rutherford County.

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

PUBLIC COMMENTS

Mr. Benny Hendrix of the Rutherford County Schools spoke on behalf of Superintendent Dr. John Kinlaw in support of the Pangaea contract. The schools system is very fortunate to have the state of the art network. He expressed concern about the integrity of this network if the PANGAEA agreement to be discussed later in the meeting is not approved.. He also reiterated that both students and faculty have a need for improved access to the internet in their homes, as well as, at school.

Mrs. Rose Priano reported on a community meeting for Frank West Park and provided an updated priority list. Restrooms are the top priority. She also asked about the possibility of the Parks and Recreation Department buying a log splitter and wood chipper that could be used by all parks.

Mr. Jim Edwards explained the role that the Isothermal Planning and Development Commission has played in trying to advance internet access in the region and spoke in favor of the Pangaea contract. He emphasized that Rutherford County has good representation on the board of Pangaea.

Mr. Henry Edwards described the process of selection and training for members of the Board of Equalization and Review. He said the Commissioners should be concerned about the poor quality of recent Boards of E&R. He feels the members should do a better job.

Mr. Boyce Abernathy urged the Commissioners to be more transparent in the process of appointments to boards and commissions of the county. Vacancies on such boards should be more openly publicized to the citizens.

Ms. Gail Strickland, former director of IT for the county, spoke in favor of the Pangaea contract. She noted that the reasons she had for supporting it have already been expressed to the Board. She wanted to be on record in support of the contract.

Mr. Zoran Naskov said the proposed project by Foothills Connect to collaborate with the county in using methane gas from the landfill is a brilliant idea. He predicted it will create jobs and be profitable. He does not favor the government being involved in the business itself and advocated that some acreage at the landfill be sold to Foothills Connect.

Chairman Washburn recognized each of the Commissioners for a three-minute comment. No one wished to speak.

CONSENT AGENDA.

Vice Chairman Helton made a motion to approve the consent agenda. The motion was approved on unanimous vote.

Minutes

By consent, the minutes of the January 4, 2010, meeting were approved.

Tax Refunds and Releases

By consent, tax refunds of \$2,325.37 and tax releases greater than \$100 totaling \$3,498.50 as outlined by Tax Administrator Kep Kepley were accepted. Tax releases of amounts less than \$100, which totaled \$2,667.51, were submitted by the Finance Office. (A copy of these tax refunds and releases is in the Minute Book.)

Oaths of Office for Appointments to Industrial Facilities and Pollution Control Financing Authority

By consent, it was recorded that Mr. Chester Melton and Mr. George Horner, Jr., have been duly sworn and have subscribed to an oath of office to serve as members of the Industrial Facilities and Pollution Control Financing Authority.

Records Retention Schedule for Sheriff's Department

By consent, new schedules for the management of records retention and disposition by the Sheriff's Department, in accordance with directives from the Department of Cultural Resources, were approved.

APPOINTMENT\WORKFORCE DEVELOPMENT COMMISSION

Commissioner Crowe made a motion to approve the reappointment of Mr. Rhett Oglesby to an additional term as a member of the Workforce Development Consortium. The motion was unanimously approved.

APPOINTMENTS\FIRE DEPARTMENT BOARD OF TRUSTEES FOR FIREMEN'S RELIEF FUND

Commissioner Crowe made a motion to approve the appointments of the nominees for Fire Department Boards of Trustees with the exception of the Sandy Mush Fire Department, which she stated should have a meeting to confirm that the nominees are the choice of the board. The motion was defeated on a vote of 2-3, with Vice Chairman Helton and Commissioner Crowe voting in favor of the motion and Chairman Washburn and Commissioners McIntosh and Holland voting against.

Vice Chairman Helton made a motion to postpone action on the nominees for Fire Department Boards of Trustees. The motion was defeated on a vote of 2-3, with Vice Chairman Helton and

Commissioner Crowe voting in favor of the motion and Chairman Washburn and Commissioners McIntosh and Holland voting against.

Chairman Washburn made a motion to approve the appointments of the nominees for Fire Department Board of Trustees as presented. The motion was carried on a vote of 3-2, with Chairman Washburn and Commissioners McIntosh and Holland voting in favor of the motion, and Vice Chairman Helton and Commissioner Crowe voting against.

APPOINTMENTS\BOARD OF EQUALIZATION AND REVIEW MEMBERS

Commissioner Crowe made a motion to approve the appointment of Mr. Tom Helton, Mr. Herb Ackroyd, Mr. Robert McCutcheon and Mr. John Ridley to continue as members of the Board of Equalization and Review and to appoint Mr. Rodney Robbins as a new member to serve in the vacancy created by the resignation of Mr. Marshall Atchley. She further moved that no alternates be appointed. The motion was unanimously approved.

Vice Chairman Helton nominated Mr. Tom Helton to serve as Chairman of the Board of Equalization and Review. The motion was unanimously approved.

2009 TAX LIENS AND ADVERTISEMENT OF UNPAID TAXES

Mr. Kepley of the Tax Office presented 2009 tax liens and requested authority as required by N.C. General Statute 105-369(a) to publish unpaid taxes.

Commissioner McIntosh made a motion to approve the request to advertise for unpaid taxes during the month of March. The motion was unanimously approved.

BUDGET AMENDMENTS

Julie Scherer of the Finance Office explained the budget amendments. Commissioner Crowe made a motion to approve the budget amendments. The motion was unanimously approved.

	Expense	Revenue
GENERAL FUND		
Sheriff - Emergency Response Supplies	\$ (4,250)	
Sheriff - Uniforms/Equipment Reserve Officers	\$ (2,255)	
Sheriff - Uniforms and Equipment	\$ (7,400)	
Contribution to Grant Fund	\$ 13,905	
*local match for 50/50 bulletproof vest grant		
Sheriff - Capital Outlay Vehicles	\$ 19,000	
Sale of Weapons - Court Ordered		\$ 19,000
*proceeds received for the sale of firearms		
Sheriff - Project Lifesaver	\$ 20	
Sheriff - Project Lifesaver Donations Received		\$ 20
Sheriff - Equipment Purchased with Seizure Funds	\$ 1,717	

	Expense	Revenue
Sheriff Drug Seizure Funds		\$1,717
*unauthorized substance tax distribution		
Sheriff - Equipment Purchased with Seizure Funds	\$ 1,003	
Federal/State Forfeited Funds		\$1,003
*forfeited funds received from DEA		
DSS FUND		
DOT Work First Transportation	\$ 7,051	
DOT Work First Transportation Revenues		\$7,051
*additional funding received - no local match		
Crisis Intervention	\$ 88,427	
Crisis Intervention Revenues		\$ 88,427
*additional funding received - no local match		
GRANT FUND		
Bulletproof Vest Grant Expenditures	\$ 27,855	
Bulletproof Vest Grant		\$ 13,950
Contribution from General Fund - Local Match		\$ 13,905
*record grant and local match 50/50 program (\$45 remaining in grant fund from prior year match)		
CDBG - Scattered Site Housing 2009 Grant	\$400,000	
*Project Ordinance Attached		

**PROJECT BUDGET ORDINANCE
Rutherford County Community Development Block Grant
PROJECT NUMBER CDBG SSH 2009
09-C-2005**

BUDGET EXPENDITURES

Original Budget

Rehabilitation/Service Delivery	278,800.00
Relocation Assistance	41,700.00
Clearance Activities	2,500.00
L-1 Urgent Repair	30,000.00
Administration	40,000.00
Planning	<u>7,000.00</u>
Total Expenditures	400,000.00

REVENUES

CDBG	400,000.00	(NC Department of Commerce)
Total Revenues	400,000.00	

Adopted this the 1st day of February, 2010.

Chairman, Board of Commissioners

BUDGET AMENDMENT\TDA

Finance Director Scherer presented a budget amendment for the Tourism Development Authority for salaries. The request for the TDA Board was to transfer \$1,896.00 from Fund Balance for the recent pay increased approved for the acting executive director.

Commissioner Holland made a motion to approve the budget amendment. The motion was unanimously approved.

BUDGET AMENDMENT\ICC

Finance Director Scherer presented a budget amendment for Isothermal Community College for use of capital reserve funds in the amount of \$49,158 for the keyless entry system from Schlage Wireless Entry System for 35 interior doors in various buildings at the college.. This company did present the low bid.

Commissioner Crowe made a motion to approve the budget amendment. The motion was unanimously approved.

METHANE PROPOSAL FROM FOOTHILLS CONNECT

Manager Condrey outlined a proposal from Foothills Connect to capture and use methane gas from the closed main landfill on Laurel Drive.

Mr. Tim Will of Foothills Connect further explained the proposal and said that grant opportunities are available to develop the project. The idea is to trap the methane that now is venting into the atmosphere and put it to use as an energy source to heat greenhouses.

Commissioner McIntosh made a motion to endorse the filing of a grant application and for further investigations by Foothills Connect for a methane project at the landfill, with a more fully developed memorandum of understanding or agreement to be presented at a later date. The motion was unanimously approved.

REMARKS\PANGAEA CONTRACT

Vice Chairman Helton introduced Mr. Omer Causey, who had spoken briefly in the public comments section of the January meeting and who had been invited to present his views at greater length.

Mr. Causey said he would like to go on record as being in support of some kind of contract with Pangaea, but not this contract based on his experience with telecommunications contracts. The primary risk is that if Pangaea suffers any kind of reversal there is not sufficient protection for the county, and the contract does not fall under the protection of the bankruptcy laws. However, he stated that though he thinks the contract should have been different, he did support the contract and pointed out that it could always be fixed at a later date.

Vice Chairman Helton asked about the 90% PANGAEA/10% county split. Mr. Causey said considering the rates that PANGAEA is currently charging, this did not worry him.

PANGAEA CONTRACT

Commissioner Crowe made a motion to table the agreement with Pangaea to the next meeting as some questions still have not been examined. The motion to table failed on a vote of 2-3, with Vice Chairman Helton and Commissioner Crowe voting in favor of the motion and Chairman Washburn and Commissioners McIntosh and Holland voting against.

Vice Chairman Helton stated that she was not opposed to PANGAEA or broadband but she was uncomfortable with the contract. Therefore, she made a motion to discontinue consideration of the contract and move on to other matters. The motion was defeated on a vote of 2-3, with Vice Chairman Helton and Commissioner Crowe voting in favor of the motion and Chairman Washburn and Commissioners McIntosh and Holland voting against.

Commissioner McIntosh made a motion to approve the agreement between the county and Pangaea as written and to renegotiate the contract in November 2010.

Commissioner Crowe made an amendment to the motion that the agreement be signed by the Chairman of the County Commissioners instead of the county manager. The amendment was unanimously approved.

The motion as amended was carried on a vote of 3-2, with Chairman Washburn and Commissioners McIntosh and Holland voting in favor of the motion and Vice Chairman Helton and Commissioner Crowe voting against.

VOTE ON AIRPORT GRANTS

Manager Condrey asked that two previous actions by the Board of Commissioners relating to airport matters be voted on again, so that the minutes will show that the motions were made and seconded in compliance with documentation requirements.

Commissioner McIntosh made a motion to approve the Vision 100 grant from the NC Department of Transportation for taxiway and ramp improvements at the airport. Commissioner Holland seconded the motion. The motion was approved on a 3-2 vote, with Vice Chairman Helton and Commissioner Crowe voting against.

Commissioner McIntosh made a motion to approve the grant funds obtained by Congressman Heath Schuler from the Federal Aviation Administration through the NC Department of Transportation for taxiway and ramp improvements at the airport. Commissioner Holland seconded the motion. The

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

RESOLUTION

WHEREAS, a grant in the amount of \$150,000 has been approved by the Department based on total estimated cost of \$166,667; and

WHEREAS, an amount equal to or greater than ten percent (10%) of the total estimated project cost has been appropriated by the Sponsor for this Project.

NOW, THEREFORE, BE IT RESOLVED that the Finance Director of the sponsor be and she hereby is authorized and empowered to enter into a Grant Agreement with the Department, thereby binding the Sponsor to the fulfillment of its obligation incurred under this Grant Agreement or any mutually agreed upon modification thereof.

Adopted this the 1st day of February, 2010.

RESOLUTION

WHEREAS, a grant in the amount of \$776,250 has been approved by the Department based on total estimated cost of \$1862,500; and

WHEREAS, an amount equal to or greater than ten percent (10%) of the total estimated project cost has been appropriated by the Sponsor for this Project.

NOW, THEREFORE, BE IT RESOLVED that the Finance Director of the sponsor be and she hereby is authorized and empowered to enter into a Grant Agreement with the Department, thereby binding the Sponsor to the fulfillment of its obligation incurred under this Grant Agreement or any mutually agreed upon modification thereof.

Adopted this the 1st day of February, 2010.

OPTION TO PURCHASE

Commissioner McIntosh made a motion to approve the one year extension of an option to purchase real property as agreed to by the prospective sellers. The motion was unanimously approved.

CLOSED SESSION\ ATTORNEY-CLIENT PRIVILEGE\ G.S. 143.318.11(A)(3)\ INDUSTRIAL LOCATION\ G.S. 143-318.11(A)(4)

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.

8:00 P.M. – The Board went into Closed Session

8:12 P.M. – The Board returned to regular session.

ADJOURNMENT

Chairman Washburn declared the meeting adjourned.

Meeting adjourned at 8:12 p.m.

Chairman, Board of Commissioners

Vice Chairman, Board of Commissioners

Attest:

Clerk, Board of Commissioners