

February 21, 2011

The Board of Commissioners of Franklin County, North Carolina, met for its Regular Meeting at 7:00 P.M. in the Commissioner's Conference Room located in the County Administration Building with the following Commissioners present: Chair Sidney E. Dunston, Vice-Chairman E. Shane Mitchell, Penny McGhee, Harry L. Foy, Jr., David T. Bunn, Robert L. Swanson and Donald C. Lancaster.

Chairman Dunston asked that the Board consider adding two items to the consent agenda. The items would be considered as Item 1-G and Item 1-H. Commissioner Mitchell made the motion to add the items to the agenda, seconded by Commissioner Bunn. The motion duly carried with all present voting "AYE."

Chairman Dunston asked the Board to consider adding a third item to the agenda regarding Early College High School Construction Contracts (Item 9). Commissioner Swanson made the motion to add the item, seconded by Commissioner Mitchell. The motion duly carried with all present voting "AYE."

Chairman Swanson then asked the Board to consider adding to the agenda a project ordinance relative to the Early College High School project. Commissioner Mitchell made the motion to add the item, seconded by Commissioner Swanson. The motion duly carried with all present voting "AYE."

Chairman Dunston then asked the Board to consider removing Item 3-A (Incentive Request for Golden Leaf Properties) from the Board's agenda. Commissioner Swanson made the motion to remove 3-A, seconded by Commissioner Mitchell. The motion duly carried with all present voting "AYE."

Chairman Dunston asked the Board to consider the consent agenda.

Commissioner McGhee asked that Item 1-H (Stormwater Pollution Prevention Plan) be removed from the consent agenda for discussion. Commissioner Foy made the motion to remove Item 1-H from the consent agenda for discussion, seconded by Commissioner Lancaster. The motion duly carried with all present voting "AYE."

Chairman Dunston asked the Board to consider approval of the remainder of the consent agenda. Commissioner Swanson made a motion to approve the consent agenda, seconded by Commissioner Mitchell. The motion duly carried with all present voting "AYE". The items approved follow.

1. **CONSENT AGENDA**

- A. January 18, 2011 Minutes
- B. January 24, 2011 Minutes
- C. January 31, 2011 Minutes
- D. February 7, 2011 Minutes
- E. Releases, Adjustments, Refunds, and Tax Collection Report
- F. Budget Ordinance Amendment #5 (Pursuant to North Carolina General Statute 159-15, the County Finance Officer is requesting a budget ordinance amendment in the amount of \$157,018 for the fiscal year ending June 30, 2011 to amend the General Fund to reflect additional funding for Health, Social Services and Aging Departments. The County has also received a wellness grant from Blue Cross/Blue Shield)
- G. Collocation Lease Agreement with Progress Energy
- ~~H. Stormwater Pollution Prevention Plan~~

Following approval of the consent agenda, Airport Director Steve Merritt spoke regarding the Stormwater Pollution Prevention Plan. He stated the Airport Commission had already adopted the plan in compliance with the Department of Natural Resources and the Environmental Protection Agency. The plan is intended to control storm water runoff into the sewers and water systems around Triangle North Executive Airport.

Commissioner McGhee inquired about details of the plan including whether or not there are specific “activities” that need to be completed in order to follow the plan. County Manager Angela L. Harris said those items were outlined in the complete copy of the Stormwater Pollution Prevention Plan currently on file in the County Clerk’s Office. Commissioner McGhee asked Mr. Merritt if airplanes are being washed at the airport. Mr. Merritt said there is now an approved area to wash airplanes.

Commissioner Mitchell made a motion to approve the Stormwater Pollution Prevention Plan, seconded by Commissioner McGhee. The motion duly carried with all present voting “AYE.”

2. COMMENTS FROM THE PUBLIC

This was the time set aside by the Board of Commissioners to allow individuals five minutes to address the Board on issues concerning the county.

Sandra Woodland, 375 Timberlands Drive, Louisburg, NC

- Mrs. Woodland read a letter she submitted to the Board regarding the vacancy of the Franklin County Sheriff. Mrs. Woodland is a member of the Franklin County Board of Elections and stated she did not want her letter as a citizen to be confused with her position on the Board of Elections. She stated her comments would not impact her job as a board member. Mrs. Woodland stated allowing the voters of Franklin County to go through an election process would help to restore faith in the Franklin County Sheriff’s Office.

Armenta Eaton, 1844 Mays Crossroads Road, Louisburg, NC

- Ms. Eaton spoke as a representative of the Franklin County Chapter of the Concerned Women for Justice regarding the replacement of Franklin County Sheriff. She too read a letter she submitted to the Board. On behalf of the group, she encouraged the Board of Commissioners to uphold North Carolina General Statute 162-5 that gives the body power to select a replacement upon a vacancy in the office of Sheriff. She encouraged the Board not to utilize funds for a special election but rather if the County has “any excess funds lying around they would be better spent invested in our children, assisting the elderly and those persons without access to healthcare services.”

Ray Alexander, 208 Cedar Street, Louisburg, NC

- Mr. Alexander commented he is an unaffiliated voter and long-time political observer. Referring to a potential special election for Sheriff, he stated he has never before seen a “partisan political ploy such as this for a special election.” Mr. Alexander said a special election is not needed and that the Board was elected to do its job under state law. He urged the Board to appoint a Sheriff and encouraged Commissioners not to approve a special election. He stated his concern that the Board would always be remembered as participants in a cheap “political trick.”

Trevon Lucas, 75 Stillmeadow Drive, Louisburg, NC

- Ms. Lucas proposed to the Board that a Sheriff Selection Committee should be appointed. She outlined the details of her proposal and criteria for Sheriff and said the process would eliminate any costs for the citizens of Franklin County. She also stated citizens would have the opportunity for input and make recommendations as to who would best serve as Sheriff for the next four years.

Jeremy Neal, 2859 White Level Road, Castalia, NC

- Mr. Neal stated he is Chairman of the Franklin County Republican Party. He said he continues to support the need for a special called election for Sheriff. He said candidates should be given the opportunity to campaign and that citizens should decide. Mr. Neal stated he possessed one hundred letters signed by citizens asking for an election. The letters were presented to the Clerk to the Board.

3. PUBLIC HEARINGS

A. Incentive Request for Golden Leaf Properties

~~Golden Leaf Properties has contracted with China to receive 45 million pounds of tobacco to be shipped to China. The company is requesting an incentive to help locate this facility in Franklin County. The total investment by Golden Leaf Properties will be an estimated \$3,755,000. Following Franklin County Economic Incentive Policy guidelines and for competitive reasons, the Economic Development Commission respectfully requests consideration of a three-percent incentive at a total value of up to \$112,650.~~

~~ACTION REQUESTED: Conduct a public hearing and consider Board appropriation of an incentive not to exceed the amount of \$112,650 from the General Fund for Golden Leaf Properties.~~

B. Unified Development Ordinance (UDO) Text Amendment

The Board was asked to conduct a public hearing regarding a text amendment to the Franklin County UDO to remove Chapter Four – Adequate Public Schools Ordinance (APSO). The Planning Board by unanimous vote recommended approval of the proposed text amendment at their February 8, 2011 meeting.

Donna Wood, Senior Planner, stated the Adequate Public Schools Ordinance was adopted on June 19, 2006. On October 7, 2010, the North Carolina Supreme Court ruled against Union County that imposing fees for schools on the development community was illegal. In order to adhere to the recent ruling, she said the Planning Board voted the proposed UDO amendment was necessary in order to be consistent with current North Carolina Law. On November 15, 2010, Commissioners voted to refund all fees collected in addition to interest accrued.

At approximately 7:28 P.M., the hearing was opened and closed with no comments offered from the public.

Commissioner Lancaster made a motion to adopt a text amendment to the Franklin County UDO to remove Chapter Four – Adequate Public Schools Ordinance. The motion was seconded by Commissioner Bunn and duly carried with all present voting “AYE.”

C. Request for Rezoning – Franklin County Schools

The Board was asked to conduct a public hearing and consider adoption of a zoning map amendment to rezone approximately 3.79 acres at 8146 NC 56 Highway in Louisburg Township from Heavy Industrial (HI) to Office & Institutional (O&I). The Board was asked to utilize the attached rezoning checklist to assist in its decision, following the public hearing. The Planning Board by unanimous vote recommended approval of the rezoning request filed by Franklin County Schools.

Donna Wood, Senior Planner, gave a summary of the rezoning request.

At approximately 7:31 P.M., the Chairman opened and closed the public hearing with no comments offered by the public.

The site in question is the future site for the Early College High School facility.

Commissioner McGhee made a motion to adopt the zoning map amendment to rezone approximately 3.79 acres at 8146 NC 56 Highway in Louisburg Township from Heavy Industrial (HI) to Office & Institutional (O&I). The motion was seconded by Commissioner Mitchell and duly carried with all present voting "AYE."

D. Request for Amendment to Rezoning – David A. Thomas

The Board was asked to conduct a public hearing and consider adoption of a request to amend the Conditional Highway Business zoning approved by the Board in November, 1997 to include/add churches to the list of allowed uses on approximately 18 acres on NC Highway 56 East in the Louisburg Township. The Planning Board by unanimous vote recommended approval of the request filed by David A. Thomas.

Donna Wood, Senior Planner, offered a brief summary of the request.

Chairman Dunston opened the hearing at approximately 7:34 P.M. and closed the hearing with no public comment.

Commissioner Swanson made a motion to approve the request (with the checklist added) to amend the Conditional Highway Business zoning to include/add churches to the list of allowed uses on approximately 18 acres on NC Highway 56 East in Louisburg Township. The motion was seconded by Commissioner Foy and duly carried approval with all present voting "AYE."

4. SPECIAL ELECTION RESOLUTION

The Board was asked to discuss and consider approval of a resolution submitted by Commissioner Don Lancaster requesting a special election for the Office of Franklin County Sheriff.

Commissioner Lancaster stated calling for a special election was the "right thing to do" even if the decision was unpopular. Sometimes, he said, circumstances are contrary and in this case the right thing is to allow voters to decide who Franklin County's next Sheriff will be.

Commissioner Foy stated he felt a special election was money well spent and said it is always good to let the public vote. In response, Commissioner Swanson commented on Commissioner Foy's statement. He stated during the budget process Commissioner Foy prefers to fund projects related to schools, children and the elderly population.

Commissioner McGhee inquired about the cost of a special called election.

County Attorney Darnell Batton stated after speaking with Amy Southerland, Board of Elections Director, the minimum cost would be \$40,000 which would not include the cost of a primary, a run-off election, testing or the cost of one-stop voting. Additionally, he commented on the need for unaffiliated candidates to have an opportunity to be on ballot and the minimum 90-day process of obtaining pre-clearance by the Federal Government if a local bill is passed calling for the special election.

Commissioner McGhee asked if Legislative action would still be required if an election for Sheriff were held in 2012 when a county-wide election is already scheduled. Mr. Batton stated changing the law (that gives the Board the authority to appoint a Sheriff to fill the unexpired term) would require a local bill whether it be to create a special election in the near future or to create a change in the statute for 2012.

Mr. Batton stated another item to consider is that the Board is called upon to replace or appoint an Interim Sheriff or to replace the interim with a permanent appointment. He reminded the Board it does not know when the SBI (State Bureau of Investigation) investigation will be complete or what events could occur between now and the time of a special election and if those circumstances would call for the Board to make an appointment. In that case, he said the Board would need to reserve the right to make that appointment if the circumstances dictated. Mr. Batton said if the local bill process created a special election in four to six months, the Board could not be assured circumstances would not arise in which the Board would need to appoint a permanent Sheriff.

Commissioner McGhee said timing is an important component based on the fact the investigation is incomplete. She said the investigation should conclude before the Board makes an appointment or before a special election is held. She preferred the public have an opportunity to vote for a Sheriff in 2012.

With regard to cost, Commissioner Foy commented each day there is a vacancy in the Sheriff's position, a savings is realized.

Commissioner Mitchell disagreed with Commissioner Foy following Mr. Batton's earlier explanation of cost regarding a special election and stated the laws of North Carolina are written to assist with situations such as the Sheriff's vacancy. He said the laws are not set to show prejudice to the situation or vacancy or prejudice to the amount of time left in the term. He said the General Statute empowers the Board to appoint the next Sheriff and suggested it a "slap in the face" that the Board (elected by the majority of voters) does not have the integrity or competence to make such a decision.

Commissioner Lancaster made a motion to approve the resolution requesting a special election for Franklin County Sheriff, seconded by Commissioner Foy.

Commissioner Dunston commented he is happy to live in a land of laws where otherwise people would make decisions based on their personal preferences. He stated if every time a vacancy occurs, citizens would spend a great deal of time and money on elections. He said never in the history of North Carolina has there been a special

election to replace a Sheriff. He said when people are elected they are expected to enact the laws that have already been established and he asked the Board and public to understand Commissioners are elected to abide by the laws which is what he plans to do.

Upon Commissioner Lancaster’s earlier motion to approve the resolution requesting a special election for Franklin County Sheriff, seconded by Commissioner Foy, the motion failed with a 3 to 4 vote. Commissioners Lancaster, Bunn and Foy voted in favor of the special election. Commissioners Mitchell, McGhee, Swanson and Dunston voted against the motion.

Commissioner Lancaster then asked if the Board could discuss the idea presented during public comment by Trevon Lucas. Chairman Dunston stated “no.”

5. AUDIT REPORT FOR FISCAL YEAR ENDING 2009-2010

Jim Winston of the Auditing Firm Winston, Williams, Creech, Evans and Company, LLP; Certified Public Accountants presented the Annual Audit Report for the Fiscal Year Ending 2010. In addition, Finance Director Chuck Murray gave a brief financial overview of FYE 2010.

Mr. Winston offered the following PowerPoint presentation.

Franklin County
June 30, 2010

Audit Presentation
Winston, Williams, Creech, Evans & Co.
LLP

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Overview

- ◆ Franklin County has received an unqualified opinion on their June 30, 2010 financial statements; this is also called a “clean” opinion.
- ◆ Franklin County again received the Certificate of Excellence in Financial Reporting for fiscal year 06/30/09 and has submitted the 6/30/10 report to GFOA.

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GASB # 34 Highlights

- ◆ Management’s Discussion and Analysis
- ◆ Statement of Net Assets- Primary Government

	<u>2009</u>	<u>2010</u>
Total Assets	\$ 93,996,041	\$102,114,137
Total Liabilities	<u>87,356,356</u>	<u>104,266,745</u>
Net Assets	<u>\$ 6,639,685</u>	<u>\$ (2,152,608)</u>

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Statement of Activities-All Funds

	<u>2009</u>	<u>2010</u>
Revenues	\$ 74,415,539	\$ 74,907,174
Expenditures	<u>74,389,934</u>	<u>83,120,836</u>
Change in Net Assets	25,605	(8,213,662)
Beginning Net Assets	<u>6,614,080</u>	<u>6,061,054</u>
Ending Net Assets	<u>\$ 6,639,685</u>	<u>\$ (2,152,608)</u>

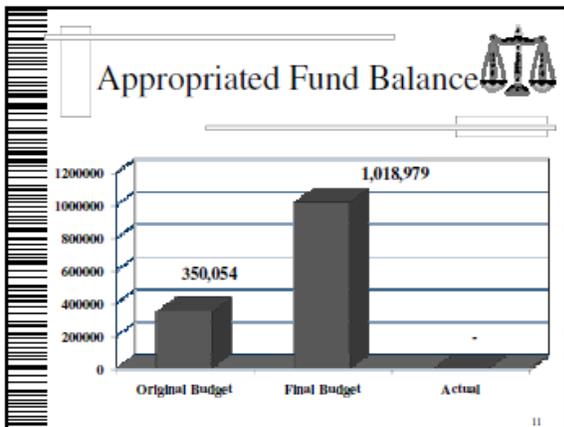
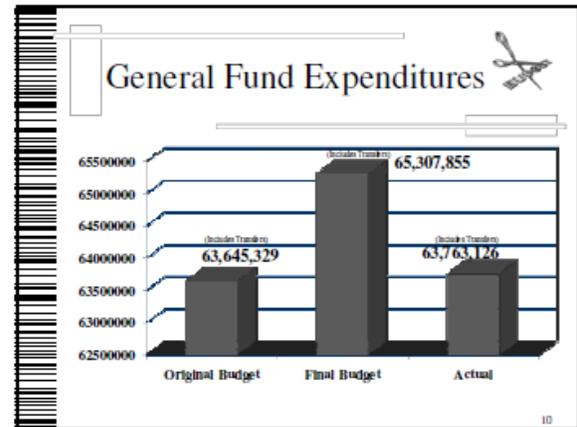
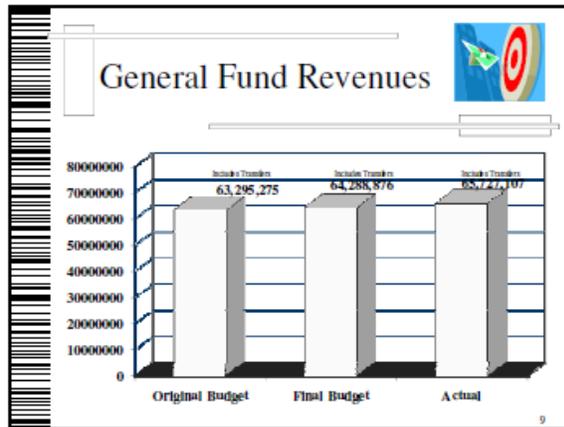
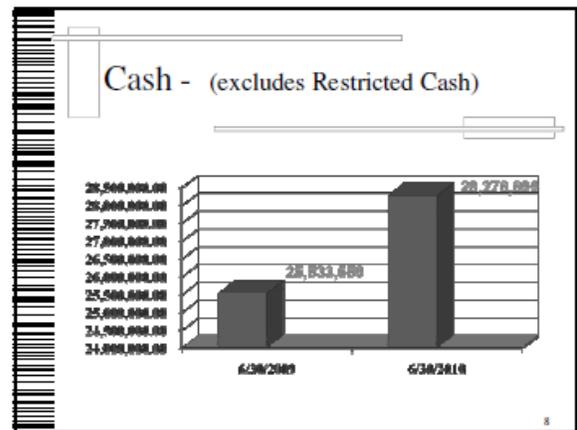
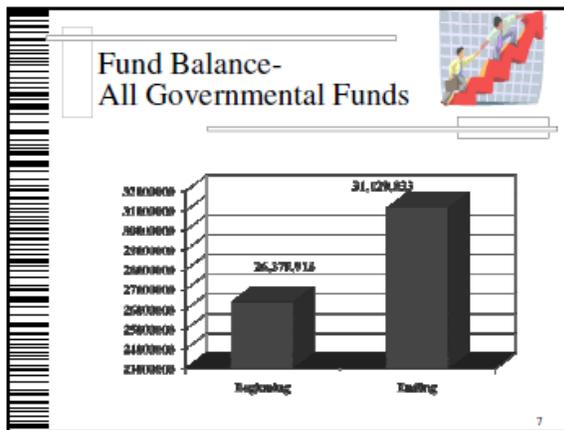
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Governmental Fund Revenues

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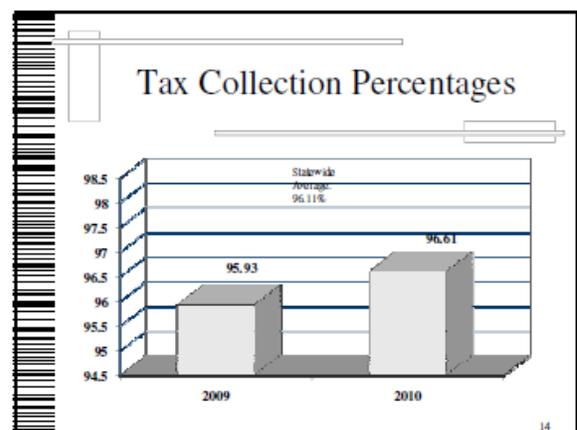
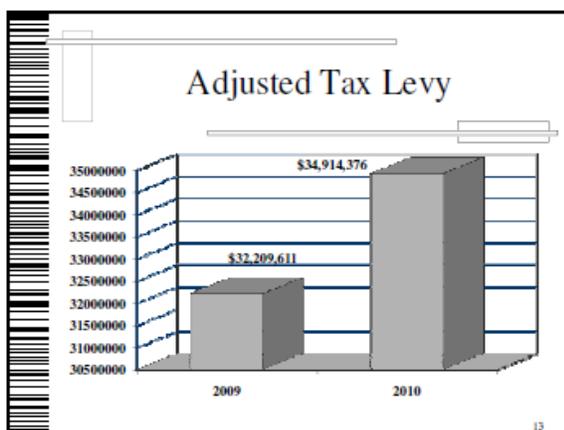
Governmental Fund Expenditures

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General Fund - Unreserved Fund Balance Statistics

	2009	2010
Unreserved Fund Balance	\$ 14,545,686	\$ 13,312,790
Expenditures	64,009,111	62,519,522
Unreserved Fund Balance as % of Expenditures	22.70%	21.30%
Statewide Average (per Local Gov't Commission statistics)	24.81%	24.00%



Water and Sewer Fund Statement of Net Activities

	2009	2010
Total Assets	\$ 32,701,289	\$ 32,292,602
Total Liabilities	19,196,545	18,052,211
Net Assets	\$ 13,504,744	\$ 14,242,277

Water and Sewer Fund Statement of Activities

	2009	2010
Revenues	\$ 5,989,347	\$ 6,098,886
Expenditures	(6,222,719)	(6,107,097)
Net Transfers	(194)	786,208
Change in Net Assets	(233,566)	777,997
Beginning Net Assets (restated)	13,738,310	13,462,394
Adjustment for internal svc		1,886
Ending Net Assets	\$ 13,504,744	\$ 14,242,277

Franklin County Finance Director Chuck Murray offered the following PowerPoint presentation.

Franklin County North Carolina Fiscal Year 2009-2010 Comprehensive Annual Financial Report

Page 1

Performance of the County

- (Page 12) **Auditor's Opinion** – The County's financial statements present fairly, in all respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. **The county received an "Unqualified" opinion which is the best possible opinion.**
- (Page 132) **Internal Control Over Financial Reporting** – Auditors found **no material weaknesses** in Internal Control over Financial Reporting.
- (Page 137) **Compliance and Other Matters** – Auditors performed tests on the County's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. **No material weaknesses** were noted.
- Statistical Section: pg 106-130** – Contains 10 consecutive years of financial and statistical information and in my opinion is the most interesting section for our readers.

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Performance of the County (continued)

- 4. Management Letter** – Contains suggestions the auditor feels would enhance and strengthen the County's internal control over the operating system. County staff has reviewed the management letter and have taken the auditor's comments under consideration. *The Management letter was prepared on 12/10/2010.* Suggestions were:
 - Suggestions for DSS**
 - For TANF, we reviewed files to determine the County's compliance with requirements. Upon review of the files, we found one file out of the sample chosen that had a Mutual Responsibility Agreement that was not signed by the Caseworker for the chosen period. We also found one file that did not have a copy of the online verification for the chosen period in the file. We did not think that these items that came to our attention rose to the level of a finding because adequate documentation was present in the file to prove eligibility of the clients. However, these are items that need to be brought to the attention of the staff and proper care needs to be taken in the future to ensure that files contain all of the appropriate documentation.

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Performance of the County (continued)

- Suggestions for the Sheriff's Department Undercover Fund**
- For drug funds disbursed, we suggest better documentation be kept to support transfers of these funds to other federal and state agencies. Receipts from the receiving agencies should be kept to verify the transfer of these funds. An outside confirmation should be available to support all monies with a paper trail involving cancelled checks or written receipts. We suggest these transfers all be made by check or wire transfer rather than cash to the receiving federal or state agencies to provide a paper trail of all disbursements.

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Franklin County Financial Summary – All Governmental Funds (page 31)

Expenditures:									
Gen. Gov.	Pub. Safety	Economic & Pers. Dev.	Human Services	Cultural & Recre.	Education	Capital	Debt	Total	
\$4,505,405	13,155,489	4,803,291	15,933,092	1,146,243	13,007,268	15,140,139	6,213,247	\$68,097,124	
Revenues:									
Prop. Taxes	Sales tax	Other Taxes & E-911 Fees	Intergov.	Fees	Sales & Serv.	Invest. Earn.	Misc. Rev.	Total	
\$37,303,075	7,305,661	452,625	10,905,241	1,425,010	10,305,981	853,659	339,916	\$68,093,578	
Other Financing Sources:									
Issuance of Debt			17,600,000						
Transfers in and (out) - (net)			(795,208)						
Total of Other Financing Sources			16,804,792						
Net Change to Fund Balance (all funds): \$14,798,930									

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Franklin County Fund Balance Summary

	General Fund	Other Govt. Funds	Total Fund Bal.
At 7/1/09	\$ 19,153,171	\$ 7,222,743	\$26,375,913
FY Changes	1,961,965	2,791,955	4,753,920
Fund Bal 8/30/10	\$21,115,135	\$10,014,698	\$31,129,833
Percent to Budget	30.8%		
Undesignated FB	\$13,312,790		
Percent to 2011 Budget	19.43%		

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Breakdown of the General Fund Fund Balance for F.Y.E. 2010

- Total Fund Balance **\$21,115,135**
- Budgeted to be spent for F.Y. 2010-2011 budget **\$ 2,572,649**
- Earmarked by Board of Commissioners for Emergency Medical Equipment through EMS Incentive Plan. **214,467**
- Earmarked by Board of Commissioners through the "payment in lieu of" for Recreation. **304,876**
- Reserved by State Statute – (Receivables, etc...) **3,457,220**
- Other reserved items for Coop. Extension, ect...) **48,184**
- Airport Fuel Inventory **20,403**
- Adequate Public Facilities Fees **692,971**
- Occupancy Tax **90,108**
- Airport Capital **43,003**
- NOVO Incentive **306,284**
- Soil and Water and ROD **52,108**
- Undesignated and Unreserved \$ 13,312,790**

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Key Department Analysis- General Fund:

Source	Budget	Actual	Difference
Total Budgeted Exp.	\$65,307,855	\$63,763,126	\$1,544,729
Total Budgeted Rev.	65,307,855	65,727,107	419,252
Budget Impact		(+)	\$1,963,981
Part-Time Salaries	1,312,549	1,141,548	171,001
Full-Time Salaries	17,715,250	17,264,868	450,382
Employee Benefits	6,341,178	6,262,838	78,340
Budget Impact		(+)	\$ 699,723

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Key Department Analysis:

Source	Budget	Actual	Difference
Tax Collections	\$ 33,715,097	35,158,466	1,443,369
Budget Impact			(+) 1,443,369
Social Services Exp.	10,321,907	9,594,754	727,153
Social Services Rev.	6,966,747	6,497,861	(468,886)
Budget Impact			(+) 258,267

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Key Department Analysis:

Source	Budget	Actual	Difference
Health Dept. Exp.	\$5,087,010	\$4,999,647	\$87,363
Health Dept. Rev.	4,207,016	4,354,242	147,226
Budget Impact			(+) \$234,598
Solid Waste Exp.	2,817,045	2,766,956	50,089
Solid Waste Rev.	1,971,300	2,150,239	178,939
Budget Impact			(+) \$229,028

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Key Department Analysis:

Source	Budget	Actual	Difference
Register of Deeds Exp.	\$345,001	\$331,889	\$13,112
Register of Deeds Rev.	480,000	442,861	(-37,139)
Budget Impact			(-) \$(24,027)
Airport Expenses	714,635	697,698	16,937
Airport Rev.	740,913	685,510	(55,403)
Budget Impact			(-) \$(38,466)
Sheriff and Jail Operations	8,583,108	8,752,109	(-) (169,001)
Sheriff and Jail Revenue	2,414,121	1,833,051	(-) (581,070)
Budget Impact			(-) (750,071)

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Key Department Analysis:

Source	Budget	Actual	Difference
Interest Earnings	\$350,000	\$422,293	\$72,293
Sales Tax Rev.	5,172,365	5,070,674	(101,691)

• But again, after all the (+) and (-) = We had a pretty good year in a **very difficult economy.**

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Water and Sewer Fund Summary For F.Y.E. June 30th 2010

	F.Y.E. 2010	F.Y.E. 2009
Total Sales for water were:	\$4,229,728	\$3,986,083
Total Sales for sewer were:	1,339,485	1,274,065
Fees, Charges, and Other were:	\$520,077	461,869
Transfer from General Fund:	786,208	-0-
Total Revenues and Transfers:	<u>\$6,875,498</u>	<u>\$5,722,017</u>
Water Purchases were:	\$3,000,052	\$2,833,153
Debt Service payments were:	2,128,277	2,118,782
Operating and Capital expenses:	1,578,459	1,753,600
Transfer to General Fund	-0-	-0-
Total Expenditures were:	6,706,788	6,705,535
Revenues over Expenditures:	<u>\$168,710</u>	<u>\$ (983,518)</u>
Depreciation on system:	857,582	852,625
(Not Funded)		

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County's Debt Service at 6/30/2010

Total Bonded Debt	\$ 47,490,000
Lease financings agreements	\$ 32,010,904
Water and Sewer	\$ 17,305,046
Total Debt at 6/30/2010	\$ 96,805,950
New GO Debt issued November 2010	\$ 24,000,000
Upcoming E911 Debt Issue	5,900,000
Jail Renovations	1,000,000
Total All Debt	\$ 127,705,950

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Statistical Section

• **Statistical Section**

Last ten year comparisons of budget and other good information.

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Commissioner Mitchell made a motion to accept the audit report as presented, seconded by Commissioner McGhee. The motion duly carried with all present voting "AYE."

6. TRIANGLE NORTH FRANKLIN PHASE 1 UTILITIES

The Economic Development Commission requested approval to move forward with funding for the installation of Phase 1 Utilities for the Triangle North Franklin Park. The total estimated cost of the project is \$1,091,000. Triangle North Franklin received a grant from the North Carolina Industrial Fund for \$500,000 to assist in funding for the project. The remaining \$591,000 is available in the Water and Sewer Capital Fund.

According to Ronnie Goswick, Economic Development Director, funding from the Water and Sewer Capital Fund includes money the County has already borrowed for other projects that came in under bid or projects that have not come to fruition. To clarify, Commissioner Mitchell said some projects were not deemed urgent based on the state of the economy. He also said savings were realized based on the state of the bid market.

Commissioner Lancaster made a motion to allocate \$591,000 from the Water and Sewer Capital Fund to complete the funding for the Triangle North Franklin Phase 1 Utilities project. The motion was seconded by Commissioner Mitchell and duly carried approval with all present voting "AYE."

7. MOBILE CAD/AVL FOR RESPONDERS

Law enforcement personnel and other emergency responders expressed interest in the mobile version of the CAD system. Director Christy Shearin requested funding from the 911 fund balance to implement this for Law Enforcement Personnel and to install this in the Fire and EMS Departments in the County. If funded, Management recommended funding be included with the Radio Enhancement Financing.

Chuck Murray, Finance Director, provided a list (below) of expected costs associated with the E911 project. The total cost is currently estimated at \$10,435,236 with \$4,103,207 in planned revenue, therefore the estimated total of borrowing is \$6,332,029.

<u><i>E911 Project with Harris Communications</i></u>	
<u><i>Borrow of Funds for LGC Approval</i></u>	
Harris Contract Award	\$ 9,111,252
Tower Construction	137,859
Land Acquisitions	45,000
Tower Installation Costs	35,000
Inspection, License, Fees	20,000
Kimball Contracted Services	173,845
Tower Modifications	150,800
New Recorder for E911	58,811
Utility Upgrade at Tower sites	25,000
Generator Costs	32,000
Base Stations for each Fire Dept	154,800
Site Modifications	62,000
Temporary Tower	235,700
<u><i>New Mobile CAD System</i></u>	<u>193,169</u>
Total Expected Costs	<u>10,435,236</u>
<u><i>Planned Revenue</i></u>	<u><i>Revenues</i></u>
Borrowing from 2008	2,700,000
Est. Interest Earnings	40,000
E911 Funds - Undesignated	791,483
<u><i>E911 Funds - 50% Public Safety</i></u>	<u>232,649</u>
E911 Funds - Restricted to Eligible	339,075
<u><i>Total Planned Revenue</i></u>	<u>4,103,207</u>
<u><i>Estimated Total of Borrowing</i></u>	<u>\$ 6,332,029</u>

Instead of utilizing E911 funds to pay for the Mobile CAD system, Mr. Murray stated it was his recommendation as well as that of the County Manager to include the request (\$193,169) in the borrowing process. He suggested remaining E911 funds be placed in the budget for the coming year to help pay for the debt associated with the radio project.

Commissioner McGhee commented she did not want to borrow additional money.

Mrs. Shearin commented the County receives continuing revenue from the State each year that has been reduced from \$450,000 to \$242,000 for the upcoming year, but stated the E911 balance would not replenish as fast as in the past. She also commented E911 funds will not be allowed to be utilized for maintenance in the future. She said the funds will only be available for restricted uses. Commissioner Swanson asked if E911 funds could be used for debt service. Mrs. Shearin stated money that comes into the E911 fund after July, 2011 could not be used for debt service. Mr. Murray commented that he estimates debt service on the radio project to be approximately \$800,000 per year.

Commissioner Mitchell asked what E911 funds will be eligible for use after July, 2011. Mrs. Shearin stated the money could be used toward most items within the walls of the E911 Center including maintenance on equipment in the center. Maintenance on items such as the equipment at the tower site could not be paid for from E911 funds unless the law is altered again.

Regarding tower construction, Commissioner Mitchell asked about the cost of a new tower (\$137,859) versus the cost of a temporary tower (\$235,700) and said it appears more cost effective for the County to build an additional tower. Mrs. Shearin stated the estimate for the temporary tower includes the cost of the antennas, the lines, building set-up and a microwave link to link back to the E911 Center. She stated \$137,859 only covers the cost of steel and the cost of setting the tower. She stated the proposed temporary tower (owned by American Tower) would be located within a few miles of the tower location on T. Kemp Road in Louisburg. She stated the temporary tower is a proposed alternative to lowering the antennas one hundred feet while performing a "cut over." She stated her concern that coverage would be inferior for at least six to eight months. The benefit of the temporary tower would be to maintain the same level of coverage during the transition period. The antennas purchased for the temporary tower could then be used as spares for the current system.

Commissioner Lancaster asked if the Sheriff's vehicles were already equipped with mobile CAD technology. Mrs. Shearin stated the hardware is in place, but the software is not in place and is included in her request. She said hardware is already in place for all other law enforcement agencies in the County including municipalities. Her request includes software for all law enforcement in the County along with fire and rescue.

Commissioner Mitchell made a motion to approve the project, but the motion died for lack of a second.

At approximately 8:37 P.M., Chairman Dunston called for a brief recess.

Chairman Dunston called the meeting back to order at approximately 8:50 P.M. and asked the Board to continue discussions regarding Item 7. He asked the Board to consider the radio project without the Mobile CAD component.

Commissioner Swanson made a motion to approve the radio project, not including the Mobile CAD component. The motion was seconded by Commissioner Mitchell and duly carried approval with all present voting "AYE."

(Please see additional Board action taken regarding this project after Item 13.)

8. USE VALUE APPEAL – SSJ PROPERTIES, LLC

A property owner requested an appeal of a Tax Office decision of removal from the Use Value Program as a result of acquisition of property and filing of new application.

According to Tax Administrator Jimmy Tanner, the owner assumed property tax liability consisting of deferred taxes upon acquisition of the property from the previous owner. The property consists of approximately 60.5 acres and includes a mobile home park (approximately 29 mobile homes) as stated on the application. The decision to remove the property from farm use resulted when the new application revealed a business entity was the new ownership, which relates to new requirements not applicable for individual owners. For the property to continue in use value, Mr. Tanner said the owner must show the principal business of the property is for forestry purposes.

Mr. M.W. Marshall "Twig" Wiggins presented his appeal to the Board and Mr. Tanner recommended denial of the appeal.

County Attorney Darnell Batton encouraged the Board to base their vote on the law as any Commissioner who votes against the law could be held financially liable.

Mr. Wiggins stated the Tax Office misled him.

Mr. Tanner commented the Department of Revenue reinforced the decision of Tax Office staff and said the property owner can reapply for the 2011 tax year.

Chairman Dunston asked the Board to consider the appeal from use value status, however no motion was made. No action was taken, therefore the status quo remains and leaves the Tax Office decision in place.

9. EARLY COLLEGE HIGH SCHOOL CONSTRUCTION CONTRACTS

Franklin County Schools requested time on the agenda to present its recommendation for the award of the contract for the construction of the new Early College High School for consideration of funding. The Board of Education determined Scotia Construction to be the lowest, responsive, responsible bidder and awarded the project to Scotia Construction including all alternates in the amount of \$1,290,500. The award was contingent upon the County's approval of funding, the County Attorney's review of and the County's acceptance of contracts, bonding and insurance and the finalization of agreement for maintenance regarding the storm pond and sewer lift station with Vance Granville Community College. Tommy Piper, Assistant Superintendant of Auxiliary Services, and Architect Jon Long made a presentation to the Board.

Mr. Piper reminded the Board that a committee had been appointed (by former Board Chair Penny McGhee) to produce a recommendation for housing students of the Early College program. At the committee's recommendation, the Board of Commissioners decided to move forward with a twelve classroom modular building adjacent to Vance Granville Community College on County property behind the Emergency Medical Services building on Highway 56 West in Louisburg. A public hearing was also held regarding the use of school bonds to pay for the project. The idea to use the bonds was subsequently approved. Since that time, a design was created and bids for the project were received on February 10, 2011. Mr. Piper stated the Board of Education approved the contracts on February 17, 2011 contingent upon approval by the Board of Commissioners.

Mr. Long then explained the bids and revealed the lowest responsive, responsible bidder as Scotia Construction out of six bids that were submitted. Scotia's base bid was \$1,275,000. Scotia's bid, including four alternates, was \$1,290,500.

Commissioner McGhee stated her understanding that a modular unit was a temporary solution until a more permanent solution was possible. Based on that understanding, she asked if the alternates were necessary for a temporary structure. Mr. Long commented on Alternate 2 (door hardware package) and said the hardware was more durable. He also stated some of the other alternates would help ensure the facility would last as long as possible.

Commissioner Foy inquired about the cost of a needed turn lane. Mr. Long stated the cost is included in Scotia's bid. Commissioner Foy then asked for an estimate on the expected lifetime of the modular. Mr. Long stated depending on building maintenance, weather and other factors, he estimates the building could be used for 25 to 30 years.

Chairman Dunston then asked Finance Director Chuck Murray to explain his request for a project ordinance for the Early College project. Mr. Murray stated the project ordinance identifies the County will use \$1,617,182 in General Obligation Bonds to construct and fully equip the school.

Commissioner McGhee made a motion to approve the base bid without alternates two and four.

Mr. Piper commented on his concern that if the preferred door hardware package (Alternate 2) was not included the hardware would not sustain and may need to be replaced within two years. Alternate 4 provided for a 9" ceiling as opposed to 8" ceilings.

Mr. Piper followed up by saying there is hope that a more permanent building can be constructed in the future, but for now the goal is to make certain the building meets the needs of the Early College program and is a good long-term investment.

The Board was asked to consider Commissioner McGhee's earlier motion to approve the base bid without alternates two and four. The motion died for lack of a second.

Commissioner Mitchell made a motion to award the contract to Scotia Construction, the lowest responsive, responsible bidder, in the amount of \$1,290,500 including all four alternates. The award is contingent upon the County's approval of funding, the County Attorney's review of and the County's acceptance of contracts, bonding and insurance and the finalization of agreement for maintenance regarding the storm pond and sewer lift station with Vance Granville Community College. The motion was seconded by Commissioner Foy and duly carried approval with all present voting "AYE."

Commissioner Lancaster made a motion to approve the project ordinance, seconded by Commissioner Mitchell. The motion duly carried approval with all present voting "AYE."

The bid tabulation sheet follows.



PROJECT: Franklin County Schools - Early College High School - Modular Project
COMM NO: 1024 **FILE NO:** B - 8.1
BID DATE: Thursday, February 10, 2011 **BID DUE:** 4:00 p.m.
BID LOCATION: Franklin County Schools - Riverside Campus, Building B, Room B-109
 53 West River Road, Louisburg, NC

BID TABULATION SHEET - SINGLE PRIME CONTRACTOR - COMBINED BID

CONTRACTOR	LIC #	BID BOND	Addenda						MBE AFFID	BASE BID	ALT 1	ALT 2	ALT 3	ALT 4
			1	2	3	4	5	6						
Scotta Construction	6481	X	X	X	X	X	X	X	\$1,275,000.00	\$0.00	\$9,000.00	\$0.00	\$6,500.00	
CT Wilson Construction	2443	X	X	X	X	X	X	X	\$1,267,315.00	n/c	\$8,025.00	n/c	\$5,845.00	
H.G. Reynolds	14149	X	X	X	X	X	X	X	\$1,323,000.00	\$0.00	\$9,000.00	\$0.00	\$7,000.00	
M Space Holdings	61373	X	X	X	X	X	X	X	\$1,473,682.00	\$1.00	\$6,300.00	\$1.00	\$14,400.00	
Modular Solutions Inc.	50868	X	X	X	X	X	X	X	\$1,589,500.00	n/c	n/c	n/c	\$6,500.00	
Michael Leonard Builders	55504	X	X	X	X	X	X	X	\$1,658,000.00	\$0.00	\$9,664.71	\$18,001.18	\$12,117.65	

Alternate 1: Provide Owner's preferred fire alarm system
 Alternate 2: Provide Owner's preferred door hardware package
 Alternate 3: Provide Owner's preferred mechanical equipment
 Alternate 4: Provide 9' wall heights in modular classroom building
 n/c = no change in price

Confirmation Bid Tabulation Sheet
 MBAJ Architecture
 BY:

R:\Project\051968.1\1024 - FCS Early College Modular BID TABS final\Single Prime

10. OTHER BUSINESS

No additional items of business were discussed.

11. APPOINTMENTS

The Board was asked to consider the following appointments.

A. Airport Commission

An appointment was needed to the Airport Commission. (Commissioner Foy)
 Commissioner Foy is expected to make appointment at a later date.

B. Child Fatality Prevention Team

Membership on the Child Fatality Prevention Team is set forth by North Carolina General Statute. According to statute, the Board of Commissioners is tasked to appoint a local law enforcement officer, an emergency medical services provider or firefighter and the parent of a child who died before reaching the child's eighteenth birthday. Currently, the Board of Commissioners is asked to fill the position of local law enforcement officer. Detective Ruby Savage has agreed to serve in this capacity and is recommended by Franklin County Social Services Director Nicki Perry and Interim Sheriff Elliott Pinnell.

Commissioner Lancaster made a motion to appoint Detective Ruby Savage to the Child Fatality Prevention Team, seconded by Commissioner McGhee. The motion duly carried with all present voting "AYE."

C. Department of Aging Advisory Board

An appointment was needed to the Department of Aging Advisory Board. (Commissioner McGhee)

Commissioner McGhee is expected to make an appointment at a later date.

D. Five County Mental Health Authority

Two appointments were needed from Franklin County to serve on the Five County Mental Health Authority Area Board. One of those members should have a business or legal background. The other position should be filled by a Franklin County citizen, consumer or family member of a consumer of Five County Mental Health Services.

Commissioner McGhee stated she is unaware of interested individuals at this time.

E. Library Board

An appointment was needed to the Library Board. (Commissioner Swanson)

Commissioner Swanson nominated Vickie Hight to serve on the Library Board. The motion duly carried with all present voting "AYE."

F. Parks and Recreation Advisory Board

An appointment was needed to the Parks and Recreation Advisory Board. (Commissioner Foy)

Commissioner Foy nominated Don Lancaster to serve on the Parks and Recreation Advisory Board. The motion duly carried with all present voting "AYE."

G. Solid Waste Education Task Force

An appointment was needed to the Solid Waste Education Task Force. (Commissioner Foy)

Commissioner Foy stated he would make an appointment at a later date.

H. Tourism Development Authority

A representative of the hospitality industry was needed to serve on the Tourism Development Authority. (Commissioners Swanson)

Commissioner Swanson nominated Robert Sykes to serve on the TDA to represent the hospitality industry. The motion was unanimously approved.

I. Youngsville Planning Board ETJ

The Town of Youngsville asked that the Board consider reappointing Donnie Tharrington and John Cyrus to the Youngsville Planning Board ETJ.

Commissioner Lancaster made a motion to reappoint Mr. Tharrington and Mr. Cyrus to the Youngsville Planning Board ETJ, seconded by Commissioner Mitchell. The motion duly carried with all present voting "AYE."

12. BOARD, MANAGER AND CLERK'S COMMENTS

This was the time set aside for the Board of County Commissioners, the County Manager, and the Clerk to the Board to report on various activities. The Board may also discuss other items of interest.

County Clerk Kristen G. King: No comments were offered.

Commissioner Foy: Commissioner Foy made comments relative to the Emergency Meeting held February 20, 2011 by the Board. He stated he made an erroneous comment regarding when he was notified of the meeting. He stated he was notified of the meeting the afternoon of February 18, 2011 (by phone) by County Manager Angela Harris and County Attorney Darnell Batton.

Commissioner Bunn: No comments were offered.

Commissioner Mitchell: No comments were offered.

Commissioner Lancaster: Commissioner Lancaster offered congratulations to Ms. Kristen King for achieving the status of North Carolina Certified County Clerk.

Commissioner McGhee: Commissioner McGhee stated she would hold her comments until the next regular Board meeting.

Commissioner Swanson: No comments were offered.

Commissioner Dunston: No comments were offered.

County Manager Angela L. Harris:

- Mrs. Harris commented Franklin County Parks and Recreation Director Oliver Greene met with a state representative to revise or amend the County's budget request for the Pilot Lion's Park. Mrs. Harris stated even though the project now requires restroom facilities, the project is still within budget.

13. CLOSED SESSION

Commissioner Swanson made the motion to enter into closed session pursuant to NCGS143-318.11 (a)(3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged. The motion was seconded by Commissioner Mitchell. The motion carried 6 to 1, with Commissioner Foy voting "NO."

The Board entered into closed session at approximately 9:50 P.M.

At approximately 10:53 P.M., following the closed session, Commissioner Bunn made a motion to enter back into open session, seconded by Commissioner Mitchell. The motion duly carried with all present voting "AYE."

No action was taken relative to the closed session.

County Manager Angela L. Harris commented she felt questions remained regarding action taken earlier in the evening regarding the E911 project.

Commissioner McGhee agreed and stated she did not understand the Board voted to approve the entire E911 project.

Mrs. Harris suggested the Board revisit the topic.

Commissioner McGhee made a motion to set aside action taken earlier in the evening (see Item 7) to approve the additions to the radio project (other than the Harris Contract items). The action taken eliminating the Mobile CAD component stands. The motion was seconded by Commissioner Lancaster and duly carried approval with all present voting "AYE." The additions to the radio project will be revisited by the Board on March 21, 2011.

County Attorney Darnell Batton asked the Board to consider recessing the meeting until March 1, 2011 for the purpose of making an appointment for and swearing in the new Register of Deeds. The Board is required to appoint the individual recommended by the Democratic Executive Committee.

Commissioner Swanson made a motion to recess until Tuesday, March 1, 2011 at 6:00 P.M. for the sole purpose of appointing the new Register of Deeds. The motion was seconded by Commissioner McGhee. The motion carried 5 to 2, with Commissioners Bunn and Foy voting "NO."

Sidney E. Dunston, Chair

Kristen G. King, Clerk to the Board

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