

January 29, 2008

The Board of Commissioners of Franklin County, North Carolina, met for a Recessed Meeting at 7:00 P.M. in the Commissioner's Meeting Room located in the County Administration Building with the following Commissioners present: Chairman Robert L. Swanson, Vice-Chairman Penny McGhee-Young, Commissioners Lynwood D. Buffaloe, Sidney E. Dunston, Harry L. Foy, Jr., Bob Winters and Donald C. Lancaster.

1. PARTF GRANT FUNDING REQUEST

Bob Yeatman, Parks and Recreation Director, provided additional information and cost estimates for the development of park sites in Epsom and Pilot. He stated approval must be received before the Parks and Recreation Trust Fund (PARTF) grant application can be submitted.

Utilizing a PowerPoint presentation, Mr. Yeatman presented three options including single phase development cost compared to two phase and three phase development costs.

(See Attachment A – 012908)

Commissioner Young stated she was not aware the county was applying for grants for both parks at the same time. She stated the Board wasn't prepared to spend the amount of money proposed.

Commissioner Swanson then stated he did not ask for a million dollars for the Epsom Park, but said he did ask to have the site cleared and made available for a future park. He said he hoped the county could provide some recreation for the Epsom area, but stated he did not expect a million dollar project there. He said he wasn't asking the Board to approve anything at Epsom that he wouldn't ask for in other areas of the county. He did state that he wished to see more recreational opportunities occur as soon as it was feasible.

Because the county will be applying for two grants (one for each park), the Board inquired if going after more than one grant at a time would bring competition between the two. Mr. Yeatman stated one grant would not preclude the county from obtaining a second grant. The Board also asked if going after the grant for multiple years would diminish the county's chance at receiving grant funding. Mr. Yeatman said that was not the case and said the PARTF committee would mainly look for the commitment of the community and the support of its leaders.

Finance Director Chuck Murray stated he hoped to set up funding on a 15-year payback, assuming five percent interest as a bank qualified loan. He said staying under \$10 million would keep the desired bank qualified status. He also stated a 1.6 percent tax increase would be needed to fund these two projects (in two phases) along with the Enhanced Fire Rescue Paging System project. Mr. Murray informed the Board that the county could legally borrow up to another \$200 million, but reminded commissioners that approval for the aforementioned projects would have to be approved by the Local Government Commission before the money could be borrowed. In the future, Mr. Murray said the county will have to more readily justify its needs, but stated Franklin County is currently in good financial condition. He said he saw no problems with funding these projects.

Commissioner Lancaster commented that he'd like to make certain that local contractors have the first opportunity to bid on the project if it is approved. Commissioner Young then stated that was the intent of the recent revisions to the Purchasing Policy. She stated local contractors would be considered, but stated if the project was more cost efficient elsewhere, local contracts wouldn't get the bid.

Commissioner Winters mentioned that there may be local volunteers who would share their talents, therefore reducing the costs. Mr. Yeatman stated that was a possibility, but

informed the board that any money received or saved would go back into the general fund.

If the grant is not awarded, Mr. Yeatman stated the county would have to wait until next year. He expects the grant will be issued in May, 2008 with the actual grant cycle beginning in June, 2008. If awarded, he said the grant would not be a part of the current budget year.

Upon motion by Commissioner Dunston to accept the Pilot and Epsom park project in two phases (as outlined by Mr. Yeatman and financed according to Mr. Murray's recommendations), seconded by Commissioner Buffaloe, with all present voting "AYE," duly carried.

2. ENHANCED FIRE RESCUE PAGING SYSTEM PROPOSAL UPDATE

Christy Shearin, Communications Director, was in attendance to answer any questions from the Board regarding the enhanced fire rescue paging system proposal presented at the Board's January 22, 2008 meeting. On January 22nd, the Board voted unanimously to move forward with the RFP (Request for Proposal).

Chuck Murray, Finance Director, provided the Board funding options based on \$3.25 million dollars including the use of \$400,000 from the E911 fund. The anticipated annual debt service payment would be \$379,000 or approximately one cent on the tax rate. The funding plan is based on a 15-year fixed APR at five percent.

Mrs. Shearin informed the Board that this project exclusively addresses the county's radio needs and does not include funding for staffing and other needed equipment.

After a vendor is selected, Commissioner Young suggested that Mrs. Shearin take the time to visit county's who have worked with said vendors to see how the system works and whether or not the system is successful.

No matter which system is selected, Commissioner Foy suggested that it is well tested to ensure the county's satisfaction with radio communications.

Commissioner Swanson also suggested that full payment is not distributed until the radio system meets the guarantee the vendor provides. In response, Mrs. Shearin said milestone payments would be made, withholding the final payment until testing is complete.

The discussion was held for information purposes only and the Board directed Mr. Murray to consider the discussion as he moves forward with the bank qualified loan.

3. DISCUSSION: OPTIONS FOR SELECTING LEGAL SERVICES

In reference to NCGS 153A-40(b), the Board discussed the resignation of the County Attorney and options available to the County in securing legal services.

Mrs. Kelly Faulkner, Human Resources Manager, presented options to the Board with a PowerPoint presentation and stated at the Board's December 20, 2007 meeting, she was asked to survey counties in North Carolina with population numbers of 40,000 to 100,000 for experience and salary information regarding a County Attorney as a staff member. She stated that 35 counties met the population request with eight of those counties reporting County Attorneys as staff members. Seven of the counties surveyed have Administrative Support that assists the County Attorney. Mrs. Faulkner also presented a salary analysis to the Board along with sample job descriptions for county attorney and an administrative support specialist. She also included two different budget expense scenarios (non-inclusive of a foreclosure staff vs. inclusive of a foreclosure staff).

County Attorney Darnell Batton stated his concerns with hiring a staff attorney that would also handle foreclosures and stated the county would be best suited to have a

contracted attorney handle foreclosures. Mr. Batton then reminded the Board of his offer to continue handling foreclosures and stated once the new attorney is selected, he would have more time to devote to the county's goal of handling approximately 20 foreclosures per month.

Commissioner Winters then made a motion to separate legal services from foreclosures and have a separate attorney for each. The motion was seconded by Commissioner Dunston and duly carried with all present voting "AYE."

The Board discussed financing options along with the need for office space. Staff reminded the Board that current staff needs for office space are unmet at this time. Mr. Batton offered that various groups utilize office space at the Hamilton Hobgood Courthouse Annex without paying rent. Another possibility discussed was the recently vacated BB&T building. The board directed the Manager to make contact and inquire about renting or purchasing the former bank site.

Commissioner Young reminded the board that it cannot seek requests for proposals for county attorneys. She said qualifications from attorneys must be obtained first, then the board must choose the one most qualified. At that time a price can be negotiated. She reiterated that price can only be considered after the vendor is selected.

Mr. Batton stated that he would continue to serve as County Attorney if he could but said he felt the county is at a point where there is so much "on the table" that the county will be shortchanged if a part time attorney is chosen. He feels a part time attorney won't have the time to devote to the county's needs.

The board agreed it needed someone that is readily available and one that can educate county department heads how to be more proactive versus reactive in their business.

Commissioner Dunston then made a motion recommending that staff proceed with finding an in-house attorney and support staff based on the criteria and the specifications discussed. The motion was seconded by Commissioner Buffaloe and duly carried with all present voting "AYE."

Following the motion, Mr. Batton encouraged the board to quickly make a decision on who will handle foreclosures so that cases can continue to be filed and so the county could continue to see a positive increase in the tax collection rate. Jim Wrenn, Tax Administrator, agreed with Mr. Batton and stated that historically the collection rate improved when someone actively goes after foreclosures and said doing so is a key component to obtaining the collection rate the county has been able to have.

Commissioner Buffaloe then made a motion asking Batton and Guin to handle foreclosures for the next three years. The motion was seconded by Commissioner Swanson and duly carried with all present voting "AYE."

4. CLOSED SESSION

At approximately 8:39 P.M., Commissioner Dunston made a motion, seconded by Commissioner Buffaloe, to enter into Closed Session pursuant to NCGS 143-318.11 (a)(5) to establish or instruct the staff of the County concerning the position to be taken on behalf of the County in negotiating the price or other material terms of the acquisition of real property for a sewer easement from Raleigh Alexander Cleghorn and Elizabeth Joyce Cleghorn to serve the new elementary school. The motion carried 6 to 1, with Commissioner Foy casting the dissenting vote.

At approximately 9:10 P.M., Commissioner Buffaloe made a motion to enter back into open session. The motion was seconded by Commissioner Young and duly carried with all present voting "AYE."

Mr. Batton stated he is seeking the board's permission to proceed with condemnation on the property of Alex Cleghorn and his wife, which involves taking a 30 foot easement on property currently used as a mobile home park. That easement will be used to serve

the line that will go to the new elementary school. The county is currently securing easements from adjoining property owners which don't currently require any county monies for purchase. He said negotiations had occurred with Mr. Cleghorn along the lines of doing it at no cost to the county and discussed a number of terms in which he would give the county the land at no cost. However, he said all of the terms didn't come to fruition and said the county could not grant some of the requests in order for the school to open on time. For some requests, a redesign of the project would have been necessary which would also delay the school opening. Mr. Batton stated dollar amounts were discussed relative to the purchase of that easement in addition to a number of conditions and benefits such as water and sewer taps. He said he was not able to reach an agreement relative to a cash payment. He said every means possible was attempted to reach an agreement so that condemnation would not be necessary. However, he said as county attorney he felt it was appropriate to ask the board to proceed with condemnation in order for the school to open in August. He said the process would involve notice to the property owner of certain monies the county is willing to pay as compensation. He said if an agreement is not reached by the end of the 30 days the county would have the authority to vote and file an action which would be a quick take proceeding. At the time the complaint is filed and the monies are deposited to the clerk of court's office, he said the easement would become the property of the county allowing installation of the sewer line to proceed. He stated the only jury determination to be decided would be the cost of the sewer easement and the money owed to Mr. Cleghorn. Mr. Batton said at the board's direction, every effort was made to avoid condemnation, but said attempts were unsuccessful. He stated that Mr. Cleghorn was given all concessions the county felt were appropriate, but stated there were demands the county could not provide without requiring a redesign of the project which would not allow the school to open on time. He said he would continue to make every effort to reach an agreement. At this time he said the board's vote is needed to proceed with condemnation to ensure the school opens in August.

Commissioner Dunston made a motion to direct the county attorney to proceed with condemnation, with the understanding that if an agreement is reached those proceedings would be immediately stopped. The motion was seconded by Commissioner Winters and duly carried with all present voting "AYE."

Commissioner Lancaster then made a motion to adjourn, seconded by Commissioner Young. With all present voting "AYE," the motion duly carried.