

**June 19, 2008**

The Board of Commissioners of Franklin County, North Carolina, met for a recessed meeting at 7:00 A.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, Bob Winters, Sidney E. Dunston, Harry L. Foy, Jr., Donald C. Lancaster and Lynwood D. Buffaloe.

Chairman Swanson called the meeting to order and asked the board to make comments relative to the proposed budget.

Commissioner Lancaster stated the Communication's tower project was important to him and he reminded the board of its prior commitment to the project. He said the county already had \$700,000 in E911 funds to help start the project and stated he would like to see it move forward. He said the board also needed to find a way to fund part or all of the requested paramedic positions. Lastly, he asked the board to consider raising the fire tax from 6.2 to 6.5 cents in Youngsville to help with the construction of two fire stations in Youngsville.

Commissioner Dunston commented that a tax increase of approximately three cents would be needed to approve requests made through department head appeals. He asked if staff had discovered areas where three cents could be cut from. Interim Manager Angela Harris and Finance Director Chuck Murray stated savings had been identified from the legal budget, but not enough to fund all requests. She stated the vacant Parks and Recreation Director position could be frozen with an associated cost savings of \$60,000. She also stated that the staff recommended supply officer position could be eliminated with an associated cost of \$36,000. Commissioner Dunston inquired about \$100,000 designated last year for the Town of Louisburg. Mrs. Harris stated minutes had been reviewed in reference to funding and stated the minutes did not reflect a specific purpose for the money other than for recreation. She stated she would have to review files further to see if any correspondence indicated the funds were in some way intended to be match money for PARTF funds for Joyner Park.

Commissioner Dunston recalled the Town of Louisburg asked for funding to assist with a grant. Commissioner Winters stated he recalled the same. Mr. Murray confirmed the money has already been given to Louisburg. He reminded the board that a stipulation had been placed on the request from the start. He said the county had asked that the same rates be charged for both in-town and out-of-town residents before the funds (\$100,000) were distributed. Commissioner Winters stated he had been told the town's policy would be reviewed and that someone would be in touch to discuss the rates for recreation. However, Commissioner Winters stated several months had passed without receiving the information.

Commissioner Winters stated the county's priorities are defined by statute and said now is not an appropriate time to raise taxes. He suggested the county maintain the handling of recreational facilities, but suggested that municipalities administer recreation programs. He stated the county has a large budget for recreation (roughly \$400,000) and said the board needs to strongly examine its priorities.

Commissioner Swanson stated he was not in favor of eliminating recreation programs. He said doing so would increase crime rates because of a lack of activities for young people. He commented on the need to find more funding for Emergency Communications.

Commissioner Winters then stated the need to charge for specious calls made into the county's emergency communication system such as false burglar alarms.

Commissioner Lancaster stated the county should make certain any duplication of effort is minimized as it pertains to emergency response.

Commissioner Foy stated his priority is to make certain the budget is approved without a tax increase.

Commissioner Buffaloe reminded the board that recreation is one of the things people are looking for when deciding whether or not to locate a business in the county. He stated if the county does not offer recreation programs, it will lose approximately 25% of its economic development. He said recreation and programs for the elderly are not mandated, but are a basic part of what is needed in the county. Commissioner Buffaloe stated the importance of the E911 project and the need for additional emergency communication's staff. He said he understands the need for new vehicles for deputies, but suggested putting off the purchase for one year. He also referenced the need for additional paramedics. He stated the county needs to be fiscally responsible in providing reasonable services to its citizens, even if it means raising taxes.

Commissioner Lancaster suggested the Interim Manager and Interim Parks and Recreation Director Oliver Green examine the parks and recreation program to eliminate any duplication of services. Mrs. Harris stated her concern that any drastic "overnight" changes without cooperation from municipalities and input from the community would present a conflict. She stated a 10-year master plan for recreation had been completed years ago, but suggested that now may be a good time to reexamine the plan. She then echoed Commissioner Buffaloe's statement that recreation opportunities are one of the components companies are looking for when deciding where to locate their business. She stated services in all departments need to be examined for efficiency.

Commissioner Swanson stated he wanted all county employees to be aware that a cost of living adjustment (COLA) is included in the proposed budget. Secondly, he mentioned the need to address overtime at the Sheriff's Office.

Commissioner Buffaloe stated that he agreed with Commissioner Lancaster in that the board should consider an increase in the Youngsville area fire tax in order to assist with the construction of two fire stations.

Commissioner Swanson then commented on a similar need in the Justice and White Level communities. He stated the Justice Fire Department has asked for a half-cent fire tax increase for the construction of a new building. He said White Level Fire Department also requested a half-cent increase. He stated the board needed to be aware of the wishes of all fire departments rather than just a select few. Mrs. Harris clarified that White Level's request had already been met without a fire tax increase. Commissioner Lancaster stated natural growth in the White Level area provided for that need to be met.

Commissioner Lancaster stated the importance of providing more paramedics for the county. In response, Mrs. Harris stated Randy Likens (Emergency Services Director) and Mr. Murray had met since the previous budget work session to discuss EMS collection rates. She encouraged the board to hear an update on new figures before any decisions are made.

Staff also mentioned the county morgue facility which will be an addition to the EMS facility on Highway 39 North in Louisburg. The project is under budget with a total cost of approximately \$60,000. Mrs. Harris stated even though the project began in the current fiscal year, it won't be finished until fiscal year 2008-2009.

Mrs. Harris made reference to previous discussions about the construction of a new County Administration Building. She stated the project was not recommended in the proposed budget. She stated staff projected \$136,000 in savings if the board chooses to close all county convenience sites on Tuesdays and Thursdays beginning July 1, 2008. She recommended, however, that the schedule change take effect around July 15, 2008 to allow some time for the public to be made aware of the changes.

Commissioner Young stated that her priority included funding EMS positions for the Franklinton area.

Mr. Murray then presented information on EMS collection rates and the board discussed funding options (recommended by the Franklin County Emergency Medical Services Advisory Committee) for 13 paramedic positions.

Commissioner Winters made a motion to accept the Emergency Medical Services Advisory Committee recommendation presented June 12, 2008 (40% / 40% / 20%) which would fund paramedics for the Franklinton and Bunn areas. The motion was seconded by Commissioner Buffaloe. The motion duly carried with all present voting "AYE."

Commissioner Lancaster then asked to amend the motion to a 50% / 30% / 20% funding strategy in order to assist with building stations.

Commissioner Winters then made the motion to rescind his previous motion, seconded by Commissioner Buffaloe. The motion to rescind duly carried with all present voting "AYE."

Commissioner Lancaster made a motion to recommend the EMSAC funding strategy, modifying the 40% / 40% / 20% distribution to a 50% / 30% / 20% distribution. Commissioner Dunston seconded the motion. The motion duly carried with all present voting "AYE." The approved strategy is as follows:

#### **EMS Revenue Distribution**

**50 %** to General Fund.

**30%** to EMS System Reserve Fund; used to purchase capital equipment needed for growth, enhancement or sustainment of EMS System i.e. ambulances, remounts, QRV's, stretchers, defibrillator/monitors, EMS stations, technical rescue equipment, etc. as recommended by the Franklin County EMSAC.

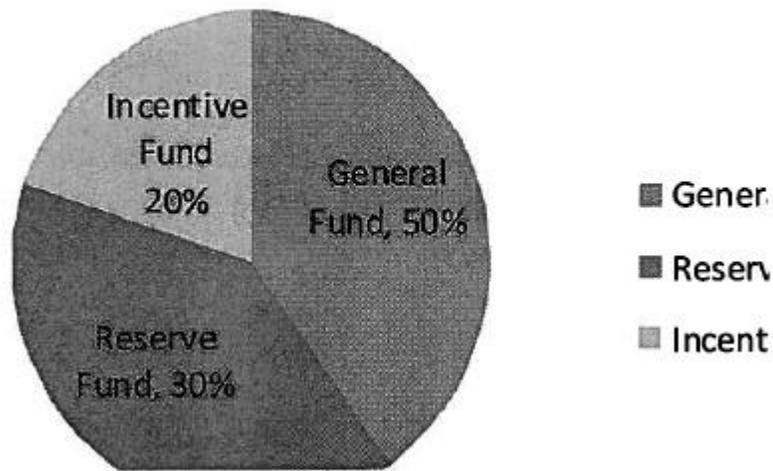
**20%** to the Incentive Fund **to fund the five volunteer Rescue Squads; squads are funded based on a cost per call formula.**

\$115 per call distributed on a monthly basis. Squads will be given credit for any call where the following criteria were met;

- Responded with a staffed ambulance (2 credentialed personnel; minimum of 1 MR and 1 EMT) **AND** patient contact occurred **And** a Call Report is generated.
- **Or** responded with an ambulance and transported a patient **And** a Call Report is generated.
- **Or** responded to provide Technical Rescue or EMS standby as defined by the EMSAC **And** a Call Report is generated.
- Any remaining Incentive Funds would be evenly distributed to the three host Volunteer squads.

**Note 1:** Under this method the five volunteer Rescue Squads would be funded by monies paid by the end-users of the EMS System (patients, insurance companies, Medicaid, Medicare) and would no longer receive monies from tax generated funds; in effect making the five volunteer Rescue Squads self funding.

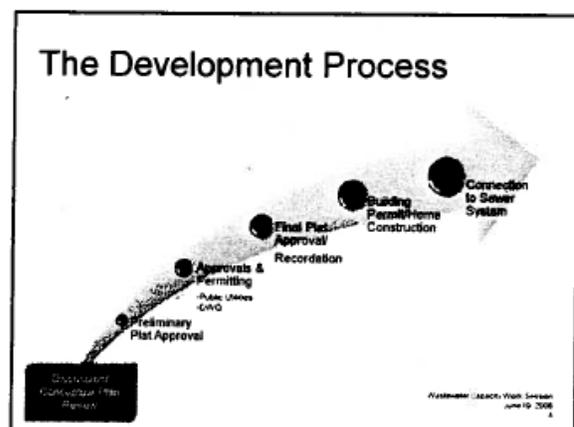
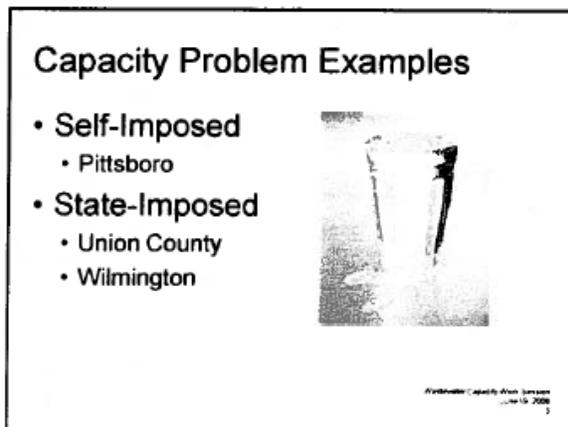
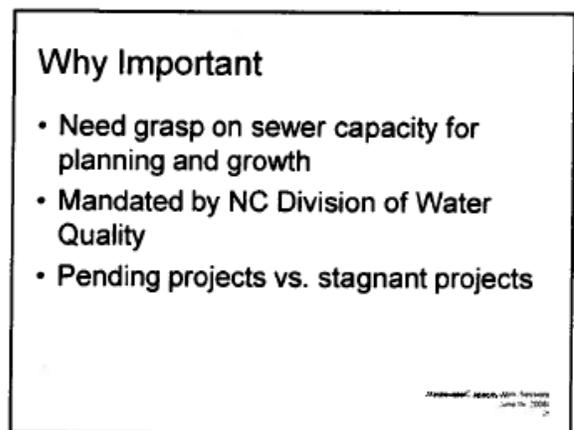
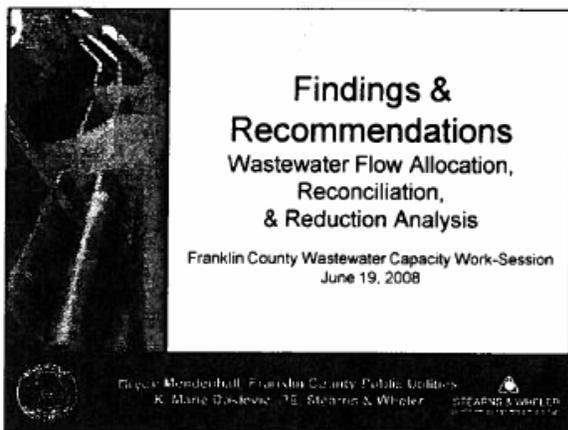
# EMS Revenues

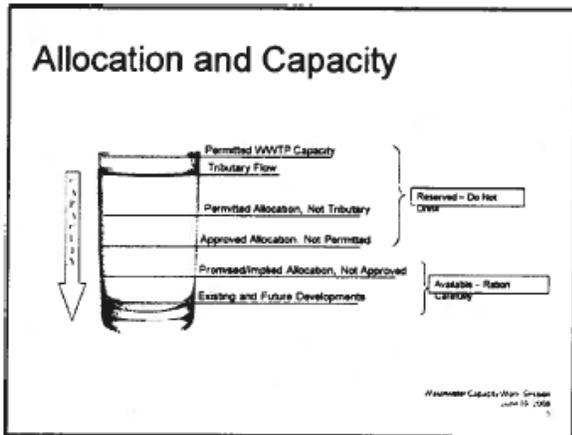


Commissioner Winters made the motion to recess the meeting until after the Public Utilities meeting scheduled to begin at 9:00 A.M. The motion was seconded by Commissioner Young and duly carried with all present voting “AYE.”

The board began its meeting with Public Utilities at approximately 9:30 A.M. for the purpose of a work session to discuss the findings of the Sewer Study performed by Stearns and Wheler.

Bryce Mendenhall, Franklin County Public Utilities Director and Marie Doklovic, Stearns and Wheler Project Engineer, presented the following PowerPoint presentation highlighting the findings and recommendations of the sewer study.





### Where the County Stands

The remaining WWTP allocation is 2,500,000 gpd

What we believe to be permitted and vested, but not yet tributary exceeds the remaining WWTP allocation by 300,840 gpd

Add-in the promised/implied allocations and the remaining WWTP allocation limit is exceeded by 1,238,760 gpd

Wastewater Capacity Work Session June 19, 2008

### What to Do Now?

- Expand or build a new treatment plant?
  - Significant cost
  - Environmental work, permitting and construction several years out
  - Improvements could cause operational problems and would start depreciating before used
- Timing is everything
- Planning is too!
  - Speculative limits request

**NOT RECOMMENDED NOW**

Wastewater Capacity Work Session June 19, 2008

### Immediate Recommendations

- Reconcile Flow with DWQ
  - Tell DWQ what is connected
  - Now required through policy
  - Last reconciliation in 2002
  - Takes some resources and record clean-up
  - Currently underway
  - Free!

Wastewater Capacity Work Session June 19, 2008

### Immediate Recommendations

- Apply for a DWQ Flow Reduction
  - Show DWQ that actual wastewater flow is less than their expected value
  - Residential only
  - Does not include satellites
  - Applies to permitted but not tributary and future
  - Submitted to DWQ for 250 gpd/unit
  - Free!

Wastewater Capacity Work Session June 19, 2008

### Where are We Now?

The remaining WWTP allocation is 2,543,000 gpd

What we believe to be permitted and vested, but not yet tributary leaves 1,487,630 gpd of allocation (2,543,000 gpd - 1,055,370 gpd)

Add-in the promised/implied allocations and the remaining WWTP allocation is 549,710 gpd (2,543,000 gpd - 1,993,290 gpd)

Wastewater Capacity Work Session June 19, 2008

### What Next?

- A dynamic process
- Commit to change
- Seven remaining recommendations

Wastewater Capacity Work Session June 19, 2008

### Continue Tracking Allocations

- Reconciliation required by DWQ
- Coordinate between Planning & Utilities Departments
  - Upcoming projects
  - Issued Certificates of Occupancy
- Refine existing estimates
- Continue the Allocation Pyramid

Wastewater Capacity Work Session June 19, 2008

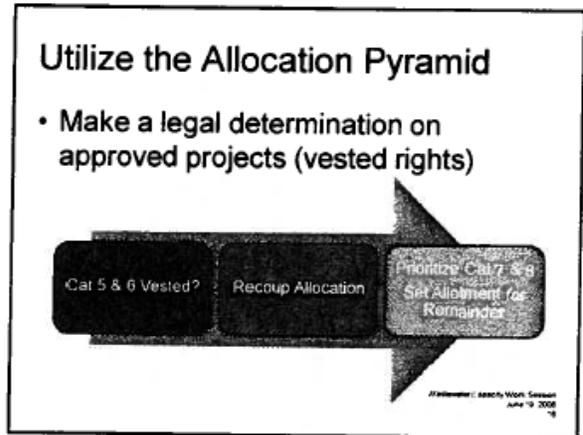
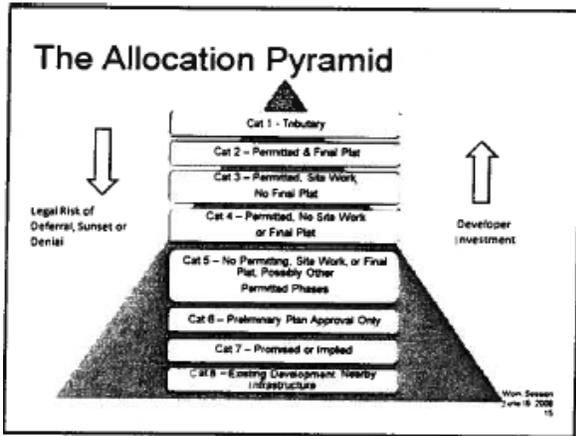
### Adopt an Allocation Policy

Wastewater Capacity Work Session June 19, 2008

### Set Contracts with Satellites

- Required by DWQ
- Can ensure all needs are met
- Will be easier to track allocations
- Can plan now for addressing future physical capacity needs
- Will define responsibilities

Wastewater Capacity Work Session June 19, 2008



- ### Utility Policy and Standard Specifications
- Allows consistency and compliance
  - Protects the County's wastewater system assets
    - Reduce emergency repair
    - Promotes equipment standardization
  - Prioritize approval order of connections
    - Existing vs. new
    - Public facilities vs. subdivisions
- Work Session  
June 19, 2008  
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- ### Capital Improvement Planning
- Required by DWQ
  - Other planning documents can be integrated
    - Water and Sewer Master Plan
    - Comprehensive Development Plan
- Work Session  
June 19, 2008  
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- ### Address Physical Capacity
- Plan for aging system
  - Know each pumping station's current flow and pumping capacity
  - Identify structural defects or operational issues
  - Have a comprehensive map
    - Required by DWQ
- Work Session  
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- ### Recommended Action Steps
- Series of detailed 3-hour work sessions
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- Work Session  
June 19, 2008  
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- ### Recommended Action Steps
- Work sessions would be held by the Utilities Advisory Committee (UAC)
    - UAC would make recommendation to full Board of Commissioners at conclusion of work sessions
  - UAC meeting to be scheduled in early July to review
    - Location of work sessions?
    - Public participation?
    - Role of consultants?
- Work Session  
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- ### Potential Consultant Roles
- Engineering
    - Development of detailed analysis of system components and component capacity
    - Development of draft C.I.P.
    - "On call" and "not-to-exceed" technical input to help provide guidance to UAC
  - Legal
    - Detailed review of potential project vesting and legal consequences of various allocation actions
    - "On call" and "not-to-exceed" technical input to help provide guidance to UAC
- Work Session  
June 19, 2008  
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- ### Summary
- Each recommendation supplements another
  - We can achieve a solution today and plan for tomorrow without significant expenditures
  - We must be proactive in managing wastewater allocations and providing adequate capacity as needed
- 
- Work Session  
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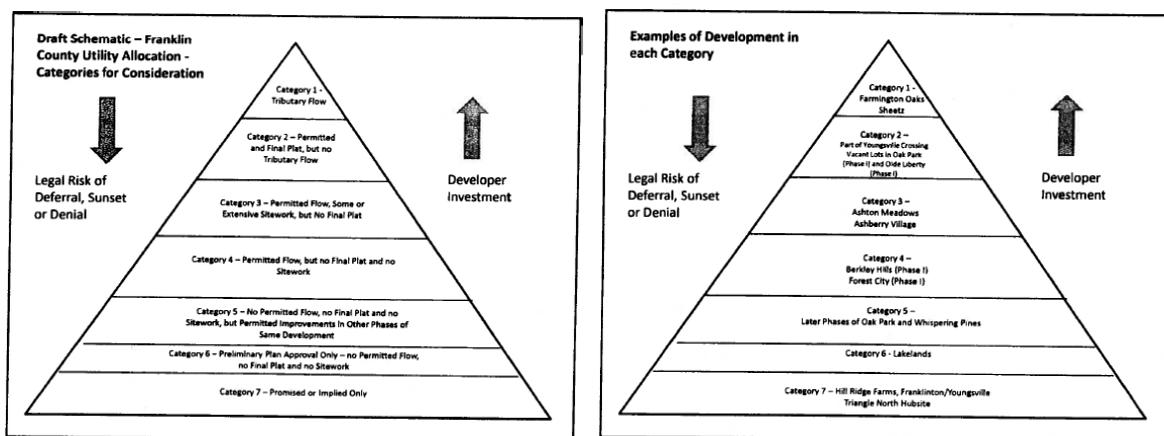
Thank You

## QUESTIONS?

Work Session  
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Mr. Mendenhall noted that if the county reaches 100% percent capacity, permits from the North Carolina Division of Water Quality (DWQ) will cease. He said a plan must be in place in order to continue to assign sewer extensions.

Mr. Mendhenhall mentioned a key piece of information which is outlined in the diagram below. He said Stearns and Wheler was asked to approximate remaining capacity so the county could move forward with additional projects, adopt policies for allocation and utility approval and to ensure the DWQ's records are up to date. He stated that is a main point of emphasis.



During the presentation, Mr. Mendenhall stated that timing is important. He said the county has 4,000 to 4,400 approved lots that could be built at any time. He project 10, 12 or even 14 years of build out giving the county time to build out the wastewater treatment plant already in place. Mr. Mendenhall stated he has requested speculative limits on the existing Lane Store wastewater treatment plant to see how much can be discharged into that stream. He is aware three million can be discharged but said he is unaware of how much additional discharge is available. Mr. Mendenhall commented on a letter to the North Carolina Division of Water Quality (DWQ) requesting speculative limits on that site to see if Franklin County can get an additional 1.5 MGD. He commented that if granted, it would not be the "save all" to keep the county from running extensive lines to the southeastern part of the county, from buying property acquisition, or constructing an entirely new plant. However, he stated he did want to be fiscally responsible and said by setting speculative limits for that single site expansion of the current facilities may be possible. Additionally he commented on a request to DWQ for a residential flow rate of 250 gallons per day per residence. If granted, he stated this would not apply to satellites (Towns of Franklinton and Youngville) and said they must make their own application for flow reduction.

Mr. Mendenhall commented on the importance of continued good communication between Public Utilities and Planning as well as good communication with elected officials and administration. He stated the impact of every decision made could impact the county's capacity. He said as that capacity is exceeded; the county could be affected fiscally.

Included in the presentation are seven remaining recommendations that Ms. Doklovic stated will help develop a comprehensive allocation and utilities plan to address capacity and to plan for the future. The recommendations include:

- Tracking allocations
- Adopting allocation policy
- Securing adequate contracts
- Determining vesting projects

- Implementing utility policy standard specifications
- Developing a Capital Improvement Program
- Analyzing physical capacity

Mr. Mendenhall stated the last resort is the construction of an entirely new plant which would not only include costs for capital needs and property acquisition, but for operations, staff, and other perpetual costs.

Mr. Mendenhall then pointed out the following recommend action steps:

- Series of detailed 3-hour work sessions by the Utility Advisory Committee (UAC)
  - July 17, 2008: Existing Utility Allocations
  - August 21, 2008: Formal Allocation Policies
  - September 18, 2008: Internal Utility System Policies and Tracking
  - October 16, 2008: Satellite System Agreements
  - November 20, 2008: Infrastructure Capacity and Financing The
- Recommendation to the Board of Commissioners at the conclusion of work sessions

Commissioner Young asked Mr. Mendenhall to make certain that formal letters be sent to municipalities explaining that the county will neither give them allocation agreements, nor discuss sewer utility service areas until after a full recommendation goes before commissioners.

Commissioner Young asked about the cost of the report provided by Stearns & Wheler. In reply, Ms. Doklovic stated \$15,200.

At approximately 11:00 A.M. the Public Utilities discussion ended.

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After an update on the E911 project, Commissioner Lancaster made the motion to reject all proposals previously submitted for the E911 project, to accept only bids that include the entire project, and to direct Christy Shearin (Emergency Communications Director) to proceed with the bid process with the bid bond amount set at 5%. The motion was seconded and duly carried with all present voting "AYE."

To clarify the board's direction as it relates to the proposed budget, Mr. Murray restated the board's following request.

1. Add 5 EMS positions to the Franklinton area effective July 1, 2008.
2. Add 8 EMS positions to the Bunn area effective January 1, 2008.

Commissioner Lancaster made the motion to approve an increase in the Youngsville fire tax to 6.5 cents, seconded by Commissioner Buffaloe. The motion duly carried with all present voting "AYE."

Commissioner Winters then made the motion to recess until Thursday, June 26, 2008 at 7:00 A.M. The motion was seconded by Commissioner Foy and carried 6 to 1 with Commissioner Young voting "NO."

Mrs. Harris then commented that Bert Whitman (CEO of Franklin Regional Medical Center's parent company) is in the area today and tomorrow morning and stated board members were invited to stop by the hospital to meet Mr. Whitman. She stated Mr. Whitman desired to obtain feedback from local officials.

Commissioner Buffalo then mentioned the Airport Operations Committee is looking into changing the status of a part-time employee to a full-time employee in order to have two full-time staff members since the resignation of the Airport's former director. He stated doing so is within the Airport's budget.

The meeting was recessed at 11:22 A.M.

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Robert L. Swanson, Chairman

Kristen G. King, Clerk to the Board

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