

June 22, 2010

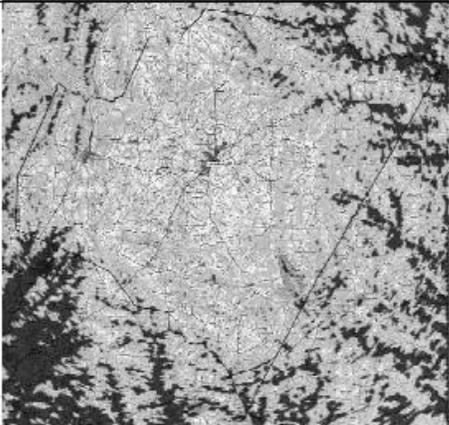
The Board of Commissioners of Franklin County, North Carolina, met for a Recessed Meeting at 7:00 P.M. in the Commissioner's Conference Room located in the County Administration Building with the following Commissioners present: Chair Penny McGhee, Vice-Chairman Sidney E. Dunston, Robert L. Swanson,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

Chair McGhee brought the meeting to order.

## 1. PUBLIC HEARING

The Board held a public hearing to address the enhancement of the E911 Radio/Paging system and the potential expenditure of approximately ten million dollars to complete the radio project. It is estimated that funding for the project could result in a 2.5 cent increase in the ad valorem tax rate.

Christy Shearin, Emergency Communications Director, Chuck Murray, County Finance Director and Chris Kelly, Kimball and Associates, provided the following PowerPoint presentation.

<p style="text-align: center;"><b>Franklin County</b> <b>VHF Simulcast Public Radio Network</b></p> <p style="text-align: right;"><small>June 22, 2010 Christy Shearin, ENP</small></p>	<p style="text-align: center;"><b>Current Needs</b></p> <ul style="list-style-type: none"><li>▶ Paging coverage for Fire and Rescue services is inadequate</li><li>▶ Portable coverage both in-street and in-buildings is inadequate</li><li>▶ FCC mandate to convert to narrowband signaling by 2013<ul style="list-style-type: none"><li>▶ Much of the equipment is NOT narrowband capable. FCC requires narrowband operation by January 1, 2013.</li></ul></li><li>▶ Additional channels required for necessary capacity</li><li>▶ Franklin County is a growing area and requires a more robust radio communications system</li></ul>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Current Coverage</p> 	<p><b>RFP Requirements</b></p> <ul style="list-style-type: none"><li>▶ Paging and Portable Coverage Requirements<ul style="list-style-type: none"><li>▶ 95/95 in light duty buildings county wide</li><li>▶ 95/95 in light duty building in each county fire district</li></ul></li><li>▶ Provide a FCC Narrowband compliant system</li><li>▶ Provide a P25 digital simulcast trunked solution</li><li>▶ Furnish a bond guaranteeing performance of the contract in the amount of 100% of the contract</li></ul>
<p><b>Where are we now?</b></p> <ul style="list-style-type: none"><li>▶ Received Proposals from potential vendors that meet the RFP requirements</li><li>▶ Negotiating the contract with Harris Communications</li></ul>	<p style="text-align: center;"><b>Requires NC Local Government Commission Approval</b></p> <ul style="list-style-type: none"><li>▶ County staff met with the NC Local Government Commission staff on May 20<sup>th</sup>, 2010.</li><li>▶ The LGC staff has stated that the E911 Project is a viable county project and that county will receive their support for the project.</li><li>▶ The LGC staff stated the county will not receive formal approval for the financing until all required Federal and State Permits have been obtained, including licenses for radio frequencies, FAA tower location approval and leasing arrangement for each tower site</li></ul>

### Requires NC Local Government Commission Approval

- ▶ The LGC staff gave support for entering into a contract for this project before the financing is approved based on the fact that the risk is low compared to the benefit of the discount saved by entering into the contract.
- ▶ LGC staff stated the county could only enter into a 10 year financing instead of a 15 or 20 year financing due to the nature of the project. (The equipment and software typically have a 10 year life).

### Advantages of entering into the contract before formal LGC Approval

- ▶ The county can take advantage of the full amount offered as a discount if a contract is executed before June 25<sup>th</sup> 2010.
- ▶ Under the current proposal, the pricing is only good through 9/15/2010. If the county does not execute the contract before 9/15/2010, the entire discount is no longer available and the amount of the price of the project is uncertain.
- ▶ It is estimated it will take up to six months to get all required permits before LGC will formally approve financing.
- ▶ The county has available \$2.7 million on hand from the previous E911 financing and according to the draw schedule provided by Harris, the county has funds available that will carry the county until July 2011 before additional dollars will be needed.

### Disadvantage of entering into the contract before formal LGC Approval

- ▶ If the county cannot find a banking institution to loan funds for this project at the time additional dollars are needed, the county will have to take \$7 million out of its reserves to complete the project.
- ▶ While this risk may be low, the current economic flux and recent past banking crisis, demonstrates the risk exists.

### How does the County plan to pay for the Project

- ▶ The County plans to enter into a financing agreement for approximately \$7 million dollars with a banking institution as soon as all permits have been acquired.
- ▶ The County expects the first year payment to be approximately \$1.05 million dollars. The payment will effect the FY 2011-2012 budget but has no impact on the current fiscal year budget.
- ▶ At this time, County staff has only identified additional property tax revenue as a source of funds to repay the financing. It is estimated it will take a 2.5 cent property tax increase to repay the financing.

### Questions?

At approximately 7:09 P.M., Chair McGhee opened the public hearing.

#### **Kelly Harris, 1587 Lettuce Hall Road, Spring Hope**

- Mr. Harris is President of the Franklin County Firefighters Association. He said communication has been a problem for many years and spoke in favor of the proposed E911/Radio paging system.

#### **Ralph McGhee, 339 Long Mill Road, Franklinton**

- Mr. McGhee asked if the proposed system had been utilized and/or tested in other areas. Mr. Kelly stated the proposal offers the industry standard and the system is what other counties are moving toward.

Mrs. Shearin mentioned the level of coverage expected is 95% coverage, 95% of the time. Additionally, 95/95 coverage is expected within each county fire district including coverage for pagers and portable radios.

County Attorney Darnell Batton stated the contract would be written and executed such that the vendor will be held strictly responsible for ensuring the coverage requirements. A performance bond is required to assure the desired level of coverage is achieved. If the coverage requirements are not met, the vendor must accept the financial burden to satisfy the requirements are met. It was stated that upon completion of the project,

testing will be conducted during summer months when leaves are fully covering the trees so that testing is the most challenged.

Commissioner Mitchell commented that Johnston and Wayne counties have similar systems to the system proposed for Franklin.

**Steve Hoyle, 1993 Sims Bridge Road, Kittrell**

- Mr. Hoyle is President of Epsom Fire Department. He stated the importance of the proposed system working well with surrounding counties. Mr. Hoyle said the county has been through this process before and wants to make certain the system works properly this time. Mr. Hoyle mentioned concerns with communication between portables as well as between portables and emergency vehicles.

Mr. Kelly assured the benefit of a P25 system is compatibility with other P25 systems regardless of vendor as long as proper approval is granted and as long as the systems have the same VHF frequency band.

**Ray Patterson, 105 Tanbark Court, Louisburg**

- Mr. Patterson stated the idea of obtaining better emergency communications was discussed in 1973 by the Franklin County Firemen's Association and said the county is still working to obtain the initial goal. He said local fire departments, rescue, fire and police desperately need the proposed system and encouraged the Board to consider it favorable.

**Tommy Lloyd, 1658 Flat Rock Church Road, Youngsville**

- Mr. Lloyd emphasized the need for the system in the Youngsville area and said citizens cannot be served well if the improved system is not obtained.

**Darryl Chalk, 203 Janice Avenue, Franklinton**

- Mr. Chalk stated coverage in the Franklinton area is not as poor as coverage in Pilot, Centerville, White Level, Gold Sand and other areas. He said he did not want to see a large amount of money spent or want to increase taxes, but he said the coverage is needed.

**Johnny Hight, 454 Fred Parrish Road, Castalia**

- Mr. Hight is Chief of the White Level Fire Department. He commented on inadequate coverage in White Level and said pagers in his service area must be set off twice. Mr. Hight said he is confident the new system will address problem areas.

**Ken Pearce, Bunn**

- Mr. Pearce serves as Chief of Bunn Fire Department. He said the project was needed in order to provide emergency service to the community. He asked the Board to support the system.

**Darin Kurtz, 117 Sunflower Drive, Youngsville**

- Mr. Kurtz is the Youngsville Police Chief. He said the proposed communications system has to be better than the current system and asked the Board to consider favorably.

**John Green, Franklinton**

- Mr. Green is Chief of Franklinton Police. He spoke in favor of the project.

**Linda Southard, 125 Buckridge Road, Louisburg**

- Ms. Southard is a Franklin County dispatcher. She commented on the difficulty of utilizing the current system. She said the safety of emergency personnel is her priority and encouraged the Board to move forward with the project in a timely manner.

At 7:37 P.M. the hearing was closed.

Commissioner Dunston asked Mrs. Shearin to explain the value of the State's VIPER system as opposed to the system that is proposed for Franklin.

Mrs. Shearin stated the VIPER system is an 800 MHz system that is ineffective when paging volunteers. She said VIPER is based on coverage that is in-street portable rather than what the county is trying to achieve with building coverage. She said VIPER does not meet the robust coverage requirements the county proposes and said if VIPER was put in place, a large sum of money would still be required to build out the paging system. She said VIPER was examined, but said the proposed system is the best option. She also stated she is unaware of grants that would implement the entire VIPER system without cost.

Commissioner Lancaster stated that part of the Board's job is to provide public safety and he said the communications system is an important component of that. He said the county has completed due diligence with this project in order for it to be successful.

Commissioner Mitchell serves on the 911 Advisory Board and he said each component of emergency services is represented in the Board's membership. He said the 911 Advisory Board unanimously recommended the project on two occasions. He commented on the importance of the project in serving citizens.

Commissioner Swanson stated his community has not had the emergency coverage it needed for quite some time. He thanked staff, Commissioner Mitchell and the 911 Advisory Board for their dedication to the project.

Commissioner Foy said the project is expensive but "worth every penny." He said the system will benefit the entire county.

Commissioner McGhee commented on the diligence of staff regarding the communications project. She commended staff, the County Attorney, Commissioner Mitchell and everyone involved with the project.

No action was requested or taken.

**2. CLOSED SESSION**

The Board was asked to enter into a closed session pursuant to G.S. 143-318.11 (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.

Commissioner Swanson made the motion to enter into closed session, seconded by Commissioner Mitchell. The motion carried 6 to 1, with Commissioner Foy voting "NO."

Following the closed session, Commissioner Swanson made the motion to enter back into open session, seconded by Commissioner Dunston. The motion duly carried with all present voting "AYE."

Finance Director Chuck Murray said recently the Board directed staff to negotiate a contract with Harris Inc. contingent upon approval received from the Local Government Commission (LGC). After communicating with the LGC, Mr. Murray stated the County would not be able to obtain approval at this time in order to move forward.

Commissioner Lancaster made the motion to move forward without obtaining LGC approval, seconded by Commissioner Mitchell. The motion duly carried with all present voting "AYE."

County Attorney Darnell Batton then stated negotiations with Harris, Inc. have been successful in moving forward. He commented that terms of the contract are protected under North Carolina law and said there would be a delay in providing a redacted version of the contract to the public.

Commissioner Mitchell made a motion to proceed with the negotiated contract with Harris Inc. executed in the amount of \$9,606,349.17. The motion was seconded by Commissioner Swanson and duly carried with all present voting "AYE."

Commissioner Swanson made a motion to approve a resolution pertaining to how the County expects to pay for the project, likely raising taxes (2.5 cent tax increase) in order to pay for the Emergency Communications System, seconded by Commissioner Mitchell. The motion duly carried with all present voting "AYE."

Commissioner Dunston made the motion to adjourn, seconded by Commissioner Lancaster. The motion duly carried with all present voting "AYE."

---

Penny McGhee, Chair

Kristen G. King, Clerk to the Board