

*Scotland County Board of Commissioners July 12, 2004 regular meeting
Commissioners Chamber, 1405 West Boulevard, Laurinburg*

MINUTES

**Scotland County Board of Commissioners Regular Meeting, July 12, 2004
Scotland County Complex, 1405 West Boulevard, Laurinburg, NC**

At 7 p.m., Chairman David Burns called the regular meeting to order. Commissioners in attendance: Chairman David Burns, Vice Chair Nancy J. Shelley, Betty Blue Gholston, Charles "Scoofer" Jordan, Sam Snowdon, Clint Willis and J.D. Willis (arrived at 7:10 p.m.). Staff in attendance: County Attorney Ed Johnston, Chief Financial Officer/Assistant County Manager Kevin Patterson and Clerk to the Board Ann W. Kurtzman. Chairman Burns delivered the opening prayer. The Pledge of Allegiance was recited.

Chairman Burns said the Commissioners must designate a voting delegate for the upcoming NCACC Annual Conference.

Motion was made by Commissioner Snowdon and duly seconded by Commissioner Gholston to designate Commissioner Clint Willis as the Conference voting delegate. Vote: Motion unanimously approved.

Chairman Burns asked if anyone wished to speak at Public Forum.

Mr. Charles Odom, retired Gibson Fire Chief: Mr. Odom asked the Commissioners for their assistance in continuing the commodities program. Mr. Odom asked if there would be any way to restore the funding to the budget. He said the commodities program assisted many people in Gibson and Laurel Hill who could not pick up the food in town but could get it at the Gibson Fire Department.

DSS Director Jan Elliott said that the \$5,000 for the program was one of the few non-mandated funds that could be cut from the DSS budget. She said \$1,500 was the administrative cost for facility use and staffing and the remaining \$3,500 was federal money that went directly to the fire departments. She said another non-profit could probably run the program using volunteers.

Chairman Burns asked Commissioner Clint Willis if he and the DSS Board of Directors might be able to identify a non-profit organization, which would take responsibility for the program. Chairman Burns asked Commissioner Clint Willis to report back to the Board on the effort.

No one else spoke, and Public Forum was closed.

Item 1. Public Hearing: Issuance of Industrial Development Revenue Bonds for KORDSA, USA.

Mr. Robert Jessup, Sanford Holshouser LLP, said the \$3,150,000 in industrial revenue bonds would assist KORDSA USA in financing additional manufacturing equipment for

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use at the company's facility in Laurel Hill. The company requests that the Commissioners conduct a Public Hearing and then grant final approval for the issuance of the bonds. These steps are required under the State law governing Scotland County Industrial Authority's bond issues.

Mr. Jessup said the addition of the new equipment would bring about the hiring of a dozen more people at the Laurel Hill facility.

Chairman Burns opened the Public Hearing and asked if anyone wished to speak in favor of or against the issuance of \$3,150,000 in industrial revenue bonds to KORDSA, USA.

No one came forward, and the Public Hearing was closed.

Mr. Jessup said that even if the company went bankrupt, the County would not be liable, and the bond issuance does not affect taxpayers.

Motion was made by Commissioner Clint Willis and duly seconded by Vice Chair Shelley to approve the KORDSA bond resolution as presented. Vote: Motion unanimously approved.

Resolution Approving the Issuance of Up to \$3,150,000 Industrial Revenue Bonds for KORDSA USA, Inc., By The Scotland County Industrial Facilities and Pollution Control Financing Authority

WHEREAS The Scotland County Board of Commissioners has previously approved in principle the issuance of industrial revenue bonds (the "Bonds") by The Scotland County Industrial Facilities and Pollution Control Financing Authority (the "Authority") to finance the acquisition of additional manufacturing equipment for KORDSA USA, Inc. (the "Company"), at the Company's existing facility in Laurel Hill, North Carolina.

The Company has proceeded with its plan of financing, and has now asked this Board to provide its final required approval of the issuance of such Bonds. The matter of the issuance of such Bonds has been the subject of a public hearing held by this Board earlier this evening.

Such Bonds will be payable solely from payments to be made by KORDSA and other specific security pledged to such repayment, and the Bonds will not be general obligations of the Authority or of Scotland County, and neither the faith and credit nor the taxing power of the County will be pledged in any way.

The issuance of the Bonds continues to be subject to final approval by the Authority, the North Carolina Local Government Commission and the North Carolina Department of Commerce. Such approvals must be obtained before the Bonds are issued.

The Company has also requested that this Board support a waiver of the provision in the relevant state statute that otherwise requires the Company to pay above average wages to

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be eligible for industrial revenue bond financing. The statutes allow the Secretary of Commerce to waive this requirement for areas of high unemployment if requested by the relevant County governing body.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF SCOTLAND COUNTY, NORTH CAROLINA, that the issuance of such Bonds in a principal amount not to exceed \$3,150,000 to carry out the plan of financing described above is approved;

BE IT FURTHER RESOLVED, that this approval is designed to be the Board's final approval that is required pursuant to Section 159C-7(c) of the North Carolina Industrial and Pollution Control Facilities Financing Act (the "Act");

BE IT FURTHER RESOLVED, that this Board requests that the Secretary of the North Carolina Department of Commerce waive the "wage test" provision of Section 159C-7(b)(1)(a) of the Act; and

BE IT FURTHER RESOLVED, (a) that all other actions of County officials in conformity with the purposes and intent of this resolution and in furtherance of the issuance of the Bonds are hereby ratified, approved and confirmed, (b) that all other Board proceedings, or parts thereof, in conflict with this resolution, to the extent of such conflict, are hereby repealed, and (c) that this resolution takes effect immediately.

Item 2. Community Development Block Grant (CDBG)

Mr. Adrian Lowery, LRCOG Housing Coordinator, said the FY 02 CDBG housing program was budgeted for \$360,000 for the rehabilitation of homes, and no funds were allocated for clearance and relocation. He said that five units are scheduled for clearance and relocation, and one unit would be rehabilitated.

He said the rehabilitation line item would be reduced from \$360,000 to \$40,000, with \$290,000 set aside for relocation and \$30,000 for clearance. He said the program amendment by State law requires a public hearing.

Chairman Burns opened the Public Hearing and asked if anyone wished to speak in favor or against the CDBG budget amendment.

No one came forward, and the Public Hearing was closed.

Motion was made by Commissioner Jordan and duly seconded by Commissioner Gholston to approve the CDBG FY 02 program amendment to accommodate the six units. Vote: Motion unanimously approved.

Mr. Lowery asked the Board of Commissioners to approve the program policies and administrative guidelines for the FY 2002 Community Development Block Grant Program.

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Mr. Lowery reported that asbestos inspections had been completed and he is awaiting results. He said the bid for the rehab home came in above the cap of \$30,000, and the project would have to be re-bid.

Motion was made by Commissioner Gholston and duly seconded by Commissioner Jordan to approve the program policies and administrative guidelines for the FY 2002 Community Development Block Grant Program as presented. Vote: Motion unanimously approved.

Item 3. Scotland Correctional Institution Update

Administrator Don Wood provided information on staffing and how Scotland Correctional Institution has affected the local economy since it opened in August 2003. Mr. Wood said 121 Scotland County residents are employed at the facility for a payroll of \$166,607 over the past three months. Mr. Wood said salaries average \$28,000 a year. He said total local expenditures are \$723,353, which he expects to increase to an estimated \$3 million in the next year. Mr. Wood said 390 of the 403 available positions have been filled, and employing registered nurses has proven challenging. He said average inmate population is around 950 at a cost to the State of \$67 per inmate per day.

Mr. Wood said there is a possibility of local expansion, which would involve construction of a 500-man medium custody dormitory in 2007 and a 200-man minimum custody facility outside the fenced area in 2009. He said such projects would be subject to approval by the General Assembly.

Item 4. Consent Agenda:

- a) **Approve minutes of the Board of Commissioners, May 26, 2004 budget work session; June 7, 2004 regular meeting; June 9, 2004 public hearing/budget work session; and June 23, 2004 budget work session.**
- b) **Authorize the Tax Collector to collect the taxes set forth in the tax records filed in the office of the Scotland County Tax Department.**
- c) **Approve Resolution Adopting a Reserve Fund for the 2007 Scotland County Reappraisal as a component of the FY 2004-2005 Budget Ordinance.**

**A Resolution Adopting a Reserve Fund for the
2007 Scotland County Reappraisal**

WHEREAS, General Statute 153A-150 requires the County Budget Officer to present to the governing body a budget for financing the cost for the next reappraisal, and;

WHEREAS, the Scotland County Board of Commissioners on October 6, 2003 voted unanimously to provide for a four-year in-house revaluation, and;

WHEREAS, 2007 would be the year in which the in-house revaluation for the County of Scotland would occur.

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NOW, THEREFORE, BE IT RESOLVED that the cost of a four-year in-house revaluation is estimated at \$475,000, and the amount to be placed in Revaluation Reserve over the next three years based on \$475,000 would be \$158,334 annually.

Adopted this 12th day of July 2004.

d) Approve General Statement of Duties for the position of Assistant County Manager.

e) Approve request by Parks and Recreation to surplus a 1982 International Bus VIN# 1HVBA1853CHB19675.

f) Adoption of Scotland County Board of Commissioners 2005 regular meeting schedule as follows: January 3, February 7, March 14, April 4, May 2, June 6, July 11, August 1, September 12, October 3, November 7, December 5.

g) Budget Amendments:

1) DSS: Decrease DSS budget by \$5,231 to match decrease in State and Federal funding and authorize the Finance Officer to make necessary budget arrangements to receive and expend this money.

2) Library: Accept receipt in pass through funds from the State in the amount of \$17,500 and authorize the Finance Officer to make necessary budget arrangements to receive and expend this money.

h) Approve request by Parks and Recreation to surplus a 1985 International VIN# 1HVLNHGM4FHA43897.

Chairman Burns noted that a request to surplus a bus had been added to the Consent Agenda as item h).

Commissioner Snowdon noted a correction must be made on page 3 of the June 23, 2004 minutes, which attributed a motion being made and seconded by Commissioner Gholston. He added that the date in the reappraisal resolution, listed as item c), must be corrected from October 6, 2004 to October 6, 2003. The Clerk said the corrections in question had been made.

Chairman Burns pointed out that the Statement of Duties for the Assistant County Manager would be subject to possible review and alteration once a County Manager is hired.

Motion was made by Vice Chair Shelley and duly seconded by Commissioner Clint Willis to approve the Consent Agenda with aforementioned additions and corrections. Vote: Motion unanimously approved.

Item 5. County Engineer's Report

County Engineer Jim Blackwell provided the following report:

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Solid Waste: The Solid Waste Enforcement Officer is active with 75 cases in the month of June, 34 of which were resolved without court action resulting in 98 tons of waste being brought in for proper disposal. Warrants were issued to resolve 4 cases.

Recreation/Splash Pad Update: We continue to have problems with the contractor for the splash pad to produce approval and construction drawings, which are required for a building permit and approval from the Health Department. The contract was awarded March 26, 2004, and completion was expected by the end of July. As of today we have only received some shop drawings and some of the equipment. There is very little chance that the job can be completed in time for use this summer without compromising on quality of work and rushing the project. We are continuing the construction of the concession/restroom building so that we will have storage space for the equipment already delivered. Considering the lack of response from the contractor, I recommended to Commissioner Jordan that we postpone the start of construction until March 2005 to avoid additional costs to winterize and warranty period issues.

The work being done by County staff is nearing completion and is the only work being done on time.

***Discussion:** Commissioner Snowdon said he was concerned about the delay in the project since the citizens were expecting a splash pad to be operational in July. Commissioner Snowdon said that if drawings were not made available within two weeks, the County Attorney should look into terminating the contract.*

Mr. Blackwell said the County has little recourse until the contract is breached. Mr. Blackwell said if the County doesn't have something by month's end, his office would recommend a change in contractor.

Water District II: Bids have been received for the line extensions to Water District II, and all bids exceed the budget of \$287,000 by a significant amount. The low budget is Utilities Plus, Inc. at \$626,953.15. With your permission and the approval of USDA Rural Development we are requesting that the Scotland County Public Works Department install the line extensions with the available funds.

Motion was made by Commissioner Jordan and duly seconded by Commissioner Gholston authorizing the Scotland County Public Works Department to install the line extensions with available funds pending approval of USDA Rural Development. Vote: Motion unanimously approved.

Chairman Burns welcomed members of the Junior Service League who were present at the meeting.

Item 6. Appointments to Boards and Committees

Motion was made by Vice Chair Shelley and duly seconded by Commissioner J.D. Willis to reappoint Ms. Nancy Shelley and Ms. Donna Stone and to appoint Mr.

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John Horne to the Criminal Justice Partnership Board. Vote: Motion unanimously approved.

Motion was made by Vice Chair Shelley and duly seconded by Commissioner Gholston to reappoint Mr. Brookes Baines to the LRCOG Scotland County Adult Care Home Community Advisory Committee. Vote: Motion unanimously approved.

Motion was made by Vice Chair Shelley and duly seconded by Commissioner Jordan to reappoint Mr. Jeff Mercer, Mr. Joe Manis and Mr. Frankie Stanley the LRCOG Work Force Development Board. Vote: Motion unanimously approved.

Motion was made by Vice Chair Shelley and duly seconded by Commissioner J.D. Willis to reappoint Ms. Jennifer Butler and Mr. Nathan Monroe to the Laurinburg Downtown Revitalization Board of Directors. Vote: Motion unanimously approved.

Motion was made by Vice Chair Shelley and duly seconded by Commissioner Clint Willis to reappoint Mr. Hal Jernigan to the Laurinburg/Scotland County Planning and Zoning Board. Vote: Motion unanimously approved.

Motion was made by Vice Chair Shelley and duly seconded by Commissioner J.D. Willis to reappoint Mr. Francis Bullard and Mr. D.B. Quick and to appoint Ms. Bettie McNair to the Scotland County Historic Properties Commission. Vote: Motion unanimously approved.

Motion was made by Vice Chair Shelley and duly seconded by Commissioner Gholston to approve all appointment recommendations to the Juvenile Crime Prevention Council for FY 2004-2005 as set forth in NCGS 143-33-61. Vote: Motion unanimously approved.

Motion was made by Vice Chair Shelley and duly seconded by Commissioner J.D. Willis to reappoint Mr. Ron Riggins, Mr. Reg Poteat, and Mr. Bo Butler and to appoint Mr. Robert McNair to the Scotland County Tourism Development Authority. Vote: Motion unanimously approved.

Motion was made by Vice Chair Shelley and duly seconded by Commissioner Clint Willis to reappoint Mr. Chris Wood, Ms. Becca Hughes, Mr. Caesar Blue and Ms. June Brooks and to appoint Ms. Doris Douglas to the Parks and Recreation Advisory Board. Vote: Motion unanimously approved.

Motion was made by Vice Chair Shelley and duly seconded by Commissioner Clint Willis to reappoint Mr. Pat Dozier and Mr. Tom Gibson to the Scotland County Zoning Board of Adjustment. Vote: Motion unanimously approved.

Item 7. Closed Session

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Motion was made by Vice Chair Shelley and duly seconded by Commissioner Jordan to go into Closed Session held in accordance with N.C. General Statute 143-318.11(a)(6) to consider qualifications, competence, performance, character, fitness, conditions of appointments, or conditions of initial employment of a present or prospective public officer or employee. Vote: Motion unanimously approved.

OPEN SESSION RESUMED

The Board of Commissioners directed Assistant County Manager Patterson to develop a proposal on how the Planning, Zoning and Inspections responsibilities will be organized; to develop a plan for cross training employees in departments where necessary; and to make a recommendation for Map Review Officer appointments.

Assistant County Manager Patterson said he would present a proposal and Map Review Officer appointment recommendations to the Board at its August 2, 2004 regular meeting.

Motion was made by Commissioner Snowdon and duly seconded by Commissioner J.D. Willis to adjourn. Vote: Motion unanimously approved. Meeting adjourned at 8:35 p.m.

Respectfully Submitted,

Ann W. Kurtzman
Clerk

David L. Burns
Chairman