

**MINUTES
Scotland County Board of Commissioners
November 5, 2013 Regular Meeting
A.B. Gibson Education Center, 322 South Main Street, Laurinburg NC**

At 7 p.m. Chairman Guy McCook called the meeting to order. Commissioners in attendance: Chairman McCook, Vice Chair Carol McCall and Commissioners John Alford, John Cooley, Bob Davis, Whit Gibson and Clarence McPhatter. Staff in attendance: County Manager Kevin Patterson, County Attorney Ed Johnston and Clerk to the Board Ann W. Kurtzman. Chairman McCook offered a word of prayer. The Pledge of Allegiance was recited.

Motion was made by Commissioner Davis and duly seconded by Commissioner Alford to approve the November 5, 2013 agenda as presented. Vote: Motion unanimously approved.

Public Forum

Chamber of Commerce President Tonia Stephenson said she was part of the planning of Halloween in the Parks, which was a successful event. Ms. Stephenson said the event was the result of a collaboration of several groups. Feedback was positive and she enjoyed working with County staff on the project.

No one else spoke, and the Public Forum was closed.

Locally coordinated public transit plan

Rural Transportation Planner Janet Robertson said there are several transportation grants available for implementation of services for the elderly, disabled and low income populations. Unmet transportation needs and corresponding projects must be cited in order to apply for the grants. They are listed in the Locally Coordinated Human Services Public Transportation Plan for the four-county area, which includes Scotland, Hoke, Richmond and Robeson counties. The plan must be updated every four years.

Ms. Robertson asked the Commissioners to approve the plan by resolution.

Motion was made by Commissioner Gibson and duly seconded by Commissioner Alford to approve the resolution for the Locally Coordinated Human Services Public Transportation Plan for Counties that Comprise the Lumber River Rural Transportation Planning Organization. Vote: Motion unanimously approved.

**RESOLUTION APPROVING THE LOCALLY COORDINATED HUMAN SERVICES
PUBLIC TRANSPORTATION PLAN FOR THE COUNTIES THAT COMPRISE THE
LUMBER RIVER RURAL TRANSPORTATION PLANNING ORGANIZATION**

WHEREAS, the Federal Transportation legislation known as MAP-21 (Moving Ahead for Progress in the 21st Century Act) continues the requirement for a locally coordinated human services public transportation planning process to afford elderly citizens, persons with disabilities and low income populations greater access to transportation services, to reduce duplication of services and to gain greater efficiencies in the distribution of human transportation services; and

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WHEREAS, the locally coordinated plan must include an assessment of available services, an assessment of clearly defined needs, and strategies to address these needs and deficiencies in services; and

WHEREAS, Map-21 requires that all applications requesting Federal Transit Administration (FTA) grant assistance under Section 5310, Section 5316, and Section 5317 must meet one of the needs identified in the coordinated plan;

WHEREAS, the Lumber River Rural Transportation Planning Organization (RPO) {comprised of Scotland, Hoke, Richmond, and Robeson Counties} and the four transit systems in the Lumber River RPO area have met the MAP-21 requirement by updating the original 2009 Plan and developing the draft Locally Coordinated Human Services Public Transportation Plan for the Counties that Comprise the Lumber River RPO (LCP); and

WHEREAS, this LCP identifies the unmet transportation needs and service deficiencies and provides strategies to address these needs and deficiencies in the Counties of Scotland, Hoke, Richmond, and Robeson.

NOW THEREFORE, BE IT RESOLVED that the Scotland County Board of Commissioners hereby approves the Locally Coordinated Human Services Public Transportation Plan for the Counties that Comprise the Lumber River RPO.

ADOPTED this the 5th day of November 2013.

Soil and Water Conservation District annual report

Soil and Water Conservation District board member David Morrison commended the Commissioners for doing what it could to preserve the County's natural resources. He said the Soil and Water Conservation District continues to pursue opportunities in agriculture and new crops.

Duke Energy Progress request for easement at EOC/911 Call Center

EMS Director Roylin Hammond said Duke Energy would provide a second connector to electrical access to the EOC/911 Call Center through an easement on County property to loop the electrical service. Mr. Hammond said Duke would assume the cost of the project but requests approval for the easement. Mr. Hammond said Duke did not indicate where the easement would be located.

County Attorney Ed Johnston suggested a map be made available to Commissioners since the easement could influence the entire site. Mr. Hammond said he was assured there would be an as-built map so the County would know where everything is. Chairman McCook suggested Mr. Hammond coordinate with the County Attorney to ensure it the easement is better defined. Mr. Hammond said he would find out if the easement might impede ingress and egress to the facility.

Motion was made by Commissioner Davis and duly seconded by Commissioner Gibson to approve the signing of the easement pending review of a map by the County Attorney, Chairman and County Manager to ensure it does not negatively affect any existing operations. Vote: Motion unanimously approved.

Wagram Recreation Center Memorandum of Agreement

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Chairman McCook reviewed the updated Memorandum of Understanding and pointed out responsibilities by the Town of Wagram, which included providing water, sewer and trash collection to the Wagram Recreation Center as well as grounds maintenance. Chairman McCook said a big question was recruitment of volunteers by the Town of Wagram, which has begun. Chairman McCook said the Town has sent notices in the water bills and to churches in the community. Wagram is attempting to provide up to 15 volunteer hours a week.

Motion was made by Commissioner Alford and duly seconded by Vice Chair McCall to approve the Memorandum of Understanding with the Town of Wagram as presented with regard to the Wagram Recreation Complex. Vote: Motion unanimously approved.

Parks and Recreation Director Shannon Newton said with the addition of a second part-time employee, hours of operation at the Wagram Recreation Center remain unchanged. Ms. Newton said along with volunteers, there are two people on duty at the Recreation Center the majority of the time. Mr. Patterson said estimated annual cost to operate the Recreation Center, including salaries, is \$180,000.

Consent Agenda:

- a) Approve minutes of October 7, 2013, regular meeting and October 11, 2013 reconvened meeting.
- b) Approve Tax Department request for September 2013 release of funds in the amount of \$323.46 and \$3,934.46 and discoveries in the amount of \$2,943.08.
- c) Acknowledge receipt of October 2013 Monthly Performance Status Report for the Community Development Block Grant.
- d) Approve request by Public Works to surplus the following landfill equipment: 1989 370A Rex Compactor, VIN HF-369-T, 1994 TD-12-C Dresser Dozer, VIN 1212901074 and T500 Galion Grader, VIN T500P-1C-037782, year unknown.
- e) Approve request by Health Department to charge a \$15 fee for medical screening to confirm a positive TB skin test or for clients considered as low risk for TB to receive a medical screening.
- f) Budget Amendments:
 - 1) **Health:** Approve receipt of \$3,994 for Health Department Healthy Communities in FY 2013-2014, and authorize the Finance Officer to make the necessary arrangements to receive and expend the money. No County dollars.
 - 2) **Health:** Approve receipt of \$2,500 internship grant from Rural Economic Development, and authorize the Finance Officer to make the necessary arrangements to receive and expend the money. No County dollars.
 - 3) **Library:** Approve receipt of funds in the amount of \$2,909 for Big Read books, and authorize the Finance Officer to make the necessary arrangements to receive and expend the money. No County dollars.
 - 4) **DSS:** Receive funding from Duke Energy in the amount of \$21,082, and authorize the Finance Officer to make the necessary arrangements to receive and expend the money. No County dollars.

Motion was made by Vice Chair McCall and duly seconded by Commissioner Alford to approve the Consent Agenda. Vote: Motion unanimously approved.

Resolution authorizing financing with BB&T for the energy savings project

Mr. Patterson said the final piece requiring Board of Commissioners action in the energy savings project is approval of a financing agreement via resolution with BB&T. Cost of the project is \$1,161,713 at a

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3.75 percent interest rate over 17 years. Mr. Patterson said the guaranteed contract with Johnson Controls ensures that the project would be completed at no cost to the County because the projected savings from the project would pay for the project. A negative cash flow would be paid by Johnson Controls as part of the guarantee.

Motion was made by Vice Chair McCall and duly seconded by Commissioner Alford to approve the Resolution Approving Financing Terms with BB&T. Vote: Motion unanimously approved.

Resolution Approving Financing Terms

WHEREAS: Scotland County (“County”) has previously determined to undertake a project for the financing of an energy performance contract with Johnson Controls, Inc. (the “Project”), and the Finance Officer has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The County hereby determines to finance the Project through Branch Banking and Trust Company (“BB&T”), in accordance with the proposal dated September 11, 2013. The amount financed shall not exceed \$1,161,713.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 3.75%, and the financing term shall not exceed 17 years from closing.

2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the County are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.

3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by County officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The County shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The County hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The County intends that the adoption of this resolution will be a declaration of the County's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The County intends that funds that have been advanced, or that may be advanced, from the County's general fund, or any other County fund related to the project, for project costs may be reimbursed from the financing proceeds.

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6. All prior actions of County officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this 5th day of November, 2013

Policy Committee report

Vice Chair McCall said the Policy Committee met October 22 to discuss using a budgeted \$30,000 along with an estimated \$40,000 in lapsed salaries to fund a one-time end-of-the-year bonus not under the longevity policy but based on longevity of service.

The Policy Committee agreed to recommend the distribution of the one-time-bonus at 75 percent of longevity for employees who have worked for the County five years and longer at a cost of about \$55,000.

Vice Chair McCall said the longevity policy remains in place but still remains suspended with the intent the policy would be restored at some time in the future.

Motion was made by Vice Chair McCall and duly seconded by Commissioner Gibson to approve an end-of-year one-time bonus at 75 percent of the longevity schedule.

Discussion: County Manager Patterson said 174 employees have five years of service or more with the County while 101 have been employed less than five years.

Commissioners McPhatter, Cooley and Davis suggested if it was a one-time bonus it should be equal and distributed to all County employees. Commissioner McPhatter said he felt the 101 employees with less than five years of service would be penalized. Commissioner Cooley said if it is to be longevity, let it be longevity. If it is meant to be a bonus, let it be a bonus and distribute it across the board. Commissioner Cooley suggested employees with longevity receive a bonus at 50 percent with everyone else being rewarded in some other way. Commissioner Davis said he preferred what was done last year where everyone received a \$100 bonus.

Vice Chair McCall and Commissioners Alford and Gibson defended the motion. Vice Chair McCall said up until two years ago longevity was in place to reward those with more than five years of service to the County. Commissioner Alford said if what was currently budgeted was spread out among all employees, the bonus would be miniscule. Commissioner Alford said longevity guided the Policy Committee to do something meaningful for as many employees as possible. Commissioner Gibson said employees who have been with the County through the difficult times should be rewarded.

Chairman McCook suggested the 174 employees receive the 75 percent of longevity bonus while the remaining employees, who were employed prior to July 1, 2013, each receive \$75. Vice Chair McCall said the Chairman's suggestion for a hybrid bonus solution is worth noting.

Vote: In favor: Vice Chair McCall and Commissioners Alford and Gibson. Vote: Against: Chairman McCook and Commissioners Cooley, Davis and McPhatter. Vote: Motion failed.

Chairman McCook asked the Policy Committee to put together another plan and bring it to the December 2 Board meeting for consideration.

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Appointments to boards and committees

Motion was made by Commissioner Gibson and duly seconded by Commissioner McPhatter to reappoint Mr. Bob Davis to a three-year term on the ABC Board. Vote: Motion unanimously approved.

Motion was made by Vice Chair McCall and duly seconded by Commissioner Gibson to appoint Mr. Dave Raley as the engineer-representative and Ms. Cordella Walker as the public-spirited citizen and to reappoint Dr. William Stroud as the optometrist-representative and Mr. Charles Todd as the pharmacist-representative to three-year terms on the Board of Health. Vote: Motion unanimously approved.

Motion was made by Commissioner Alford and duly seconded by Commissioner Cooley to appoint Mr. John Ferguson to an unexpired term on the Four County Community Services Board. Vote: Motion unanimously approved.

Motion was made by Vice Chair McCall and duly seconded by Commissioner Davis to appoint Mr. Whit Gibson as the Commissioner-representative to the Scotland County Partnership for Children and Families Smart Start Board. Vote: Motion unanimously approved.

Motion was made by Commissioner Davis and duly seconded by Vice Chair McCall to reappoint those individuals who currently serve on the McNair Memorial Foundation Board. Vote: Motion unanimously approved.

Update from the County Manager

The County Manager provided an update on the continuing resolution passed by the federal government, which restored funding through the State and direct funding for most programs. At this time, there is no direct negative impact to funding for County programs. There will be additional cuts in the federal budget, which should be outlined in the next continuing resolution. Mr. Patterson said he expects discussions about funding for entitlement programs, which might result in reduction in administrative dollars, which are County revenues.

Mr. Patterson asked the Commissioners to set a date to meet for the County Manager evaluation. The Board agreed to 8 a.m. Thursday, November 21, at 507 West Covington Street.

Mr. Patterson said the design of the EOC/911 Call Center calls for an Uninterruptable Power Supply (UPS). If the County, rather than the contractor, purchases the UPS it will save approximately \$20,000 at a cost of \$69,925.

Motion was made by Commissioner Gibson and duly seconded by Vice Chair McCall to approve the purchase of an Uninterrupted Power Supply in the amount of \$69,925 for the EOC/911 Call Center. Vote: Motion unanimously approved.

Mr. Patterson said he, Tax Administrator Mary Helen Norton and County Attorney Johnston have provided comments on “good cause” for tax exemption. The Policy Committee will discuss tax exemption for good cause in November and present its recommendation to the Board at the December 2 regular meeting.

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Mr. Patterson said for the first time both water districts had a positive cash flow for 2013. Both water districts are showing a loss for the 2013 fiscal year on the full accrual basis, which includes depreciation and write offs of receivables.

Mr. Patterson said Inspections has made a customer service survey available to its customers on its website and at the counter. Mr. Patterson said results will be reported back to the Board.

Closed Session

Motion was made by Commissioner Gibson and duly seconded by Commissioner Alford to go into Closed Session in accordance with N.C. General Statute §143-318.11(a)(4) to discuss matters relating to the location or expansion of business in the area served by this body and to go into Closed Session in accordance with N.C. General Statute 143-318.11(a)(6) to consider the qualifications, competence, performance, condition of appointment of a public officer or employee or prospective public officer or employee. Vote: Motion unanimously approved.

OPEN SESSION RESUMED

Motion was made by Commissioner Alford and duly seconded by Commissioner Davis to change the grade for the Human Resources Manager to pay grade 73. Vote: Motion unanimously approved.

Mr. Patterson said the pay grade change would become effective November 16.

Motion was made by Commissioner Gibson and duly seconded by Commissioner Alford to recess to 8 a.m. Thursday, November 21, at 507 West Covington Street. Vote: Motion unanimously approved.

Ann W. Kurtzman
Clerk to the Board

Guy McCook
Chairman