

*Scotland County Board of Commissioners regular meeting
August 5, 2013, A.B. Gibson Center, 322 South Main Street, Laurinburg, NC*

**MINUTES
Scotland County Board of Commissioners
August 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 and Clarence McPhatter. Commissioners not in attendance: Commissioner Whit Gibson (*excused*). Staff in attendance: County Manager Kevin Patterson, County Attorney Ed Johnston and Clerk to the Board Ann W. Kurtzman. Chairman McCook offered the invocation. The Pledge of Allegiance was recited.

Motion was made by Commissioner Alford and duly seconded by Vice Chair McCall to approve the August 5, 2013 agenda as presented. Vote: Motion unanimously approved.

Public Forum

Commissioner Davis, who is Chairman of the Board of Health, introduced new Health Director David Jenkins. Commissioner Davis said Jenkins comes to the job with youth and enthusiasm.

Chairman McCook recognized Superintendent Rick Stout, Board of Education Chairman Charles Brown and Board of Education Member Jamie Sutherland, who were in attendance.

Report on Scotland High School activities

New Scotland High School Principal Greg Batten discussed his background and experience. He most recently was principal at Lee County High School in Sanford. Mr. Batten said he looks forward to working closely with the community. He intends to improve the graduation rate without lowering standards, develop business partnerships in working with the community and steer the high school into becoming a comprehensive 21st century school. Mr. Batten said the high school should be student-centered where every kid has access to cutting edge technology and capabilities. He thanked the Commissioners for their support of public education.

Settlement for current year and delinquent taxes

Tax Administrator Mary Helen Norton said June 30, 2013 settlement for current year taxes for June 30, 2013, is \$22,161,720.39 while June 30, 2013 settlement for delinquent taxes is \$5,348,864.09.

Motion was made by Commissioner Davis and duly seconded by Commissioner McPhatter to approve the settlement for current year and delinquent taxes. Vote: Motion unanimously approved.

Ms. Norton then provided a more detailed 2012 levy and collection analysis, which improved slightly from 93.86 percent collected to 94.15 percent collected. Ms. Norton reported on the collection rate from 2003 to current, accounts receivable dating back to 2000 and a four-year receivables summary. Ms. Norton said payments on the Zaccheaus account since the inception of the program total \$1.2 million.

Item 3. Consent Agenda:

- a) **Approve minutes of the July 9, 2013 regular meeting.**
- b) **Declare as surplus a 2002 Dodge RAM 3500 Wheelchair Lift Van operated by Scotland County Area Transit System VIN: 2B7LB31Z42K134727**

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c) **Acknowledge receipt of June 2013 Monthly Performance Status Report for the Community Development Block Grant.**

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

iPad Policy/Paperless Agenda presentation

Vice Chair Carol McCall, who serves as Chair of the Policy Committee, said the Committee would meet 10 a.m. the fourth Tuesday of every month to address issues that include the County Manager evaluation, Board self-evaluation and delinquent accounts.

Vice Chair McCall then presented the iPad Policy to the Commissioners for review. She said the Policy Committee crafted the document from one used by Lexington, NC, but reflects Scotland County needs. The draft policy was reviewed by the County Attorney, and his suggestions were incorporated into the draft.

Motion was made by Vice Chair McCall and duly seconded by Commissioner Alford to approve the iPad Policy as presented. Vote: Motion unanimously approved.

Appointments to Board and Committees

Motion was made by Commissioner Davis and duly seconded by Commissioner Alford to appoint Mr. Patrick Skelton and Mr. Wilson McCall to four-year terms on the Historic Properties Commission. Vote: Motion unanimously approved.

Update from the County Manager

County Manager Patterson said the North Carolina Common Application Form is the consolidated grant application for Rural Center, Industrial Development Fund (IDF) and Community Development Block Grant (CDBG) funding. The application is for \$2,050,000 for the FCC project for utility expansion and improvements of the water system for the City of Laurinburg. The Board must approve the application and authorize the Chairman to execute all necessary documents.

The Board also must approve the Capital Project Ordinance for \$4,485,000, which includes the grant funding of \$2,050,000 and \$2,435,000 of construction costs not covered by the grants. The \$27,500 is the five percent match required for the Rural Center, a cost that will be covered by the City of Laurinburg. The application for the \$1 million grant from GoldenLeaf was submitted and the contracts approved. All the grants were approved by the awarding agencies.

Motion was made by Commissioner McPhatter and duly seconded by Commissioner Davis approve consolidated grant application and authorize the Chairman to execute all necessary documents. Vote: Motion unanimously approved.

Motion was made by Commissioner Davis and duly seconded by Vice Chair McCall to approve the Capital Project Ordinance for FCC water system. Vote: Motion unanimously approved.

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Capital Project Ordinance

BE IT ORDAINED by the Governing Board of the County of Scotland, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is the construction of infrastructure to provide process water and domestic water service to the proposed FCC plant to be financed by a NC Dept of Commerce CDBG Grant, a NC Rural Economic Development Grant, a Industrial Development Grant, GoldenLEAF Funds (waste water only), and local funds provided by the County of Scotland and The City of Laurinburg.

Section 2. The officers of this unit are hereby directed to proceed with the capital project within the terms of the bond resolution, grant documents, and the budget contained herein.

Section 3. The following amounts are appropriated for the project:

Construction	<u>\$4,485,000</u>
	<u>\$4,485,000</u>

Section 4. The following revenues are anticipated to be available to complete this project:

CDBG Grant	\$1,000,000
Rural Center Grant	550,000
IDF Grant	500,000
County of Scotland	27,500
City of Laurinburg	<u>2,407,500</u>
	<u>\$4,485,000</u>

Section 5. The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements, and federal regulations. The terms of the bond resolution also shall be met.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 7. The Finance Officer is directed to report, on a quarterly basis, on the financial status of each project element in Section 3 and on the total grant revenues received or claimed.

Section 8. The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this Board.

Section 9. Copies of this capital project ordinance shall be furnished to the Clerk to the Governing Board, and to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted 5th of August 2013

Mr. Patterson said since the County will receive grants for the expansion of Laurinburg's infrastructure for the FCC project, an Interlocal Agreement is needed, which spells out that the County received the

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grants to benefit Laurinburg, and the City will administer construction of the infrastructure projects. The agreement also states that Laurinburg will own and operate the water and sewer system and obtain all permits.

Motion was made by Commissioner Alford and duly seconded by Vice Chair McCall to approve the Interlocal Agreement for Water/Wastewater Services between Scotland County and the City of Laurinburg. Vote: Motion unanimously approved.

Chairman McCook noted the FCC project was a historic effort between the County and the City to create jobs and recruit business. He thanked Economic Development Director Greg Icard for his work in making it happen and for the role he played in ensuring the availability of funds for the FCC project.

Mr. Patterson said the County re-advertised for bids for the Energy Savings Contract, and Johnson Controls was the only bidder. A notice of intent to award also was advertised in the *Laurinburg Exchange*. Mr. Patterson asked the Commissioners for approval to begin financing of the project and to award the contract to Johnson Controls. Mr. Patterson said the contract is the same one the Board reviewed several months ago.

Mr. Patterson asked the Board to approve the resolution authorizing the filing of an application for the approval of a Guaranteed Energy Savings Contract.

Motion was made by Commissioner Cooley and duly seconded by Commissioner Alford to award the energy savings contract to Johnson Controls. Vote: Motion unanimously approved.

Motion was made by Vice Chair McCall and duly seconded by Commissioner Alford to approve the Resolution Authorizing the Filing of an Application for Approval of a Guaranteed Energy Savings Contract Authorized by North Carolina General Statute 143-64.17c. Vote: Motion unanimously approved.

**RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION FOR APPROVAL
OF A GUARANTEED ENERGY SAVINGS CONTRACT AUTHORIZED BY NORTH
CAROLINA GENERAL STATUTE 143-64.17C**

WHEREAS, the County of Scotland, North Carolina desires to enter into a Guaranteed Energy Savings Contract (the "Contract") to install energy conservation measures (the "Project") so as to reduce energy consumption and/or energy-related operating costs; and

WHEREAS, the County desires to finance the Project by the use of an installment contract authorized under North Carolina General Statute 160A, Article 3, Section 20; and

WHEREAS, the term of the Contract does not exceed twenty years from the date of the installation and acceptance by the local government unit of the energy conservation measures provided under the Contract; and

WHEREAS, the energy savings resulting from the performance of the Contract will equal or exceed the total cost of the Contract pursuant to an evaluation performed by Jeffrey M Stallings, P.E. on behalf of County; and

WHEREAS, the energy conservation measures to be installed under the Contract are for an existing building; and

WHEREAS, findings of fact by this governing body must be presented to enable the North Carolina Local Government Commission to make its findings of fact set forth in North Carolina General Statute 159, Article 8, Section 151 prior to approval of the proposed contract;

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NOW, THEREFORE BE IT RESOLVED that the County, meeting in regular session on the 22nd day of January, 2013, make the following findings of fact:

1. The proposed Contract is necessary or expedient because the county's existing electrical, mechanical and plumbing systems are inefficient and/or near the end of their useful life.
2. The proposed Contract is preferable to a bond issue for the same purpose because addressing these items via a guaranteed energy savings performance contract will allow the county to replace these critical maintenance items while maintaining existing O&M budgets.
3. The sums to fall due under the Contract are adequate and not excessive for the proposed purpose because the energy savings over the period of the Contract are guaranteed to equal or exceed the total costs of the improvements.
4. The County's debt management procedures and policies are sound. In fiscal year 2013 the County paid off three installment financing contracts timely. The County has maintained its Aaa Moody's Bond rating for over twenty years even though the County consistently ranks one of the poorest in the State. As a Guaranteed Energy Savings Contract, this project limits the risk increased cost to the taxpayer of Scotland County. This project also should reduce future energy consumption thus reducing future energy costs increases.
5. An increase in taxes is not necessary since the guaranteed energy savings equal or exceed the sums to fall due under the Contract.
6. The County is not in default in any of its debt service obligations.
7. The attorney for Scotland County has rendered an opinion that the proposed project is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of North Carolina.

NOW, THEREFORE, BE IT FURTHER RESOLVED that Kevin Patterson, County Manager, is hereby authorized to act on behalf of Scotland County in filing an application with the North Carolina Local Government Commission for approval of the Project and the proposed Guaranteed Energy Savings Contract and other actions not inconsistent with this resolution.

This resolution is effective upon its adoption this 5th day of August, 2013.

The County Manager said departments would take the 24 hours of additional leave between Christmas and New Year's Day as they have in the past. DSS will have a plan for emergency assistance during that time. The landfill, Register of Deeds and tax office will follow the holiday schedule and will accrue the additional 24 hours and take the leave on a staggered schedule. EMS, Jail and Sheriff will not close. The 24 hours leave will be applied to accrual in December.

Mr. Patterson briefed the Commissioners on a proposal by NCDOT to address safety issues that still exist at the five points intersection at 501 North and Old Wire Road. Mr. Patterson said a very preliminary plan would call for a bridge that would take Old Wire Road over 501 and loop around to an intersection north of five points. Mr. Patterson said a series of public input sessions would be held before there were any changes to the intersection.

Mr. Patterson said EOC/911 call center bids will be opened August 6. Since the deadline to access the \$650,000 in federal funds is in November, Mr. Patterson said the Commissioners should make an award soon as possible. He asked the Commissioners to recess and meet again to take that action.

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Closed Session

Motion was made by Commissioner Cooley 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. Vote: Motion unanimously approved.

OPEN SESSION RESUMED

Motion was made by Commissioner Davis and duly seconded by Commissioner Alford to recess to 6 p.m. Monday, August 19, at 507 West Covington Street. Vote: Motion unanimously approved.

Ann W. Kurtzman
Clerk to the Board

Guy McCook
Chairman