

The Alleghany County Board of Commissioners met in regular session on Tuesday, January 17, 2012, at 10:00am in the Board Meeting Room of the County Administration Building, 348 South Main Street, Sparta, North Carolina.

Present: Chair Ken Richardson, Vice-Chair Tom Smith, Commissioner Larry Cox, Commissioner John Goudreau, Commissioner Steve Roten, County Attorney Donna Shumate, County Manager Don Adams, and Clerk to the Board Karen Evans.

Chair Richardson called the meeting to order, welcomed everyone, led the Pledge of Allegiance and a silent prayer.

Chair Richardson stated that the memorandum about the proposed budget schedule needs to be added to the agenda under General Business.

Commissioner Cox made a motion to approve the amended agenda for this January 17, 2012, meeting. Commissioner Goudreau seconded the motion. Vote 5:0.

AGENDA
Tuesday, January 17, 2012
10:00 AM

- 10:00 Meeting Called To Order, Pledge of Allegiance and Silent Prayer
Motion on Agenda for January 17, 2012, meeting
Motion on Minutes for December 19, 2011, and January 3, 2012, meetings
- 10:05 A. Public Comments—30 minutes
B. Mike Rowe Presentation
C. Rita Miller
RE: December Releases and Refunds
December Collections Report
Reedy Commercial Solid Waste Request
Vehicle Tax Release Request
- D. David Evans
RE: Adopt-A-Trail Grant Application
- E. John Blevins/April Hamm
RE: Medicaid Transportation
- F. General Business
1. Budget Ordinance Amendment—Tourism Development Authority Special Revenue Fund
2. Wood Waste Request for Bids
3. Proposed FY 2012/13 Budget Schedule (added)
- G. Commissioners Business
1. Plan and Goals for 2012—Chair Richardson
2. New River Service Authority Transition Board Update—Commissioner Cox
- H. Closed Session—NCGS 143-318.11 (a) (3)—legal
- I. Adjourn

Commissioner Smith made a motion to approve the minutes from the December 19, 2011, and January 3, 2012, meetings. Commissioner Goudreau seconded the motion. Vote 5:0.

Chair Richardson opened the public comments' portion of the meeting and asked for public comments.

Dennis Smith talked about at the last meeting four of the Commissioners ignored Mr. Collins' request to waive a tax penalty for a mistake that he had nothing to do with so four of the Commissioners believe that if government makes a mistake the taxpayer should pay a penalty and with that kind of thinking it's no wonder taxes are so high. He stated that with the mistakes that brought down New River taxes will probably be raised. He said the Commissioners talked about wanting to be fair; he asked what is fair and provided examples of what is fair. He explained the troubling part is the Board had the opportunity to rectify the matter when Mr. Collins appeared before this Board and honor his requests instead he was treated as he was guilty of some crime. He said the Commissioners' behavior is embarrassing, and it shows which interest you serve but this shouldn't be a surprise to anyone. He further said the Commissioners don't seem to understand the role as a County Commissioners. He asked are the Commissioners supposed to represent individuals rather than the Tax Office. He talked about the Tax Administrator couldn't remember a time when this type of request was honored but when a county department comes before the board out comes the checkbook. He explained he counted 33 budget amendments last year. He asked is it any wonder that people see the government as an oppressor. He asked has the Commissioners forgotten our forefathers going to war against their oppressors. He further asked if the forefathers would have been proud of what has been happening

over the past year. He asked about what was sold as a forensic audit turned into a consultation. He said the truth of the matter will probably never be told, and it will be blamed on the two scapegoats; CEO and CFO. He provided examples if the people don't demand the truth, things that could occur including taxpayers will be penalized like Mr. Collins. He talked about treating people with respect and provided a couple of examples. He said that the Board should know that people aren't happy with how Mr. Collins was treated. He asked that the Board revisit and grant Mr. Collins' request, afford him and all individuals of the county respect that is due to whom the Commissioners were elected to serve if anyone is unable to do so that person should resign. He said at the last meeting he gave the Commissioners a list of questions to answer and instead the Commissioners gave them to the County Manager to answer, which is another example of disrespect for individuals. He said if he wanted the County Manager to answer, he would have given them to him. He explained that he wanted the Commissioners to answer. He read a prayer offered in the US Senate. He provided a list of written questions for the Commissioners to answer.

Brandon Hawks stated that he previously talked about the creation of the current moochers' society. He said that he wants to challenge that insane ideology. He asked by what means people collects wealth and then asked by what right. He continued on the question of what means do you collect wealth. He talked about government is force and then by what means does it collect. He asked by what moral right does government have. He said people might say law, state legislature or federal legislature provides that right but that is wrong because wealth that is obtained is your own wealth. He talked about the rights of distributing wealth from one group to another doesn't exist. He talked an essay, The Law, talking about government is violating the law that they are sworn to protect. He further talked about that law is justice and that justice is to secure the property of people. His conversation went back to Daymark, and he asked by what means did they take to get the things they needed; by government force. He broke it down even further that when any one person or agency continues down this path they are doomed because it can't last very long because the world demands rational thinking, nobody said that rational thinking is political or painless. He asked what would happen if people quit paying their fair share of taxes or make the collection process difficult. He said people in government tend to forget that the power comes from the people and if the people don't consent it could make life very hard, very quickly. He said he has an idea what would happen if people paid property taxes in pennies, you couldn't give Daymark what they are asking. He explained that all it takes is an idea or one thought to get people rallied up. He said next time the Board gives Daymark or anyone else or raise taxes ask by what means do people collect wealth and by what right.

Chair Richardson asked for additional public comments. None were received. He closed the public comments' portion of the meeting.

Chair Richardson, on behalf of the Board, made a presentation to Mike Rowe for his dedication and years of service to Alleghany County as an employee.

Rita Miller, Tax Administrator, presented the December auto releases and refunds.

Commissioner Smith made a motion to approve the December auto releases and refunds. Commissioner Goudreau seconded the motion. Vote 5:0.

Rita Miller presented the December real property releases and refunds.

Commissioner Roten made a motion to approve the December real property releases and refunds. Commissioner Cox seconded the motion. Vote 5:0.

Rita Miller presented the December 2011 collections' report.

Rita Miller talked about Harold Reedy appeared before the Board to discuss his commercial solid waste fees for 2007, 2008 and 2009, that wasn't brought to a vote whether to release the fees.

County Manager Don Adams talked about the Board has a summary sheet included in their packets that explains that 2007 is \$10, 2008 is \$694.50 and 2009 is \$60. He reminded the Board that Mr. Reedy's comments centered on the availability fee. He explained that the fees for 2008 of \$694.50 were \$60 for the availability fee and \$634.50 for weight tickets.

Commissioner Roten made a motion to deny the request.

Commissioner Smith asked a question about the \$60 availability fee for contractors. The County Manager explained that the availability fee is charged for all contractors in the county. Commissioner Smith asked how long the disposal fee has been in place since it's his understanding is the early 1990s. The County Manager answered the fees have changed but the structure has been in there since then. The County Manager explained that the Board can review the fee schedule at any time, and it has been done in the past during the budget process.

Chair Richardson seconded the motion on the floor. Vote 5:0.

Rita Miller explained that the next request is a gentleman who came into the office that has a relative that has a delinquent motor vehicle tax bill, and the gentleman offered to pay \$50 of the \$92.97 bill if the Board would release the remaining amount. She explained to him that per Statutes the Board doesn't have the authority to release the bill but said she would bring it before the Commissioners for further discussions.

Commissioner Roten made a motion to deny the request. Commissioner Smith seconded the motion. Vote 5:0.

David Evans, Recreation Director, talked to the Board about an Adopt-A-Trail grant proposal. He reviewed the information before the Commissioners including the Sam Brown Trail System Project Overview which explained the work during the last four years on the trails at the Park where they have completed the first phase of the project of having excavated and carved two main access trails within the Park; one connects the Lions Club pavilion to the Challenge Course and another trail that enters above the Lions Club pavilion and loops back to the pavilion. He explained the significance of the trails. He further explained that monies from this grant will provide kiosk and signage at trail heads and along the trails, provide benches and trash receptacles. He stated that the maintenance will be provided by the Recreation Department. He explained that Boy Scout Troop #299 has committed volunteering to construct the proposed summit trail and Allegheny Challenge Course has committed volunteering hours to trail maintenance and sustainability. He further explained the project costs in the amount of \$4,967.36.

Commissioner Smith and David Evans talked about the requirements for the Adopt-A-Trail program of \$5,000 total with no match who will be awarded in August 2012 and contract will be October 2012 with the grant application due January 31, 2012.

Commissioner Roten made a motion to approve the grant application to be submitted. Commissioner Cox seconded the motion. Vote 5:0.

John Blevins, Social Services Director, and April Hamm, Transportation Director, came before the Board to talk about recent changes in the Medicaid transportation. He provided a brief history about everyone knows the State is looking to save Medicaid monies and looking at going to a brokerage system. He explained how the brokerage system would work. He talked about concerns of citizens not receiving the same level of services. He said that Allegheny County has a very cost-efficient transportation system. He explained the statewide change is effective January 1, 2012. He further explained that they received training on December 15, and the State didn't release the policy in paper form until December 29. He explained how the current system works by Social Services determining eligibility, provides the information to Transportation who arranges and provides transportation services. He reviewed the Medicaid transportation changes effective January 1 including clients will contact Social Services for each trip needed then Social Services arranges and/or provides transportation, Social Services must verify that a Medicaid covered service was received on the date of transportation or if not verified Social Services cannot bill for the service and possibly cannot deny due to the failure to provide, Social Services must randomly review 3% of trips per month, new transportation logs must be maintained by Social Services including all denials. She provided an example of the log for the Board to view. He continued explaining the changes; Social Services must provide a 24-hour answering service, must have uniform no-show policies, client must contact Social Services before each trip, providing gas vouchers and mileage reimbursements. He stated that neither Social Services nor Transportation has the personnel to handle these changes. She explained the new 19 column-transportation logs and having 12 to 35 Medicaid clients daily. She explained the verification form that they have put in place. She further explained their previous process and their current process and requiring a 24-hour notice. She talked about this will be a lot of paperwork and time plus there will be a tremendous amount of calls between the agencies.

County Manager Don Adams talked about to him the focus is the mileage and gas reimbursements because that is a new policy. He further talked about it is a requirement to use the cheapest mode of transportation. He explained the current process of coordination of transportation, the new process with mileage/gas reimbursements and figuring the cheapest mode of transportation. He further explained that if the cheapest mode of transportation isn't used, money will have to be paid back to the State. He talked about creating the mileage reimbursement policy including having monthly Board approval and checks issued. He further talked about when this is done Allegheny County will spend more money on Medicaid transportation.

John Blevins talked about going to Raleigh on Friday where he met with 60 Social Services Directors; decision was made to write a letter to Secretary Cansler to delay the implementation until July 1 in order to provide Social Services more time to develop the policies. He further talked about he

learned this morning that Secretary Cansler has resigned and how the new Secretary may not want to delay the policy. He talked about if that action fails then the Directors Association was going to request to go to a brokerage system as soon as possible because the counties cannot manage the current system. He explained that they are not currently in compliance, and it is a staffing issue. He further explained that they are proposing to hire a Processing Assistant to be housed at Alleghany in Motion (AIM), all phone calls would still go to AIM, and Social Services would contract with AIM to be the agent. He explained the duties of the Processing Assistant. He reviewed the proposed costs of the position with the County costs being \$12,909.23. He explained that if the Secretary changed the date until July 1, this position would not be filled until July 1. He talked about neither department has the staff to be in compliance which could result in having to pay monies back.

Commissioner Smith asked about requesting a waiver. John Blevins explained that it has to be implemented on January 1 unless the new Secretary delays the date. John Blevins further explained his concerns about having audit exceptions which means paybacks.

County Manager Don Adams said he is almost to the point to not transport Medicaid clients because of running the risks of paybacks. He further said that he believes the State is going to go with the brokerage system. He explained the impact to Alleghany County including EDTAP funds and how that funding works in conjunction with cost sharing for all trips.

Chair Richardson and John Blevins talked about if things change at the State level then this position would not be a valid. John Blevins explained that this request is for this purpose only.

Commissioner Smith asked if this isn't done then there is a possibility that we would not transport Medicaid clients. John Blevins explained that this will require all Medicaid transportation to go through Social Services, and they would buckle under that system. John Blevins reiterated his concern about audit exceptions with paybacks.

Commissioner Smith and April Hamm talked about she has not been to any trainings on this other than her conversations with John Blevins and the County Manager. John Blevins explained their training was basically a PowerPoint with the information he has provided to the Commissioners and how their questions have not been answered as recent as last week.

April Hamm talked about other than the reimbursements they have a system in place to be in compliance. John Blevins agreed and said other than the phone calls going to Social Services. He provided examples of the workload assistance with AIM being the agent.

Commissioner Smith asked if this person was approved today would that hiring be immediately. John Blevins said he thinks we need to wait on the Secretary to see about the request for the delay, and if the position moves forward the individual would be told that this is their only function.

Commissioner Roten asked if the Board gives you permission to hire a person that person will work at AIM. John Blevins stated that is correct. Commissioner Roten asked if you started next week how long is it going to take to be in compliance. John Blevins explained the process of hiring someone is slow, and easy would be near the end of February. John Blevins explained the agent part and Social Services would start contracting with AIM so everything would be in place other than the mileage reimbursement/gas vouchers, and Social Services would try to assist during that time. John Blevins reiterated that the agent portion is what would get Social Services through.

Commissioner Cox if State goes to Request for Proposals (RFP) then the position would no longer be needed. John Blevins agreed and said Medicaid transportation would not even look like this. Commissioner Cox asked what makes anyone think the State is heading in that direction. County Manager Don Adams explained that he was on a State committee during the summer and explained the meetings he attended with the State saying that they will stay away from the RFP but here are the rules that must be followed. The County Manager talked about the State must save money and reduce errors. The County Manager explained after multiple meetings the only way they came up with to save money is to reduce the error rates. The County Manager said that we are in noncompliance and the way to fix it is by coming into compliant or stop transportation.

Commissioner Goudreau asked why we wouldn't look at everything we can to get in compliance and then work with the State. He said that showing the additional \$18,000 expense and the outcry from Social Services people he thinks they are going to make changes. He talked about additional liabilities if the RFP goes through then having to let the person go. He said, at this point, his mind is to find out what is going to go on without automatically spending taxpayer money by hiring people. He further said he knows it is going to be inconvenient, and we have to work through Social Services and Transportation to Raleigh and explain that these changes are burdensome, and we are doing everything we can but spending more money every time isn't the answer either.

County Manager Don Adams said he understood and if this is the way the Board wants to go then he asked who the Board wants to have the burden; Social Services or Transportation. He talked about language in the rules are that it goes back to Social Services.

Chair Richardson said the problem he has if it going back to Social Services is they are already overburdened and with this will add more which could cause errors in other ways.

Commissioner Goudreau stated that everyone needs to remember that two people have been added in Social Services since he has been on the Board. He said he cannot justify the additional expense.

Chair Richardson talked about from the State's standpoint they are looking at all 100 counties savings rather than Alleghany County or another county.

Commissioner Goudreau said Commissioners have to remember that we work for the people of Alleghany County not the other counties and we have to do what is best for Alleghany County.

Chair Richardson said the Board just heard from the County Manager, John Blevins and April Hamm that Alleghany County is noncompliant and are susceptible to errors and paybacks.

Commissioner Goudreau said in order to get in compliance all we have to do is follow the rules.

Commissioner Cox explained he doesn't want to see the people who are dependent upon certain transportation services not get those needed services. Commissioner Goudreau talked about those people will probably qualify for the special needs vans so there isn't an impact to them. April Hamm said the only impact there could be is a longer notification requirement because they may have to change to a 48-hour notice.

Chair Richardson asked if there is a motion to move in the direction of what has been presented. No one spoke. He said that he has to table the matter until the Board can look at it down the road.

John Blevins stated that he does apologize, he doesn't want to come before the Board and ask for things like this and understands/respects the Board's position but as the Social Services Director it is his duty to keep the Board informed. He said that they will do the best they can.

County Manager Don Adams presented the proposed Tourism Development Authority-Special Revenue Fund Budget Ordinance Amendment in the amount of \$11,000. He reviewed the proposed Budget Ordinance Amendment's expenses for the Chamber of Commerce, administrative costs, promotional items and revenues from occupancy tax monies. He explained that the Tourism Development Authority (TDA) did meet and decide where the expenditures would be spent.

Commissioner Goudreau made a motion to approve the Tourism Development Authority-Special Revenue Fund Budget Ordinance Amendment in the amount of \$11,000.

Commissioner Goudreau explained that they are working with the Chamber since they are on a fiscal year budget basis and already have projects started. He further explained that starting in July they will move forward.

Commissioner Smith seconded the motion on the floor. Vote 5:0.

County Manager Don Adams presented the Request for Bids for wood waste grinding. He explained that the request is currently available with a deadline for Bids to be submitted by Monday, February 6, 2012, at 9:00 am. He further explained that the bids will be presented to the Board at the meeting that night.

County Manager Don Adams presented the proposed budget schedule memorandum for fiscal year 2012/13. He reviewed the memorandum. He talked about planning sessions for the Commissioners. He explained he is presenting this as the proposed budget schedule.

Commissioner Cox made a motion to approve the memorandum for the budget schedule. Commissioner Goudreau seconded the motion. Vote 5:0.

The Board took a brief recess at 11:38 am.

Chair Richardson talked about since 1975 he has served the citizens of Alleghany County including 20 years as County Commissioners. He reviewed his actions as a businessman of Alleghany County including construction of Sparta Square. He talked about the economic impact of Sparta Square. He explained the activities/actions that he was involved with; Library, Blue Ridge Mountain

Fair, Chamber of Commerce, Sparta Revitalization Committee, Fairgrounds, Wellness Center, BDC, Cascade Highlands and 150th committee. He talked about his political accomplishments including serving on 20 plus boards. He explained that this slow, persistent action at the regional or state level has resulted in millions of dollars that has been returned or saved for Allegheny County. He talked about one thing that he takes special pride in is being asked by NCACC to chair a new program to raise the hopes and abilities for citizens who have seen little or no personal success, and this is a program for all 100 counties. He explained that the other item of pride is receiving the Order of the Long Leaf Pine, which is the highest recognition of service. He talked about he has been a candidate in 12 political campaigns for County Commissioners, and he has decided not to seek another term as County Commissioner. He said that there are goals that this board can accomplish. He listed out each of the goals; meeting with Secretary of Commerce in December about economic development/jobs and one recommendation was for one elected official be involved and he asked Commissioner Roten if he would be willing to be that County Commissioner to communicate with the Secretary on his personal cell phone to make sure that Allegheny is getting its fair share of attention; work to pass a realistic 2012/13 budget to meet the needs of the citizens; commitment to build the Veterans Park; great challenges coming for health and human services with the Board just having heard one; each Commissioner understands the education system; a group of county employees who salaries were not addressed earlier. He said lets work together for these goals.

Commissioner Cox talked about he wanted to provide everyone a New River Service Authority Transition Board (NR) update from the meeting on January 6, 2012. He explained the actions taken at the meeting; made Martin Starnes & Associates report public and available, authorized Bruce Kaplan to seek a law firm to look at possible action against Lowdermilk & Church and to examine the CEO/CFO bonds and errors/omission insurance, entered into agreement to allow Ms. Brothers, who is an expert on medical records and was hired by Smoky Mountain Center at no costs to NR, to access medical records to come up with options and solutions regarding medical records reporting back to the NR Board at their next meeting, looked at Martin Starnes role in the continuing process and agreed to pay the bill for things already done and talked about the three phases of investigating, prioritize the list of liabilities and possibility down the road help settle those liabilities, approved additional leases for two building in Ashe County to Daymark, vehicles and furniture, except computers, will be listed for sale online or have an auction for the furniture, appointed Amy Oliver as the interim CFO and now have three employees, allow the CEO to employee part-time help to do W-2s and end of year paperwork and Ashe County Department of Transportation needs to purchase right of way, 4/10 of an acre of NR property, for a road. He explained that these are the action items. He stated that if anyone has any questions to contact him and he will schedule time to meet and answer the questions.

Commissioner Goudreau made a motion to enter into closed session at 11:55am under NCGS 143-318.11 (a) (3)—legal. Commissioner Cox seconded the motion. Vote 5:0.

Commissioner Smith made a motion to adjourn closed session at 1:00pm and reconvene the regular meeting. Commissioner Cox seconded the motion. Vote 5:0.

Chair Richardson stated that no decisions were made during closed session.

Being no further business, Commissioner Goudreau made a motion to adjourn at 1:02pm. Commissioner Roten seconded the motion. Vote 5:0.

Respectfully submitted,

Karen Evans
Clerk to the Board

Attest:

Ken Richardson
Chairman