

The Alleghany County Board of Commissioners met in regular session on Monday, March 20, 2006, at 10:00am in the Conference Room of the County Office Building, 90 South Main Street, Sparta, North Carolina.

Present: Chair Eldon Edwards, Vice-Chair Warren Taylor, Commissioner Sandy Carter Herndon, Commissioner Ken Richardson, County Manager Don Adams and Clerk to the Board Karen Evans. Commissioner Graylen Blevins and County Attorney Donna Shumate were absent.

Chair Eldon Edwards called the meeting to order and welcomed everyone.

Commissioner Warren Taylor opened the meeting with a prayer.

Chair Eldon Edwards stated that Glade Creek Volunteer Fire Department and Wilkes School for the Deaf will not be in attendance at this meeting.

Chair Eldon Edwards made a motion to approve the amended agenda for this March 20, 2006, meeting. Commissioner Warren Taylor seconded the motion. Vote 4:0.

AGENDA
Monday, March 20, 2006
10:00 AM

- 10:00 Meeting Called To Order
Motion on Agenda for March 20, 2006, meeting
Motion on Minutes for March 6, 2006, meeting
- 10:05 Mary Walker
RE: Tax Refunds and Releases
Revaluation Budget Amendment
Annual Tax Office Report
- 10:25 Gerald Leftwich
RE: Annual LEPC Report
- 10:35 John Hauser
RE: Cluster Development
- 10:45 Amy Pardue
RE: Subdivision Plat Approval
- 10:50 Glade Creek Volunteer Fire Department Annual Report (removed)
- 11:00 Wilkes School for the Deaf Annual Report (removed)
- 11:10 Linda Ashendorf / Charles Gillian
RE: Allied Waste / BFI Contract
County Business
1. Child Abuse Prevention Proclamation
 2. Sexual Assault Awareness Proclamation
 3. DOT Road Addition
 4. NCACC District Meetings
 5. Cable Franchise
 6. Discussions Regarding Board of Education Presentation
 7. Other Business
 8. Public Comments—30 minutes
 9. Closed Session—NCGS 143-318.11 (a) (4)—economic development
 10. Adjourn

Commissioner Sandy Carter Herndon made a motion to approve the minutes for the March 6, 2006, meeting. Commissioner Warren Taylor seconded the motion. Vote 4:0.

Mary Walker, Tax Administrator, presented the February 2006 real property requests in the amount of \$8,711.79 for refunds and \$724.58 for releases.

Commissioner Warren Taylor made a motion to approve the February 2006 real property requests in the amount of \$8,711.79 for refunds and \$724.58 for releases. Commissioner Sandy Carter Herndon seconded the motion. Vote 4:0.

Mary Walker presented the February 2006 automobile requests in the amount of \$350.88 for refunds and \$3,877.94 for releases.

Chair Eldon Edwards made a motion to approve the February 2006 automobile requests in the amount of \$350.88 for refunds and \$3,877.94 for releases. Commissioner Sandy Carter Herndon seconded the motion. Vote 4:0.

Commissioner Warren Taylor and Mary Walker discussed the new motor-vehicle law. She explained that it is scheduled to start in July 2009, and she is going to a class in May to find out more information then.

Mary Walker presented a letter from Mr. Woodruff regarding a discovery that was completed for a dwelling located on his property. She stated that he is asking for assistance on the late listing penalties. She reviewed NCGS 105-312 about the Board's options. She stated that prior boards have never made any adjustments.

Commissioner Warren Taylor and Mary Walker discussed other individuals in this situation had a payment schedule arranged. Mrs. Walker explained the prior actions on the payment schedule.

Commissioner Warren Taylor made a motion to deny the request from Mr. Woodruff. Chair Eldon Edwards seconded the motion. Vote 4:0.

County Manager Don Adams presented budget amendments in the amount of \$194,822. He reviewed the bids received for the revaluation including the awarded bid from Pearsons Appraisal in the amount of \$401,830. He further explained budget amendment Revaluation Fund #1 in the amount of \$194,822 and budget amendment General Fund #25 in the amount of \$194,822. He talked about the yearly amount placed into the revaluation fund to help offset the costs of the revaluation.

Commissioner Ken Richardson asked if the County is closer to doing our own revaluation.

Mary Walker stated that with the current number of personnel and the way new construction is booming that we are not.

Commissioner Ken Richardson asked about doing a revaluation earlier than every eight years.

Mary Walker stated that everyone might want to look at doing it every four years after this revaluation.

Commissioner Sandy Carter Herndon stated her concern of spending \$400,000 every four years.

Mary Walker explained that is not necessarily \$400,000. She further explained that for this revaluation, the appraisal company was asked to do a complete re-measure of all of the dwellings. She further explained that some counties hire consultants to help with the schedule of values.

Commissioner Warren Taylor talked about if you hire two people, you wouldn't save a lot.

Mary Walker talked about the price per parcel.

Commissioner Warren Taylor made a motion to approve budget amendment Revaluation Fund #1 in the amount of \$194,822 and budget amendment General Fund #25 in the amount of \$194,822. Commissioner Sandy Carter Herndon seconded the motion. Vote 4:0.

Mary Walker presented the Tax Office's annual report. She gave a general overview of the tax office, revaluation timeline, process for revaluation, upgrading Unifers software, implementing several audits, explained present-use value audits, business audits, current collection rate for real property and vehicles, amount of discoveries since July, debt-set off program, accepting credit card payments, new collections software, making the property record cards available online and collecting the Town of Sparta's real property taxes. She stated her appreciation for what the Board does for her and her staff.

Chair Eldon Edwards stated that the Tax Office does a good job.

Gerald Leftwich, Emergency Management Coordinator, presented the annual Alleghany County Local Emergency Planning Committee (LEPC) report. He reviewed the highlights of the LEPC report. He talked about activities coming up in the near future for training exercises.

Commissioner Ken Richardson and Gerald Leftwich discussed updating the emergency shelter generator hookups. Mr. Leftwich explained the need for transfer switch hookups and meeting with a contractor and the superintendent regarding the hookups.

Commissioner Warren Taylor and Gerald Leftwich talked about using mobile generators that can be put in place prior to the need or immediately after the weather event.

Gerald Leftwich explained the costs of the hookups and opening shelters for extended stays. He advised everyone to have a 72-hour supply of necessary supplies.

Chair Eldon Edwards made a motion to approve the LEPC annual report as presented by the Emergency Management Coordinator. Commissioner Warren Taylor seconded the motion. Vote 4:0.

John Hauser gave a brief breakdown of the Cluster Development Program and explained the actions of the program over the last two years including the partners, executive committee, economic foundation, tangible success, outcomes and funding. He stated that he is asking Alleghany County to support the Program in the amount of \$7,000. He further stated that he is also requesting the same financial assistance from Ashe and Wilkes counties. He explained that these monies will be used to match a \$20,000 grant and the funding dates will go from April 1, 2006 to March 31, 2007. He talked about a federal grant and benefits of the grant.

Commissioner Warren Taylor asked about considering this request prior to the next budget.

County Manager Don Adams explained that the current funds will run out before that time.

Commissioner Sandy Carter Herndon and County Manager Don Adams discussed these funds coming from the economic development fund and the fund isn't a revolving fund anymore.

Commissioner Sandy Carter Herndon made a motion to approve the \$7,000 for the Cluster Development Program and to take these funds from the economic development fund.

Commissioner Warren Taylor stated that he can see that this is a valuable initiative.

Commissioner Ken Richardson seconded the motion on the floor. Vote 4:0.

Planner Amy Pardue presented a subdivision for approval. She stated that prior approval was given for this plat on December 6, 2005. She explained that this is a 41.66 acre plat with 22 lots. She further explained the changes that have been made to the plat and the reason for the changes. She stated that the changes meet the subdivision ordinance requirements.

Commissioner Sandy Carter Herndon, County Manager Don Adams and Planner Amy Pardue discussed lot #21 being divided by a right of way and plans for the lot to be a common area.

Commissioner Warren Taylor and Planner Amy Pardue discussed lot #22 not being able to be built upon due to the power lines running through the property.

Commissioner Ken Richardson made a motion to approve the revised plat with the requirements that lots 21 and 22 cannot be built upon.

County Manager Don Adams talked about placing the wording on the plat.

Commissioner Sandy Carter Herndon and Planner Amy Pardue discussed these restrictions won't affect Blue Ridge Electric.

Commissioner Warren Taylor and Planner Amy Pardue discussed the steep grade on lots 14, 15 and 16. She stated that she has visited the property and these lots have enough acreage to build upon.

Commissioner Warren Taylor seconded the motion on the floor with the amendments. Vote 4:0.

Charles Gillian with Allied Waste/BFI stated that he is excited to provide solid waste services to the County for an additional three years. He thanked the Board.

Linda Ashendorf stated her excitement to sign Alleghany County on for another three years and thanked the Board. She talked about having a very smooth program.

County Manager Don Adams talked about the new contract is for three years with no increase the first year, CPI increase for the next two years, a \$5 per load environment fee and fuel price adjustment listed in Exhibit A, and the County will be billed twice a month.

Commissioner Warren Taylor asked about volume increases.

Charles Gillian stated that the new contract provides the same level of service to meet the County's needs.

Commissioner Ken Richardson made a motion to approve the Allied Waste/BFI contract. Commissioner Sandy Carter Herndon seconded the motion. Vote 4:0.

County Manager Don Adams presented proclamations for Child Abuse Prevention and Sexual Assault Awareness.

Commissioner Warren Taylor made a motion to approve the proclamations as presented by the County Manager. Chair Eldon Edwards seconded the motion. Vote 4:0.

Commissioner Sandy Carter Herndon stated the need for the public to know the information that is in the proclamations. She read the highlights of the proclamations including the number of children that were victims of child abuse homicides in North Carolina in 2004, the number that Alleghany County has increased since 2002, the number of registered sex offenders in Alleghany County and the costs of rape crimes. She talked about supporting the DANA program that helps women and children.

Chair Eldon Edwards asked Coby Larue to help get this information out.

County Manager Don Adams presented a DOT petition for adding 0.4 miles of Horse Ford Road to the state maintenance system. He reviewed the property owners on the road.

Commissioner Ken Richardson stated that he doesn't see Paul Reeves' signature on the petition.

Clerk to the Board Karen Evans stated that he came in to sign the petition after the agenda packets went out. She further stated that the original petition has his signature on it. She showed the Board the original petition.

Commissioner Sandy Carter Herndon made a motion to approve the petition. Commissioner Warren Taylor seconded the motion. Vote 4:0.

County Manager Don Adams stated that the North Carolina Association of County Commissioners is holding district meetings in April. He explained that the closest meeting is in Statesville on April 11. He stated that he is planning on attending this meeting, and any Commissioner interested in attending can let Karen Evans know.

County Manager Don Adams talked to the Board about setting up a cable ordinance. He gave the Board the background on the 7% tax on cable bills. He talked about the new law about sales tax on cable. He explained to the Board about how the County can collect a portion of this sales tax. He stated that the overall money the cable users are paying will not increase. He explained that it is up to the cable companies to pay the money out. He stated that counties cannot do an exclusive franchise ordinance for cable companies because the FCC has striped counties' abilities to regulate cable companies. He talked about Dave Harris with the Piedmont Council of Government has proposed to enter into contract with Alleghany County to help the County negotiate with the cable companies. He further talked about Mr. Harris will help us write the necessary documents and attend two meetings for \$4,500. He stated that they have talked about

Alleghany County receiving 5% of the sales tax and negotiating with the cable companies for a public access channel. He further stated that Charlie Scott has already started this process.

Commissioner Sandy Carter Herndon and Charlie Scott talked about other public access channels offering the same programming as Channel 50.

County Manager Don Adams talked about direct access and Skyline's video cable service.

Commissioner Warren Taylor asked about estimated revenues for the project.

County Manager Don Adams stated that he doesn't know yet but is working on gathering that information. He further stated that his guess is that it would take a year to recoup these contract costs.

Commissioner Sandy Carter Herndon asked about Alleghany Cablevision.

County Manager Don Adams stated that the County wouldn't receive much because the Town of Sparta already collects 3%. He reviewed the length of the contract and what is covered in the contract. He stated that he is asking for approval on the contract and permission to schedule the public hearings at the April 3 meeting.

Chair Eldon Edwards and County Manager Don Adams discussed that Mr. Harris will write the ordinance. County Manager Don Adams explained the difference about a government channel and a community access channel.

Commissioner Warren Taylor made a motion to approve the contract and schedule the public hearings. Commissioner Sandy Carter Herndon seconded the motion. Vote 4:0.

Chair Eldon Edwards declared a brief recess at 11:50am.

County Manager Don Adams asked if the Board wanted to have discussions regarding the middle school presentation.

Commissioner Warren Taylor talked about if a bond referendum is held and selling the idea to the community. He stated that it would be good if we could afford it all but he wants to know the costs for a good, above-average program versus an exemplary program.

Chair Eldon Edwards stated that this is a good program but he wants to know if we can afford it at this time. He talked about pushing the County's debt service up to the limit.

Commissioner Warren Taylor stated that the County doesn't have a choice except to address the needs of the schools.

Chair Eldon Edwards agreed but talked about addressing the needs cheaper than building a middle school.

Commissioner Warren Taylor talked about the construction costs if Alleghany County remains a K-8 program at all three schools, which was discussed in previous meetings. He further talked about there won't be much difference in those figures compared to a middle school. He stated the need for the public to see those figures.

Chair Eldon Edwards stated that he doesn't remember there being a lot of price differences.

Commissioner Sandy Carter Herndon talked about the programming at all three elementary schools isn't the same either.

County Manager Don Adams explained Option B that was discussed at the prior meetings. He described the items that the Option explains by the expansion at all PK-8 schools. He reviewed the breakdown for each school for a total of \$7,564,000.

Commissioner Warren Taylor talked about that number doesn't totally refurbish the Piney Creek Elementary School gym or purchase the land for water and sewer needs at Glade Creek Elementary School so you could probably add another \$1,000,000 to the total price.

The Board of Commissioners talked about the water and sewer needs at Glade Creek Elementary School and reducing the school population reduces the burden on the water and sewer needs.

County Manager Don Adams pointed out that part of the Option B request has been taken care of with the \$1,950,000 addition at Sparta Elementary School.

Commissioner Ken Richardson stated that this type of discussion leads into the Board's April 10th meeting with the Board of Education. He commented on the report that was presented. He talked about their job is to determine the schools needs, and the Commissioners' job is strictly a money matter. He stated the need to make sure the schools are adequately taken care of before a new building is built, and he supports this amount of money going on a bond referendum.

County Manager Don Adams stated that he spoke to a bond attorney last week. He explained that the State Board of Elections will only allow legal items to be placed on the ballot. He further explained that the only financing that will fit that definition is a bond referendum. He talked about putting the issue on the ballot as a bond then using the installment purchase contract for financing. He further talked about the costs associated with the referendum for the installment purchase contract would be \$4,500 plus the costs of the election. He explained that if the referendum is for issuing bonds the costs would be around \$1,500 plus the election costs because the bond attorney will assume the risk with the County about the bond referendum passing. He reminded the Board that the costs for an installment purchase contract without a referendum will run \$2,000 to \$5,000. He informed the Board that the most expensive route is certificates of participation (COPS). He stated that the bond will costs \$1,500 in legal fees with the referendum, \$12,500 after the referendum passes, \$2,000 from the Local Government Commission and \$20,000 from a bond rating agency for a total of \$36,000. He explained that as of Friday, COPS are ½ % higher on the interest rate than bonds. He stated that the costs for the COPS are \$17,500 for legal fees, rating agency of \$20,000, \$2,000 to the Local Government Commission and \$20,000 for trustees, and having to set up a non profit to do financing with COPS for a total costs of \$58,500 plus the higher interest rate. He reminded the Board that these numbers are approximates.

Chair Eldon Edwards and Commissioner Sandy Carter Herndon stated that they don't think COPS is an option at all.

County Manager Don Adams informed the Board about key information regarding having a referendum on this year's ballot including the August 7 deadline to have the question in hand by the election machine vendor. He talked about how this pushes for a decision to be made.

Commissioner Warren Taylor talked about the need to have several meetings with the Board of Education.

County Manager Don Adams reminded the Board that the first step is to contact the Local Government Commission. He talked about by the end of May or first of June having the details worked out with the Local Government Commission and be ready to hire a bond firm. He reminded the Board of why it is important to go see the Local Government Commission first.

Commissioner Ken Richardson talked about setting a deadline of May 1, and the Board should know what way this issue is going to go by then.

Chair Eldon Edwards stated his concern about what happens if the bond fails.

Commissioner Sandy Carter Herndon talked about the Board of Education needs to work on an alternate plan in order to save time in the event the referendum doesn't pass. She talked about the need to properly communicate this project with the public and that being the Board of Education and school system's responsibility.

Chair Eldon Edwards agreed about it is their responsibility to get the information out to the public.

Commissioner Warren Taylor stated that having the comparative programs for the people was what he was referring to earlier and what monies would have to be spent at the elementary schools to have above average programs in order for the public to be able to evaluate the differences. He talked about if these aren't approved by the public then the only option is to consider an alternate plan.

Commissioner Sandy Carter Herndon talked about even with the 7 million dollar numbers, a referendum would be required.

Commissioner Warren Taylor talked about all of the construction wouldn't have to be done at one time.

Chair Eldon Edwards stated his need to see alternates to this plan before he can support this right now. He reiterated that he isn't saying that he isn't willing to support the schools needs but it has to be done within the County's capabilities. He talked about not seeing the grading for the school bus garage and moving Charles Street.

Commissioner Ken Richardson talked about getting questions to the County Manager in order for the Board of Education to prepare information for the April 10 meeting.

Commissioner Sandy Carter Herndon stated that the Commissioners need to be looking at other ways to raise funds beside an increase in property tax. She talked about impact fees on new construction, developing a homestead protection for the local residents so they would not bear as much of an increase in taxes as non-residents.

Commissioner Warren Taylor stated that action would require state legislative approval because it is against the law now.

Commissioner Sandy Carter Herndon talked about the need to look at it. She gave examples of how Florida is handling taxes for residents versus non-residents.

Chair Eldon Edwards stated that he asked Dr. Cox and some other people about being willing to contact Representative Harrell to see if he would put the land transfer tax on the agenda giving Allegheny County an option to adopt that one menu item. He stated that he asked the Register of Deeds to gather some information about how much a 1% land transfer tax would generate. He talked about other counties that have this option and the need for this option.

Commissioner Ken Richardson stated that he would like to see our representatives sign a document that says if they are reelected they would support this action.

The Board of Commissioners talked about getting support for this action. They talked about ways to raise revenues that require General Assembly approval.

Chair Eldon Edwards talked about the need to see alternates to the plan.

County Manager Don Adams asked if the Board is talking about seeing alternates for fixing all of the schools. He reiterated that he is hearing from the Board that these numbers require a referendum. He stated that he will be asked if there is a number out there that wouldn't necessarily take the County to a referendum.

Commissioner Warren Taylor reviewed the three options dealing with the schools is go with a middle school to meet the needs for a long period of time, go with Option B and revamp the PK-8 schools or fix the schools like we have been doing by adding enough to get by.

Chair Eldon Edwards asked if the schools can give us some more information for Option B other than what they have proposed and something that could be done on an installment purchase contract.

Commissioner Warren Taylor talked about the need for the public to be involved in the decision because of the amount of money involved.

Commissioner Sandy Carter Herndon reiterated the County Manager's question of what dollar amount would the Commissioners be willing to spend without taxpayer's approval by referendum for the schools.

County Manager Don Adams stated that yes that is the question that is getting asked.

Commissioner Ken Richardson stated that anything over \$2,000,000 for Glade Creek Elementary School and Piney Creek Elementary School, he would not support without going to referendum.

Commissioner Sandy Carter Herndon talked about looking at the tax raise in order to pay for the schools and when the public needs to get involved. She stated that the Board of Education needs to look at the programming side and then let the Commissioners look at the money side.

Commissioner Ken Richardson explained his reasoning for the \$2,000,000 at Glade Creek Elementary School and Piney Creek Elementary School. He pointed out that his number doesn't address future needs.

Chair Eldon Edwards stated that this will be discussed further at the April 10th meeting.

Chair Eldon Edwards reminded everyone about the meeting tonight at 6:30pm.

Commissioner Ken Richardson stated that Durham County has filed legal action regarding the Mental Health changes. He explained his role with the NC Council.

Commissioner Warren Taylor gave the Board information about the newspaper article regarding highway monies. He explained how much money has come to Alleghany County last year and is projected to come this year from the repaving fund. He further explained other projects completed in Alleghany County due to the moving ahead program.

County Manager Don Adams stated that the newspaper article sounded like all of the monies had been allocated with Alleghany County not receiving any monies. He stated that everyone needs to look at several years over a period of time to get a true picture of the monies being spent in Alleghany County. He reviewed how the monies are allocated based on surveys conducted annually on every road.

Chair Eldon Edwards asked for further public comments. None were received.

Commissioner Warren Taylor made a motion to enter into closed session at 1:00pm under NCGS 143-318.11 (a) (4)—economic development. Commissioner Sandy Carter Herndon seconded the motion. Vote 4:0.

Commissioner Warren Taylor made a motion to adjourn the closed session at 1:16pm and reconvene the regular meeting. Commissioner Sandy Carter Herndon seconded the motion. Vote 4:0.

Chair Eldon Edwards stated no action was taken during closed session.

Being no further business, Commissioner Warren Taylor made a motion to adjourn the meeting at 1:17pm. Chair Eldon Edwards seconded the motion. Vote 4:0.

Respectfully Submitted,

Karen Evans
Clerk to the Board

Attest:

Eldon Edwards
Chairman