

**ROWAN COUNTY BOARD OF COMMISSIONERS
ANNUAL PLANNING RETREAT
FEBRUARY 24, 25, & 26, 2009 – 8:00 AM
FRANK T. TADLOCK SOUTH ROWAN REGIONAL LIBRARY
CONFERENCE ROOM**

Present: Carl Ford, Chairman
Jon Barber, Vice-Chairman
Raymond Coltrain, Member
Tina Hall, Member
Chad Mitchell, Member

County Manager Gary Page, Clerk to the Board Carolyn Athey and Finance Director Leslie Heidrick were also present.

Tuesday, February 24, 2009

1. OPENING SESSION

Chairman Ford convened the meeting at 8:00 am

Invocation

Chairman Ford provided the Invocation.

Pledge of Allegiance

Chairman Ford led the Pledge of Allegiance.

Chairman's Opening Remarks

Welcome

Chairman Ford welcomed everyone to the retreat and said there were important decisions to be made as information was received throughout the retreat.

Commissioner Barber said the retreat was important and allowed the Board to focus on the issues most important to helping citizens. Commissioner Barber read from a prepared statement and said people were leery of government stepping in. Commissioner Barber said respect was not given but earned and that respect had been lost in recent years.

2. REVIEW OF COUNTY DEPARTMENTAL PROGRAMS

a. Administration

Director of Administration, Ken Deal, listed the divisions under the Administration Department as the Airport, Human Resources, Maintenance, Pretrial Services, and Risk Management. Mr. Deal said the main goal of the Administration Department was maintaining the current level of operations.

Mr. Deal said the current maintenance facility would have to be removed to allow for the future runway extension at the Airport. Mr. Deal discussed the various uses for the maintenance facility and showed a rendering of a maintenance facility that he felt would satisfy the County's needs. The cost for the facility was estimated at \$2 million.

Chairman Ford asked if the current maintenance facility would be upfitted to include the County garage. Mr. Deal responded that everything added to the facility would be temporary and could be moved if necessary.

In regards to file storage, Commissioner Coltrain asked if an imaging process would eliminate the need for additional storage space. Mr. Deal said it would help.

Commissioner Barber said there were several departments that could benefit from an imaging system to store vital records. Commissioner Barber pointed out that buying the hardware and maintaining the software was only the beginning. Commissioner Barber said the benefits were not seen until there were enough images in the system to access. Commissioner Barber said there would need to be some backfile conversions, which were typically expensive.

In response to Chairman Ford, Mr. Deal replied that Dr. Crawford maintained lifetime rights for control of the Crawford Building; he noted the old Post Office building on West Innes Street might be worth selling.

Commissioner Barber said the County should look into selling surplus property.

b. Finance

Finance Director, Leslie Heidrick, reviewed the information provided in the packets and noted that three (3) of the six (6) goals listed had already been met.

Ms. Heidrick discussed three (3) goals for the Finance Department, which included bond ratings, internal control and writing procedures and utilization of space and new technology. Ms. Heidrick addressed some of the financial obligations that would coincide with each goal.

Ms. Heidrick said the County Manager would be addressing the Board soon in regards to some of the goals discussed for Finance. Ms. Heidrick said she would

need Board approval for a Capital Improvement Plan with written procedures for the County.

County Manager Gary Page discussed various policies the Board could consider and why the Board should have written policies.

c. Information Systems

David Boling asked if the Board had any questions regarding the information submitted for the retreat agenda packets.

Commissioner Mitchell inquired about the options and costs to move away from the AS400 system.

Mr. Boling discussed the issues with moving away from AS400 and the type of software required. Mr. Boling suggested Staff research the type of software needed for each department and search for compatible software available. Mr. Boling said he would like a Board commitment to improve the software before staff time was invested into research.

Commissioner Mitchell said he felt it would be appropriate to put technology into a Capital Improvement Plan, or something similar. Commissioner Mitchell said he would like to see a plan that would continually change with regards to technology and would phase out the AS400.

Commissioner Barber recalled that the Board approved the purchase of another phase for the AS400 in December and that questions had been raised as to how long the system could be supported. Commissioner Barber expressed concern with running dual systems for an unknown length of time.

Mr. Boling said he would like to see a technology improvement plan to involve all departments. Mr. Boling said he would like to have some outside involvement with developing the plan in order to maximize its potential.

Commissioner Mitchell asked for an update regarding a previous request to standardize all versions of Microsoft Word throughout the County. Mr. Boling replied that a Request for Proposals was sent out. Mr. Boling said the process for updating was time consuming and another problem with the update would be training and support for the desktop.

In response to Chairman Ford's inquiry, Mr. Boling said most of the surplus computers were recycled. Mr. Boling said some newer equipment could be sold or donated.

Commissioner Hall inquired as to the department's top priority for next year and the cost. Mr. Boling replied the top priority would be developing a plan for technology and he currently did not have the cost. Mr. Boling said he would not

be asking for an additional amount of new money beyond his typical budget request. Mr. Boling said he could bring options back to the Board for budget preparation.

d. Board of Elections

Nancy Evans, Board of Elections Director, said the main goal of the Board of Elections Office (BOE) was to continue one-stop election sites. Ms. Evans discussed the cost per one-stop site and the number of sites opened for municipal and county-wide elections. Ms. Evans said another goal was for the BOE to move to a new facility.

Ms. Heidrick said over the next few weeks she and Mr. Deal would meet with an architect to get an idea of costs to renovate the current Department of Social Services facility on West Innes Street as a potential relocation site for the BOE.

Commissioner Mitchell inquired about the BOE responsibilities for the Census. Ms. Evans said the BOE must verify voting lines and prepare voting reports on race, gender, age and other areas for the State to establish district lines. Ms. Evans added the reports must be completed by May.

Ms. Evans asked for information on the ¼-cent sales tax by August 1, 2009 for inclusion on the next ballot.

e. Social Services

Sandra Wilkes, Department of Social Services Director, discussed the number of open cases and the types of cases the Department of Social Services (DSS) was currently receiving.

Ms. Wilkes discussed the Child Protective Service Division and the Adult Service Division.

Ms. Wilkes also highlighted the immediate needs for DSS and the ongoing and/or future needs as listed in the agenda packets.

Ms. Wilkes noted the groundbreaking for the new facility would be on Thursday, March 5, 2009 and she invited the Board to attend.

Ms. Wilkes discussed a new imaging system and its costs. Ms. Wilkes said DSS would benefit greatly from an imaging system that would connect all clients' records. Ms. Wilkes said the system would save 50% of the time used to accept a client and cut some employees' time with clients in half. Ms. Wilkes said it would take approximately one (1) year to transfer all records to an imaging system.

Ms. Wilkes reviewed the criteria for qualification for food assistance.

Commissioner Barber inquired as to costs and time needed for converting records to an imaging system and he asked that more information be brought back to the Board.

Commissioner Coltrain questioned the need for new employees in the future and Ms. Wilkes responded even with a new imaging system the employees would be needed.

Chairman Ford called for a break at 10:00 am.

Chairman Ford reconvened the meeting at 10:15 am.

f. Health

Leonard Wood, Health Department Director, provided a power point presentation to review the following services and Health Department staff:

- Animal Control – euthanasia process and proposed legislation that would require lethal injections as opposed to use of the gas chamber.
- Environmental Health – predominantly mandated by state laws
- Family Health services – includes Primary Care Child and Adult Health, Communicable Disease and TB Control, Women’s Preventive Health, Family Care Coordination, Maternal Health, Immunizations, Interpreters and BCCCP.

Mr. Wood reviewed the budget and revenue sources for FY 2008-2009 and highlighted the expense budget for the Health Department.

Mr. Wood discussed the ratio of citizens to staff as compared to other counties. Mr. Wood said the Health Department was currently maxed out and explained that some services would have to be cut back or eliminated to maintain the current service level. Mr. Wood also discussed a possible expansion for the Animal Shelter.

In response to questions from the Board, Mr. Wood discussed proposed legislation for the euthanasia process and options for the Board to consider. Mr. Wood also explained the spay/neuter fees at the Animal Shelter.

g. Emergency Services

Frank Thomason, Emergency Services (EMS) Director, and staff members Beth Connell, T.J. Brown and Fire Marshal Tom Murphy were present to discuss EMS issues. A handout was provided.

Using a power point presentation, Mr. Thomason highlighted the Strategic Planning Summary and discussed the core focus areas, which included Planning, Mitigation, Protection, Support, Response and Recovery.

Mr. Thomason reviewed the future trends and goals for EMS.

Mr. Murphy discussed the future trends and goals for the Fire Services Division. Mr. Murphy also discussed fire district boundaries and the Board's role in governing fire districts. Mr. Murphy used a map to illustrate areas where Rowan County performed fire inspections.

Ms. Connell used a map to illustrate EMS response times, goals, and methods to improve response times. Ms. Connell discussed the importance of staff and the fact that their responses could mean life or death to the citizens involved.

h. Cooperative Extension

Darrell Blackwelder reviewed the Cooperative Extension narrative included in the agenda packet. Mr. Blackwelder said the Cooperative Extension was asking for a continuation of funding at the current budget level.

Mr. Blackwelder discussed grants for which the Cooperative Extension intended to apply.

i. Environmental Management

Kathryn Jolly, Environmental Management Director, and Tamra Kesler, Administrative Secretary, were present to answer questions from the Board.

Ms. Jolly said the Department had only used 34% of the budget for 2009 and revenues were at 70%.

Ms. Jolly discussed possible legislation that could affect the landfills in the State.

Ms. Jolly explained the current policy and procedures for taking complaints on illegal dumping as stated in the Rowan County Ordinance. Ms. Jolly said under the current policy citizens could not make anonymous complaints, which had caused a huge decrease in complaints.

Commissioner Mitchell expressed concern with proposed text changes regarding refuse discovered on land that was not an approved sanitary landfill or proper receptacle.

Ms. Jolly said the State perceived Rowan County as having a severe dumping problem and asked the Board to stay aware of the issue.

j. Planning and Development

Ed Muire, Planning and Development Director, reviewed the narrative provided in the agenda packets and discussed the current situation regarding revenues from permits, and building inspections based on the economy.

Mr. Muire said the majority of items that come through the Planning Office are policies that originate from the Board.

Mr. Muire responded to several questions from Commissioner Coltrain regarding permits, the IBR system, the GIS system and the housing administration program.

Mr. Muire said the Planning Office would be offering some suggestions to the Board in regards to changing the responsibilities of the Planning Board.

Chairman Ford called for a recess at 12:30 pm.

Chairman Ford reconvened the meeting at 1:00 pm.

k. Tax Administration

Barbara McGuire, Real Estate and Personal Property Manager, reviewed the Tax Administration goals by priority:

- Oblique Photography
- Set up option of accepting credit card payments
- Additional in-house auditor
- Redesign and relocate scattered sections to consolidate and meet future needs and to increase efficiency
- Annual listing online
- Additional Mapper/Cartographer
- Future Preparation in area of motor vehicles

Ms. McGuire discussed possible changes to the Tax Collections Office in regards to vehicle tags.

Ms. McGuire discussed the 2011 revaluation and said the Schedule of Values for the revaluation would be presented to the Board by September or October 2009.

l. Register of Deeds

The Board deviated from the order of presentations as the Register of Deeds, John Brindle, was not yet present.

m. Rowan Public Library

Jeff Hall, Rowan Public Library Director, introduced Suzanne White, Branch and Customer Services Manager and Melody Moxley, Administrative Services and Headquarters Manager.

Mr. Hall played a video that highlighted how libraries are busiest during tough economic times. Mr. Hall showed a graph to elaborate on the history of increased library usage. Mr. Hall said when he first came to the County in the late 1980's, the library had approximately 100,000 users and in 2008 there had been 394,943 users. Mr. Hall said in the first six (6) months of 2009, the library had experienced an 18% growth in usage and he was expecting approximately 810,000 total usage for the year.

Mr. Hall highlighted the services offered by the Library such as books, videos, public computers, help with research, and resume writing assistance, computer classes and other programs.

Mr. Hall discussed the following major projects and service expansion plans:

- Radio frequency identification for theft detection and self checkout for the Headquarters and East Branch Libraries
- Roof replacement and repairs for library headquarters
- Build West Branch Library
- Construct Amphitheater for South Rowan Regional Library
- Expand Outreach to Seniors Service
- Expand East Branch Library
- Expand or Relocate Local History/Genealogy Room

Mr. Hall discussed funding provided to the Library from grants and other government agencies.

n. Parks and Recreation

Don Bringle, Parks and Recreation Director, noted some of the information provided in the retreat packets had been updated. Mr. Bringle said revenues from the park system had exceeded \$1 million for the past two (2) years and was on track to do the same this year.

Mr. Bringle discussed funding options and highlighted the following needs for the park system:

Identified Projects:

- Install Play Safe material in all playgrounds
- Provide new restrooms at Ellis and Dan Nicholas Park (DNP)
- Upgrade and replace playground equipment at all parks
- Funding opportunity for Farm Life Preservation Center
- Habitat expansion by private funding
- Raise necessary funds to locate Log Cabin to Dan Nicholas Park

Capital Needs:

- Land acquisition for existing and new parks
- Farm Life Preservation Center for Sloan Park
- Restrooms at Ellis and DNP
- Renovate 36-hole putt-putt course
- Expand campground area
- Teaching/Learning Center for programming at DNP
- Ball field lights for Ellis Park
- Fairground improvement: restrooms and food booths

Staffing Needs

- Programming and registration to part time with benefits
- One full time staff for Sloan Park
- Wildlife Adventures, Grass Roots Program

Mr. Bringle reviewed the completed 2008-2009 capital projects.

Chairman Ford called for a recess at 2:20 pm.

Chairman Ford reconvened the meeting at 2:35 pm.

I. Register of Deeds

The Board previously deviated from the order of presentations on the agenda. At this time the Register of Deeds (ROD), John Brindle, arrived for his presentation.

Mr. Brindle discussed the goals for the office, which was to update and replace outdated equipment. Mr. Brindle outlined the current needs for the office:

- New map scanner with copier combination
- New software to type marriage licenses on computer
- New microfilm readers for deeds vault
- New card reader for deeds vault
- New furniture for deeds vault
- New software and hardware to convert film to disc

Mr. Brindle said the office had been down by two (2) staff members since December, leaving a current staff of eleven (11). Mr. Brindle said he had been denying staff summer vacation time due to lack of staff and he discussed the need for at least one (1) additional staff member.

In response to Commissioner Coltrain, Mr. Brindle prioritized the top three (3) current needs as:

1. New software to type marriage licenses on computer
2. Plat scanner
3. New furniture, microfilm and card readers for the deeds vault

Commissioner Coltrain suggested Mr. Brindle contact the State regarding any surplus property available.

In response to Commissioner Barber, Mr. Brindle explained the preservation project regarding marriage licenses.

o. Senior Services

Clyde Fahnestock, Senior Services Director reviewed the budget for the Senior Services Department, which consisted of two divisions: Aging and Adult Services and Rowan Transit System. Mr. Fahnestock reviewed the programs and services offered through each division.

Mr. Fahnestock thanked the Board for its support of the department's grant requests.

Mr. Fahnestock expressed appreciation to the Board for enabling the move of operations from the old school bus garage facility to the former Donnelly Home. Mr. Fahnestock said the County had spent \$25,000 to renovate the Donnelly Home and the next grant application to be presented to the Board would be for facility improvements for parking lots. Mr. Fahnestock expressed concern with requesting additional money for improvements when the school system may be considering the property as a site for a central office.

Mr. Page recommended that Mr. Fahnestock continue with the grant request.

p. Sheriff's Office

Sheriff George Wilhelm discussed the need for additional patrol deputies. Sheriff Wilhelm said the County had approximately half the number of patrol deputies recommended by the Bureau of Justice Affairs for an area of Rowan County's size. Sheriff Wilhelm said there had not been an increase in the number of patrol deputies at the Sheriff's Office since 1986.

Sheriff Wilhelm praised the Board for the additional technology and website updates that had improved the quality of service to Rowan County citizens.

Sheriff Wilhelm discussed the overcrowding situation at the Detention Center and the need for a larger facility. Sheriff Wilhelm said the Pretrial Release Program had helped ease overcrowding significantly; however, a new facility was still needed. Sheriff Wilhelm felt a site should be found out in the County for future growth. Using a flipchart, Sheriff Wilhelm drew a proposed facility layout and explained how the layout would reduce needed manpower.

In response to Commissioner Coltrain's inquiry, Sheriff Wilhelm said the new facility would be for low security and the downtown facility could be used for maximum security.

In response to Commissioner Mitchell, Leslie Heidrick Finance Director, said the County had a contract to house inmates in Sampson County, which did not include transportation costs. Ms. Heidrick said the debt service for the Justice Center for 2009 would be \$648,000/year until 2015.

Sheriff Wilhelm added that even with the completion of the new pod, the County would have to continue sending inmates to Sampson County.

In response to Commissioner Mitchell, Ms. Heidrick explained the Board would not be able to use the money saved from the \$700,000 contract with Sampson County and apply it to debt service because the money would be needed for personnel at the new facility. Ms. Heidrick said the total cost for a new facility would be the debt service, plus the cost for personnel.

County Manager Gary Page said the Board would discuss the Detention Center issue in greater detail later in the Retreat.

Sheriff Wilhelm concluded by saying if two (2) or four (4) deputies had been added each year over the past several years it would have helped with his staffing issue. Sheriff Wilhelm said he was now sixty (60) people behind and he praised his current staff for the excellent job they were doing.

q. Telecommunications

Rob Robinson, Telecommunications Director, said the Telecommunications Department was divided into three (3) divisions:

- 911 Center
- Administrative division
- GIS

Mr. Robinson discussed the following goals for the Telecommunications Department:

- Radio system upgrades to 800 Trunking System and VHF system
- Additional space needed – potentially moving 911 out of the Justice Center
- Staffing increase

In response to several questions by Commissioner Coltrain, Mr. Robinson explained there were six (6) dispatch positions with no room to add additional staff or storage space. Mr. Robinson said that technology upgrades required a large amount of training in-house and most of the training was state-mandated. Mr. Robinson said the 911 equipment would need to be replaced in five (5) years and he explained the logistics of coordinating a move to another facility.

Commissioner Barber inquired on the Are You Okay Project for senior citizens and asked how many seniors were being helped. Mr. Robinson replied that approximately 30 to 40 seniors were called through the service.

(Commissioner Barber left the Retreat at 3:40 pm).

In response to Commissioner Hall, Mr. Robinson said he would bring additional information back to the Board regarding space and staffing needs for the 911 center.

Chairman Ford called for a short break at 3:45 pm.

Chairman Ford reconvened the meeting at 4:00 pm.

DISCUSSION / WRAP-UP SESSION REGARDING DEPARTMENT PRESENTATIONS

County Manager Gary Page reported that the Board would hear about “big ticket” items during the second day of the Retreat.

Commissioner Coltrain said he would like for the Board to put its decisions on paper as a plan.

Chairman Ford said it would be good to have a plan in order to better prepare for future Boards.

Commissioner Mitchell said when the Capital Improvement Plan (CIP) was first introduced it had been a great idea; however the CIP had not been used.

Finance Director Leslie Heidrick said capital needs for next years budget would need to be effective for 2011 forward.

In response to Commissioner Mitchell, Ms. Heidrick said a CIP would help with the County's bond rating.

Commissioner Mitchell said the Board had known about the need to update the radios for a few years and had taken no action.

Commissioner Coltrain said the Board should not take undue risks, but make good decisions.

Commissioner Mitchell said it was easy to get caught up in a wish list. Commissioner Mitchell said he would like to know if the requests would require property tax increases. Mr. Page replied that he and Ms. Heidrick would be prepared to discuss a possible property tax increase later in the Retreat.

Chairman Ford mentioned most of the priorities from last year's retreat had been completed or were in the process of being completed.

Chairman Ford recessed the meeting at 4:10 pm.

Wednesday, February 25, 2009

Chairman Ford reconvened the meeting at 8:00 am.

Invocation

Chairman Ford provided the Invocation.

Pledge of Allegiance

Chairman Ford led the Pledge of Allegiance.

Chairman Ford introduced Facilitator Larry Parks. Mr. Parks reviewed his ground rules, which were unanimously adopted by a show of hands.

3. PUBLIC SCHOOLS

Assistant Superintendent Gene Miller thanked the Board for allowing Rowan Salisbury Schools (RSS) to present their needs and the justification for those needs.

a. *Central Office:* Mr. Miller said the Rowan Salisbury School (RSS) Board had been discussing the need for a consolidated facility. Mr. Miller said reports had shown the Board the inefficiencies the school system had dealt with as well as the savings that would be realized from a consolidated office. Mr. Miller said the school system could not continue to use the Long Street facility due to safety issues. Mr. Miller said several locations and the costs for each had been discussed.

Mr. Miller discussed the bad economy and said that waiting another year would allow the price on construction to increase and therefore make the project too expensive. Mr. Miller said there was an amortization schedule included in the agenda packet which showed that interest would be paid on a decreasing scale. Mr. Miller said the interest rate for the project was listed at 5% but it may be possible to get a 3% or 4% rate. Mr. Miller said the amortization schedule was based on \$7.5 million dollars at 5%.

Mr. Miller said the Board had previously discussed funding a project up to \$7.5 million with annual payments not to exceed \$350,000, with the Board of Education (BOE) matching the County's payment up to \$350,000. Mr. Miller said the first payment would be due in October with a second payment due in April for a total of \$775,000. Mr. Miller said RSS had enough funds in fund balance to pay the \$775,000 if the County would pay \$350,000. Mr. Miller said RSS could also pay the difference for the second year; throughout the schedule the County's portion would not change.

Mr. Miller said he thought the BOE could handle the first payment of \$344,520 due in October. Mr. Miller said the County would pay \$350,000 of the April payment and the BOE would pay the difference.

Mr. Miller said the BOE was ready to make a decision regarding a consolidated central office. Mr. Miller urged the Board to vote to approve an amount up to \$7.5 million, and up to \$350,000 per year for a consolidated school office.

Mr. Miller said by consolidating offices, the operating costs would decrease approximately \$190,000. Mr. Miller said those savings, along with capital outlay, would be used to make payments.

Commissioner Barber said the first payment would be due in April 2010 at \$350,000 if the Board approved the project. Commissioner Barber said before the lottery existed, the Board had to budget money to pay off bond debt each year. Commissioner Barber asked the Board if a portion of the lottery proceeds could be used to pay a portion of the \$350,000 debt. Commissioner Barber said the bonds started to peak around 2011 and would decrease afterwards.

Commissioner Barber said the lottery proceeds were technically supposed to be used for capital improvements; however the North Carolina General Statutes did provide latitude to use the money for other projects. Commissioner Barber said the Board could think about using the lottery proceeds in the future to help pay the financing for the project.

Commissioner Coltrain said using lottery proceeds for the consolidated offices project would leave only general fund money for other projects.

Commissioner Mitchell asked what other options were available for the Long Street Office if the Board could not agree on a consolidated office. Mr. Miller said the only option was to get out of the building as soon as possible. Mr. Miller said there was no where to expand technology, safety was an issue and there was no room for expansion.

Commissioner Mitchell asked what plans the BOE had if the next fiscal year began with no commitment for a central office. Mr. Miller said there would be no plans as there was no place to move to and no money to rent a space.

Commissioner Mitchell asked how much it would cost to repair the Long Street Building. Mr. Miller responded it would take approximately \$3 million to fix the Long Street and Ellis Street Offices; however the figure did not include repairing the structural damage.

Commissioner Hall asked if a central office was the top building priority and Mr. Miller responded the central office was the top priority as far as safety issues were concerned. Mr. Miller said the student population had not grown, but as far as safety of staff, the central office was a priority.

Commissioner Hall asked for the total amount of RSS fund balance. Tara Trexler, RSS Finance Officer, said the fund balance was between \$5 and \$6 million for undesignated current expenses.

Commissioner Hall said the fund balance had accrued over a period of years from County tax dollars and she asked if the BOE had any interest in applying the money for needs other than a central office.

Mr. Miller said that fund balance was current expense money and the Board would have to give permission to the BOE to use the money for capital outlay. Mr. Miller said there was \$1.8 million in fund balance for capital outlay which would be used to make payments on a central office.

Dr. Grissom said she had been told the State may have to cut current expenses and she felt the BOE would have to use fund balance to keep teachers.

Commissioner Hall asked how the \$5 to \$6 million fund balance had accrued. Mr. Miller said the money came from projects that were never done or projects that were under budget. Mr. Miller said grants, donations, sales tax and other school capital building monies also contributed to the balance.

Ms. Trexler said the operating budget was \$160-\$170 million dollars. Ms. Trexler explained how the BOE retains the money not spent on other capital projects.

Commissioner Hall asked if the BOE had considered renovating the Department of Social Services (DSS) Building on West Innes Street for a central office. Mr. Miller said he had toured the building and that it would take a lot of renovation. Mr. Miller said there were air quality issues at the DSS site. Mr. Miller said moving to the DSS site would get RSS staff out of an unsafe building; however it was difficult to consider spending a sizeable amount of money when it would still not consolidate all staff.

Commissioner Hall said the renovation could save the County from spending the \$7.5 million.

Ken Deal, Director of Administration, referred to Mr. Miller's comments pertaining to the air quality of the current DSS facility; he said the facility had been inspected and there was nothing wrong with the air quality in the building.

b. Review and Evaluate How County Funds Are Spent for Education and Are the Funds Producing the Desired Results

Dr. Grissom recognized the RSS staff and BOE education members in attendance. Dr. Grissom reviewed the information provided in the agenda packet regarding County appropriated expenditures. Dr. Grissom used fiscal year 2008-2009 expenditures to illustrate how County funds were spent in the RSS budget. Dr. Grissom said state funds were always used before County funds.

Dr. Grissom discussed funding students at the state average. Dr. Grissom said state average funding had helped the academic achievement of students at the early college; however, it would take more than two years of state average funding to improve the school system.

Dr. Grissom said the school system should be commended for all the work that had been done in seeking outside resources. Dr. Grissom said grants had provided over \$7 million in the past year and a half and almost \$3 million in local grants had been received.

Dr. Grissom discussed the loss of students and its impact on funding levels. Dr. Grissom said the State could cut \$5 to \$7 million from fiscal year 2009-2010 for RSS.

Dr. Grissom explained the graphs provided in the packet regarding test scores. Dr. Grissom expressed her concern with the lack of credit given to RSS and she said the teachers and staff work hard everyday. Dr. Grissom said studies show it usually takes 5 to 7 years to see any results to change and it was not realistic to expect a school system to turn around in 2 to 3 years. Dr. Grissom said eliminating everything other than reading, math and science would increase test scores. Dr. Grissom said the students should be challenged to achieve the best and should be equipped with 21st century tools, exposed to cultural arts, learn to be healthy, have technology tools and to be prepared for the future.

c. Future Direction of RSS

Dr. Grissom reviewed the District Improvement Plan approved by the BOE in 2008 and highlighted the focus areas for each of the following five (5) goals:

1. Provide an inviting, nurturing and safe environment for all students and staff.
2. Provide a rigorous, relevant curriculum designed to prepare students for a globally competitive world.
3. Recruit, train and retain highly qualified professionals.
4. Develop and maintain strong communications and partnerships with all stakeholders.
5. Align system operations for all program areas to provide efficient use of resources.

Commissioner Coltrain asked what had been implemented in the school system to increase the math and science scores. Commissioner Coltrain also noted two students from one West Rowan school were recognized at the Career and Technical Education Banquet which had never happened before in Rowan County.

Dr. Grissom added there had also recently been two students from one school to sign with the Naval Academy, which had also never happened before in Rowan County. Dr. Grissom said the school system had used staff development,

curriculum coaches, java light meetings and professional learning communities to increase test scores.

Dr. Grissom responded to several questions from the Board regarding parental involvement and test scores.

Commissioner Coltrain asked if there were positive results in the retention of students from the afterschool programs and Dr. Grissom responded the program had not been in effect long enough for accurate data.

Commissioner Hall congratulated Dr. Grissom and Staff on the many accomplishments achieved and especially the grants received.

Commissioner Hall asked how close RSS math scores were to the State average scores for grades three (3) through eight (8). Dr. Grissom addressed each grade level and said she would get the average for the combined scores of grades three (3) through eight (8).

Commissioner Hall asked how many low performing schools were in the school system. Dr. Grissom said there were three (3) low performing schools, all of which had new principals and a lot of new staff. Dr. Grissom said they had scores less than 50%. Dr. Grissom discussed the recent changes in the testing programs.

Commissioner Hall asked how many schools, if any, were on the Title 1 Improvement List. Dr. Grissom responded there were ten (10) schools on the list.

Commissioner Barber asked about the student/administrator ratio and Dr. Grissom responded Rowan County had the lowest ratio in the State. Dr. Grissom explained titles and positions had been combined or eliminated in the central office and the number of individuals had actually not increased.

Commissioner Mitchell asked if there was a breakdown for how State funds were spent and Ms. Trexler said she could provide a breakdown for the Board.

Commissioner Barber asked if the Board wanted to take a straw vote on a school central office.

Commissioner Mitchell said he supported the idea but would like to discuss funding sources first.

Facilitator Larry Parks called for a short break at 9:50 am.

Mr. Parks reconvened the meeting at 10:05 am.

4. AIRPORT – UPDATE REGARDING AIRPORT DEVELOPMENT

Thad Howell, Airport Manager provided a power point regarding airport development. Mr. Howell, along with Ken Deal, Director of Administration, discussed the need for an airport tax district. Mr. Deal said the City of Salisbury (City) had annexed roughly half of the Airport and increased taxes substantially. Mr. Deal said several City Council members were in favor of creating a tax district and may be willing to decrease the City tax by half.

Commissioner Barber asked if there were any complaints on the tax rate and Mr. Howell said there were people who had started using other airports during the annexation process due to the taxes.

Chairman Ford said the City was not interested in annexing any more County land.

The Board briefly discussed the annexation of the Airport. Mr. Howell showed a map of the municipal boundaries and said the land the City owned was mostly rural.

Commissioner Mitchell asked if it would affect the area in the City's municipal boundaries if the Board were to follow the Airport Master Plan. Commissioner Mitchell asked if there would be tenants at the Airport paying different tax rates because of the boundaries. Mr. Deal said he would research and provide more information on Commissioner Mitchell's inquiry.

Commissioner Barber asked Mr. Deal to find out what revenues were lost at the Airport due to taxes. Mr. Deal said he was not sure if the revenue loss could be pinpointed as there were many contributing factors to the loss.

Commissioner Hall said in order for Rowan County to be competitive the tax rate would have to be lowered at the Airport with the other half of the tax rate going to the City. Mr. Deal said as long as the tax rate was comparable to surrounding airports and the City was to cut their rate by half then the County could essentially keep the tax rate the same.

In response to Commissioner Mitchell, Mr. Howell said Rowan County Airport offered a self service pump.

Commissioner Coltrain inquired on how long it would take to pay back the construction costs of building a new hangar based on the current and projected demand. Mr. Deal said the cost of building a hangar would be approximately \$750,000 to \$1,000,000.

Mr. Deal said airport maintenance had increased steadily. Mr. Deal said there was a paint facility, upholstery facility and avionics facility independently operated at the Airport. Mr. Deal said each business had a Fixed Base Operator

Agreement and rented facilities from the County. Mr. Deal said the avionics facility owner had requested one of the proposed new hangars.

Mr. Howell said several individuals had expressed interest in building hangars for the Airport.

In response to Commissioner Coltrain's inquiry, Mr. Howell said data mining had not been done in the past but could help attract customers back to the Airport.

Commissioner Coltrain inquired on which projects included in the layout plan were eligible for government matching funds. Mr. Deal responded the runway extension and Mr. Howell added the ramp rehabilitation and new tarmac would also be eligible. Commissioner Coltrain added property acquisition could also be eligible for government funds.

In response to Commissioner Coltrain, Mr. Deal responded the runway extension would generate revenue the quickest and help pay for other projects. Mr. Deal said the hangar would need to be built soon after the runway extension in order to accommodate the additional aircraft the runway would bring.

Commissioner Mitchell asked how long it would take for a hangar to pay for itself. Finance Director Leslie Heidrick said it would be approximately ten (10) years but would depend on the amount of rent charged in the lease.

Mr. Page inquired on the runway extension and the closing of a portion of Airport Road. Mr. Page asked if the new road would qualify for federal or state funding. Commissioner Mitchell said the Department of Transportation had said the new road could be added to the TIP for funding. Commissioner Mitchell said it could be ten (10) years before that happened.

Commissioner Mitchell asked what the revenues over loss figures were from an operational standpoint. Ms. Heidrick said last year's revenues at the Airport exceeded expenditures for the first time.

Mr. Page said maintenance was currently done in house and he asked what would happen if the maintenance was privatized. Mr. Howell said there were currently three (3) repair stations and that he felt the County would lose a lot of revenue due to the maintenance crews' good working relationships with their customers.

There was a brief discussion regarding pricing for services and government control versus private business.

Commissioner Coltrain requested staff research privatizing maintenance and provide figures back to the Board.

5. DETENTION FACILITY OPTIONS

County Manager Gary Page discussed his experience with planning for and building jails. Mr. Page reviewed the three (3) options for new detention facility options as listed in the agenda packets.

Mr. Page discussed Option 1 and said he did not think the Board should consider asking the public to plan for the next 25 years and borrow \$34 million. Mr. Page said there would also be parking and aesthetic issues with a jail being downtown.

Mr. Page discussed Option 2 which consisted of a portable facility that could be located at the Airport. Mr. Page said the site would not have parking issues and would cost approximately \$4 million. Mr. Page said the facility would be temporary.

Mr. Page discussed Option 3 which consisted of a facility on county-owned property. Mr. Page said the facility could meet the immediate need for five (5) to ten (10) years and was estimated to cost \$8 million. Mr. Page said he felt Option 3 to be the best option for Rowan County.

Mr. Page said the facility costs could be spread over ten (10) years with the annual cost being \$1.1-\$1.2 million. Mr. Page said the Sheriff agreed with the recommendation for Option 3.

Mr. Page said the original design of the current jail was for 162 inmates and completion of the new pod would bring the total to 210. Mr. Page said the average daily population for January was 265 inmates. Mr. Page said the County would still be 55 beds short after the 48 bed addition was complete. Mr. Page said 40 inmates were being transferred to Sampson County still leaving Rowan County 15 beds short.

Mr. Page said there was also an average daily high count of 290 inmates which would leave the County 40 beds short. Mr. Page said Sampson County was reaching capacity and transferring inmates might not be the best long-term option.

Mr. Page proposed that the Board vote to include the ¼ cent sales tax increase on the November ballot. Mr. Page said the increase to the sales tax would generate over \$2 million, which could cover the debt payments on a new jail. Mr. Page said if the ballot initiative passed then construction would begin in April 2010 and the County would not actually see funds until July 1, 2010.

In response to Commissioner Hall, Mr. Page said the 160 bed option would cost \$9 million.

Commissioner Hall inquired what the debt service would be for a \$3 million project and Ms. Heidrick said it would be approximately \$500,000.

Commissioner Hall said she was not sure voters would approve the initiative. Commissioner Hall said the better option for the County would be to “pay as you go”. Commissioner Hall said she would like to hear from Architect Paul Bonsall on the longevity of the temporary facility proposed for Option 3.

Commissioner Coltrain said masonry construction of Option 3 would allow 50-100 years of useful life. Commissioner Coltrain said due to the current economy the cost could be projected at 20% less. Commissioner Coltrain said the extra savings could be used to build the 160 bed facility and the County could rent out the extra beds for additional revenue. Commissioner Coltrain said ¼ cent sales tax increase would be the fairest option to spread the cost to all citizens.

Chairman Ford asked if the whole shell would have to be built for the 120-160 bed Option 3 or if half could be done at one time. Mr. Page said the Board had the option to build as much or as little of the building as they chose.

Commissioner Barber inquired as to number of additional personnel needed for a new facility and Sheriff Wilhelm said the number of employees would depend on the size and style of the facility chosen.

Commissioner Barber asked if there were other options for financing the costs, other than raising property taxes if the citizens did not approve the ¼ cent sales tax.

Mr. Page said with revenues already short for the current fiscal year, he did not feel he could find additional revenues to cover the costs.

Commissioner Barber said he preferred for the Board to vote on the issues, sooner rather than later, in order to “talk up” support for the initiative on the ballot and to prepare for financing the costs.

Commissioner Mitchell said the difference between the cost of Option 3 and Option 2 was not much. Commissioner Mitchell asked how much revenue could be anticipated out of selling the extra beds in the 160 bed option. Sheriff George Wilhelm said the rate would be \$50 per bed for regular inmates and \$80 federally for ICE inmates.

Commissioner Mitchell said he preferred Option 3.

The Board discussed the importance of gaining citizen support of the ¼ cent sales tax increase.

Mr. Page said the ¼ cent sales tax increase could also help fund the radio equipment and tower upgrades being required by the Federal Communications Commission.

Sheriff Wilhelm added the last time the referendum was on the ballot there was no information or attention on the issue given to the public.

Mr. Page said he would need direction from the Board by March 16, 2009.

Mr. Parks called for a recess at 12:00 pm.

Mr. Parks reconvened the meeting at 12:45 pm.

6. TELECOMMUNICATIONS

Rob Robinson, Telecommunications Director, provided a power point presentation and talked about the Salisbury/Rowan Public Safety Radio System.

In response to Commissioner Barber, Mr. Robinson confirmed the County would need to be completely digitally transferred by January 1, 2013. Mr. Robinson said other counties around Rowan had already begun upgrading their systems and if those upgrades were completed before Rowan's, communications could be cut with those mutual aid providers.

Mr. Robinson said the 800 Trunking Radio System must be updated by 2013 in order to coincide with Cabarrus County's switch. Mr. Robinson said VHF System narrow banding was mandated by the FCC to be completed by 2013.

Mr. Robinson said the 800 Radio System was owned by the City of Salisbury and the system was comprised of one main trunking system. Mr. Robinson said there were over 2400 users or radios on the system with over 1200 County radios.

Mr. Robinson outlined the following ongoing and future issues:

- Nextel rebanding (almost complete)
- Digital upgrades needed by 2013
- Improve overall coverage
- Narrow banding of VHF System

Commissioner Barber asked how many towers would need to be added and where they would be located. Mr. Robinson said three (3) sites would need to be added and the prime site would need to be updated. Mr. Robinson used propagation maps to show the tower site locations for the best coverage possible.

Mr. Robinson provided an update on the Nextel rebanding:

- Cost was approximately \$160,000
- This money was used to upgrade all replacement radios to digital radios in preparation for the needed Digital Upgrade
- By upgrading these radios over ½ million dollars was saved

Mr. Robinson recommended the Board form a Radio Communications Committee to begin addressing the issues and to discuss the best way to implement a tower site. Mr. Robinson suggested the following individuals to serve on the committee:

- County Commissioner
- County Manager
- Emergency Services Director
- 911 Director
- City Radio Engineer or other City Representative
- Representatives from Fire Service, Sheriff's Office, Municipal Police Departments

Commissioner Coltrain agreed with Mr. Robinson's recommendation to form a committee.

Commissioner Barber offered to serve on the committee since he was the Board's Emergency Services/Rescue Squad liaison.

Chairman Ford said he would be okay with Commissioner Barber serving but that he would also serve due to his experience with radio towers.

Mr. Robinson said he would welcome all the Commissioners to serve.

Commissioner Hall said she appreciated Commissioner Barber's willingness to serve and agreed that Chairman Ford should serve due to his expertise with radio towers.

Mr. Robinson explained the County would work with Cabarrus County to share the building and maintenance costs on the facilities but the equipment for each County would be kept separate.

In response to Chairman Ford, Mr. Robinson said if the County built the towers they would be able to have space to rent to cell phone companies.

Mr. Robinson discussed the existing coverage and said the County needed to do the following to maximize coverage:

- Add 3 additional sites to maximize coverage (Pooletown site, Young's Mountain site, Cabarrus County site)
- Microwave connectivity between remote sites to main site in Granite Quarry
- Cost – unknown without a full radio study

Mr. Robinson reviewed his recommendation for a Radio Communications Committee and also suggested hiring a consultant to do a full radio study in order to prepare exact costs associated with addressing radio communication needs.

Commissioner Hall noted the County had a house for sale located on Hwy 150 which is approximately 1400 square feet on each floor. Commissioner Hall said the property may work as a communications center.

County Manager Gary Page asked about the AI's Knob site equipment and how much the County pays to use the site.

Mr. Robinson said the County pays a user fee and capital improvement fee for every radio on the system. Mr. Robinson said every new radio on the system cost \$1,000 up front and a monthly fee of \$10 per radio.

Mr. Robinson said he would like to work with the City of Salisbury to combine the system to be a Salisbury/Rowan system and do away with the user fees. Mr. Robinson said it costs the County approximately \$144,000 a year in user fees.

Mr. Parks called for a short recess at 1:30 pm.

Mr. Parks reconvened the meeting at 1:50 pm.

7. LAND USE PLAN

Planning and Development Director Ed Muire said the Planning Board's recommended version of the Land Use Study was included in the agenda packets. Mr. Muire said the Planning Board's version had amendments to the Land Use Plan (LUP) Steering Committee's (Committee) suggestions.

Mr. Muire said there had been twelve (12) months of Committee meetings with four (4) workshops and several Planning Board work sessions to complete the LUP.

Commissioner Barber said he did not know what would be accomplished from discussing the LUP as an agenda item. Commissioner Barber asked if the Board could proceed item by item through the LUP to determine the course of action to be taken.

Commissioner Mitchell said he would like to receive a presentation on the Planning Board's version of the proposed plan. Commissioner Mitchell said a special meeting could be called in order to review the LUP line by line.

Commissioner Barber said he had never been in favor of the Planning Board's recommendations.

Commissioner Coltrain said the land use study effort had been going on since approximately 1995 by various individuals and that he hoped the Board could reach a positive conclusion regarding the LUP. Commissioner Coltrain suggested the Board review the recommendations in section IV, as well as the Next Steps section to come to a consensus of achieving a basic land use plan.

Commissioner Barber said he agreed with Commissioner Coltrain as long as the Board conducted a public hearing.

Mr. Muire provided a power point presentation as he discussed the Committee and its process. Mr. Muire also discussed the County's growth and population from 1990 to 2000.

Mr. Muire said the Committee looked at development potential and created eight (8) land use categories. Mr. Muire said the categories were applied to the following three (3) distinct areas:

1. North of Hwy 152
2. Adjacent to Salisbury, China Grove, Landis and Kannapolis
3. South of Hwy 152

Mr. Muire reviewed the recommendations, which begin on page 39 of the LUP, for the three (3) distinct areas.

Commissioner Barber questioned why the Planning Board had struck the requirement, "Traditional major subdivisions that do not preserve open space and/or farmland should be rezoned or required to obtain a conditional use permit". Chairman Ford said the requirement was struck due to zoning already in place.

Commissioner Barber said he was concerned that the Planning Board recommendation was "not even close" to the version from the Committee, which was made up of people who actually lived in the affected area.

Chairman Ford said half of the Planning Board members did live in the affected area. Chairman Ford stated the plans were different and there may be room for compromise but he would be prepared to vote for the Planning Board's version.

Commissioner Coltrain said it was the Board's job to "balance" the proposed plans and he reminded the Board the LUP was a plan and not an ordinance.

Mr. Muire continued to review the recommendations from the Planning Board.

Commissioner Coltrain asked the Board to identify a time the Board could work through the recommendation section of the LUP with the commitment to end the meeting with a completed LUP. Commissioner Coltrain said the LUP would be beneficial for the County and it was time to use the voting process to come to an agreement for a successful document. Commissioner Coltrain said citizens would also have to accept the fact they might not get all they want.

Commissioner Barber said he had no problem setting a special work session for the LUP. Commissioner Barber said the Board had already been told a LUP would be required for the Airport Master Plan.

In response to Commissioner Coltrain, Chairman Ford said he thought the proposed LUP would meet the requirements for the Airport Master Plan without having to create a county-wide plan. Chairman Ford said initially he had not been in favor of a LUP but had since changed his mind due to the Airport. Chairman Ford said he was willing to accept some type of plan but not the whole plan. Chairman Ford said he was not willing to form another committee to complete the LUP.

Commissioner Mitchell suggested the Board discuss the LUP at the March 2, 2009 Commission Meeting.

Commissioner Hall asked if the Planning Board had developed a process to periodically review the LUP. Mr. Muire responded the LUP was not legally binding and therefore had no authority over zoning. Mr. Muire said the LUP would be used as a guide and a policy document to help people decide where to put their money into the County in order to get a return on the investment.

Facilitator Parks asked for consensus from the Board to discuss the LUP at the March 2, 2009 Commission Meeting and the Board agreed.

Chairman Ford recessed the meeting at 2:55 pm.

THURSDAY, FEBRUARY 26, 2009

Chairman Ford reconvened the meeting at 8:00 am.

Commissioner Coltrain provided the Invocation and also led the Pledge of Allegiance.

Commissioner Barber thanked Clerk to the Board Carolyn Athey for all the hours she had spent to make the Retreat possible. Commissioner Barber also thanked all who had attended the Retreat.

8. ECONOMIC DEVELOPMENT COMMISSION – UPDATE REGARDING MARKETING AND JOB CREATION

Robert Van Geons, Economic Development Director, thanked the Board for appointing a dynamic group of individuals to the Economic Development Commission (EDC). Mr. Van Geons introduced the EDC board members and staff.

Mr. Van Geons discussed the EDC's commitment to focus on external and internal goals and explained the primary components of the efforts:

- Proactive business retention
- Creation of new opportunities
- Focused marketing
- Targeted recruitment
- Evaluating, benchmarking and communicating the efforts and results of the EDC
- Development of new and expansion of existing strategic partnerships
- A commitment to ongoing organizational improvement

Mr. Van Geons discussed the recently received \$200,000 grant from Duke Energy's Carolinas Investment Fund for physical improvements to Summit Corporate Center (SCC) and additional Duke Energy served sites. Mr. Van Geons said the improvements to SCC may include grading, seeding, landscaping and vehicular corridor enhancements. Mr. Van Geons said new signs and access drives would be added to key parcels allowing future Duke Energy customers to better understand and assess the viability of an investment in Rowan County.

Mr. Van Geons discussed the potential of the Airport and said he would like to have a line item in the budget to market the Airport.

Mr. Van Geons addressed several projects that had happened in Rowan County over the past year including completion of Toyota Racing Development Facility, Altec Industries, Duke Energy Combined Cycle Facility, Harmony Labs Expansion, Kohl's Retail Center and the \$2 million Improvement Grant for the Airport. Mr. Van Geons also mentioned some of the issues that had taken place

in the County due to the bad economy. Those issues included NASCAR layoffs, Home Depot and Courtyard by Marriott projects delayed, Altec Industries Expansion delayed and the delay of the Duke Energy facility.

Mr. Van Geons discussed the changes in focus on improvements as:

- Food processing
- Consumer products
- Security and defense
- Non-traditional energy generation
- Inbound call centers
- Regional and Superregional service and distribution operations

Mr. Van Geons said the plan of work for Fiscal Year 2009-2010 would:

- Provide additional funding for assistance to existing industries
- Designate funds specifically designated to market the Airport
- Request a substantial decrease vs. previous years budgeted and actual spending toward overall economic development and marketing, while increasing deliverables

Mr. Van Geons said for every \$1 provided by the County, including the additional marketing funds, \$.98 of additional funding from other sources was leveraged.

Mr. Parks called for a break at 9:00 am.

Mr. Parks reconvened the meeting at 9:10 am.

9. FINANCIAL ASSESSMENT

County Manager Gary Page said he would like to change the order of discussion to allow the Board to prioritize projects before discussing the budget. Leslie Heidrick, Finance Director, distributed a spreadsheet of the debt schedule for the school system.

Ms. Heidrick reviewed the handout and explained the total school debt and how long it would take to pay off the school bonds. Ms. Heidrick said according to the spreadsheet the Board would not be able to begin funding the central office building for the schools until 2014 unless a new revenue source was found for debt service.

Ms. Heidrick distributed a second spreadsheet which included all Rowan County projects except the school system projects. Ms. Heidrick said the total debt service for the schools in 2009 was \$10,310,000 and for all other projects for Rowan County the debt service was \$3,009,000.

Ms. Heidrick said the Board had asked Mr. Page to look at building a new jail and to consider the telecommunications project. Ms. Heidrick said without any additional funds being added to debt service, a new jail facility could be started in

2012 and the telecommunications project would not be completed until 2016. Ms. Heidrick said the telecommunications project was mandated to be completed by January 1, 2013.

Ms. Heidrick said there were 30 projects considered as part of the Capital Improvement Plan but were not adopted. Ms. Heidrick said right now the Board would not be able to start any of the projects listed until 2016.

Ms. Heidrick distributed a third spreadsheet which showed the combined Rowan County debt with the school system debt. Ms. Heidrick said the proposed debt shown on the spreadsheet included items the Board had already discussed. Ms. Heidrick said if the Board was to continue with the projects included, the Board would not be able to borrow money until 2010 and the debt service payments would start in 2011.

Mr. Page discussed the Town Creek Sewer project and said it would need to be budgeted for this fiscal year. Mr. Page said due to the projects the Board had already committed to, the hangar project may need to be tabled.

Mr. Page said if the County did not build the hangar the budget would still increase \$700,000 and there would be no way to pay for other projects. Mr. Page said the ¼-cent sales tax was needed to make ends meet, as it could bring in \$2.4 million to cover the telecommunications and jail projects. Mr. Page said he would have to use some of the fund balance to cover the shortfall this year.

Mr. Page said the County would not be able to transport inmates to Sampson County indefinitely. Mr. Page discussed the timeframe for architect selection and options for payments for the jail and telecommunications projects.

Chairman Ford said he was not the biggest fan of the ¼-cent sales tax but believed it was a better option than increasing property taxes.

The Board briefly discussed how the ¼-cent sales tax would be marketed to citizens.

Commissioner Coltrain suggested the Board create a capital projects fund and designate the money from the ¼-cent sales tax to be deposited there.

Commissioner Mitchell said he would like to see some conversations as to the location of the jail and by mid-spring have a resolution on the agenda for a vote. Commissioner Mitchell said the Board would not need a resolution passed to begin the education campaign and he would prefer to be able to say “what” and “where” first.

Mr. Page suggested the Board give consensus “on the record” as to how to pay for the projects and to have a signed resolution by July 1, 2009. Mr. Page said the Board could then give the Board of Elections notice by August 1, 2009.

The Board agreed by consensus to move forward with the ¼-cent sales tax increase.

Mr. Page said if the Board were to commit to a central school office it would cost \$350,000 per year.

In response to Commissioner Hall, Mr. Page explained there was no revenue source for the hangar, the Town Creek Project or central office. Mr. Page said in order to have a new central office, the school system would have to agree to a 50/50 split.

Mr. Page said he could cut positions, make the current 5% budget cuts permanent, and continue furloughs and other measures to help balance the budget; however the Board would still have to rely on fund balance to pay for projects over the next few years.

In response to Commissioner Coltrain’s inquiry, Ms. Heidrick explained the Board did have approximately \$1 million reserved for economic development and other special purposes and said the Board could remove the designation at any time.

Commissioner Hall discussed the economy and urged the Board to be conservative. Commissioner Hall said she supported the jail and communications projects but thought it would be risky to take on other projects at this time.

Commissioner Hall distributed a handout regarding the schools test scores and said the County was below state average. Commissioner Hall said any funding increase should be channeled to the teachers to help improve reading and math scores.

Commissioner Barber said the Duke Energy project had been delayed by a year and reminded the Board that the tax revenue from Duke Energy would start in 2011 therefore the Board may only have to draw from fund balance for one year.

Facilitator Larry Parks said only one Commissioner had said “no” to a new central office project for RSS. Mr. Parks polled the Board for consensus on the issue:

- Chairman Ford replied he would support the project but not right now.
- Commissioner Mitchell said he did not want to build a central office. Commissioner Mitchell said the County needed to build a jail and upgrade the telecommunications equipment. Commissioner Mitchell described the proposed offer with a 50/50 split for a central office as a good deal.

Commissioner Mitchell said he would not vote to spend one penny on the Long Street building and would support building a central office.

- Commissioner Hall said the Board should focus on the children and should make a larger financial commitment to instructional needs. Commissioner Hall suggested a school bond as a means to increase funding to classrooms and a central office. Commissioner Hall said the instructional needs should always come first.

Mr. Parks polled the Board regarding Commissioner Mitchell's suggestion to put off building the hangar and utilizing those funds to get underway with a central school office. Commissioners Coltrain, Barber, Mitchell and Ford supported the suggestion. Commissioner Mitchell said he would like to have discussions with the Board of Education to delay the County's participation as long as possible.

Mr. Parks asked Commissioner Hall if she could support using the hangar funds for a central office and Commissioner Hall said she did not think there were funds to build a hangar.

Mr. Page said the Board had budgeted \$143,000 towards building a hangar and \$291,000, \$276,000 and \$271,000 over the next three (3) years. Mr. Page said he did not present that option because he did not want to "pick and choose" projects for the Board.

Commissioner Hall said the Board would be committing emergency fund balance money to build a central office.

Commissioner Barber said the funds from Duke Energy would cover the expense after the first year.

Commissioner Mitchell said Commissioner Hall's comments were not missing the mark. Commissioner Mitchell said the engineer's report pertaining to the safety issues at the Long Street office created an emergency situation. Commissioner Mitchell said he was supporting the central office due to the safety of the employees in the Long Street office.

Commissioner Hall said the Department of Social Services (DSS) building would be vacant and could be used as an option. Commissioner Hall said the office would address the top ranked priority of safety. Commissioner Hall said the office would not consolidate all the school offices but it would be significantly closer to the other school offices.

Commissioner Mitchell said Commissioner Hall brought up a good point and that he had not dismissed the DSS building as an option. Commissioner Mitchell said the Board would still have to consider a \$300,000 expenditure to renovate the DSS building to fit the school's needs.

Chairman Ford said he would like to hear the true savings that would be realized by consolidation. Chairman Ford said he agreed with Commissioner Mitchell on not putting money into the Long Street Office. Chairman Ford said the bond would be a good idea.

Commissioner Coltrain read from a page from the report in the feasibility study that there would be a savings of \$167,313 in the first year from consolidation.

Commissioner Barber said by consensus the Board had agreed upon putting the ¼-cent sales tax on the ballot. Commissioner Barber said he did not want to include the ¼-cent sales tax and school bonds during the same year.

Commissioner Mitchell said he did not want to wait thirteen (13) months for the DSS building.

Mr. Parks said there were four (4) Commissioners in support of using the hangar funds.

Mr. Parks questioned the support of a school bond and Commissioners Coltrain and Barber said they would not support a school bond. Commissioners Ford, Mitchell and Hall agreed the school bond would be a viable option.

Ms. Heidrick said there would be a couple of issues with a school bond. Ms. Heidrick explained a bond for \$120,000 million would create a debt service of \$5-\$7 million/year. Ms. Heidrick said bonds offer a cheaper interest rate but the upfront costs are high. Ms. Heidrick said the County would have to raise taxes by about 5 cents in order to cover a bond that size.

In response to Commissioner Hall, Ms. Heidrick said the money to pay for a central office would need to come from fund balance. Ms. Heidrick said the County's fund balance has been steady in prior years. Ms. Heidrick said she would never propose to continually take money from fund balance.

The Board continued to discuss the pros and cons of building a central office.

Mr. Parks said there was 4-1 support to use hangar funds and he encouraged the County Manager to use this support in budget preparations.

Commissioner Coltrain repeated the Board's decisions were to move forward with the jail, communications project and central office. Mr. Parks said there was support was for all three (3) projects.

Commissioner Mitchell said he would like to ask the County Manager to speak with the BOE about delaying the County's involvement as well as discuss the classroom supply money.

Chairman Ford agreed with Commissioner Mitchell and suggested finding another use for the money such as supplying it to County departments.

Mr. Parks called for a short break at 11:00 am.

Mr. Parks reconvened the meeting at 11:18 am.

10. REVIEW OF 2008 COMMISSION GOALS / DISCUSSION OF 2009 GOALS

Ms. Heidrick provided a handout for the Board to use to prioritize projects for fiscal year 2010 and beyond.

Mr. Parks asked the Board to take a few minutes to prioritize the projects listed and he suggested the Board turn priorities in first and then review all the topics listed.

Commissioner Barber briefly commented on his priorities and suggested some items be grouped together.

Commissioner Barber asked for clarification concerning the detention center. Mr. Page said he was moving forward on a location for a jail and would bring more information back to the Board. Mr. Page reviewed the three (3) jail options provided and asked for the Board's preference. Mr. Page said the ¼-cent sales tax could be used to pay for either Option 2 or Option 3.

The Board responded as follows:

- Commissioner Hall- Option 2
- Chairman Ford- Prefers Option 3, could agree with Option 2
- Commissioner Mitchell- Prefers Option 3, could agree with Option 2
- Commissioner Barber- Prefers Option 3, could agree with Option 2
- Commissioner Coltrain- Option 3

Mr. Page said he could provide more information to the Board on Option 2 which could save approximately \$600,000 a year.

Facilitator Parks asked the Board if there was anything that had not been covered that they would like to discuss.

Commissioner Coltrain reviewed that outside of capital needs and personnel the following items were needed:

- Management items
- Capital Improvement Plan
- Fund Balance Policy
- Communications and Systems Plan
- Land Use Plan
- Telecommunications Committee
- Airport Board

Commissioner Barber stated he appreciated the professional dialogue that had commenced over the past three (3) days.

Mr. Parks asked the Board to critique the format of the Retreat.

Commissioner Barber responded the format met his needs and hoped more citizens would be involved in the future.

Commissioner Coltrain said the format worked well.

Chairman Ford said he believed the process worked well except there was some people who the Board needed to hear less from and more from others.

Mr. Parks noted that Thad Howell, Airport Manager, had done a fantastic job and he thanked the Board for the opportunity to field questions.

Commissioner Mitchell said Staff provided exactly what was asked for. Commissioner Mitchell said some of the presentations received were budget requests and he expressed hope that the department head presentations could be eliminated. Commissioner Mitchell said the department requests should be fielded through the County Manager. Commissioner Mitchell said he preferred for future retreats to focus around different types of discussions. Commissioner Mitchell suggested that future retreats not be for three consecutive days but rather for the Board to receive options on day one and ask questions, wait a few days and come back to hear the answers.

Commissioner Hall said Commissioner Mitchell's comments were "right down the line". Commissioner Hall said the Retreat was productive with good interaction between Board members.

Mr. Parks said he felt the Board had great interaction and was impressed with the way the Manager had presented cases to the Board. Mr. Parks said he was also impressed with the questions the Board had asked. Mr. Parks said he thought the Board had good debate and had observed the ground rules. Mr. Parks said Commissioner Mitchell's suggestion of a split version of the Retreat would be good. Mr. Parks said he had enjoyed working with everyone and he turned the meeting over to Chairman Ford.

Chairman Ford asked for the results of the prioritization and Ms. Heidrick passed out the tallied sheets.

Commissioner Barber asked for one correction on the priority list, and he explained the Animal Shelter Expansion should have been listed as a "3" for him.

The priorities were listed as follows:

RETREAT 2009 PRIORITIES

**1 - Try to accomplish during
FY 2010**

**2 - Supports the project, but it can wait until future budget years (beyond
FY 2010)**

**3 - Project is "not on funding radar" at this
time**

Projects	Ford	Barber	Mitchell	Hall	Coltrain
Administration					
Three HR positions \$ 125,000	2	2	2	3	2
Maintenance/warehouse facility \$2,000,000	2	2	2	3	2
Finance					
Electronic timesheets \$ 120,000	1	1	2	2	1
Information Systems					
Technology plan ?	2	1	3	-	1
Elections (and Mental Health)					
Building renovations ?	2	2	2	2	2
Social Services					
Ten positions (60% funded by State) \$ 144,000	2	1	2	-	2
Document management system \$ 700,000	2	1	2	1	1
Health					
Animal shelter expansion \$ 500,000	3	3	3	3	3
Emergency Services					
West Rowan site \$1,200,000	2	2	2	2	2
Two ambulances \$ 270,000	2	2	2	2	2
Fifteen positions \$ 675,000	2	2	2	2	3
Environmental Management					
Permitting and design of cell #4 \$ 363,000	2	1	1	2	3
Planning and Development					
Land use planning process ?	2	-	1	1	1
Orthophotography (2009 budget) \$ -	2	1	2	-	1
Tax Administration					
Oblique photography ?	2	1	2	-	2
Two positions:					
In-house auditor ?	2	1	2	1	2
Mapper ?	2 (bring in-house)	1	1	-	2
Parks					
Farm Life Preservation Center - Sloan ?	3	3	2	2	2

Restrooms - Ellis and DNP	?	3	3	2	2	2
Renovate 36-hole putt putt course - DNP	?	3	3	2	2	1
Expand Campground - DNP	?	3	3	2	2	2
Teaching/Learning Center - DNP	?	3	3	2	2	3
Ball field lights - Ellis	?	3	3	2	2	3
Restrooms and food booths - Fairgrounds	?	3	3	2	2	1
Sheriff						
Detention Center expansion:						
Temporary facility	\$4,100,000					
OR						
Permanent facility - Phase I	\$8,000,000	2	1	1	1	1
Twelve positions - patrol deputies	\$ 450,000	2 (1/2 or less)	1	2	-	1
Telecommunications						
Radio system upgrades	\$12,500,000	1	1	2	1	1
Nine positions	\$ 400,000	1	-	3	-	-
Rowan-Salisbury Schools						
Central office (\$350,000 annually)	\$7,500,000	2	1	1	2	1
Airport						
Corporate hangar	\$1,000,000	3	3	2	2	2
Community hangar	\$1,000,000	3	3	2	2	2
Maintenance and wash facility	\$1,500,000	3	3	3	2	2
Financial Assessment						
1/4-cent sales tax		1	1	1	1	1

ADJOURNMENT

With no further business to come before the Board, Chairman Ford adjourned the meeting at 11:56 pm.

Respectfully Submitted,

Carolyn Athey
Clerk to the Board