

**MINUTES OF THE MEETING OF THE
ROWAN COUNTY BOARD OF COMMISSIONERS
December 19, 2011 – 2:00 PM**

J. NEWTON COHEN, SR. ROOM

J. NEWTON COHEN, SR. ROWAN COUNTY ADMINISTRATION BUILDING
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Present: Chad Mitchell, Chairman
Carl Ford, Vice-Chairman
Jon Barber, Member
Raymond Coltrain, Member
Jim Sides, Member

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

Chairman Mitchell convened the meeting at 2:00 pm.

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

CONSIDER APPROVAL OF THE MINUTES

Commissioner Barber moved, Commissioner Coltrain seconded and the vote to approve the minutes of the December 5, 2011 Commission Meeting passed unanimously.

CONSIDER ADDITIONS TO THE AGENDA

Commissioner Sides moved to add a request to set public hearings for the first and second meetings in January for CDBG grant applications. The motion was seconded by Commissioner Barber and passed unanimously.

CONSIDER DELETIONS FROM THE AGENDA

There were no deletions from the agenda.

CONSIDER APPROVAL OF THE AGENDA

Commissioner Barber moved, Commissioner Sides seconded and the vote to approve the agenda passed unanimously.

1. PUBLIC COMMENT PERIOD

Chairman Mitchell opened the Public Comment Period to entertain comments from any citizens wishing to address the Board. With no one wishing to address the Board, Chairman Mitchell closed the Public Comment Period.

2. CONSIDER REQUEST FOR FINAL APPROVAL OF 911 RADIOS

Chairman Mitchell recalled that when discussions regarding the 911 radios had first begun two (2) years ago, the City of Salisbury (City) had thought the County's timeline would not meet their needs for the provision of radios. The City purchased a Motorola 5000 series for their fire and police services. Chairman Mitchell said initially the County considered the 2500 series radio; however, due to current pricing discounts, the County was now able to afford level 6000 radios. Chairman Mitchell noted that the 6000 radios were not available when the City made its radio purchase.

Chairman Mitchell said the request was for the purchase of 946 radios with a second request for the City for 50 radios.

Chairman Mitchell continued by providing an update regarding a meeting he and County Manager Gary Page held just prior to the Board meeting with the Salisbury Mayor Paul Woodson and the Interim City Manager. Chairman Mitchell said the City was willing to allow the County to take over a complete merger and management of 911 operations and was also ready for the County to build a backup 911 Center at a location of the County's choosing.

Telecommunications Director Rob Robinson said the request for the purchase of the radios was a one-time, year-end offer only. Mr. Robinson said a meeting was scheduled with the Fire Association due to a contingency with radios purchased through grants by the volunteer fire departments (VFD). Mr. Robinson said the plan was to take the radios back from the VFD and reissue those radios to law enforcement agencies. Mr. Robinson said Motorola was willing to buy back the old 2000 series radios as part of a discount to the County.

Chairman Mitchell said it would be best to consider the requests separately.

Commissioner Sides made a motion to move ahead with the purchase of 946 radios as previously discussed. The motion was seconded by Commissioner Ford and passed unanimously.

Commissioner Sides moved to defer any discussion for the purchase of additional radios to a later date. The motion was seconded by Commissioner Ford.

Commissioner Coltrain questioned Commissioner Sides as to the rationale for the motion. Commissioner Sides explained that the Board had just received the request from the City and there was a lot of discussion to take place.

Commissioner Sides said he was agreeable to considering at some point in time a discussion for the purchase of the City's radios. Commissioner Sides felt it was early in the process to determine the County was actually under budget and he felt there were a lot of issues to be resolved with the City, including a Memorandum of Understanding (MOU).

In response to a query from Commissioner Coltrain, Chairman Mitchell said discussions with the City had not gotten to the point to be put into writing.

Commissioner Coltrain said the other municipalities would benefit and law enforcement agencies would be able to upgrade their radios, as well. Commissioner Coltrain said he felt a decision could be made during the current meeting.

Commissioner Barber supported the information in the agenda packet. Commissioner Barber said there had been discussions that the County would no longer have to pay user fees, which would offset the costs of the radios.

Commissioner Barber asked Mr. Page if there was approximately \$1.5 million in reserves from collection of sales tax revenue. Mr. Page said the ¼ cent sales tax had been collected since July of 2010 and was a "safety net" for the purchase of the radios, building the 911 Center, and having definite knowledge of how many towers might need to be erected. Mr. Page said the taxpayers approved borrowing \$12 million and the County had borrowed \$9.7 million. Mr. Page said the County was currently working with the State on tower sites.

Commissioner Barber questioned the radio prices and Mr. Robinson confirmed the prices would be higher after the first of the year. Commissioner Barber felt all firefighters should have the same radios.

Chairman Mitchell said if the project moved forward as it appeared, the County would be taking over the operation of the Telecommunications Center. Chairman Mitchell said the only matter that would be left the County was not in physical control of would be the head-in, or prime tower site, which the County may or may not be leasing. Chairman Mitchell said he did not want to make a decision "today" based on the possibility of having the lease fee removed. Chairman Mitchell said the only item of certainty was that if the County had to build its' own prime tower site, it would cost approximately \$5 million. Chairman Mitchell said debt service for the County would still be at least \$160,000 more per year than the County was currently paying. Chairman Mitchell added that the figure did not take into account upgrades that would occur and be a constant addition to the budget. Chairman Mitchell said in the current situation, if the County was able to spend \$185,000, potentially save \$140,000 and not have to build a prime site, it would be cheaper for the taxpayers. Chairman Mitchell said spending the \$185,000 was a savings as opposed to having to build a prime site. Chairman

Mitchell said as far as the operation of the system, the County should own the prime site and be in control of the facility.

Mr. Page discussed the City's original request, which he explained he had cut from 65 radios down to 50. Mr. Page said the purchase of 50 radios already put the County over budget.

Chairman Mitchell said he supported the purchase of the 50 radios since it would be cheaper than building a prime site at a cost of \$5 million.

Commissioner Sides said two (2) weeks ago the City indicated it was willing to sign an MOU, drop the \$140,000 fee, move into the County's 911 Center and let the County take over \$400,000 per year in payroll costs for the City's dispatchers. Commissioner Sides said for the \$400,000 tradeoff, the County would keep the \$140,000 it paid for the use of the head-in. Commissioner Sides said the City now indicated it did not want to pay the County \$150,000 for property tax collections and he expressed displeasure that the City kept adding additional qualifications and changing the ground rules. Commissioner Sides said until all agreements were in place, he was not willing to order \$185,000 in radios.

Chairman Mitchell asked Mr. Page how long the County would have to cancel the order if the 50 radios were ordered. Mr. Page responded that the radios would be ordered under contract. Mr. Page said if the County and City could not reach an agreement with an MOU, the radios would be placed in inventory until they were needed elsewhere.

Commissioner Sides asked if a trade-in had been negotiated for the 50 radios the City would be replacing and Chairman Mitchell said the matter would be looked into. Chairman Mitchell said the City used more than 50 radios and he explained why the trade-in might be for less than 50.

Mr. Page said approval was needed to purchase the 946 radios and he was not aware until last Tuesday the City wanted the County to purchase the additional radios. Mr. Page said if the City had not made its request, the County would have ordered the 946 radios and in two (2) weeks, the County would have begun working on the MOU for the head-in.

Commissioner Sides felt someone should have questioned Motorola regarding the trade-in for the 5000 series radios.

Commissioner Coltrain said excluding all the unknowns, the principle was to treat people fighting fires in all municipalities the same. Commissioner Coltrain felt the County should take advantage of the opportunity to purchase state of the art equipment and save \$65,000.

Commissioner Coltrain called the question and Commissioner Ford commented that he had not yet had the opportunity to speak.

Commissioner Ford said he had no problem purchasing the radios for the City; however, he stated he had served on a 911 Committee with Commissioner Barber a couple of years ago where the City representative stated he did not wish to partner with the County on the 911 project. Commissioner Ford said the Board found out about the City's request for 50 radios when board members picked up their agenda packets. Commissioner Ford said board members learned 2 hours ago the City was requesting a trade-off for the \$150,000 in tax collections. Commissioner Ford said the question was now raised as to the trade-in value for the 5000 series radio. Commissioner Ford felt the process had been "muddied up".

Commissioner Barber said if the radios saved one firefighter's life, the purchase was worth it.

Commissioner Ford agreed with Commissioner Barber and said he had no problem supporting the purchase of the radios for Salisbury; however, he said the remaining issues needed to be discussed.

Commissioner Sides felt the Board should take a chance that Motorola would give the County a discount later and the Board should hold off until a MOU was signed with the City and all agreements made final. Commissioner Sides said the County had not received cooperation from the City since the inception of the project.

Upon being put to a vote, the motion to delay a decision for the purchase of 50 radios failed 2-3 with Commissioners Mitchell, Coltrain and Barber dissenting.

Commissioner Coltrain made a motion to move forward with the purchase of 50 radios as requested by the County Manager for the use of the Salisbury City Fire Department. The motion was seconded by Commissioner Barber and passed 3-2 with Commissioners Ford and Sides dissenting.

3. CONSIDER RESOLUTION APPROVING SALE OF REFUNDING BONDS, SERIES 2011, AND OFFICIAL STATEMENT AND FINAL OFFICIAL STATEMENT

Chairman Mitchell read the resolution in the agenda packet as follows:

RESOLUTION APPROVING SALE OF REFUNDING BONDS, SERIES 2011

WHEREAS, the Local Government Commission of North Carolina has informed the Board of Commissioners of the sale of the County of Rowan \$17,990,000 Refunding Bonds, Series 2011, dated December 22, 2011 (the "Bonds") and that the contract of sale contemplates that the Bonds shall be payable and bear interest as hereinafter provided; and

WHEREAS, the Board of Commissioners of the County of Rowan (the "Issuer") desires to take such actions as are necessary to approve the terms of such sale, to approve the official statement and final official statement circulated in connection therewith and to authorize and/or confirm such other documents and actions contemplated by such sale: NOW THEREFORE,

BE IT RESOLVED by the Board of Commissioners of the Issuer, as follows:

1. The Board of Commissioners approves the sale of the Bonds to Robert W. Baird & Co., Inc. The Bonds shall mature on February 1 in the years and principal amounts and bear interest from their date payable on February 1, 2012 and semi-annually thereafter on August 1 and February 1 at the rates per annum, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2012	\$ 235,000	2.00%
2013	115,000	2.00
2014	2,715,000	2.00
2015	2,740,000	2.00
2016	2,865,000	4.00
2017	3,185,000	2.00
2018	3,085,000	4.00
2019	3,050,000	2.00

The refunding bond resolution adopted by the Board of Commissioners on November 21, 2011 shall be amended accordingly.

2. The Official Statement dated December 5, 2011 setting forth financial and statistical data in connection with the offering of the Bonds, which was circulated with the Notice of Sale thereof, and the Final Official Statement dated December 13, 2011, are hereby approved. In connection with this approval, the Board of Commissioners of the Issuer has examined copies of the Official Statement and the Final Official Statement and has, to the extent and in the manner it has deemed necessary, discussed the contents thereof with officers of the administration of the Issuer. The Board of Commissioners of the Issuer does hereby recite that, upon its examination and discussions, nothing has come to its attention which would lead it to believe that said Official Statement or said Final Official Statement contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, provided that the Board of Commissioners makes no recitation with respect to consideration of information supplied by, or which should have been supplied by, the successful bidder for the Bonds. The execution of the Official Statement and the Final Official Statement by the Chairman of the Board of Commissioners, the County Manager and the Finance Director is hereby authorized and approved.

3. The Chairman of the Board of Commissioners, the County Manager, the Finance Director and other officers of the Issuer are hereby authorized and directed to take all other

actions necessary in connection with the sale and issuance of the Bonds and the effectuation of the purposes for which the Bonds are being issued.

4. This resolution shall become effective upon its adoption.

Commissioner Sides moved approval of the resolution approving sale of refunding bonds, series 2011, and official statement and final official statement. The motion was seconded by Commissioner Coltrain.

Commissioner Barber discussed the County's bond rating and expressed appreciation to County Staff for financial recommendations and to the Board for passing a balanced budget each year.

Upon being put to a vote, the motion on the floor passed unanimously.

ADDITION

Consider Request to Set Public Hearings for January 3, 2012 and January 17, 2012 for CDBG Grant Applications for Magna Composites

Commissioner Coltrain moved, Commissioner Sides seconded and the vote to set a public hearing for the first and second board meetings in January 2012 for CDBG grant applications passed unanimously.

4. ADJOURNMENT

There being no further business to come before the Board, Commissioner Sides moved to adjourn at 2:42 pm. The motion was seconded by Commissioner Coltrain and passed unanimously.

Respectfully Submitted,

Carolyn Athey, CMC, NCCCC
Clerk to the Board/Assistant to the County Manager