

MINUTES
LINCOLN COUNTY BOARD OF COMMISSIONERS
MONDAY, MARCH 15, 2010

The Lincoln County Board of County Commissioners met on March 15, 2010 at the Citizens Center, Commissioners Room, 115 West Main Street, Lincolnton, North Carolina, the regular place of meeting at 6:30 PM.

Commissioners Present:

Alex E. Patton, Chairman
Bruce Carlton
George Arena
James A. Klein
Carrol D. Mitchem

Others Present:

George A. Wood, County Manager
Martha W. Lide, Assistant County Manager
Jeffrey A. Taylor, County Attorney
Amy S. Atkins, Clerk to the Board
Kelly Atkins, Planning and Inspections Director
Randy Hawkins, Zoning Administrator
Leon Harmon, Finance Director

Call to Order: Chairman Patton called the March 15, 2010 meeting of the Lincoln County Board of Commissioners to order.

Reverend J. V. Allen of Boger City Wesleyan Church gave the Invocation. Chairman Patton led in the Pledge of Allegiance.

Adoption of Agenda: Chairman Patton presented the agenda for the Board's approval.

AGENDA

LINCOLN COUNTY BOARD OF COMMISSIONERS

MARCH 15, 2010

6:30 PM Call to Order

Invocation - Rev. J.V. Allen, Boger City Wesleyan Church

Pledge of Allegiance

1. 6:32 PM Adoption of Agenda

2. 6:33 PM Consent Agenda

- Child Abuse Prevention Month Proclamation
 - Acceptance of Records Retention Schedule for Sheriff's Office
 - Approval of Minutes
 - March 1, 2010
 - Refunds Over \$100 - February 2 - 14, 2010
3. 6:35 PM Public Comments
 4. 6:50 PM Planning Board Recommendations - Randy Hawkins
 - CUP #296 - Vesuvius Vineyard Inc., applicant
 - NC 16 Corridor Vision Plan
 - Motion to Accept the NC 16 Corridor Vision Plan dated December, 2009; further to strongly endorse the NC 16 Vision contained in the plan; and to also direct the Planning Board and the County Manager to review the implementation steps contained in the NC 16 Corridor Vision Plan at pages 47-56, and to develop by the end of June a detailed schedule for implementing those steps
 5. 7:00 PM Public Hearing on the Proposed WMBE Outreach Plan and Verifiable Percentage Goal in Awarding Contract of \$300,000 or more - George Wood
 6. 7:05 PM Motion to Adopt Resolution #2010-18: A Resolution to Adopt an Outreach Plan and to Establish a Verifiable Percentage Goal for Participation by Minority Businesses in the Awarding of Building Construction Contracts Pursuant to NCGS 143-128.2 - George Wood
 7. 7:10 PM Motion to Adopt Resolution #2010-19: A Resolution to Adopt a Purchasing Policy for Lincoln County, North Carolina - George Wood
 8. 7:15 PM Motion Concerning the Renewal of the Annual Contract with the Charlotte Area Transit System for Express Service to Eastern Lincoln County - George Wood
 9. 7:25 PM Community Transportation (CTP) Application - Ron Rombs
 - Public Hearing Concerning CTP Application
 - Approval of Resolution #2010-20, Resolution #2010-21, and Resolution #2010-22
 - Approval of Grant
 10. 7:35 PM Lake Norman Marine Commission Update - Rich Permenter
 11. 7:45 PM Update on Key MH/DD/SA Issues and Request for Approval of Inter-local Agreement Between Gaston, Lincoln, and Cleveland Counties for Formation of Mental Health Service Agency - Rhett Melton
 - 11a. Motion to authorize funding to the BOE for repairs to St. James Elementary School, with any proceeds from litigation against the contractor, sub-contractors, and suppliers to reimburse this cost - George Wood
 12. 8:00 PM Motion to Approve Changes to the Medical Insurance Plans for FY 2011 - George Wood
 13. 8:05 PM Motion to Accept a HAVA Grant in the Amount of \$18,835 to Improve Disability Access at Voting Precincts - Judy Caudill
 14. 8:15 PM Capital Project Report - Burns Whittaker
 15. 8:20 PM Finance Officer's Report - Leon Harmon
 16. 8:25 PM County Manager's Report - George Wood
 17. 8:30 PM County Commissioners' Report

18. 8:35 PM County Attorney's Report
- Update on Incorporation Issues
 19. 8:40 PM Vacancies/Appointments
 20. 8:45 PM Calendar
 21. 8:50 PM Other Business
- Adjourn

UPON MOTION by Commissioner Carlton, the Board voted unanimously to adopt the agenda with Commissioner Mitchem discussing Incorporation under Other Business.

Consent Agenda: **UPON MOTION** by Commissioner Carlton, the Board voted unanimously to approve the Consent Agenda.

Consent Agenda

- Child Abuse Prevention Month Proclamation
- Acceptance of Records Retention Schedule for Sheriff's Office
- Approval of Minutes
 - March 1, 2010
- Refunds Over \$100 - February 2 - 14, 2010

April
2010

Child Abuse Prevention Month Proclamation

Whereas, preventing child abuse and neglect is a community problem affecting both the current and future quality of life of a community;

Whereas, child maltreatment occurs when people find themselves in stressful situations, without community resources, and do not know how to cope;

Whereas, the majority of child abuse cases stem from situations and conditions that are preventable in an engaged and supportive community.

Whereas, child abuse and neglect can be prevented by making sure each family has the support they need to raise their children in a healthy environment;

Whereas, child abuse and neglect not only cause immediate harm to children, but are also proven to increase the likelihood of criminal behavior, substance abuse, health problems such as heart disease and obesity, and risky behavior such as smoking;

Whereas, all citizens should become involved in supporting families to provide safe, nurturing environments for their children giving them the opportunity to grow up to be caring, contributing members of the community;

Whereas, effective child abuse prevention programs succeed because of partnerships created among social service agencies, schools, faith communities, civic organizations, law enforcement agencies, and the business community;

Therefore, I do hereby proclaim

April as Child Abuse Prevention Month and call upon all citizens, community agencies, faith groups, medical facilities, elected leaders and businesses to increase their participation in our efforts to support families, thereby preventing child abuse and strengthening the communities in which we live.

Signature

Date

ITEM #	STANDARD-G PROGRAM OPERATIONAL RECORDS: SHERIFF RECORDS		
	RECORD SERIES TITLE	DISPOSITION INSTRUCTIONS	CITATION
89.	SEXUAL OFFENDER RECORDS Records concerning sexual offenders living within jurisdiction.	a) Destroy in office records of persons registered in the "Sex Offender and Public Protection Program" after court petition and review by the State; or after 30 years or length of court order, whichever is greater; or when individual is known dead. b) Destroy in office records of persons registered in the "Sexually Violent Predator Program" when individual is known dead or after 90 years.	
90.	SHIFT ASSIGNMENT RECORDS Schedules assigning officers to the shifts they will be working. May include special assignments for extra work.	Destroy in office when superseded or obsolete.	
91.	SPECIAL ORDER RECORDS Special orders issued by sheriff concerning the adoption or revision of policy and established procedures on department, division, section, or individual level.	a) Retain records with historical value permanently. b) Destroy in office remaining records when superseded or obsolete.	
92.	STATISTICAL REPORTS Statistical reports and summaries of all law enforcement activities undertaken by sheriff's office. May include copies of uniform crime reports submitted to the N.C. Department of Justice.	Follow disposition instructions for REPORTS AND STUDIES (INTERNAL ADMINISTRATION) item 42, page 8.	
93.	TELETYPES FILE Teletype notices received from or sent to various law enforcement agencies concerning lost property, wanted persons, arrests, missing persons, and other related topics.	Destroy in office when administrative value ends.	

ITEM #	STANDARD 6: PROGRAM OPERATIONAL RECORDS: SHERIFF RECORDS		
	RECORD SERIES TITLE	DISPOSITION INSTRUCTIONS	CITATION
94.	TOWED/SEIZED VEHICLE INVENTORIES Inventories of towed and seized vehicles.	Destroy in office after 1 year.	

LINCOLN COUNTY TAX DEPARTMENT
MOTOR VEHICLES

REQUEST FOR REFUNDS

PERIOD COVERED (FEBRUARY 2, 2010-FEBRUARY 14, 2010)

G.S.#105-381(B) ALL REFUNDS MORE THAN \$100.00
(and) #105-325 including (A) (6)

NAME	YEAR	DIST	A/C#	AMOUNT	REASON
DCFS TRUST	2008	ELFD	0201037	138.07	PRO-RATED BILL
FOLEY, PATRICK M.	2009	DFD/ELSD	0217080	102.16	PRO-RATED BILL
FINANCIAL SERVICES VEH.	2008	DFD/ELSD	0175906	220.59	PRO-RATED BILL
TOTAL				\$460.82	

LINCOLN COUNTY TAX DEPARTMENT
ANNUALS

REQUEST FOR REFUNDS

1

PERIOD COVERED (FEBRUARY 2, 2010-FEBRUARY 14, 2010)

G.S.#105-381(B) ALL REFUNDS ANNUAL MORE THAN \$100.00
(and) #105-325 including (A) (6)

NAME	YEAR	DIST	A/C#	AMOUNT	REASON
PEARSALL, HERBERT R.	2008/09	DFD/ELSD	0205806	1,433.41	PER VALUE CHANGE BY PROP TAX COMM.
TOTAL				\$ 1,433.41	

Public Comments: Chairman Patton advised that this was the time the Board of Commissioners would receive comments from the citizens regarding any matter they desired to address.

Steven Landry, Denver, stated that his daughter rides the 88x bus to college in Charlotte. He said they are a one-vehicle family and his daughter does not have a license or a car. He said it would be really inconvenient if this bus service was not there.

Susanne Landry, Denver, stated that she is speaking on behalf of her daughter. She said you hear so much about hope, and you have a child who tries to do well there is always something that rolls out in front of them to trip them. She said she would like to just make sure this bus service is continued.

Shad Spencer, Denver, presented numbers he gathered from CATS concerning ridership. He said the ridership has increased since the bus reduction last year. He said according to CATS, the 88x is the third most efficient regional bus in their system. He said this service is utilized by a number of people.

Sharon Scharf stated that she moved to Lincoln County from Southern California. One of the reasons she chose Lincoln County was the public transportation. She said she works in uptown Charlotte. Ms. Scharf asked the Board to consider all the facts.

Greg Coffey stated that he has ridden the 88x bus since the beginning. He said when they went from 4 buses to 3 buses, they lost some ridership. He said he hears a lot of Lincoln County residents that still ride, but drive to Cornelius or Huntersville to get on. He said they would probably come back if the service was expanded. He said there are CPCC students that ride the bus. There is also an elderly lady who rides to her job at Bojangles, she does not drive and this is her only transportation to work. He asked the Board to extend this for one year until more development is completed and possibly the route is taken to Catawba County where they could share the costs.

Martin Oakes said that unfortunately Public Comments comes after the Consent Agenda. He said what the Board did in approving the Records Retention for the Sheriff means the shredder will be going all night. He said there is far too much flexibility in what has been given to the Sheriff.

Being no additional speakers, Chairman Patton declared the public comments section closed.

Planning Board Recommendations – Randy Hawkins:

Conditional Use Permit No. 296 – Vesuvius Vineyard Inc., applicant: The Planning Board voted 6-1 to recommend approval.

UPON MOTION by Commissioner Klein, the Board voted 4-1 (Patton against) to accept the Planning Board's recommendation and approve Conditional Use Permit No. 296 – Vesuvius Vineyard Inc., applicant, with the Planning Board's Findings of Fact.

NC 16 Corridor Vision Plan: Randy Williams stated that Planning Board heard the NC 16 Corridor Vision Plan at their last meeting. The Planning staff recommended the adoption of the NC 16 Vision Plan to the Planning Board. After discussion, the Planning Board voted 5-3 to commend the steering committee for its efforts and to work on a plan, and to recommend that it be received by the Board of Commissioners.

Gary Garlow stated that the Planning Board wholeheartedly supports and endorses the NC 16 Vision. The 5-3 vote in no way was a vote against the NC 16 Vision and the work of the Committee. He said they discussed in great detail was the mechanics of moving forward. He said there were concerns that if they recommended a full adoption, it may carry legal implications for things contained in the plan that really needed to put in an implementation plan. He said they fully support the motion before the Board tonight.

Commissioner Carlton asked about the three votes against this. Gary Garlow stated that those three wanted the motion to be to totally approve the Vision Plan. The concern of the others was that there could be some inadvertent legal implications.

Bo Moore spoke concerning the NC 16 Corridor Vision Plan.

Commissioner Klein thanked the Committee for working on this for 2 years and giving such a terrific document.

UPON MOTION by Commissioner Carlton, the Board voted unanimously accept the NC 16 Corridor Vision Plan dated December, 2009; further to strongly endorse the NC 16 Vision contained in the plan; and to also direct the Planning Board and the County Manager to review the implementation steps contained in the NC 16 Corridor Vision Plan at pages 47-56, and to develop by the end of June a detailed schedule for implementing those steps

Public Hearing on the Proposed WMBE Outreach Plan and Verifiable Percentage Goal in Awarding Contract of \$300,000 or more – George Wood:

Chairman Patton opened the public hearing concerning the public hearing on the proposed WMBE Outreach Plan and Verifiable Percentage Goal in awarding contract of \$300,000 or more.

Being no one wishing to speak, Chairman Patton declared the public hearing closed.

Martha Lide, Assistant County Manager, presented the following information:

In the 2009-10 Budget, the Board approved the addition of a Purchasing Agent so that we could develop and implement an overall policy for purchasing for the County. The first step in that process was to develop the attached Purchasing Policy which we recommend you adopt today. The overall intent of the policy is to ensure that we always seek out and award purchase orders to the lowest responsible, responsive bidders while taking into consideration quality, performance, technical support, delivery schedule, past performance and other relevant issues. The Lincoln County Purchasing Policy:

- Complies with the General Statutes and ethical requirements of purchasing and procurement
- Assures vendors that they will receive transparent, impartial and equal treatment when doing business with Lincoln County
- Ensures that we are getting the maximum value for our tax payer dollars by utilizing various thresholds for obtaining quotes and competitive bidding
- Establishes a process for developing specifications, and actively, systematically searching for suppliers to meet those needs
- Sets up a purchasing procedure which balances the needs of departments to have required goods, equipment and services in a timely manner, with a centralized system for monitoring, consolidating where possible and overseeing purchases.

The attached Lincoln County Purchasing Policy has been developed over the last several months with input from various County department heads. It builds upon policy manuals for other local government and information supplied by the UNC School of Government. A Lincoln County Minority and Women's Business Enterprise (WMBE) Policy is also attached. All Counties are required to adopt WMBE Policies by the State/federal governments. The Purchasing Policy manual also includes a section on Lincoln County Vendor requirements. Highlights of the Purchasing Policy, the WMBE Policy and the Vendor Requirements are below:

Purchasing Policy:

- Applies to all County departments, agencies and offices under the aegis, supervision and funding of the Lincoln County Board of Commissioners
- Creates a process for determining standards and specifications for products and services
- Requires that purchase orders be used for all purchases with the following exceptions: petty cash purchases, procurement card, recurring contractual obligations (leases, utilities), natural gas supplies, investment purchases, and major contracts where a formal contract will be utilized.
- Requires that funds must be budgeted prior to approval of purchase orders.
- Clearly defines policies on conflicts of interest, gifts and favors
- Outlines the legal restrictions on “local preferences” for purchasing. The County cannot and will not make purchasing decisions solely on the basis of vendor residency.
- Outlines the process and thresholds for each of the following purchasing methods:
 - Purchases on Open Market – less than \$1,000
 - Informal Quotes by department heads - \$1,000 to \$2,500
 - Informal Quotes by Purchasing Agent - \$2,500 to \$5,000
 - Informal Seal Bid Process –
 - \$5,000 - \$90,000 (apparatus, supplies, equipment)
 - \$5,000 – to \$300,000 (construction repairs renovations)
 - Formal Sealed Bids
 - Over \$90,000 (apparatus, supplies, equipment)
 - Over \$300,000 (construction repairs renovations)
- Provides exceptions to the formal bidding process, as outlined in the NC General Statutes, including during a state of emergency, contracts with other governmental entities, “piggybacking” (adding on to valid contracts with other governmental entities that have been bid in last year), purchasing used apparatus, supplies or equipment, guaranteed energy saving contracts, purchase of information technology using State contracts, purchase of fuel, and single source items.
- Outlines the process for Fixed Price Agreements.
- Outlines the process for procuring professional services and architectural, engineering and surveying services.
- Outlines methods of acquiring and disposing of County property.

Minority Women and Business Enterprise (MWBE) Policy – Recruitment, Selection and Dispute Resolution

- In accordance with G.S. 143-128.2, establishes a 10 percent minority participation goal for building construction or repair projects over \$300,000 using single prime bidding, separate prime bidding, construction manager at risk and alternative contracting methods. This is not a set aside of guaranteed award to minorities, only a policy of encouraging bids on county business.
- Outlines our minority outreach plan and guidelines and defines responsibilities for each participating organization in the project.
- Defines Minimum compliance requirements
- Outlines the dispute resolution procedures

Lincoln County Vendor Requirements

This section is designed to inform those interested in doing business with Lincoln County of all the necessary requirements and procedures.

- It outlines purchasing procedures for each of the thresholds outlined above (Purchases on Open Market, Informal Quotes, Informal Seal Bids, and Formal Sealed Bids).
- Clearly defines how bids will be awarded and rejected.
- Outlines the legal restrictions on “local preferences” for purchasing. The County cannot and will not make purchasing decisions solely on the basis of vendor residency.
- Outlines contractor insurance requirements.

Motion to Adopt Resolution #2010-18: A Resolution to Adopt an Outreach Plan and to Establish a Verifiable Percentage Goal for Participation by Minority Businesses in the Awarding of Building Construction Contracts Pursuant to NCGS 143-128.2 – George Wood: UPON MOTION by Commissioner Carlton, the Board voted unanimously to approve Resolution #2010-18: A Resolution to Adopt an Outreach Plan and to Establish a Verifiable Percentage Goal for Participation by Minority Businesses in the Awarding of Building Construction Contracts Pursuant to NCGS 143.128.2.

**RESOLUTION #2010-18: A RESOLUTION TO ADOPT AN OUTREACH PLAN
AND TO ESTABLISH A VERIFIABLE PERCENTAGE GOAL FOR
PARTICIPATION BY MINORITY BUSINESSES IN THE AWARDING OF
BUILDING CONSTRUCTION CONTRACTS PURSUANT TO N.C.G.S. 143-128.2**

WHEREAS, the North Carolina General Assembly enacted Session Law 2001– 496, Senate Bill 914 to enhance and improve the good faith efforts to recruit and select minority businesses for participation in public building construction or repair contracts by adding N.C.G.S. 143-128.2; and

WHEREAS, N.C.G.S. 143-128.2 requires each city, county, or other local public entity to adopt, after notice and a public hearing, an appropriate verifiable percentage goal for participation by minority businesses in the total value of work for building projects costing \$300,000 or more; and

WHEREAS, N.C.G.S. 143-128.2(b) requires a public entity awarding a building contract where the total cost equals or exceeds \$300,000 to establish, prior to solicitation of bids, good faith efforts that it will take to make it feasible for minority businesses to submit successful bids or proposals for the contracts for building projects; and

WHEREAS, N.C.G.S. 143-128.2(e)(1) requires a public entity awarding a building construction or repair contract where the total cost exceeds \$300,000, prior to awarding a contract, to develop and implement a minority business participation outreach plan; and

WHEREAS, notice of the public hearing was duly published in the Lincoln Times News on March 8, 2010 and the required public hearing was held on March 15, 2010;

NOW THEREFORE, BE IT RESOLVED by the Lincoln County Board of Commissioners as follows:

1. That Lincoln County, North Carolina shall have a 10% verifiable percentage goal for participation by minority businesses in the total value of work for building projects awarded by Lincoln County and costing \$300,000 or more.
2. That Lincoln County, North Carolina shall follow the guidelines of the Lincoln County MWBE Recruitment, Selection and Dispute Resolution Procedures, which are a part of the Purchasing Policy of the County, for minority business participation in building construction or repair contracts.
3. That this resolution shall become effective upon its adoption.

Adopted this 15th day of March, 2010.

BY: _____
Alex E. Patton, Chairman
Lincoln County Board of Commissioners

Motion to Adopt Resolution #2010-19: A Resolution to Adopt a Purchasing Policy for Lincoln County, North Carolina – George Wood: UPON MOTION by Commissioner Klein, the Board voted unanimously to adopt Resolution #2010-19 – A Resolution to Adopt a Purchasing Policy for Lincoln County, North Carolina.

**RESOLUTION #2010-19: A RESOLUTION TO ADOPT A PURCHASING POLICY FOR
LINCOLN COUNTY, NORTH CAROLINA**

WHEREAS, North Carolina counties have been delegated the authority to enter into contracts for the purchase of goods and services necessary to carry out the functions of county government; and

WHEREAS, sound fiscal policy dictates that written policies exist to guide and control said contracts to assure that operating departments are making the necessary purchases in the appropriate manner, so that best pricing and quality can be obtained; and

WHEREAS, the Purchasing Agent, Finance Director, Assistant County Manager, and County Manager have developed a proposed Purchasing Policy containing the regulations for the departments to follow, and the County Manager has recommended said Purchasing Policy to the Board of Commissioners for adoption; and

WHEREAS, the Board of Commissioners have reviewed the proposed policy and wish to adopt it;

NOW THEREFORE, BE IT RESOLVED by the Lincoln County, North Carolina Board of Commissioners as follows:

1. That the document entitled "Lincoln County, North Carolina Purchasing Policy" developed by the Purchasing Office with an effective date of March 15, 2010, attached hereto as Exhibit A, and incorporated herein by reference, is hereby adopted as the Purchasing Policy for Lincoln County, North Carolina; and
2. Any purchasing policies previously in force are hereby repealed to the extent that any portion or provision thereof is in conflict with this new policy.
3. That this resolution shall become effective upon its adoption.

Adopted this 15th day of March, 2010.

BY: _____
Alex E. Patton, Chairman
Lincoln County Board of Commissioners

ATTEST:

Amy S. Atkins, Clerk to the Board

Motion Concerning the Renewal of the Annual Contract with the Charlotte Area Transit System for Express Service to Eastern Lincoln County – George Wood: Mr. Wood stated that this is not a recommendation that he makes lightly. He said his concern is that this is essentially for the equivalent of 43 people. Mr. Wood reviewed the information with the Board. He said that at \$50,804 in annual costs to the County to

provide service to the equivalent of 43 commuters per day, we would be spending \$1,181.49 annually per commuter. Mr. Wood recommended voting not to renew the contract, ending the service effective June 30, 2010. These riders will have the option of starting a van pool through CATS at a lower cost. The cost of this is shared between CATS and the riders.

Commissioner Klein asked if anyone has talked to CATS to see if there are other options.

Commissioner Arena asked Mr. Kopf why the last bus of the day was the one cut when the county went from four busses to three. He said he thought another bus would be dropped and the later one would remain.

Larry Kopf stated that adjustments can be made to the service. He said there was a public meeting when the change was made.

Commissioner Arena asked how easy it is to change fare structures for particular routes, such as this one.

Larry Kopf said this is not typically how they operate. He said they have a fare structure, which is approved by the Metropolitan Transit Commission. He said the \$3.50 already includes a .50 increase.

Commissioner Arena asked if they could more closely align the amount of fares with the amount of riders. Larry Kopf said ridership typically declines after increases and the changes would have to be approved. He said this could be considered, but cannot guarantee it would be approved.

Commissioner Arena said he does not particularly like giving up the service, but does not like subsidizing a small number of people. He said a combination of a van pool or charging more for the actual use of the service would be the best scenario.

Commissioner Carlton said that is essentially what is being done. He said they are being told funding will end June 30.

A MOTION by Commissioner Carlton to vote not to renew the contract with CATS, ending the service effective June 30, 2010, due to budget constraint, encouraging CATS to come back with an alternative.

A SUBSTITUTE MOTION by Commissioner Klein saying that a letter will be written to CATS to express the clear intent of the Board to cancel the service June 30, 2010, encouraging CATS to offer alternative proposals and letting the Board know in 30 days or sooner.

Commissioner Mitchem asked Mr. Kopf if another proposal would come from CATS. Mr. Kopf said he does not expect another proposal would come to the Board without subsidy.

Commissioner Klein withdrew his substitute motion.

VOTE on Commissioner Carlton's motion: Unanimously approved.

Community Transportation (CTP) Application – Ron Rombs: Ron Rombs stated that this is the annual Community Transportation Application. This is an annual grant application that is submitted through the North Carolina Department of Public Transportation. They manage the funds and reimburse the County.

Mr. Rombs requested that the Board approve the CTP application in the sum of \$419,672.

Lincoln County is required to provide matching funds to support the Community Transportation Program. Matching funds are 15% of the Administrative cost and 10% of the Capital cost.

	Total NC DOT Budget	Lincoln County Matching Funds	
Administrative	\$255,522	15% match	\$38,328
Capital	\$164,150	10% match	\$16,415
TOTAL	\$419,672	Match	\$54,743

The Administrative cost will cover the salaries and benefits for the Transportation Manager, Administrative Secretary, Transportation Supervisor and 50% of the Medicaid Transportation Coordinator positions of TLC.

There is also a direct savings to Lincoln County this year due to the award of \$50,000 ARRA funds to cover apparatus maintenance cost. Maintenance costs are normally non-reimbursable operational expenses.

Capital cost will cover the replacement of 3 wheelchair vans, purchase of computers, office furniture, a network server and a complete communications system for TLC.

UPON MOTION by Commissioner Klein, the Board voted unanimously to approve Resolutions #2010-20, #2010-21 and #2010-22.

Resolution #2010-20
COMMUNITY TRANSPORTATION PROGRAM RESOLUTION

Section 5311

FY 2011 RESOLUTION

Applicant seeking permission to apply for Community Transportation Program funding, enter into agreement with the North Carolina Department of Transportation, provide the necessary assurances and the required local match.

A motion was made by (Board Member's Name) _____ and seconded by (Board Member's Name or N/A, if not required) N/A for the adoption of the following resolution, and upon being put to a vote was duly adopted.

WHEREAS, Article 2B of Chapter 136 of the North Carolina General Statutes and the Governor of North Carolina have designated the North Carolina Department of Transportation (NCDOT) as the agency responsible for administering federal and state public transportation funds; and

WHEREAS, the North Carolina Department of Transportation will apply for a grant from the US Department of Transportation, Federal Transit Administration and receives funds from the North Carolina General Assembly to provide assistance for rural public transportation projects; and

WHEREAS, the purpose of these transportation funds is to provide grant monies to local agencies for the provision of rural public transportation services consistent with the policy requirements for planning, community and agency involvement, service design, service alternatives, training and conference participation, reporting and other requirements (drug and alcohol testing policy and program, disadvantaged business enterprise program, and fully allocated costs analysis); and

WHEREAS, (Legal Name of Applicant) Lincoln County hereby assures and certifies that it will comply with the federal and state statutes, regulations, executive orders, Section 5333 (b) Warranty, and all administrative requirements related to the applications made to and grants received from the Federal Transit Administration, as well as the provisions of Section 1001 of Title 18, U. S. C.

NOW, THEREFORE, be it resolved that the (Authorized Official's Title)* County Manager of (Name of Applicant's Governing Body) Lincoln County is hereby authorized to submit a grant application for federal and state funding, provide the required local match, make the necessary assurances and certifications and be empowered to enter into an agreement, with the NCDOT to provide rural public transportation services.

I (Certifying Official's Name)* Amy Atkins (Certifying Official's Title) Clerk to the Board of Commissioners do hereby certify that the above is a true and correct copy of an excerpt from the minutes of a meeting of the (Name of Applicant's Governing Board) Lincoln County Board of Commissioners duly held on the 15th day of March, 2010.

Signature of Certifying Official

***Note that the authorized official, certifying official, and notary public should be three separate individuals.**

Seal Subscribed and sworn to me (date) _____

Notary Public *

Printed Name and Address

My commission expires (date) _____



Resolution #2010-21

HUMAN SERVICE AGENCY TRANSPORTATION RESOLUTION

State Funds

FY 2011 RESOLUTION

Applicant seeking permission to apply for Human Service Transportation funding, enter into agreement with the North Carolina Department of Transportation, provide the necessary assurances, and the required local match.

A motion was made by (Board Member's Name) _____ and seconded by (Board Member's Name or N/A, if not required) N/A for the adoption of the following resolution, and upon being put to a vote was duly adopted.

WHEREAS, Article 2B of Chapter 136 of the North Carolina General Statutes and the Governor of North Carolina have designated the North Carolina Department of Transportation (NCDOT) as the agency responsible for administering federal and state public transportation funds; and

WHEREAS, the North Carolina Department of Transportation receives funds from the North Carolina General Assembly to provide assistance for rural public transportation projects; and

WHEREAS, the purpose of these transportation funds is to provide grant monies to local agencies for the provision of rural public transportation services; and

WHEREAS, (Legal Name of Applicant) Lincoln County hereby assures and certifies that it will comply with the federal and state statutes, regulations, executive orders, and all administrative requirements related to the applications made to and grants received from the North Carolina Department of Transportation;

NOW, THEREFORE, be it resolved that the (Authorized Official's Title)* County Manager of (Name of Applicant's Governing Body) Lincoln County is hereby authorized to submit a grant application for state funding, provide the required local match, make the necessary assurances and certifications and be empowered to enter into an agreement with the NCDOT to provide rural public transportation services.

I (Certifying Official's Name)* Amy Atkins (Certifying Official's Title) Clerk to the Board of Commissioners do hereby certify that the above is a true and correct copy of an excerpt from the minutes of a meeting of the (Name of Applicant's Governing Board) Lincoln County Board of Commissioners duly held on the 15th day of March, 2010.

Signature of Certifying Official

**Note that the authorized official, certifying official, and notary public should be three separate individuals.*

Seal Subscribed and sworn to me (date) _____

Notary Public *

Printed Name and Address

My commission expires (date) _____



Resolution #2010-22
PUBLIC TRANSPORTATION PROGRAM RESOLUTION

WHEREAS, Article 2B of Chapter 136 of the North Carolina General Statutes and the Governor of North Carolina have designated the North Carolina Department of Transportation (NCDOT) as the agency responsible for administering federal and state public transportation funds; and

WHEREAS, the North Carolina Department of Transportation will apply for a grant from the US Department of Transportation, Federal Transit Administration and receives funds from the North Carolina General Assembly to provide assistance for public transportation projects; and

WHEREAS, the purpose of the Section 5310 program is to provide financial assistance for transportation services planned, designed, and carried out to meet the special transportation needs of elderly individuals and individuals with disabilities in all areas—urbanized, small urban, and rural; and

WHEREAS, the purpose of the Section 5316 program is to improve access to transportation services to employment and employment related activities for welfare recipients and eligible low-income individuals and to transport residents of urbanized areas and nonurbanized areas to suburban employment opportunities; and

WHEREAS, the purpose of the Section 5317 program is to reduce barriers to transportation services and expand the transportation mobility options available to people with disabilities beyond the requirements of the ADA of 1990 by providing funding assistance that supports new public transportation services and/or new public transportation alternatives beyond those required by the ADA; and

WHEREAS, NCDOT has been designated as the State agency with principal authority and responsibility for administering the Section 5310 program for all areas—urbanized, small urban, and rural; and

WHEREAS, NCDOT has been designated as the State agency with principal authority and responsibility for administering the Section 5316 and 5317 programs for small urban and rural areas; and

WHEREAS, (Legal Name of Applicant) Lincoln County hereby assures and certifies that it will comply with the federal and state statutes, regulations, executive orders, and all administrative requirements related to the applications made to and grants received from the Federal Transit Administration, as well as the provisions of Section 1001 of Title 18, U. S. C.

NOW, THEREFORE, be it resolved that the (Authorized Official's Title)* County Manager of (Name of Applicant's Governing Body) Lincoln County is hereby authorized to submit a grant application for federal and state funding, provide the required local match, make the necessary assurances and certifications and be empowered to enter into an agreement with the NCDOT to provide public transportation services.

I (Certifying Official's Name)* Amy Atkins (Certifying Official's Title) Clerk to the Board of Commissioners do hereby certify that the above is a true and correct copy of an excerpt from the minutes of a meeting of the (Name of Applicant's Governing Board) Lincoln County Board of Commissioners duly held on the 15 day of March, 2010.

Signature of Certifying Official

**Note that the authorized official, certifying official, and notary public should be three separate individuals.*

Seal Subscribed and sworn to me (date) _____

*Notary Public **

Printed Name and Address

My commission expires (date) _____



Lake Norman Marine Commission Update – Rich Permenter: Captain Rich Permenter gave an update on the Lake Norman Marine Commission.

Update on Key MH/DD/SA Issues and Request for Approval for Interlocal Agreement Between Gaston, Lincoln, and Cleveland Counties for Formation of

Mental Health Service Agency – Rhett Melton: Mr. Melton gave a PowerPoint Presentation concerning the Interlocal Agreement.

The attached Interlocal Agreement between Gaston, Cleveland and Lincoln Counties and the Gaston-Lincoln-Cleveland Area Mental Health, Developmental Disabilities and Substance Abuse Authority (Pathways) is to allow for the creation of a “joint agency” called Horizon’s Behavioral Health (Horizons) to provide:

- Certain critical services for our communities where there are no other ready, willing and able providers for these services. These “safety net” services are defined as crisis emergency services, psychiatric/outpatient/periodic/periodic services, guardianship services, substance abuse detoxification services, and mobile crisis emergency services.
- Other behavioral healthcare services on an interim basis should the need arise. These services may later be divested to a qualified provider.

Until 2002, Pathways provided and coordinated mental health, developmental disability and substance abuse services in our three County area. In 2002, a N.C. State legislative change created “Local Management Entities” (LME) to monitor and contract with private providers for mental health, developmental disability and substance abuse services. The LME could not provide services without specific approval from the State. With the legislative change, Pathways assumed the monitoring and contracting role of the LME and divested the services it had been providing to private providers.

Since the divestiture, Pathways has regularly experienced problems regarding certain types of services. In some cases there has been no private provider who is ready, willing or able to provide services (ex: crisis alcohol/ drug detoxification). The provision of certain other services has been erratic as private service providers go out of business (in some cases with no notice) leaving their consumers without service (ex: outpatient therapy and psychiatric services). When these problems have occurred, Pathways has been forced to step in to provide these critical services to ensure quality care and safety of our residents. Having Pathways provide these services however, conflicts with the 2002 N.C. State legislation.

The attached Interlocal addresses this conflict by creating Horizons Behavioral Healthcare which will be separate from Pathways and will provide the critical services needed by our communities. The agreement provides for:

- The creation of a 12 member Horizons Board with four members from each participating County. Each Commission Board will appoint 3 members and the Pathways Board will appoint 1 member from the County.
- The Horizons Board to utilize available resources to provide comprehensive, stable and viable programs for behavioral healthcare services when there is no other ready, willing and able provider for critical needs and to provide other behavioral health services on an interim basis which can later be divested.
- The Horizon’s Board to be responsible for employing a Chief Executive Officer to manage and provide the Horizons services. The Board is also given authority and duties to carry out the operation of the programs (planning, budgeting, employing counsel, etc). They may not incur liability or debt over \$50,000 without approval of each County Commission.
- The annual budget to be approved by each County Commission and annual audit to be submitted. Many of the services which will be provided by Horizons will be reimbursable by the State and Medicaid funds. In addition, Pathways will annually allocate funds to Horizons which are commensurate with the needs for Horizons to provide services. Lincoln County’s contribution to Pathways is not expected to increase due to the creation of Horizons.
- The Interlocal Agreement can be terminated at anytime by mutual agreement of the parties, provided the termination is completed in an orderly fashion to ensue continuity of services. In the event that Horizons is dissolved, if there are liabilities or indebtedness beyond unobligated surplus funds at the time, each County would assume a prorate share based on population of the outstanding liability.

NORTH CAROLINA

COUNTY OF GASTON
COUNTY OF LINCOLN
COUNTY OF CLEVELAND

**INTERLOCAL AGREEMENT
FOR THE PROVISION OF BEHAVIORAL
HEALTHCARE SERVICES IN GASTON,
LINCOLN AND CLEVELAND COUNTIES**

**THIS INTERLOCAL AGREEMENT FOR THE PROVISION OF BEHAVIORAL
HEALTHCARE SERVICES IN GASTON, LINCOLN AND CLEVELAND COUNTIES** (hereinafter
“Agreement”) is made and entered into effective the ____ day of _____, 2010, by and
between the COUNTY OF GASTON, a body politic, party of the first part; the COUNTY OF LINCOLN, a
body politic, party of the second part; the COUNTY OF CLEVELAND, a body politic, party of the third
part; and THE GASTON-LINCOLN-CLEVELAND AREA MENTAL HEALTH, DEVELOPMENTAL
DISABILITIES, AND SUBSTANCE ABUSE AUTHORITY, d/b/a Pathways, a local management entity
(LME) organized and existing under Chapter 122C of the North Carolina General Statutes, party of the
fourth part (hereinafter “Pathways”).

WITNESSETH:

That whereas, by Session Law 2001-437, effective July 1, 2002, entitled “An Act to Phase In
Implementation of Mental Health System Reform at the State and Local Level” (hereinafter the “Act”), the
North Carolina General Assembly amended Chapter 122C of the North Carolina General Statutes with
respect to the provision of mental health, developmental disability, and substance abuse services
(hereinafter “MH/DD/SA services”) in North Carolina; and

Whereas, the Act provided for the establishment of local management entities (LME’ s) to monitor
the provision of MH/DD/SA services and to contract with private providers for such services; and

Whereas, the Act further provided for divestiture by LME’s as to most or all MH/DD/SA services,
with LME’s no longer being preferred providers of such services; and

Whereas, Pathways has previously provided MH/DD/SA services and LME functions, pursuant to-
Chapter-122C- of-the-North Carolina General Statutes, for Gaston, Lincoln and Cleveland Counties, and
still provides said services and LME functions at the present time, and

Whereas, the Act further provides that if the LME directly provides services it must receive the
approval of the Secretary of the Department of Health and Human Services; and

Whereas, there are types of services for which no private provider responds to a request for
proposal or that require continuity (the “Services”); and

Whereas, Pathways has historically been the provider of MH/DD/SA Services in Gaston, Lincoln
and Cleveland Counties, and it is the desire of the Boards of Commissioners of said Counties to provide
such Services through a joint agency created by them pursuant to the provisions of Article 20 of Chapter
160A of the North Carolina General Statutes governing interlocal agreements; and

Whereas, the parties enter into this Agreement pursuant to Article 20 of Chapter 160A of the
North Carolina General Statutes, in order to accomplish the above stated purposes and to comply with G.S.
§122C-141(d);

Now, therefore, in consideration of the mutual promises and covenants herein contained, and
pursuant to G.S. §160A-460 et seq., and G.S. §122C-141(d), the parties do hereby agree as follows:

**ARTICLE I
CREATION OF JOINT AGENCY**

Section 1. Joint Agency. There is hereby created, by and between Gaston, Lincoln and Cleveland Counties (hereinafter referred to collectively as “the Counties”), a joint agency to be known as the Horizons Behavioral Healthcare. Said joint agency is hereinafter referred to in this Agreement as “Horizons.”

Section 2. Purpose and Undertaking. The purpose and undertaking of Horizons shall be to provide behavioral healthcare services, including but not limited to MH/DD/SA services, in Pathways’ catchment area.

Section 3. Delegation of Powers, Duties, etc. The Boards of Commissioners of the Counties and Pathways delegate to and confer upon Horizons’ powers, duties, functions, rights, privileges, and immunities in order to provide behavioral healthcare services as set forth in this Agreement.

Section 4. Immunity from Liability. The Counties and Pathways acknowledge that each is immune from liability under the doctrine of sovereign immunity, except to the extent of the actual coverage of liability insurance obtained. None of the parties waives its sovereign immunity by the delegation of powers and duties to Horizons. The Counties and Pathways further, to the extent they are authorized by law to do so, delegate such sovereign immunity to and confer the same upon Horizons with regard to the exercise by Horizons of those operations as permitted herein, except to the extent of the actual coverage of liability insurance obtained by Horizons.

Section 5. Horizons not an LME. Nothing in this Agreement shall be construed to authorize or permit Horizons to exercise or perform any of the powers or functions of an LME under Chapter 122C of the North Carolina General Statutes, and Horizons shall have no such power or authority.

ARTICLE II DEFINITIONS AND INTERPRETATION OF TERMS

Section 1. Definitions. The following definitions shall apply throughout this Agreement:

- (a) Catchment Area – Gaston, Lincoln and Cleveland Counties, North Carolina.
- (b) Department – The North Carolina Department of Health and Human Services.
- (c) Developmental Disability – Pursuant to G.S. §122C, a severe, chronic disability of a person which:
 - (1) Is attributable to a mental or physical impairment or combination of mental and physical impairments;
 - (2) Is manifested before the person attains age 22, unless the disability is caused by a traumatic head injury and is manifested after age 22;
 - (3) Is likely to continue indefinitely;
 - (4) Results in substantial functional limitations in three or more of the following areas of major life activity: self-care, receptive and expressive language, capacity for independent living, learning, mobility, self-direction, and economic self-sufficiency; and
 - (5) Reflects the person’s need for a combination and sequence of special interdisciplinary, or generic care, treatment, or other services which are of a lifelong or extended duration and are individually planned and coordinated; or
 - (6) When applied to children from birth through four years of age, may be evidenced as a developmental delay.

(d) Division – The Division of Mental Health, Developmental Disabilities, and Substance Abuse Services of the Department.

(e) Mental health — Pertaining to treatment for mental illness, as that term is defined in subsection (f) below.

(f) Mental illness — Pursuant to G.S. §122C, an illness which, when applied to an adult, so lessens the capacity of the individual to use self-control, judgment, and discretion in the conduct of his affairs and social relations as to make it necessary or advisable for him to be under treatment, care, supervision, guidance, or control; and, when applied to a minor, a mental condition, other than mental retardation alone, that so impairs the youth's capacity to exercise age adequate self-control or judgment in the conduct of his activities and social relationships so that he is in need of treatment.

(g) Mental retardation — Pursuant to G.S. §122C, significantly subaverage general intellectual functioning, existing concurrently with deficits in adaptive behavior and manifested before age 22.

(h) MH/DD/SA services — Mental health, developmental disability, and/or substance abuse services.

(i) Substance abuse — Pursuant to G.S. §122C, the pathological use or abuse of alcohol or other drugs in a way or to a degree that produces an impairment in personal, social, or occupational functioning. "Substance abuses" may include a pattern of tolerance and withdrawal.

(j) Area Authority or LME – refers to the local political subdivision responsible for the administration of MH/DD/SA services in the Catchment Area and known as Gaston-Lincoln-Cleveland Area MH/DD/SA Authority d/b/a Pathways LME.

Section 2. Interpretation of Terms. For terms not defined in Section 1, the common usage of the term shall prevail. Words used in the present tense include the future and past tense, words in the plural number include the singular number, words in the singular number include the plural number, and words in the masculine gender include the feminine gender.

Section 3. Statutory References. Any definition from or reference to a statute contained in Section 1 above shall be deemed to include any amendment or successor statute thereto; provided, that no such amendment or successor statute shall have the effect of materially altering the provisions of this Agreement without a duly enacted amendment hereto.

ARTICLE III GOVERNING BOARD

Section 1. Horizons Behavioral Healthcare. The governing board of Horizons shall be known as the Horizons Behavioral Healthcare Board (hereinafter the "Horizons Board"). The structure and authority of the Horizons Board shall be as set forth in this Article III.

Section 2. Structure of Horizons Board.

(a) **Composition.** The Horizons Board shall consist of twelve (12) members. There shall be four (4) members from Gaston County, four (4) members from Lincoln County, and four (4) members from Cleveland County. One (1) member from each of the Counties may be a member of that County's Board of Commissioners and shall serve on the Horizons Board in an ex-officio capacity to his public office, with full rights to vote on all matters coming before the Horizons Board.

(b) **Appointment.** Each Board of County Commissioners from the Counties shall, within thirty (30) days following the effective date of this Agreement, appoint three (3) County residents as

members of the Horizons Board, one of whom may be a member of that County's Board of Commissioners as provided in Article III, Section 2(a). The Pathways Board shall, within thirty (30) days following the effective date of this Agreement, appoint one (1) resident from each County in the Catchment Area as members of the Horizons Board. The appointees made by the Pathways Board do not need the approval of the Counties. No person shall be appointed to serve as a member of the Horizons Board unless that person:

- (i) Is a resident of one of the Counties; and
- (ii) Has not been convicted of a felony under State or Federal law, unless that person's citizenship rights have been fully restored.

No person shall be appointed to the Horizons Board if that person owns, manages, is employed by, serves as a board member or has any similar position with a provider of MH/DD/SA services in the State of North Carolina.

(c) **Terms of Office.** A member of the Horizons Board who is a County Commissioner member from that County shall serve on the Horizons Board at the pleasure of the County Commissioners from that County. If no County Commissioner is appointed to serve, then the appointment for that position shall serve at the pleasure of the County Commissioners from that County. Upon initial formation of the Horizons Board, the remaining members shall be appointed for the following terms:

- (i) One (1) member appointed by Lincoln County and two (2) members appointed by Pathways, one each from Gaston and Cleveland Counties, for terms of two (2) years each;
- (ii) One (1) member appointed by Cleveland County and one (1) member appointed by Lincoln County and one (1) member appointed by Pathways from Lincoln County for terms of three (3) years each;
- (iii) Two (2) members appointed by Gaston County and one (1) member appointed by Cleveland County for terms of four (4) years each.

Thereafter the terms of all remaining members shall be four (4) years. Members other than county commissioners shall not be appointed for more than two (2) consecutive four (4) year terms before rotating off the Horizons Board for at least one (1) year.

(d) **Removal of Members.** A member of the Horizons Board may be removed prior to the expiration of his term, with or without cause, by the initial appointing authority.

(e) **Resignations.** Any member of the Horizons Board may resign at any time by giving written notice to the Chairman or the Secretary. Such resignation shall take effect at the time specified therein; and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.

(f) **Vacancies.** Vacancies on the Horizons Board shall be filled by the initial appointing authority before the end of the term of the vacated seat or within ninety (90) days of the vacancy, whichever occurs first. The appointments shall be for the remainder of the unexpired term.

Section 3. Horizons Board Officers. The Horizons Board shall elect officers annually, with each officer to serve for a term of one (1) year commencing as of July 1 and ending as of June 30. Except as otherwise set forth below, all officers shall be Horizons Board members and election of the same shall be by a majority of the members of the Horizons Board present at a duly called meeting. The officers to be elected shall be as follows:

(a) **Chairman.** The Chairman shall preside at all meetings of the Horizons Board. He shall appoint such committees as the Horizons Board may authorize or as he may deem appropriate and shall, by and with the consent of the Horizons Board, represent the same at meetings and other functions and act as

spokesman for the Horizons Board. He may sign and execute with the Secretary, in the name of the Horizons Board, contracts, or other instruments authorized by the Horizons Board, except in cases where the signing and execution thereof shall be expressly delegated by the Horizons Board or by this Agreement to some other officer or agent of Horizons. By and with the consent of the Horizons Board, the Chairman is authorized to exercise all other duties and functions which are reasonably incident to the powers of his office as set forth above.

(b) **Vice-Chairman.** In the absence or disability of the Chairman, the Vice-Chairman shall perform all of the duties of the Chairman and when so acting shall have the powers of and shall be subject to all of the restrictions of the Chairman. The Vice-Chairman shall have such other duties as shall be delegated to him by the Horizons Board or the Chairman.

(c) **Secretary.** The Secretary shall keep the minutes of the meetings of the Horizons Board in books provided for that purpose; shall see that all notices for meetings are duly given; shall be custodian of the records and seal (if any) of Horizons; shall (together with the Chairman) sign and execute contracts, or other instruments authorized by the Horizons Board (and affix the seal thereto, if applicable), except in cases where the signing and execution thereof shall be expressly delegated by the Horizons Board or by this Agreement to some other officer or agent of Horizons; and in general shall perform all the duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Horizons Board or the Chairman. The Secretary may, but shall not be required to, be a member of the Horizons Board.

(d) **Treasurer.** The Treasurer shall perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Horizons Board or the Chairman.

(e) **Removal of Officers.** An officer may be removed from such position prior to the expiration of his term only by vote of a majority of the Horizons Board based upon misconduct in office or gross neglect of duties.

(f) **Resignations.** Any officer may resign at any time by giving written notice to the Chairman. Such resignation shall take effect at the time specified therein; and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.

(g) **Vacancies.** In the event of a vacancy in the office of Chairman, the Vice-Chairman shall perform the duties of said office as set forth in subsection (b) above for the remainder of the Chairman's term. In the event of a vacancy in the office of Vice-Chairman, the Horizons Board may, but shall not be required to, fill said vacancy for the remainder of the term. In the event of a vacancy in the offices of Secretary or Treasurer, the Horizons Board shall fill said vacancy for the remainder of the term.

Section 4. Meetings, Quorum, and Voting.

(a) **Meetings.** The Horizons Board shall meet at least quarterly during each calendar year, and may meet more frequently as its business may require. Meetings shall be held at such time or times and at such place or places as shall be established by the Horizons Board or the Chairman. In addition, any three (3) Board members may request a meeting in writing and the Chairman must call a meeting within one (1) week. All meetings shall be subject to the North Carolina Open Meetings Law, as the same may be amended from time to time. Notice of each meeting shall be provided by the Secretary as required by law.

(b) **Quorum.** At all meetings of the Horizons Board, a majority of the members then in office shall be present to constitute a quorum for the transaction of business.

(c) **Voting.** Each member of the Horizons Board shall be entitled to one (1) vote on all matters properly coming before it. Unless otherwise specifically provided herein, a simple majority of the votes cast, a quorum being present, shall be necessary for the Horizons Board to take action on any such matter.

Section 5. Authority and Responsibilities of the Horizons Board. The Horizons Board shall determine policies and adopt necessary rules and regulations for behavioral healthcare programs to serve as a safety net for the provision of Services in the Catchment Area. The Horizons Board shall utilize available resources to provide comprehensive, stable and viable programs for behavioral healthcare services when there is no other ready, willing and able provider of MH/DD/SA Services for critical needs in the Catchment Area. The critical needs services that Horizons may provide are crisis emergency services; psychiatric/outpatient/periodic services; guardianship services; substance abuse detoxification services; and, mobile crisis emergency services. In addition, Horizons is authorized to provide other behavioral healthcare services on an interim basis should the need arise. The Services may be later divested to another qualified community provider approved by Pathways. The Horizons Board shall further be responsible for employing a Chief Executive Officer and for exercising such other authority and responsibilities as may be set forth in this Agreement.

In addition to the foregoing and without limiting the same, the Horizons Board shall have powers and duties in carrying out its purpose:

(a) To adopt rules, regulations, and policies for its internal management and personnel and the operation of its programs, and to adopt bylaws for the Horizons Board; provided, that said rules, regulations, policies, and bylaws, shall not be inconsistent with the provisions of this Agreement;

(b) To perform comprehensive planning and budgeting, subject to the specific restrictions set forth in this Agreement;

(c) To secure such accreditations, endorsements, licenses, permits, or other approvals or authorizations from private or public entities, including but not limited to federal, state, or local agencies, as the Horizons Board may deem necessary or appropriate including but not limited to the Department and the Division;

(d) To retain and employ counsel, auditors, private physicians and consultants, and other persons who may provide professional or technical services or advice, on an annual salary, contract basis, or otherwise;

(e) To make or enter into contracts, agreements, leases, conveyances, promissory notes or other instruments, subject to the specific restrictions in this Agreement;

(f) To incur liabilities and indebtednesses, subject to the specific restrictions that any indebtedness exceeding Fifty Thousand Dollars (\$50,000) or for greater than three (3) years, must have the approval of all three (3) County Boards of Commissioners.

(g) To secure and maintain liability, professional liability, hazard and extended coverage, workers' compensation, and such other insurance policies on Horizons's property and operations as the Horizons Board shall deem appropriate or as is required by law;

(h) To participate in the Local Government Employees Retirement System (hereinafter "LGERs") through the North Carolina Department of State Treasurer's Office;

(i) To own personal property;

(j) To sue and be sued; and

(k) To do and perform all other things necessary or convenient to carry out its purpose and undertaking, and to exercise the powers granted to it under this Agreement.

ARTICLE IV CEO AND OTHER APPOINTMENTS

Section 1. Chief Executive Officer.

(a) **Appointment.** The Horizons Board shall, as soon as reasonably possible following its appointment, appoint a person to serve as Chief Executive Officer (CEO) of Horizons, under such terms and title and using such procedures as the Horizons Board shall deem appropriate.

(b) **Qualifications and Duties.** The CEO shall answer directly to the Horizons Board. He shall be responsible for administrative and management responsibilities that include, but are not limited to, the management of Horizons's financial resources, human resources, policies, strategic planning, and intergovernmental relations functions. These duties include overall administration of Horizons and its employees and budget. The CEO shall hire, supervise, and discipline all Horizons employees and shall direct other managerial, professional, and support staff in the delivery of all agency services. The Horizons Board shall be authorized to adopt a more detailed job description and statement of qualifications for the CEO, as Horizons deems appropriate.

The CEO appointed must meet the following minimum qualifications:

(i) He/she must have a Bachelor's degree from an accredited university;

(ii) He/she must have at least two (2) years of management experience, preferably in a behavioral health agency;

(iii) He/she must have a valid current North Carolina driver's license; and

(iv) He/she must meet such other qualifications as may be established or required by the Horizons Board.

ARTICLE V HUMAN RESOURCES

Section 1. Status of Employees. Employees of Horizons shall be considered employees of the joint agency created under this Agreement and not employees of one of the Counties. Said employees shall be subject to the terms and provisions of this Agreement and to the policies and personnel system established in compliance herewith.

Section 2. Personnel Policies. The Horizons Board shall have the exclusive authority to establish personnel policies governing all Horizons employees and to approve a salary and classification plan for the same. The Horizons Board shall establish and follow policies to assure equal employment opportunities for

all. The Horizons Board shall be authorized, but not required, to establish a personnel system which places all Horizons employees under the State Personnel System as set forth in Chapter 126 of the North Carolina General Statutes, by and with the consent of the Office of State Personnel.

Section 3. Personnel Administration. The CEO shall have the exclusive authority over the administration of such personnel policy and system as may be adopted or established by the Horizons Board. Such authority may, in the discretion of the CEO, be exercised through such person or persons as may be appointed by the CEO for this purpose.

Section 4. Local Government Employees Retirement System. Horizons is specifically authorized, if the Horizons Board so determines, to participate in the Local Government Employees Retirement System (hereinafter "LGERs") through the North Carolina Department of State Treasurer's Office (hereinafter the "State Treasurer's Office"). Horizons shall comply with all requirements of the State Treasurer's Office in connection therewith, such that all eligible Horizons employees may be covered by LGERs for purposes of retirement benefits.

ARTICLE VI OPERATIONS, INSURANCE, AND INDEBTEDNESSES

Section 1. General Operations. The day-to-day operations of Horizons shall be supervised and administered under the direction of the CEO, but subject to all of the terms and provisions of this Agreement.

Section 2. Insurance. The Horizons Board shall secure and at all times maintain policies of liability, professional liability, hazard and extended coverage, workers' compensation, and such other insurance on Horizons' property and operations as the Horizons Board shall deem appropriate or as is required by law. At the request of any of the Counties, Horizons shall furnish a certificate or other written confirmation, satisfactory to the requesting County, that such insurance is in effect.

Section 3. Indebtednesses. All just liabilities or other indebtednesses incurred by Horizons in the performance of its operations under this Agreement shall be promptly paid as the same become due; provided, that such liabilities and other indebtednesses shall be governed by the following requirements:

(a) No liability or other indebtedness in excess of one (1) year in duration, or due and payable more than one (1) year from the making thereof, shall be incurred without the express approval of the Horizons Board.

(b) Pursuant to G.S. §122C all liabilities of Horizons shall be paid from its unobligated surplus funds, and if said funds are not sufficient to satisfy such indebtednesses, the remaining unpaid portion of the same shall be apportioned to and paid by the Counties on a pro rata basis based upon each County's population percentage of the Catchment Area, meaning this percentage shall be applied against the total outstanding liability. Population shall be determined based upon the most recent numbers generated by the Division of MH/DD/SA for the State of North Carolina.

ARTICLE VII LOCATIONS

Section 1. Central Offices. The Horizons Board shall have the sole authority to designate the location of the Horizons offices; provided, that such offices shall be located within the Catchment Area.

ARTICLE VIII REAL AND PERSONAL PROPERTY

Section 1. Acquisition of Property. The Horizons Board is specifically authorized to acquire and hold such interests in real and personal property as it may deem appropriate in order to fulfill its purpose and undertaking pursuant to this Agreement, whether by lease, purchase, or otherwise. Horizons is not

authorized to hold fee simple title interest in any real property. All property acquired shall be leased or held in the name of "Horizons Behavioral Healthcare, a Joint Agency created pursuant to Chapter 160A of the North Carolina General Statutes."

Section 2. Security Interests. The Horizons Board is specifically authorized to convey security interests with respect to personal property owned by it, as collateral for such loans, leases, or other indebtednesses as may be incurred by the Horizons Board.

Section 3. Disposition of Property. The Horizons Board is specifically authorized to sell, convey, or otherwise dispose of personal property owned by it; provided, that in all such instances the Horizons Board shall comply with the provisions of Article 12, Chapter 160A, North Carolina General Statutes. The Horizons Board may approve such policy or policies for the disposition of its real and personal property as it may deem appropriate, provided that the same do not conflict with said Article 12, Chapter 160A, North Carolina General Statutes.

ARTICLE IX TRANSFER OF PROPERTY FROM PATHWAYS

Section 1. Transfer of Property and Records. Pathways shall, upon the effective date of this Agreement, take such steps and execute such instruments of conveyance or other documents as may be necessary to transfer to Horizons the following:

(a) All property, assets, and records of every kind and nature, whether tangible or intangible, which are held or owned by Pathways and which are necessary or convenient for Horizons to carry out its purpose and undertaking under this Agreement, including but not limited to vehicles, equipment, supplies, office furnishings, contracts, software licenses, personnel records, medical records, and other property; provided, that the transfer of all medical records shall be subject to the requirements of HIPAA and such other federal or state laws, rules, or regulations as may be applicable thereto.

Section 2. Loan or Lease of Property or Assets. The Horizons Board shall, acting either directly or through the CEO, have authority to arrange with Pathways for the temporary loan or lease of such Pathways property or assets to Horizons as Horizons may determine to be necessary or convenient for it to carry out its purpose and undertaking.

ARTICLE X BUDGETING AND FINANCE

Section 1. Annual Budget and Amendments. The Horizons Board shall, prior to the commencement of each fiscal year, adopt a budget. The Horizons Board shall not adopt said budget, nor shall it adopt any amendment to the same which requires an allocation of funds by the Counties.

Section 2. Fiscal Year. The fiscal year for Horizons shall run from July 1 to June 30.

Section 3. Consultation with Pathways and Approval by Counties. During preparation of its annual budget the Horizons Board shall, through the CEO, consult with Pathways in order to determine the level of funding to be provided by Pathways for the coming fiscal year. The annual budget must be approved by each County Board of Commissioners.

Section 4. Annual Audit. Horizons shall cause an annual independent audit to be performed by a certified public accountant. The certified public accountant shall be approved by the Horizons Board for this purpose.

Section 5. Reports to Pathways. Within sixty (60) days following receipt of the results of the annual audit, Horizons shall, through the CEO, report to Pathways as to the results of said audit, the general financial condition of Horizons, and a summary of Horizons's services and operations during the

immediately preceding fiscal year. In addition, Horizons shall submit quarterly written reports to Pathways as to Horizons's general financial condition, in such format as Pathways may prescribe.

ARTICLE XI

FUNDING

Section 1. Funding by Pathways. Pathways, in its sole discretion, agrees to allocate to Horizons on an annual basis, throughout the term of this Agreement, such appropriations as are commensurate with the needs of Horizons to provide Services.

Section 2. Grants. The-Horizons Board shall have the authority to apply for such grants, both public and private, as may be available to assist Horizons in carrying out its purpose and undertaking hereunder.

Section 3. Collection of Revenue by Horizons. Horizons shall make every reasonable, available effort to collect appropriate reimbursement for its costs in providing behavioral healthcare services under this Agreement. All funds collected by Horizons as set forth herein shall be utilized for Horizons's operations or capital improvement.

ARTICLE XII

DURATION AND TERMINATION OF AGREEMENT

Section 1. Duration. The term of this Agreement shall commence upon the effective date hereof and shall continue until terminated as set forth in this Article XII.

Section 2. Termination. This Agreement may be terminated at any time, with or without cause, by mutual agreement of all of the Counties and Pathways. In the event of such termination, the Counties and Pathways agree to participate in an orderly transition involving the provision of behavioral healthcare services in the Catchment Area, so that the continuity of said Services is maintained and the interests of consumers of such Services are protected. The Counties and Pathways further agree that such termination shall be by written agreement duly approved by each County and executed by each of them, which written agreement:

- (a) Specifies the means by which the above stated requirements of this Section 2 are to be met; and
- (b) Provides for the dissolution of Horizons and the satisfaction of the requirements of Section 3 below.

Section 3. Dissolution of Horizons upon Termination. Upon the termination of Horizons as set forth in Section 2 above, the Counties and Pathways agree as follows:

- (a) All just liabilities and indebtednesses of Horizons shall be paid from its unobligated surplus funds, and if said funds are not sufficient to satisfy such indebtednesses, the remaining unpaid portion of the same shall be apportioned to and paid by the Counties on a pro rata basis based upon each County's population percentage of the Catchment Area, meaning this percentage shall be applied against the total outstanding liability. Population shall be determined based upon the most recent numbers generated by the Division of MH/DD/SA for the State of North Carolina.
- (b) The remaining unobligated surplus funds of Horizons, if any, following payment of its just liabilities and indebtednesses under subsection (a) above, shall be paid to Pathways.
- (c) The real and personal property, medical and other records, personnel files, leases, contracts, and all other assets and property of Horizons shall be disposed of by or distributed to

Pathways so as to assure that the continuity of behavioral healthcare services be maintained and that the interests of consumers of said services be protected.

(d) The written instrument required under Section 2 above shall provide that, upon compliance with subsections (a), (b), and (c) of this Section 3, Horizons is dissolved.

ARTICLE XIII GENERAL PROVISIONS

Section 1. Notices.

(a) All notices, demands, or requests required to be given under this Agreement must be given in writing as follows:

To Gaston County:
c/o Jan Winters, County Manager
PO Box 1578
Gastonia, NC 28053-1578

with a copy to:
Charles Moore
County Attorney
PO Box 1578
Gastonia, NC 28053-1578

To Lincoln County:
c/o George Wood, County Manager
115 W. Main St.
Lincolnton, NC 28092

with a copy to:
Jeff Taylor
County Attorney
PO Box 159
Lincolnton, NC 28093-0159

To Cleveland County:
c/o David Dear, County Manager
311 E. Marion St.
Shelby, NC 28150

with a copy to:
Yelton, Farfour & Fite
County Attorney
PO Box 1329
Shelby, NC 28151-1329

To Pathways:
c/o Rhett Melton, Area Director
901 South New Hope Road
Gastonia, North Carolina 28054

with a copy to:
Nancy B. Paschall
Mullen Holland & Cooper P.A.
PO Box 488
Gastonia, NC 28053-0488

(b) All notices, demands, and requests given shall be deemed received when actually received if personally delivered, telecopied, e-mailed, or sent by overnight courier for next day delivery or as indicated upon the return receipt if deposited in the United States mail, registered or certified mail, return receipt requested.

Section 2. Procedure for Resolving Disputes. If issues arise between the parties regarding this Agreement or performance hereunder, then, unless otherwise specifically provided herein, the parties agree to engage in mediation prior to the filing of an action with respect thereto.

Section 3. Waiver. A decision to delay or forego enforcement of any provision of this Agreement by any of the parties shall not constitute a waiver of any rights under this Agreement.

Section 4. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect any other provision and it shall be construed as though the invalid or unenforceable provision was omitted. To this end, the provisions of this Agreement are hereby declared to be severable.

Section 5. Applicable Law. This Agreement shall be governed by and shall be construed in accordance with the laws of the State of North Carolina.

Section 6. Amendments. This Agreement may not be amended except by written instrument duly approved and executed by all of the Counties and Pathways.

Section 7. Entire Agreement. This Agreement shall constitute the entire understanding between the parties and shall supersede all prior understandings and agreements relating to the subject matter hereof and may be amended only as set forth in Section 6 above.

Section 8. Effective Date. This Agreement shall be effective from and after the ____ day of _____, 2010.

IN WITNESS WHEREOF, the parties hereto have caused this instrument, to be signed as of the day and year first above written, in their respective names by their proper officials, by authority of resolutions or other action duly adopted or taken by each of the parties and spread upon its minutes.

UPON MOTION by Commissioner Klein, the Board voted unanimously to approve Interlocal Agreement between Lincoln, Gaston, and Cleveland Counties for Formation of Mental Health Service Agency.

Motion to authorize funding to the BOE for repairs to St. James Elementary School, with any proceeds from litigation against the contractor, sub-contractors, and suppliers to reimburse this cost – George Wood: Mr. Wood stated that the Board of Education is pursuing legal action against the roofing contractor, general contractor, and supplier concerning the workmanship and warranty on the roof at North Lincoln High School. The Board agreed to front the money for these repairs, which they expect to be reimbursed following this legal action. The BOE had indicated that the cost could be about \$2,500,000. They opened bids, and awarded a contract for about \$1,500,000, a significant savings.

They have since realized that St. James Elementary School was built at the same time, by the same general contractor and using the same type of roof. The same workmanship problems have been found there, although the leaking so far is not as bad as at NLHS. The BOE wants to proceed with making those repairs, and adding it to the current litigation with the same people as the NLHS project. The estimated cost is \$750,000 based on the pricing they got for NLHS.

This makes sense in that there will be the same leakage within a few years due to the construction methods and materials. In addition, if not done now, the BOE will have to litigate twice instead of once for what is essentially the same problem at two different locations.

The Board authorized the BOE to proceed with the work at NLGS, but there was no mention of any work at St. James ES. If the Board agrees with their going ahead with this work from the \$2,500,000, they would still be within that amount. Mr. Wood recommended allowing them to proceed with the repairs/replacement.

UPON MOTION by Commissioner Carlton, the Board voted unanimously to authorize funding to the BOE for repairs to St. James Elementary School, with any proceeds from litigation against the contractor, sub-contractors, and suppliers to reimburse this cost.

Motion to Approve Changes to the Medical Insurance Plans for FY 2011 – George Wood: Mr. Wood stated that the County self-insures for employee medical insurance. It is funded in the Health Benefits Fund of the County's Budget. The County budgets within the various departments for the employer portion, and those funds are transferred monthly into the Health Benefits Fund. The employee portions are payroll-deducted and also transferred monthly into the Health Benefits Fund. There are two optional plans to

select from: The PPO Plan and the HSA Plan. The PPO Plan allows employees to pay for deductibles, copays, premiums, and other expenses on a pre-tax basis by making payroll deductions into a Flexible Spending Account. The HAS Plan provides \$500 from the County, into a Health Savings Account, into which employees can then make pre-tax payroll deductions for deductibles, copays, premiums, and other expenses.

The County has entered into an ASO (Administrative Services Only) contract with Blue Cross-Blue Shield of NC to handle employee enrollment, administer the claims for our plan, and to participate in their Preferred Provider Organization (PPO) network of health care providers. The PPO gives us a significant discount from provider rates outside this network. Mark III, an insurance brokerage, has been hired to help design the elements of the medical insurance plan and to advise on best practices.

To guard against excessive claims in a bad year, there is specific stop loss insurance that caps our exposure on any claim at \$90,000. In past years, there has been aggregate stop loss insurance also. This caps total claims in the year at 125% of the anticipated claims. Mr. Wood recommended dropping the aggregate stop loss insurance this year. It costs \$43,000 annually. He said we have never come close to a 125% claims year, nor have any other jurisdictions of which he is aware. Any savings on claims in a fiscal year are carried forward as fund balance in the Health Benefits Fund to act as a reserve for future claims should there be an abnormal claims year.

Employees can choose from four coverage options, in either the PPO or the HAS plans: 1) Employee only; 2) Employee and Spouse; 3) Employee and Children; or 4) Family. There are different premiums for each of these coverage levels.

The problem that the County and every other employer faces is the medical inflation rate continues to exceed the normal inflation rate, and the growth rate in revenues. If nothing were to change with the plan, there would be 12% increase in recommended premiums. This would affect both the employees and the County, and neither can afford that kind of increase.

Projections of the General Fund revenues growth for the FY 2011 Budget shows a 0.79% increase, or only \$518,867. \$250,000 of that is from a new revenue source, proceeds from the ABC store. There is approximately \$400,000 to fund the NC Local Government Employees Retirement System increase from 4.8% to 6.35% of payroll and similar increases for Law Enforcement Officers. That is a 32.3% increase in one year. The Retirement System lost about 20% of its portfolio in the stock market crash in 2008. These increases are necessary to rebuild the funds.

A 12% increase in medical expenses would cost the County about \$600,000. Mr. Wood asked Mark III to provide options with only a 6% increase in County funding and 0% increase in employee premiums. In order to keep the costs in that range, Mr. Wood recommended adjusting the plan as follows:

1. Do not renew the aggregate re-insurance, saving \$43,000 annually.

Under the PPO Option:

1. Increase the Primary Care Physician office visit copay from \$20 to \$30.
2. Increase the Specialist Physician office visit copay from \$40 to \$50.
3. Increase the Urgent Care copay from \$40 to \$60. (The State's health plans charge \$75 for this)
4. Increase the Emergency Room copay from \$150 to \$250.
5. Increase the four levels of Pharmacy from \$10/\$35/\$50 and 25% to \$10/\$45/\$60 and 25%.

The theory behind these increases is that instead of increasing the premiums on all employees, more of the costs should be recouped from those employees who use the Emergency Room instead of a primary physician or Urgent Care facility. The higher copay should discourage this misuse of the ER. The average ER visit costs the County close to \$1,000.

Under the HSA Option:

1. Increase the County contribution to each employee's Health Savings Account from \$500 to \$750 annually. This is to encourage utilization of this plan, as it saves the County on medical costs.

Mr. Wood recommended the Board's approval on these changes. Even with these changes, the County will still be spending \$700,000 more annually just on retirement and health insurance benefits for employees.

UPON MOTION by Commissioner Carlton, the Board voted unanimously to approve the changes to the medical insurance plan for fiscal year 2011.

Motion to Accept a HAVA Grant in the Amount of \$18,835 to Improve Disability Access at Voting Precincts – Judy Caudill: Judy Caudill presented the following information concerning the HAVA Grant.

Lincoln County has been approved for a total of \$18,835 in funding through the Help America Vote Act (HAVA) to improve accessibility of the county's voting sites. These funds were sought to make corrections to three county-owned properties used as early voting sites and to purchase additional items for non-owned sites.

Disability Rights of North Carolina surveyed the One-Stop Voting Sites in Lincoln County during the voting period for the 2008 General Election. The accessibility issues noted were identified at the following sites:

- Lincoln County Board of Elections – 115 West Main Street, Lincolnton
(Edging needed for the ramp; handrail too low; and van accessible parking spaces should be remarked, with additional signage.)
- East Lincoln Community Center – 8160 Optimist Club Road, Denver
(Van accessible parking should be remarked, with additional signage.)
- North Brook Community Center – 568 Highway 274, Vale
(Van accessible parking should be remarked, with additional signage; spaces established for curbside voting, not in conflict with accessible spaces; walkway should not interfere with access aisles of accessible spaces.)

Estimate for these improvements to the county-owned sites was \$19,800. Total requested from the HAVA funds was \$15,840, with Lincoln County providing a 20% match (\$3,960).

In addition to the improvements listed, the grant request included \$2,995 to purchase signs and traffic cones for temporary use for better accessibility at sites not owned by the county.

UPON MOTION by Commissioner Carlton, the Board voted unanimously to approve the HAVA Grant.

Capital Project Reports – Burns Whittaker: Burns Whittaker presented the Capital Project Reports.

Mr. Wood asked the Board to meet at 5:00 p.m. on April 19 at the new Sewer Treatment Plant for a field trip.

Finance Officer's Report: Leon Harmon presented the Finance Officer's Report.

County Manager's Report: George Wood presented the County Manager's Report.

County Commissioners' Report: Nothing reported.

County Attorney's Report: Jeff Taylor gave an update on Incorporation issues.

Vacancies/Appointments: **UPON MOTION** by Commissioner Carlton, the Board voted unanimously to make the following appointments:

Board of Adjustment

- Appoint Giles Martin – alternate
- Greg Cox – Regular member

Board of Equalization and Review

- Alex Brethauer as Alternate
- Appoint Buck Moody as Chair
- Appoint Fred Lane as Vice-Chair

Council on Aging

- Richard Sides
- SueJane Sides

Board of Health

- Catherine S. Boger, DVM

JCPC

- Martha Lide

Calendar: Chairman Patton presented the April 2010 calendar.

Adjourn: **UPON MOTION** by Commissioner Carlton, the Board voted unanimously to adjourn the meeting.

Amy S. Atkins, Clerk
Board of Commissioners

Alex E. Patton, Chairman
Board of Commissioners