

**MINUTES**  
**LINCOLN COUNTY BOARD OF COMMISSIONERS**  
**MONDAY, DECEMBER 19, 2011**

The Lincoln County Board of County Commissioners met December 19, 2011 at the Citizens Center, Commissioners' Room, 115 West Main Street, Lincolnton, North Carolina, at 6:30 P.M.

**Commissioners Present:**

George Arena, Vice Chair  
James A. Klein  
Carl E. Robinson, Jr.  
Carrol Mitchem

**Commissioners Absent:**

Alex E. Patton, Chairman

**Others Present:**

George Wood, County Manager  
Martha W. Lide, Assistant County Manager  
Wesley L. Deaton, County Attorney  
Amy S. Atkins, Clerk to the Board

**Call to Order:** Vice Chairman Arena called the December 19, 2011 meeting of the Lincoln County Board of Commissioners to order saying that Chairman Patton was absent due to illness.

**Invocation:** Rev. J.V. Allen of Boger City Wesleyan Church gave the Invocation and Vice Chair Arena led in the Pledge of Allegiance.

**Adoption of Agenda:** Vice Chairman Arena presented the agenda for the Board's approval.

**AGENDA**  
Lincoln County Board of Commissioners Meeting  
Monday, December 19, 2011  
6:30 PM

James W. Warren Citizens Center  
115 West Main Street  
Lincolnton, North Carolina

Call to Order

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

Pledge of Allegiance

1. Adoption of Agenda
2. Consent Agenda
  - Ordinance #2011-17: An Ordinance Amending the FY 2012 Budget for the County of Lincoln, North Carolina
  - Sponsored Group Status
    - Lincoln County Concert Association
3. Public Hearing - Installment Financing - Leon Harmon
4. Recommendation from Planning Board
  - Plat Approval #34 - Austin Real Estate Venture, LLC
5. Water Meter Replacement - Contract Award - Burns Whittaker
6. Employee Wellness Program - George Wood
7. Public Comments (15 minutes allowed per Rules of Procedure)
8. Board Organizational Assignments
9. Audit Presentation
10. Finance Officer's Report - Leon Harmon
11. County Manager's Report - George Wood
12. County Commissioners' Report
13. County Attorney's Report
14. Vacancies/Appointments
15. Calendar
16. Other Business
  - Register of Deeds Report

Adjourn

**UPON MOTION** by Commissioner Klein, the Board voted unanimously to adopt the agenda with Commissioner Mitchem adding one item under Other Business.

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

- Ordinance #2011-17: An Ordinance Amending the FY 2012 Budget for the County of Lincoln, North Carolina
- Sponsored Group Status
  - Lincoln County Concert Association
- Surplus Property
- Approval of Minutes – December 3, 2011

**ORDINANCE #2011-17: AN ORDINANCE AMENDING THE FY 2012 BUDGET  
FOR THE COUNTY OF LINCOLN, NORTH CAROLINA**

THAT WHEREAS, the Lincoln County Board of Commissioners adopted the FY 2012 Budget by approving Ordinance #2011-11 on June 20, 2011; and

WHEREAS, the Finance Director and County Manager are recommending further amendments as shown on the attachments herein; and

WHEREAS, the Lincoln County Board of Commissioners wishes to approve these proposed budget amendments;

NOW THEREFORE BE IT ORDAINED AND ESTABLISHED by the Board of Commissioners of Lincoln County, North Carolina, that the FY 2012 Budget previously adopted is hereby amended as follows:

Section 1. That the budget amendments attached hereto, and incorporated herein by reference as Exhibit A to Ordinance #2011-17, are hereby approved and adopted as amendments to the FY 2012 Budget.

Section 2. That this amendment to the budget shall become effective immediately upon its adoption by the Board of Commissioners.

Passed and adopted this 19th day of December, 2011.

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

ATTEST:

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Amy S. Atkins  
Clerk to the Board

**EXHIBIT A to Ordinance #2011-17**

Budget Amendments numbered 61 through 64, inclusive.

**Public Hearing – Installment Financing – Leon Harmon:** Mr. Harmon presented the following information:

**RESOLUTION**

The Board of Commissioners of the County of Lincoln, North Carolina (the "Board"), held a regular meeting at the James W. Warren Citizens Center, the regular place of meeting, on December 19, 2011, at 6:30 p.m.

Present: George Arena, Vice Chair; James A. Klein; Carl E. Robinson, Jr.; Carroll Mitchem

Absent: Alex Patton

Also Present: George Wood, County Manager; Martha W. Lide, Assistant County Manager; Wesley L. Deaton, County Attorney; Amy S. Atkins, Clerk to the Board; Leon Harmon Finance Director

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Commissioner Mitchem introduced the following resolution which was read:

**RESOLUTION APPROVING A PROPOSAL FROM RBC BANK (USA) TO PROVIDE FINANCING THROUGH AN INSTALLMENT FINANCING CONTRACT IN THE AMOUNT OF \$3,806,000 FOR FINANCING THE CONSTRUCTION OF THE KILLIAN CREEK WASTEWATER TREATMENT FACILITY, INFRASTRUCTURE AT AIRLIE BUSINESS PARK AND THE INSTALLATION OF THE ST. JAMES ROAD WATERLINE EXTENSION AND AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED INSTRUMENTS, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH**

BE IT RESOLVED by the Board for the County of Lincoln, North Carolina (the "County"):

The County Board does hereby find and determine:

The County proposes the financing of the construction of the Killian Creek Wastewater Treatment Facility, the infrastructure at Airlie Business Park and the installation of the St. James Road waterline extension, as more fully described in the hereinafter mentioned Contract (collectively, the “Project”);

After consideration, the County Board has determined that the most advantageous manner of financing the Project is by an installment contract pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended;

Pursuant to Section 160A-20, the County is authorized to finance the acquisition, construction and equipping of the Project by entering into an installment contract and a deed of trust or other security instrument that creates a security interest in the property financed to secure repayment of the financing;

RBC Bank (USA) (“RBC Bank”) submitted a proposal dated November 17, 2011 (the “RBC Proposal”), pursuant to which the RBC Bank would lend the County the amount of \$3,806,000 to finance the Project pursuant to an Installment Financing Contract with the County (the “Contract”). The proceeds of the loan will be held pending disbursement for the Project under an Escrow Deposit Agreement among RBC Bank, the County, and RBC Bank (USA) as escrow agent (the “Escrow Agreement”).

The County Board hereby accepts the RBC Proposal, and authorizes and directs the County Manager and Finance Director to execute, acknowledge and deliver the Contract and the Escrow Agreement on behalf of the County in such form and substance as the person executing and delivering such instruments on behalf of the County shall find acceptable. The Clerk is hereby authorized to affix the official seal of the County of Lincoln, North Carolina to the Contract and the Escrow Agreement and attest the same. The proper officers of the County are authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do or cause to be done any and all other acts and things necessary or proper for carrying out this Resolution, the Contract and the Escrow Agreement.

Notwithstanding any provision of the Contract or the Escrow Agreement, no deficiency judgment may be rendered against the County in any action for breach of a contractual obligation under the Contract or the Escrow Agreement and the taxing power of the County is not and may not be pledged directly or indirectly to secure any moneys due under the Contract, the security provided under the Contract being the security for RBC Bank in such instance.

The County covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986, as amended (the “Code”) as required so that interest on the County’s obligations under the Contract will not be included in the gross income of RBC Bank. This Resolution shall take effect immediately upon its passage.

Upon motion of Mitchem, seconded by Klein, members of the County Board, the foregoing resolution entitled “**RESOLUTION APPROVING A PROPOSAL FROM RBC BANK (USA) TO PROVIDE FINANCING THROUGH AN INSTALLMENT FINANCING CONTRACT IN THE AMOUNT OF \$3,806,000 FOR FINANCING THE CONSTRUCTION OF THE KILLIAN CREEK WASTEWATER TREATMENT FACILITY, INFRASTRUCTURE AT AIRLIE BUSINESS PARK AND THE INSTALLATION OF THE ST. JAMES ROAD WATERLINE EXTENSION AND AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED INSTRUMENTS, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH**” was passed by the following vote:

Unanimously approved.

PASSED AND ADOPTED this 19th day of December, 2011.

**Recommendation from Planning Board – Plat Approval #34 Austin Real Estate**

**Venture, LLC:** Andrew Bryant presented the following recommendation from the Planning Board:

PA #34 Austin Real Estate Ventures LLC, applicant (Parcel ID# 34640) A request for preliminary plat approval to subdivide 3.8 acres into two lots for commercial development. The property is located on the west side of N.C. 16 Business just north of the Webbs Road intersection in Catawba Springs Township.

**The Planning Board voted 8-0 on 12/5/11 to approve this request with the following conditions:**

- 1) *The owner/developer of the property will develop the property in such a manner as to provide logical connections to any future driveways or right of ways and will construct said connections when future roadway improvements are made.*
- 2) *The future lot having road frontage on NC 16 will not have direct access to the facility. All access will be from the proposed right of way on the plat or a future southern right of way.*

**UPON MOTION** by Commissioner Robinson, the Board voted unanimously to approve Plat Approval #34 – Austin Real Estate Venture, LLC with the Findings of Fact and conditions from the Planning Board.

**Public Comments:** Vice Chairman Arena opened Public Comments. Being no speakers, Vice Chairman Arena declared the Public Comments section closed.

**Water Meter Replacement – Contract Award – Burns Whittaker:** Burns Whittaker presented the following information:

The CIP Budget includes a line item this year (and for the next 6 years) of \$150,000 to continue replacing the old manual read meters with radio read meters. Bids were received on Nov 19 to replace approximately 800 meters.

Fourteen bids were received ranging from \$204.75 per meter to \$425.00 per meter. The low bid was tendered by Venture Utility Contractors of Lincolnton. Based on the bid received, it is estimated that we will be able to replace approximately 730 meters with the funds budgeted this year.

Your approval to award the contract to Venture Utility Contractors in the amount of \$204.75 per meter with a maximum price of \$150,000 is requested.

**UPON MOTION** by Commissioner Mitchem, the Board voted unanimously to award the contract to Venture Utility Contractors in the amount of \$204.75 per meter with a maximum price of \$150,000.

**Employee Wellness Program – George Wood:** George Wood presented the following information:

We have been discussing with our health insurance broker for at least two years the need for an employee wellness program. These programs have become very common in other North Carolina counties as a medical cost containment program. We continue to tweak the co-pays, deductibles, and other features in our plan each year, in an attempt to deal with medical inflation that is often 10-12% a year. We simply cannot absorb those kinds of increases, and have any money left to give employee raises.

The theory behind a wellness program is that with this health screening, we can identify those employees at greatest risk for major medical problems. In addition, we can identify those employees with a moderate risk that can avoid costly medical problems with simple steps to improve their health. Both groups would be given “coaching” by trained medical staff to deal with these issues by diet, exercise, and medication as necessary. This program does not supplant the relationship with an employee’s doctor, but should work with the physician to see that the behaviors the physician is also prescribing are in fact done. The diagnosis is known, the question is will the patient do what is necessary to change his/her lifestyle such as eating, exercise, adequate rest, medication, etc.

By identifying these higher risk employees and working with them to change these behaviors, studies have shown that the cost of the program is more than offset by the savings from decreased usage of the medical plan. The costs are paid from the Health Insurance Fund, and should require no additional funding as they can be paid from the projected savings. This has worked very well in both Cleveland and Henderson counties, which we have contacted about their programs.

The initial health assessments, using key biometrics, are critical to the program’s success. While we cannot make an employee take the assessment, you can incentivize them to do so. This is reasonable, and common in these plans, because those who don’t take the

assessment may present higher costs to the plan. The proposed premiums for next year would NOT increase for employees who take the assessment, as they would get the discounted premium rate. However, any employee not taking the assessment would pay the normal premium rate, which would be \$30 per month or higher. To remain on the discounted rate, employees must make a good faith effort to comply with the counseling steps to improve their health.

The program would be administered by CMC, using mostly employees at the CMC-Lincoln hospital. We believe that this is a proven program to help contain our costs, as well as improve the quality of life for our employees. And, as noted above, it should not increase our costs, but actually cut them.

**UPON MOTION** by Commissioner Klein, the Board voted unanimously to approve the Employee Wellness Program.

**Board Organizational Assignments:**

**2011 BOARD OF COMMISSIONERS  
ORGANIZATIONAL ASSIGNMENTS**

**ALEX PATTON – CHAIRMAN**

- CMC - Lincoln – Executive Board – not Board appointments – 3 year appt.
- CMC - Lincoln – Trustee Council – not Board appointments – 3 year appt.
- Emergency Services Subcommittee - Chair (aka Public Safety Committee)
- Social Services Dept Board – 3 year appt.

**CARL ROBINSON**

- Communities in Schools Board
- Airport Authority
- Appointments Coordinator
- Cultural Center
- Centralina Council of Governments - Alternate

**GEORGE ARENA, VICE CHAIRMAN**

- Centralina Council of Governments
- CEDC
- Emergency Services Subcommittee (aka Public Safety Committee)
- Lake Norman Rural Planning Organization
- Lincoln Economic Development Association Board

**JIM KLEIN**

- Lincoln County Recreation Commission
- NCACC Board of Directors
- ~~Pathways Community Collaborative~~

- Pathways Mental Health Board
- Chamber of Commerce Board of Directors
- LNRC
- Centralina Council of Governments – Alternate
- Regional Coalition

### **CARROL MITCHEM**

- Health Dept Board

### **OPEN**

- Historic Properties Commission – 3<sup>rd</sup> Thursday 4:00 p.m.
- Juvenile Crime Prevention Council - 1<sup>st</sup> Thurs of each month at 12:00 PM – normally 1 hour
- Partnership for Children -3<sup>rd</sup> Fri of each month at 12:00 PM
- Downtown Development Association Board (can be designee) Meets the 3<sup>rd</sup> Thurs of every month at 8:00 AM at Court Street Grille – 1 hour meeting

**Audit Presentation:** Chris Costner, with Martin Starnes and Associates, gave the Audit presentation. He said it was a clean audit and a clean opinion.

**Finance Officer's Report - Leon Harmon:** Leon Harmon gave the Finance Officer's Report. He said they are on track refunding for a January 10 sale date.

**County Manager's Report - George Wood:** George Wood gave the County Manager's Report.

**County Commissioners' Report:** Nothing reported

**County Attorney's Report:** Wesley Deaton gave the County Attorney's Report.

**Vacancies/Appointments:** Commissioner Robinson presented the following:

#### **Vacancies:**

- Nursing and Adult Home Community Advisory Committee
- Recreation Commission
  - o Lincolnton Township
- Lincoln County Community Friends
  - o Ironton
  - o Lincolnton
- Lincoln Natural Resources
- Industrial Revenues Bond Board
- Library Board

**UPON MOTION** by Commissioner Robinson, the Board voted unanimously to appoint the following:

Appointments:

Environmental Review Board

- Jeff Hager

**Other Business:** Commissioner Mitchem said it stood out to him that the sign out front of the Citizen's Center says Happy Holidays and he would like for it be changed to say Merry Christmas.

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

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Amy S. Atkins, Clerk  
Board of Commissioners

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Alex E. Patton, Chairman  
Board of Commissioners