

MINUTES
LINCOLN COUNTY BOARD OF COMMISSIONERS
MONDAY, APRIL 17, 2006

The Lincoln County Board of County Commissioners met in regular session on April 17, 2006, at the James W. Warren Citizens Center, Commissioners Room, 115 West Main Street, Lincolnton, North Carolina, the regular place of meeting at 6:30 p.m.

Commissioners Present:

Thomas R. Anderson, PE, Chairman
James Buddy Funderburk, Vice Chairman
Carrol Mitchem
Marie Moore
Alex E. Patton

Others Present:

Stan B. Kiser, County Manager
Jeffrey A. Taylor, County Attorney
Delores Alfaro, Assistant Clerk to the Board
Kelly Atkins, Director of B&LD
Randy Hawkins, Zoning Administrator
Brad Dyer, Associate Planner
Candi Cornwell, Review Officer
Maggie Dollar, Director of Health
Erma Deen Hoyle, Director of Recreation
Steve Gilbert, Director of Public Works
Leon Harmon, Director of Finance

Call to Order: *Chairman Anderson* called the April 17, 2006, meeting of the Lincoln County Board of Commissioners to order.

Invocation: *Commissioner Patton* gave the Invocation and led in the Pledge of Allegiance.

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

AGENDA
LINCOLN COUNTY BOARD OF COMMISSIONERS
APRIL 17, 2006

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| 6:30 PM | Call to Order |
| 6:31 PM | Invocation – Commissioner Alex E. Patton |
| 6:34 PM | Pledge of Allegiance |
| 1. 6:35 PM | Adoption of Agenda |
| 2. 6:37 PM | Consent Agenda <ul style="list-style-type: none">- Approval of Minutes<ul style="list-style-type: none">- April 3, 2006- Budget Adjustment #80- Tax Requests for Refunds – More than \$100<ul style="list-style-type: none">- Mar 27 – Apr 3, 2006- Mar 27 – Apr 9, 2006- Division of Forest Resources Report of Accomplishments- Proclamation<ul style="list-style-type: none">- “Kids Day America/Internation™”- Spring Litter Sweep 2006- Sponsored Group Status<ul style="list-style-type: none">- Salem Baptist Church |
| 3. 6:40 PM | Public Comments |
| 4. 6:55 PM | Recommendations from Planning Board

ZMA #524 – Benjamin and Lidia Bora, applicants
ZMA #525 – Provincial Properties LLC, applicant
ZMA #526 – Rick Cronland III, applicant
PCUR #131 – Larry Griffin Jr., applicant |
| 5. 7:10 PM | Soil and Erosion Control Ordinance – Brad Dyer |
| 6. 7:15 PM | LNRC Annual Report – Sylvia Wallace |
| 7. 7:20 PM | Avian Flu/Pandemic Flu – Belinda Branson |
| 8. 8:00 PM | Influenza Vaccine Supply Resolution – Belinda Branson |
| 9. 8:05 PM | Beattys Ford and West Lincoln Parks – Erma Deen Hoyle |
| 10. 8:10 PM | Draft Agreement for Joint Operation of Recreation Services – Erma Deen Hoyle |
| 11. 8:15 PM | Bids for West Lincoln Booster Pump Station – Steve Gilbert |
| 12. 8:20 PM | Design Proposals for Water Lines at NC 16 & NC 73 – Steve |

Gilbert

13. 8:25 PM Contract Change Order – Steve Gilbert
14. 8:30 PM Project Reports – Steve Gilbert
15. 8:35 PM Resolution in Support of Water & Sewer Bond Referendum – Steve Gilbert
16. 8:40 PM Consideration of Lincoln County Schools' Request Regarding Middle School Property – Leon Harmon
17. 8:50 PM Middle School Installment Financing – Leon Harmon
18. 8:45 PM Finance Officer's Report
19. 8:50 PM County Manager's Report
20. 8:55 PM County Commissioners' Report
21. 9:00 PM County Attorney's Report
22. 9:05 PM Vacancies/Appointments
23. 9:07 PM Calendar
24. 9:08 PM Other Business

Adjourn

UPON MOTION by *Commissioner Patton*, the Board voted unanimously to adopt the agenda.

Consent Agenda:

- Approval of Minutes
 - April 3, 2006
- Budget Adjustment #80
 - Re: Homeland Security Part II Grant
- Tax Requests for Refunds – More than \$100
 - Mar 27 – Apr 3, 2006

LINCOLN COUNTY TAX DEPARTMENT
MOTOR VEHICLES

REQUEST FOR REFUNDS

PERIOD COVERED (March 27, 2006-April 3, 2006)

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

NAME	YEAR	DIST	A/C#	AMOUNT
Lowes Home Centers Inc.	2005	City	0139428	149.15
Zanjani, Farzaneh C.	2005	ELFD/ELSD	0163049	119.59
TOTAL				\$268.74

- Mar 27 – Apr 9, 2006

LINCOLN COUNTY TAX DEPARTMENT
ANNUALS

REQUEST FOR REFUNDS

PERIOD COVERED (March 27, 2006-April 09, 2006)

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

NAME	YEAR	DIST	A/C#	AMOUNT
Mohican Mills Inc.	2004-05	City	25634	22,208.04
TOTAL				\$ 22,208.04

- Division of Forest Resources Report of Accomplishments
- Proclamation
 - “Kids Day America/Internation™”
 - Spring Litter Sweep 2006
- Sponsored Group Status
 - Salem Baptist Church

Chairman Anderson noted two corrections in the April 3, 2006, minutes:

- Pg. 6: Martin Oakes asked if the County was **paid** real estate taxes.
- Pg. 9: Windshield Stickers for Solid Waste – **The Board authorized, by consensus, ...**

UPON MOTION by *Commissioner Mitchem*, the Board voted unanimously to adopt the consent agenda, as modified.

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

Martin Oakes, 8057 Lucky Creek Lane, Denver NC, distributed a handout titled “End the Tax Breaks for New Construction!” to the Board. Mr. Oakes stated that he was here to tell the Board that he didn’t pay enough real estate taxes. He stated that when he built his house ten years ago, he didn’t have to pay taxes the year he finished it. Mr. Oakes stated that, with all the discussion about adequate public facilities, it occurred to him to go back ten years and figure out why he didn’t pay taxes the first year. He stated that if we change it so that people become eligible to pay taxes in the quarter immediately following

construction, you gain about 12-15 months' worth of taxes on new construction. Mr. Oakes stated that it's basically fairness to existing taxpayers. He stated that all of the new construction is costing the county a lot in new infrastructure, and that it is not unreasonable that newcomers pay their fair share. Mr. Oakes stated that the problem with this is that people will perceive it as an increase in taxes. He stated that the real problem with all this is that it isn't a county power, that it is a state thing, buried in laws at least thirty years old. Mr. Oakes asked the Board to draft a letter to the legislative delegation requesting changes to the existing rules. He stated that the reason for doing it now is because a session is about to start, and it is an election year, and he believed that all of the candidates could present this to the electorate, as they're helping the counties, cities and towns with their tax burdens, and so it should be popular amongst all the candidates.

Cynthia Jones, 3244 Lakeshore Road South, Denver NC, stated that she wanted to bring up a point that Sylvia Wallace will be talking about when she gives the LNRC Annual Report later. Ms. Jones stated that they have voted to recommend protecting a parcel of land at the end of Little Creek. She stated that it has no shoreline on Lake Norman, but that it has four clean streams running through it that go into the back of Little Creek, that it's really the main fresh water that comes into that part of Lake Norman, and that it goes right into our water intake, and our drinking water intake. Ms. Jones stated that Sylvia Holmes found this land when she was looking for Crescent Resources-owned properties in Lincoln County that we could possibly identify and have Duke Power give to us during the relicensing, and they're not giving anybody land as we've all found out. Ms. Jones stated that they've been trying to work with the Catawba Lands Conservancy, and that there's a good possibility of a Clean Water Management Trust Fund Grant on this property, and that they are encouraging and asking the Board to support the identification of this land, and let Crescent Resources know that we at least are interested in knowing more about this land, and if they would agree to work with us in trying to get grants for the purchase of this land.

Being no additional speakers, *Chairman Anderson* declared the Public Comments session closed.

Recommendations from the Planning Board: *Randy Hawkins, Zoning Administrator*, presented the following recommendations from the Planning Board.

Zoning Map Amendment No. 524 – Benjamin and Lidia Bora, applicants: The Planning Board voted 7-0 to recommend approval, and to adopt the Statement of Consistency and Reasonableness.

Case No.: ZMA 524

Applicant: Benjamin and Lidia Bora

Parcel ID No: 31560

Location: Hwy. 16 near Old Plank Road

Proposed

Amendment: Rezone from R-SF to B-N.

UPON MOTION by *Commissioner Funderburk*, the Board voted 4-1 to accept the Planning Board's recommendation to approve Zoning Text Amendment No. 524, including the Statement of Consistency and Reasonableness.

AYES: Anderson – Funderburk – Mitchem – Patton

NOES: Moore

This proposed amendment is consistent with the Lincoln County Land Use Plan and other adopted plans in that: This property is located in area designated as a neighborhood center, suitable for concentrating neighborhood-scale commercial development. It is also located in a larger area designated as a commercial and employment center.

This proposed amendment is reasonable and in the public interest in that: This property is located on a major highway near an intersection. Other properties in this immediate area are zoned business or industrial.

Zoning Map Amendment No. 525 – Provincial Properties LLC, applicant: The Planning Board voted 7-0 to recommend approval, and to adopt the Statement of Consistency and Reasonableness.

Case No.: ZMA 525

Applicant: Provincial Properties LLC

Parcel ID No: 34139 and 34163

Location: Hwy. 16 near Hickory Creek Drive

Proposed

Amendment: Rezone from R-SF to B-N

UPON MOTION by *Commissioner Funderburk*, the Board voted unanimously to approve the Zoning Map Amendment No. 525, including the Statement of Consistency and Reasonableness.

This proposed amendment is consistent with the Lincoln County Comprehensive Land Use Plan calls for encouraging commercial development at locations with adequate water and wastewater disposal service, and with sufficient access to a major highway.

This proposed amendment is reasonable and in the public interest in that: This property is located on a major highway. Water and sewer service is available. Adjoining properties are zoned business.

Zoning Map Amendment No. 526 – Rick Cronland III, applicant: The Planning Board voted 7-0 to recommend approval, and to adopt the Statement of Consistency and Reasonableness.

Case No.: ZMA 526

Applicant: Rick Cronland III

Parcel ID No: 25463 (portion)

Location: Salem Church Road near Freeman Road

Proposed

Amendment: Rezone from R-S to B-G

Randy Hawkins explained that, in this case, the Planning Board found that this would just be a minor expansion of an existing business district, that it already joins property zoned Business, it's located on a main road, and county water is already available. Mr. Hawkins stated that the Land Use Plan is not a lot by lot recommendation for how land should be rezoned, and that the Planning Board found that it is not entirely consistent with the Land Use Plan, but it is reasonable and in the public interest.

UPON MOTION by *Commissioner Mitchem*, the Board voted unanimously to approve the Zoning Map Amendment No. 526, including the Statement of Consistency and Reasonableness.

This proposed amendment is inconsistent with the Lincoln County Comprehensive Land Use Plan and other adopted plans in that: This area is not one of the areas designated by the Land Use Plan as most suitable for concentrating commercial development.

This proposed amendment is reasonable and in the public interest in that: This property adjoins property zoned B-G. Other properties in this area are zoned business. This would be a minor expansion of an existing business district. This property is located on a main road. County water is available at this location.

Parallel Conditional Use Rezoning #131 – Larry Griffin Jr., applicant: The Planning Board voted 6-0 (Harold Howard Jr. abstained from voting) to recommend the request be denied.

Randy Hawkins stated that he was notified by the applicant this afternoon that he wished to withdraw his request.

Soil and Erosion Control Ordinance – Brad Dyer: *Brad Dyer* presented information regarding the Soil and Erosion Control Ordinance.

Chairman Anderson stated that we had completed all of the requirements, with the exception of a detailed budget.

Jeff Taylor, County Attorney, stated that we also had to encompass within that areas larger than an area, whereas before we were trying to keep it to less than an acre.

Brad Dyer stated that we could be taking over the watershed area completely from DENR so that there will be no overlap.

Commissioner Mitchem asked about less than an acre. *Brad Dyer* stated that we could add that on, as long as we met or exceeded what they already do. *Jeff Taylor* stated that it would make the county responsible for everything within that confined geographical area. *Commissioner Moore* stated that she thought we had a lot to lose if we didn't do it, since that's where the water intake is.

Commissioner Funderburk asked Mr. Dyer if he had any figures on estimated costs, etc. *Brad Dyer* stated that when we were looking at less than an acre, the early estimates with hiring an additional employee were approximately \$87,000 per year, and without hiring, it was approximately \$37,000.

Commissioner Funderburk suggested getting the additional information, and discussing in the Budget Sessions.

Chairman Anderson agreed, suggesting that Mr. Dyer prepare a formal document to present to the Board, with all the pertinent information, for budget discussion.

Commissioner Mitchem asked Mr. Dyer to keep the Soil and Erosion Committee informed of this as well.

Commissioner Moore asked if we could take the current document, and change it to meet the specifications and the criteria needed. *Mr. Dyer* stated that we could, since it was a model ordinance.

Chairman Anderson requested that Mr. Dyer present this to the LNRC (Lincoln Natural Resources Committee) and get their written approval to include in the package for the Budget Session.

LNRC Annual Report – Sylvia Wallace: *Sylvia Wallace, Chair for the Lincoln Natural Resources Committee*, presented the LNRC report. Ms. Wallace stated that, during the last year, LNRC focused on three major goals: 1) water quality, 2) air quality, and 3) environmental education. She stated that LNRC is recommending

- that buffer requirements along the lakeshore be increased to a 50-foot setback
- that regulations for stream buffers in subdivisions be strengthened
- that a 103-acre parcel of land at the end of Little Creek, near Lake Norman, be acquired and preserved to protect water quality in the lake.

She stated that their 2006 air quality goals are as follows:

- an air quality forum for government personnel, the medical community and the general public is being planned and will be presented soon
- continue to assist with the retrofit of Lincoln County school buses
- continue to advocate for the thoughtful use of trees and other natural vegetation to be included in the county's planning and development process
- advocating for the support of the "Land for Tomorrow" Initiative

Ms. Wallace distributed an executive summary titled "*Saving the Goodliest Land: A Five-Year Plan for Investing in North Carolina's Land, Water, History and Future.*" She stated that the initiative advocates the passage of North Carolina House Bill No. 1687, which LNRC is recommending support of, in May 2006 to support a bond issue that will allow the public to vote on the question of issuing bonds for land conservation in November 2006. Ms. Wallace stated that this is important because North Carolina is losing about 100,000 acres a year as our population increases. She stated that, in the next 25 years, the state's population, including Lincoln County, is predicted to increase by 50%. Ms. Wallace stated that, if approved, these bonds would provide an increased \$200 million dollars per year over the next five years.

Chairman Anderson, on behalf of the Board, thanked her for her efforts and asked her to convey their thanks to the committee as well.

Avian Flu/Pandemic Flu – Belinda Branson: *Belinda Branson, Community Health Supervisor*, distributed packets to the Board on the Avian Flu/Pandemic Flu. The packet included a description of flu terms, a graph comparing the 2004 death rate of Lincoln County to the State, an agenda on the NC Pandemic Flu Vaccine with a CD provided, and website information (obtained from pandemicflu.gov, which also provides plans and checklists to help people prepare for this) on the Pandemic Flu. Ms. Branson reported that the State told them about 30% of the county's population would be affected by the flu, and to expect a 10-40% absenteeism rate. Ms. Branson stated that, when it strikes, it is very likely that schools, businesses and transportation will be shut down, along with overtaxing the health field. Ms. Branson stated that the flu could possibly arrive as early as this fall. She stated that she plans to collaborate with administrators in Emergency Management, the hospital and the school system.

Maggie Dollar updated the Board on steps they had taken thus far to prepare for this. She stated that the Health Department's role would be to work with Emergency Management and the local hospital, and then report to State Public Health. Ms. Dollar emphasized that people will need to stay home once this becomes an air borne situation. She stated that the flu will come in waves lasting 6-8 weeks, with a lull, before the next wave, lasting equally as long. She noted that the State is recommending that as many people as possible who are eligible (over 65 or with a chronic disease) for a pneumococcal vaccine get one, because people who contract the Avian Flu may contract a secondary infection, which leads to pneumonia.

Chairman Anderson stated that it was important that the community be aware of this, and that this information would enable the County Manager to be as proactive as possible.

Maggie Dollar stressed that, as with many public health diseases, public hygiene, particular hand washing, was the main deterrent. Ms. Dollar stated that discussions had taken place with the Department of Agriculture and representatives from the poultry industry. She stated that the State has a team specially trained to handle that aspect, should the need arise.

Influenza Vaccine Supply Resolution – Belinda Branson: *Maggie Dollar* stated that the resolution is from the State Health Director's Association, and that it will be sent to Congress, with the intent to bring awareness, and hopefully resolutions, about the problem Health Departments are having with the supply of regular flu vaccine.

UPON MOTION by *Commissioner Funderburk*, the Board voted unanimously to approve the Resolution for Influenza Vaccine Supply.

Beattys Ford and West Lincoln Parks – Erma Deen Hoyle: *Erma Dean Hoyle* presented a motion made at the February 1 Parks and Recreation Commission to the Board. Ms. Hoyle stated that, in March, there were 96 applications to the 2006 PARTF application process that was in excess of 30 million in applications from across the state, with the anticipated revenues available were between \$12 – 15 million. She stated that the demand and need is high across the state, but unfortunately the money is not there to meet all of the demand. Ms. Hoyle stated that LNRC has presented you with information on the "Land for Tomorrow Initiative," which has promised to increase monies for PARTF in subsequent years. Ms. Hoyle presented a letter on behalf of the Recreation Commission in regards to another initiative, the headwaters of Little Creek near the water intake, urging support for that project.

Chairman Anderson stated that this letter is in support of the draft letter addressed to the CEO of Crescent he sent to the Board a week earlier, asking if they would be interested in making this particular piece of land available. Mr. Anderson asked for the consensus of the board in regards to releasing that letter.

UPON MOTION by *Commissioner Moore*, the Board voted unanimously to approve that the draft letter be put in final form and sent to the CEO of Crescent Resources Inc.

Chairman Anderson asked Ms. Hoyle if, in proceeding with the use of the money set aside, the Board needed to act on it tonight or if it could be taken up as part of the budget discussions. Ms. Hoyle stated that it would be suitable for either.

Commissioner Mitchem stated that it was time to begin the process of spending the money for both Beattys Ford and West Lincoln Parks, and turn some ground so that the public would know that these were forthcoming. *Erma Deen Hoyle* stated that they could proceed with getting infrastructures in place, such as shelters and restrooms, so that the public could begin to use these parcels on a limited basis. *Commissioner Mitchem* stated that he felt that, once the public saw the development begin, there would be more interest and support. Based on that, *Commissioner Mitchem* proceeded with a motion to approve the Recreation Commission's request.

Commissioner Moore asked Ms. Hoyle what the amounts were. Ms. Hoyle stated that the amount for Beattys Ford Park was \$260,000, in addition to \$155,000 in pledges for the Splash Park from the Timken Foundation and approximately \$5,000 in some private grants. Ms. Hoyle stated that the amount for West Lincoln Park is \$310,000.

Commissioner Mitchem asked about the time frame as far as when construction would begin. Ms. Hoyle stated that it would be mid-July. Mr. Mitchem stated that we needed to go ahead and have the plans in place, so as not to delay grading and construction.

UPON MOTION by *Commissioner Mitchem*, the Board voted unanimously to authorize expenditure of the funds set aside for the development of West Lincoln Park and Beattys Ford Park.

Draft Agreement for Joint Operation of Recreation Services – Erma Deen Hoyle:

Erma Deen Hoyle presented the Draft Agreement for Joint Operation of Recreation Services to the Board for the Board's review.

Commissioner Mitchem, referring to Page 4, Item D, of the draft agreement, questioned "governing bodies." *Chairman Anderson* agreed and stated that it needed to be changed to "governing body" to reflect that the County would be making the budget decisions for the general operations and maintenance of the system.

Chairman Anderson, referring to Page 5, Item H, clarified the statement by explaining it as follows: If the City decides to build a new facility under their capital plan, which they can do without consulting the County, once built and under the commission, it becomes the county's responsibility to provide additional funds to operate that facility. In addition to that, the County must provide funds for any facility the County creates, thereby placing the burden of operational costs of all facilities on the County, regardless of who creates them. Ms. Hoyle stated that the Board could stipulate that the City include additional monies.

Erma Deen Hoyle stated that, when this information was presented to City Council, they took no formal action, and that they asked for additional time to study the draft agreement.. Ms. Hoyle stated that the recommendation was made that the City and County enter into a third party facilitator for both entities to meet jointly.

Chairman Anderson suggested that the Board discuss the draft agreement during the budget session, at which time they could make a decision about a facilitator. By unanimous consensus, the Board elected to include the draft agreement in the Budget Session. *Commissioner Moore* stated that there was a fairness issue with the City and the County having three members each, when the county had a much larger population.

Chairman Anderson thanked Ms. Hoyle for the work she had done, and asked her to extend the Board's thanks to the members of the commission.

Bids for West Lincoln Booster Pump Station – Steve Gilbert: *Steve Gilbert* presented the bids for the West Lincoln Booster Pump Station. Mr. Gilbert stated that they were recommending the low bid of \$169,500.00, submitted by J&L Construction Co. Inc., be

Recommendation: Based on the bids received on April 10, 2006, for the West Lincoln Booster Pump Station Relocation, Public Works recommended the low bid of \$169,500.00, submitted by J&L Construction Co., Inc., be accepted and approved, contingent upon State Approval.

UPON MOTION by *Commissioner Mitchem*, the Board voted unanimously to approve the Utilities Department recommendation for awarding the bid to J&L Construction Inc. for \$169,500.00.

Design Proposals for Water Lines at NC 16 & NC 73 – Steve Gilbert: *Steve Gilbert* presented the design proposals for water lines at NC 16 and NC 73. Mr. Gilbert distributed a qualification package to the Board. Mr. Gilbert stated that this fee will cover design and preparation of contract documents that can be approved by the State.

Recommendation: Based on the proposals submitted, Mr. Gilbert recommended the design contract be awarded to Robinson & Sawyer Inc., in the amount of \$9,800.00.

UPON MOTION by *Commissioner Moore*, the Board voted unanimously to award the contract to Robinson & Sawyer, Inc., in the amount of \$9,800.00.

Contract Change Order – Steve Gilbert: *Steve Gilbert* presented the Landfill Construction Change Order No. 1. *Chris Stall*, with SME, was available to answer questions.

Chairman Anderson asked for confirmation that the project was being funded from landfill funds. Mr. Gilbert confirmed that was correct.

Commissioner Moore asked about the unforeseen field conditions. Chris Stall, SME, described them as topography, additional fill material and/or excavation.

Commissioner Mitchem asked about the silt fence. Chris Stall and Steve Gilbert explained that the original route did not work out with the power company, and in relocating the route, more land had to be cleared and more silt fence was required.

Recommendation: It is recommended that a Change Order in the amount of \$60,000.00 be approved to allow the construction of both a One-Way Haul Road and the installation of a SCADA system as part of the Landfill Cell Construction Project.

Commissioner Mitchem asked for clarification regarding contingency funds. Mr. Gilbert stated that it was included as a line item in the bid. Mr. Stall stated that it was usually a five percent line item of the total price. Mr. Gilbert further explained that any request to use any of that fund has to be approved by the engineer and the owner before the change

can be made. He stated that it is a change within that contingency item, and that it does not increase the total cost of the contract, because the contingency is part of that total cost.

UPON MOTION by *Commissioner Moore*, the Board voted unanimously to accept the Utilities Department's recommendation to have a Change Order in the amount of \$60,000.00 to this contract.

Project Reports – Steve Gilbert: *Steve Gilbert* presented the Project Reports, which included the following projects: Hwy. 73 and Airport Road Water Line Extension, Westport Water Line Replacement, West Lincoln Booster Pump Relocation, Forney Creek WWTP Upgrade, New WWTP-(2.0-4.0MGD), Pump Station & Force Main Upgrades, Industrial Park Wastewater Facilities, Rock Dam Road Sewer and Landfill Cell Construction, Phase III.

Mr. Gilbert updated the Board on the landfill stickers. He stated that a complication had arisen in how to allocate the stickers into the tax bills for people with multiple properties and people who receive multiple bills. So as not to impede the mailing process of the tax bills, Mr. Gilbert proposed that, along with a public information campaign (that would include ads in the Lincoln Times-News, News at Norman, and possibly, WLON and Charter Cable), two stickers be inserted in each tax bill mailing, and people with multiples properties go to the convenience/landfill sites to pick up additional stickers as needed. He stated that they would need to show proof of residency and proof of identification. Mr. Gilbert stated that renters would have to show a rental receipt showing a location in the county.

Commissioner Funderburk asked Steve Isaac, a citizen in attendance, if he would give his renters their stickers. *Mr. Isaac* stated that he thought that was the way it should be allocated, explaining that, if he paid the taxes, he should be the one to receive the stickers and then pass them on to his renters.

Chairman Anderson suggested that Mr. Gilbert clarify that the stickers are awarded based upon the payment of the \$69 fee, and let multiple property owners know that they are going to have to get additional stickers.

Stan Kiser instructed Mr. Gilbert to find out the cost of the extra 1800 mailings. Mr. Gilbert stated that he would do so, and report back.

Chairman Anderson stated that the will of the Board is that if you pay the \$69.00, you get two stickers.

Commissioner Patton stated that he understood that people were having their drivers licenses checked at the convenience sites, and asked how that was going. Mr. Gilbert stated that random checks were being done, and that it was going well. They agreed that it was serving as a deterrent to out of county citizens.

Resolution in Support of Water & Sewer Bond Referendum – Steve Gilbert: *Steve Gilbert* presented a resolution in support of the water and sewer bond referendum. Mr. Gilbert stated that, in an attempt to bring the state’s infrastructure up to a reasonable LOS (level of service) the Rural Economic Development Center surveyed infrastructure needs statewide, county by county, and that, in the course of that survey, determined that Lincoln County will face capital needs of \$8.5 million for water and \$31 million for sewer in the next five years. He stated that their estimates also showed that the County will face additional capital needs of \$24.2 million for water and \$25.7 million for sewer within the next 25 years. Mr. Gilbert stated that they recommended that the State come forth with a bond referendum this fall, but that this referendum will cover only about one-seventh of the improvements needed.

Stan Kiser, referring to Item 1, stated that he instructed Jeff Taylor to insert “as long as steps are taken to provide for an equal allocation of bond proceeds to counties across the state.”

Commissioner Moore asked if that could be placed in bold print.

Steve Gilbert stated that, unfortunately, this in no way binds anybody to anything, but they are looking for the support.

UPON MOTION by *Commissioner Moore*, the Board voted unanimously to approve the Resolution in Support of Water & Sewer Bond Referendum.

RESOLUTION IN SUPPORT OF WATER & SEWER BOND REFERENDUM

WHEREAS, the North Carolina Rural Economic Development Center has called for a \$1 billion state bond referendum to finance needed improvements to water and sewer systems; and

WHEREAS, communities statewide face mounting pressures to provide services and protect the environment; and

WHEREAS, due to rapid growth, Lincoln County’s needs for additional funds for water and sewer improvements are particularly acute; and

WHEREAS, it is estimated that Lincoln County will face capital needs of \$8.5 million for water and \$31 million for sewer in the next five years; and

WHEREAS, it is estimated that Lincoln County will face additional capital needs of \$24.2 million for water and \$25.7 million for sewer within 25 years; and

WHEREAS, although Lincoln County has not received its equal share of bond monies from previous issues, the Lincoln County Board of Commissioners wishes to support the position of the North Carolina Rural Economic Development Center calling for a referendum;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED:

1. That the Lincoln County Board of Commissioners expresses its support for the call by the North Carolina Rural Economic Development Center for the North Carolina General Assembly to pass a bill in its upcoming session to place a new \$1 billion referendum on the fall ballot for voter approval, **as long as steps are taken to provide for an equal allocation of bond proceeds to counties across the state.**

2. That the Lincoln County Board of Commissioners requests the members of the legislative delegation representing Lincoln County to support such legislation in the General Assembly.

3. That the County Manager shall send a copy of this resolution to the North Carolina Rural Economic Development Center, the North Carolina Association of County Commissioners, and to each legislator who represents Lincoln County.

This 17th day of April, 2006.

LINCOLN COUNTY

By: _____
Thomas R. Anderson, P. E., Chairman
Board of Commissioners

ATTEST:

Delores Alfaro, Assistant Clerk
Board of Commissioners

Consideration of Lincoln County Schools' Request Regarding Middle School Property – Leon Harmon: *Leon Harmon* presented the resolution prepared by the county attorney, containing information from the schools on acreage and purchase price. Mr. Harmon stated that, since we're also doing the COPS, the Treasurer's Office wants to see all of our minutes from any time action was taken on the project, as well as certified minutes to the resolution dealing with the project.

Commissioner Patton, pointing out the school only planned to use seventy acres of the one hundred and eleven acres, asked how we could ensure that the remainder was retained by the County. *Leon Harmon* stated that, with COPS, it is being pledged free and clear of anything else for the school, as the security for the loan and will be encumbered for that project, which doesn't allow you to do anything with it, other than school expansion. *Chairman Anderson* stated that it is not unusual for the county and the schools to have joint use of land, and that the two could enter into an agreement. *Commissioner Patton* stated that he would like to get something in writing up front as we purchase the property to make sure that option is available to the current Board or future commissioners. *Chairman Anderson* stated that, initially, the County will purchase the property. He asked at what point we would transfer it to the schools. *Jeff Taylor* stated that, based on tonight's request, we would probably want it assigned to the County, allowing the County to exercise it and take title in the County's name. *Commissioner Patton* asked how the County would approve a fire department substation for the

property. *Chairman Anderson* stated that it could be leased. *Leon Harmon* stated that, as an improvement to mortgaged property, that could be clarified. *Jeff Taylor* stated that we could obtain a letter of consent, or have that portion of the property released as the balance is reduced. *Commissioner Moore* stated that was probably a good idea, relating to schools in Mecklenberg County that have libraries accessible to the public, and that, if the County owns the property, we would be able to do that. *Jeff Taylor* stated that he would have to get approval from the other parties.

Chairman Anderson asked counsel whether or not he could make the necessary contacts and revise the resolution by the next meeting. Mr. Taylor stated that he could do that.

Chairman Anderson stated that, by consensus, the Board would defer action until the next Board meeting.

Middle School Installment Financing – Leon Harmon: *Leon Harmon* stated that this related to the COPS financing, noting that, at the last Board meeting, tonight was designated as the time and place to hold a public hearing on the proposed resolution for the new middle school site.

Chairman Anderson opened the public hearing concerning the expenditure of \$20,000,000 in installment payments for the purchase of School Board property, this being the date and time established for the public hearing.

Martin Oakes stated that, having been to the school board meetings, he had no problem with the matter itself, but that he had a problem with the legality in the advertising of said public hearing. *Leon Harmon* stated that it was advertised in the Legal Section of the Lincoln Times-News on Wednesday following the last Board meeting.

Being no additional speakers, *Chairman Anderson* declared the public hearing closed.

UPON MOTION by *Commissioner Mitchem*, the Board voted unanimously to approve the resolution to purchase real property for the new middle school site.

A regular meeting of the Board of Commissioners for the County of Lincoln, North Carolina, was held at the Lincoln County Citizens Center, 115 West Main Street, Lincolnton, North Carolina, the regular place of meeting, on April 17, 2006, at 6:30 P.M.

Present: Chairman Thomas R. Anderson, P. E., presiding, and Commissioners

James (Buddy) Funderburk, Carroll D. Mitchem, Marie Moore and Alex
E. Patton.

Absent: None.

* * * * *

The Chairman announced that this was the hour and day fixed by the Board of Commissioners for the public hearing upon the proposed financing, pursuant to an installment financing agreement, to be dated as of June 1, 2006 or such other date as the parties thereto shall mutually agree upon (the "Installment Financing Agreement"), between the County of Lincoln, North Carolina (the "County") and Lincoln County Public Facilities Corporation, a North Carolina non-profit corporation (the "Corporation"), of the construction and equipping of a new middle school, including the acquisition of land therefor (the "Project"), and that the Board of Commissioners would hear anyone who may wish to be heard with respect to the Installment Financing Agreement.

As a matter of information, the Finance Director of the County described the nature of the Project, including the estimated cost thereof (\$20,000,000), and the installment payments to be made by the County under the Installment Financing Agreement for such purposes.

Martin Oakes, residing at 8057 Lucky Creek Lane, Denver, North Carolina 28037, appeared in person and stated that, having been to the school board meetings, he had no problem with the matter itself, but that he had a problem with the legality in the advertising of said public hearing. All of the foregoing statements were duly considered by the Board of Commissioners.

Thereupon the Chairman introduced the following resolution, a copy of which had been provided to each Commissioner, which was read by title and summarized by the County Manager:

RESOLUTION MAKING CERTAIN FINDINGS RELATING TO THE FINANCING OF A NEW MIDDLE SCHOOL PURSUANT TO AN INSTALLMENT FINANCING AGREEMENT AND AUTHORIZING THE FINANCE DIRECTOR TO FILE APPLICATION FOR APPROVAL THEREOF BY THE LOCAL GOVERNMENT COMMISSION

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

Section 1. The Board of Commissioners does hereby find, determine and declare as follows:

(a) The County proposes to finance the construction and equipping of a new middle school, including the acquisition of land therefor (the "Project"), pursuant to an installment financing agreement, to be dated as of June 1, 2006 or such other date as the parties thereto shall mutually agree upon (the "Installment Financing Agreement"), between the County and Lincoln County Public Facilities Corporation (the "Corporation") and the County will make Installment Payments (as defined in the Installment Financing Agreement) in amounts sufficient to pay the principal and interest with respect to the Certificates of Participation (Lincoln County Middle School Project), Series 2006 (the "2006 Certificates") to be executed and delivered by the Corporation to finance the Project, it being the express intention of the Board of Commissioners that only the principal amount of 2006 Certificates necessary to accomplish the purposes stated in the Installment Financing Agreement will be executed and delivered (estimated not to exceed \$20,000,000).

(b) The Project is necessary in order to provide public school facilities essential to the public health, safety and welfare of the citizens of the County.

(c) Based on advice from the County's investment bankers as to current tax-exempt interest rates, the sums to fall due under the Installment Financing Agreement are not excessive for its stated purposes; moreover, the estimated cost of the Project is not excessive.

(d) Counsel to the County has rendered an opinion that the proposed undertakings are authorized by law and are purposes for which public funds may be expended pursuant to the Constitution and laws of the State of North Carolina.

(e) The Installment Financing Agreement, under the circumstances presently obtaining, is preferable to a general obligation bond issue for this purpose. The County's current fund balance is, in light of other requirements and prudent fiscal management, insufficient to fund the entire cost of the Project, the County does not have the ability to issue sufficient non-voted bonds under the provisions of Article V, Sec. 4 of the North Carolina Constitution for the purposes of financing the Project, and voting general obligation bonds for this purpose will result in unacceptable delay and additional cost to the County.

(f) The estimated cost of financing the Project pursuant to the Installment Financing Agreement compares reasonably and favorably with an estimate of similar cost for general obligation bond financing therefor. The primary difference in cost results from higher issuance costs, but this amount is insignificant when compared to the total cost of financing the Project.

(g) The debt management policies of the County have been carried out in strict compliance with law, including the filing of all required audits and reports with the Local Government Commission (the “LGC”), and the County is within its statutory debt limit and is not in default with respect to any of its outstanding indebtedness.

(h) The County estimates that no increase in the property tax rate will be required to raise sums to pay the estimated debt service to fall due under the Installment Financing Agreement for all of its stated purposes.

(i) The County has made timely payment of all sums owed by it with respect to the payment of principal of and interest on all of its outstanding debt obligations and has received no notice from the LGC or any holder concerning the County’s failure to make any required payment of debt service.

Section 2. The LGC is hereby requested to approve the proposed Installment Financing Agreement pursuant to the provisions of Article 8 of Chapter 159 of the General Statutes of North Carolina, and the Finance Director of the County is directed to complete all applications and execute all documents required in connection with obtaining such approval.

Section 3. The LGC is hereby requested to approve the selection of the following professionals who comprise the financing team, and such other professionals as may be required or useful and acceptable to the LGC, to assist the County in connection with such financing:

Special Counsel	Sidley Austin LLP
Underwriter	Banc of America Securities LLC
Underwriter’s Counsel	Womble Carlyle Sandridge & Rice, PLLC

Trustee

First-Citizens Bank & Trust Company

Corporation Counsel

The Jonas Law Firm, P.L.L.C.

Section 4. All actions heretofore taken by the Finance Director in connection with the Installment Financing Agreement and the 2006 Certificates, including filing the application with the LGC, retaining Special Counsel and selecting an investment banking firm and a trustee, are hereby ratified and confirmed.

Section 5. This resolution shall take effect immediately upon its passage.

Upon motion of Commissioner Carrol D. Mitchem, the foregoing resolution entitled: "RESOLUTION MAKING CERTAIN FINDINGS RELATING TO THE FINANCING OF A NEW MIDDLE SCHOOL PURSUANT TO AN INSTALLMENT FINANCING AGREEMENT AND AUTHORIZING THE FINANCE DIRECTOR TO FILE APPLICATION FOR APPROVAL THEREOF BY THE LOCAL GOVERNMENT COMMISSION" was passed by the following vote:

Ayes: Commissioners Anderson, Funderburk, Mitchem, Moore and Patton.

Noes: None.

* * * * *

I, Delores Alfaro, Assistant Clerk to the Board of Commissioners for the County of Lincoln, North Carolina, DO HEREBY CERTIFY that the foregoing has been carefully copied from the recorded minutes of the Board of Commissioners for said County at a regular meeting held on April 17, 2006, said record having been made in the official minutes of said Board, and is a true copy of so much of the proceedings of said Board as relates in any way to the holding of a public hearing on the Installment

Financing Agreement described in said proceedings and the passage of the resolution set forth therein.

I DO HEREBY FURTHER CERTIFY that a schedule of regular meetings of said Board, stating that regular meetings of said Board are held in the Commissioners' Meeting Room at the Lincoln County Citizens Center, 115 West Main Street, Lincolnton, North Carolina, on the first and third Mondays of each month at 6:30 P.M., has been on file in my office as of a date not less than seven days before the date of said meeting in accordance with G.S. §143-318.12.

WITNESS my hand and the official seal of said County, this 18th day of April, 2006.

Delores Alfaro,
Assistant Clerk to the
Board of Commissioners

[SEAL]

Finance Officer's Report: *Leon Harmon* presented the Budget Performance Report for March 2006. Mr. Harmon stated that he attached the schedule for the closing of the COPS on June 30. He recommended that, since it's so close to the end of the fiscal year, the Board approve funds for the purchase of this land by advancement from the General Obligation Bonds on hand, reimbursing that after the closing of the COPS financing. *Chairman Anderson* asked Mr. Harmon to prepare the necessary documents for the Board to approve, and they would take it under consideration.

County Manager's Report: Stan Kiser presented the County Manager's report. Mr. Kiser informed the Board that Ronnie Carswell contacted him about donating land on Hwy. 27 West for a public library. Her informed Mr. Carswell that there were no immediate plans for a library, but that there might be within the next four to five years. Chairman Anderson instructed Mr. Kiser to determine the usability of the land, and the terms and conditions of the donation.

County Commissioners' Report: There were no reports.

County Attorney's Report: *Jeff Taylor* addressed the Board regarding Mr. Oakes' concerns about tonight's public hearing. Mr. Taylor stated that the proceedings for the public hearing came from a special attorney in New York City, who is very familiar with

North Carolina procedure. He stated that the legal standard was met in advertising the public notice. Mr. Taylor updated the Board regarding the textile mill condemnation, and donation of property in the old Industrial Park.

Vacancies/Appointments:

Vacancies:

Council on Aging *1
Historic Properties Commission *1

Appointments:

Catawba-Lincoln Boundary Committee:

- James (Buddy) Funderburk
- George L. Dellinger
- Madgalene (Madge) Huffman
- Jeffrey A. Taylor

Commissioner Funderburk, referring to a letter he received just this evening, stated that it was a request from Danny Richard, Chairman of the LHS Board of Directors, asking the Board to reconsider the exemption of the hospital board's number of members and the staggering of replacements. Commissioner Funderburk stated that he would like to make a motion honoring their request.

Commissioner Moore stated that, in a previous discussion, it was determined that some of these members could serve as long as nine years, which she thought was a little bit long, when we had qualified people in Lincoln County who could serve. *Commissioner Patton* stated that when the Board previously discussed it, they weren't aware of the issues that might be coming up with the hospital. *Chairman Anderson* clarified the nine years by explaining that the only way one would serve nine years would be someone presently on the Board, coming to the end of his second three-year term, who would serve a third three-year term, if we honor their request to do that. Chairman Anderson stated that he didn't believe they were asking, if someone were appointed today, that person would be able to serve three consecutive three-year terms, and that he believed the request is for current board members. ***Commissioner Funderburk* stated that it is a one time extension only.**

UPON MOTION by *Commissioner Funderburk*, the Board voted 4-1 to approve that we appoint a Boundary Committee to work between Lincoln County and Catawba County, which will be comprised of the same individuals that are comprising the boundary committee working with Gaston County, and also that we honor the hospital board's request with regard to extension of hospital board members' terms to get them through this rather busy period.

AYES: Anderson – Funderburk – Mitchem – Patton

NOES: Moore

Commissioner Funderburk asked if the vote was on both motions, or just one.

Chairman Anderson stated that he had both motions.

Commissioner Moore stated that she had to vote no because the motions were together.

Chairman Anderson and *Commissioner Funderburk* asked *Commissioner Moore* if she would like to the motions made separately.

Commissioner Moore stated that they could split it if they wanted to.

UPON MOTION by *Commissioner Funderburk*, the Board voted unanimously to have the same Boundary Committee for Catawba County that we have for Gaston County.

UPON MOTION by *Commissioner Funderburk*, the Board voted 4-1 to accept their (the hospital board's) recommendation to extend the terms one time for the current board members, until they can stagger them the way they need their replacements to be, as requested in the letter dated April 14, 2006, from Lincoln Health Systems.

AYES: Anderson – Funderburk – Mitchem – Patton

NOES: Moore

Calendar: *Chairman Anderson* presented the Calendar for May.

Upon consensus by the Board, the following dates were selected for Budget Sessions:

- **Tuesday, May 30, 2006 at 3:00 p.m.**
- **Tuesday, June 06, 2006 at 3:00 p.m.**
- **Monday, June 12, 2006 at 3:00 p.m.**

All meetings will be held in the Board of Commissioners Room on the Third Floor of the James W. Warren Citizens Center.

Other Business: There was no other business.

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

Delores Alfaro, Assistant Clerk
Board of Commissioners

Thomas R. Anderson, PE, Chairman
Board of Commissioners