

Catawba County Board of Commissioners
Regular Session, Tuesday, September 2, 2008, 9:30 a.m.

ABC Board

Mental Health ABC Funds 161 09/02/08

Appointments

Industrial Facilities & Pollution Control Financing Authority 160 09/02/08

CVCC Board of Trustees 160 09/02/08

Awards

Spirit Award – W. Stine Isenhower 160 09/02/08

Distinguished Public Service Award – Fred Miller 160 09/02/08

Catawba County Schools

Fred T. Foard/Ste. Stephens High School Projects 162 09/02/08

CVBH

Lease amendment 161 09/02/08

County Manager's Office

Welcome to new Assistant County Manager Dewey Harris 160 09/02/08

Welcome to Tara Sain, Part-time Attorney 160 09/02/08

Ordinances

Urgent Repair Program Project Budget Ordinance Amendment 161 09/02/08

Planning

Urgent Repair Program Project Budget Ordinance Amendment 161 09/02/08

DOT Abandonment of portion of Kiser Island Road 164 09/02/08

DOT Abandonment of portion of Meandering Way 165 09/02/08

Resolutions

DOT Abandonment of portion of Kiser Island Road 164 09/02/08

DOT Abandonment of portion of Meandering Way 165 09/02/08

Roads

DOT Abandonment of portion of Kiser Island Road 164 09/02/08

DOT Abandonment of portion of Meandering Way 165 09/02/08

Social Services

Work First County Plan 2009-2011 163 09/02/08

Work First

County Plan for 2009-2011

Utilities and Engineering

Bid Award for Wheel Loader 163 09/02/08

Southeastern Catawba County (SECC) Water Supply Loop Phase III Bid Award 166 09/02/08

The Catawba County Board of Commissioners met in regular session on Tuesday, September 2, 2008 at 9:30 a.m. in the 1924 Courthouse, Robert E. Hibbitts Meeting Room, 30 North College Avenue, Newton, North Carolina.

Present were Chair Katherine W. Barnes, Vice-Chair Lynn M. Lail and Commissioners Dan Hunsucker, Glenn Barger and Barbara G. Beatty.

Also present were County Manager J. Thomas Lundy, Assistant County Manager Lee Worsley, Assistant County Manager Dewey Harris, County Attorney Debra Bechtel, Deputy County Attorney Anne Marie Pease and County Clerk Barbara Morris.

1. Chair Katherine W. Barnes called the meeting to order at 9:30 a.m.
2. Vice-Chair Lynn M. Lail led the Pledge of Allegiance to the Flag.
3. Commissioner Dan Hunsucker offered the invocation.
4. Commissioner Glenn Barger made a motion to approve the minutes of the Regular Meeting of Monday, August 18, 2008. The motion carried unanimously.
5. Recognition of Special Guests: Chair Barnes welcomed everyone present and specifically Sheriff Huffman, Randy Isenhower and Joyce Spencer. Later in the meeting, Commissioner Hunsucker recognized Jim Webb, who had recently died, for his committed public service to Catawba County.
6. Comments for Items not on the Agenda. None.
7. Presentations:
 - a. All the Commissioners came forward to present the County's highest award, the Catawba County Spirit Award, to Mr. Stine Isenhower for his leadership and public service to the county. Mr. Isenhower served as a County Commissioner for eight years and later served three terms in the North Carolina House of Representatives. Among his many accomplishments, Mr. Isenhower was instrumental in achieving equity in funding for all public school children, regardless of the school system they attended, and in implementing county-wide zoning to ensure controlled growth and continuity. Mr. Isenhower introduced his family members who were present and thanked the Board for the honor.
 - b. The Board presented a Distinguished Public Service Award to Mr. Fred Miller, Director of the North Carolina Cooperative Extension Service-Catawba Center, for his achievement serving as the 2008 President of the National Association of County Agricultural Agents. Mr. Miller is dedicated to the role of Cooperative Extension in the community and the tremendous impact agricultural agents have on the quality of life in the county, state, and across the United States.
 - c. Chair Barnes asked County Manager J. Thomas Lundy to introduce Mr. Dewey Harris, Catawba County's new Assistant County Manager. Mr. Harris previously served as Interim Assistant City Manager in Wilmington, North Carolina, and was Director of Wilmington's Community Services Department since 2002. Mr. Harris will work as part of Catawba County's management team with County Manager J. Thomas Lundy and Assistant County Manager Lee Worsley. Each member of the management team works on a day-to-day basis with specific County departments. The entire team works closely with the Catawba County Board of Commissioners to carry out the goals and directives of the Board. Mr. Harris thanked the Board for their welcome and said he looked forward to working with the County.
 - d. County Attorney Debra Bechtel introduced Tara Sain to the County's Legal staff. Ms. Sain will be working on a part-time basis and will provide legal support to the County's Sheriff's Office.
8. Appointments.

Commissioner Dan Hunsucker recommended the reappointment of Diane Klein for a fourth term and Barry Whisnant for a second term on the Industrial Facilities & Pollution Control Financing Authority Board. Chair Kitty Barnes recommended the appointment of Jeff Hale to the Catawba Valley Community College Board of Trustees to succeed Roxy Poovey, who had resigned from the Board. These recommendations came in the form of a motion. The motion carried unanimously.
9. Consent Agenda:

County Manager J. Thomas Lundy presented the following four items on the consent agenda:

 - a. A request for the Board to award a bid for a landfill wheel loader needed at the Blackburn Landfill to Stafford Equipment Company of Shelby, NC, in the amount of \$109,881, which includes

the amount for the trade-in of a 1998 John Deere wheel loader owned by the County. The new wheel loader will replace the 1998 loader, which has approximately 12,000 operating hours. Everyday use and the harsh conditions in which the loader operates have resulted in major maintenance problems with the existing loader. The County's bid package requested an alternate trade-in of the 1998 John Deere 544H and a five year/7500 hour power train warranty. Bids received were as follows: 1) Stafford Equipment: \$109,881 for a Hyundai HL757-XTD-7A; 2) Linder Industrial Machine: \$113,000 for a Komatsu WA320-6; 3) James River Equipment: \$122,001 for a John Deere 624K; 4) Carolina Tractor: \$138,911 for a Caterpillar 938H and 5) ASC Construction: \$139,657.44 for a Volvo L90F. The Hyundai HL757-XTD-7A bid by the low bidder, Stafford Equipment, meets the County's specifications. Funding for this purchase was included in the County's fiscal year 2008-09 budget, and is from the County's Solid Waste Enterprise Fund, derived from solid waste tipping fees and containing no ad valorem tax proceeds.

b. The Board was requested to appropriate funds in the amount of \$162,970.26 to be paid to Mental Health Partners to provide substance abuse services as specified under North Carolina General Statute 18B-805. The County has historically received funds from the Alcoholic Beverage Control (ABC) Board from a 5 cent bottle tax and 7% of gross receipts on the sale of alcoholic beverages. Those funds had been spent through the County's Mental Health Department for substance abuse services in accordance with the statute. Due to timing issues at the end of each year, excess funds have remained on June 30 of each year and have been spent in the following year for the same purpose. On July 1, 2008, Catawba County's Mental Health Department ceased to exist and became part of a new agency called Mental Health Partners. The need for any leftover funds to be spent for substance abuse services remains. On June 30, 2008, \$54,970.26 remained in unspent ABC funds. In addition, funds in the amount of \$45,000 (5 cent bottle tax) and \$63,000 (7% gross receipts tax) are expected to be received by the County from the ABC Board in Fiscal Year 2008-09. These funds also must be spent for the above purposes, but were not included in the County's FY 2008-09 budget. The following appropriations apply:

110-510050-861025	MHP – ABC Board Expenditures	\$54,970.26
110-190050-690100	Fund Balance Appropriated	\$54,970.26
110-510050-861025	MHP – ABC Board Expenditures	\$108,000
110-510050-611800	ABC 5 Cents per Bottle	\$45,000
110-510050-680200	ABC Profits (7% Gross Receipts)	\$63,000

c. The Board was requested to amend the terms of an existing lease of property between the County and Catawba Valley Behavioral Healthcare (CVBH), and authorize staff to make future decisions in the best interest of the County regarding the lease. With the reform of Mental Health services by the State of North Carolina, CVBH began leasing from the County 36,700 square feet in the former Mental Health main building and adjacent Lifeskills facility in January 2007. Since that time, CVBH has been recognized as doing a valuable service for Catawba County citizens who struggle with matters of mental illness and developmental disabilities. Since January 1, 2007, CVBH has been paying the County \$10 per square foot a year, or \$30,583 per month for the first 18 months. Beginning on July 1, 2008, CVBH paid the County \$10.25 per square foot, or \$31,348 for the month of July, per the existing lease agreement. In July 2008, John Hardy, Area Director for Mental Health Partners, asked the County to review the existing lease to determine market rates and other lease arrangements the County has in place due to the struggling economy and housing market in the area. Staff researched existing office/institutional lease rates across the County and determined that lease rates were averaging \$8 to \$10 per square foot in the Hickory area, and \$7 per square foot in the Newton area. In addition, the County is currently leasing approximately 12,000 square feet on Highway 70 to the Employment Security Commission for \$8.58 per square foot. Based on this information, County staff recommended a modification to the existing lease agreement for the remaining eleven months to \$7.25 per square feet beginning with the August 2008 lease payment, an average of \$7.50 per square foot for the current fiscal year and \$9.00 per square foot over the entire 30-month lease period, generating revenue of \$825,750 for the County. In the event local economic conditions and/or housing market rates change, the lease agreement will include flexibility for the County to adjust rates based on those market conditions.

d. The Board was requested to amend the 2007 Urgent Repair Project Budget Ordinance to allow the County to expend \$1,539.29 in interest earned. Catawba County received a \$75,000 Urgent Repair Grant in March 2007. It is expected that 16-20 homeowners across Catawba County will benefit from this grant. The County is allowed to earn interest on funds received from the North

Carolina Housing Finance Agency. During the last 18 months, interest totaling \$1,539.29 has been earned on this project. These funds will be expended through the rehabilitation line item by September 16, 2008, to help complete the repairs needed for the last house obligated as the grant is completed. The following Ordinance applies:

ORDINANCE# _____
AMENDMENT#1
CATAWBA COUNTY PROJECT BUDGET ORDINANCE
FOR THE 2007 URGENT REPAIR GRANT

The following revenues are anticipated to be available to complete this Project:

Revenues

North Carolina Housing Finance Agency-URP

NCHFA-URP Grants Revenue	280-420101-627205	\$ 75,000
Interest Earned on Revenue	280-420107-680300	<u>\$ 1,539</u>
		\$ 76,539

Section 4. The following Expenditures are appropriated for the project:

Expenditures

North Carolina Housing Finance Agency-URP

Rehabilitation-URP	280-420107-849120	\$ 69,039
WPCOG Administration	280-420107-849117	<u>\$ 7,500</u>
		\$ 76,539

Adopted this the 2nd day of September, 2008.

Chair Barnes asked if any Commissioner wished for an item or items to be removed from the consent agenda and considered individually. None were requested. Vice-Chair Lail made a motion to approve the consent agenda. The motion carried unanimously.

- 10. Departmental Reports:
 - a. Catawba County Schools:
Rodney Miller, Finance Director and Dr. Tim Markley, Catawba County Schools Superintendent presented a request from Catawba County Schools to transfer funds remaining in several projects approved in the current year's County budget to fund an expansion project at Fred T. Foard High School, and for the use of a portion of the fiscal year 2008-09 lottery funds to award bids for athletic facility improvements at St. Stephens High School. In fiscal year 2007-08, the Board of Commissioners set aside two cents of the property tax rate for the financing of school and community college construction over a four-year period. Projects planned for fiscal year 2008-09 included improvements at Fred T. Foard High (\$3.6 million) and Webb Murray Elementary (\$3.2 million) as well as some athletic facility improvements at St. Stephens High School (\$550,000).

With construction costs for projects at Bandys and Bunker Hill High Schools in the first year of the funding cycle exceeding estimates, Catawba County Schools decided to use funds from the Webb Murray Elementary project to fund those projects and delay Webb Murray until the next four-year funding cycle. On December 3, 2007, the Board approved the advance of \$206,700 for a portion of the Fred T. Foard Project to air condition the gym, leaving a project balance of \$3,393,300. When the County's fiscal year 2008-09 budget was approved, only \$3.3 million was included in the budget

ordinance. Staff recommends the appropriation of \$93,300 from fund balance to align with original estimates.

The Fred T. Foard High School project consists of constructing a new kitchen and cafeteria area and converting the existing kitchen and cafeteria to classrooms and a storage area. Additional parking areas are included in the project as well as a new track and visitors' bleachers at the football stadium. Construction bids received in July 2008 totaled \$4,978,000, approximately \$1.4 million over estimates. To address this overage, Catawba County Schools is requesting to use the \$1,014,000 remaining from the Webb Murray Elementary project, and transfer \$350,000 earmarked for a land purchase for a future elementary school and \$35,700 from a Human Resource Center project budgeted in the current fiscal year.

The St. Stephens High School project consists of a new track and bleachers, as well as the addition of bathroom facilities on the current site adjacent to Arndt Middle School. The North Carolina Building Code requires bathroom facilities to be located within 500 feet of an athletic field or track, which was not included in original budgeted estimates. The facility will include only the minimum requirements needed to meet code, however, considering only one athletic program will be using the site. Bids received on the project totaled \$679,000, \$129,000 above estimates. Catawba County Schools has requested the use of one-time lottery funds, approved in the current year's State budget, to fund the difference. Remaining lottery funds received this year, estimated at \$600,000 for the Catawba County Schools, are expected to be used for improvements to Arndt Middle School, planned for the fourth year of the funding cycle in Fiscal Year 2010-11.

Supplemental Appropriation:

423-740100-863200-31111-3-04	Fred T. Foard High	\$1,493,000
423-740100-863200-31124-3-01	Webb Murray Elementary	(\$1,014,000)
423-740050-695420	Transfer from Schools' Capital	\$385,700
423-740050-690100	Fund Balance Appropriated	\$93,300
420-750100-863200-31129-1-01	Purchase Property – Propst Elem	(\$350,000)
420-750100-863200-31150-3-12	CCS Annex Renovations	(\$35,700)
420-750050-995423-30050-9-02	Transfer to Schools Construction	\$385,700
423-740100-863200-31121-3-03	St. Stephens High Track	\$129,000
423-740050-630501	School Bldg. Capital - Lottery	\$129,000

Commissioner Barger made a motion to approve this request. The motion carried unanimously.

b. Social Services:

Jo Sloan, Family Support Program Manager presented a request for the Board to approve the pursuit of Electing County Status under North Carolina Work First guidelines and to appoint members to serve on a planning committee for the County's Work First Plan for fiscal years 2009 through 2011. In 1996, Congress ended the national welfare program known as Aid to Families with Dependent Children and crafted legislation allowing states to implement their own welfare programs. This authority allowed the North Carolina General Assembly to go even further with welfare reform by allowing counties to compete for Electing County status which, in essence, offered a limited number of counties the opportunity to have greater control over local welfare policies, as well as greater control over available funding. Counties were encouraged to think "outside the box" and offer suggestions for innovative policy changes to enable families to move more quickly to higher levels of personal responsibility and economic self-sufficiency. Catawba County decided not to pursuing Electing County Status prior to 2006 due to financial risks involved in the economic conditions that then existed. In October 2006, Catawba County submitted its current Work First Plan, (for fiscal years 2007-2009) and was selected as an Electing County. The citizens of Catawba County have benefited greatly from the State's electing county experiment. Catawba County's Electing County Plan clearly communicates that the expectation is that all "able-bodied" persons will seek and maintain employment and support their families to the best of their ability. The County's Work First caseload has dropped by 79.3% since the beginning of Welfare Reform in 1995.

On June 19, 2008, Catawba County Social Services received notice that all counties must again participate in the Work First biennial planning process. As in the past, a limited number of counties may be designated as "Electing Counties." In prior years, there were numerous advantages to being an Electing County. However, the state has gradually adapted a plan that mirrors the policies recommended by counties vying for Electing status. The primary reason for pursuing Electing County status for the 2010-2011 biennium would be the possibility of financial benefit to the county, although such benefit is expected to be less than in years past, as the issue of electing counties and funding is currently being debated in the General Assembly. The County must designate its interest in pursuing Electing County status by September 26, 2008. Doing so will keep the County's options open until critical information is received from the legislature regarding funding opportunities. The County may change its designation at any time prior to April 1, 2009. North Carolina General Statute 108A-27 requires the Board to appoint a committee of local leaders to assist in the development of the County's Work First Block Grant plan.

The proposed list of members for the planning committee were as follows:

Glenn Barger	Board of Social Services / the Board of County Commissioners
Eddie Daniel	Local School System (Principal of Challenger High School)
Tom Richards	Board of Public Health
Pete Miller	Business Community
Roger Baker	Greater Hickory Cooperative Christian Ministry
Tony Bunton	Eastern Catawba Cooperative Christian Ministry
Henry Steele	Vocational Rehabilitation Manager
Mary Patton	Goodwill Manager
Malle Vue	Goodwill Job Placement Counselor
Ann Peele	First Step Manager
Barbara Degen	Legal Aid
Joyce Watson	HRD Director
Ron Valentini	Dean of Continuing Education at CVCC
Donna Gilbert	JobLink Manager
Joy Mease	Social Security
Patricia Meredith	Family Net
Melissa Cline	LME
Mark Powers	Qualified Substance Abuse Professional (QPSA)
Cyndy Benson	Child Welfare Program Administrator
Trudy Logan	Prevention Unit Supervisor
Allan Mackie	Employment Security Commission Manager
Gloria DeVane	ESC Job Placement Counselor/NAACP
Patricia Holcombe	Child Support Unit Program Manager
Claudia Catlin	Day Care Unit Supervisor
Ed Clifford	Director of the Western Piedmont Regional Transit Authority
Karen Heffner	Work First Program Manager
Beth Smith	Work First Lead Worker
Jo Sloan	Family Support Program Administrator
Bobby Boyd	Social Service Director
Gina Silva	Hispanic Representative
	Work First Participant
	Work First Participant

Commissioner Dan Hunsucker made a motion to approve the pursuit of electing county status and the proposed members of the planning committee.

c. Planning:

1. Jacky Eubanks, Director of Planning, Parks and Development, presented a request for the Board to recommend to the North Carolina Department of Transportation (NCDOT) the abandonment of maintenance for 1000 linear feet of Kiser Island Road (State Road 1841). Under North Carolina General Statute 136-63, the Board may, on its own motion or on petition of a group of citizens, request that the North Carolina Board of Transportation change or abandon any road in

the secondary system when the best interest of the people of the county will be served. NCDOT requested a review and recommendation from the Board of Commissioners on the proposed abandonment of maintenance of the initial 1000 feet where Kiser Island Road intersects with NC Highway 150. This request resulted from the realignment of this segment to provide a better cross intersection with the entrance to Duke Energy's Marshall Steam Station. As a result of additional traffic from construction and a landfill area exiting the Marshall Steam Station, Duke Energy and property owners along Kiser Island Road requested that NCDOT consider a realignment of the intersection with the entrance road to the Marshall Steam Station. This involved straightening approximately 1000 feet of Kiser Island Road to match the entrance road to Marshall Steam Station. The new road segment was paved and constructed to NCDOT standards in the spring of 2007 and added to the State road maintenance program. The abandonment petition has been signed by the affected property owners, Duke Energy and Carolina Centers, LLC. The following resolution applies:

RESOLUTION #2008 -
REQUESTING THE CLOSING OF A PORTION OF
KISER ISLAND ROAD (SR 1841)

WHEREAS, Duke Energy Corporation and Carolina Centers, LLC petitioned the North Carolina Department of Transportation (NCDOT) to abandon a portion of Secondary Road #1841, known locally as Kiser Island Road, from the State maintenance system. The portion being described as approximately one thousand linear feet of roadway beginning adjacent to the right-of-way for NC 150 and ending at the newly established right-of-way for the realigned portion of SR 1841.

WHEREAS, NCDOT has submitted to the Catawba County Board of Commissioners a request for a review and recommendation for the road abandonment; and

WHEREAS, staff has reviewed the request and has determined that no property owners would be deprived of ingress or regress;

THEREFORE BE IT RESOLVED THAT the Catawba County Board of Commissioners has reviewed this request and recommends to the North Carolina Board of Transportation for the abandonment of the first one-thousand linear feet of old SR1841, known locally as Kiser Island Road, which has since been realigned and the realigned portion placed under State maintenance.

Upon motion made by Commissioner _____, the above resolution was unanimously adopted by the Board of Commissioners of Catawba County on the ____ day of _____, 2008.

This the _____ day of _____, 2008.

Commissioner Barbara Beatty made a motion to approve this request and recommend to the NCDOT the abandonment of a portion of Kiser Island Road. The motion carried unanimously.

2. Jacky Eubanks, Director of Planning, Parks and Development, presented a request for the Board to recommend to the North Carolina Department of Transportation (NCDOT) the abandonment of maintenance for the last 370 feet of Meandering Way (State Road 1499). This request was being made under North Carolina General Statute 136-63, as noted in the previous paragraph. NCDOT requested a review and recommendation from the Board on the abandonment of maintenance for the last 370 feet of Meandering Way where it dead-ends into property owned by Jimmy and Alma Sipe. This section of road serves as a private driveway which provides sole access to the Sipe property. NCDOT is paving Meandering Way and, as part of this project, will construct a T-turnaround where State maintenance would end. Final action on both items A and B, above, will be up to the North Carolina Board of Transportation. The following resolution applies:

RESOLUTION #2008 -
REQUESTING THE CLOSING OF A PORTION OF
MEANDERING WAY (SR 1499)

WHEREAS, property owners Jimmy W. Sipe and wife, Alma Dean Sipe have petitioned the North Carolina Department of Transportation (NCDOT) to abandon a portion of Secondary Road #1499, known locally as Meandering Way, from the State maintenance system. The portion being requested for abandonment is described as the last 370 feet (.07 miles) of SR 1499, which is currently .50 miles in length thus shortening the State maintained length to .43 miles overall as measured from its intersection with SR 1484 (County Home Road).

WHEREAS, NCDOT has submitted to the Catawba County Board of Commissioners a request for a review and recommendation for the road abandonment; and

WHEREAS, staff has reviewed the request and has determined that no property owners would be deprived of ingress or regress;

THEREFORE BE IT RESOLVED THAT the Catawba County Board of Commissioners has reviewed this request and recommends to the North Carolina Board of Transportation for the abandonment of the 370 feet (.07 miles) of SR 1499, as described above,

Upon motion made by Commissioner _____, the above resolution was unanimously adopted by the Board of Commissioners of Catawba County on the ____ day of _____, 2008.

This the ____ day of _____, 2008.

Commissioner Hunsucker made a motion to approve this request and recommend to the NCDOT the abandonment of a portion of Meandering Way. The motion carried unanimously.

d. Utilities and Engineering:

Barry Edwards, Utilities and Engineering Director, presented a request for the Board to award a contract for the water line construction of the Southeastern Catawba County (SECC) Water Supply Loop Phase III, Division III to Davis Grading, Inc., of Shelby, NC, in the amount of \$4,424,151.46; approve a Letter Agreement with Mt. Ruhama Baptist Church for water service; and approve an Agreement for Construction Administration with Hayes, Seay, Mattern and Mattern, Inc. (HSMM) in the amount of \$220,000. The SECC Water Supply Loop is being developed in three separate but codependent phases. The third phase of the loop is being bid and constructed in two stages, with three divisions of work. The first stage involves the water line itself, comprised of approximately 64,051 linear feet of 12-inch, 16-inch, and 20-inch water lines. The second stage, which will include a water pump station and water storage tank, will be bid at a later date after the acquisition of the needed properties is completed.

On June 26, 2008, Catawba County received bids for the first stage, the actual water line. Hayes, Seay, Mattern and Mattern reviewed the bids received from the following contractors: Advanced Development Concepts, LLC, of Matthews, NC; Buckeye Construction Co., Inc., of Canton, NC; Davis Grading, Inc., of Shelby, NC; Hall Contracting Corporation of Charlotte, NC; Hickory Sand Co., Inc., of Hickory, NC; Hobby Construction Co., Inc., of Newberry, SC; Neill Grading & Construction of Hickory, NC; Ramsey, Inc., of Bethania, NC; Ronny Turner Construction Co., Inc., of Hickory, NC; State Utility Contractors, Inc., of Monroe, NC and Triangle Grading & Paving, Inc., of Burlington, NC. Based on a review of the bids and qualifications of the contractors, HSMM recommended the construction of the waterline be awarded to the lowest responsive bidder, Davis Grading, Inc., in the amount of \$4,424,151.46.

Mt. Ruhama Baptist Church approached County staff, early in the development of the project, concerning water availability to the church, located on Mt. Ruhama Church Road off North Olivers Crossroads. The church has experienced water quality problems, with high levels of iron in the water. The estimated cost to extend the water line to the church is \$86,608.78. The church has agreed to pay 7% of the cost of construction (\$6,062.61), plus their connection costs. In the past, Mt. Pleasant United Methodist Church paid 7% of the construction cost to extend Phase I of the SECC Water Supply Loop (also known as the Highway 150 water line) to their property, as well as

their connection costs.

The agreement for engineering services between Catawba County and Hayes, Seay, Mattern, and Mattern, Inc., in the amount of \$220,000 would include services of construction inspection and observation and final certification for this section of the SECC Water Supply Loop, with field observation and inspection of the quality of work; review and approval of shop drawings, diagrams, specifications, schedules and sample guarantees; bonds and certificates; review and approval of applications for payment; and preparation of final recorded drawings and quality assurance documents for the County, the City of Hickory, and the State of North Carolina.

After discussions by the Board the agreement for engineering services with Hayes, Seay, Mattern and Mattern, Inc. would be required to be revised to regarding the number of site visits included to determine final completion of the work under the contract and the legal staff was directed to institute these changes and staff was further directed to develop a policy for Board approval regarding connection fees and construction costs to be charged to churches and other non-profit entities.

Commissioner Hunsucker made a motion to award a contract for the water line construction of the Southeastern Catawba County (SECC) Water Supply Loop Phase III, Division III to Davis Grading, Inc., of Shelby, NC, in the amount of \$4,424,151.46; approve a Letter Agreement with Mt. Ruhama Baptist Church for water service; and approve an Agreement for Construction Administration with Hayes, Seay, Mattern and Mattern, Inc. (HSMM) in the amount of \$220,000 – with the changes indicated above. In addition, staff will work on developing a policy regarding connection fees and construction costs to be charged to churches and other non-profit entities. The motion carried unanimously.

11. Attorneys' Report. County Attorney Debra Bechtel asked the Board to consider a motion to authorize the County Manager to sign an agreement with the Secretary of State's office. Commissioner Barger made a motion to approve this request. The motion carried unanimously.
12. Manager's Report. None.
13. Adjournment: Chair Barnes adjourned the meeting at 10:30 a.m.

Katherine W. Barnes, Chair
Board of Commissioners

Barbara E. Morris, County Clerk