

Minutes  
Catawba County Board of Commissioners  
Regular Session, Tuesday, September 4, 2007 9:30 a.m.

<u>Appointments</u>		
Regional Recreation/Tourism Committee	710	09/04/07
<u>Emergency Service</u>		
Supplemental appropriation – McGuire Funding	705	09/04/07
Update on Emergency Services Strategic Plan	706	09/04/07
<u>Proclamations</u>		
All America City – Hickory	704	09/04/07
Fall Litter Sweep	705	09/04/07
<u>Public Health</u>		
Vaccine Fee – Zostavac	705	09/04/07
School Nurse Initiative Update	706	09/04/07
<u>Resolution</u>		
Setting next reval cycle – real property	705	09/04/07
<u>Sheriff's Department</u>		
Captain Lambert – retirement/badge/firearm declared surplus	704	09/04/07
<u>Tax</u>		
Recommendation for four year reval cycle	705	09/04/07
<u>Work Session</u>		
¼ cent sales tax		

The Catawba County Board of Commissioners met in regular session on Tuesday, September 4, 2007 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 Barbara G. Beatty and Commissioners Dan Hunsucker Glenn E. Barger and Lynn M. Lail.

Also present were County Manager J. Thomas Lundy, Assistant County Manager Lee Worsley, County Attorney Debra Bechtel and County Clerk Barbara Morris. Deputy County Attorney Anne Marie Pease was absent due to court appearances.

1. Chair Katherine W. Barnes called the meeting to order at 9:30 a.m.
2. Commissioner Glenn E. Barger led the Pledge of Allegiance to the Flag.
3. Vice-Chair Barbara Beatty offered the invocation.
4. Commissioner Dan Hunsucker made a motion to approve the minutes of the Regular Meeting of Monday, August 20, 2007. The motion carried unanimously.
5. Recognition of Special Guests: Chair Barnes welcomed everyone present and added she was very pleased that Representative Ray Warren was present and expressed Catawba County's appreciation for Mr. Warren's diligent work for Medicaid relief, new legislation which regulates interbasin water transfers and landfill legislation. She noted Mr. Warren voted for the budget which

resulted in funds in the amount of \$600,000 for the Engineering Technology Center which are in addition to recurring funds for the Higher Education Center. Chair Barnes then welcomed Sheriff Huffman and Hickory Mayor Rudy Wright.

6. Comments for Items not on the Agenda. None.
7. Presentations:
  - a. Chair Barnes asked all the Commissioners to join her at the podium to present Hickory Mayor Rudy Wright with a proclamation honoring the City of Hickory, which was recently presented with a 2007 All-America City Award by the National Civic League. The award recognizes civic excellence in communities where citizens, government, businesses and non-profit organizations unite in community problem solving and focus on opportunities and possibilities for growth, stability and prosperity. The City of Hickory has now won the award three times, in 1967, 1987 and 2007, and is one of only 28 cities to earn the award three or more times. The city's 2007 application focused on organizations and programs such as the Hickory Metro Higher Education Center, Hickory Public Schools' Project Potential and Exodus Home, that are essential to communities faced with economic downturns and shifts in their manufacturing base, and are instrumental to the reversal of these trends.
  - b. Chair Barnes then asked retiring Sheriff's Deputy Tommy Lambert and his family as well as Sheriff Huffman to join her at the podium. Chair Barnes first asked the Board to declare Captain Lambert's badge and side arm as surplus and Commissioners Lail, Beatty and Barger all made this motion and the motion carried unanimously. Chair Barnes then asked Sheriff Huffman to present Captain Lambert with his badge and sidearm. Captain Lambert was thanked for his 29 years service to Catawba County and his instrumental part in the initial operation of new jail.
  - c. Commissioner Hunsucker presented Amanda Kain, Waste Reduction Coordinator, with a proclamation declaring September 15-29, 2007 as Litter Sweep Weeks in Catawba County. During these weeks, citizens who bring trash collected from road sides, parks, lake sides and other common areas in special orange bags, or recyclable materials collected from the same areas in blue bags, to the Blackburn Landfill or one of the County's five convenience centers may dispose of the bags free of charge. Citizens may call the N.C. Department of Transportation's Maintenance Office at 828-466-5519 to arrange for pickup of orange bags only. Bags are available at the County Utilities & Engineering Department at the Government Center in Newton; the Cooperative Extension Office off Highway 321 Business in Newton; the NC Department of Transportation's Maintenance Office on Prison Camp Road, off Highway 321 north of Maiden; and at Garbage Disposal Service's office at 4062 Section House Road in Hickory.
9. Consent Agenda:

County Manager J. Thomas Lundy presented the three following items for consent, all coming with recommendation of subcommittees:

  - a. Recommendation to establish a fee for Zostavac vaccine – a vaccine that is used for adults 60 years of age or older to prevent shingles. The fee would be the cost of the vaccine plus administrative costs of \$26.
  - b. Recommendation to adopt a resolution establishing a four year cycle reevaluation of real property in Catawba County. State law requires reevaluation at least every eight years but the Board since 1999 has used a four year cycle. The resolution reads as follows:

RESOLUTION NO. 2007-

**BE IT RESOLVED**, the Board of Commissioners for Catawba County has adopted January 1, 2011, for the next reappraisal of real property in Catawba County. With this action, taken in accordance with NCGS 105-286 (a) (2), a new schedule of octennial reappraisals has been established for Catawba County. The succeeding revaluation is scheduled for January 1, 2019.

This the \_\_\_\_ day of September, 2007.

c. Recommendation to accept an additional \$11,300 in supplemental funds from Duke Energy for McGuire Funding to purchase furniture and accessories at the Emergency Operations Center. The appropriations are as follows:

<u>Appropriation Increase</u>	<u>Revenue</u>
110-260060-870150 \$11,300 Minor IT Equipment	110-260060-682200 \$11,300 Emerg. Mgt. Grant/Duke Energy

Chair Barnes noted that all these items had been heard by subcommittees and asked if any Commissioners wished to have an item broken out of the consent agenda. None were requested. Commissioner Hunsucker made a motion to approve the consent agenda. The motion carried unanimously.

10. Department Reports.

a. Public Health:

Doug Urland, Public Health Director, came forward to present an update on the School Nurse Initiative. Prior to his presentation, Chair Barnes asked him about the Zostavax vaccine and inquired if the vaccine would be needed annually and he replied that only one shot would be required. Mr. Urland then went on to present a power point presentation on the current status of the school nurse initiative. The school nurse program focuses on wellness and prevention initiatives among youth that are key to improving health over their lifetimes. The Health Department has expanded the program over the last few years by partnering with Catawba Valley Medical Center and the three local school districts to fund 13 new school nurse positions, in part with Duke Endowment funds. This improved the ratio of nurses to students from 1 nurse per 2400 students to 1 nurse per 1000 students. School nurses assist chronically ill children by initiating and managing emergency care plans, to identify, refer and intervene with at-risk students as early as possible to decrease and eliminate health risks, and provide vital health and safety education to students and staff, preventing illness and poor health behaviors before they occur. In addition to these 13 new school nurse positions, Mr. Urland advised the Board that funding had been approved in the new State Budget for an additional school nurse in the Hickory system and an additional nurse in the Catawba County system. Mr. Urland itemized the school health outcome results and all these outcomes were met with the exception of reducing the utilization of the emergency department for non-emergent illnesses but it was believed this may be a resulting outcome. He provided a success story of a young child with asthma which clearly depicted the value of the intervention of the school nurse program.

Vice-Chair Beatty indicated she had comments from some of the principals regarding the program and she said they were all nice and she would get him copies. Commissioner Barger commented that with the new nurses hired with the newly budgeted funds will bring the ratios lower than the current 1:1000 and that was great for Catawba County. He stated the Healthy Carolinians Partnership was important to address these problems in the community.

Chair Barnes said this was a great success story and it takes a lot of leadership on the part of many to bring it to fruition but when you can see children happy and healthy and attaining what they can, that is a credit to everyone involved.

b. Emergency Services:

David Weldon, Emergency Services Director, came forward to present updates to the Emergency Service Strategic Plan. He also introduced Terry Bledsoe, Chief Information Officer, who would add to the presentation when appropriate. The plan was created in 2000 and the Board had been given regular updates since then. The plan is designed as a guideline for Emergency Services and is a changing document that needs to be updated as demographics and the needs of citizens change. Mr. Weldon gave background on the study and presented a list of the original goals and outcomes proposed from the study, indicating those that had been completed, some that had changed or added and additional areas of study and action which were proposed for the coming months. One of the recommendations, the addition of 90 seconds to the 8 minute EMS response time, was clarified that this did not change the goal of the 8 minute response time once EMS received the call but now included the time the call was handled in the Communications center (a goal of 90 seconds). The ultimate goal was to depict a true response time, starting when someone called 911. The recommendation to create an Emergency Service complex was the final recommendation with

justifications of the Emergency Services Administration having to be split due to space constraints, the current arrangement does not allow for sharing space or office equipment, the EOC finding the space as inadequate and the lack of storage for emergency services assets which creates accountability and security concerns.

Vice-Chair Beatty thanked Mr. Weldon and his staff for all they do and noted Catawba County was known for their great emergency services. She said she thought it may be difficult to meet the proposed response time in some of the County's outlying areas. She noted that EMS was not providing benefits for some of the employees of fire departments of some areas so it will be difficult to retain these employees and it was not addressed in the report. She also felt there may be too much training in some area and then those people leave - she wondered if there could be different levels of volunteers and training be limited to specific areas. She also said there was a need for other bases other than Newton base.

Chair Barnes said she was glad to see a report that had been done and didn't just set on the shelf but had been reviewed and updated and amended. She went on to say as there were shift in population, Catawba County would have to address how to get adequate emergency services to all these different areas.

11. Other Items of Business.

Chair Barnes noted that a work session was now scheduled and said it was something they did not often do at the Board's scheduled meeting. She then turned it over to County Manager Lundy. Mr. Lundy started out by saying Assistant Manager Lee Worsley would be giving the Board a full update on the General Assembly session at the Board's mid month meeting but staff wanted to discuss the calling for a referendum on the November 6, 2007 ballot on a local option ¼ cent sales tax which has been authorized by the North Carolina General Assembly. This option needed to be discussed at this meeting due to the deadlines involved. A ¼ cent sales tax would allow the County to avoid planned property tax increases to meet pressing needs in the areas of economic development, education, public safety, and water and sewer. The Board has worked diligently for the last ten years to obtain authority from the North Carolina General Assembly for a wider range of revenue options, to avoid having to rely on the property tax. The 2007 session of the General Assembly has provided two new revenue sources, a ¼ cent sales tax or a Land Transfer Tax, which would range between 0.1% and 0.4%. Either option must be authorized by the public through a referendum. Since the Land Transfer Tax would bring in less revenue and continue to burden property owners, a ¼ cent sales tax would be preferred for Catawba County, and reflects the goals of the Board. A ¼ cent sales tax would bring in an additional \$5 million annually, and avoid a 3.5 cent property tax increase over the next several years.

County governments were provided with long-term relief from Medicaid expenses through House Bill 1473 passed in late July 2007, but this relief will free a relatively small amount of revenue for the County. The Act calls for a three year phase out of the counties' share of Medicaid costs, to be reduced by 25% the first year, 50% in the second year and entirely eliminated in the third year. To fund this relief, the State is taking away from the County a ½ cent sales tax and certain school capital funds, and will require that the County hold cities and towns harmless for their sales tax loss. If there are no further changes in the State's distribution formula, the relief from Medicaid funding will average only six-tenths of one penny on the County's property tax rate each year for the next five years.

The Board and County staff have stated for many years that an increase in the sales tax is preferable to continued increases in the property tax. Sales tax captures revenue from those who live in the county but don't own property, as well as those who live outside the county and come here to visit, shop and work. Increasing revenue through sales tax would spread the burden of the cost of providing services so it does not fall solely on county property owners. Support for the sales tax option has come from a number of groups, including the Home Builders' Association, Chamber of Commerce, Farm Bureau, AARP, Catawba County Board of Education, and the municipalities of Newton, Conover, Claremont, Hickory and Catawba.

Staff believes a new ¼ cent sales tax could best be used to meet identified needs in vital areas:

- Economic development

- Public Safety

### **Economic Development**

The concept of a multijurisdictional business park for economic development has been discussed among County, municipal and Economic Development Corporation officials. Funds from this sales tax could be used for that purpose and/or funds could be set aside for other future economic development endeavors. Funds from the ¼ cent sales tax could also be used to avoid a one cent property tax increase, removed by the Board of Commissioners from the current fiscal year's budget and planned for 2008, to continue meeting more than \$160 million in water and sewer needs identified for the county, and would provide additional school funding for better teachers, a better trained work force and more job opportunities.

### **Public Safety**

The County's Capital Improvement Plan (CIP) begins the setting aside of funds for additional courtroom space at the Catawba County Justice Center that would require an additional property tax increase without this ¼ cent sales tax option. The Justice Center was built in 1980 and the courtrooms are no longer adequate to accommodate growing case loads currently in the court system. Additional State staff for the District Attorney's and Clerk of Court require office space.

Some of the funds that would be generated by a new ¼ cent sales tax could also be used to meet a number of projects in the current CIP that are crucial to the County's Emergency Services Strategic Plan. The CIP includes plans to co-locate several much needed new facilities in a single location. These include the following:

1. A new 911 Communications Center, which would better allow staff to use the latest technologies to respond to emergencies. A new Communications Center is needed for many reasons, including 1) the fact that electrical power is a concern at the present facility and additional power cannot be added without a major reengineering of the electrical system, 2) there is no adequate space to add additional radio equipment and consoles, needed to use new and changing technologies and address an increase in population and call volume; 3) equipment is currently located in three separate areas that are now full, two of which were not designed to house electronic equipment, some of which needs to be in air conditioned space, and 4) options for remodeling the current Communications Center are limited and very expensive.

2. A new Emergency Operations Center (EOC) is needed because expansions in staffing brought about by the NIMS system and the National Response Plan have created severely cramped conditions in the current EOC at the Justice Center. Expansion options are limited due to technology, design and wiring. During full activation of the EOC, the County must split the EOC between two facilities because of cramped conditions, creating concerns regarding command and control and information sharing. In its September 14, 2006 after action report following the County's last McGuire Nuclear Station drill, Federal Emergency Management Agency officials reported, "communications between the alternate EOC and Catawba County EOC failed", and also cited the inadequate space in the EOC.

3. A Newton-Conover Rescue Squad facility needed to meet a dire need for this squad, which sometimes cannot get rescue vehicles on the road instantly because of growth and traffic congestion at its present location. Access into and out of the building impedes response due to vehicles having to make a U-turn in the building parking area prior to responding, causing safety concerns. The building is 57 years old and has not had any significant improvements since construction.

4. A Newton EMS Base, to allow for expansion that is not possible in the current location. EMS has to exit emergency traffic across a parking lot to get to a main road from either of two available routes. As vehicle and pedestrian traffic, including children attending 4-H programs, has increased, this has become more dangerous for all concerned. The base had a 45% increase in call volume between 1998-2006. The base is housed in a building built as a hospital in the 1930s, and renovated in 1981 to accommodate an EMS base designed for one ambulance, and in 1994-95 to accommodate an additional ambulance and update the bathroom and crew area to meet changing

regulations. Because of growth and response time criteria, the base now houses four ambulances, two primary units and two backup units.

5. The co-locating of Emergency Services and Emergency Medical Services (EMS). EMS is limited in its ability to expand technology due to limitations in the building that currently houses the Newton EMS Base and Administration. Current wiring is not up to modern specifications. Wall configuration and thickness limit wireless solutions. The building's design and age limits additional cable or wiring to connect different areas where EMS administration is housed. Demands resulting from increased call volume, which rose 50% from fiscal year 1998 to 2006, criteria implemented in the Emergency Services Strategic Plan, and changes in State and Federal guidelines have made the current facility inadequate. New regulations put in place in 2000 and 2001, and hospital policies, put the responsibilities of re-supplying EMS units on EMS. To accomplish this, EMS must store larger amounts of medical supplies and equipment. The current building was not designed to warehouse temperature sensitive medical supplies. Space at the Government Center and the Newton EMS base is inadequate to store Emergency Services assets.

Mr. Lundy pointed out the sales tax was the fairest way to pay for services – sales tax is paid by county residents, visitors, those who use the county's infrastructure and facilities. – it is paid by everyone rather than just property owners. There is much more discretion on how much to pay and when – a person makes a choice on what and how many purchases they make and when they make those purchases in contrast to property tax that has to be paid at one time each year. A final reason for a sales tax is the ability to keep property taxes as low as possible as an incentive for new business and industry in the area and helping keep existing businesses' expenses down.

In order to call for a referendum on a new ¼ cent sales tax on November 6, 2007, the County must notify the North Carolina Board of Elections of its intent to hold a referendum no later than September 4, 2007, meaning a decision needs to be made at the Board's September 4<sup>th</sup> meeting. Since the November 6<sup>th</sup> elections are only municipal, there would be additional costs of approximately \$36,124 to hold a countywide referendum and open up all precincts, including one-stop voting sites in Newton, Hickory and Sherrills Ford. If the referendum passed in November 2007, the additional sales tax could not take effect until April 1, 2008. If the County held a referendum during the May 2008 primaries, the earliest the new sales tax could become effective would be on October 1, 2008, meaning the additional revenues would not be available for all of the next fiscal year's budget.

As of August 28, 2007, ten North Carolina counties have taken action to hold a referendum on the sales tax on their November 6<sup>th</sup> ballots. Those counties include Columbus, Davie, Greene, Harnett, Johnston, Lenoir, Martin, Pitt, Sampson and Surry counties. Duplin and Onslow counties will hold referenda on the sales tax on May 8. Fourteen counties have taken action to hold a referendum on a Land Transfer Tax. These include: Brunswick, Chatham, Davie, Gates, Harnett, Hoke, Johnston, Macon, Moore, Pamlico, Pender, Polk, Union and Washington counties.

Stakeholders who had had discussions with staff and individual Commissioners and voiced their support of this option (Chamber of Commerce Board of Directors, Southeast Area Council, Homebuilder's Association, Realtor's Association, AARP, area realtors, the Farm Bureau, school superintendants and the president of CVCC, and city and town managers from across Catawba County) were advised that the Board was going to discuss this option at this meeting.

Chair Barnes noted that the Counties had won a policy issue in that Medicaid was a State responsibility but counties were not getting a windfall in terms of relief for property tax. She noted the Board was cognitive of number of times it needed to go to the property owners for the County's needs and it was constantly trying to come up with other options. She personally did not favor any tax that went back to the property owners so she did not favor the land transfer tax but would like to provide some relief and stabilize the tax rate. Chair Barnes said the elderly property owners in the county needed relief and asked that the local delegation be approached regarding increasing the homestead exemption.

Commissioner Barger agreed with Chair Barnes regarding elderly homeowners and he was in favor of relieving that burden on them. He also noted the need for economic development in the County and the sales tax would be far more advantageous than increased property taxes when it came to attracting businesses. He believed the non-property owners should share the burden of the needs of the county. He stated the sales tax referendum made sense and he supported it. Commissioner Lail agreed with both Chair Barnes and Commissioner Barger and said it was a fair tax. Vice-Chair Beatty agreed with all these sentiments also. Commissioner Hunsucker joined in with his approval of the sale tax and said the only criticism he heard on the sales tax were from people do did not want any tax increase period but that was not realistic.

Chair Barnes noted that this tax would not apply to food.

Commissioner Barger made a motion that the ¼ cent sales tax referendum be placed on the November ballot. The motion carried unanimously.

12. Appointments.

Chair Barnes recommended the Board appoint Jacky Eubank to the Western Piedmont Council of Governments Regional Recreation/Tourism Committee which replaces the Unifour Recreation and Open Space Task Force formed in 2000. This came in the form of a motion and the motion carried unanimously

13. Attorneys' Report. None.

14. Manager's Report.

County Manager J. Thomas Lundy asked Planning Director Jacky Eubanks to come forward to update the Board on the recent adoption of new Flood Zone Maps. Mr. Eubanks reminded the Board of its adoptions of these maps and that both the text amendments and zoning maps would be effective on the following day, September 5, 2007. He noted the maps would be available on the County website.

County Manager J. Thomas Lundy then asked the Board to consider moving into closed session pursuant to North Carolina General Statute 143-318.11(a)(5) to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease. Chair Barnes made a motion to go into closed session. The Board recessed to closed session at 11:15 a.m.

15. The Board returned to open session and Commissioner Lail made a motion to adjourn at 11:25 a.m. The motion carried unanimously.

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Katherine W. Barnes, Chair  
Board of Commissioners

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Barbara E. Morris, County Clerk