

COLUMBUS COUNTY BOARD OF COMMISSIONERS
BOARD RETREAT
Friday, March 16, 2012
9:00 A.M.

The Honorable Columbus County Commissioners met on the above stated date and at the above stated time at Southeastern Community College, Room T-122, 4564 Chadbourn Highway, Whiteville, North Carolina, for the purpose of holding a Board Retreat.

COMMISSIONERS PRESENT:

Amon E. McKenzie, **Chairman**
 Charles T. McDowell, **Vice Chairman**
 James E. Prevatte
 Giles E. Byrd
 P. Edwin Russ

COMMISSIONERS ABSENT:

Lynwood Norris
 Ricky Bullard

APPOINTEES PRESENT:

William S. Clark, **County Manager**
 Mike Stephens, **County Attorney**
 June B. Hall, **Clerk to Board**
 Bobbie Faircloth, **Finance Officer**

OTHER STAFF PRESENT:

Gary Lanier, **Economic Development
 Director**
 Kip McClary, **Public Utilities
 Director**

Agenda Items #1 and #2: CALLED to ORDER and INVOCATION:

At 9:00 A.M., Chairman Amon E. McKenzie called the March 16, 2012 Columbus County Board of Commissioners' Board Retreat to order. The invocation and blessing of food were delivered by Vice Chairman Charles T. McDowell.

Chairman McKenzie stated the following:

1. During the first hour of this meeting, we will discuss Columbus County's Planning Overview, which will be facilitated by Chris May, Cape Fear Council of Governments; **and**
2. After that discussion, we will discuss the items that are listed on the Agenda.

Agenda Item #3: COLUMBUS COUNTY'S PLANNING OVERVIEW:

Chris May, Cape Fear Council of Governments, stated I would like to encourage all the Board members that can to attend the Cape Fear Council of Governments Annual Banquet and Meeting on March 27, 2012. We will be honoring Commissioner Lynwood Norris for his thirty (30) years as Chairman of the Cape Fear Council of Governments

PRIORITIZATION EXERCISE:

Chris May stated the following:

1. Let's review the nineteen (19) items that were listed at the Columbus County Strategic Planning Update 2011; **and**
2. Out of the nineteen (19) items listed, a vote was taken on the five (5) top priorities and we will discuss the present status of these:
 - A. **Priority #1:** Complete renovation/restoration of Courthouse - **underway**;
 - B. **Priority #2:** Phase out water district taxes in District 2 and 3 - **ongoing**;
 - C. **Priority #3:** Eliminate abandoned structures and eyesores in the county - **county-wide effort is underway**;
 - D. **Priority #4:** Promote County use of Columbus vendors first - **putting forth efforts, but have not done a really good job; and**
 - E. **Priority #5:** Promote job creation and retention by providing tax incentives to attract new business and to support existing business in the County - **working on.**

SUGGESTED PRIORITIES for 2012:

Mr. May asked the Commissioners to list all the issues that are considered to be priorities for 2012. The following were recommended.

2012 PRIORITY #	2011 PRIORITY #	DETAILS	# VOTES
1	3	Solid waste/recycling contract up in 2012 (One of the hot items on our agenda)	3
2	4	Promote job creation and retention (Economic Development)	See #7
3	13	Schools funding (Public and Southeastern Community College, flexibility to choose where they spend it)	3
4	15	Emphasize County wellness event, etc.	1
5	18	Reduce employee turnover	-0-
6	N/A	Property re-valuation may result in budget issues requiring tax adjustment (Educate citizens)	1
7	8	Promote Tourism and Economic Development	3
8	N/A	Affordable housing (all)	2
9	N/A	Beaver Control (private incentives) (Beaver Control Committee)	3
10	12	Continue to expand all infrastructure to include natural gas to residents	3
11	7	Tax incentives for attracting new and supporting existing businesses (Review current asset inventory threshold incentive)	-0-
12	11	Support efforts to reduce crime and eliminate drugs	2
13	17	Centralized bulk fuel	2
14	13	Purchase fuel-efficient vehicles (right size, cost effective)	See #13
15	5	Continue to streamline County government	2

TOP FIVE (5) PRIORITIES for COLUMBUS COUNTY COMMISSIONERS (First Vote):

PRIORITY #	# ON LIST	DETAILS	VOTE
1	1	Solid waste/recycling contract up in 2012	3
2	3	Schools funding (Public and Southeastern Community College, flexibility to choose where they spend it)	3
3	7	Promote Tourism and Economic Development	3
4	9	Beaver Control (private incentives)	3
5	10	Continue to expand all infrastructure to include natural gas to residents	3

TOP FIVE (5) PRIORITIES for COLUMBUS COUNTY COMMISSIONERS (Second Vote):

PRIORITY #	# ON LIST	DETAILS	VOTE
1	1	Solid waste/recycling contract up in 2012	4
2	3	Schools funding (Public and Southeastern Community College, flexibility to choose where they spend it)	5
3	10	Continue to expand all infrastructure to include natural gas to residents	5
4	7	Promote Tourism and Economic Development	4
5	9	Beaver Control (private incentives)	No Vote

Agenda Item #4: DISCUSSION:**A. Tax Incentives for Small Businesses:**

In-depth discussion was conducted relative to the following:

1. Include new and existing businesses or both;
2. Do we include retail?;
3. The need to follow the General Statutes;
4. Keeping the current policy flexible;
5. Create jobs or additional revenue;
6. The Grant Incentive Policy being attractive to new businesses
7. Being a benefit to the County and job creation;
8. The claw-back provision being put back into the Grant Incentive Policy;
9. What is the minimum reasonable investment level?; **and**
10. The \$250,000.00 minimum investment level being too high, or the need to drop to \$100,000;

After additional discussion was conducted, it was the general consensus of the Board to leave the minimum investment level at \$250,000.00.

B. Water Districts (Silverspoon Road and Smith Street Projects):**Silverspoon Road:**

Kip McClary, Public Utilities Director, stated the following:

1. This project would interconnect Water District I and Water District II;
2. You have Old 74 on the southern most end, and you have Old Lumberton Road on the other end;
3. We are looking at 4.1 miles with a possible 48 customers, with an engineered estimate of \$403,000 to provide water to those 48 houses, and that is directional bores, valves, hydrants and meters to serve those houses, all things included;
4. If you calculate the 48 houses, based on our minimum bill, it would generate \$300 per house, per year, and that is about \$14,400 per year that you could be assured of revenues, if we require that all 48 houses pay a minimum bill, if we do this extension;
5. If \$14,400 revenue is generated per year, it would take 28 years to pay back the investment; **and**
6. There are 2 ways of doing this.

In-depth discussion was conducted relative to the following:

1. Other areas in the County that are in desperate need of water;
2. The number of customers that would actually use the water if installed;
3. The possibility of adding additional tax to Water Districts II and III if the revenue generated could not pay the debt service;
4. Having 45 signatures on a petition that is now 5 years or more old;
5. To not proceed with project unless there is a guarantee of sufficient revenue; **and**
6. The first step in the process would be to contact the people listed on the petition and see if they are still interested in using the County water, and if so, get a legally binding agreement with them before proceeding any further with this project.

Smith Street:

Kip McClary, Public Utilities Director, stated the following:

1. These customers live on a dead-end road just outside the city limits of Chadbourn;
2. Our water line comes in on Broadway Street, and we stop just short of the city limits of Chadbourn;
3. To serve these houses, we would either have to extend up the road right-of-way, and go into a municipality, or try to achieve a private easement and come across and come up this way;
4. If we follow a private easement, we are looking at about 8-12 houses;
5. I can't get an accurate count because Chadbourn already serves a couple of houses;
and
6. It would be more feasible to ask Chadbourn to extend on down and serve these houses.

Chairman McKenzie stated that the customers do not want the water to be furnished by Chadbourn, and Chadbourn was not in agreement of doing this.

7. The cost of this project will be approximately \$10,000.00, if we can get the private easement that is needed, without having to make a purchase;
8. We will have to confirm signatures on houses;
9. We also got Ice Plant Road over west of Cerro Gordo, there is 1.4 miles with 14 houses there;
10. If we are going to do this, let's look at doing an overall infrastructure improvement project;
11. We have 6 houses on Braswell Road that want an extension, which is a half mile of gravel road, that want water;
12. Let's look at confirming some signatures and go out and see what kind of funding we can get, and put all these projects together and do one improvement project that covers several of these at one time;
13. The preliminary cost of doing these projects together is approximately \$552,000.00;
and
14. The revenue would be based on the actual number of committed customers that will use the water.

Discussion was conducted relative to the following:

1. Elimination of the special water district tax in Water Districts II and III;
2. Imposing an availability fee;
3. If an availability fee was imposed in Water District III, it would not be sufficient to eliminate the special water district tax; **and**
4. Which is the better way - availability fee or tax?

Possible Revision to Uniform Rules for the Water Districts:

Kip McClary, Public Utilities Director, stated the following:

1. We have nothing in the policy, either in the Building Inspections policy or in the Water Department policy, that requires any new construction to hook onto our water system;
2. A person can develop a property, and drill a well, while there is a water line running in front of that house;
3. If we could revise our policies to require all new construction to connect to the system where water is available, you would begin to phase in new customers;
4. It would not be retroactive, and this will not be popular; **and**
5. We got infrastructure there, and it is required that if they are within 300' of that water line to connect.

Mike Stephens, County Attorney: there is an availability fee that if that line goes by the house, and the Commissioners want to charge an availability fee, even if you don't hook up, you pay for that line because it is basically increasing the value of your property.

Commissioner Byrd: If they pay the availability fee, are they going to be exempt from that special tax, which they should be?

Mike Stephens: Not if it is over the whole district, if it is applying to the whole district.

Commissioner Byrd: There is people that is paying the water bill that is hooked on now, and

the special tax. Are we saying that if they are on the water system, or if we charge an availability fee, are those customers going to continue having to pay that tax, or is that tax going to be exempt from those customers.

Mike Stephens: I am saying not. If you have a water district, and you are going to implement an availability fee, that line is going by your house, it is available to you, even though you decide not to hook up, you are going to pay that fee whether you use that water or not. Now, as long as that tax is applying to the whole district, I think you got some problems there, until you decide you are going to do one or the other.

Commissioner Byrd: In other words, you can't exempt someone that is paying and is hooked up to the water to alleviate the additional tax off of them?

Mike Stephens: I don't see it, but I will look into it further.

Chairman McKenzie: I would like for this matter to be looked into further. Find out what is the best way for us to go to eliminate the taxes that we are paying in Water Districts II and III now, and to alleviate the tax burden from the people that do not have water lines running by their house and paying the special tax. We want to eliminate that tax.

C. Department of Aging - Discussion about Future Benefits:

Discussion was conducted relative to the following:

1. To leave the 8% reduction or not;
2. The possibility of the PCS Program not ending as was discussed earlier;
3. Possible monitoring problem in management;
4. Lack of cross training; **and**
5. Possible reduction in the Senior Center hours of operation.

After discussion was conducted, it was the general consensus to leave the Department of Aging as it is now until the new budget year.

D. Pay Study Discussion

William S. Clark, County Manager: The Pay Study will be ready by March 26, 2012, and she will need 1 ½ hours to present this information.

After discussion was conducted, it was the general consensus to schedule the Pay Study Discussion on April 02, 2012, at 4:30 P.M.

E. Tax Reduction for Citizens (Possible)

On Hold

F. Solid Waste Disposal

William S. Clark, County Manager: stated the following:

1. The proposals are due today;
2. We will be meeting to review the proposals; **and**
3. We will be making a recommendation at the April 02, 2012 Meeting.

Discussion was conducted relative to the following:

- The people involved in the process of this are the municipalities and the County;
- The fact that only one (1) presentation has been made to the Board;
- The need to compare like services for the cost;
- Someone can tell the Board if we are bidding the same services and what that company will provide;
- 6-7 Companies have presented a proposal and we are down to 4;
- Not accepting less services than what we are getting now;
- These being sealed bids, and will they be opened at a certain time;
- This being a service contract;
- A request for an official bid opening to eliminate any accusation of favoritism;
- Once the bids have been opened, they become public information;
- Allow the recommendation, and then make a request for further information if needed;

- Evaluation sheet being used to evaluate the bids;
- Other waste disposal companies not having the same perception;
- Elimination of transparency in the process being used;
- Not having to take the cheapest bid;
- Questionable process;
- Perception in the eyes of the public; **and**
- If low bid is not accepted, be ready to explain.

Agenda Item #5: ADJOURNMENT:

At 12:05 P.M., Chairman McKenzie declared the Board Retreat adjourned.

APPROVED:

JUNE B. HALL, Clerk to Board

AMON E. McKENZIE, Chairman