

MINUTES
REGULAR SCHEDULED MEETING OF THE BOARD OF COMMISSIONERS
OF EDGEcombe COUNTY
JUNE 4, 2018 AT 7:00 P.M.
IN THE COMMISSIONERS' ROOM, COUNTY ADMINISTRATIVE BUILDING
TARBORO, NORTH CAROLINA

1. MEETING CALLED TO ORDER BY CHAIRMAN LEONARD WIGGINS AT 7:00 P.M.

MEMBERS PRESENT: Mr. Leonard Wiggins, Chairman, Mr. Jonathan Felton, Vice-Chairman, Mr. William Wooten, Mrs. Evelyn Powell, Mr. Donald Boswell and Mrs. Viola Harris.

MEMBERS ABSENT: Rev. E. Wayne Hines.

OTHERS PRESENT: Mr. Eric Evans, County Manager, Mr. Michael Peters, County Attorney and Ms. Frangie Mungo, Clerk to the Board.

2. PRAYER.

Mrs. Harris provided the prayer.

3. MINUTES OF PREVIOUS MEETING PRESENTED FOR APPROVAL.

Mr. Felton moved to approve the minutes of the May 7, 2018 as presented. Mr. Boswell seconded the motion, which carried by unanimous vote.

4. PUBLIC HEARING.

1. Mr. Wiggins called a public hearing to order to receive citizen comments and questions relative to a proposed action to close a portion of Harts Chapel Road for economic development activities.

Mr. Peters read the notice as published.

Mr. Evans stated that to accommodate the building of the recently announced Triangle Tire manufacturing plant at Kingsboro Industrial Park, it is necessary to close a portion of Harts Chapel Road (SR 1217). He stated that at the Board's January meeting, they started the abandonment process by approving a petition to the NC Department of Transportation for such action. Their Board has since approved that petition and removed that portion of Harts Chapel Road from State maintenance. Mr. Evans state that the next step is to hold a public hearing, and subject to public feedback, move to close that portion of Hart's Chapel Road. After hearing public comments on this matter, Mr. Evans recommended that the Board approve the resolution to close a portion of SR1217/Harts Chapel Road.

Mr. Wiggins called for public comments.

Ms. Marilla Sharpe, 155 Sun Pointe Lane, Tarboro Ms. Teresa Alston, 133 Sun Pointe Lane, Tarboro and Ms. Dorothy Ruffin, 35 Sun Pointe Lane, Tarboro came forth regarding concerns about the road closure and the exact location of the closure. They expressed concerns about their property being purchased by the company and concerns about waste from the industry and their water quality. They wanted to know the purpose of closing the road.

Mr. Evans described the portion of the road to be closed. He stated that this facility will have to comply with all environmental regulations that are in place and it has to be approved by the County and the Department of Water Quality. He stated that the road closing is specifically being done for Triangle Tire.

Mr. Wiggins stated that as far as their property being purchased by the company, he could not answer.

There being no further public comments, the public hearing was adjourned.

Mr. Wooten moved to approve the closing of a portion of Harts Chapel Road. Mrs. Powell seconded the motion, which carried by unanimous vote.

2. Mr. Wiggins called a public hearing to order to receive citizen comments or questions relative to the proposed fiscal year 2018-2019 Edgecombe County budget.

Mr. Peters read the public notice as published.

Mr. Evans read the following budget recommendation for fiscal year 2018-2019:

“Submitted herein is the Edgecombe County recommended Budget for Fiscal Year (FY) 2018-2019. The Budget is balanced in its entirety, as required by the North Carolina Local Government Budget and Fiscal Control Act. In drafting this budget, William Johnson, Assistant County Manager, Katherine Lancaster, Finance Director, and I worked with all of our department heads and met with our major, outside agencies. We approached the preparation of this budget with the following goals in mind: maintaining our current staffing levels; providing a cost of living increase for employees if possible; addressing our most pressing capital needs; reviewing every line item to find even the smallest opportunities to make cuts; and avoiding the need for a tax increase at all costs.

The County’s proposed General Fund budget for FY18-19 totals \$74,389,702, including enterprise funds (Water/Sewer and Solid Waste). The proposed general operating budget for FY18-19 is \$57,674, 917. The proposed budget is an increase of 1.8% from the original budget for the current year.

The proposed ad valorem tax rate for the FY 18-19 is 95 cents per \$100 value, which is no change from the current year. One cent generates approximately \$316,000. The proposed budget includes a fund balance appropriation of \$4,863,690 from general fund. The current year’s original fund balance appropriation was \$3,727,191.

KEY BUDGET HIGHLIGHTS

Revenues

We do not anticipate significant changes in our revenue streams. We do expect continued recovery from the loss of property values affected by Hurricane Matthew. As properties continue to be repaired and rebuilt, those values will be adjusted accordingly. Our staff in Tax Administration are on pace to end this year slightly above last year’s collection rate of 95.2% at 95.37%. Sales tax revenues are budgeted to remain flat.

Personnel

A cost of living increase for all county employees is included in this proposed budget. The COLA will be calculated at 1% for all employees at \$50,000 base salary and higher; and with those below \$50,000 being given a flat \$500 annual increase. The cost of this COLA is approximately \$250,000, including benefits.

We will see a 4% increase in employee health insurance premiums, which is an additional cost of \$480,000. Though this is a considerable sum of money, this is much less than the double digit increases other counties are experiencing. Our health plan will remain the same, and we will continue to offer the option of a Health Savings Account (HSA) that includes a \$750 contribution by the County.

Being that we are self-insured, our premium costs are directly tied to the cost of our claims. In order to manage the ever-increasing cost of our health insurance, we will continue to provide health screenings for all individuals covered by our plan. Individuals who choose not to participate in the screening will pay \$50 per month towards the cost of their insurance. We will also continue the health-coaching component of our wellness program, as well as the wellness incentive of \$250.

One new addition to our health insurance program is a program called Health Map RX. This is a chronic disease management program that offers coaching and incentives that improve outcomes for the participants. We will offer it to employees with diabetes. They will have access to pharmacists and dieticians that will serve as mentors. The incentives include free medications and supplies, as well as gift cards. It is a voluntary program, and the cost is built into our premium renewal. Other county and municipal participants in this program have seen a return on investment ranging from \$2.20 to \$7.60 for every dollar spent.

Capital Outlay

This budget includes capital outlay expenditures in the amount of \$1,387,000, which is up from \$962,334 in this year’s budget. We have some critical facility and equipment needs that can no

longer be deferred. The only new capital expenditure proposed from an outside agency that I have included in this budget is Nash-Rocky Mount Schools' renovation to their early college facility, of which our share will be close to \$120,000. Though I have not budgeted for capital repair needs for Edgecombe County Schools, there is a possibility we may need to appropriate money to supplement lottery funds for the repair of the roof at Southwest Edgecombe High School and other damages caused by the leaking roof.

Solid Waste

Costs to operate the Solid Waste Department, more specifically the landfill, continue to increase. We received notice that the tipping fee charged to us to send solid waste to the regional landfill is going up by \$1.10 per ton. Also, as you know, we are in the middle of a three-year, \$1 million project to prevent water from draining off-site from our C&D landfill.

Solid Waste is an enterprise service, and therefore should be self-supporting. The above-mentioned increases will require us to appropriate money from fund balance of nearly \$900,000. Therefore, I am proposing an increase in tipping fees of \$1.50 to \$52.50 for municipal solid waste and \$1.00 to \$44.50 for construction & demolition, and \$2.50 to \$44.50 in mulch/yard waste.

Water & Sewer

The increase you approved for the current year of the availability fee for both water and sewer service to \$30 each has helped to better cover the costs in our Water/Sewer operations. At this time, we do not expect a rate increase from our suppliers, Rocky Mount and Tarboro. Therefore, I recommend that our water/sewer rates remain the same.

Outside Agencies

We did not receive any requests for funding from new outside agencies. All of those I recommend to fund are those we have funded in the past, and some of those based on ongoing agreements. For the outside agencies we currently fund, I recommend we fund them at the same level as the current fiscal year, unless otherwise dictated by a standing agreement. There is one exception.

I recommend the funding formerly designated for the Edgecombe Arts Council be reserved to fund activities related to arts education. As you know, the Arts Council made some changes to its bylaws that removed the four appointments your Board had. We have asked the Arts Council to consider revising the bylaws to add those four appointments back. Those four appointments have yet to be restored. Reserving these funds will give you the opportunity to reconsider funding to the Arts Council if they make that change to their bylaws. If their board does not, you may consider funding other arts related activities.

Conclusion

In preparing this budget, I feel that we have met our goals of: maintaining our current staffing levels; providing a cost of living increase for employees; addressing our most pressing capital needs; reviewing every line item to find even the smallest opportunities to make cuts; and avoiding the need for a tax increase. Though we are appropriating a significant amount from fund balance, that appropriation is necessary to achieve these goals. We will continue to monitor the budget closely throughout the year, save where we can and spend only when necessary. I believe with economic growth on our horizon we will see our tax base grow, and we will be in a better position to minimize the burden born by our tax payers. However, until then, we will continue to tighten our belt, spend wisely, and provide the best service we can to the citizens of Edgecombe County.

I respectfully submit this proposed budget for Fiscal Year 18-19. I recommend that once you close out the public hearing for the budget that you approve as presented and adopt the enclosed budget ordinance."

Mr. Wiggins called for public comment. There being none the public hearing was adjourned.

Mr. Wooten approve the Edgecombe County Budget Ordinance for Fiscal Year 2018-2019 as presented. Mr. Powell seconded the motion, which carried by unanimous vote.

Mr. Wiggins recognized the presence of Edgecombe County Public Schools Superintendent, Dr. Valerie Bridges and Board of Education members Mrs. Evelyn Wilson, Mrs. Evelyn Powell and Mrs. Marva Scott.

5. **SCHEDULED APPOINTMENT.**

A. Recognition of recently retired Dr. Deborah Lamm, President of Edgewcombe Community College.

Mr. Wiggins called Dr. Lamm to the front of the room. Mr. Wiggins and Mr. Felton joined Dr. Lamm and presented her with a plaque on behalf of the Board. Mr. Felton read the wording on the plaque.

6. **BOARD OF EQUALIZATION AND REVIEW.**

RECESS REGULAR BOARD OF COMMISSIONERS MEETING AND CONVENE AS BOARD OF EQUALIZATION AND REVIEW.

A. Mr. Wiggins called the meeting to order.

B. Scheduled Appointments: Presented by Mrs. Tarasa Lewis, Tax Administrator.

1. E. Norris Tolson – 347 NC 42-43 W

<u>2018 value</u>	<u>recommended value</u>
\$601,589	\$504,362

Appellant’s basis for appeal was his opinion of value. Taxpayer feels the value is more than “Fair Market Value” and “Is Not Equitably Appraised as compared with similar properties.” Appraisal staff visited the property as well as reviewed documentation provided and was able to make an effective year adjustment, as well as correct PRC data on three outbuildings. Staff also reviewed the Preservation North website in attempt to find sales comparable to this unique property. Staff also looked at Coolmore Farm sale and determined that it was considered a good sale by NCDOR guidelines.

Mrs. Lewis stated that Mr. Tolson was satisfied with the recommended value.

Mr. Felton moved to accept the \$504,362 recommended value as the 2018 taxable real value. Mrs. Harris seconded the motion, which carried by unanimous vote.

2. Marsh Ocean, LLC – 8608 Seven Bridges Road

<u>2018 value</u>	<u>recommended value</u>
\$306,889	\$156,539

Appellant’s basis for appeal was his opinion of value. Taxpayer feels the value is more than “Fair Market Value” due to the condition of the building being beyond rehabilitation. Appraisal staff visited the property as well as reviewed the documentation provided and agreed that the poultry houses on the property were in very poor condition. A condition adjustment was made to reflect so.

Mrs. Lewis stated that appellant was satisfied.

Mr. Boswell moved to accept the \$156,539 recommended value as the 2018 taxable real value. Mr. Wooten seconded the motion, which carried by unanimous vote.

3. Marsh Ocean, LLC – 549 Lancaster Farm Road.

<u>2018 value</u>	<u>recommended value</u>
\$269,193	\$193,062

Appellant’s basis for appeal was his opinion of value. Taxpayer feels the value is more than “Fair Market Value” based on a recent appraisal obtained to assist the lender in evaluating the subject property as security for a mortgage loan. Appraisal staff visited the property as well as reviewed the documentation provided and was able to correct the PRC data.

Mrs. Lewis stated that appellant was satisfied.

Mr. Boswell moved to accept the \$193,062 recommended value as the 2018 taxable real value. Mr. Wooten seconded the motion, which carried by unanimous vote.

C. Finalizing final values.

Mrs. Harris moved to adopt the resolution as presented. Mr. Felton seconded the motion, which carried by unanimous vote.

MR. WOOTEN MOVED TO ADJOURN AS BOARD OF EQUALIZATION AND REVIEW FOR 2018 AND RECONVENE REGULAR BOARD OF COMMISSIONERS MEETING. MR. FELTON SECONDED THE MOTION, WHICH CARRIED BY UNANIMOUS VOTE.

7. PUBLIC PETITIONS.

There were no public petitions.

8. OTHER BUSINESS:

A. Approval of budget amendments.

Mr. Felton moved to approve the budget amendments as presented. Mrs. Powell seconded the motion, which carried by unanimous vote.

B. Approval of Hazard Mitigation Grant for Acquisition.

Mr. Evans stated that we have received our first grant agreement under FEMA's Hazard Mitigation Grant Program (HMGP). This agreement covers the mitigation of flooding through the acquisition of 24 properties located in the unincorporated areas of the County. The grant total is \$4,363,625.

Mr. Wooten moved to accept this grant agreement by adopting the grant project ordinance and budget amendment. Mrs. Harris seconded the motion, which carried by unanimous vote.

C. Approval of Capital Improvement Plan for the Water and Sewer Department.

Mr. Evans presented for the Board's consideration the Water and Sewer Department's Capital Improvement Plan. This provides a way to plan for the phased build-out of needed infrastructure in the County. He stated that this plan lists desired projects, estimated costs, and the number of citizens potentially benefitting from the project. It was updated in May of 2014.

Mr. Boswell moved to approve the update to the Water and Sewer Capital Improvement Plan as presented. Mrs. Powell seconded the motion, which carried by unanimous vote.

D. Conveyance of property to Edgecombe Community College.

Mr. Evans stated that the incentive package offered to Triangle Tire by the State included funding to construct an on-site training facility. In this facility, Edgecombe Community College will provide customized training for Triangle Tire and any other facility located at Kingsboro Industrial Park. He stated that to accommodate that training center, we have identified a 14-acre tract located on the property we recently purchased at the corner of Hwy 64 Alt. and Harts Mill Run. The Community College has submitted a formal request for this property.

Mr. Boswell moved to approve a resolution, which authorizes the transfer of this property to Edgecombe Community College. Mrs. Powell seconded the motion, which carried by unanimous vote.

E. Contract for Infrastructure Improvements at Kingsboro.

Mr. Evans stated that the County received grant funding to extend infrastructure onto Kingsboro Industrial Park. The funding includes a \$7 million grant from the Golden LEAF Foundation and a \$1,704,700 grant from the NC Department of Commerce under their Industrial Development Fund. The Wooten Company has designed the work, and assisted the County in soliciting bids for the construction. Mr. Evans stated that based on review of those bids, and the qualifications of the bidders, he recommended that the Board approve the selection of T.A. Loving for a contract totaling \$4,403,208.75.

Mr. Boswell moved to approve the contract award as presented. Mrs. Powell seconded the motion, which carried by unanimous vote.

F. Approval of Fireworks Display for Town of Tarboro.

Mr. Felton moved to approve the fireworks display for the Town of Tarboro as presented. Mr. Boswell seconded the motion, which carried by unanimous vote.

G. Approval of Lease Agreement with Kanban Logistics.

Mr. Wooten, President of Kanban Logistics, recused due to conflict of interest. Mr. Wooten left the room during the consideration of this item.

Mr. Evans stated that Kanban Logistics, a private, for-profit company located in Edgecombe County, has requested the Board consider leasing to the company space the County owns for use as its corporate office. The property considered is the first floor of what is referred to as the "1912 Building", with an option to extend the lease to the second and third floors. It is located at 122 E. St. James Street in Tarboro adjacent to, and connected with the County's Human Services Building. Mr. Evans recommended the term of the lease to be for one year with an annual option to renew up to ten years. Kanban Logistics has offered a rate of \$10.20 per square foot. After a review of rents for similar office spaces in the area, we have found that to be within the range of market rate.

Mr. Boswell moved to approve the leasing of this property with the mentioned terms, an authorize County Manager to execute a lease agreement with Kanban Logistics. Mr. Felton seconded the motion, which carried by unanimous vote.

9. APPOINTMENTS.

A. Adult Care Home Community Advisory Committee.
No recommendations.

10. PLANNING BOARD REPORT.

Mrs. Cynthia Jones, Planning Director, provided the report.

1. Rezoning requests:

A. Carsons Land LLC.

B. Carsons Land LLC.

C. Leonard Wiggins, Chairman Board of Commissioners.

Mr. Boswell moved to call for public hearings regarding these rezoning requests at the July 2, 2018 meeting. Mr. Wooten seconded the motion, which carried by unanimous vote.

2. Minutes of the May 21, 2018 meeting.

11. AFTERLISTS AND RELEASES FOR REVIEW AND APPROVAL.

Mr. Wooten moved to approve the afterlists and releases as presented. Mrs. Powell seconded the motion, which carried by unanimous vote.

12. CONTRACTS FOR REVIEW AND/OR APPROVAL.

Mr. Felton moved to approve the contracts as presented. Mrs. Harris seconded the motion, which carried by unanimous vote.

13. DEPARTMENTAL REPORTS FOR REVIEW.***Received***

A. Water Services.

B. Financial Summary Report.

C. Hurricane Matthew update.

14. MANAGER'S REPORT.***Received***

A. Economic and Workforce Indicators.

B. Opportunity Zones designated in Edgecombe County.

C. Roadway improvements related to Triangle Tire.

D. ABC Board's fiscal year 2019 budget.

15. COMMISSIONERS' REPORT.

A. Mr. Wiggins moved to designate Mrs. Harris as the voting delegate at the 2018 NACo annual conferences. Mr. Felton seconded the motion, which carried by unanimous vote.

16. ATTORNEY'S REPORT.

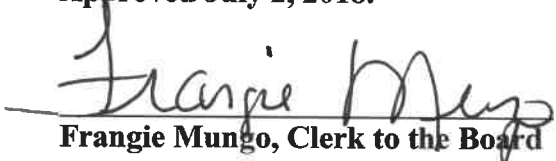
17. CLOSED SESSION.

Mr. Boswell moved to enter into closed session to discuss economic development and a legal matter. Mr. Felton seconded the motion, which carried by unanimous vote.

Mr. Wooten moved to go out of closed session and resume the regular meeting. Mr. Boswell second the motion, which carried by unanimous vote.

18. MR. FELTON MOVED TO ADJOURN THE MEETING UNTIL MONDAY, JULY 02, 2018 AT 7:00 P.M. MR. WOOTEEN SECONDED THE MOTION, WHICH CARRIED BY UNANIMOUS VOTE.

Approved July 2, 2018.


Frankie Mungo, Clerk to the Board