

PERSON COUNTY BOARD OF COMMISSIONERS

MAY 2, 2016

MEMBERS PRESENT

OTHERS PRESENT

David Newell, Sr.
Tracey L. Kendrick
Jimmy B. Clayton
Kyle W. Puryear
B. Ray Jeffers

Heidi York, County Manager
C. Ronald Aycock, County Attorney
Brenda B. Reaves, Clerk to the Board

The Board of Commissioners for the County of Person, North Carolina, met in regular session on Monday, May 2, 2016 at 7:00pm in the Commissioners’ meeting room in the Person County Office Building.

Chairman Newell called the meeting to order. Commissioner Clayton gave an invocation and Vice Chairman Kendrick led the group in the Pledge of Allegiance.

DISCUSSION/ADJUSTMENT/APPROVAL OF AGENDA:

Vice Chairman Kendrick requested Board consideration to add an item to the agenda for discussion related to the County Owned building located at Huck Sansbury currently used to house Piedmont Community College’s workforce development.

A **motion** was made by Commissioner Jeffers and **carried 5-0** to add to the agenda an item for discussion related to the County owned building located at Huck Sansbury currently used to house Piedmont Community College’s workforce development and to approve the agenda as adjusted.

INFORMAL COMMENTS:

The following individual appeared before the Board to make informal comments:

Mr. Bryan Adcock of 1089 Peed Road, Rougemont spoke of his recent experience with Person County Little League whereby his daughter and Michelle Wrenn’s daughter participated in skills days and were told they could not play due to their skill level being above those in the age group.

DISCUSSION/ADJUSTMENT/APPROVAL OF CONSENT AGENDA:

A **motion** was made by Commissioner Puryear and **carried 5-0** to approve the Consent Agenda with the following items:

- A. Approval of Minutes of April 18, 2016,
- B. Budget Amendment #18, and
- C. Research Triangle Regional Partnership FY 2016-2017 representatives.

NEW BUSINESS:

DONATION TO THE FIREWORKS FUND:

Ms. Beth Townsend, Piedmont Community College (PCC) representative on the Director's Roundtable requested the Board of Commissioners to consider funding an appropriation to the Fireworks Fund to assist in the costs associated with the July 4th fireworks show. Ms. Townsend noted the City of Roxboro has contracted with a vendor to deliver the fireworks show on July 4, 2016 at a cost of just over \$9,000. Ms. Townsend stated the Directors' Roundtable, whose membership includes representatives from Tourism Development Authority (TDA), PCC, Parks and Recreation, Roxboro Merchants, Senior Center, Chamber of Commerce and Roxboro Development Group, has pledged through fundraising efforts to contribute \$1,500. Ms. Margaret McMann, TDA Director added a grant award in the amount of \$500 was awarded from the TDA to the Fireworks Fund.

A **motion** was made by Commissioner Jeffers and **carried 4-1** to appropriate \$4,000 to the Fireworks Fund from the County's Contingency Fund. Vice Chairman Kendrick cast the lone dissenting vote.

PUBLIC SAFETY TOWERS AND BROADBAND CAPITAL PROJECT ORDINANCE:

Finance Director, Amy Wehrenberg presented to the Board for approval a Public Safety Towers and Broadband Capital Project Ordinance for the construction of two communication cell towers, the purchase of VHF equipment, hand-held and vehicular radios, and implementation of a broadband grant program. Ms. Wehrenberg stated Board approval allows for the creation of this Project on the County's books and lists the revenues and expenditures that would be part of this project. Ms. Wehrenberg noted the Board gave direction as part of their adopted Capital Improvement Plan on April 18, 2016 to fund a portion of the expenditures associated with this project with debt proceeds.

Ms. Wehrenberg told the group that contingency funds in the amount of \$100,000 from the General Fund was a part of the request in the Capital Project Ordinance to cover possible project bid overages and any other unforeseen costs. Ms. Wehrenberg anticipated that advanced funds will be transferred to cover related payments when due, such as planning and consulting costs and the purchase of radio equipment that was scheduled to occur in July or August 2016. As stated in Section 6 of the ordinance, "Any such advances made prior to the securing of adequate financing is intended to be reimbursed from the financing proceeds." The total loan financing for this Project is estimated to be \$3,973,600. Construction bids are anticipated by the spring of 2017, and the closing of this loan is expected to take place in early summer of 2017. Ms. Wehrenberg stated a financing calendar schedule will be provided as this project developed with the exact date for construction bids.

A **motion** was made by Commissioner Puryear and **carried 5-0** to approve the Public Safety Towers and Broadband Capital Project Ordinance as presented.

**PUBLIC SAFETY TOWERS AND BROADBAND
CAPITAL PROJECT ORDINANCE**



BE IT ORDAINED by the Board of Commissioners of Person County, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1 The project authorized is the construction of two communication cell towers, the purchase of VHF equipment, hand-held and vehicular radios, and implementation of a broadband grant program (the "Project"). This project will improve public safety communication among Volunteer Fire Departments, Sheriff's Department, City Fire Department and EMS, and will ensure communication coverage for Person County. The Project is proposed to be financed by an installment financing under G. S. 160A-20 in addition to funds provided by Person County, the state and any other revenues that may become available, with the exception of \$100,000 for contingency from the General Fund for possible project bid overages and any other unforeseen costs.

Section 2 The officers of this unit are hereby directed to proceed with the capital project within the terms of the financing resolution and the budget contained herein.

Section 3 The following amounts are appropriated for the project:

Tower Construction.....	\$ 1,164,000
VIPER Radio Units.....	920,600
VHF Equipment.....	1,500,000
Planning and Consulting.....	179,000
Broadband Consulting and Grant Program.....	150,000
Issuance Costs	60,000
Contingency Funds	100,000
Total	<u>\$ 4,073,600</u>

Section 4 The following revenues are anticipated to be available to complete this project:

Debt Financing Proceeds	\$ 3,973,600
Transfer from General Fund	100,000
Total	<u>\$ 4,073,600</u>

Section 5 The Finance Director is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of any and all applicable requirements of North Carolina General Statutes. The terms of the financing resolution also shall be met.

Section 6 The Finance Director may advance funds from the General Fund for the purpose of making payments as due. Any such advances made prior to the securing of adequate financing is intended to be reimbursed from the proceeds from the financing. Reimbursement requests should be made to the financing institution in an orderly and timely manner.

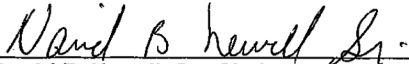
Section 7 The Finance Director is directed to report periodically on the financial status of each project element in Section 3 and on the total revenues received or claimed.

Section 8 The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this capital project periodically to the Board.

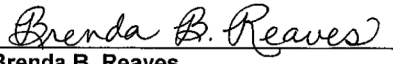
May 2, 2016

Section 9 Copies of this capital project ordinance shall be furnished to the Clerk to the Governing Board, and to the Budget Officer and the Finance Director for direction in carrying out this project.

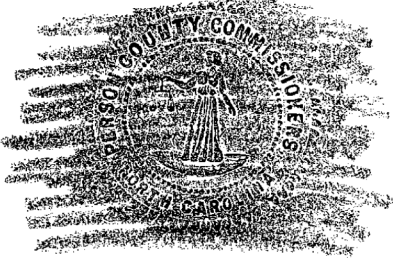
Adopted this 2nd day of May 2016.



David B. Newell, Sr., Chairman
Person County Board of Commissioners



Brenda B. Reaves
Clerk to the Board



May 2, 2016

COUNTY OWNED BUILDING LOCATED AT HUCK SANSBURY CURRENTLY USED TO HOUSE PIEDMONT COMMUNITY COLLEGE'S WORKFORCE DEVELOPMENT:

Vice Chairman Kendrick asked Dr. Walter Bartlett, President of Piedmont Community College (PCC) to discuss with the Board the county owned building located at Huck Sansbury that houses the PCC Workforce Development programs. Dr. Bartlett told the group the workforce programming agencies and guidelines have changed over the years. Historically (for over 20 years), PCC was awarded the workforce grant through the Kerr Tar Council of Government and Dr. Bartlett said it was last awarded to a nonprofit organization, GMSI. Dr. Bartlett stated the nonprofit, GMSI, was housed in the Roxboro Building and did not partner with PCC for workforce training and development.

When asked what agencies are currently housed in the county owned building with PCC, Dr. Bartlett said Division Work Solutions (DWS), a state agency formerly known as Employment Security Commission lost state funding for rent so he decided as a partner to workforce training, he allowed them space within the building at no costs in rent fees. Dr. Bartlett informed the Board that a for-profit agency called EDSI that provides services for displaced workers for both adult and youth entered into a lease agreement with PCC for a term starting October 1, 2015, terminating July 31, 2016 and charged a rental fee in the amount of \$250 per month paid to PCC. Dr. Bartlett stated he intended the rental fee to cover cost sharing for the part-time receptionist. Dr. Bartlett confirmed that PCC provided custodial services for the building and that the county pays for the utilities, general liability insurance and water. County Manager, Heidi York added that the annual utilities cost for the site which also includes the administrative offices for Parks and Recreation was \$26,000. Ms. York noted a new roof costing \$100,000 and a HVAC unit costing \$18,000 was being installed as well. Dr. Bartlett noted another nonprofit, Telamon, which will provide community based services had inquired to which he was not planning to charge rent. Ms. York noted the Telamon representative told her that they were asked to pay \$250 in monthly rent. Ms. York stated she was unaware of any other agencies occupying the building other than PCC.

Dr. Bartlett stated because PCC did not have an agreement or Memorandum of Understanding related to the space, he was unsure what he had the authority to do or not to do with the space. Dr. Bartlett said he had submitted to the County Manager for the County Attorney's review the lease he had used requesting guidance on how to proceed with the state agency, the nonprofit agency and the for-profit agency.

Dr. Bartlett told the group he had two full time and two part time staff in the building.

Chairman Newell asked County Attorney, Ron Aycock to provide a legal consult on the situation. Mr. Aycock stated without a lease between Person County and PCC, there was no authority for PCC to legally sublease or attempt to sublease property under which it has no control.

Vice Chairman Kendrick spoke of his opposition to PCC signing any such sublease agreement(s), collecting rent fees, and authorizing improvements to the building without the authority to do so. Vice Chairman Kendrick opposed the fact that a for-profit organization was housed in a county owned building noting taxpayers are footing the bill for the utilities, insurance, etc., and this opportunity was not offered to other businesses.

Commissioner Clayton advocated for the workforce programming entities to remain in one central location to aid the displaced workers to get needed resources in one stop versus going to several locations in the city. Commissioners Clayton and Jeffers suggested a legal lease be drafted by the County Attorney to allow PCC a legal binding lease with authority to allow workforce programming partners to be housed in the same site. Commissioner Clayton asked Dr. Bartlett if the agencies at the site had interest to remain housed there to which he replied affirmatively.

Mr. Donald Wilson, Chairman of the PCC Board of Trustees interjected from the audience that the intent was to serve the clients noting the rental rate of \$250 per month was a nominal amount for the square footage.

A **motion** was made by Commissioner Clayton to charge EDSI (for-profit agency) \$250 rent fees per month and to work on an agreement with Telamon and PCC for the minimum amount the County Attorney can do to lease the building.

Mr. Aycock asked for clarification that the Board desired to enter into a lease with PCC for the entirety of the property and for all providers; and in that lease, authorize PCC to sublease a portion of that property to EDSI, Telamon and ESC (DWS) asking the Board which entity would receive the \$250 monthly rental fees. Vice Chairman Kendrick stated the County should receive the rental fees due to the building being owned by County and in paying the utilities and maintenance. Mr. Aycock stated if the desire was for the County to receive the rental fees, then, rather than subleasing the entirety of the property to PCC, the County could lease the property to PCC only to the extent that nonprofits are to use that space with a separate lease between County and EDSI. Mr. Aycock noted there was authority for counties to cooperate in providing services with other governmental type entities.

Dr. Bartlett advocated for the rental fees to be shared between the County and PCC due to PCC paying for services, i.e. the receptionist, internet. Vice Chairman Kendrick stated disagreement with Dr. Bartlett on that point. Commissioner Clayton voiced his goal to keep the workforce programming together working cooperatively noting support for PCC to get rental fees or a portion thereof to offset the expenses PCC incurs for the other agencies.

Vice Chairman Kendrick asked Dr. Bartlett if some clients attend PCC for workforce development and are sometimes paid by the state or the individual themselves pay for workforce training and development to which he replied affirmatively. Dr. Bartlett added that EDSI will send clients to the college for the curriculum programming where GMSI was sending clients to Durham Tech.

Commissioner Jeffers stated his support for private agency's rent fees being used to offset the expenses for the receptionist, telephone and internet.

Commissioner Clayton restated his **motion** was for the County Attorney to write up a contract for the least cost with PCC and Telamon and to let PCC sublease for \$250 per month to EDSI.

Chairman Newell stated the simplest way would be to lease to PCC for \$1 per year. Commissioner Clayton added that the lease should include authorization for PCC to sublease. Chairman Newell noted his preference for some kind of agreement to have a binding contract in place as well as to stipulate all agencies provide the County with a hold harmless clause of some type that makes them responsible for the liability.

Commissioner Puryear asked the County Attorney if there was any recourse for EDSI to request refund of the rent fees due to the fact that there was no legal binding agreement. Mr. Aycock stated there was no opportunity for them to seek any type of damages or recourse from PCC or from the County as they have in fact received a benefit to which they paid. Mr. Aycock further noted no liability issues especially if it is the desire by the Board for EDSI to remain in the building for the remainder of the term they have in place.

Chairman Newell asked what term would be put onto the lease with PCC. Commissioner Jeffers advocated for the term to coincide with the sublease with EDSI.

Ms. York asked Dr. Bartlett if these workforce training and development functions were intended to be moved into the Small Business Center, aka the Business Development Entrepreneur Center (BDEC). Dr. Bartlett stated in the process of doing the bond, the second floor of the BDEC would be upgraded and, in turn, move the workforce operations. Dr. Bartlett stated his preference for a 5-year lease to complete construction.

Mr. Aycock summarized there was some intent by the Board for the term of the lease to be as long as necessary until such time PCC moves the workforce operation to the other facility. Commissioner Jeffers reiterated the lease was needed with PCC due to the need for PCC to sublease so he preferred for the lease to coincide with the sublease term.

Chairman Newell asked the Board to consider the situation should the County need that particular building. Commissioner Clayton stated the sublease that PCC has written included a 30-day out clause upon notice by either party. Mr. Aycock stated the County could include a termination clause for so many days, i.e. 30-days, 60-days, 90-days. Chairman Newell suggest a 5-year lease with a 90-day termination notice clause.

Commissioner Clayton again recounted his motion to write up a lease with PCC that authorizes a sublease.

Commissioner Puryear asked about off-setting costs for utilities in the lease noting PCC would not be charging a nonprofit any rental fees so what cost sharing between PCC and the County. Commissioner Clayton stated his preference for PCC to retain the rental fees for their expenses incurred.

Ms. York told the Board that a lease agreement would be brought back to the Board for review and approval.

Mr. Aycock summarized an amended motion for Commissioner Clayton's consideration as follows:

An **amended motion** was made by Commissioner Clayton and **carried 5-0** to direct the County Attorney and the County Manager to prepare a lease agreement with PCC for a term not to exceed five years, and in that lease agreement, to authorize PCC to sublease space to other entities doing the same kind of work that PCC is doing with a provision that any for-profit entity must be charged a rate of \$250.00 per month; included also in the lease will be a provision for either party to terminate the lease upon 90-day notice and that the final lease document be brought back to the Board for approval.

CHAIRMAN’S REPORT:

Chairman Newell reported that he, Stuart Gilbert, Economic Development Director, and the Economic Development Commission were working hard to certify a site for hard sell noting an obstacle for the project was to fund getting water from the Dan River to the site.

MANAGER’S REPORT:

County Manager, Heidi York had no report.

COMMISSIONER REPORT/COMMENTS:

Commissioner Jeffers had no report.

Commissioner Clayton had no report.

Commissioner Puryear had no report.

Vice Chairman Kendrick reported that public input was sought for the proposed Senior Center design at a scheduled public forum on May 11, 2016 starting at 5:00pm in the County Office Building Auditorium.

CLOSED SESSION #1

A **motion** was made by Vice Chairman Kendrick and **carried 5-0** to enter Closed Session per General Statute 143-318.11(a) (3) to consult with an attorney and 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 the price and other material terms of a contract at 8:21pm with the following individuals permitted to attend: County Manager, Heidi York, Clerk to the Board, Brenda Reaves, County Attorney, Ron Aycock, Assistant County Manager, Sybil Tate, and Mike Brinckek via telephone conference call.

Chairman Newell called the Closed Session to order at 8:22pm.

A **motion** was made by Vice Chairman Kendrick and **carried 5-0** to return to open session at 8:57pm.

ADJOURNMENT:

A **motion** was made by Vice Chairman Kendrick and **carried 5-0** to adjourn the meeting at 9:00pm.

Brenda B. Reaves
Clerk to the Board

David Newell, Sr.
Chairman