

June 4, 2012

The Washington County Board of Commissioners met in a regular session on Monday, June 4, 2012 at 6:00 PM in the Commissioners Room, 116 Adams Street, Plymouth, NC. Commissioners Alexander, Johnson, McCray, Manning and Sexton were present. Also present were County Manager David L. Peoples, Clerk to the Board Julie J. Bennett, Assistant County Manager/County Attorney Cheryl Young and Finance Officer Frank Milazi.

Chair Manning called the meeting to order. Randy Fulford gave the invocation; Commissioner Alexander led the pledge of allegiance.

ADDITIONS/DELETIONS: None.

CONSENT AGENDA: **Commissioner Sexton made a motion to approve the Consent Agenda:**

Consent Agenda

- a) Approval of Minutes
- b) Pittard Perry & Crone, Inc. Audit Contract
- c) NC Education Lottery Public School Building Capital Fund—Replace Air Conditioner Compressor—WCU—\$2,259.45

Commissioner McCray seconded, motion carried unanimously.

PUBLIC FORUM: Jean Woolard, Plymouth, introduced Mr. Paul Tine, NC Democratic Nominee Elect for the NC House. Mr. Tine briefly spoke to the Board.

Jerry Rhodes, DSS Director, introduced Michael Todd-Stone, Director of the Washington County Senior Center. Mr. Rhodes explained that last month the Senior Center received the Award of Excellence from the NC Division of Aging and Adult Services. Mr. Todd-Stone has been employed with the Senior Center for over 2 years now and is very proud of the Senior Center and its programs such as Meals On Wheels, fitness programs, and trips offered to our citizens that are 55 yrs or older. The Washington County Senior Center is one of two Senior Centers that are certified in the NE part of the state. Mr. Rhodes also stated that participation has increased significantly with Mr. Todd-Stone at the helm. A new feature this summer will be a raised bed garden for the seniors. Mr. Todd-Stone is also a chef and teaches cooking sessions.

PUBLIC HEARING—RURAL OPERATING ASSISTANCE PROGRAM GRANT APPLICATION (ROAP):

Commissioner Johnson made a motion to open the public hearing on the Rural Operating Assistance Program Grant. Commissioner Sexton seconded, motion passed unanimously.

Mr. Jerry Rhodes, Director, DSS spoke to the Board regarding submitting an application for ROAP funding and the distribution of the funds to programs and agencies in the County. The ROAP encompasses three smaller programs: Elderly and Disabled Transportation Assistance

Program (EDTAP), Employment Transportation Assistance Program (EMPL) and Rural General Public (RGP) Program. Washington County government is the only eligible candidate for ROAP funds. One of the requirements before submitting the ROAP application is to hold a public hearing and that is being satisfied tonight.

Chair Manning asked Mr. Rhodes if the local match is included in his budget. Mr. Rhodes replied that it is in his budget.

Brenda Hartkopf, Roper, asked Mr. Rhodes if there was a charge for transportation. Mr. Rhodes replied that the fees are nominal, usually \$1 or \$2. Mr. Rhodes also explained that the transportation is for adult and not children unless a child is going to a doctor and is accompanied by an adult. Mr. Rhodes went on to explain that they do not provide recreation transportation.

Commissioner Sexton made a motion to close the public hearing on the Rural Operating Assistance Program Grant. Commissioner Johnson seconded, motion passed unanimously.

Commissioner Johnson made a motion to approve submitting the application for ROAP funding and the distribution of funds to programs and agencies in the County recommended by the Washington County Transportation Advisory Board. Commissioner Sexton seconded, motion passed unanimously

PLYMOUTH MUNICIPAL AIRPORT FOREST MANAGEMENT PLAN: Mr. Jamie Dunbar and Mr. Lance Swindell from the NC Forestry Service spoke to the Board regarding thinning the timber at the Airport and following the Plymouth Municipal Airport Forest Management Plan. Mr. Dunbar explained to the Board that timber can be harvested based on maturity and other factors. The longer one waits to harvest one could have a hurricane blow it all down or it could become infested with bugs. Mr. Dunbar recommended that the County use a timber consultant who can cruise the tract to determine what it is worth. (The Forestry Department cannot do this.) Mr. Dunbar also suggested that the County would need a timber sale agreement to protect the County and to make sure the County receives the best revenue possible. Mr. Dunbar also mentioned that the County might consider reinvesting in the tract once the timber is harvested.

Chair Manning asked Mr. Dunbar if the County is eligible for any special programs. Mr. Dunbar said the County is not because the County is a government agency. Mr. Peoples asked Mr. Dunbar who would be responsible for the replanting. Mr. Dunbar said he could give Mr. Peoples some recommendations and that costs can run anywhere from \$65 - \$85 an acre for flat planting.

Commissioner Sexton made a motion to approve Mr. Peoples going forward to meet with various consulting foresters to inquire about their services and fees. Commissioner Alexander seconded, motion passed unanimously.

RECREATION: Town of Roper Mayor Bunny Sanders spoke to the Board regarding the County's recreation program and discussed the handout below.

ACTIVITY	HOURS PER WEEK	PARTICIPANTS PER CLASS			TOTAL NUMBER OF PARTICIPANTS	AGE OF PARTICIPANTS	STAFF		SUPPLIES - EQUIPMENT
		Plymouth	Creswell	Roper			INSTRUCTOR		
Modern Dance (9 weeks)	10	31	8	11	50	12+	\$ 3,150.00	\$ -	
Art/Pottery (9 weeks)	10	38	8	14	60	8+	\$ 2,250.00	\$ 2,500.00	
ACTIVITY	HOURS PER WEEK	PARTICIPANTS PER CLASS			TOTAL NUMBER OF PARTICIPANTS	AGE OF PARTICIPANTS	STAFF		
		Plymouth	Creswell	Roper			DIRECTOR	MUSICIANS	
Choir (15 weeks)	2	62	16	22	100	15+	\$ 750.00	\$ 900.00	\$ 300.00
TOTALS							\$ 6,150.00	\$ 900.00	\$ 2,800.00
TOTAL PARTICIPANTS = 131 32 47 210							TOTAL COSTS \$ 9,850.00		

Modern Dance Instructor = \$35.00 per hour
Five days per week

Art Instructor = \$25.00 per hour
Five days per week
Equipment = Two Potters Wheels @\$1,000.00 each. Materials = \$500.00
Note: Potters Wheels can be used in subsequent years

Music Director = \$25.00 per hour
Keyboard = \$15.00 per hour
Musicians = Drummer, Bass, Guitar @ \$45.00 per two hours (to include performances)
Music/CD's, etc., = \$300.00

Mayor Sanders will volunteer to oversee the launching of the arts component for one year. This will include identifying instructors; reporting back to the County Manager and Commissioners on progress quarterly; and, organizing concerts, recitals, and art shows for fundraisers to sustain the program in subsequent years without cost to participants.

At the end of the season, an arts weekend will be held to present the participants in concert, recital and an art show.

Participants will have until June 20th to sign up for participation on a first-come, first-serve basis for available slots. A waiting list will be used to fill slots of those who sign up for participation, but do not show up.

All towns will be requested to provide a site for each program if they choose to utilize the allotted slots within their communities.

Mayor Sanders stressed the need to find a balance between sports and arts. Mayor Sanders said she would like to have \$9,850 allocated of the \$132,000 recreation budget for three activities: modern dance, art/pottery and she want to create a County choir.

Commissioner Alexander said time is too short to do these activities this year and that the County may be able to do one activity as a pilot program to see if the interest is there. Mr. McCray asked Mr. Fulford what would moving \$10,000 out of his budget do to it. Mr. Fulford said 'cripple it'. Mr. Fulford went on to explain that new equipment is needed this year for baseball since what the County has right now is outdated such as bats or helmets (w/the safety shield).

Mr. McCray asked Mayor Sanders if she could do these three programs with the \$9,850? Mayor Sanders said yes and she said there are 210 kids who would benefit and would sign up for these programs.

Brenda Hartkopf, Roper, asked who will be teaching the dance class. Mayor Sander replied that Wanda Rossman will be teaching the modern dance class. Ms. Hartkopf also mentioned she is aware of how much recreation equipment costs because her son coaches at Joyner Field.

John Norman, Roper, asked if there is a way to increase the funds for recreation such as ask for donations.

Laura Sutphin, 4-H agent for Washington County, stated that she works with a lot of kids and would be interested to see what other counties recreation budgets are and cautions against moving money away from a program that has already been proven to work. Ms. Sutphin agreed that trying a pilot program for one of the activities Mayor Sanders mentioned to see if it would work in our County is a good idea.

WASHINGTON COUNTY HOSPITAL (WCH) UPDATE: Mr. Harley Smith, WCH, Gordon Docking, CAH/HMC and Phillip Horne, Greenfire Capital were in attendance. Mr. Docking spoke to the Board regarding the Washington County Hospital and stated that last Friday a change was made in which Emergency Room group that WCH uses. Emergency Staff Solutions out of Dallas, TX is the new group. Emergency Staff Solutions is excited to be here and Mr. Docking said the citizens should see an improved level of service and quality of care. Mr. Docking then spoke about the CAH/HMC Chapter 11 reorganization plan. CAH/HMC is filing a plan on Wednesday of this week with the federal court in KS. The plan will be available for review after Wednesday. Mr. Docking went on to say that CAH/HMC has done well in Chapter 11. All accounts payable since October 11 are current within 18 days. Vendors have put them back on regular payment plans rather than COD. CAH/HMC anticipates successfully emerging from Chapter 11 by September 30, 2012. Mr. Docking stated that lots of bills will be paid upon CAH/HMC's exit from Chapter 11 and that WCH has done well while in Chapter 11.

Chair Manning asked Mr. Docking about the status of paying local vendors. Mr. Docking explained that CAH/HMC has been limited on paying creditors that were owed before the Chapter 11 filing due to Chapter 11 filing rules; however, CAH/HMC is paying their current bills in a timely fashion.

Mr. Docking introduced Phillip Horne, manager/director of Greenfire Capital. CAH/HMC has a letter of intent from Greenfire Capital for their interest in building the new hospital. Greenfire Capital is an affiliate of US Realty. Mr. Horne stated that healthcare is very attractive and sustainable for the future and Greenfire Capital wants to be a part of it.



**Washington County Hospital
Transaction Summary**

Investor	Greenfire Capital/U.S. Realty Trust
Lessee	HMC/CAH
Enhancement	Washington County, North Carolina as Senior Subordinate Credit
Structure	Purchase/Leaseback and Construction with Purchase/Leaseback Net Lease, Off Balance Sheet with Option to Purchase at Term
Benefit to Lessee	Access to low cost capital in difficult debt and equity markets Expansion of enterprise and services/ double physical plant Increased revenues, employment, and profitability Sale of existing real estate enhances financial position
Benefit to County	Preserve and expand essential economic development recruitment amenity Create new short term (est. 200+ construction and trades) and long term employment Additional \$20 million property valuation for county (and city) property tax rolls No impact on debt capacity, credit rating, or general fund Increased sales tax revenue from direct and indirect impact of volume in goods and services

New York

Washington, DC

Raleigh, NC

Brenda Hartkopf, Roper, asked about the \$700,000 owed to the County. Mr. Docking said it would get shaken out in the filing.

Ms. Hartkopf asked Mr. Docking what his position is with CAH/HMC. Mr. Docking replied he is the Chief Operating Officer (COO). Ms. Hartkopf then proceeded to speak of a personnel issue with WCH. Discussion ensued until it was deemed inappropriate by the County Attorney.

Commissioner Alexander asked Mr. Harley Smith about the hours of operation at the Creswell Medical Clinic. Mr. Smith replied that the Creswell Medical Clinic is open on Monday – Thursday from 8:00 am – 12:00 noon. Mr. Smith also said he is getting ready to advertise locally and in Columbia and will be distributing brochures in the local communities.

NOTES:

- 1 The Washington County Roper Annex lease for \$20,000 has been terminated due to the tenant not renewing the lease.
- 2 The Recreation Department will be generating \$600 in fees associated with the implementation of a dance program which will subsidize a portion of the costs of the program.
- 3 The transfer from the reserve fund will be decreased from \$97,728 to \$50,820, a reduction of \$46,908 due to the cancellation of the Washington County School System Lighting Project.
- 4 The Washington County School System has requested that a Capital Funding Project for Athletic Field Lighting be cancelled.
- 5 The Washington County Board of Elections will need funding for a mandated second primary election.
- 6 Funding is needed for utilities services at the Washington County Roper Annex due to the termination of the lease which the lessee had previously been responsible for these services.
- 7 Funding is needed for the proposed new dance program.
- 8 Reduction and transfer of \$3,000 from the Washington County Library recommend budget to the Facility Services budget. The funding is needed to repair the rear parking lot.
- 9 Increase of the \$3,000 due to the transfer in funding from the Washington County Library parking lot project.

Commissioner Sexton made a motion to adopt the 2012 – 2013 recommended budget ordinance presented for \$13,113,340. Commissioner Alexander seconded. Commissioner Alexander asked if the money for the EMS radios was in the budget. Mr. Peoples said that the radios are going to be handled with money in this FY budget along with some grant funding that is available. Mr. David Clary told Commissioner Alexander that Creswell EMS will be getting seven new radios. Commissioner Alexander commented on the Dance Program that was added to the budget and feels that it is a good plan and shows that the Board is working towards increasing activities in the County in the future. **Motion carried unanimously.**

VOTING DELEGATE FOR THE NACO CONFERENCE: Ms. Bennett informed the Board that NACo has requested a voting delegate from each County with a delegate attending the Annual Conference July 14-18, 2012 in Allegheny County, PA to participate in the association's annual election of officers and policy adoption. Commissioner Johnson will be attending the conference.

Commissioner Sexton made a motion to approve Commissioner Johnson as the Washington County voting delegate at the NACo 2012 Annual Conference. Commissioner McCray seconded, motion passed unanimously.

BOARD & COMMITTEE APPOINTMENTS: Ms. Bennett presented the following Board/Committee appointments/re-appointments:

a) Washington County Library Board

The Washington County Library Board has requested the appointment of Lois Davis on their Board (replacing Sharon Cherry).

Ms. Davis has agreed to serve if appointed.

b) Local Firefighter's Relief Fund Board

The Plymouth Town Council has requested the appointment of Jerry Rhodes to the Local Firefighter's Relief Fund Board (replacing Whitford Whitley).

Mr. Rhodes has agreed to serve if appointed.

Commissioner Johnson made a motion to approve the membership of the abovementioned committees/boards as presented. Commissioner Alexander seconded, motion carried unanimously.

FINANCE OFFICER'S REPORT: Mr. Milazi discussed the following amendments:

- Budget Amendment # 12170 +\$ 4,000.00
Emergency Management Services Revenue—Grant rec'd from Weyerhaeuser
- Budget Amendment # 12180 -\$17,189.08
Budget increase needed to finish grinding Hurricane Irene debris
- Budget Amendment #12190 +\$12,000.00
To complete scanning of Food & Nutrition Services
- Transfer to Contracted Services to fund FNS scanning -\$12,000.00
- Budget Amendment #12200 +\$ 500.00
Grant from Weyerhaeuser

Commissioner Sexton made a motion to approve budget amendments #12170, #12180, #12190 and #12200 as presented. Commissioner Alexander seconded, motion carried unanimously.

OTHER ITEMS BY CHAIRPERSON, COMMISSIONERS, COUNTY MANAGER, CLERK, OR ATTORNEY:

Mr. Peoples handed out a letter to the Commissioners reinstating his retirement effective October 1, 2012. His last day as the Washington County Manager will be September 28, 2012.

Ms. Bennett reminded the Board that this year the NCACC Conference is being held in Raleigh August 16-19. Registration is now open. Please let Ms. Bennett know if you would like to attend.

Chair Manning said that he, Commissioner Johnson and Mr. Peoples attended County Assembly Day. They met with Stan White but were unable to meet with Tim Spear. Commissioner Manning considered it a successful trip.

Chair Manning said that he and Commissioner Johnson attended the May 31, 2012 Public Officials Conference hosted by Ms. Ann Keyes.

Commissioner Johnson made a motion to recess the meeting until 7:00 am, Thursday, June 28, 2012. Commissioner Alexander seconded, motion carried unanimously.

Buster Manning
Chair

Julie J. Bennett
Clerk to the Board