

MINUTES

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

BOARD OF COMMISSIONERS
APRIL 19, 2006

The Henderson County Board of Commissioners met for a regularly scheduled meeting at 9:00 a.m. in the Commissioners' Conference Room of the Henderson County Office Building.

Those present were: Chairman Bill Moyer, Vice-Chairman Charlie Messer, Commissioner Larry Young, Commissioner Shannon Baldwin, Commissioner Chuck McGrady, County Manager Steve Wyatt, Assistant County Manager Justin Hembree, County Attorney Russell Burrell, and Clerk to the Board Elizabeth W. Corn.

Also present were: Assistant County Manager Selena Coffey, Fire Marshal Rocky Hyder, Finance Director J. Carey McLelland, County Engineer Gary Tweed, Utilities Director Doyle Freeman, Development & Enforcement Director Toby Linville and Deputy Clerk to the Board Amy Brantley.

CALL TO ORDER/WELCOME

Chairman Moyer called the meeting to order and welcomed all in attendance.

PLEDGE OF ALLEGIANCE

Commissioner Young led the Pledge of Allegiance to the American Flag.

INVOCATION

Commissioner Shannon Baldwin gave the invocation.

INFORMAL PUBLIC COMMENTS

1. Theron Maybin – Mr. Maybin stated that Dr. John Bell is willing to put a price on the property in question for a park in the Tuxedo community. The availability for a park in the Green River area is very limited as far as size. The price may be shocking but he suggested the Board look at the scarcity of land in the area. He asked the Commissioners to consider the things that are limited in the Green River township. There is not a lot of flat land in the area. He asked for consideration of that.

Mr. Maybin then addressed the Commissioners as a member of the Henderson County Soil & Water Conservation Board, stating that the Board had been promised a used vehicle for years. He stated that we are not a second class county and not a second class soil and water board. He felt that a new vehicle should be budgeted into the budget for the coming year for a vehicle that would meet the needs of the soil and water board.

2. Dick Baird – Mr. Baird reminded the Board that he had spoken on Budget Review at the April 3 meeting. Since he had not been contacted by any Commissioner nor is there any item on today's agenda concerning taxpayer budget review committee, he made a formal request that the Board take formal action on his previous recommendation for a Taxpayer Budget Review Committee. His written comments asked that this proposal be a formal discussion item for the May 1 agenda.

Mr. Baird then addressed the issue of a Fraud Audit Committee, stating there had been two instances of fraud by county employees in recent history. One involved the loss of nearly \$400,000 within the school system and the other involved relatively small kick-backs to employees of the school system and a fire district. The disturbing thing about both of these frauds is that they were identified by outsiders. He stated that a fraud audit organization yields two important benefits, probably the most important being a deterrent effect. The identification, investigation, and prosecution of the

DATE APPROVED _____

lawbreaker is the other. He requested that this proposal be a formal discussion item for the May 17th agenda. He stated that a volunteer citizen audit committee appears to be the best alternative.

3. Patti Keck – Ms. Keck stated that we live in a beautiful wonderful county, it's just gorgeous. She expressed concern about the ordinance that will keep people from having such junkyards in livable neighborhoods. She passed around a couple of pictures of junk that she sees in her neighborhood. She urged the Board not to grandfather in anything in that ordinance.

4. Anna Cymorek – Ms. Cymorek also addressed the nuisance ordinance, stating that she has unbelievably filthy neighbors. It isn't just a bad sight but is also rat infested. She stated that she lives in a lovely neighborhood except for this one filth infested residence. She asked the Board to please do something about it.

DISCUSSION/ADJUSTMENT OF AGENDA

There were none.

Commissioner Messer made the motion to approve the agenda. All voted in favor and the motion carried.

CONSENT AGENDA

Commissioner McGrady made the motion to approve the consent agenda. All voted in favor and the motion carried. The Consent Agenda consisted of the following:

Minutes

Draft Minutes were presented for the Board's review and approval of the following meeting(s):
April 10, 2006, special called meeting

Tax Collector's Report

Terry F. Lyda, Henderson County Tax Collector, presented the Tax Collector's Report dated April 17, 2006 for the Board's review and consent approval.

Title Attorney contract, Crisis Housing Assistance Fund Grant

A proposed contract with Angela Beeker, Esq. was presented for the Board's review and approval. The contract with Ms. Beeker was to perform title work for the Crisis Housing Assistance Fund grant projects. All costs of this contract would be paid by the grant. Title services as stated in the contract are required by the terms of the grant. The proposed contract attorney was chosen by the County staff responsible for grant administration.

If the Board is so inclined the following motion was suggested:

I move that the Board enter into the contract for legal services which is attached to the agenda item for this matter.

Sale of parcel owned by Henderson County Hospital Corporation

As proposed in the March 15 Commissioners' meeting, notice of a bid and the right to upset bid was published in *The Times-News* regarding the offer by Webb Real Estate Investments, L.L.C., to purchase the real estate located at 9 Cross Roads, Horse Shoe, NC (currently the office of Dr. Bob Webb), for the price of \$649,000 (with certain restrictions). A copy of the offer was included with the Board's agenda items for the March 15 meeting. The time for upset bids passed and no upset bids were received.

The Board was requested to approve or deny the sale, the terms of which are as follows:

- The sales price was, as noted above, \$649,000.00.

- Henderson County retains a right of first refusal to repurchase the property should the purchaser attempt to convey any interest in the property within fifteen (15) years of closing.
- The property is restricted to use as a medical office for a period of ten (10) years after the sale.

If the Board is so inclined, the following motion was proposed:

I move that the Board give final approval of the sale of real estate to Webb Real Estate, L.L.C., on the terms stated in the offer which was included with this Board's agenda materials for March 15, 2006.

If the Board approves the sale as stated above, the Board then needs to address the issue of the disposition of the sales proceeds. Personnel from the hospital will be available to address this issue with the Board if desired.

Improvement Guarantee for Cloven Cliffs

Mr. Robert L. Bruner, property owner, submitted a request for an improvement guarantee for Phase II of the Cloven Cliffs major subdivision. The project site for Phase II of Cloven Cliffs is located on 42 acres of land off Little Creek Road. A total of 10 lots are proposed in Phase II. The Henderson County Planning Board granted conditional approval of a Master Plan and Phase II Development Plan for Cloven Cliffs on March 21, 2006. The improvement guarantee is proposed to cover grading, drainage, construction of the roads which includes paving and shoulder stabilization for Phase II.

According to Sections 170-38 and 170-39 of the Henderson County Subdivision Ordinance, where the required improvements have not been completed or in lieu of completing all of the required improvements and for final plat approval, the developer may post a performance guarantee for the improvements. Section 170-38 of the Henderson County Subdivision Ordinance also state that the installation of the improvements must be completed within two years of the improvement guarantee approval date. The developer intends to post with the County an irrevocable letter of credit in the amount of at least \$215,250.00 to cover the cost of the improvements (\$172,200.00) as well as the required twenty-five percent (25%) contingency (\$43,050). April 17, 2008 is the proposed completion date of the improvements.

A draft Performance Guarantee Agreement was attached for the Board's consideration. If the application is approved, the developers must submit an irrevocable letter of credit in accordance with the terms of the Agreement. Once the County receives a letter of credit in proper form, the relevant parties must execute the Agreement.

The County Manager recommended that the Board approve the improvement guarantee application for Phase II of the Cloven Cliffs subject to the developer submitting to Henderson County an irrevocable letter of credit in accordance with the terms of the Performance Guarantee Agreement.

Resolution – National Day of Prayer 2006

Staff recommended adoption of the National Day of Prayer 2006 Resolution as follows:

**RESOLUTION
NATIONAL DAY OF PRAYER
2006**

WHEREAS, National Days of Prayer have been part of our country's heritage since the first one was declared by the Continental Congress in 1775; and

WHEREAS, leaders of our Nation have relied upon the power of prayer throughout American history; and

WHEREAS, May 4, 2006, marks the 55th consecutive observance of the National Day of Prayer, as mandated by both Congress and by our President in Public Law 100-307; and

WHEREAS, it is good that we acknowledge that we are all God's handiwork and that it is appropriate to call upon Him in prayer; and

WHEREAS, "America Honor God ... I will honor those who honor me" is the theme for the 2006 National Day of Prayer.

NOW, THEREFORE BE IT RESOLVED, the Henderson County Board of Commissioners proclaims May 4, 2006 as "**NATIONAL DAY OF PRAYER**" in Henderson County and urges our citizens to join together in their homes, places of work, and places of worship, to pray for the unity of the hearts of all mankind and to continue in prayer for our County, State, and Nation.

Adopted this 19th day of April, 2006.

William L. Moyer, Chairman
Henderson County Board of Commissioners

Attest:

Elizabeth W. Corn, Clerk to the Board

EMS Accounts Receivable Report

At the Board's request the EMS Accounts Receivable Report was provided as information for consent approval.

**EMS ACCOUNTS RECEIVABLE
STATUS REPORT
4/7/06**

Balance @ 3/13/06	\$2,542,461.13
Add: New charges (1)	270,057.48
Less: Payments (2) On calls prior to 6/30/05	(67,231.12)
On calls after 6/30/05	(46,775.27)
Insurance contractual adjustments (3)	(120,457.04)
Write-off of old bills (4)	(101,364.23)
Estimated insurance contractual Adjustments from write-offs (5)	(6,759.21)
Balance @ 4/6/06	<u>\$2,469,931.74</u>

- (1) New patient charges from 3/14/06 through 4/6/06.
- (2) Payments/credits received from 3/14/06 through 4/6/06.
- (3) Actual Medicare, Medicaid and other insurance contractual adjustments for charges not owed by patients.
- (4) Primarily small balances less than \$100 remaining that were written off after insurance payments were received.
- (5) Estimated Medicare, Medicaid, and other insurance contractual adjustments/denials for charges not owed by patients.

Crisis Housing Assistance Funds Grant Program Amended Funding Approval and Disaster Budget

The North Carolina Department of Crime Control and Public Safety requested that the County approve an amended 2005 Crisis Housing Assistance Funds (CHAF) Program funding agreement. These funds are reserved for recovery efforts for the 2004 tropical storm systems. Included in the packet was the amended funding approval form along with a disaster relief budget form.

The County Manager recommended the Board approve the funding amendment and authorize the Chairman to execute the funding approval form and the disaster relief budget form. The forms are attached hereto and incorporated as part of the minutes.

NOMINATIONS

Notification of Vacancies

The Board was notified of the following vacancies which will appear for nominations on the next agenda:

- 1. Industrial Facilities and Pollution Control Authority – 1 vac.

Chairman Moyer added two additional notifications of vacancy:

- 2. Community Child Protection Team - 1 vac.
- 3. Governmental Financing Corporation – 1 vac.

Nominations

Chairman Moyer reminded the Board of the following vacancies and opened the floor to nominations:

- 1. **Animal Services Committee – 1 vac.**

Commissioner Young nominated Lorrie Shelly. *Chairman Moyer made the motion to accept Ms. Shelly by acclamation. All voted in favor and the motion carried.*

- 2. **Apple Country Greenway Committee – 2 vac.**

Commissioner McGrady nominated Dixie Dellinger for the nearly 2 year term that is open, slot #1. *Chairman Moyer made the motion to accept Ms. Dellinger by acclamation for that position. All voted in favor and the motion carried.*

(Please see below, end of #4)

- 3. **Child Fatality Prevention Team – 1 vac.**

There were no nominations at this time so this item was rolled to the next meeting.

- 4. **Henderson County Planning Board – 3 vac.**

Previously nominated were the following: Mike Cooper, John Antrim, Collette Summitt, Boyce Laughter, and Paul Patterson. The Clerk polled the Board with each Commissioner getting three votes, results follow:

Commissioner Young:	Cooper, Laughter, Patterson
Commissioner Messer:	Cooper, Antrim, Laughter
Chairman Moyer:	Cooper, Antrim, Laughter
Commissioner McGrady	Antrim, Summitt, Laughter
Commissioner Baldwin	Cooper, Antrim, Laughter

The three appointees were: Cooper, Antrim, and Laughter.

Commissioner McGrady asked to be able to go back to the Apple Country Greenway Committee, for the one remaining vacancy, stating that Collette Summitt had indicated that she would be willing to fill that Greenway slot if she weren't appointed to the Planning Board.

Commissioner McGrady nominated Collette Summitt for the remaining position. There were no other nominations. *Chairman Moyer made the motion to accept Ms. Summitt by acclamation. All voted in favor and the motion carried.*

5. Henderson County Transportation Advisory Committee – 1 vac.

There were no nominations at this time so this item was rolled to the next meeting.

6. Hendersonville City Zoning Board of Adjustment – 1 vac.

There were no nominations at this time so this item was rolled to the next meeting.

7. Juvenile Crime Prevention Council – 5 vac.

Ms. Brantley stated that for position #12, for a person under 18 years of age, we have an application on file for Shelby Murray. Ms. Murray is 15 years of age.

Commissioner McGrady nominated Shelby Murray. *Chairman Moyer made the motion to accept Ms. Murray by acclamation. All voted in favor and the motion carried.*

8. Mountain Area Workforce Development Board – 1 vac.

Ms. Brantley stated that at the last meeting Richard Sheldrick was nominated to the Board. She has spoken with him and he is interested in serving and it appears that he is eligible.

Commissioner Baldwin made the motion to appoint Mr. Sheldrick by acclamation. All voted in favor and the motion carried.

9. Nursing/Adult Care Home Community Advisory Committee – 7 vac.

Ms. Brantley stated that Cal Titus' appointment will be ending at the end of May, she sent him a letter and he replied that he is interested in serving again if it's the pleasure of the Board.

Commissioner McGrady nominated Cal Titus. There were no other nominations. *Chairman Moyer made the motion to accept Mr. Titus to position # 9 by acclamation. All voted in favor and the motion carried.*

10. Solid Waste Advisory Committee – 2 vac.

Commissioner McGrady nominated Richard Stewart for the vacancy expiring 4/1/2007. *Chairman Moyer made the motion to accept Richard Stewart by acclamation. All voted in favor and the motion carried.*

LOCAL OPTION SALES TAX DISTRIBUTION METHOD

This agenda item is a follow-up to the Board's meeting on April 10, 2006. The Board has requested that each municipality voice its preference for the distribution method of local option sales tax. This information along with additional data/documents developed by staff was presented for the Board's information and decision.

According to NC General Statutes, "during the month of April each year" the Board of Commissioners must determine whether to use the "per capita" method of distributing the revenue from the optional sales taxes authorized by the County between the County and its municipalities, or to use the "ad valorem" method of distribution. Should the Board determine that the ad valorem method is appropriate, no decision on whether to adjust fire district tax rates is required at this time.

The County Manager requested the Board determine which method of local option sales tax distribution is appropriate for Henderson County. The Board must take action on this item before the end of April 2006.

Chairman Moyer reminded the Board that yesterday at 3:00 was the LGCCA meeting at which time there was a good thorough discussion of this issue. All of the municipalities except Fletcher had already taken action based on the information supplied earlier. They all indicated that they preferred to stay on "per capita" method with 50/50 share between the county and the municipalities. They all indicated that they had a preference for longer than a 1 year deal, recognizing that there would have to be options for outs at the end of every year, if things changed or if any municipality wanted out. Last night Fletcher had a special called meeting to deal with this issue and invited Commissioners Moyer and Messer to attend. They had a thorough discussion of this issue and at the end they voted also to favor the 50/50 share on the "per capita" method and go with a longer term contract but again with an out at the end of every year. They added one additional term that each of the contracts with each of the municipalities and the county would be identical except for the name of the entity.

Russell Burrell distributed an 8 page hand-out entitled "Interlocal Agreement" for the Board's review and discussion. He also distributed a 2 page hand-out of several options for sales tax distribution and reviewed same with the Board.

Following discussion, *Chairman Moyer made the motion to approve the per capita method of sales tax distribution with a 50/50 option with a 3-5 year contract with an out, for each party to be able to renegotiate on an annual basis for whatever reason and there will be automatic renegotiation if a new municipality is formed or if the amount of the sales tax deviates in any year by more than 25% and authorize the County Manager and officials to enter into this agreement with the municipalities and resolve this issue. All voted in favor and the motion carried.*

LEASE WITH HENDERSON COUNTY HISTORIC COURTHOUSE CORPORATION

Chairman Moyer asked to defer this item as Dr. Jones is not present and he felt that Dr. Jones would be here for this item.

DRAFT NUISANCE ORDINANCE

Through the recently adopted County Strategic Plan, the Board of Commissioners made enhanced code enforcement a priority. As part of this effort, the adoption of a new Nuisance Ordinance is scheduled. Various versions of this ordinance have been discussed during three recent meetings.


Staff recommended adoption of the updated Nuisance Ordinance.

Toby Linville reviewed with the Board the information they had received in their agenda packets:

- 1- last month's draft
- 2- a revised draft with changes (new language in red)
- 3- a matrix of some of the text amendments already made
- 4- a report of how the ordinance will be implemented, if approved


DRAFT NUISANCE ORDINANCE

April 19, 2006



OVERVIEW

- Recommended Draft Highlights
- Implementation Timeframe
- Public Education Program
- Abatement
- Examples
- Staff Recommendation




RECOMMENDED DRAFT HIGHLIGHTS

- Definition of building - enclosed walls
- RVs set-up standards
- Definition of junked motor vehicle
- Definition of outdoor storage
- Farm implements not included as outdoor storage
- Vehicle restoration permit




IMPLEMENTATION TIMEFRAME

- Effective July 1, 2006
- Begin public education program immediately
- 60 day voluntary compliance period
- Notification of existing violators
- Work with violators to abate nuisances
- Active enforcement begins September 1, 2006




PUBLIC EDUCATION PROGRAM

- First Week of May 2006: "Ordinance Adoption" Press Release delivered to all local media (newspapers, radio, television). Post ordinance on County web site.
- Second Week of May 2006: "What is a Public Nuisance" Press Release delivered to all local media.
- Third Week of May 2006: "What Can I Do with My Junk" Press Release delivered to all local media.




- June 2006: Continue press releases to all local media.
- June 2006: Begin HCTV-11 text programming.
- First Week of July 2006: Open Line interview on WHKP.
- First Week of July 2006: Video segment on Channel 11.
- July 2006 – September 1, 2006: Continue press releases to all local media and programming on HCTV-11.
- September 1, 2006 - Ongoing: Continue press releases explaining enforcement procedures.




ABATEMENT

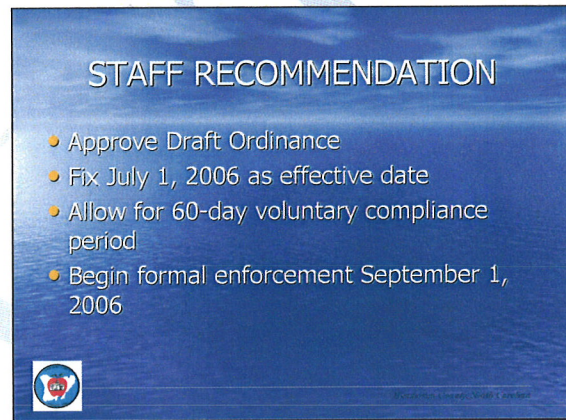
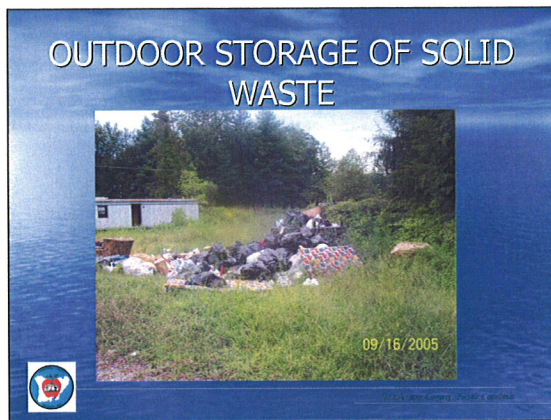
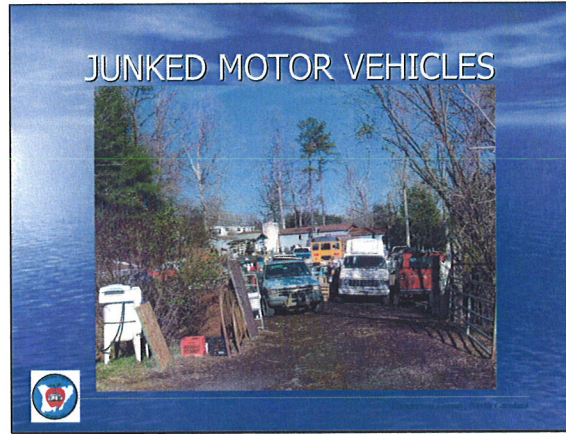
- Work with citizens to abate nuisances
- Allow adequate time to correct violations
- Offer suggestions for proper removal and disposal
- Formal enforcement action



ABATEMENT

- Henderson County Landfill - \$47.91 per ton
Accept tires, leaves, concrete, motor oil, antifreeze, and white goods at no charge.
- Rental Dumpsters for \$150 plus tipping fees
- Manufactured Homes dismantled on site \$1,500
- Junked Automobiles current scrap price \$5.50 per 100 lbs. 3,000 lb car=\$165
- Towing Companies
- Salvage Companies





Toby Linville highlighted changes with the Board and answered questions. His recommendations to the Board:

1. Approval of the draft ordinance,
2. Set July 1 as the effective date and allow the 60-day voluntary compliance period.

They would begin formal enforcement September 1, 2006.

Much discussion followed with some revisions offered.

Staff worked on the revisions during first recess so they could distribute it back to the Board for action.

Dr. George Jones had sent Chairman Moyer a note stating that he would not be present at the meeting and that he was comfortable with what the Board had for review.

LEASE WITH HENDERSON COUNTY HISTORIC COURTHOUSE CORPORATION

This lease was drafted by the County Attorney’s office. It provides that the leased premises will be used for a “museum and historical exhibition space” (as defined in Paragraph B.4.) only. The terms have been agreed to by the Henderson County Historic Courthouse Corporation board. Russell Burrell stated that the term was for 50 years. One of the conditions of the lease was that the leased portion of the building be used as a museum and historic exhibition space at least three business days a week from 10:00 a.m. to 5:00 p.m. There would be coordination with the County Manager for periods of time that are not customary times that the building would be open for, week-ends for example, so there would be adequate security and that sort of thing. The lease is a fairly standard commercial lease with some specific changes having to do with the nature of this tenant. The lease is for \$1.00 a year. It has no specific performance requirements about it being open for business three days a week and certain hours as a museum and it actually defines what a museum and historical exhibition space is. It defines it fairly broadly to include not only galleries but also live

exhibitions as well. They all relate back to the story of the founding settlement and development of Henderson County, the State of North Carolina, and the United States.

Tom Orr came forward to address the Board. He stated that one of the points they made with the County Attorney was that Dr. Jones be the negotiator with the Board of Commissioners. They wish to deal with how they can develop their relationship that is productive with the Board of Commissioners, if they do make a break or a separation from it. That all has to be worked out.

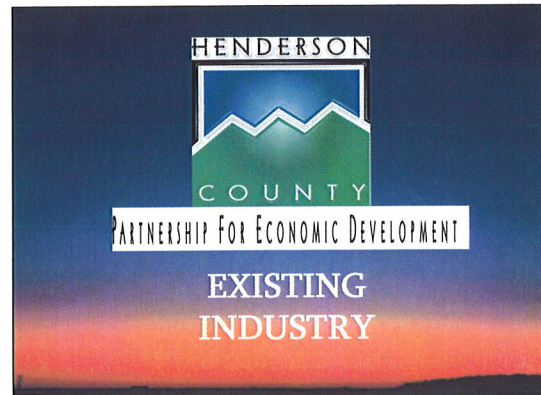
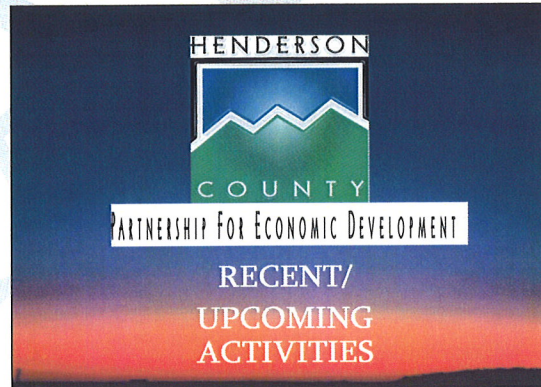
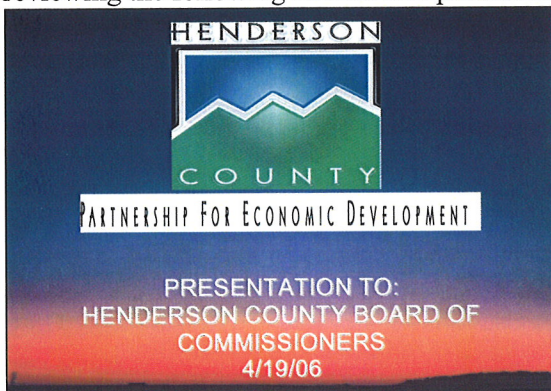
County staff requested further direction and approval/disapproval of this draft lease.

Commissioner McGrady made the motion that the Board approve the lease as drafted and present the same for execution to the Courthouse Board. A vote was taken and the motion passed unanimously.

UPDATE CONCERNING ECONOMIC DEVELOPMENT ACTIVITIES

Scott Hamilton, Committee of 100, Hendersonville Chamber of Commerce came forward to address the Board. He recognized others in attendance: Bob Williford, President of the Henderson County Chamber of Commerce; Kyle Edney, Economic Development Project Coordinator; and Chip Gould, a past Chair of the Partnership and also the current Product Development Chairman at the Partnership for Economic Development.

Scott Hamilton explained that their core values would be to continue to create quality jobs in Henderson County through the retention and the expansion of our existing industry and through the recruitment of new industrial investment in the community. He updated the Board on Economic Development activities, while reviewing the following PowerPoint presentation:



EXISTING INDUSTRY

- Continue "Did-You-Know" Advertisements in The Times-News
- Continue Conducting Board Meetings at Local Industry
- Continue Existing Industry Visitation Program
- Provide Marketing Collateral Material to Henderson County Recreational Products Manufacturers for Distribution at Trade Show in 2006
- Updating of 2006 Industrial Directory
- 6 Industrial Visitations Conducted

Did you know... 80% of all aluminum used in the world, and turbine blades in jet engines manufactured by GE, Pratt & Whitney and Rolls Royce are filtered using a SELEE filter manufactured here in Henderson County. For more information on how industry impacts Henderson County, please contact the Chamber.

PARTNERSHIP FOR ECONOMIC DEVELOPMENT
A Division of the Greater Hendersonville Chamber of Commerce
330 North King Street Hendersonville, NC • 828.692.1413

PARTNERSHIP FOR ECONOMIC DEVELOPMENT

MARKETING

NEW WEBSITE- www.HCPED.org

WEBSITE ACTIVITY

<ul style="list-style-type: none"> • December 2003 -289 Unique Visitors - 459 Visits - 1,253 Pages Viewed - 5,776 Hits 	<ul style="list-style-type: none"> • March 2006 - 686 Unique Visitors - 1,011 Visits - 12,202 Pages Viewed - 25,614 Hits
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• 2005
No Tracking Software Available Due to New Website Work Launch

LET'S TALK "ACCESS" BROCHURE

THE THREE MOST IMPORTANT WORDS IN BUSINESS: ACCESS, ACCESS, ACCESS

Via Rail

By Land

By Air

By Sea

By Rail

County, District or Census Tracts

Albemarle	10,000
Allegheny	10,000
Anderson	10,000
Ashe	10,000
Beaufort	10,000
Bertie	10,000
Bladen	10,000
Boone	10,000
Burke	10,000
Caldwell	10,000
Camden	10,000
Carteret	10,000
Catawba	10,000
Chatham	10,000
Cherokee	10,000
Clay	10,000
Cleveland	10,000
Columbus	10,000
Craig	10,000
Crawford	10,000
Cumberland	10,000
Dare	10,000
Davidson	10,000
DeWitt	10,000
Dobson	10,000
Durham	10,000
Edgecombe	10,000
Forsyth	10,000
Franklin	10,000
Gaston	10,000
Guilford	10,000
Henderson	10,000
Hertford	10,000
Hoke	10,000
Iredell	10,000
Jackson	10,000
Johnston	10,000
Lincoln	10,000
Martin	10,000
McHenry	10,000
Mecklenburg	10,000
MitCHELL	10,000
Montgomery	10,000
Morgan	10,000
Northampton	10,000
Onslow	10,000
Orange	10,000
Orangeburg	10,000
Perquimans	10,000
Person	10,000
Piedmont	10,000
Pitt	10,000
Polk	10,000
Rockingham	10,000
Rowan	10,000
Sampson	10,000
Scotland	10,000
Stanly	10,000
Stokes	10,000
Swain	10,000
Swainson	10,000
TaylOR	10,000
TennENT	10,000
Tipton	10,000
Union	10,000
Van DUSEN	10,000
Wake	10,000
Wayne	10,000
YORK	10,000

WEDA BANNER

- 3' x 6' Banner
- Highlights Steelcase Building and Henderson County
- Displayed at WEDA Booth During MD&M West, SAE, and NPE

900,000 sq. ft. with 100 acres available in Western North Carolina

Partnership for Economic Development
info@hcped.org • www.hcped.org
828.692.1413

ADVERTISING/ PUBLICATIONS

<ul style="list-style-type: none"> ▪ Advertisement in Corporate Global Expansion ▪ 2005 Annual Report Distributed in January ▪ Marketing Materials Distributed to NCDCC Foreign Offices 	<ul style="list-style-type: none"> ▪ Continue Quarterly Publication of Available Buildings/Sites Inventory ▪ Beginning Work on New Folder for Client Response Packages
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MARKETING

- 310 Call Campaign
- 2,100 Companies Targeted Nationwide
- Recreational Products
- Automotive Components
- Plastics/Metalworking

HENDERSON COUNTY
PARTNERSHIP FOR ECONOMIC DEVELOPMENT

PRODUCT DEVELOPMENT

INDUSTRIAL PROPERTY IDENTIFICATION

- 2 Studies by Leak-Goforth Consulting Evaluating Available/Appropriate Industrial Property in Henderson County
- Discussions Regarding a Regional Industrial Park

HENDERSON COUNTY
PARTNERSHIP FOR ECONOMIC DEVELOPMENT

ACTIVITY

INQUIRIES/PROJECTS

- 2003 Annual Total
 - 103 Inquiries
 - 9 Projects
- 2004 Annual Total
 - 147 Inquiries
 - 14 Projects
- 2005 Annual Total
 - 154 Inquiries
 - 22 Projects
- 2006 Activity as of 4/17/06
 - 94 Inquiries
 - 10 Projects
 - 40 Continued Follow-ups

INQUIRIES
HENDERSON COUNTY FISCAL YEAR (JULY-JUNE)

July 1, 2004-June 30, 2005

- 173 Inquiries
- 19 Projects

July 1, 2005-Present

- 133 Inquiries
- 17 Projects

ANNOUNCEMENTS

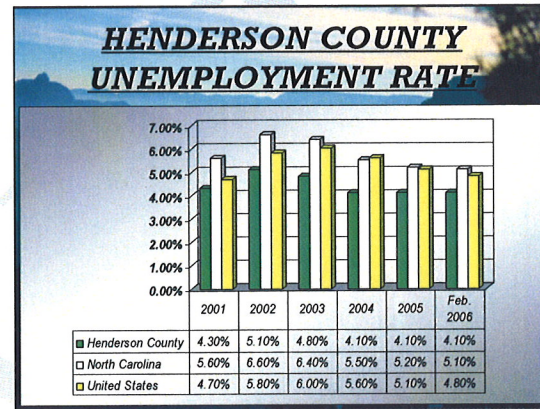
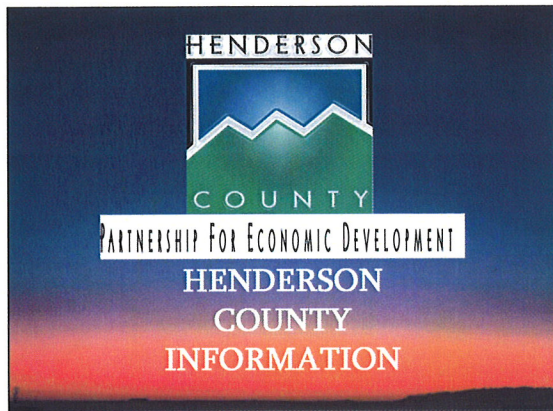
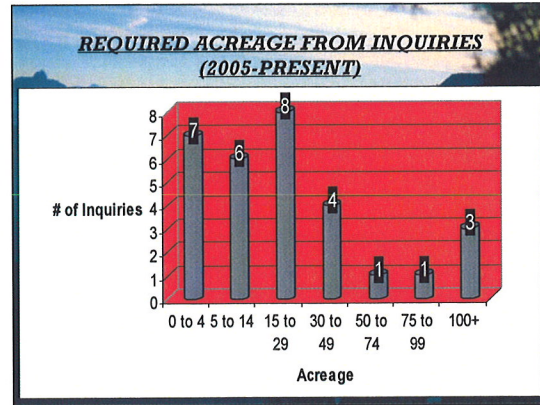
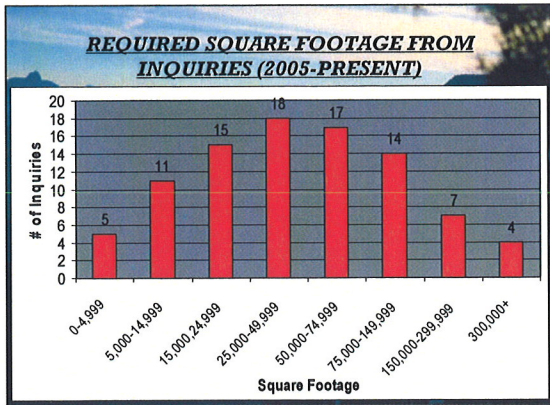
- Henderson's Produce
 - \$1.5-\$2 Million/Investment
 - 7-14 New Jobs
- FedEx
 - \$6 Million Investment
 - 60-80 Transferred Jobs
- First Citizens Bank
 - 16-18 New Jobs
- UPM Raflatac Celebration of Two Major Announcements
- Cumulative Investment and Jobs Created Since the Inception of the Partnership in 1994:
 - \$392,950,000 Investment
 - 1,613 New & 769 Saved Jobs

PROJECT CARDINAL ANNOUNCEMENT

- \$4.8 Million Investment
- 50 New Jobs
- First United States Manufacturing Facility for Elkamet

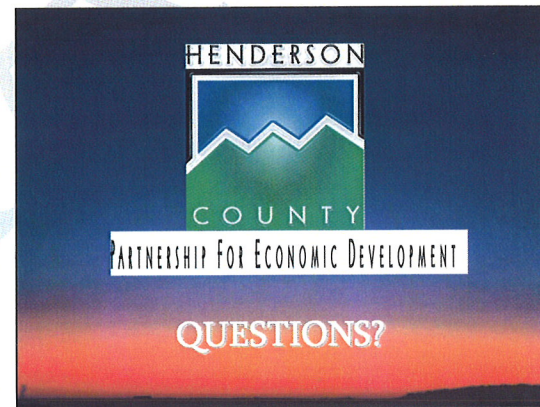
HENDERSON COUNTY
PARTNERSHIP FOR ECONOMIC DEVELOPMENT

PROSPECT REQUIREMENTS



MANUFACTURING EMPLOYMENT INFORMATION

- Average Manufacturing Wage for Henderson County (3rd Quarter 2005)
 - Yearly: \$44,037
 - Which Breaks Down to
 - \$846.88 per week
 - or
 - \$21.17 per hour



This item was for information only, no action was required.

Recess

Chairman Moyer called a brief technical recess, to change videotapes.

Due to the hour, public hearings were held next.

PUBLIC HEARING – CDBG INFRASTRUCTURE GRANT CLOSEOUT – Howard Gap Waterline Extension

Commissioner Messer made the motion for the Board to go into public hearing. All voted in favor and the motion carried.

Kate O'Hara, Land of Sky Regional Council, reminded the Board that the purpose of this public hearing was to receive citizen's comments on the closeout of the Community Development Block Grant (CDBG) for the Howard Gap Waterline Extension. She stated that the public hearing notice was published in *The Times News* on April 7, 2006. In late 2003 one of the residents in the Carolina Circle area noticed an odor coming from her newly installed well and after some analytical work with the underground storage tank division of DEHNR, it was found that there was a leaking underground storage tank. As a result of that, the City of Hendersonville, Henderson County, the Department of Natural Resources UST section, and DCA all worked together. The County held a public hearing in December 2004 and applied for funding to provide public water lines to the area. The project was actually two phases. Phase I was a waterline from Naples Road to within a quarter mile of the CDBG area which was Brookside Camp, sections of Howard Gap, Ardis Circle, and Carolina Circle. Phase I was paid by the underground storage tank section of DENHR. That cost was \$277,000. The second portion of the project was the actual installation of public water lines in the Carolina Circle, Howard Gap, Brookside Camp area. The grant paid for the installation of the waterlines and the laterals to the homes of the families who were low and moderate income. The lineal feet for the lines was approximately 8,760. They don't count the laterals. Approximately 79 households in the CDBG area now have water, including the assisted living facility at the intersection of Howard Gap and Brookside Camp Roads. The project cost for phase II was \$627,283 and the CDBG grant was \$399,083. The balance was paid for by the UST section. That, of course, was paid up front and then they had to request reimbursement for that. The project has been complete for some time. This hearing is being held so they can send in the required documents and get this closed out for the County.

Public Input

There was none.

Commissioner McGrady made the motion to go out of public hearing. All voted in favor and the motion carried.

No action was required, except for allowing citizen input during the public hearing.

PUBLIC HEARING – RURAL OPERATING ASSISTANCE PROGRAM (ROAP) GRANT APPLICATION

Commissioner Messer made the motion for the Board to go into public hearing. All voted in favor and the motion carried.

Justin Hembree reminded the Board that the purpose of this public hearing was to allow for citizen comments concerning the County's application, on behalf of Apple Country Transit, for the upcoming fiscal year's Rural Operating Assistance Program grant through the North Carolina Department of Transportation. Included in the agenda packet was a copy of the grant application packet. This grant has been one of the major funding sources for Apple Country Transit. The FY 2006-2007 application requests \$142,093 and calls for a match from Henderson County in the amount of \$14,209.30 (10%) for the upcoming fiscal year. This amount is approximately the same as in past years, but represents only a portion of the local costs associated with the County's switch to an "urbanized" public transit area. These additional funds will be requested through the County FY 2006-2007 budget.

Public Input

There was none.

The County Manager recommended approval of the grant agreement/certified statement resolution.

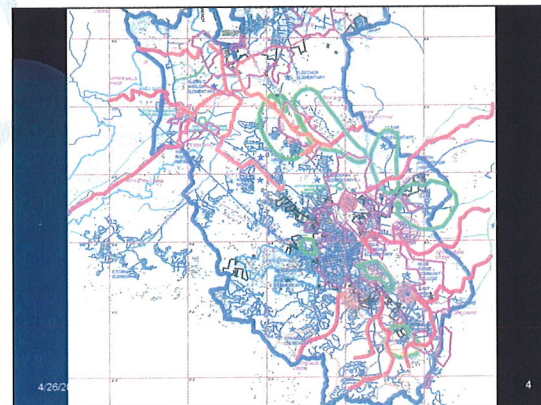
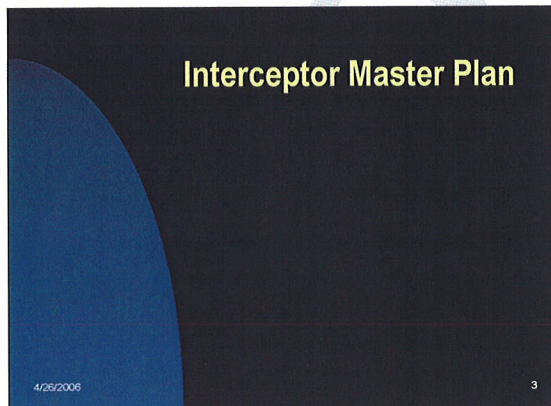
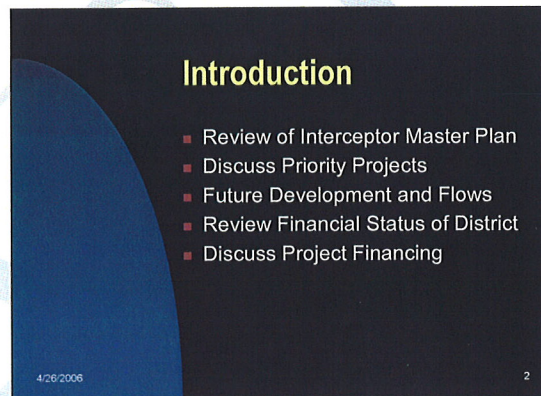
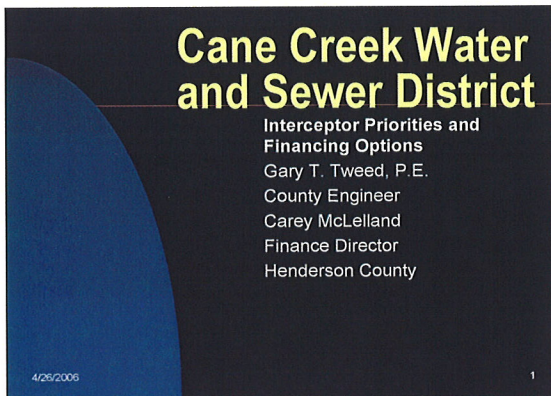
Commissioner McGrady made the motion to approve the grant agreement and certification statement resolution as presented. All voted in favor and the motion carried.

Commissioner McGrady made the motion to go out of public hearing. All voted in favor and the motion carried.

SANITARY SEWER INTERCEPTOR PROJECTS FINANCING OPTIONS

Gary Tweed reminded the Board that they had requested staff to develop a priority list and financing plan for the proposed sanitary sewer projects being developed in the Cane Creek Water and Sewer District. A list of the sanitary sewer projects as identified in the County Master Sewer Interceptor Plan has been developed. Within the Cane Creek Water and Sewer District, the Mud Creek Interceptor is the top priority. This project was developed to be constructed in three phases. The Board authorized the design and construction of the first phase and this phase is now under design with projected construction completion by the end of 2005. The second phase of the Mud Creek Interceptor project was discussed with the Board as a result of proposed development on Fletcher Academy property. The Board requested staff to look at the financial picture of the District and to develop financing options for the Mud Creek project.

Gary Tweed presented a PowerPoint presentation as follows:



Project List – Cane Creek District

- Mud Creek Interceptor Phases I, II and III
- Cane Creek Interceptor
- Mill Pond Creek Interceptor
- McDowell Creek Interceptor
- Upper Featherstone Creek Interceptor
- Within Town of Mills River – McDowell Creek, Upper Mills River, and Boylston Creek

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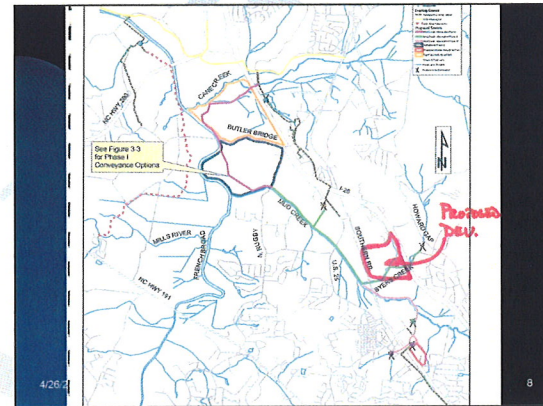
Project List- Hendersonville Area

- Clear Creek Interceptor
- Devils Fork Creek Interceptor
- Bat Fork Creek Interceptor
- South Mud Creek Interceptor
- King Creek Interceptor

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Mud Creek Interceptor Project

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Projected Costs Mud Creek Phases I, III, & III

- Phase I \$2,200,000 with \$300,000 contribution from Windsor Aughtry
- Phase II \$2,000,000 with proposed \$400,000 contribution from Fletcher Academy
- Phase III \$1,500,000
- All Estimates from CDM Preliminary Engineering Report

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Future Development & CCWSD Wastewater Flows

Area	Units	Est. Flow GPD
Mud Creek Phase I area		
◆ Riverstone	524 units	52,400
◆ Stonecrest	230 units	23,000
◆ Fox Glen	148 units	14,800
◆ Tap Root Industrial Park		100,000
◆ Brickton Industrial Park		50,000
Mud Creek Phase II area		
◆ Fletcher Academy	300 units	30,000
◆ Academy and Hospital		100,000
◆ Ashmont	200 units	20,000
Mud Creek Phase III area		
◆ Mountain Home Industrial Park	200,000 ¹⁰	
◆ Heritage Hills Development		30,000

4/26/2006

Future Flow Projection Totals 5 to 10 years

■ Mud Creek I,II, III	620,200 GPD
■ Mills River Area	400,000 GPD
■ Fletcher Area	200,000 GPD
Total	1,220,200 GPD
■ Current Flows	657,000 GPD
■ Flows could triple in next 5 to 10 years	

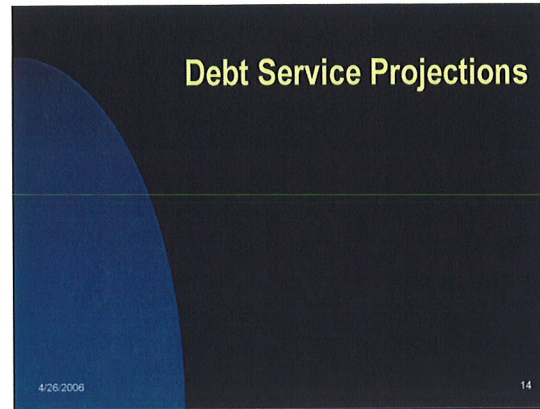
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CCWSD Revenues and Expenditures

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CANE CREEK WATER & SEWER DISTRICT
SCHEDULE OF REVENUES AND EXPENDITURES
FY2003 THROUGH FY2006

	FY2003	FY2004	FY2005	Projected FY2006
Revenues:	\$ 904,093	\$ 912,025	\$ 949,002	\$1,150,000
Expenditures:	(440,536)	(488,738)	(543,041)	(595,000)
Revenues over Expenditures	463,557	423,287	405,961	555,000
Less: Depreciation	(214,499)	(201,589)	(202,088)	(215,000)
Net income from operations	\$ 258,108	\$ 221,698	\$ 203,873	\$ 340,000
Retained Earnings	\$1,934,959	\$2,494,171	\$3,341,683	\$3,681,683
# of Customers	1,675	1,859	2,073	2,210



Cane Creek Water & Sewer District
Mud Creek Interceptor Projects
Phase 1 & 2 -- Debt Service Projections

Project Cost Estimate -- Phase 1:	\$2,200,000
Est. Annual Debt Service on \$1.9M @ 4.5%:	
10 years	\$ 236,296
15 years	\$ 174,418
Project Cost Estimate -- Phase 2:	\$2,000,000
Est. Annual Debt Service on \$2.0M @ 4.75%:	
10 years	\$ 251,634
15 years	\$ 186,679

Carey McLelland informed the Board that the District is in good financial position with Retained Earnings of \$3,817,683 and is projected to grow \$340,000 in FY 2006. He chimed in on the financial end of the Power Point presentation. The outstanding debt is approximately \$1,187,000. The District has about 2,210 customers and is growing at about 150 customers per year. The District is more than capable of constructing the Mud Creek Interceptor Projects both Phase I and II and covering the debt service on financing of these phases of the Mud Creek Project. It is staff's recommendation that with the low interest rates available at this time that both Phase I and II be financed. In addition, a financial contribution of \$300,000 toward Phase I will be coming from the Windsor Aughtry Riverstone Development. Fletcher Academy has proposed a \$400,000 contribution toward phase II of the Mud Creek Project. They are still working with the Planning and Zoning Department on zoning issues with this development. Should the project move forward then the County should continue negotiations with Fletcher Academy on the \$400,000 contribution.

There was much discussion of the debt, the fund balance, the user fees, etc. for the Water & Sewer District. Carey McLelland suggested financing these projects and letting the revenues from the new users pay for the capital cost of the line over a period of time, 10-15 years.

This was information only, no action was requested at this time.

Gary Tweed reminded the Board that there are some zoning issues the Academy folks are working on. He would like to work with them as they go through the process. If they get zoning set up so that they can do the type project they are wanting and then if we can negotiate an agreement, then he feels we should be able to move forward. There was general consensus for Gary Tweed to continue working on this and as things firm up then he'll bring it back to the Board. General consensus of the Board was to continue to work on Phase II if all the answers work out as planned.

CONTINUATION OF DRAFT NUISANCE ORDINANCE

Staff had working on the suggested language changes in the Nuisance Ordinance during the recess. The revised Nuisance Ordinance was distributed and reviewed.

Following discussion, *Commissioner McGrady made the motion to approve the Nuisance Ordinance as revised and discussed. All voted in favor and the motion carried.*

FINANCING RESOLUTION: SUGARLOAF ROAD SCHOOL, MILLS RIVER SCHOOL, HISTORIC COURTHOUSE, TECHNOLOGY EDUCATION BUILDING

Russell Burrell explained that this is a resolution (in a form similar to that used in previous similar circumstances) for consideration concerning the proposed installment contract financing for the Sugarloaf Road and Mills River School projects, the Blue Ridge Community College Technology Education building, and the renovation of the Historic Courthouse.

First, the resolution makes the necessary findings for the undertaking and authorizes the preparation of an installment purchase financing contract which will provide the funding for these projects.

Second, the resolution authorizes the Chairman and Staff to submit an application to the Local Government Commission for its required approval of the installment purchase financing contract. The resolution also authorizes staff to apply for municipal bond insurance with respect to the contract and approves the financing term necessary to complete the process.

Last, the resolution calls for a required public hearing on the financing documents to be held on the Board of Commissioners' May 1 meeting date at 7:00 p.m. and directs the Clerk to the Board to cause a notice of the public hearing to be published in the local newspaper.

Commissioner McGrady moved the following resolution (the "Resolution"), a copy of which was made available to the Board and which was read by title:

"RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF HENDERSON, NORTH CAROLINA, AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT, DIRECTING THE PUBLICATION OF NOTICE WITH RESPECT THERETO AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO AND MAKING CERTAIN FINDINGS AND DETERMINATIONS IN CONNECTION THEREWITH

I. Undertakings

WHEREAS, the Board of Commissioners (the "Board") of the County of Henderson, North Carolina (the "County"), desires to provide for the design, acquisition, construction, renovation and equipping of two elementary schools ("the School Facilities"), the design, acquisition, construction and equipping of a Technology Education and Development Building at Blue Ridge Community College ("Technology Building") and the design, renovation, construction and equipping of the Henderson County Historic Courthouse (the "Courthouse") building (collectively, the "Facilities"); and

WHEREAS, the Board now proposes to finance the Facilities through an installment financing contract (the "Contract") with Henderson County Governmental Financing Corporation, Hendersonville, North Carolina ("the Corporation"), obligating the County to repay in installments the amount financed at a fixed annual interest rate of not more than 5.30% over a term not exceeding 20 years, resulting in a total amount financed not to exceed \$51,000,000 (excluding reserves and costs of issuance); and

WHEREAS, pursuant to N.C.G.S. Section 160A-20, the County is authorized to finance the design, acquisition, construction, renovation and equipping of the Facilities by entering into the Contract and a deed of trust (the "Deed of Trust") that create in the School Facilities and the Courthouse a security interest to secure payment of the obligation thereby created; and

WHEREAS, subject to the prior approval of the Local Government Commission of North Carolina (the "LGC") pursuant to N.C.G.S. Section 159-148, the County intends to finance the cost of the Facilities pursuant to N.C.G.S. Section 160A-20 by executing and delivering to the Corporation or other financing entity the Contract providing for the financing of a principal amount not to exceed \$5 1,000,000 (excluding reserves and costs of issuance); and

WHEREAS, the County has received an insurance commitment from Arnbac Assurance Corporation to issue an insurance policy that will guarantee payments by the County under the Contract; and

11. Undertakings Necessary

WHEREAS, the County staff has advised the Board, and the Board hereby finds and determines, that the County must design, acquire, construct, renovate and/or equip the Facilities in order to maintain and enhance the County's public schools, Community College and certain administrative facilities to enable the County to perform its public functions, and that the Facilities will benefit the County and its residents; and

WHEREAS, a public hearing must be held to receive public comment on the desirability of installment financing for the Facilities, and the Board received evidence supporting the need for such financing; and

WHEREAS, the Board finds and determines that the undertakings are necessary and expedient for the aforesaid reasons and that the Facilities be financed under the terms, conditions and parameters heretofore stated and to be further determined with more particularity at a later date; and

111. Funds Not Excessive

WHEREAS, the sums to fall due under the Contract can be included in the County's budget without difficulty; and

WHEREAS, the above factors lead to the conclusion that the payments under the Contract are not excessive for the stated purposes of designing, acquiring, constructing, renovating and/or equipping the Facilities; and

IV. Transaction a Public Purpose

WHEREAS, the County Attorney has advised the County that the Facilities are authorized by law and are purposes for which public funds may be expended pursuant to the Constitution and laws of the State of North Carolina; and

V. Installment Purchase Financing Desirable

WHEREAS, the Board finds and determines that short term or pay-as-you-go financing for the Facilities would place strains on the County's ability to fund general operations and education without a significant tax increase; and

WHEREAS, use of the County's un-obligated fund balance to finance the Facilities would reduce the fund below the guideline established by the LGC and would not be in the County's best interest; and

WHEREAS, the use of non-voted debt would not provide sufficient funds to complete the Facilities in a timely manner; and

WHEREAS, although the cost of financing under the proposed Contract is greater than the cost of general obligation bond financing, installment contract financing would be preferable to general obligation bond financing because a general obligation bond authorization probably could not be perfected in a timely manner and would not permit the alternative financing structures and repayment provisions available in the proposed negotiated installment contract financing; and

WHEREAS, the proposed cost of financing the Facilities is too great an amount to be funded by current appropriations; and

WHEREAS, the Board finds and determines that installment contract financing is therefore the most viable and efficient alternative and that the cost of such financing is reasonable; and

VI. Compliance With Debt Management Controls

WHEREAS, past audit reports of the County indicate that its debt management and contract obligations payment policies have been carried out in strict compliance with the law and the County has not been censured by the LGC, external auditors, or any other regulatory agencies in connection with such management; and

VII. Estimated Tax Increase

WHEREAS, the Board estimates that the County's *ad valorem* tax rate will be increased by approximately \$0.05 per \$100.00 assessed value in order to sustain the proposed financing; and

VIII. No Default

WHEREAS, the County is not in default in meeting any of its debt service or contract obligations; and

IX. Application

WHEREAS, it is the Board's intention to adopt this Resolution for the purpose of authorizing the design, acquisition, construction, renovation and/or equipping of the Facilities, making certain findings and determinations, approving the submission of an application for approval of the Contract to the LGC and authorizing such other acts deemed necessary and advisable to carry out the design, acquisition, construction, renovation and/or equipping of the Facilities.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF HENDERSON, NORTH CAROLINA, as follows:

Section 1. The Chairman of the Board, the County Manager, the County Attorney, the Finance Director and the Clerk to the Board are hereby authorized and directed on behalf of the County to proceed with the preparation of the Contract providing for the financing of an amount not to exceed \$51,000,000 (excluding reserves and costs of issuances) at an annual interest rate not to exceed 5.30% and a term not to exceed 20 years, and otherwise proceed with the plan of financing for the Facilities described at this meeting.

Section 2. The Chairman of the Board, the County Manager, the County Attorney, the Finance Director and the Clerk to the Board are hereby authorized and directed to submit an application for the LGC's approval of the Contract pursuant to N.C.G.S. Section 160A-20 and Section 159-148, and to execute a sworn statement of debt of the County pursuant to N.C.G.S. Section 159-150, in connection with the financing of the Facilities.

Section 3. The financing team of LeBoeuf, Lamb, Greene & MacRae LLP, as special counsel, Wachovia Bank, National Association, as underwriter, Robinson, Bradshaw & Hinson P. A., as underwriter's counsel, Arnbac Assurance Corporation, as bond insurer, and First-Citizens Bank & Trust Company, as trustee, is approved.

Section 4. This Resolution shall become effective immediately upon its adoption and shall supersede any and all previous resolutions regarding the design, acquisition, construction, renovation and/or equipping of the Facilities on an installment financing basis.

Section 5. That a public hearing (the "Public Hearing") shall be conducted by the Board of Commissioners on May 1, 2006, at 7:00 p.m. in the Commissioners' Meeting Room of the County Administration Building at 100 North King Street, Hendersonville, North Carolina, concerning the Contract, the Deed of Trust, the proposed design, acquisition, construction, renovation and/or equipping of the Facilities and any other transactions contemplated therein and associated therewith.

Section 6. The Clerk to the Board is hereby directed to cause a notice of the Public Hearing to be published once in a qualified newspaper of general circulation within the County on April 20, 2006."

On motion of Commissioner McGrady, the foregoing resolution entitled "RESOLUTION OF THE BOARD OF

COMMISSIONERS OF THE COUNTY OF HENDERSON, NORTH CAROLINA, AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT, DIRECTING THE PUBLICATION OF NOTICE WITH RESPECT THERETO AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO AND MAKING CERTAIN FINDINGS AND DETERMINATIONS IN CONNECTION THEREWITH" was duly adopted by the following vote:

Aye: Moyer, Messer, Young, Baldwin, McGrady

Nay: None

EXHIBIT A

**NOTICE OF PUBLIC HEARING
ON WHETHER THE BOARD OF COMMISSIONERS
FOR THE COUNTY OF HENDERSON, NORTH CAROLINA
SHOULD APPROVE A PROPOSED INSTALLMENT FINANCING
CONTRACT TO FINANCE THE COST OF CERTAIN PROJECTS**

NOTICE IS HEREBY GIVEN that the Henderson County Board of Commissioners (the "Board") will hold a public hearing on May 1, 2006, at 7:00 p.m. in the Commissioners' Meeting Room of the County Administration Building, 100 North King Street, Hendersonville, North Carolina for the purpose of considering whether the Board for the County of Henderson, North Carolina (the "County") should approve a proposed installment financing contract and certain related documents under which the County would obtain financing pursuant to North Carolina General Statutes 5 160A-20, as amended, to finance the cost of the Projects hereinafter described and under which the County would secure the repayment of it of moneys advanced pursuant to such installment financing contract by granting a security interest in the School Facilities and Courthouse (each as defined below) and related sites and property thereof under a deed of trust. The Projects consist of (1) the design, acquisition, construction and equipping of the Sugarloaf Road Elementary School to be located at 2270 Sugarloaf Road, Hendersonville, North Carolina; (2) the design, construction, renovation and equipping of the Mills River Elementary School located at 96 School House Road, Horse Shoe, North Carolina (together, (1), and (2) are "the School Facilities"); and, (3) the design, acquisition, construction and equipping of a Technology Education and Development Building at Blue Ridge Community College located at 100 Alumni Way, Flat Rock, North Carolina; and, (4) the design, construction, renovation and equipping of the historic Henderson County Courthouse building located at 100 Main Street, Hendersonville, North Carolina ("the Courthouse"). The combined cost of constructing the Projects is estimated at approximately \$51,000,000, Drafts of proposed financing documents are available for inspection in the office of the County Manager. All persons interested in this public hearing are encouraged to attend and express their views.

/s/ Elizabeth W. Corn
Clerk. Board of Commissioners
Henderson County, North Carolina
Published: April 20, 2006

UPDATE ON PENDING ISSUES

This portion of the meeting serves as an effort to keep the lines of communication open between Commissioners and staff. To that end, it gives individual Commissioners and staff the opportunity to bring the full Board up to date on issues that occur between meetings. Furthermore, it is also a time for staff to ask for direction so that the County's public positions on current and upcoming issues can be developed. Individual Commissioners will also be given the opportunity to report on committee work and assignments.

Land Development Code Update

Steve Wyatt stated that he had been meeting with the Chairman of the Planning Board and they have met with the full Planning Board to talk about the process to get this project on track. Based on the consensus and the discussion of the Planning Board last night, he feels the project is on track. There was considerable

discussion regarding resources, time frame, process, and people that should have access to participation in the process or at least be aware of the process. There is a consensus that outside resources for some of the technical aspects of the evaluating of zoning and updating would be helpful and expedite the process. It appears that there will be at least one facilitated public meeting to get feed back from the public and to televise that meeting. He explained that the process should be transparent, that people should be able to see how this is birthed and then the process it goes through. Currently the thought is to have a recommendation to the Board sometime around Labor Day with the caveat that the process will take as long as the process takes. We hope for the strongest and best product with a strong consensus of those involved. Staff is ready to begin some discussions with the CMR Benchmark folks, to talk about a scope of services which would probably include not only the technical assistance but also looking at the facilitated televised meeting. Staff and Benchmark will begin as soon as possible to put together a work plan.

Steve Wyatt stated that the Planning Board is taking this charge very seriously and very thoughtfully and are ready to roll up their sleeves and get to work on this.

Planning Dept. vacancy

A question was raised about the process of filling the Planning Director position. Steve Wyatt explained that staff had been working with Human Resources on that process. A couple of interested persons have contacted Henderson County once they learned of the vacancy. A recruitment process of 60 – 90 days is to be expected. In the meantime Justin Hembree will continue to work with the planning staff to work on the important projects on their plate.

STRATEGIC MONTHLY REPORT

Selena Coffey addressed the Strategic Plan, giving the monthly update. The document was in the agenda packet. She informed the Board that Amy Brantley has started the process of examining the roles of County advisory boards and committees pursuant to Strategy 2.5 in the Strategic Plan. The analysis of these boards and committees should reveal if we have any duplications or areas within committees where they've already met their charge and have done what they were meant to do and whether we need to continue with those.

Selena Coffey mentioned Goal 5, which is to implement the projects within the Capital Improvements Program. She called the Board's attention to the three pages at the end of this report from David Nicholson on the progress of our three capital projects: Historic Courthouse Rehabilitation, Human Services Building, and Animal Shelter Construction. She reminded the Board that the Open House at the Animal Shelter is scheduled for April 29, 10:00 a.m. to 1:00 p.m. The Board is invited and will receive formal invitations to that. She informed the Board of the bid opening on the Solid Waste Transfer Station, second bay. The bids came in a little higher than expected. Currently the engineers are reviewing those bids, looking at areas where we may be able to negotiate some pricing. Staff will report to the Board on this project on May 1. Selena Coffey stated that under strategy 5.9, staff is currently examining the possibility of purchasing the Company Store property and building in Tuxedo for a branch library. She mentioned the Mud Creek Sanitary Sewer Interceptor, stating that the phase I designs are complete at this point. Phase I of the process is expected to go to bid within the next 30-60 days with completion of the project by the end of this calendar year.

Status of Negotiations with Mediacom

Chairman Moyer asked Commissioner McGrady to update the Board on this issue. Commissioner McGrady stated that one of the primary discussions occurring is going through the reconciliation process where they are trying to match Mediacom subscribers to the municipality or county (franchising unit). There is a mismatch present currently, meaning there are subscribers of Mediacom that are allocated to the county that are actually in the city or are allocated to the city and ought to be allocated to a different municipality. Part of this relates to the different billing addresses that separate themselves from the property addresses. Each subscriber has a unique account number that has embedded in it a number which reflects which of the franchising entities they are located within. When they determine in fact that someone lives in the City of

Hendersonville but is being shown in the County, the only solution that they've come up with is to send a notice to that person that they are ending their service and then sending another notice saying "Welcome to Mediacom" or starting their service. You can only imagine what confusion that will create. It is critical to get all the subscribers appropriately allocated to the various jurisdictions.

Chairman Moyer stated there is active federal legislation to take cable franchising completely away from counties and have a federal franchise. If the federal legislation goes through there still is some protection for franchise fees and other things for the local governments. There is also a movement, pressed by a lot of Bell Companies, to have a state franchise where the state would grant the franchise. Based on the bills circulated so far, these would take local governments out of the process entirely. The monies collected would be franchise fees but they would be sales tax and there would be some kind of method of distribution. Chairman Moyer stated that this is so active and so current, everyone is so convinced that something has happened, that Mediacom has said they are not ready to proceed to negotiate until they see what action will be taken on the federal or state legislation because if one of those bills gets passed, then the whole process changes. The Flat Rock franchise is up in July. They have already talked about an extension of one year to wait and see how everything works out. Chairman Moyer stated that basically the committee is on hold with respect to that negotiating process until we see whether legislation gets passed or not. There are several states that have gone to the state franchise system and taken it completely away from local governments.

Chairman Moyer stated that with respect to the education channel, the Community College is now saying that as part of their technology building they would like to go ahead and start with the education channel, they would need annual operating costs to move forward with this. We would pay our share out of our franchise fees. The municipalities revisited this and all said they were not interested in paying their share out of anything, either their local taxes or out of their franchise fees. They are kicking that back to the county and saying they are out of the issue. That is an issue for the county to work out with the community college.

COUNTY ATTORNEY'S REPORT

No report was given.

COUNTY MANAGER'S REPORT

No report was given.

IMPORTANT DATES

Chairman Moyer reminded the Board that they had already set the Financing Public Hearing for May 1, 2006 at 7:00 p.m.

There was a request to set a Public Hearing for the Solid Waste Management Plan update. *Commissioner McGrady made the motion to set the public hearing for Wednesday, May 17, 2006 at 11:00 a.m. All voted in favor and the motion carried.*

There was a request to schedule a workshop on the County Recycling Efforts and to receive recommendations from SWAC (Solid Waste Advisory Committee). *Commissioner McGrady made the motion to set the workshop for Thursday, April 27 at 5:00 p.m. to consider the County's Recycling efforts and if necessary any issues relating to the distribution of sales tax. All voted in favor and the motion carried.*

DRAFT INTERLOCAL AGREEMENT

Russell Burrell distributed a draft interlocal agreement. Chairman Moyer asked the Commissioners to take a look at it and give the Chairman any comments. He hoped to send it out to the municipalities and get it signed as quickly as possible.

CANE CREEK WATER & SEWER DISTRICT – no business

CLOSED SESSION

Chairman Moyer made the motion for the Board to go into closed session as allowed pursuant to NCGS 143-318.11 for the following reasons:

- 1. (a)(3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body.*

All voted in favor and the motion carried.

ADJOURN

Commissioner McGrady made the motion to adjourn the meeting@ 12:57 p.m. All voted in favor and the motion carried.

Attest:

Elizabeth W. Corn, Clerk to the Board

William L. Moyer, Chairman