

DRAFT

cc: BOC
Steve
Selena
Russ
Christy

MINUTES

**STATE OF NORTH CAROLINA
COUNTY OF HENDERSON**

**BOARD OF COMMISSIONERS
MONDAY, JUNE 6, 2011**

The Henderson County Board of Commissioners met for a regularly scheduled meeting at 5:30 p.m. in the Commissioner's Meeting Room of the Henderson County Historic Courthouse on Main Street, Hendersonville.

Those present were: Chairman Michael Edney, Vice-Chairman Tommy Thompson, Commissioner Bill O'Connor, Commissioner Larry Young, Commissioner Charlie Messer, County Manager Steve Wyatt, Attorney Russ Burrell, and Clerk to the Board Teresa Wilson.

Also present were: Finance Director J. Carey McLelland, Planning Director Anthony Starr, Construction Manager David Berry, Engineer Marcus Jones, Delinquent Tax Collector Lee King, Assessor/Tax Collector Stan Duncan, Fire Marshal Rocky Hyder, Planners Autumn Radcliff and Parker Sloan, Research/Budget Analyst Amy Brantley, Associate County Attorney Sarah Zambon, Soil & Water Conservation District Director Jonathan Wallin, Registrar Nedra Moles, PIO Christy DeStefano, Code Enforcement Director Toby Linville, Public Health Director Tom Bridges, Assistant Engineer Natalie Berry, Building Services Director Tom Staufer, Environmental Program Coordinator Alexis Baker, Transportation Planner Hope Bleecker, Environmental Health Supervisor Seth Swift, Veterans Services Officer Mike Murdock, IT Director Becky Snyder, Erosion Control Technician Timothy Foxx, Captain Greg Cochran, Lieutenant Vanessa Gilbert and Sheriff Rick Davis.

Absent was: Assistant County Manager Selena Coffey

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the American Flag was led by Daniel Torres of the Leaders in training 4-H Club.

INVOCATION

Reverend Joel Hafer of the St. James Episcopal Church gave the invocation.

RECOGNITION AND RESOLUTION OF APPRECIATION FOR PFC SAMUEL KELLY WATKINS

Veterans Services Officer Mike Murdock shared that on May 24, 2011, a Hendersonville native, Korean War POW, PFC Samuel Kelly Watkins came home. The Commissioners have agreed to honor his family. Mr. Murdock introduced Shuford Edmisten from the Henderson County Veterans Council and asked him to speak in regards to PFC Watkins.

Shuford Edmisten stated it was an honor for him to speak for the Watkins family. He asked all Veterans of the military to rise and be recognized. Mr. Edmisten provided a collage of pictures to the Board for consideration by the Historical Society. He introduced the Watkins family; Martha Dell Hare, Grace Watkins Pittman, Jack & Kelly Pittman and Bill Pittman and they were recognized.

PFC Watkins left Henderson County on December 25, 1950. He was involved in one of the fiercest battles of the Korean War on Valentine's Day, 1951. PFC Watkins stayed behind to help collect the

APPROVED:

wounded and was captured himself. In 1993 the North Koreans turned over thirty-four (34) coffins to the United Nations command. In the mid nineties, a non-profit organization, the Korean War project was started to help bring prisoners of war and those that were killed in action in the Korean War home. DNA was collected in January 2000 and it took JPAC ten (10) years to match all of the remains. Mr. Edmisten read a letter addressed to the Board of Commissioners.

Chairman Edney read a Resolution honoring PFC Watkins.

Commissioner O'Connor made the motion that the Board adopts the resolution. Commissioner Thompson seconded the motion. All voted in favor and the motion carried.

The resolution was presented to the family.

INFORMAL PUBLIC COMMENTS

1. Bob Ogden – Mr. Ogden thanked the Board for recognition of PFC Watkins. He was speaking on behalf of the Heritage Museum Board Chair Judy Abrell. They were recommending the following appointments at the next regular meeting; Drew Brannon, Jack Gable and Doris Eklund.
2. Jerry David – Mr. David requested that the Board not eliminate the Henderson County Erosion Control Services. It is needed as the State is reducing their services.
3. Ken Cobb – Mr. Cobb works in Healthcare as an employee of Park Ridge Hospital. He was speaking as a private citizen. In Michigan he served on the Hospital Board. He is only aware of one Management proposal, that of UNC Healthcare Services. He suggested selling the hospital with a value of Property and Equipment equal to \$66 million. Henderson County would receive 50% which reduce the debt service by 50%.
4. Sam Fontaine – Mr. Fontaine felt the lack of an Erosion Control Manager would be detrimental to Henderson County.
5. Fielding Lucas – Mr. Lucas felt the closed session on today's agenda should be in open session. He suggested that the Board retain their responsibility.
6. Martha Sach – Ms. Sach felt the loss of the Erosion Control program would leave Henderson County unprotected.
7. Eva Ritchey – Ms. Ritchey spoke in favor of the Environmental Advisory Committee. She also felt the Erosion Control program should stay.
8. Jeri Petersen – Ms. Petersen stated that much had been done to preserve the natural resources. The Erosion Control Department works to provide better protection. She is willing to pay higher taxes to avoid cuts.
9. Theron Maybin – Mr. Maybin chairs the Agriculture Advisory Board. Henderson County is blessed by crop of apples, vegetables, etc. Do not stop growth. Do not cut hours at the Green River and Edneyville Libraries. He felt that volunteer could be used to keep the libraries open.
10. Judy Katz – Ms. Katz is with the League of Women Voters. They ask that the Erosion Control Manager not be removed.

PUBLIC HEARINGS

Public Hearing on Close Out CDBG Water / Sewer Connection Grant (#09-C-2029)

Commissioner Messer made the motion that the Board go into public hearing with regard to the Close Out CDBG Water / Sewer Connection Grant (#09-C-209). All voted in favor and the motion carried.

Planner Parker Sloan stated the NC Department of Commerce granted \$75,000 in Community Development Block Grant (CDBG) Funds for the Henderson County Water/ Sewer Connection Grant (09-C-2029). Eligible home owners were low and moderate income and located adjacent to service lines. The grant funds paid for tap fees and connections of the homes. Assisted households were selected on a first to apply first to qualify basis. The County marketed this program heavily and made significant efforts to secure qualified applicants. As a result tap fees were paid on behalf of 10 qualified home owners and the units were connected to both the City of Hendersonville and the Cane Creek sewer systems. In addition, the septic systems were closed in accordance with the Henderson County Public Health Department standards. CDBG regulations require a public hearing to close out the grant. No County matching funds were required for this project.

PUBLIC INPUT

There was none.

Commissioner Young made the motion that the Board go out of public hearing. All voted in favor and the motion carried.

Commissioner Young made the motion that the Board directs County staff to take the necessary steps to close out the CDBG Connection Grant (#09-C-2029). All voted in favor and the motion carried

Public Hearing on Economic Incentives Grant Request – Project Willow

Commissioner O'Connor made the motion that the Board go into public hearing with regard to an Economic Incentives Grant Request for Project Willow. All voted in favor and the motion carried.

A public hearing has been scheduled on 6 June 2011 at 5:30 p.m. in the above matter.

Andrew Tate, President and CEO of the Henderson County Partnership for Economic Development stated the company, identified to this point as “Project Willow Company”, is a manufacturing concern located inside the United States contemplating the expansion of Henderson County operations. The company is Wirtz Wire EDM, LLC, and Patrick and Ann Wirtz were present.

Under the project as proposed, the public benefit to be derived from the capital project is a total taxable capital investment by the Project Willow Company of at least \$420,000.00 in personal property (equipment), and construction on real property where the value of the construction work is \$200,000.00. The project would result in the creation of from eight to eleven new employees at a pay rate of \$13.81 per hour plus health and dental insurance and other benefits. The contemplated incentives would last for a period of five years. The first year’s contemplated incentive, if granted, would be \$2,007.99, based on the new investment, the number of new employees, and the Board’s incentives guidelines.

Attorney Russ Burrell explained the guidelines and incentives. The first year would be \$2,007.99 and subsequent years, depending upon the tax appraisal of the property, would decline as the value of the personal property goes down. It is recommended and appropriate for the Board to consider granting incentives for a period of 5 years given the level of investment. This company has been a Henderson County employer for a significant period of time.

Patrick Wirtz, owner, explained that the company specializes in electric discharge machines.

PUBLIC INPUT

There was none.

Commissioner Young made the motion that the Board go out of public hearing. All voted in favor and the motion carried.

Commissioner Young made the motion that the Board grants economic incentives to this company pursuant to our economic development guidelines, and direct the County Attorney to prepare and present a proposed contract to all concerned for later approval by this Board. All voted in favor and the motion carried.

For the record, Chairman Edney stated that his father has the real property listed that this purchase may result in and no benefit will come to him.

Public Hearing on Economic Incentives Grant Request – Project Milton

Commissioner O'Connor made the motion that the Board go into public hearing with regard to an Economic Incentives Grant Request for Project Milton. All voted in favor and the motion carried.

A public hearing has been scheduled on 6 June 2011 at 5:30 p.m. in the above matter.

Andrew Tate, President and CEO of the Henderson County Partnership for Economic Development stated the company, identified to this point as "Project Milton Company", is a manufacturing concern located inside the United States contemplating the expansion of Henderson County operations. Project Milton is Kiln Drying Systems located in Etowah Industrial Park.

Under the project as proposed, the public benefit to be derived from the capital project is a total taxable capital investment by the Project Milton Company of at least \$360,000.00 in personal property (equipment), and construction on real property where the value of the construction work is \$1,025,000.00. The project would result in the creation of nineteen new employees at an average pay rate in excess of \$40,000 per year, plus health and dental insurance and other benefits. The contemplated incentives would last for a period of six years. The first year's contemplated incentive, if granted, would be \$4,479.00, based on the new investment, the number of new employees, and the Board's incentives guidelines.

Charles Minott and Rob Giraldi were both present. Mr. Minott stated that KDS started in 1992 and designs, sells, builds and installs lumber drying equipment.

Attorney Russ Burrell stated the incentive grant would be for a term of 6 years with the first year of incentives of \$4, 479.00 with subsequent depreciation based on the amount of personal property.

PUBLIC INPUT

There was none.

Commissioner Young made the motion that the Board go out of public hearing. All voted in favor and the motion carried.

Commissioner Young made the motion that the Board grants economic incentives to this company pursuant to our economic development guidelines, and direct the County Attorney to prepare and present a proposed contract to all concerned for later approval by this Board. All voted in favor and the motion carried.

Public Hearing on proposed Fare Increase and Service Hour Reduction for Apple Country Transit

Commissioner Messer made the motion that the Board go into public hearing with regard to the proposed Fare Increase and Service Hour Reduction for Apple Country Transit. All voted in favor and the motion carried.

Anthony Starr stated staff requests that the Board of Commissioners consider proposed changes to Apple Country Transit Services. The recommended actions offset increasing operational costs (associated with the recently approved five year operations and maintenance contract with WCCA) and meet the 7.5% budget reduction directed by the Board. A service reduction in combination with a fare increase will result in necessary local share cost savings.

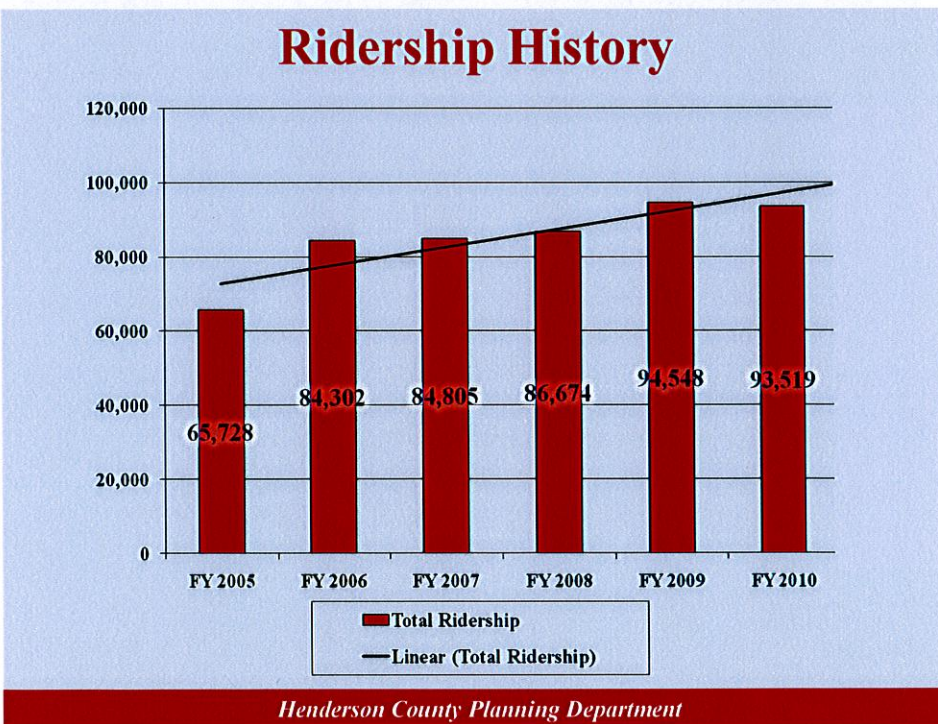
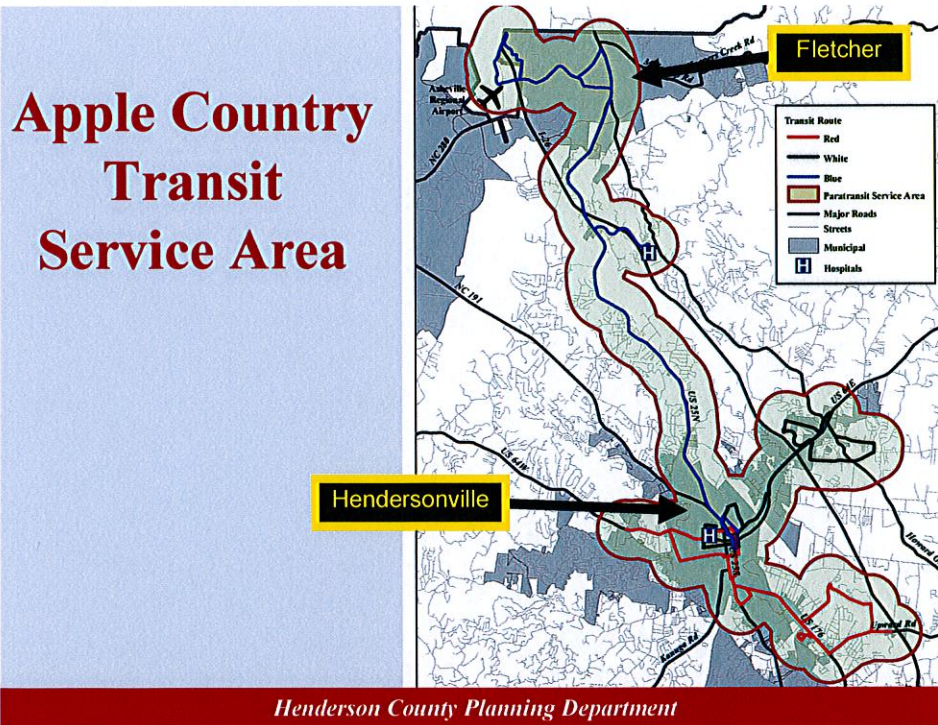
Staff proposes a fare increase (\$1.25 from the current rate of \$0.75 cents) that will yield additional annual farebox revenue of approximately \$8,195. Staff recommends elimination of the last hour of service (between the hours of 5:30 p.m. and 6:30 p.m.) for all three scheduled routes. The proposed service reduction would result in a gross savings of \$40,545 from the original FY12 contract amount of \$553,435. Implementing both of the recommended actions would result in a net local cost savings of \$17,376.

Based on previous local experience and national estimating methods, the proposed changes could temporarily decrease the number of annual one-way trips from FY10 ridership of 93,510 to approximately 69,000. However, ridership normally returns to previous levels after a short time with some potential to increase within several months after implementing the change.

Federal law requires local governments to hold a public hearing prior to acting on fare increases or decreases in transit service. The proposed service adjustments comply with Federal Transit Administration Regulations.

Historical Information about Apple Country Transit

- Fixed-route service began in 2004 under the operation of Western Carolina Community Action (WCCA)
 - 2000 Census designated most of the service area as “urbanized”
 - Federal regulations required County to operate the transit system as a result of the 2000 Census designation
 - Henderson County assumed control of the urban transit system on July 1, 2006 with WCCA as the awarded contracted service provider
 - Current five-year contract expires June 30, 2011
 - Federal regulation requires new procurement process every five years
 - Board approved WCCA as the service provider with new contract starting July 1, 2011 (3-year contract with two 1-year extensions possible)
- Three (3) fixed routes operated under contract with WCCA
 - Service runs Monday through Friday, 6:30 a.m. to 6:30 p.m.
 - Routes serve most of Hendersonville area, Downtown Hendersonville, Upward Rd area, Four Seasons Blvd area (to Walmart), Mtn. Home (Industrial Park), Naples (Park Ridge Health), Fletcher, & Asheville Airport
 - Blue Route connects with Asheville Transit System at Airport
 - Each route runs once per hour
 - More than 80% of the ridership is made up of working adults ages 40 to 55
 - Most riders use the service as their sole means of travel to employment



Why a fare increase and service reduction are needed

- Operational costs continue to increase
- New WCCA contract (effective July 1, 2011) increases per hour costs for operation
- Fuel and vehicle maintenance are significant factors for cost increases
- Fare increase and service reduction accomplish a 7.5% reduction in transit costs to the General Fund as directed by the Board of Commissioners

- Fare rates have not changed since 2006 despite operational cost increases
- Service reduction, by eliminating the last hour of service, helps to control costs

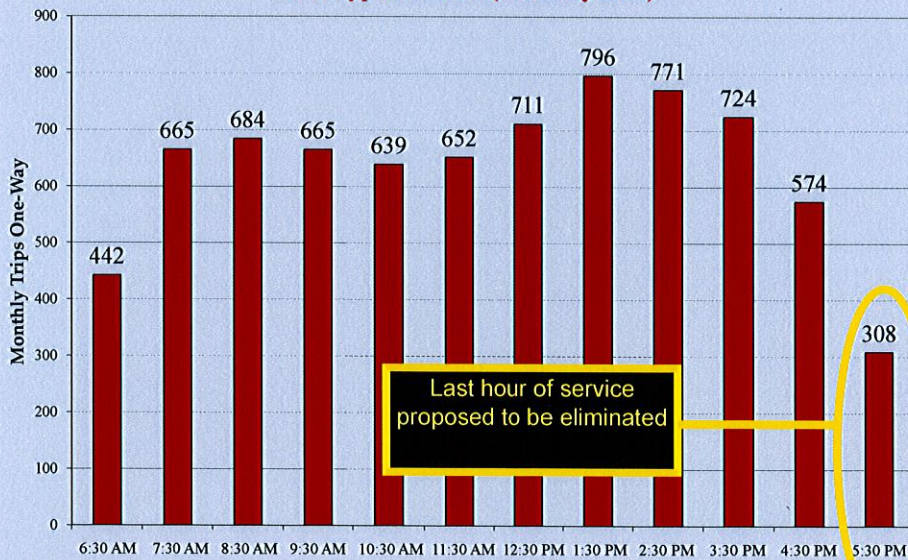
Proposed Fare Increase

Apple Country Existing and Proposed Fare Schedule		
FARE	Existing Fare Schedule Since April 2006	Proposed Fare Schedule effective July 1, 2011
Cash Fare	75 cents	\$1.25
Half Fare for Seniors and Medicare Card Carriers	30 cents	60 cents
Children under 5	Free	Free
Paratransit service (no more than twice Fixed Route Fare)	\$1.25	\$2.50
One Trip Pass Book (20 tickets)	\$10	\$20
Monthly Pass	\$15	\$30

Henderson County Planning Department

One-Way Trips Per Hour

For a Typical Month (February 2011)



Henderson County Planning Department

Projected Effects for Transit

- Base fare increases 67% from \$0.75 to \$1.25, with other fare increases
- Service on all three routes ends one hour earlier
 - Current schedule is 6:30 a.m. to 6:30 p.m.
 - New schedule would be 6:30 a.m. to 5:30 p.m.
- Using nationally recognized methodology, a 26% reduction in ridership is projected for the first year
- Ridership will recover after initial drop

PUBLIC INPUT

1. Mary Dunbar – Ms. Dunbar did not want to see the hours cut or prices increased. The fare was a hardship for many folks now and many depended on the hours to get to work and back home. She felt the bus stops needed upgrading.
2. Barbara Marie Wilson – Ms. Wilson uses the bus for transportation to and from work. Many of her friends can't afford it now.
3. Judy Jones – Ms. Jones' daughter uses the bus and the rate does not need to be increased and the hours need to stay the same.
4. Tim Blaze – Mr. Blaze is not dependent of the bus, but it is a convenience. It is popular and needed by the community. The suggested increase is too high.
5. Richard Sullivan – Mr. Sullivan is a driver of the Blue Route. His customers are adamant about leaving the last hour alone. He suggested looking at an increase of \$.25 rather than \$.50 for cash fare, \$15 rather than \$20 for the One Trip Pass Book, and \$20 for the Monthly Pass rather than \$30.
6. Raymond Watson – Mr. Watson was concerned about the elderly; most of them are not capable of walking even short distances. The buses leak and need to be repaired.
7. Michael McGee Jr. – Mr. McGee has utilized the bus for the last year and a half to get to Bon Worth. He needs the extra hour for grocery shopping.
8. Stanley Smith – Mr. Smith needs the extra hour to get home from work. He is okay with the increase.
9. Jennifer Henderson – Ms. Henderson works at Blue Ridge Community Health. Many of their clients are at poverty level and have limited access to healthcare.
10. Dawn Osteen – Ms. Osteen cleans houses for a living. She is on the bus up to 6 times per day and needs the extra hour. The rate increase is okay but it would make more sense to put it at a \$1 so that no change would have to be made. She asked that the price not be doubled.
11. Tonya Blackford – Ms. Blackford felt that many families do not have transportation and the bus is needed for transportation to and from work. The change in schedule is bad but the increase is okay.
12. Rodney Wesson – Mr. Wesson stated that our citizens are putting back into the system by using the bus to get to work and for shopping. They need this system to remain with the fares low and the hours available.
13. Phillip Ellisondo – Mr. Ellisondo stated that cutting hours would be detrimental to the citizens using the system.

Commissioner O'Connor made the motion that the Board go out of public hearing. All voted in favor and the motion carried.

Commissioner Messer made the motion that the board does not approve the transit fare increases and service reductions as presented. All voted in favor and the motion carried.

BREAK

A brief break was taken.

Chairman Edney called the meeting back to order.

DISCUSSION/ADJUSTMENT OF AGENDA

Commissioner Messer made the motion to adopt the Agenda as presented. All voted in favor and the motion carried.

CONSENT AGENDA

Commissioner Young made the motion to adopt the Consent Agenda as presented. All voted in favor and the motion carried.

CONSENT AGENDA consisted of the following:

Minutes

Draft minutes were presented for board review and approval of the following meeting(s):

May 18, 2011 – Regularly Scheduled Meeting

May 24, 2011 – Special Called Meeting

Tax Collector's Report

Deputy Tax Collector Carol McCraw had presented the Tax Collector's Report to the Commissioners dated May 27, 2011 for information only. No action was required

Financial Report/Cash Balance Report – April 2011

Provided for the Board's review and approval were the April 2011 County Financial Report and Cash Balance Report.

The following are explanations for departments/programs with higher budget to actual percentages for the month of April:

- Dues/Non-profit Contributions – all budgeted quarterly non-profit contribution payments completed for the fiscal year
- Rescue Squad – pending budget amendment to cover fuel and vehicle maintenance costs charged
- Economic Development – all budgeted quarterly non-profit and economic development incentive payments completed for the fiscal year
- Mental Health – Maintenance of Effort (MOE) funding completed for the fiscal year
- Tuberculosis, Risk Reduction and DSS SmartStart Programs – 100 percent grant funded programs. The Tuberculosis and Risk Reduction Programs have pending budget amendments due to additional funding.

The YTD deficit in the Capital Reserve Fund is due to the approved transfer of fund balance to the Capital Projects Fund to be used for the Tuxedo Mill Demolition and the Recreation Parks Repair/Renovation Projects.

The YTD deficit in the CDBG – Scattered Site Housing Grant Fund and the Mud Creek Grant Project Fund is due to the timing difference between the expenditure of grant funds and subsequent reimbursement from the state.

The YTD deficit in the Solid Waste Landfill Fund is due to a decline in solid waste user fees collected through April along with fund balance being appropriated in the current fiscal year for solid waste capital improvement plan expenditures incurred.

Motion:

I move that the Board of Commissioners approve the April 2011 County Financial Report and Cash Balance Report as presented.

Henderson County Public Schools Financial Reports – April 2011

The Henderson County Public Schools April 2011 Financial Reports were provided for the Board's information.

Motion:

I move the Board of Commissioners approves the Henderson County Public Schools April 2011 Financial Reports as presented.

Western Highlands Area Authority – Quarterly Fiscal Monitoring Report (FMR) for the quarter ended March 31, 2011

G.S. 122C-117(c) requires the staff of the local area mental health authority to provide the County Finance Officer with the quarterly Fiscal Monitoring Report (FMR) within 30 days of the end of the quarter. The County Finance Officer is then required to provide the FMR to the Board of Commissioners at the next regularly scheduled meeting of the board. The FMR for Western Highlands Area Authority was received by the County Finance Officer on May 11, 2011.

Motion:

I move that the Board of Commissioners approves the Western Highlands Area Authority Fiscal Monitoring Report for the quarter ended March 31, 2011

Release of Funds from the Automation, enhancement and Preservation Fund for the purchase of a new Indexing an Point-of-Sale System and accompanying hardware for the Register of Deeds Office

The Register of Deeds is requesting \$109,632 be released from the Automation, Enhancement and Preservation Fund for the purchase of Software and Hardware for the Indexing and Point-of-Sale system to be implemented in the Register of Deeds Office. The breakdown for the request is:

\$ 63,000.00 - Software/Licensing
 \$ 27,600.00 - 1st year Maintenance/Support
 \$ 1,559.75 - printers (label and receipt)
 \$ 8,563.35 - Server
 \$ 8,411.65 - Back-Up System
 \$ 496.93 - Windows Server Software
 \$ 109,632.00 - Total Request

Motion:

I move the Board release \$109,632 from the Automation, Enhancement and Preservation Fund to allow the Register of Deeds to purchase the Software and Hardware for a new Indexing and Point-of-Sale system.

New Ambulance Financing

A request was made and approved by the Commissioners at the regularly scheduled May 2, 2011 Board meeting to purchase two (2) new ambulances to replace two being leased and due to expire at the end of the current fiscal year. The purchase of the new ambulances is to be financed through a bank installment financing contract at a fixed interest rate with annual payments over a 4-year term.

Staff requested proposals from financial institutions to finance the purchase of the two (2) new ambulances at a total cost not to exceed \$244,460. The results of the financing proposals that were received from five (5) financial institutions were provided for Board review in the agenda packet.

BB&T Governmental Finance has been certified as the lowest responsive proposal to finance the new ambulances over a 4-year term at a tax-exempt interest rate of 1.79 percent. The first annual payment of \$63,874.15 will be due in June 2012 and is included in the proposed Emergency Medical Services budget for FY2012.

Motion:

I move that the Board of Commissioners approves the resolution provided accepting the proposal from BB&T Governmental Finance to finance the new ambulances and authorizing the Chairman and Staff to execute and deliver the required financing documents.

Resolution – To authorize the Chairman to execute documents pertaining to the Workforce Investment Act

On April 6, 2011 the Buncombe County Manager alerted Henderson County of its plans to transition the Administrative Entity for Mountain Area Workforce Development from Buncombe County Government to Land-of-Sky Regional Council.

The reasons for this proposed change are as follows:

- In sixty (60%) percent of Workforce Investment Services in North Carolina the Regional Council of Government (COG) serves as the Administrative Entity.
- Land-of-Sky serves as the COG for the identical four counties as the shared designated local area Workforce Investment Service Area (Madison, Buncombe, Henderson, and Transylvania).
- Buncombe County absorbs significant cost related to serving as the Administrative Entity. These costs will exceed \$438,000 in FY 10. These costs are absorbed without any indirect cost allocation or cost sharing from the other counties served.
- The transition to Land-of-Sky will not reduce services or negatively impact service delivery.
- The services will continue to be delivered at the same sites thus the transition should be seamless to the public served.

Motion:

I move that the Board adopts the resolution provided authorizing the Chairman to execute documents pertaining to the Workforce Investment Act.

Fairground Property

The County Manager requests that the Board authorize him to proceed with rough grading of the former fairground property. Specifically, he requests authorization to solicit bids for the grading, and to fund the grading from the Capital Project Fund.

Motion:

I move the Board authorizes the County Manager to solicit bids for grading the fairground property, and to fund the grading from the Capital Project Fund.

Governmental Accounting Standards Board (GASB) Financial Reporting Requirement – Tax Revaluation Reserve Funds

The Governmental Accounting Standards Board (GASB) is the national rulemaking body for local governments on accounting and financial reporting issues. The GASB has issued their Statement number

54 which basically states that for a Tax Revaluation Reserve Fund to be a standalone Special Revenue Fund and not combined with the County's General Fund, the governing body must take action that names a specific revenue source to be set aside and used for tax revaluations.

Our external auditors, Martin Starnes & Associates, CPAs, P.A., have reported to Staff that action by the Board of Commissioners must be taken in the current fiscal year to name a specific revenue source to be used for the Tax Revaluation Reserve Fund so that it can be reported as a Special Revenue Fund separately from the General Fund in the County's June 30, 2011 Comprehensive Annual Financial Report.

Motion:

I move that the Board of Commissioners name ad valorem property taxes as the specific revenue source to be used to fund the County's Tax Revaluation Reserve Fund for the current fiscal year ending June 30, 2011.

NOMINATIONS

Chairman Edney reminded the Board of Vacancies and opened the floor for nominations.

Notification of Vacancies

1. Blue Ridge Community College Board of Trustees – 1 vac.
2. Cane Creek Water and Sewer District Advisory Committee – 4 vac.
3. Environmental Advisory Committee – 4 vac.
4. Fire and Rescue Advisory Committee – 2 vac.
5. Henderson County Board of Health – 4 vac.
6. Henderson County Historic Courthouse Corporation dba/Heritage Museum - 3 vac.
7. Historic Resources Commission – 2 vac.
8. Jury Commission – 1 vac.
9. Juvenile Crime Prevention Council – 13 vac.
10. Library Board of Trustees – 6 vac.
11. Mountain Area Workforce Development Board – 2 vac.
12. Nursing/Adult Care Home Community Advisory Committee – 1 vac.
13. Social Services Board – 1 vac.

Nominations

1. CJPP (Criminal Justice Partnership Program) – 2 vac.

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

2. Downtown Hendersonville, Inc. – 1 vac.

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

Commissioner Young noted the City of Hendersonville had decided not to fund the DHI and the Director of Downtown Hendersonville has resigned. He felt this Board should be put on hold to see what will happen, as it may become a part of the City of Hendersonville.

Chairman Edney was in agreement and Downtown Hendersonville, Inc. will be pulled from agendas until further notice.

3. EMS Quality Management Committee – 6 vac.

Commissioner Messer nominated Jim Morris for reappointment to position #18. *Chairman Edney made the motion to accept the reappointment of Jim Morris to position #18 by acclamation. All voted in favor and the motion carried.*

4. Environmental Advisory Committee – 1 vac. and Chair Appointment
Chairman Edney asked that communication be made to Robert Sweeney and Richard DeSimone to see if they were either interested in serving as the Chair. This item was rolled to the next meeting.

5. Juvenile Crime Prevention Council – 8 vac.
There were no nominations at this time so this item was rolled to the next meeting.

6. Mountain Valleys Resource Conservation and Development Program – 1 vac.
There were no nominations at this time so this item was rolled to the next meeting.

7. Nursing/Adult Care Home Community Advisory Committee – 3 vac.
There were no nominations at this time so this item was rolled to the next meeting.

8. Recreation Advisory Board – 1 vac.
There were no nominations at this time so this item was rolled to the next meeting.

9. Senior Volunteer Services Advisory Council – 3 vac.
There were no nominations at this time so this item was rolled to the next meeting.

FY 2011-2012 BUDGET

At the May 31, 2011 Budget Workshop and Public Hearing, the Board requested some additional budgetary information from Staff. That information has been provided, and the Board is requested to direct Staff regarding adoption of the FY22-12 budget.

Steve Wyatt stated in regards to personnel costs within the departments, the split is approximately 75% to 25%. Additional information was provided to the Board from the school system including a break-down of teacher and school employee supplements, contracted services, capital maintenance projects, and potential cuts within the budget of the school system.

Issues and questions from the May 31, 2011 Budget Work Shop:

1. Live music during the Christmas Luncheon.

Administrative Staff can work with Henderson County employees for volunteers to provide live entertainment for this event.

2. Sheriff's Department – What is the cost to reinstate the Inmate Work Crew Road Clean-up Program?

The cost to reinstate the program would be approximately \$9,900, and could be taken from the Solid Waste Fund. The Sheriff is in favor of continuing the Inmate Work Crew Clean-Up Program.

3. Sheriff's Department Staff/Vehicles

The cost to reinstate the Baliff position for Courthouse security, and the Tele-Communicator in the E911 Center, which were identified by the Sheriff as his top two positions, would be an addition to the budget of \$101,729. Eliminating funding for one patrol vehicle, one SUV and other related line items would be a reduction to the budget of \$101,729.

Sheriff Davis stated the ICE revenues would be utilized to pay for two vehicles and one detective position. This would cost affectively provide the Sheriff's Department with the three positions that

Sheriff Davis deems critical; Courthouse security, 911 operator, and a criminal investigator. This plan will sustain the Sheriff's Department until the next year.

Sheriff Davis provided a brief explanation of the ICE funds. Before the ICE program, Henderson County was not reimbursed for bed space that was occupied by somebody that is an illegal alien. Henderson County is now reimbursed. Reimbursement is also now received for transportation cost. All payment is received from the Department of Homeland Security.

4. Forestry Service

Pursuant to a consensus of the Board regarding the replacement of the Forestry Services turn-out truck, Staff recommends \$13,200 in funding for this replacement from the Capital Reserve Fund. Based on Board input, staff also recommends the addition of \$1,386 to the Forestry budget to bring it to the equivalent of a 5% reduction. The Board was in agreement.

5. EMS Positions

Target cost to fund (3) paramedic positions including benefits: \$139,169

Additional funding projected from EMS fee collections on delinquent accounts using NC Debt Setoff Program, increased EMS Medicaid Cost Settlement funding for FY2012, and adjustments to the fee schedule as discussed. There is also the potential for some amount of money to be collected on an ambulance call where there is a response to an address, and treatment or transport is refused.

Total: \$140,000

6. Branch Libraries – Hours of Operation

The Board had asked to look at alternatives on hours of operation for libraries branches.

William Snyder offered an alternate where each branch would be closed one day per week in addition to the hours that will be cut at the main library. Every library will lose the equivalent of one day per week. Mr. Snyder feels that 3.3 funding library positions must be lost in order to acquire the 7.5% reduction mandated by the county. Materials have been cut to 14%, and he feels it would be senseless to have a building open with no new materials. One employee has volunteered to retire early, in September and this will be considered a RIF position. The main library has already rified one fulltime position. The 1.3 position cut will equal two branch personnel losing their jobs. There has been no increase in the materials budget in five years. Staff will be moved around to offset the closing times. The cost to add those 1.3 people back is approximately \$61,072.00. This would still leave two unfilled positions at the main library. Mr. Snyder would like to continue with the option of closing the branch libraries 4 hours, 1 day a week, in order to keep the main library up.

Branch Library Staffing – Alternate 1

- Assumption 1 – The 7.5% mandated budget reduction for the Henderson County Library will require the RIF of 1.3 branch library personnel.
- Assumption 2 – To compensate for the reduction in branch library personnel it will be necessary to reduce branch library hours.

Current Branch Library Hours Open

Location	Mon	Tue	Wed	Thurs	Fri	Sat	TOTAL
Fletcher	11	8.5	8.5	8.5	4	4	44.5
Edneyville	11	8.5	8.5	8.5	4	4	44.5
Etowah	8.5	8.5	8.5	8.5	4	4	42
Green River	7.5	7.5	7.5	7.5	4	4	38
Mills River	8	8	8	8	8	-	40

Proposed Branch Library Hours

Location	Mon	Tue	Wed	Thurs	Fri	Sat	TOTAL
Fletcher	11	8.5	8.5	8.5	4	4	44.5
Edneyville	11	5	8.5	.	.	4	28.5
Etowah	8.5	8.5	8.5	8.5	4	4	42
Green River	-	7.5	-	7.5	4	-	19
Mills River	8.5	8.5	8.5	8.5	4	4	42

Branch Library Staffing – Alternate 2

- Assumption 1 – The 7.5% mandated budget reduction for the Henderson County Library will require the RIF of 1.3 branch library personnel.
- Assumption 2 – To compensate for the reduction in branch library personnel it will be necessary to reduce branch library hours.

Current Branch Library Hours Open

Location	Mon	Tue	Wed	Thurs	Fri	Sat	TOTAL
Fletcher	11	8.5	8.5	8.5	4	4	44.5
Edneyville	11	8.5	8.5	8.5	4	4	44.5
Etowah	8.5	8.5	8.5	8.5	4	4	42
Green River	7.5	7.5	7.5	7.5	4	4	38
Mills River	8	8	8	8	8	-	40

Proposed Branch Library Hours

Location	Mon	Tue	Wed	Thurs	Fri	Sat	TOTAL
Fletcher	11	8.5	8.5	8.5	-	4	44.5
Edneyville	11	-	8.5	8.5	4	4	36
Etowah	8.5	8.5	8.5	-	4	4	33.5
Green River	-	7.5	7.5	7.5	4	4	30.5
Mills River	8.5	8.5	-	8.5	4	4	33.5

Library Director Bill Snyder stated if the Library must cut their budget by the percentage determined by the Board, they are now down to nothing left to cut but personnel.

Commissioner Thompson felt the County Manager should be directed to work with the Library Director to find \$61,000 in order to keep personnel but still cut the budget as requested.

Mr. Snyder felt the only other place that he could do significant cuts would be in the material budget. This has already been cut pretty hard.

Chairman Edney requested that \$61,000 be put back in and the library issue should be revisited at the June 15, 2011 meeting.

County Manager Steve Wyatt verified that this would reinstate the 1.3 positions.

Mr. O'Connor readdressed the statement by Theron Maybin of volunteers at the Green River library to maintain their hours.

Mr. Snyder was open to this suggestion but stated that the library had to close for lunch because they couldn't even find a volunteer for that hour.

7. Sales Tax

With Sales Tax receipts \$684,906 under budget, and four months to go in the fiscal year, Staff recommends that the Sales Tax revenues remain as budgeted – which is \$1,000,000 less than the FY11 budgeted amount.

It was the consensus of the Board to leave Sales Tax as is.

8. Water Quality Department

The Water Quality Department could be eliminated, and the Soil Erosion and Sedimentation Control and Storm water Phase II Post Construction Runoff Programs transferred back to the State. If staffing levels permit, the Engineering Department could manage the Water Supply/Watershed and Flood Damage Prevention programs that would be ongoing.

It was the consensus of the Board to maintain the program, keep the ordinance in place, but reduce the position to a half-time position and the remaining half-time of the position can be utilized under Solid Waste.

9. Planning Department Reimbursements

A Planner is reimbursed by the CDBG Talley Drive Grant – 53% of salary: \$30,000

The Transportation Planner is reimbursed by the Public Transit Fund at 80%, and the Planning Director is also reimbursed by the Public Transit Fund at 15%: \$70,096.

Chairman Edney stated in the Planning Department there is a planning director, a senior planner, three (3) planners, an administrative assistant, a property addressing coordinator, a property addressing assistant, and a property addressing technician. He questioned if all positions were necessary.

Anthony Starr explained, with the proposed budget reduction, one half-position of the 2.5 positions will be cut from the property addressing personnel. One half-position will be moved to Code Enforcement as part of them eliminating a full-time person and their primary responsibility will be issuing zoning permits. The remaining two full-time positions maintain a large number of data that allows our 911 center to map our information when people call 911. They maintain approximately 60,000+ addresses and 10,000 to 12,000 street lines, which all goes into mapping. They also maintain all center lines for the on-line GIS GoMaps. In Planning there are currently 4 planner positions:

- A transportation planner which is mostly reimbursed through Federal dollars and staffs the Transportation Advisory Committee and representative to the MPO. This position has had strong returns on our investment as this position is what allowed Henderson County to get the

\$610,000 grant to build the CNG station and a \$2 million grant in 2014 to build a transit center. This position also oversees and administration of all red tape and paperwork involved.

- The planner I position with the new budget will be reimbursed at 53% by the CDBG Talley Drive grant of \$850,000 which does not involve any county funds. Although it reimburses 53% of the position, it will take up about 2/3 of his time.
- The other two (2) planner positions take on all customer inquiries, minor plats, exempt plats, any projects, and a small amount of time to continue implementing the small area plans that have already been adopted or approved.
- The administrative assistant handles a wide variety of duties including customer service (walk-ins and phone calls) and all bookkeeping for various budgets.

BREAK

A break was taken to change video tapes.

10. FY2012 Fee Schedule

Commissioner O'Connor felt that by adjusting the fee schedule, more business would be generated by reducing the costs of many fees.

Steve Wyatt stated there are six (6) categories; Building Inspections, Planning & Property Addressing, Recreation, Code Enforcement, Environmental Health, and Water Quality. The total estimated financial impact of the fee reductions is \$257,345.00. It was asked that sustainable, off-setting cuts be identified for each area.

Building Inspections

<u>Estimated Financial Impact</u>	- \$112,500
<u>Offsetting cuts</u>	+ \$123,756
Permit Specialist (1 FTE) = \$44,985	
Inspector – Minimum Housing Code Specialist (1 FTE) = \$47,771	
Eliminate Vehicle Replacement = \$31,000	

Planning/Property Addressing

<u>Estimated Financial Impact</u>	- \$20,650
<u>Offsetting cuts</u>	+ \$55,205
Administrative Assistant (1FTE) = \$55,205	

Recreation

<u>Estimated Financial Impact</u>	-\$44,750
<u>Offsetting cuts</u>	+\$47,399
Recreation Program Supervisor (1 FTE) = \$47,399	

Code Enforcement

<u>Estimated Financial Impact</u>	-\$35,000
<u>Offsetting cuts</u>	+\$37,104
Office Assistant (1 FTE) - \$37,104	

Environmental Health

<u>Estimated Financial Impact</u>	-\$23,075
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Offsetting cuts	+23,075
Offsetting cut would be determined by the Health Director	

Estimated Financial Impact	-\$21,370
Offsetting cuts	+\$26,260
Erosion Control Technician to 52% (.48 FTE) = \$26,260	

Total Estimated Financial Impact
 Fee Reductions = \$257,345
Offsetting Cuts = \$312,799
 Difference \$ 55,454

Chairman Edney suggested that under Building Inspections, look to see if two (2) inspector positions and one (1) permit specialist positions could be removed to increase savings.

11. Henderson County Public Schools

County Attorney Russ Burrell explained that the statute is clear on this topic. The Board of County Commissioners may in its discretion allocate part or any of its appropriation by purpose, function, or project as defined in the uniform budget format. This information comes from the schools budget provisions, Chapter 115 (c) of the general statutes.

Commissioner O'Connor suggested the following within the 7.5% budget reduction:

- All teachers, teacher assistants, principals and assistant principals receive an increase in their supplement by 2%. No other category of employees of the school system would have their supplement increased.
- Raise the maintenance allocation to \$2 million, removing \$1.5 million from operating.
- Tighten evaluation standards on teachers to ensure that we have the very best teachers.
- Cut hardware, software, and services before cutting staff. (An Energy Savings Consultant was hired two (2) years prior, with a pay range of \$100,000 per year, to help identify energy cost savings, and has found no savings) If no savings are found, eliminate this position.
- Teacher Assistants should be funded at the full 215 days.

County Manager Steve Wyatt stated the Schools initial local current expense budget is \$3,315,168.73 and the schools financial officer stated no changes have been made.

12. Maintenance of Effort Funding

Mental Health - 115520

AGENCY

Blue Ridge Community Health
 Families Together Inc.
 The Free Clinics - Pharmacology
 The Free Clinics - Psychiatric
 Counseling
 The Healing Place
 Health Department

FY 11 Revised	FY 12 Request	FY 2012 PROPOSED	% Difference FY 10 to 11
\$ 39,000	\$ 90,000	\$ 39,000	-56.67%
\$ 98,000	\$ 105,000	\$ 103,000	-1.90%
\$ 55,000	\$ 80,000	\$ 55,000	-31.25%
\$ 30,000	\$ 50,000	\$ 30,000	-40.00%
\$ 10,000	\$ 10,000	\$ 10,000	0.00%
\$ 26,112	\$ 34,413	\$ 26,112	-24.12%

Mainstay Inc.	\$ 17,000	\$ 25,000	\$ 20,000	-20.00%
Parkway Behavioral Health	\$ 12,000	\$ 28,000	\$ 12,000	-57.14%
Sixth Avenue Psychiatric Services	\$ 181,000	\$ 150,000	\$ 150,000	-17.13%
Vocational Solutions	\$ 20,500	\$ 30,000	\$ 26,500	29.27%
Unallocated Emergency Funds	\$ 40,000	\$ -	\$ 57,000	
Total Expenditures	\$ 528,612	\$ 602,413	\$ 528,612	0.0%
Total RESTRICTED Revenues	\$ 74,070	\$ 100,000	\$ 100,000	0.0%
Total COUNTY \$	\$ 454,542	\$ 502,413	\$ 428,612	\$ 73,801
Restricted Revenue % of Expenditures	14.01%	16.60%	18.92%	0.00%
Total % change from FY11 Revised to FY12 Proposed				0.0%

OTHER SIGNIFICANT ISSUES

1	No reduction in funding proposed for Mental Health. The current funding level is required to be maintained by State Law for provision of Mental Health Maintenance of Effort Funding.
2	The Board is requested to allocate the proposed \$528,612 to the requesting providers

ABC REQUEST

The City of Hendersonville has satellite annexed one-half acre of land located at 755B Upward Road in Henderson County for the purpose of building an ABC Store. It appears from information sent to the NC ABC Commission that this property is 1.45 miles outside the city limits of Hendersonville. Records indicate that Henderson County voted against ABC stores in 1955 and the County remains dry as it pertains to all alcohol issues.

Commissioner Young made the motion direct the Chairman to send a letter to the ABC Board stating the Board of Commissioners is considering the possibility of a referendum, which would be held coincidental with the May, 2012 primary election, and the Board of Commissioners opposes the operation of a satellite ABC store at the Upward Road location. All voted in favor and the motion carried.

STATE LANDSLIDE HAZARD MAPPING FOR HENDERSON COUNTY

The NC Geological Survey (NCGS), an agency within the NC Department of Environment & Natural Resources (DENR), began the development of a series of county maps that identify higher risk areas for landslides and their debris flow locations. As a result of state legislation, the NCGS completed mapping for four counties in Western North Carolina with Henderson County being the most recent.

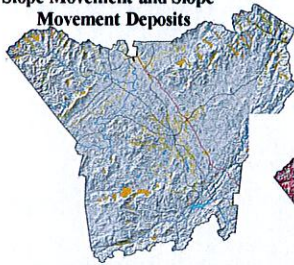
NCGS staff provided a brief overview of the mapping results. Mr. Rick Wooten, P.G., is a Senior Geologist for Geohazards and Engineering Geology with the NCGS and has led the Landslide Hazard Mapping Program for the last several years. The NCGS is a non-regulatory agency within DENR and the landslide hazard mapping creates no regulations. The agenda provided gave key points about the mapping results.

It appears that the proposed budget (beginning July 1, 2011) for DENR will eliminate funding for all staffing but one position for this program. As a result this may be the final opportunity for the Board to hear directly from the individuals responsible for the maps' preparation.

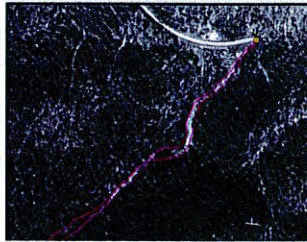
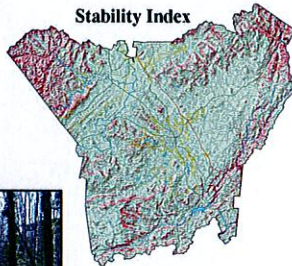
Landslide Hazard Maps for Henderson County Henderson County Board of Commissioners

June 6, 2011

Slope Movement and Slope
Movement Deposits



Stability Index



Debris Flow Pathways



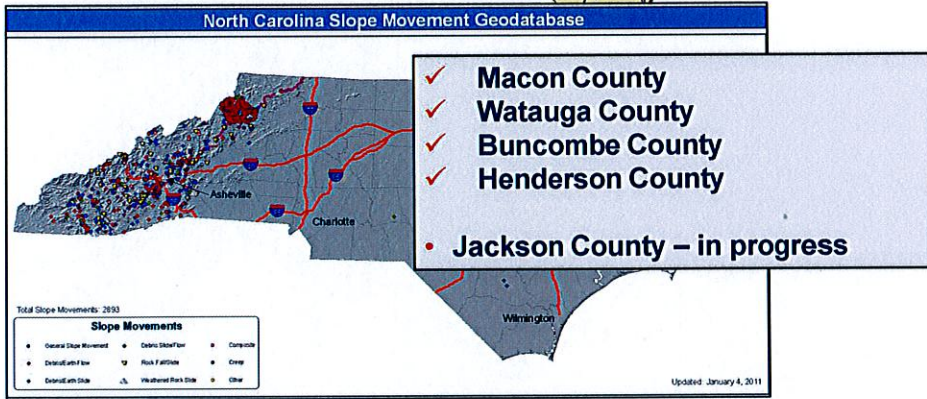
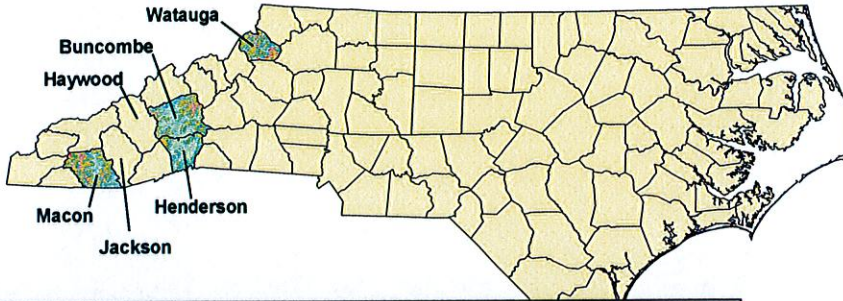
Rick Wooten, P.G., Tommy Douglas, P.E., P.G.,
Anne Witt, Ken Gillon, P.G., Stephen
Fuemmeler, P.G., Jennifer Bauer, P.G., Rebecca
Latham, E.I.

Hurricane Recovery Act of 2005

- G.26. Provides funds for geological studies on priority landslide areas. The purpose is to better inform homeowners of potential risks stemming from potential landslides.
- VI.6.(ii) ...maps indicating the areas vulnerable to landslides are made available for the same multicounty area. (19 Declared disaster counties)

The intent of the Landslide Hazard Maps is to:

- To protect public safety, provide the public, local government, and local and state emergency agencies with a planning tool that describes and locates areas...
 - Where landslides have happened or are happening,
 - Where they are likely to occur in the future, and
- The general areas downslope that are at risk from these landslides.



North Carolina Geological Survey

Henderson County Landslide Hazard Mapping

88 landslides

- 64 (73%) on modified ground.
- 24 (27%) on unmodified ground.
- 421 landslide deposit areas – areas of past landslide activity

Data and Mapping Products

- Where landslides occurred – Slope Movements/Deposits
- Where landslides might start – Stability Index Map
- Where landslides might go – Potential Debris Flow Pathways

Landslide Facts For Henderson County

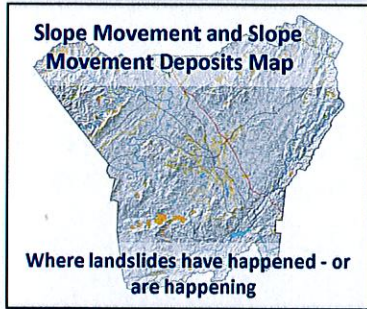
- 88 modern landslides in the last 94 years
- 3 homes destroyed, 6 deaths attributed to landslides in 1918
- 6% of county (4.4% of private land) is high hazard based on Stability Index Map
- 14% of county (10.2% of private land) within Potential Debris Flow Pathways
- 96% of landslides starting on unmodified ground are on slopes of 28° (53%) or steeper
- Slope failures on modified ground have occurred where pre-modified ground slopes were as low as 22° (40%)

Where landslides have started in Henderson County

MORE LANDSLIDES HAVE OCCURRED ON MODIFIED SLOPES

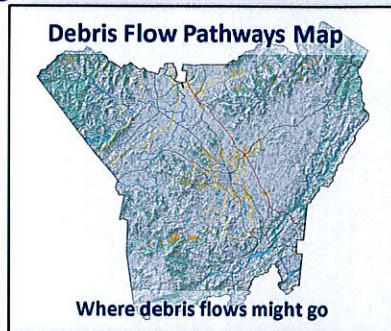
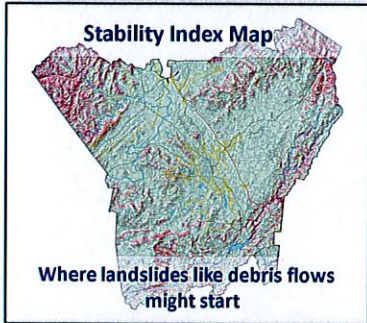
For Additional Information:

Richard M. Wooten, P.G.
 Senior Geologist for Geohazards and Engineering Geology
 North Carolina Geological Survey
 828-296-4500
 rick.wooten@ncdenr.gov
 www.geology.ncdenr.gov



- Geodatabase - Specific information on:**
- Landslides
 - Location coordinates
 - Slope angle
 - Soil
 - Rock
 - Vegetation
 - Type of slope: unmodified; modified - cut, fill

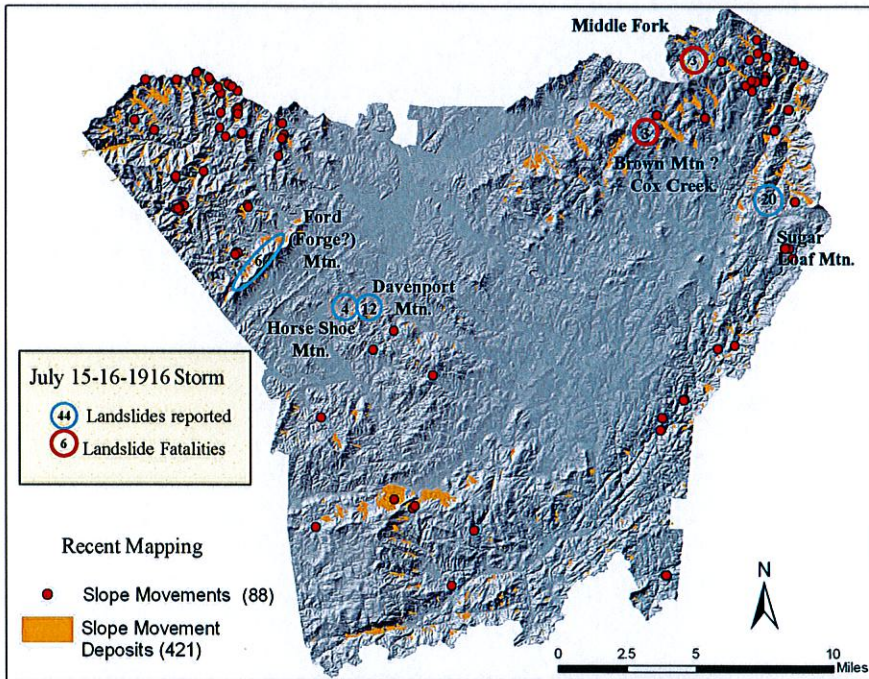
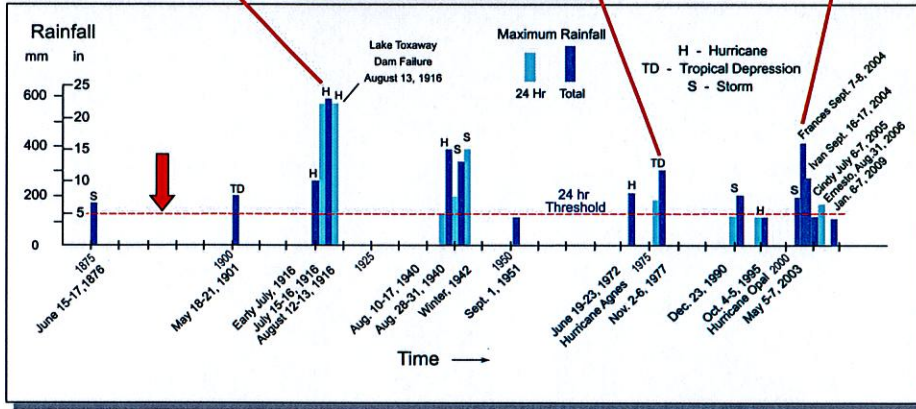
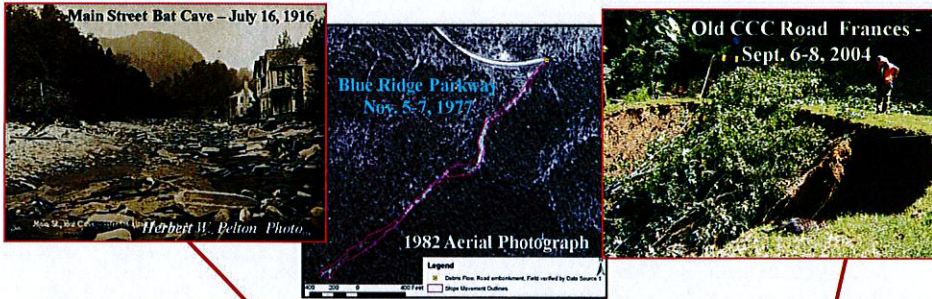
GIS Digital Products

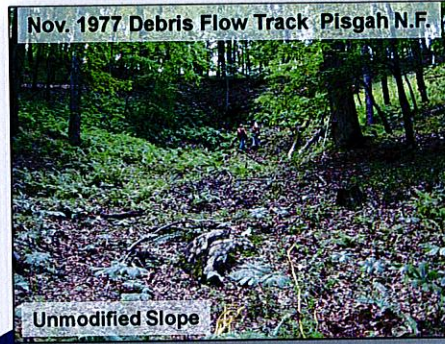
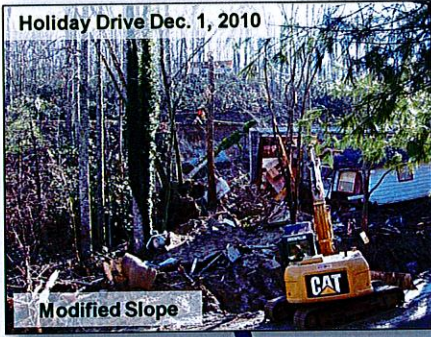


Henderson County Landslide Mapping Process

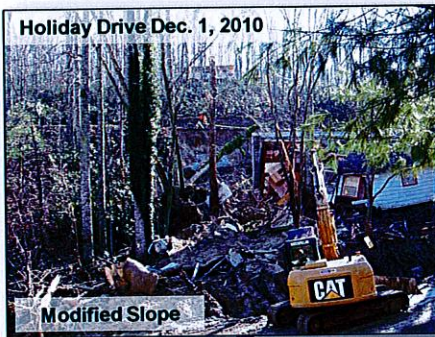
- ~ 2,000 field data points.
- 26 soil tests (NCDOT) + NCDOT Database
- 5 detailed study sites: incl. shear strength hydraulic conductivity (2 - DuPont S.F. - Transylvania)
- 400 miles of ground covered; >43 miles on foot
- Aerial / orthophotography: 1951, 1982, 1984, 1993, 2001, 1998, 2007 (cost share).
- USDA Soil Survey - 2008.
- Geologic Maps
- Field review by geologists, soil scientists, hydrogeologists, County Planning & GIS staff



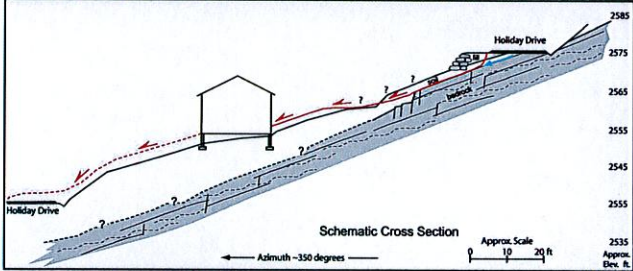




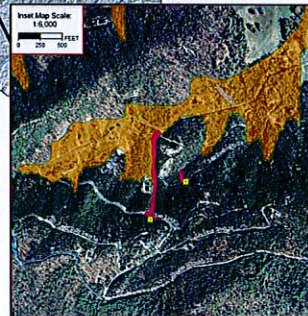
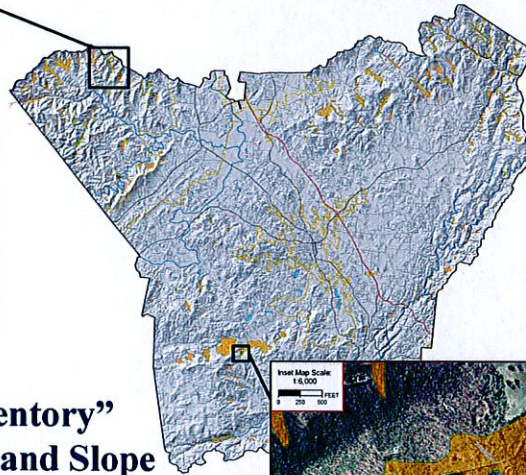
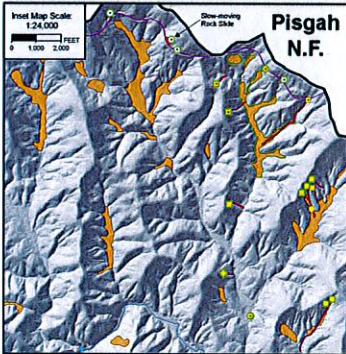
Slope Movement Type	Modified	Unmodified	Public	Private	Public		Private		Total	% of Total
					Modified	Unmodified	Modified	Unmodified		
Debris or Earth flow	21	20	21	20	9	12	12	8	41	46.6%
Debris or Earth slide and flow	4	1	3	2	2	1	2		5	5.7%
Debris or Earth slide	13	1	6	8	5	1	8		14	15.9%
Debris or Earth slide-rotational	0	1	0	1			1		1	1.1%
Debris or Earth slide-translational	12	0	3	9	3		9		12	13.6%
Rock fall	1	0	0	1			1		1	1.1%
Rock slide-general	5	0	4	1	4		1		5	5.7%
Rock slide-translational	1	0	1	1	1				1	1.1%
Weathered rock slide	2	0	0	2			2		2	2.3%
Weathered rock slide-rotational	1	1	1	1		1	1		2	2.3%
Weathered rock slide-translational	4	0	1	3	1		3		4	4.5%
Total	64	24	40	48	25	15	40	8	88	100.0%
% of Total	72.7%	27.3%			62.5%	37.5%	83.3%	16.7%		



Slope Movement Type	Modified	Unmodified	Public	Private	Public		Private		Total	% of Total
					Modified	Unmodified	Modified	Unmodified		
Debris or Earth flow	21	20	21	20	9	12	12	8	41	46.6%
Debris or Earth slide and flow	4	1	3	2	2	1	2		5	5.7%
Debris or Earth slide	13	1	6	8	5	1	8		14	15.9%
Debris or Earth slide-rotational	0	1	0	1			1		1	1.1%
Debris or Earth slide-translational	12	0	3	9	3		9		12	13.6%
Rock fall	1	0	0	1			1		1	1.1%
Rock slide-general	5	0	4	1	4		1		5	5.7%
Rock slide-translational	1	0	1	1	1				1	1.1%
Weathered rock slide	2	0	0	2			2		2	2.3%
Weathered rock slide-rotational	1	1	1	1		1	1		2	2.3%
Weathered rock slide-translational	4	0	1	3	1		3		4	4.5%
Total	64	24	40	48	25	15	40	8	88	100.0%
% of Total	72.7%	27.3%			62.5%	37.5%	83.3%	16.7%		

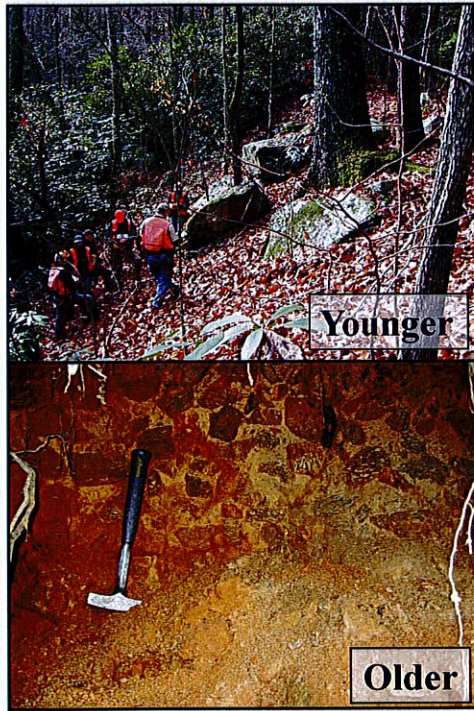


Holiday Drive
9:45 p.m. 11/30/19
~2:00 a.m. 12/1/10
~7-8 inches of rain
in 24 hrs



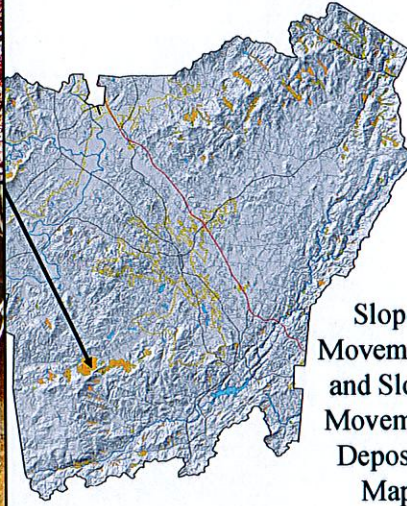
**“Landslide Inventory”
Slope Movements and Slope
Movements Deposits Map**

**Where landslides have happened or
are happening.**



**“Younger” and “Older”
debris fan deposits**

North slopes of Pinnacle Mountain



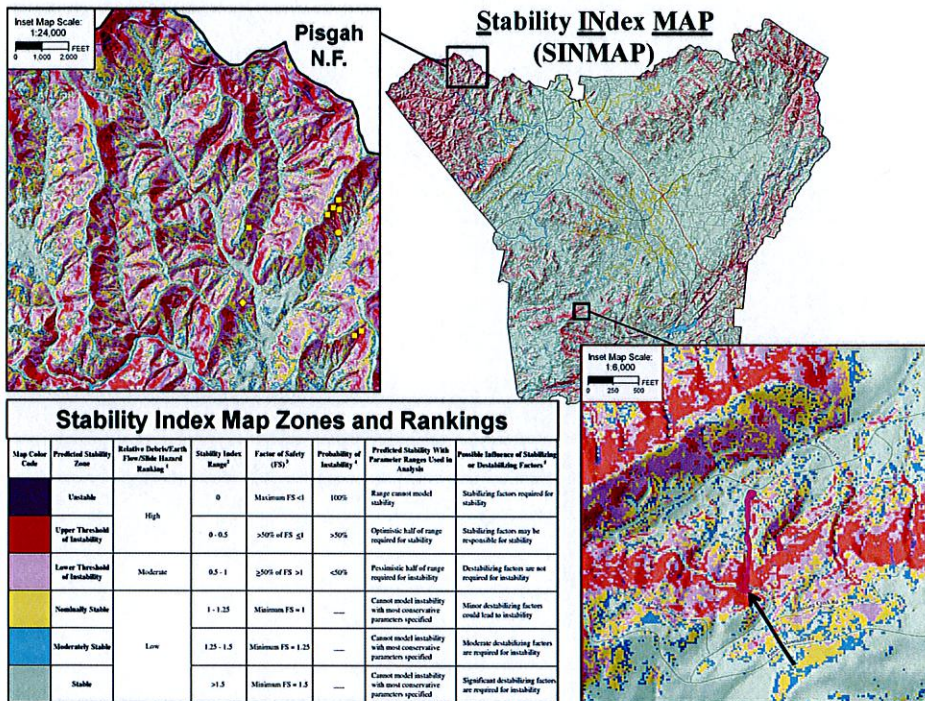
**Slope
Movements
and Slope
Movement
Deposits
Map**



**Slope Movements - Slope Movement Deposits
Map: Outlines of slow-moving landslides —**

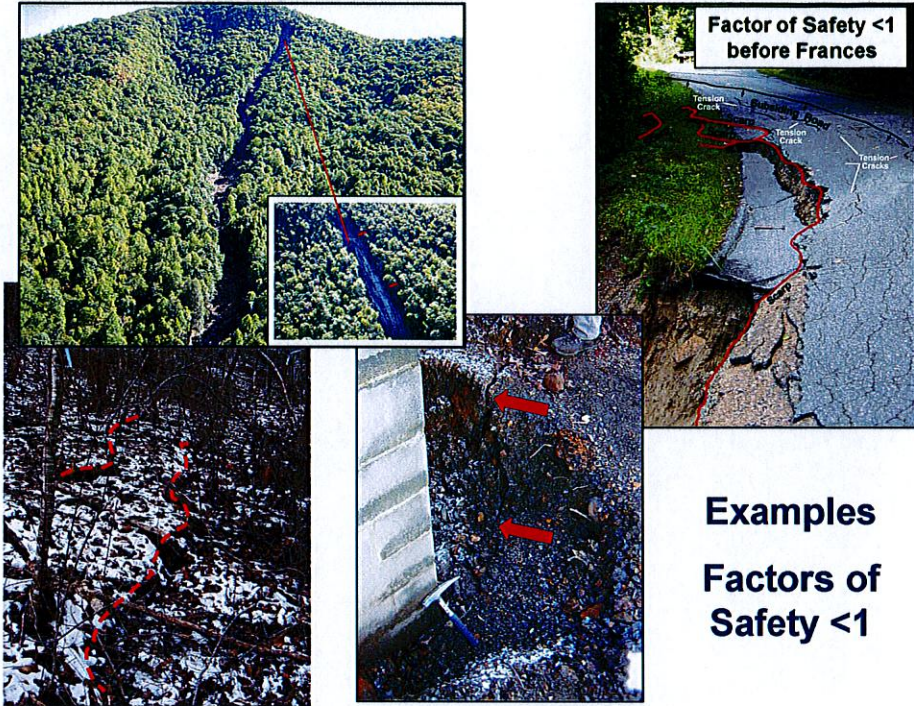


**U.S. 64
Bat Cave
Active
Cut Slope
Failure**



Stability Index Map (SINMAP)

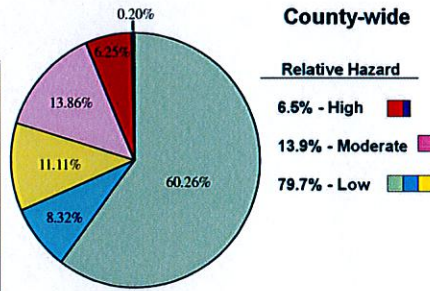
- Where landslides like debris flows and debris slides might start – locations where the factor of safety is likely to be less than 1.
- GIS model built and calibrated with field data to identify potential debris flow initiation zones.
- ≥ 5 inches of rainfall in 24 hours.
- Unmodified or “natural slopes.” 23 calibration landslides in Henderson County.



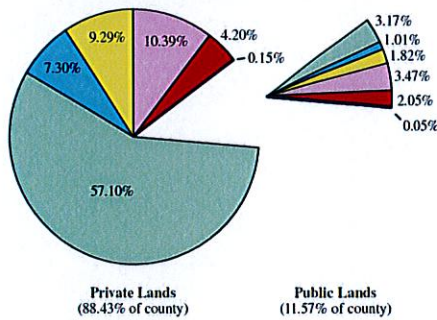
**Examples
Factors of Safety <1**

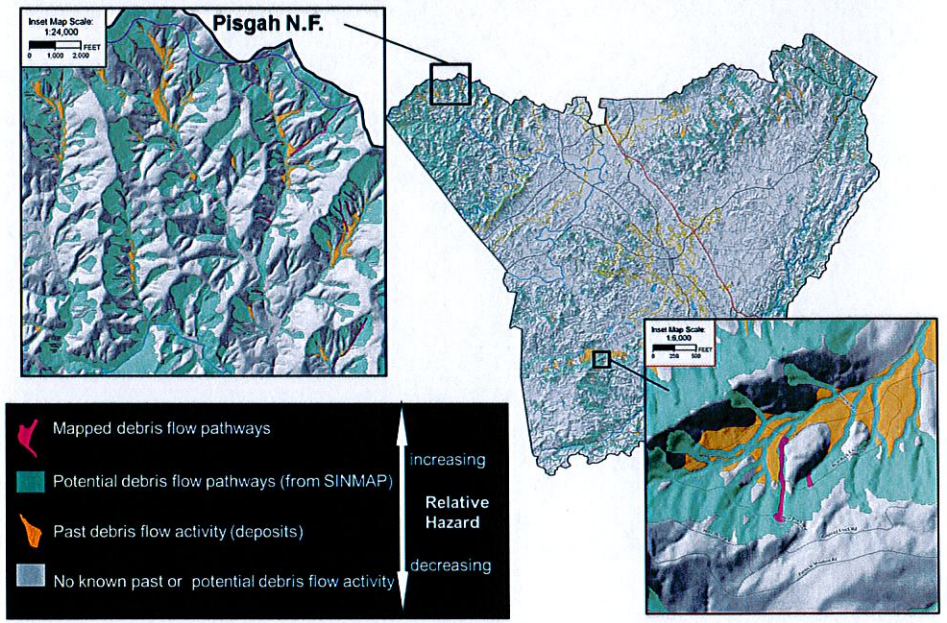
**Stability Index Map Stability Zones
and Rankings**

Map Color	Profile and Stability Zone	Relative Debris Earth Flow Slide Hazard Ranking ¹	Stability Index Range ²	Factor of Safety (FS) ³	Probability of Instability ⁴	Profiled Stability With Parameter Ranges Used in Analysis	Profile's Behavior of Sliding or Destabilizing Forces ⁵
Dark Blue	Unstable	High	0	Minimum FS < 1	>50%	Range cannot model stability	Stabilizing factors required for stability
Red	Upper Threshold of Instability	Moderate	0 - 0.5	>50% of FS < 1	>50%	Optimistic half of range required for stability	Stabilizing factors may be responsible for stability
Pink	Lower Threshold of Instability		0.5 - 1	>50% of FS > 1	<50%	Pessimistic half of range required for stability	Destabilizing factors may be responsible for instability
Yellow	Marginally Stable	Low	1 - 1.25	Minimum FS = 1	—	Current model scenario with most conservative parameters gives FS < 1	Most destabilizing factors could lead to instability
Light Blue	Moderately Stable		1.25 - 1.5	Minimum FS = 1.25	—	Current model scenario with most conservative parameters gives FS < 1	Moderate destabilizing factors are required for stability
Green	Stable		>1.5	Minimum FS = 1.5	—	Current model scenario with most conservative parameters gives FS < 1	Significant destabilizing factors are required for stability



	% of County	% of Private Land
High	4.4%	4.9%
Moderate	10.4%	11.8%
Low	73.7%	83.3%

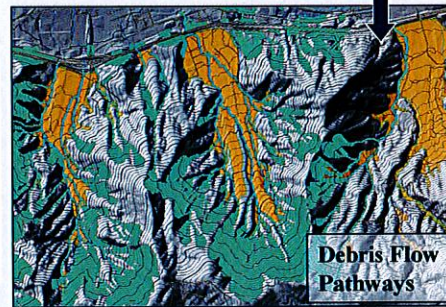
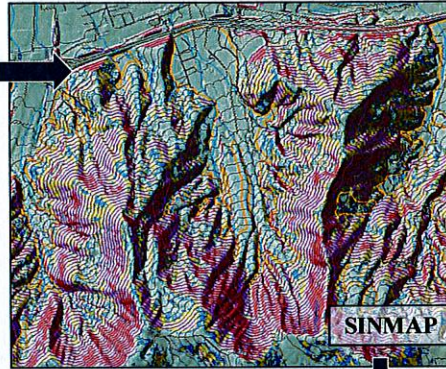






Debris Flow Pathways – where debris flows might go.


Methodology


- Hydrologic Flow paths generated from high hazard SINMAP zones using LIDAR DEM.
- Flow paths buffered to 65 ft (20 m) wide.
- Flow paths terminated:
 - At slopes of 3 degrees in areas > 0.25 acres.
 - When they encounter the 500-year floodplain boundary as mapped by the N.C. Floodplain Mapping Program.
 - When they encounter mapped impoundments > 0.25 acres.
 - At bases of cut slopes.



Mapped debris flow pathways 

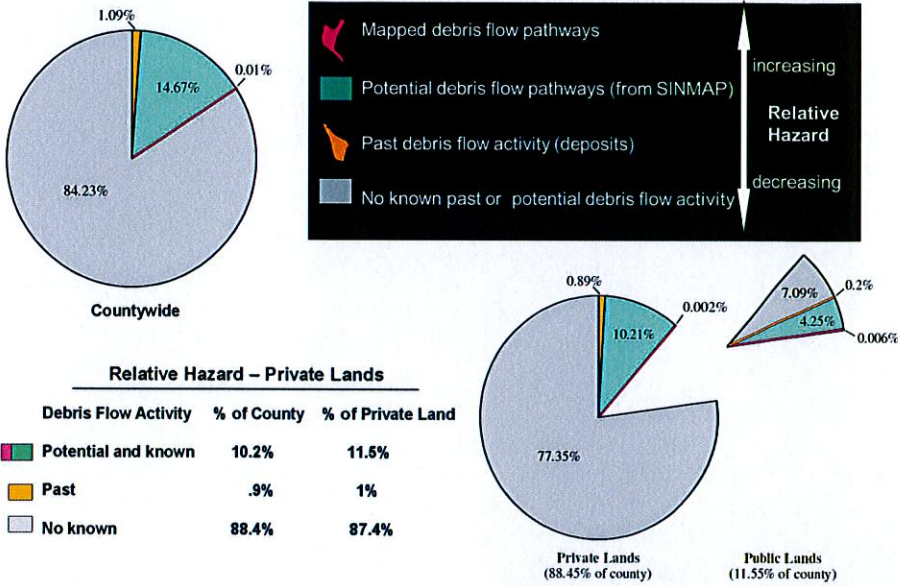
Potential debris flow pathways 

Past debris flow activity (deposits) 

No known past or potential debris flow activity 



Debris Flow Pathways – Where debris flow might go if they start



Landslide Web Map Viewer
Buncombe County

<http://wfs.enr.state.nc.us/fist/>
click on '____Landslide_Mapviewer'

- Debris flow initiation zone
- Mapped debris flow pathways
- Past debris flow activity (deposits)

Map Layers

- Landslide Point Locations
 - Landslide Locations (visible between 1:100,000 and 1:6,000)
- Critical Facilities
- Roads
- Administrative Layers
- Water Features
- Landslide Area Features
 - Recent Debris Flow Pathways (Tracks) (visible between 1:300,000 and 1:6,000)
 - Slope Movement Deposits (visible between 1:300,000 and 1:6,000)
- Landslide Hazard Analysis (Divided)
 - Debris Flow Pathways (visible between 1:300,000 and 1:6,000)
 - Slope Stability Index Map (SINMAP) (visible between 1:300,000 and 1:6,000)
- Imagery and Elevation

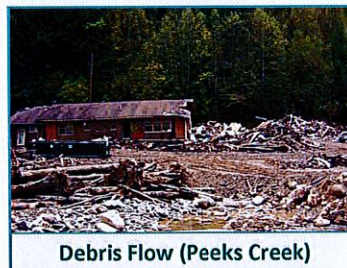
- **Planning and screening tool for local governments, emergency management, and the public.**
- **Delivered to County in a Geographic Information System.**
- **Not regulatory at state level.**
 - **Can be used at the parcel-parcel group level.**
 - **Not the final word at the parcel - parcel group level.**
 - **Do not substitute for a site-specific investigation.**
 - **Identify areas where detailed investigations by qualified individuals are warranted and recommended before ground-disturbing activities.**
- **Provides the 'big picture' perspective beyond the site.**

National Floodplain Insurance : Mudflows (or Debris Flows) Landslides

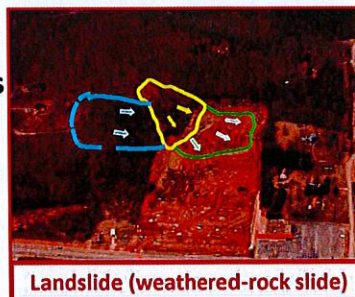
Mudflows (or debris flows) are rivers of rock, earth, and other debris saturated with water."

"Although floods and mudflows are covered under the NFIP, landslides are not covered. Under a flood insurance policy a property is covered for the portion of the damage to the insured building or contents caused by the flood and mudflow, but not the portion of damage caused by the landslide."


FEMA Special Hazards Supplement to the CRS Coordinator's Manual 2006



Debris Flow (Peeks Creek)



Landslide (weathered-rock slide)



Acknowledgements:
 NCDOT, USGS, NRCS, NCDWQ-APS, ASU,
 UNC-CH, N.C. General Assembly, N.C. YAIO,
 Local Government, Henderson County Residents

QUESTIONS ?

North Carolina Geological Survey


828-296-4632

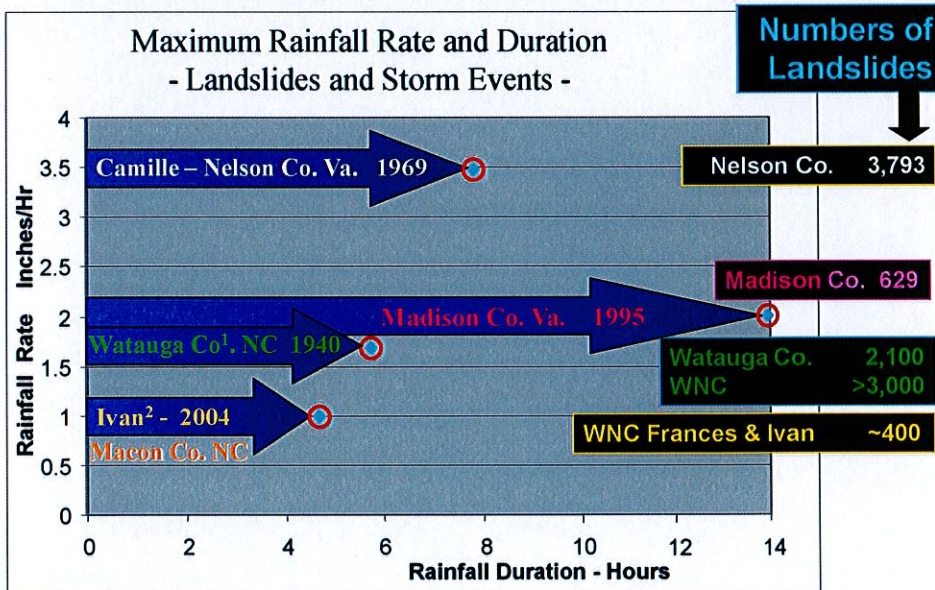
Rick.Wooten@ncdenr.gov

<http://www.geology.enr.state.nc.us>

http://www.geology.enr.state.nc.us/Landslide_Info/Landslides_main.htm

Web Map Viewers - <http://wfs.enr.state.nc.us/fist/>

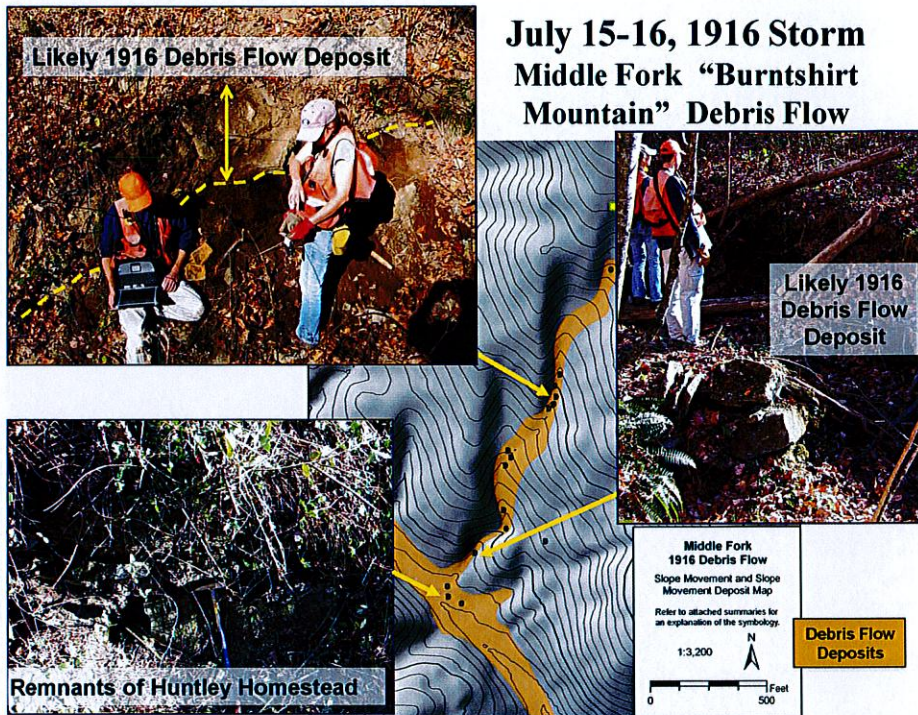




¹ Measured at Laurel Springs, Ashe/Allegheny County line

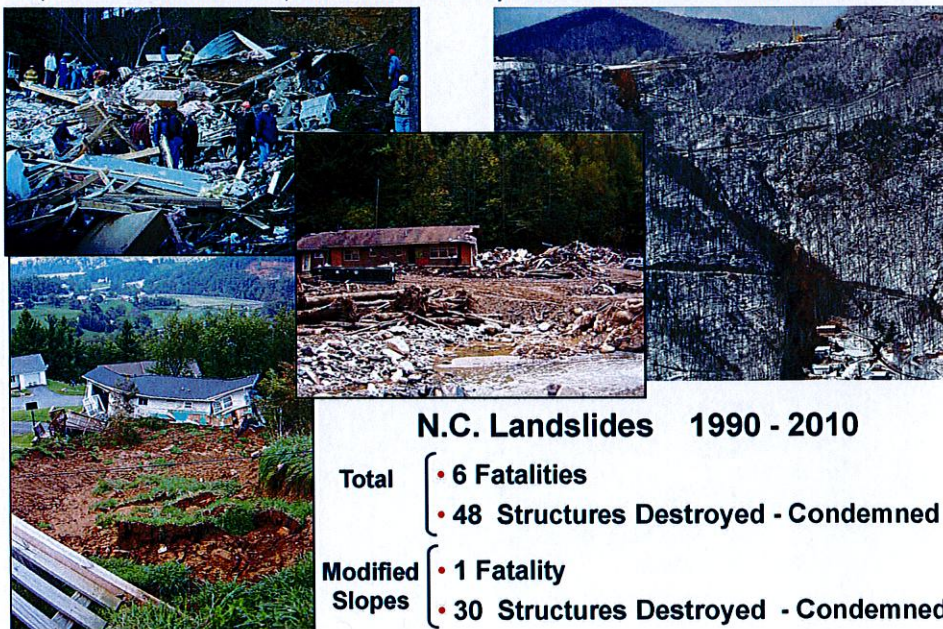
² Ivan Storm Total RG 31 Coweeta: 11.34 in / 38 hr. = 0.3 in/hr

(Data for Camille, Madison Co., and rainfall for Watauga Co. from Wiczorek and others, 2004)



Slope Movement – Slope Movement Deposit Database March, 2010

■ 3,140+ Landslides ■ 2,900 Landslide Deposit Areas ■ 46 Fatalities since 1916



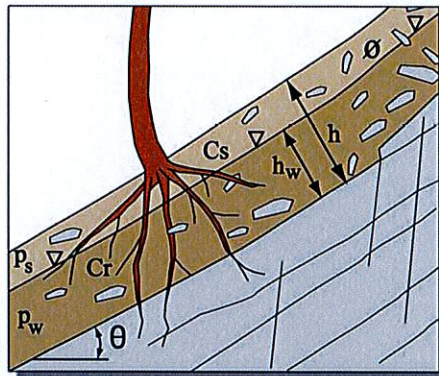
STABILITY INDEX MAPPING¹ (SINMAP) INPUT PARAMETERS

Modified Infinite Slope Equation

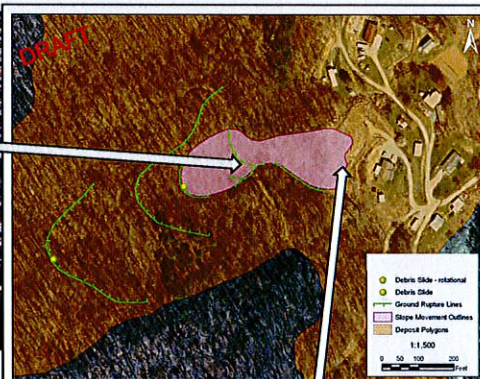
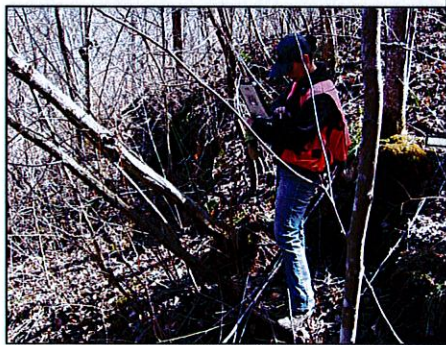
Slope parallel seepage Steady-state shallow groundwater flow

$$FS = \frac{C + \cos \theta [1 - \min\left(\frac{R}{T} \frac{a}{\sin \theta}, 1\right) r] \tan \phi}{\sin \theta}$$

- C = dimensionless cohesion
- a = catchment area
- R = recharge
- T = transmissivity
- θ = slope
- φ = soil friction angle



¹Pack, Tarboton, Goodwin, 1998



Active Landslide developed within pre-existing debris deposits
Jackson County



AGRIBUSINESS UPDATE

Danny McConnell, Chair of the Agribusiness Development Board, updated the Board on the Agribusiness personnel selection process. The Board had held approximately 6 meetings and established many goals for the committee. A job description was created for an Executive Director and posted on March 25, 2011. The posting remained open for 30 days and interviews were conducted on May 9, 2011. Their goal was to select the most qualified applicant to help agriculture in the County. It was recommended by the

Agribusiness Development Board that Lyle Mark Williams be hired as the Executive Director. The Board is requested to appoint the candidate recommended by the Agribusiness Board of Directors.

Commissioner Thompson made the motion that the Board appoints the recommended candidate for the position of Agricultural Development Director. All voted in favor and the motion carried.

Mark Williams was present and thanked both Boards for their confidence in him and the opportunity for him to serve the County in this capacity. He has many years of experience to bring forth in his efforts.

TUXEDO MILL DEMOLITION UPDATE

David Berry provided the Board of Commissioners with an update and photos on the Tuxedo Mill Demolition project.

Initially the Board directed staff to proceed with a 'Phase I Environmental Site Assessment Report'. This report was completed on May 17, 2010. The report did identify asbestos containing materials and lead paint that required abatement.

As per the Boards directive, bids were taken for the demolition, including the required abatements; the bids were received Friday, June 4, 2010 with Mark Pace Construction being the apparent low bidder at \$126,359. The next lowest bid was \$198,750.

Henderson County signed the contract with Mark Pace Construction to perform the demolition on August 12, 2010. The contract allows for eight months (240 days) to complete the work. The projected completion date at that time was April 4, 2011. Unfortunately there have been unforeseen delays in the project for which Mr. Berry approved additional time as events have occurred. The time extensions include:

- A 10 day work stoppage for additional asbestos abatement on the roof that was undetected in the environmental report done by Mountain Environmental. Mountain Environmental was challenged on this oversight, and they handled the additional asbestos abatement with no additional cost to the County.
- A 10 day delay due to testing on the contaminated flooring.
- Weather delays of approximately 14 days through the winter, due to snow and rain, which would have resulted in usage working conditions for Pace Construction personnel.
- An additional 15 working days to allow for the extended haul distance to a special waste landfill required for the contaminated sub-floor.
- An additional 7 days for time lost on a fire line extraction due to an Aqua Water Company delay in repairing waterline rupture.

Allowing for the approved necessary extension of the project time; the estimated completion date is now projected to be June 20, 2011.

The main obstacle that has challenged Pace Construction and County staff from not being able to speed up the completion of the project has been the removal and disposal of large quantities' of unmarketable flooring boards which had to be disposed of. The disposal of these boards would have created a potential significant additional cost per Pace's contract for unforeseen not previously identified. Pace Construction and County staff have work diligently to resolve this situation and eliminated this potential additional cost.

After several different resolved were investigated, county staff and Pace Construction worked with Emergency Services and Blue Ridge Community College to find a solution. We will be allowed to perform a controlled burn training exercise to remedy the riddance of this remaining board material.

It should be noted that Pace Construction has handled numerous other situations that have arisen that were not previously identified within the scope of the project. They include: five septic tank systems, other underground chiller/water tanks, and additional buried concrete slabs.

COUNTY MANAGER'S REPORT

County Manager Steve Wyatt stated he was able to get in touch with the Superintendent of the School Board and they would be able to attend the continued meeting June 7, 2011 at 5:00 p.m.

IMPORTANT DATES

Cancel July 5, 2011 Regularly Scheduled Meeting

The Board is requested to cancel the regularly scheduled July 5, 2011 Board meeting.

Commissioner O'Connor made the motion that the Board cancels the regularly scheduled July 5, 2011 Board meeting. All voted in favor and the motion carried.

CLOSED SESSION

Commissioner O'Connor made the motion for the Board to go into closed session as allowed pursuant to NCGS 143-318.11 for the following reasons:

1. Pursuant to N.C. Gen. Stat. § 143-318.11 (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 Thompson made the motion to go out of closed session and reconvene into open session. All voted in favor and the motion carried.

RECONVENE

Chairman Edney reconvened the meeting.

RATIFICATION OF PARDEE CEO/AMENDMENT TO ARTICLES OF INCORPORATION

Chairman Edney read a resolution pertaining to the ratification of Pardee CEO / Amendment to Articles of Incorporation.

Commissioner O'Connor made the motion that the Board adopts the resolution as presented. All voted in favor and the motion carried.

RECESS

Chairman Edney recessed the meeting until Tuesday, June 7, 2011 at 5:00 p.m.

Attest:

Teresa L. Wilson, Clerk to the Board

J. Michael Edney, Chairman

**HENDERSON COUNTY BOARD OF
COMMISSIONERS**

1 Historic Courthouse Square, Suite 1
Hendersonville, North Carolina 28792-5097
Phone: 828-697-4808 · Fax: 828-692-9855
TDD: 828-697-4580
www.hendersoncountync.org

J. MICHAEL EDNEY
Chairman
THOMAS THOMPSON
Vice Chairman

CHARLIE MESSER
WILLIAM O'CONNOR
LARRY YOUNG

June 7, 2011

Mr. Michael C. Herring
Chief Administrator
North Carolina Alcoholic Beverage Control Commission
400 East Tryon Road
Raleigh, North Carolina 27610

Dear Mr. Herring:

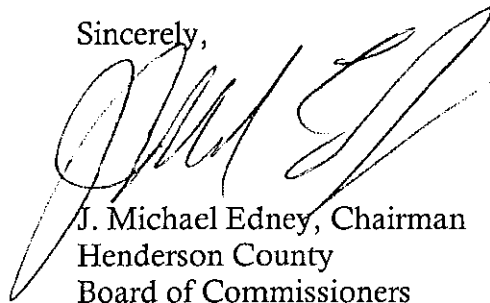
This is in reference to your email of May 25, 2011, to Steve Wyatt, County Manager of Henderson County, regarding the one-half acre of land annexed by the City of Hendersonville at 755B Upward Road, and the possibility of a new ABC store there.

The Board of Commissioners considered the two questions posed in your email at our meeting last evening, and I report the following:

- 1) The Board of Commissioners has not scheduled a referendum on ABC issues at present, but is currently considering the possibility of one. If at all, this referendum would be held coincidental with the May, 2012, primary election.
- 2) The Board of Commissioners opposes the operation of a satellite ABC store at the Upward Road location. This location is in close proximity to a high school, and elementary school and a number of churches. This location appears to us to be contrary to the health, safety and general welfare of the community. Further, given the opposition expressed in a previous referendum by Henderson County residents to alcohol sales outside normal municipal limits, the Board strongly opposes what appears to be a blatant attempt to circumvent the expressed will of the populace by satellite annexation of an area nearly a mile and half outside what otherwise would be Hendersonville's city limits.

Thank you for allowing the Board to express its position on these matters.

Sincerely,



J. Michael Edney, Chairman
Henderson County
Board of Commissioners

HENDERSON COUNTY TAX DEPARTMENT

Collector's Office
200 North Grove Street
Suite 66
Hendersonville, NC 28792

Phone: 828/697-5595

Fax: 828/698-6153

www.hendersoncountync.org/tc/

Stan C. Duncan
County Assessor & Tax Collector

Sandy Allison
Administrative Assistant II

May 27, 2011

Re: Tax Collector's Report to Commissioners – 06/06/11 Meeting

Please find outlined below collections information through May 26th for the 2010 bills, which were mailed out on August 13th, as well as registered motor vehicle bills. As a point of reference, we also have included collections information as of the same date last year.

Annual Bills G01 Only:

2010 Total Charge: \$57,524,414.37
Payments & Releases: 55,729,609.56
Unpaid Taxes: 1,794,804.81
Percentage Collected: 96.88%
(through 05/26/11)

2009 Total Charge: \$57,024,352.18
Payments & Releases: 55,359,128.45
Unpaid Taxes: 1,665,223.73
Percentage Collected: 97.08%
(through 05/26/10)

Motor Vehicle Bills G01 Only:

2010 Total Charge: \$3,760,363.58
Payments & Releases: 3,206,421.30
Unpaid Taxes: 553,942.28
Percentage Collected: 85.27%
(through 05/26/11)

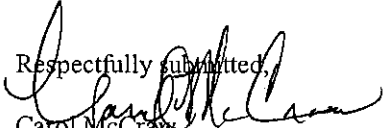
2009 Total Charge: \$3,821,380.36
Payments & Releases: 3,262,198.85
Unpaid Taxes: 559,181.51
Percentage Collected: 85.37%
(through 05/26/10)

Fire Districts All Bills

2010 Total Charge: \$6,705,703.16
Payments & Releases: 6,436,889.99
Unpaid Taxes: 268,813.17
Percentage Collected: 96.13%
(through 05/26/11)

2009 Total Charge: \$6,584,768.82
Payments & Releases: 6,336,360.50
Unpaid Taxes: 248,408.32
Percentage Collected: 96.36%
(through 05/26/10)

Respectfully submitted,


Carol McCraw,
Deputy Tax Collector

Stan C. Duncan,
Tax Collector

HENDERSON COUNTY BOARD OF COMMISSIONERS

1 Historic Courthouse Square, Suite #1

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J. MICHAEL EDNEY
Chairman
THOMAS THOMPSON
Vice-Chairman

CHARLIE MESSER
LARRY YOUNG
BILL O'CONNOR

Resolution

To authorize the Chairman to execute documents pertaining to the Workforce Investment Act

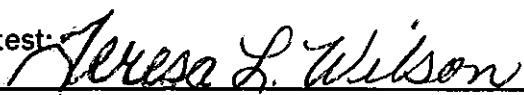
- Whereas,** the Workforce Investment Act of 1998, Public Law 105-220, and North Carolina General Statute Section 143B-438.6 provide for the administration of federally funded job training programs at the local level through cooperation with private industry in the Local Areas (LA); and
- Whereas,** Henderson County is a member of an LA which also includes the counties of Buncombe, Madison, and Transylvania; and
- Whereas,** this Board believes that the County's continued participation in job training programs is in the best interest of its citizens; and
- Whereas,** agreements have been reached with other participants in the LA as outlined in the document denoted as "Mountain Local Area Consortium Agreement", copies of which are attached hereto as Exhibit A; and
- Whereas,** the Board believes approval of this agreement to be in the best interest of the citizens of Henderson County;

NOW, THEREFORE BE IT RESOLVED by the Henderson County Board of Commissioners,

1. That the Chairman is hereby authorized to sign on behalf of this Board the document denoted as "Mountain Local Area consortium Agreement."
2. That this Resolution shall be effective upon its adoption.

Adopted this the 6th day of June, 2011.

Attest:



Teresa L. Wilson, Clerk to the Board



J. Michael Edney, Chairman

**MOUNTAIN LOCAL AREA
CONSORTIUM AGREEMENT**

ARTICLE I. TITLE AND PURPOSE

The contiguous units of local government listed below agree to establish a Local Area, hereinafter known as the LA under the Workforce Investment Act of 1998 (WIA). This Local Area shall be known as the Mountain Local Area.

ARTICLE II. MEMBERSHIP

The LA shall be composed of the following independent and contiguous units of general purpose local government:

County of Buncombe
County of Henderson
County of Madison
County of Transylvania

ARTICLE III. CERTIFICATION OF AUTHORITY

1. AUTHORITY UNDER STATE AND LOCAL LAW

The member units of government certify that: They possess full legal authority, as provided by state and local law, to enter into this agreement and to fulfill the legal and financial requirements of operating as a Local Area under the Workforce Investment Act of 1998 for the entire geographic area covered by this Agreement.

2. SPECIFIC RESOLUTIONS TO ENTER INTO AGREEMENT

A copy of the duly executed resolution giving the respective counties specific authority to enter into this consortium agreement will be attached to this document and are incorporated herein by reference.

3. DESIGNATION OF THE CHIEF ELECTED OFFICIALS FROM EACH MEMBER UNIT OF GOVERNMENT

Each member unit of government designates as chief elected official for Workforce Investment Act of 1998 purposes, upon whose representations the State, the Workforce Development Board, the administrative entity, and the Other member units may rely, the duly elected Chairman of each respective County Board of Commissioners. Such person shall be the signatory of this Agreement and shall be authorized to execute such other agreements as are necessary for the Workforce Investment Act of 1998 purposes.

4. DESIGNATION OF CHIEF ELECTED OFFICIAL FOR SERVICE DELIVERY AREA

The four elected officials thus designated by their respective Boards of County Commissioners of the undersigning units of local government shall elect annually one of the four officials by majority vote to serve as Chairperson of the Mountain Local Area. The Chairperson of the Mountain Local Area shall be authorized to represent the LA and to act on behalf of the undersigning units of local government with respect to any matters adopted or passed by the Consortium at a Consortium meeting.

ARTICLE IV. DURATION

This Agreement will become effective on the date of the last chief elected official's signature and shall continue in effect until the LA is re-designated by the Governor of North Carolina or by termination of this Agreement by a member unit of government as provided for in Article XI.

ARTICLE V. ASSURANCES AND CERTIFICATIONS

The member units will comply with the requirements of the Workforce Investment Act of 1998 and regulations promulgated thereunder, all other applicable federal regulations, the statutes of the State of North Carolina, and written directives and instructions relevant to Local Area operation from the Governor of North Carolina of his/her designee.

ARTICLE VI. FINANCING

1. It is anticipated that funding necessary to implement this agreement will be derived from federal and state grant funds received through the Governor. The counties accordingly agree that they shall not be assessed except by the unanimous agreement of the counties except as set forth below.
2. The units of local government acknowledge that they are jointly and severally accountable for liabilities arising out of activities under the Workforce Investment Act of 1998 and all funds received by the Local Area pursuant to WIA. Liability includes, but is not limited to, responsibility for prompt repayment from non-program funds of any misexpenditures by the Administrative Entity of the Local Area, or any of its subrecipients or contractors, of the Workforce Development Board.
 - (a) To the extent that one or more (but not all) of the counties benefit from WIA, the expenditure of which is disallowed for any reason, the county(ies) benefiting shall be liable for the repayment of such funds.

- (b) To the extent that one or more of the counties cannot be identified as the benefiting county or counties of WIA, any disallowed expenditure shall be divided among the counties on a pro rata basis, based upon the percentage of all WIA funds allocated to each of the counties for the program fiscal year during which the disallowed funds were disbursed.
3. Any entity or joint agency created or designated by this Local Area, including the Workforce Development Board, and Administrative Entity, shall be considered a public agency for the purposes of the Local Government Budget and Fiscal Control Act.
 4. Nothing contained in this Agreement shall be interpreted so as to prohibit the county or counties from seeking contribution or indemnification from the administrative entity, any subrecipient, service provider, or from any other such responsible person or entity.

ARTICLE VII. ESTABLISHMENT OF THE WORKFORCE DEVELOPMENT BOARD

The member units of government agree that the Workforce Development Board shall be established in accordance with Section 102 of the Job Training Partnership Act and shall be certified as the Workforce Development Board to oversee the operation of the Workforce Investment Act of 1998.

The Chairmen of the County Boards of Commissioners shall appoint members of the Workforce Development Board from among persons nominated or recommended by appropriate agencies representative of any member county and in accordance with the Job Training Partnership Act. The distribution of membership will be as follows:
Buncombe - 15, Henderson- 6, Madison- 4, Transylvania - 4.

ARTICLE VIII. APPOINTMENT OF PERSONNEL

Appointment of administrative personnel shall be as described in the Mountain Area Workforce Development Board/Chief Elected Official Agreement.

ARTICLE IX. OWNERSHIP OF REAL PROPERTY

The Mountain Local Area will neither acquire nor dispose of real property.

ARTICLE X. AMENDMENTS

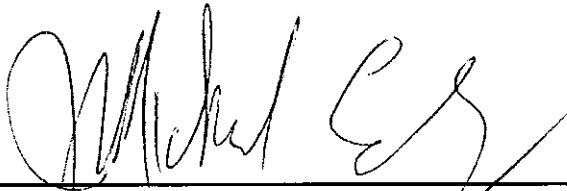
The Agreement may be amended at any time upon the consent of all of the parties as evidenced by resolution of the governing bodies of each member government and as approved by the State.

ARTICLE XI. TERMINATION

The parties to this Agreement may request termination at any time upon six months prior written notice, such termination to be effective when the Governor considers LA redesignations, or at the end of the then current subgrant agreement year.

ARTICLE XII. HOLD HARMLESS

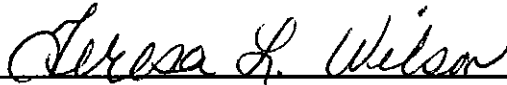
Each party hereto agrees to hold the other harmless for any loss incurred, either to person or property, including "reasonable attorney" fees, due to any act or omission on the part of either county, its agents, or employees as a result of operations.



(Signature) (Date)

J. Michael Edney, Chairman

(Typed Name of) Chairman
Henderson County Board of Commissioners



Attest:
Teresa L. Wilson, Clerk to the Board

HENDERSON COUNTY BOARD OF COMMISSIONERS

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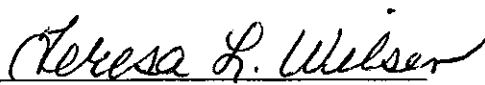
RESOLUTION IN COMMEMORATION OF PFC. SAMUEL KELLY WATKINS

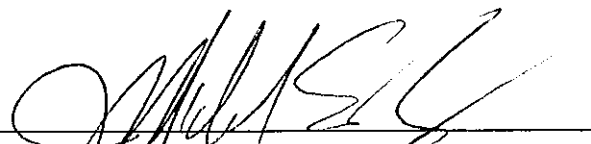
- WHEREAS,** Pfc. Samuel Kelly Watkins, "Kelly", was a Henderson County native who was deployed to Korea in 1950; and
- WHEREAS,** Pfc. Watkins was taken prisoner in South Korea on February 14, 1951, while attached to "L" Company, 9th Infantry Regiment, 2nd Recon that became involved in a major attack by the Chinese Communist Forces, which was one of the fiercest battles of the Korean War; and
- WHEREAS,** The family of Pfc. Watkins was notified that he was missing in 1951, and he was presumed dead by the U.S. Army on March 3, 1954, in keeping with military protocol; and
- WHEREAS,** The remains of Pfc. Watkins were recovered in Namjong-gu, Suan County, North Hwanghae Province, through DNA testing and his family notified 60 years later; and
- WHEREAS,** In December 1993, the Democratic People's Republic of Korea, turned over remains to the United Nations and he was identified at the U. S. Army Central Identification Laboratory in Hawaii; and
- WHEREAS,** The remains of Pfc. Samuel Kelly Watkins were returned home to his family and friends and laid to rest In the Garden of Taps at Forest Lawn Memorial Park with full Military Honors on Thursday, May 26, 2011;

NOW, THEREFORE, BE IT RESOLVED that the Henderson County Board of Commissioners on behalf of a grateful nation honor and recognize the years of military service and years of imprisonment that Pfc. Samuel Kelly Watkins endured for the citizens of the United States of America. We further honor and recognize the family of Pfc. Watkins for their sacrifice on behalf of our freedom. May God bless the family of Pfc. Samuel Kelly Watkins, all of our veterans, their families and the United States of America.

Adopted this 6th day of June, 2011

ATTEST:


TERESA L. WILSON, CLERK TO THE BOARD


J. MICHAEL EDNEY, CHAIRMAN
HENDERSON COUNTY BOARD OF COMMISSIONERS

RESOLUTION APPROVING FINANCING TERMS

WHEREAS, the County of Henderson, North Carolina (the "*County*") has previously determined to undertake a project for two new 2010 Chevrolet G4500 ambulances (the "*Project*"), and the Finance Director has now presented a proposal for the financing of such Project.

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

1. The County hereby determines to finance the Project through Branch Banking and Trust Company ("BB&T"), in accordance with the proposal dated May 19, 2011. The amount financed shall not exceed \$244,460.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.79%, and the financing term shall not exceed four (4) years.

2. All financing contracts and all related documents for the closing for the financing ("the Financing Documents") shall be consistent with the foregoing terms. The Chairman and Staff of the County are hereby authorized and directed to execute and deliver the Financing Documents, and take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution. The Financing Documents shall include a Financing Agreement and Deed of Trust and a Project Fund Agreement as BB&T may request.

3. The Finance Director is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Director is authorized to approve changes to any Financing Documents previously signed by the Chairman or Staff, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Director shall approve, with the Finance Director's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.


4. The County shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The County hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The County intends that the adoption of this resolution will be a declaration of the County's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The County intends that funds that have been advanced, or that may be advanced, from the County's General Fund, or any other County Fund related to the project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of County officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

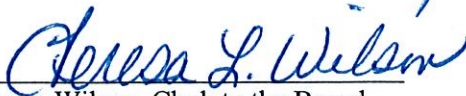
Approved this 6th day of June, 2011.

HENDERSON COUNTY BOARD OF COMMISSIONERS



J. Michael Edney, Chairman

Attest:



Teresa Wilson, Clerk to the Board

[Official Seal]

DRAFT

**HENDERSON COUNTY
NORTH CAROLINA**

Before the Board of Commissioners

1 The Board of Commissioners of Henderson County, having reviewed the recent changes in the
2 status and relationship between itself and the Board of Trustees ("the Trustees") of Henderson County
3 Hospital Corporation ("the Corporation"), notes as follows:

4 WHEREAS, this Board adopted an amendment to the Articles of Incorporation of the
5 Corporation on 16 March 2011, said amendment concerning the selection of the chief executive officer of
6 the Corporation; and,

7 WHEREAS, since the adoption of such amendment, this Board and the Trustees have reached
8 agreement on multiple issues; and,

9 WHEREAS, since the adoption of such amendment, the Trustees have undertaken ~~and~~ diligent
10 and exhaustive search for a new chief executive officer, with input from University of North Carolina at
11 Chapel Hill Hospitals and this Board; and,

12 WHEREAS, this is to voice the approval of this Board for the selection process for chief executive
13 officer of the Corporation, and to allow for the withdrawal of ^{a portion} ~~the~~ ^{of the} Articles of Incorporation of the
14 Corporation regarding the selection of the chief executive officer, returning the status of the Articles of
15 Incorporation of the Corporation regarding selection of the chief executive officer to that which existed
16 prior to 16 March 2011.

17 **NOW, THEREFORE, BE IT RESOLVED** that this Board hereby voices its support and
18 approval for the selection process for the chief executive officer of the Corporation, and further,
19 authorizes and directs the Chairman, the Clerk to the Board and Attorney to execute an instrument
20 withdrawing the amendment of the Articles of Incorporation of 16 March 2011 regarding the selection of
21 the chief executive officer, and to cause the same to be filed with the Secretary of State of North Carolina.

Adopted after motion duly made, this the _____ day of June, 2011.

HENDERSON COUNTY BOARD OF COMMISSIONERS

By: _____
J. MICHAEL EDNEY, Chairman

Attest:

Clerk to the Board