

PERSON COUNTY BOARD OF COMMISSIONERS

MARCH 16, 2015

MEMBERS PRESENT

OTHERS PRESENT

Kyle W. Puryear

Heidi York, County Manager

David Newell, Sr.

B. Ray Jeffers

Brenda B. Reaves, Clerk to the Board

Jimmy B. Clayton

Tracey L. Kendrick

The Board of Commissioners for the County of Person, North Carolina, met in regular session on Monday, March 16, 2015 at 9:00 am in the Person County Office Building Auditorium.

Chairman Puryear called the meeting to order. Commissioner Kendrick led invocation and asked Vice Chairman Newell led the group in the Pledge of Allegiance.

DISCUSSION/ADJUSTMENT/APPROVAL OF AGENDA:

Chairman Puryear stated Recognition of Local Government Day would be moved later in the agenda due to the fact the students had not arrived prior to the meeting. A **motion** was made by Commissioner Newell and **carried 5-0** to approve the agenda.

INFORMAL COMMENTS:

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

Ms. Anne Elizabeth Hale of 718 Chub Lake Road, Roxboro advocated for a combined senior and recreation center and encouraged the Board to include a pool with the senior phase of the project.

Ms. Ollie Jeffers of 285 Dunnaway Road, Semora announced there are two new half-way houses in Person County. Ms. Jeffers told the group that both county high school's proms are scheduled to be held on the same night noting her concerns about the student's safety. Ms. Jeffers noted her efforts to try to keep students in the county on prom night as well as to encourage students to make a prom promise to not drink and drive.

DISCUSSION/ADJUSTMENT/APPROVAL OF CONSENT AGENDA:

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

- A. Approval of Minutes of February 16, 2015,
- B. Approval of Minutes of March 2, 2015,
- C. Budget Amendment #13, and
- D. Tax Adjustments for the month of March 2015
 - a. March 2015 Tax Releases, and
 - b. March 2015 NC Vehicle Tax System pending refunds

March 16, 2015

UNFINISHED BUSINESS:

SECOND READING OF ABANDONED STRUCTURE ORDINANCE:

Director of Inspections, Sam Hobgood stated that the Board, at its March 2, 2015 meeting, voted 4-1 to adopt the Abandoned Structure Ordinance at the First Reading. Since the ordinance was not adopted unanimously, the Board had a duty to have a Second Reading to which a simple majority vote would be required to adopt the ordinance.

Mr. Hobgood highlighted the following key points related to the Abandoned Structure Ordinance.

- Covers manufactured mobile homes and abandoned residential and commercial structures,
- Ordinance shall not apply to structures further than 500' from residential or public uses (schools, playgrounds) on adjacent properties; and, not visible from transportation right-of-way,
- Exceptions for farm structures and historic properties,
- Abandoned structure standards would be enforced by Building Inspections,
- Mobile home grant program (optional) would be administered by the Planning Department,
- County can pay for removal costs; however, removal costs cannot be collected via the property tax bill only through a lien on the property,
- Appeals heard by Board of Commissioners, and
- Operating Cost: \$15,000 - \$20,000 – Some operating funds would be needed to pay for clean-up of abandoned structures.

Mr. Hobgood estimated having ten complaints over the last ten years for abandoned structures.

Commissioner Kendrick noted his displeasure with county government dictating what individuals can and cannot do on their own personal property.

Mr. Hobgood noted NC General Statute 153A-366 (Unsafe buildings condemned. The inspector shall condemn as unsafe each building that appears to him to be especially dangerous to life because of its liability to fire, bad conditions of walls, overloaded floors, defective construction, decay, unsafe wiring or heating system, inadequate means of egress, or other causes; and he shall affix a notice of the dangerous character of the building to a conspicuous place on its exterior wall.), which is already in place; the adoption of the proposed ordinance provides enforcement power for condemned structures to be torn down.

A **motion** was made by Chairman Puryear and **carried 3-2** to approve the Abandoned Structure Ordinance. Chairman Puryear, Vice Chairman Newell and Commissioner Jeffers voted in support of the motion. Commissioners Kendrick and Clayton cast the dissenting votes.

March 16, 2015

Nuisance Ordinance for Abandoned Structures

"Abandoned Structure Ordinance"

Authority

Person County hereby exercises its authority to enact Abandoned Structure regulations pursuant to N.C.G.S 153A-12, 121,123 &140; 160A-443.

Jurisdiction

The jurisdiction of this Ordinance shall be described as any part of Person County not within the corporate limits or the extra territorial jurisdiction of any municipality. However, this ordinance shall not apply to any structure used or previously used for agricultural purposes.

Short Title

This ordinance shall be known as the Abandoned Structure Ordinance of Person County, North Carolina, and may be cited as the Abandoned Structure Ordinance.

Purpose

The purpose of this ordinance is to promote the public safety, health, and welfare of the citizens of Person County through the regulation of abandoned structures in the county. All abandoned structures defined herein are hereby declared to be a public nuisance, the abatement of which pursuant to the police power is hereby declared to be necessary for the health, welfare, and safety of the residents of Person County. This ordinance is adopted pursuant to the authority contained in N.C.G.S. 153A-12, 121,123 &140; 160A-443.

Definitions

"Abandoned Structure" a residential or commercial building shall be considered an abandoned structure if it is unoccupied and damaged or in disrepair to the point of being condemnable as defined by NCGS §153A-366 and is found to be a nuisance because it creates or fosters one (1) or more of the following conditions:

- a. A breeding ground or harbor for mosquitoes, other insects, rats, or other pests;
- b. The collection of pools or ponds of water;
- c. Concentrated quantities of gasoline, oil, or other flammable or explosive materials;
- d. A source of danger for children because of the possibility of entrapment or injury from exposed sharp surfaces of metal, glass, or other rigid materials;
- e. A source of danger from the building structure, or parts thereof, falling or turning over;
- f. An accumulation of garbage, food waste, or any other rotten or putrefied matter of any kind;
- g. Accumulation of sewage or animal waste;
- h. Concentrated quantities of hazardous materials;
- i. The presence of dead animals; or,
- j. Any building structure specifically declared a public health and safety hazard by the Board of Commissioners.

“Abandoned Manufactured Home” shall be considered an abandoned structure if it is in a wrecked, scrapped, disassembled, unusable, cannibalized, burnt, inoperable or if available, is not connected to an approved sewer system and not occupied and is found to be a nuisance because it creates or fosters one (1) or more of the following conditions:

- a. A breeding ground or harbor for mosquitoes, other insects, rats, or other pests;
- b. The collection of pools or ponds of water;
- c. Concentrated quantities of gasoline, oil, or other flammable or explosive materials;
- d. A source of danger for children because of the possibility of entrapment or injury from exposed sharp surfaces of metal, glass, or other rigid materials;
- e. A source of danger from the home, or parts thereof, falling or turning over;
- f. An accumulation of garbage, food waste, or any other rotten or putrefied matter of any kind;
- g. Accumulation of sewage or animal waste;
- h. Concentrated quantities of hazardous materials;
- i. The presence of dead animals; or,
- j. Any manufactured home specifically declared a public health and safety hazard by the Board of Commissioners.

“Manufactured Home” is a structure, transportable in one or more sections, which in the traveling mode whose body is 8 feet or more in width or 40 feet or more in length, or when erected on site, is 320 square feet or more, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air conditioning and electrical systems contained therein. Such term shall include any structure that meets all the requirements of this paragraph except the size requirements and with respect to which the manufacturer voluntarily files a certification required by the Department of Housing and Urban Development (HUD) and complies with the standards established under that Federal agency. For purposes of this ordinance, “manufactured home” includes both factory-built single-family structures built to meet standards established under The National Manufactured Housing Construction and Safety Standards Act of 1974 and mobile homes built prior to the effective date of those standards (June 15, 1976). The Federal Standards became effective on June 15, 1976, and all homes with a date of manufacture on or after this date were required to have a HUD label indicating compliance with the standards.

“Historic Structure” or, “Historic Property” is as defined by the State Historic Preservation Office and the National Register of Historic Places.

“Agricultural purpose” and “bona fide farm” as defined by NC GS §153A-340:

1. A farm sales tax exemption certificate issued by the Department of Revenue.
2. A copy of the property tax listing showing that the property is eligible for participation in the present use value program pursuant to G.S. 105-277.3.
3. A copy of the farm owner's or operator's Schedule F from the owners or operators most recent federal income tax return.
4. A forest management plan.
5. A Farm Identification Number issued by the United States Department of Agriculture Farm Service Agency.

Exceptions

- This ordinance shall not apply to any structure used or previously used for agricultural purposes.
- This ordinance shall not apply to historic properties or structures.
- Ordinance shall not apply to structures further than 500' from residential or public uses (schools, playgrounds) on adjacent properties; and, not visible from transportation right-of-way.

Process

1. Upon receipt of a complaint, the Building Inspections Department will conduct an investigation to determine if the structure meets the definition of an "Abandoned Structure" as defined by this ordinance. The Building Inspections Department will be responsible for mailing notices, overseeing the removal of abandoned structures. The Building Inspections Director shall keep an accurate record of all enforcement proceedings begun pursuant to the provisions of this chapter.
2. In exercising these powers, each member of the inspection department has a right, upon presentation of proper credentials, to enter on any premises within the territorial jurisdiction of the department at any reasonable hour for the purposes of inspection or other enforcement action. Nothing in this section shall be construed to prohibit periodic inspections in accordance with State fire prevention code or as otherwise required by State law.
3. Upon determining that a violation of this ordinance exists, written notice shall be issued to:
 - a. The registered owner or person(s) entitled to possession of the abandoned or neglected structure;
 - b. The registered owner, lessee, or person(s) entitled to the land on which the abandoned or neglected structure is located;
 - c. Shall affix a notice of the dangerous character of the building to a conspicuous place on its exterior wall. (§ 153A-366) *(If a person removes a notice that has been affixed to a building by a local inspector and that states the dangerous character of the building, he is guilty of a Class 1 misdemeanor).*
4. The notice shall be provided by registered or certified mail. The notice shall:
 - a. Identify the property and describe the abandoned structure located thereon to be removed, abated, or remedied;
 - b. (1) Notify the owner that the building is in a condition that appears to constitute a fire or safety hazard or to be dangerous to life, health, or other property;
(2) Notify the owner that a hearing will be held before the inspector at a designated place and time, not later than 10 days after the date of the notice, at which time the owner is entitled to be heard in person or by counsel and to present arguments and evidence pertaining to the matter; and
(3) Notify the owner the following the hearing, the inspector may issue any order to repair, close, vacate, or demolish the building that appears appropriate.
 - c. Inform an owner who has received an order under G.S. 153A-369 that they may appeal from the order to the board of commissioners by giving written notice of appeal to the inspector and to the clerk within 10 days following the day the order is issued. In the absence of an appeal, the order of the inspector is final. The board of commissioners shall hear any appeal within a reasonable time and may affirm, modify and affirm, or revoke the order;

- d. State that the costs incurred by the county to remove, abate, or remedy the abandoned structure, if not paid by the violator(s), shall be a lien upon the property.
3. If the name or whereabouts of the owner cannot after due diligence be discovered, the notice shall be considered properly and adequately served if a copy thereof is posted on the outside of the building in question at least 10 days before the day of the hearing and a notice of the hearing is published at least once not later than one week before the hearing.

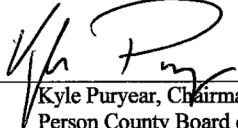
Penalties

If the owner of a building fails to comply with an order issued pursuant to G.S. 153A-369 from which no appeal has been taken, or fails to comply with an order of the Board of Commissioners following an appeal, the offender is guilty of a Class 1 misdemeanor.

Appeal

An owner who has received an order under G.S. 153A-369 may appeal from the order to the Board of Commissioners by giving written notice of appeal to the inspector and to the clerk within 10 days following the day the order is issued. In the absence of an appeal, the order of the inspector is final. The Board of Commissioners shall hear any appeal within a reasonable time and may affirm, modify and affirm, or revoke the order.

Adopted, this, the 16th day of March 2015.


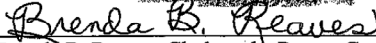


Kyle Puryear, Chairman
Person County Board of Commissioners

3/16/2015

Date

Attested by

Brenda B. Reaves, Clerk to the Person County Board of Commissioners

NEW BUSINESS:

PRELIMINARY OPTIONS ON SENIOR CENTER SITES:

Heidi York, County Manager stated the Board, at its March 2, 2015 meeting, directed the Manager to work with Brockwell Associates to acquire preliminary plans and options related to a potential senior center on the three different parcels that the City is willing to convey to the County for use as a senior center.

Ray Foushee, General Services Director introduced Mr. Sam Brockwell and Mr. Brent Davis from Brockwell Associates of Durham.

Mr. Brockwell stated their architectural firms evaluated and explored options on the former hotel lot, the former senior center structure along with the green area adjacent to the senior center structure.

Mr. Brockwell and Mr. Davis provided an overview of the options:

Option 1 and 1a: Hotel Lot Maximum/Hotel Lot New Building – New 2- Story Construction Cost \$2,350,200 for 12,000 sq. ft. on existing vacant hotel lot presented as one of the best solutions for price, flexibility of programming as well as overall building performance with an option to increase the sq. ft. to a maximum of 14,950. The scope of work is not restricted due to existing building elements. The construction is commercial, steel frame with masonry material exterior similar to existing structures in the area. Mr. Brockwell stated a clear span building (metal with a brick veneer exterior) is not recommended. Mr. Brockwell stated the site work/parking fee potentially be could be cut in half if the parking was eliminated.

Option 2: Existing Senior Building 2-Story Renovation 12,000 sq. ft.- Construction Cost without fire suppression is \$2,470,300. Fire Suppression required if assembly areas exceed 299 people – add \$50,000 to total costs. Option 2 is a challenge due to the existing building elements (tight floor to floor dimensions, roof issues, basement not occupiable) will negatively impact the ability to freely program the space for its intended use. The existing building also presents a challenge for code compliance. Unforeseen conditions in old structures results in unforeseen costs/budget overages which are not reflected in the preliminary budget.

Option 3: New Construction of Building on Existing Senior Lot – Cost \$2,608,400 for 12,000 sq. ft. of a new facility which would require demolition of existing structure with more extensive site preparation in comparison to the former hotel lot or the existing green space with more flexible programming space than option 2. Setback requirements to the adjacent property owners. Option 3 would encroach on the green space in order to achieve the desire square footage. Note: unknown site conditions beneath the existing building could result in budget overages. Mr. Davis stated NC Historic Preservation approval would be required prior to demolition due to the site lies within a historic district.

March 16, 2015

Option 4: New and Renovated Construction – 1-Story 6,000 sq. ft. on existing structure (remove attic) plus new construction of a 2-Story addition encroaching on grassy area to achieve desire square footage. Cost as follows:

12,000 sq. ft. new plus renovation	\$3,111,200
8,000 sq. ft. new plus renovation	\$2,511,200
6,000 sq. ft. new plus renovation	\$2,271,200

Mr. Brockwell presented option 4 as the best overall option with most potential. Leaving the existing structure exterior walls intact provides opportunities within the building code that would be lost with demolition (retain current windows). Should the structure change in use and occupancy classification, the windows would have to be replaced. The new addition would connect with a terrace/patio area.

Mr. Davis informed the group that potential for obtaining historic grant funding through the Main Street Program exists to save old buildings. Mr. Davis noted the City of Roxboro would have to submit the grant application and the award could be up to \$200,000 based on criteria, i.e. number of full time employees.

Commissioner Jeffers noted his preference for options 1 and 1a as both allowed for future expansion. Mr. Davis pointed out that the only access between the former hotel lot and the existing structure lot is at the corner.

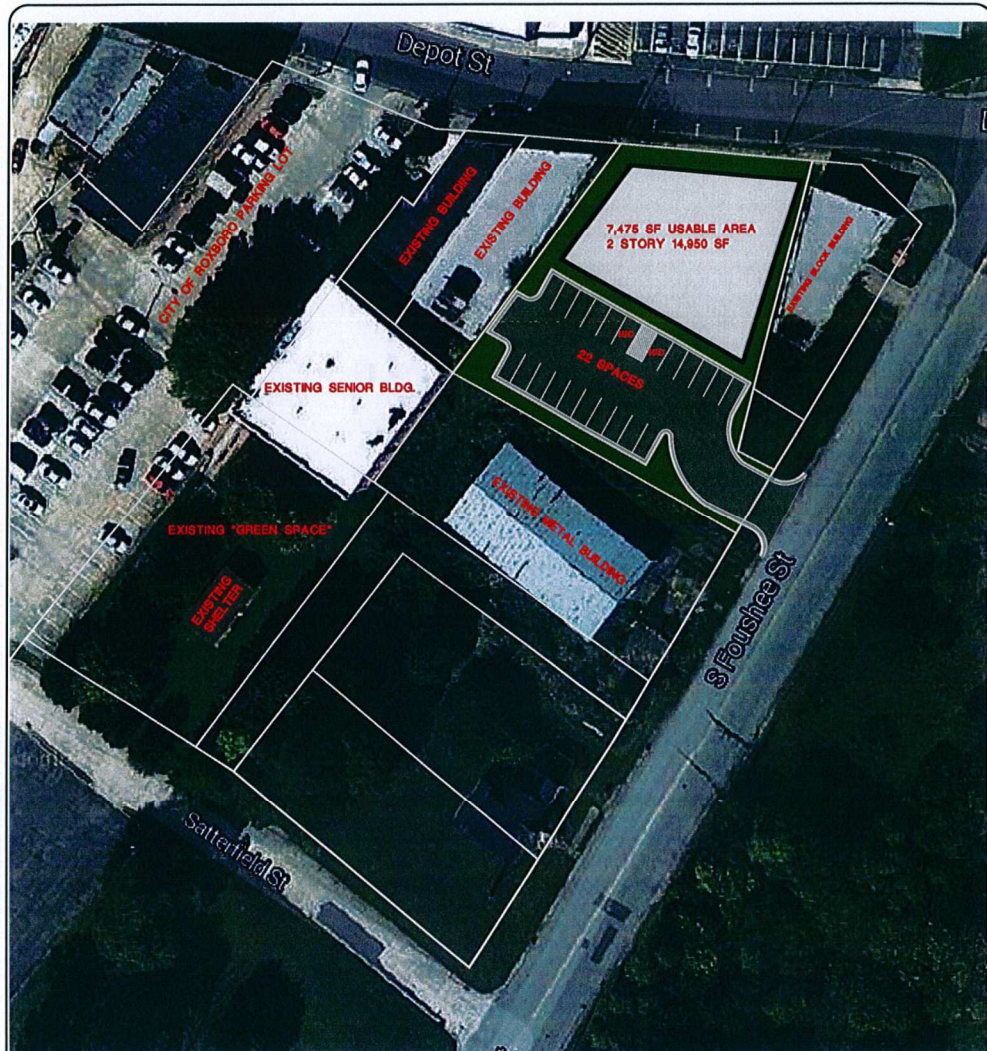
Commissioner Kendrick asked the Brockwell representatives about a pre-engineered steel building concept lessening the engineer fees. Mr. Brockwell noted he did not have this information nor was this the firm's recommendation; however noted he could provide such information if a steel building was desired by the Board.

Chairman Puryear requested the potential timeframe for the proposed project once the Board chose an option. The Brockwell representative noted the process of approvals to ready the site for construction was estimated to take six months with the construction phase lasting from ten to eighteen months.

Commissioner Clayton noted option 4 illustrated the best opportunity for expansion.

Commissioner Kendrick requested more time for review before the Board make a recommendation. Chairman Puryear stated this item would be tabled for review until the Board's next meeting for recommendation.

The drawings presented by Brockwell Associates follows:



OPTION 1 - HOTEL LOT MAXIMUM

SCALE 1" = 50'

OPTION 1

A-3 Occupancy - Type IIB Construction

New Construction - 12,000 sf on Existing Vacant Hotel Lot

Projected Cost per SF	\$130	12,000 sf	\$ 1,560,000.00
Site Work/Parking			\$ 420,000.00
Kitchen Equipment			\$ 40,000.00
Architectural/Engineering fees			\$ 130,200.00
Fixtures, Furnishing & Equipment, Tel Comm, Data, etc.			\$ 200,000.00

Total New Construction Cost: \$ 2,350,200.00

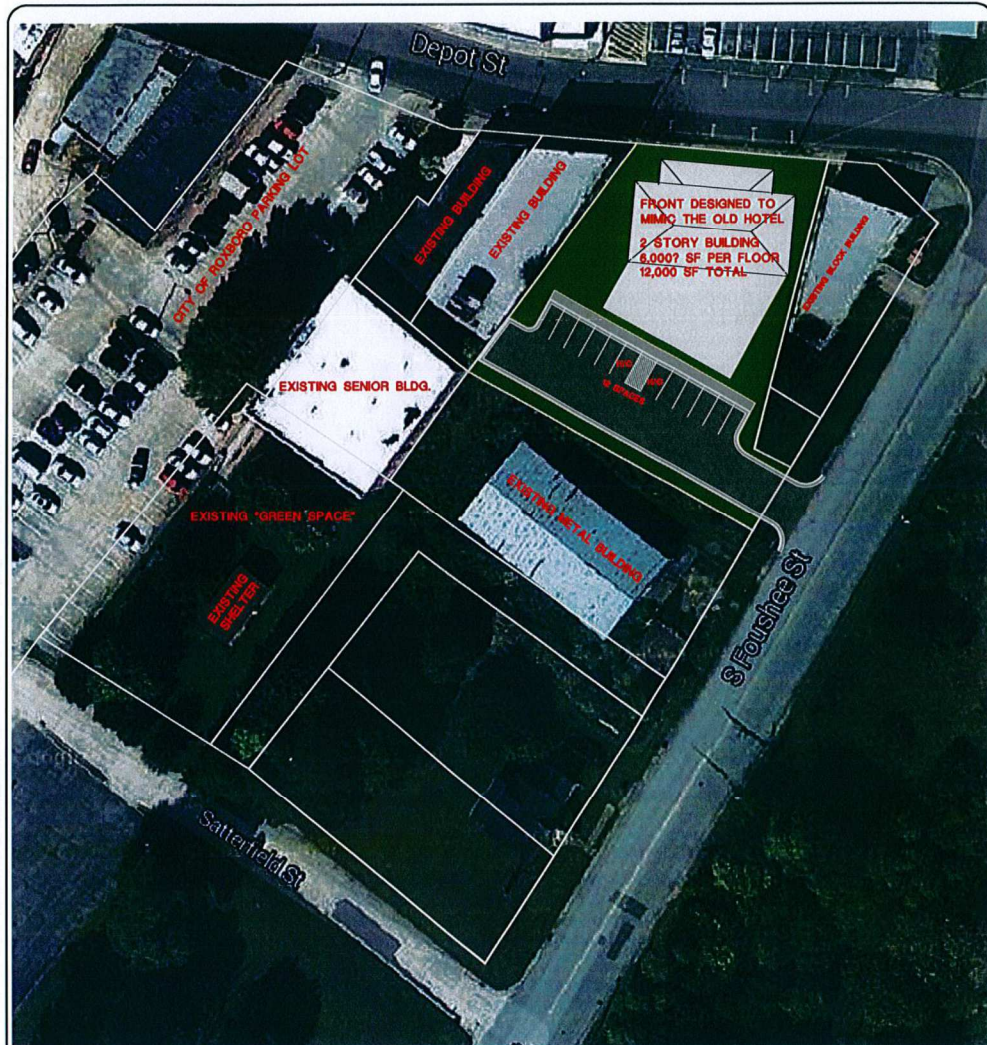
Notes: Option 1 along with Option 4 is the best solution for price, flexibility of programming as well as overall building performance. The scope of work is not restricted due to existing building elements.

OPT1



PRELIMINARY SITE OPTIONS FOR:
PERSON COUNTY SENIOR CENTER
DEPOT STREET
ROXBORO, NORTH CAROLINA

March 16, 2015



OPTION 1a - HOTEL LOT NEW BUILDING

SCALE 1" = 50'

OPTION 1

A-3 Occupancy - Type IIB Construction

New Construction - 12,000 sf on Existing Vacant Hotel Lot

Projected Cost per SF	\$130	12,000 sf	\$ 1,560,000.00
Site Work/Parking			\$ 420,000.00
Kitchen Equipment			\$ 40,000.00
Architectural/Engineering fees			\$ 130,200.00
Fixtures, Furnishing & Equipment, Tel Comm, Data, etc.			\$ 200,000.00

Total New Construction Cost: \$ 2,350,200.00

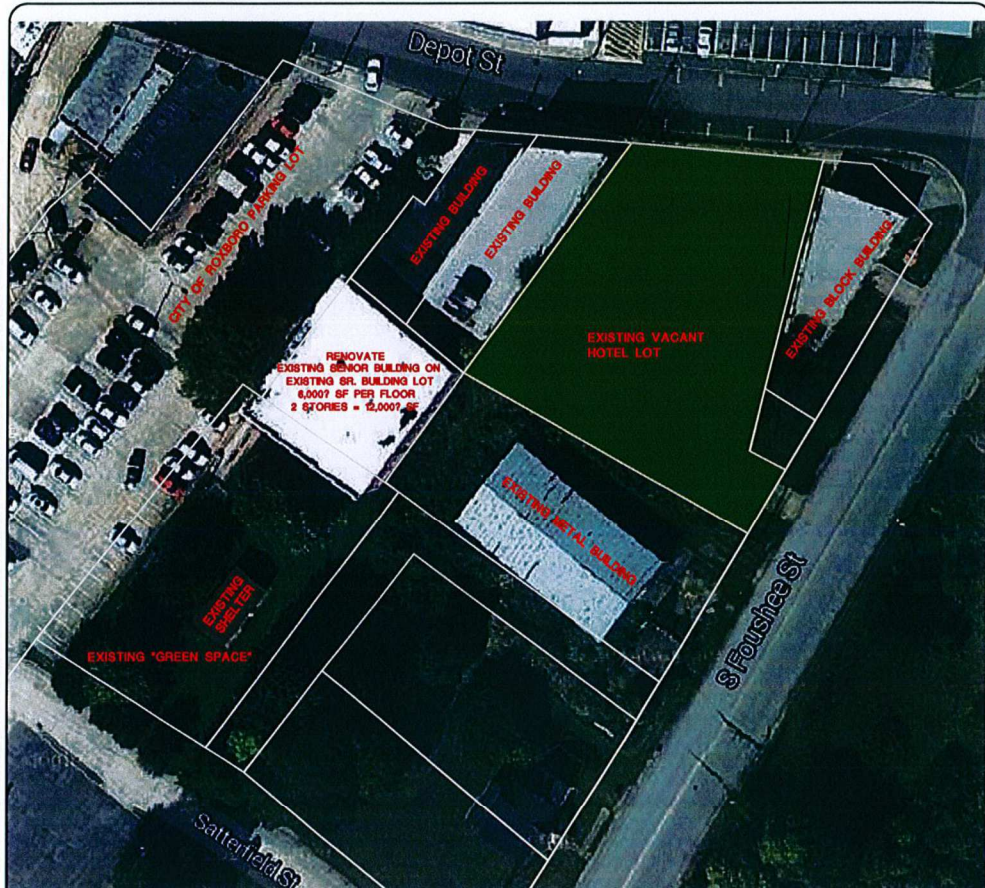
Notes: Option 1 along with Option 4 is the best solution for price, flexibility of programming as well as overall building performance. The scope of work is not restricted due to existing building elements.

OPT1A



PRELIMINARY SITE OPTIONS FOR:
PERSON COUNTY SENIOR CENTER
DEPOT STREET
ROXBORO, NORTH CAROLINA

March 16, 2015



OPTION 2 - RENOVATE EXIST. SENIOR BUILDING 2 STORY RENOVATION

SCALE 1" = 50'

OPTION 2

A-3 Occupancy - Type IIIB Construction

Existing Senior Center Renovation

Existing Site/Parking Improvements			\$	30,000.00
General Renovations (Upfit, Finishes, Fixtures, etc.)	\$70	12,000 sf	\$	840,000.00
Basement Floor Structural Improvement			\$	10,000.00
First Floor Structural Improvement			\$	100,000.00
Second Floor Structural Improvement			\$	120,000.00
Roof Structure Repair & Improvement			\$	75,000.00
New Roof	\$10	6,000 sf	\$	60,000.00
Seismic Bracing			\$	60,000.00
Existing Stair Rebuild (Due to Structure)			\$	50,000.00
New Elevator & Second Stair			\$	150,000.00
New Plumbing/Toilets for Men & Women			\$	130,000.00
New HVAC System - Both Levels			\$	210,000.00
New Electrical/Lighting/Emergency			\$	270,000.00
Replace 35 Windows	\$700	35	\$	24,500.00
Architectural/Engineering fees			\$	140,800.00
Fixtures, Furnishing & Equipment, Tel Comm, Data, etc.			\$	200,000.00

Total New Construction Cost:
(Without Fire Suppression) \$ 2,470,300.00

Fire Suppression Required if
Assembly Areas exceed 299 people

Total New Construction Cost:
(Add for Fire Suppression - \$50,000) \$ 2,520,300.00

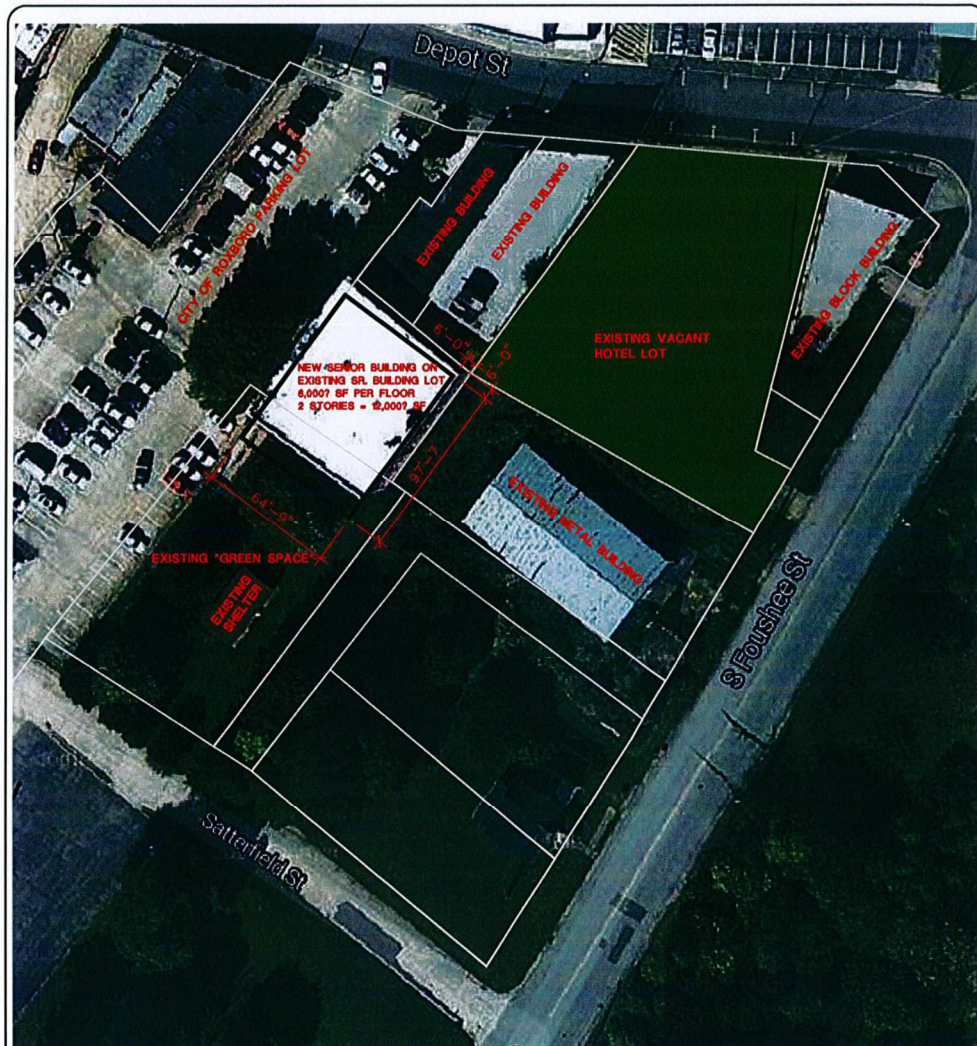
Notes: Option 2 can be done but provides a far greater challenge. Renovating the existing facility provides no advantage financially vs constructing a new facility. The existing building elements will negatively impact the ability to freely program the space for its intended use. The existing building also presents a challenge for code compliance. Unforeseen conditions in old structures such as this normally result in unforeseen costs. These costs are not reflected in this preliminary budget exercise. Renovating the existing building does not lend itself well for multi story use due to the tight floor to floor dimensions. This would be a risky venture with the most potential for budget overages and the least desirable product.

OPT2



PRELIMINARY SITE OPTIONS FOR:
PERSON COUNTY SENIOR CENTER
DEPOT STREET
ROXBORO, NORTH CAROLINA

March 16, 2015



OPTION 3 - NEW BLDG. ON EXIST. SENIOR LOT

SCALE 1" = 50'

OPTION 3

New Construction - 12,000 sf on Existing Senior Center Lot

Projected Cost per SF	\$130	12,000 sf	\$ 1,560,000.00
Demolish Existing Senior Center Building	\$5	12,000 sf	\$ 60,000.00
Site Work/Parking			\$ 500,000.00
Kitchen Equipment			\$ 40,000.00
Architectural/Engineering fees			\$ 148,400.00
Fixtures, Furnishing & Equipment, Tel Comm, Data, etc.			\$ 200,000.00
Fire Suppression/Sprinklers			\$ 100,000.00

Total New Construction Cost: \$ 2,608,400.00

Notes: Option 3 would provide an entirely new facility in the same location as the existing facility in a similar footprint. This would require the demolition of the existing structure and far more extensive site preparation in comparison to the hotel lot or the existing green space/grassy area. Programming will be far more flexible than Option 2.

-This building may need to be sprinklered depending on the desired amount of exterior wall openings in the two walls adjoining property not owned by Person county or the City of Roxboro. These walls would also need to be setback from there current location to have the ability to have exterior wall openings. This option would encroach onto the green space/grassy area in order to achieve the desired square footage.

-Unknown site conditions beneath the existing building could be a source of budget overages.

OPT3



PRELIMINARY SITE OPTIONS FOR:
PERSON COUNTY SENIOR CENTER
DEPOT STREET
ROXBORO, NORTH CAROLINA

March 16, 2015



OPTION 4 - EXIST. 6,000 SF RENOVATION + NEW ADDITION 1 STORY, REMOVE ATTIC

SCALE 1" = 50'

OPTION 4

A-3 Occupancy - Type IIIB Construction

New & Renovated Construction - 12,000 sf Addition to Existing Senior Building

Projected Cost per SF	\$130	12,000 sf	\$ 1,560,000.00
Existing Site/Parking Improvements			\$ 30,000.00
Kitchen Equipment			\$ 40,000.00
Architectural/Engineering fees			\$ 130,200.00
Fixtures, Furnishing & Equipment, Tel Comm, Data, etc.			\$ 200,000.00
Demolish Existing Floor Structure & Roof - 6,000 sf	\$5	12,000 sf	\$ 60,000.00
General Renovations (Up/fit, Finishes, Fixtures, etc.)	\$50	12,000 sf	\$ 600,000.00
Enhance First Floor Structure	\$10	6,000 sf	\$ 60,000.00
New Metal Building Roof Structure, Insulation, etc	\$5	6,000 sf	\$ 30,000.00
New Steel Column Support Structure			\$ 60,000.00
New Plumbing/Toilets for Men & Women			\$ 50,000.00
New HVAC System			\$ 150,000.00
New Electrical/Lighting/Emergency			\$ 60,000.00
Replace 30 Windows	\$700	30	\$ 21,000.00
Seismic Bracing			\$ 60,000.00
Architectural/Engineering fees			\$ 50,000.00
12,000 SF NEW + RENOVATION		Total New Construction Cost:	\$ 3,111,200.00
8,000 SF NEW + RENOVATION		Total New Construction Cost:	\$ 2,511,200.00
6,000 SF NEW + RENOVATION		Total New Construction Cost:	\$ 2,271,200.00

-This is probably the best overall option with the most potential. Leaving the Existing Senior building exterior walls intact affords us opportunities within the building code that would be lost with demolition. All existing exterior wall openings may remain, so long as the Seniors share in the occupancy of the space.
 -The existing structure would function well as a single story building.
 -The existing building as a single story would provide a high ceiling with abundant natural light and a large open area creating an ideal multi-purpose space.
 -The existing facade can be upgraded to blend in with the new addition providing a more favorable appearance.
 -The new building addition could also tie in with a terrace/patio to the existing green space/grassy area. This space could be utilized for outside dining or many other activities.

OPT4



PRELIMINARY SITE OPTIONS FOR:
PERSON COUNTY SENIOR CENTER
 DEPOT STREET
 ROXBORO, NORTH CAROLINA

March 16, 2015

RECOGNITION OF LOCAL GOVERNMENT DAY:


Chairman Puryear welcomed the Person High School students enrolled in civics and economics participating in Local Government Day to observe the Board of County Commissioners in session. Chairman Puryear, Vice Chairman Newell and Commissioners Clayton, Jeffers and Kendrick proceeded to introduce themselves; County Manager, Heidi York and Clerk to the Board, Brenda Reaves also introduced themselves. Chairman Puryear asked other county staff to stand to be recognized that was present in the audience.

COUNTY EMPLOYEE HEALTH BENEFITS PLAN FOR FY 2015-2016:

Heidi York, County Manager stated she requested the renewal quotes for Person County's employee health benefits earlier than in previous years in an effort to involve the Board in determining the most fiscally responsible option that also addresses the needs of the county's workforce. Ms. York noted the County currently enrolls 412 subscribers to the health benefits plan at a cost of \$2,508,833; paying a rate of \$507.45 per employee per month. Ms. York reminded the Board that the County utilizes the services of its brokers Mr. Phillip Allen of Thompson-Allen Insurance of Roxboro and Mr. Bryan Bickley of Scott Benefit Services of Raleigh who would present their health benefits renewal analysis to the Board.

Ms. York further noted the brokers are supporting the transition to a self-funded benefits plan and will provide costs for both the current fully insured option with Coventry as well as a self-funded option through Coventry for the next fiscal year.

Mr. Allen and Mr. Bickley gave the Board the following presentation entitled Person County 2015 Renewal Meeting. Mr. Bickley explained the option to renew with Coventry for fully insured would result in an increase of 14.64% for a health benefits plan cost of \$3,137,858; paying a rate of \$634.68 per employee per month. Another fully insured Coventry CareLink option narrows the network of providers to CareLink Duke realizes an increase of 4.44% for a health benefits plan cost of \$2,858,472; paying a rate of \$578.17 per employee per month. Mr. Bickley outlined the Coventry Self-Funded option for an increase by 8.94% to reflect the maximum liability costs at the current enrollment for a budgeted health benefits plan cost of \$2,981,811.

<div> <div>Employee-Owned</div> <div>  </div> </div> <div> Person County Government July 1, 2015 Medical Renewal Analysis </div>				
	Current Coventry	Fully Insured Renewal Coventry	Fully Insured CareLink (assumes full replacement with CareLink Duke)	Coventry Self-funded
Administrator				Coventry
Stop Loss Carrier	Fully Insured	Fully Insured	Fully Insured	Self-funded
Specific Stop Loss Level				\$125,000
Specific Contract Type				12/12
Annual ISL Maximum				Unlimited
Benefits Under Specific				Medical and Rx
Aggregate Protection				115%
Aggregate Contract Type				Medical and Rx
Benefits Under Aggregate				27/12
Enrollment Calculations	412	412	412	412
Employee Only (Single)	324	324	324	324
Employee With Dependents (Family)	88	88	88	88
Administrative Costs				
Medical Administration				\$19.49
Network Access				Included in admin fee
PPACA (estimated) (TRF & PCORI Fees)				\$0.00
Consulting Fee				\$5.29
Total Administrative Cos: PEPM				\$16.50
Annual Estimated Admin Costs				\$41.28
Annual Dollar Change From Current				\$204,088
Total Reinsurance Costs				
Single Specific Change				\$52.16
Family Specific Change				\$106.56
Specific Composite Premium				\$70.19
Aggregate Premium				\$12.17
Total Reinsurance Cost PEPM				\$82.36
Annual Estimated Reinsurance Costs				\$407,174
Annual Dollar Change From Current				
Total Fixed Cost				
Total Fixed Cost PEPM				\$123.64
Total Annual Fixed Costs				\$611,262
Annual Dollar Change From Current				
Expected Claims Liability				
Expected Composite Factor PEPM				\$416.94
Annual Expected Liability for Med & RX Claims				\$2,061,347
Annual Dollar Change From Current				
Maximum Claims Liability				
Aggregate Composite Factor				\$479.48
Annual Max Liability for Med & RX Claims				\$2,370,549
Annual Dollar Change From Current				
Total Annual Costs				
Total Expected Cost PEPM	\$553.61	\$634.88	\$578.17	\$540.58
Exp. Costs at Current Enrollment				
Annual Dollar Change From Current	\$2,737,048	\$3,137,858	\$2,858,472	\$2,672,609
Annual Dollar Change From Current		14.64%	4.44%	-2.35%
Max Costs at Current Enrollment				
Annual Dollar Change From Current				\$2,981,811
Variance From Current				8.94%

March 16, 2015



Coventry CareLink Plans

Embrace Risk. Reward Performance. | scottins.com



- Currently only offered as Fully Insured option
- Impactful way to reduce cost of chronic conditions
- Patient Centered Medical Home (PCMH) model
- PCMH can be offered along side traditional PPO
- In PCMH employee must elect primary care physician
- Employee may see any provider in Coventry network – cost differential to non-CareLink provider



Coventry CareLink Plans

Embrace Risk. Reward Performance. | scottins.com

Patient Centered Medical Home Model

- Care Coordinator assigned at primary care practice
 - Closes gaps in care
 - Tracks Labs, Rx, chronic conditions
 - Reduces Inpatient readmissions
 - Provider rewarded for value/quality

March 16, 2015

150 YEARS
STRONG



Fully Insured Costs

Embrace Risk. Reward Performance. | scottins.com

Additional Fees Paid by Fully Insured Plans

- Health Insurance Industry Fee 4% = \$125,514
- NC Premium Tax 2% = \$50,532*
- Coventry Profit 3% = \$81,921*
- Total = \$257,967

Note: Amounts adjusted to reflect Premium Tax and Profit still paid on reinsurance in self-funded environment – not paid on entire premium

150 YEARS
STRONG



Trend Towards Self Funding

Embrace Risk. Reward Performance. | scottins.com

2013 NC Benchmark

	Self-Insured Plans	Minimum Premium Plans	Fully-Insured Plans
0-49 Employees	16.7%	0.0%	83.3%
50-199 Employees	27.4%	0.0%	72.6%
200-499 Employees	50.0%	15.0%	35.0%
500-999 Employees	100.0%	0.0%	0.0%
1000+ Employees	88.9%	0.0%	11.1%
All Plans	50.3%	4.1%	45.5%

2014 NC Benchmark

	Self-Insured Plans	Minimum Premium Plans	Fully-Insured Plans
0-49 Employees	50.0%	0.0%	50.0%
50-199 Employees	39.5%	0.0%	60.5%
200-499 Employees	71.4%	10.7%	17.9%
500-999 Employees	87.5%	0.0%	12.5%
1000+ Employees	100.0%	0.0%	0.0%
All Plans	64.2%	3.2%	32.6%



Self-Funded Contract Terms

Embrace Risk. Reward Performance. | scottins.com



- 15% corridor between expected and maximum claims (when aggregate stop loss pays)
 - Normally 25%
 - Reduces Person County's maximum exposure
- Accelerated Reimbursement – protects Person County's cash flow
 - Individual stop loss deductible is \$125,000
 - If an individual has a \$150,000 claim
 - Coventry immediately pays the \$25,000

Person County Government					
Contribution Analysis					
Effective Date: July 1, 2015					
Employee Owned					
SCOTT					
BENEFIT SERVICES					
Current Rates					
	Enrollment	Monthly Rates	Employee Contribution	Employee Contribution %	Employer Contribution
Coventry Duke/Traditional					
Employee	324	\$507.45	\$0.00	0.0%	\$507.45
Employee + Child(ren)	80	\$687.63	\$180.18	26.2%	\$507.45
Employee + Spouse	8	\$1,077.36	\$569.91	52.9%	\$507.45
Employee + Family	0	\$1,262.03	\$754.58	59.8%	\$507.45
Total Enrollment	412				
Total Annual Cost		\$2,736,517	\$227,684		\$2,508,833
July 1, 2015 Renewal Rates					
	Increase in funding:		9.00%		
	Enrollment	Monthly Rates	Employee Contribution	Employee Contribution %	Employer Contribution
Coventry Duke/Traditional					
Employee	324	\$553.12	\$0.00	0.0%	\$553.12
Employee + Child(ren)	80	\$749.52	\$196.40	26.2%	\$553.12
Employee + Spouse	8	\$1,174.32	\$621.20	52.9%	\$553.12
Employee + Family	0	\$1,375.61	\$822.49	59.8%	\$553.12
Total Enrollment	412				
Total Annual Cost		\$2,982,803	\$248,176		\$2,734,628
Dollar Change in Annual Cost			\$20,492		\$225,795
Percentage Change In Employer Cost			9.00%		9.00%
Total Program Cost Change (Employer and Employee)					9.00%

March 16, 2015



Ancillary Renewal

Embrace Risk. Reward Performance. | scottins.com

Ameritas Dental

- Negotiated rate pass
- Person County may elect \$100 orthodontia carryover amount

The Standard Basic Life and Voluntary Life

- Remain in rate guarantee

New at Scott Insurance

150 YEARS
STRONG



Embrace Risk. Reward Performance. | scottins.com

- Hutch Mauck takes over as president/CEO January 2014
- We celebrate our 150th year in business
- We become second largest privately held agency in southeast
- We join C2 Solutions as an equity partner with six other strong independent agencies combined to:
 - Share best operational practices
 - Provide market leverage for contractual terms and pricing
 - 225 consultants; \$300 million in annual revenue; 1,300 employees
 - Representing 1.4 million members
 - Makes us top 10 size agency for market leverage
- ScottRx Pharmacy Coalition goes live in January 2014
 - Strong pricing contract and 100% of rebates returned
 - Ongoing pharmacy consulting
 - Auditable/transparent contracts
 - Average savings of \$120,000 per 1,000 members

March 16, 2015



New at Scott Insurance

Embrace Risk. Reward Performance. | scottins.com

- Strengthen our Human Resources and Technology offerings
 - HR advisory services through Human Resources Worksite Solutions
 - Day to day HR consulting
 - Policies and Procedures written and/or reviewed
 - ERISA Compliance
 - Technology evaluation through HR Technology Advisors
- Private Exchange offering in spring of 2015
- We open our 6th Employee Benefits Captive

150 YEARS
STRONG



ACA Impacts

Embrace Risk. Reward Performance. | scottins.com

- Employer mandate effective in 2015
 - 2015 Penalties:
 - No coverage = \$2,080 per FTE penalty
 - Non-compliant coverage = possible \$3,120 per person penalty
- Individual mandate 2015
 - \$325 per adult, maximum of \$975 or 2% of household income
 - 2015 must establish measurement period for “part time” workers
 - Health Insurance Industry Fee from 2.4% to 4% of premium in 2015
 - Only on Fully Insured

March 16, 2015



ACA Impacts

Embrace Risk. Reward Performance. | scottins.com



- 6055 and 6056 Reporting Requirements effective for 2015 plan year
 - Section 6055 required by health insurance carriers and self-funded employers - to report information on each individual provided with coverage
 - Section 6056 requires large employers to provide information on each terms and conditions of health plan coverage offered to full-time employees
 - First returns due in 2016 for coverage provided in 2015
 - Must be filed with IRS by 2/28/16
- Establish Health Plan ID in 2015
 - Postponed indefinitely

March 16, 2015

Mr. Bickley stated the trend has been for companies to move toward self-funded plans noting self-funding is less expensive for everyone. Mr. Bickley told the group that the total claims drive the premium costs. Mr. Bickley stated Person County could expect \$2M in claims in the first year, however staff was recommended to budget at the maximum liability for claims at \$2.9M. Mr. Bickley confirmed the plan would not change from the current design by moving to self-funded.

Vice Chairman Newell asked if other employee benefits, i.e. dental, group life could be bundled with health to realize a group savings. Mr. Allen stated that was not possible due to the fact that the claims drive the cost. Mr. Allen noted the fixed costs could be negotiated, i.e. commissions is a fixed cost. Mr. Allen further noted that employers can redesign the plan to a) decrease the level of benefits, b) make changes in the plan design, and/or c) set a contribution by the employees, each resulting in a lesser employer contribution.

Commissioner Clayton stated support of the employees making their own plan design choices, i.e. reduced premium with a higher deductible.

Mr. Allen told the Board the first year the premium was \$2,485,877 for fiscal year 2013-14 and the claims for the same period of \$2,209,061 with a loss ratio at 88.8%.

A **motion** was made by Commissioner Kendrick and **carried 5-0** to adopt the self-funded insurance plan.

A **motion** was made by Commissioner Kendrick and **carried 5-0** for the Board to take a brief recess at 11:07 am. Chairman Puryear reconvened the meeting at 11:13 am.

STRATEGIC PLAN FOCUSING ON COMMUNITY AND ECONOMIC DEVELOPMENT:

Assistant County Manager, Sybil Tate stated at the Board's Budget Retreat, the commissioners recommended that staff 1) review the structure of the SPC III document 2) focus on community and economic development only and 3) create a CIP-like strategic plan document. Ms. Tate presented the following options for the Board's feedback:

Option #1: Begin work on a new strategic plan focused on community and economic development. Provide staff with feedback about the attached projects and potential committee members.

Option #2: Continue work on the Person Futures Plan. Meet with strategic plan groups and develop funding request for FY16 budget. See attached for projects proposed at the FY15 budget retreat.

Option #3: Conduct a community-wide survey, instead of a strategic plan. Conduct a survey in-house or hire the International City/County Manager's Association (ICMA) to conduct a survey, which can be compared to other communities of similar size (\$7,000 - \$14,000).

Option #4: Do nothing.

Chairman Puryear supported option 1 with using previous Strategic Plan Committee (SPC) members or equivalent for the position represented to move forward on developing a new strategic plan focusing on economic development. In addition, Commissioner Jeffers advocated to hire a consultant to facilitate the economic development ideas from the group that agree to serve on the new committee.

Chairman Puryear recommended using the previous SPC four areas of study:

- Branding/Marketing;
- Education, Training and Business Development;
- Infrastructure; and
- Quality of Life.

Commissioner Jeffers suggested the use of billboards in neighboring areas to promote Person County.

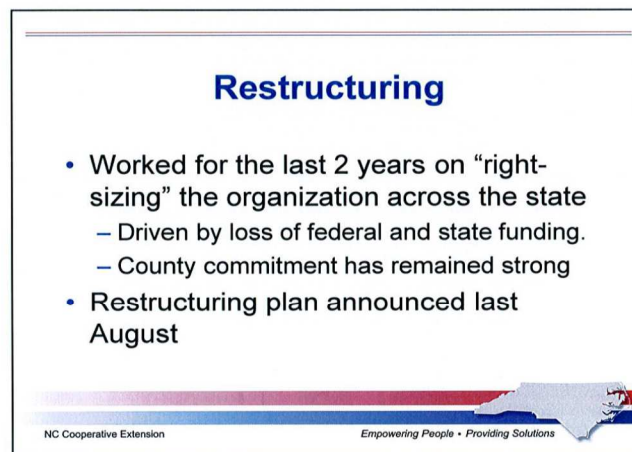
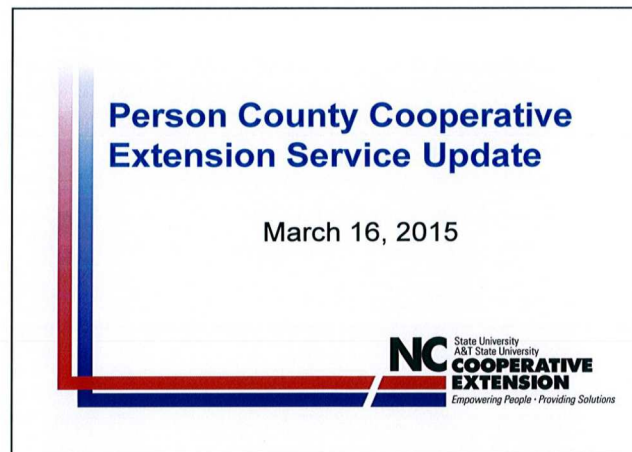
Ms. Tate indicated the next step would be to release a Request for Proposal (RFP) for a consultant as well contact previous SPC members to serve on the new committee.

Chairman Puryear asked the County Manager to share the previous strategic plan committees' list of members with the Board.

COOPERATIVE EXTENSION SERVICE UPDATE:

Mr. Paul Westfall, Interim County Extension Director told the group that Cooperative Extension conducted a strategic planning initiative to help the organization cope with continued budget cuts and realign services. The result was a reduction in one admin support position for Person County beginning in FY16. In order to achieve the State's cuts for FY17, the current proposal is to share all staff but 4-H with Granville County. Mr. Westfall shared the following presentation with the Board:

Mar-15



1

March 16, 2015

Restructuring

- Input from Stakeholders, including the NC Association of County Commissioners, emphasized the importance of keeping a Cooperative Extension Center in each county.

NC Cooperative Extension

Empowering People • Providing Solutions

Impacts

- Where do we fit?
 - Close to the 50:50 match
 - Current Staffing:
 - Interim CED
 - .5 Horticulture Agent
 - .5 Crops Agent
 - 4-H Agent
- Livestock Agent
- FCS Agent
- Administrative Assistant
- Administrative Support Specialist
- Will not affect grant-funded positions (

NC Cooperative Extension

Empowering People • Providing Solutions

Impacts

- Already share two agents with Granville County
- FCS Agent will work in two counties
- Currently have Interim CED
- Working to develop a two-county team.

NC Cooperative Extension

Empowering People • Providing Solutions

Programming

- Working to develop survey
 - Include input from people not currently using Extension resources
 - Determine programming direction
- Advisory Leadership
- Specialized Committees

NC Cooperative Extension

Empowering People • Providing Solutions

Significant Results

- Voluntary Agriculture District
 - Continues to be active program with new applications coming in
- Farmland Protection Planning
- Farm Tour
- Livestock Marketing

NC Cooperative Extension

Empowering People • Providing Solutions

Results

- Good Agricultural Practices
 - Must have GAP certification to get a contract
- Respirator Fit-Test
- Piedmont Regional Beef Conference
 - Attendees reported increased income by \$45,850

NC Cooperative Extension

Empowering People • Providing Solutions

Results

- Master Gardeners Trained
 - New to Person County
- Alternative Crops Trials
 - Asparagus, Rhubarb, Strawberries, other specialty crops
- Specialty Crops School

NC Cooperative Extension

Empowering People • Providing Solutions

Results

- Snap-Ed
 - Weight Loss Challenge
 - Chronic Disease Management
- Parenting (Very Important Parents & Parents as Teachers)
- ServSafe Training

NC Cooperative Extension

Empowering People • Providing Solutions

Results

- Teen Court
 - Handled 74 cases in the last two years
- 4-H – Camps, Workshops, STEM, Embryology, Clubs, School Programs, Junk Drawer Robotics

NC Cooperative Extension

Empowering People • Providing Solutions

Results

- 4-H Participants believe 4-H has helped them:
 - Communicate more effectively
 - Become better at solving problems
 - Become more of a team player in groups
 - Become more involved in their communities.

NC Cooperative Extension

Empowering People • Providing Solutions

Summary

- Economic impact from Agriculture/Food:
 - Cash receipts to farms over \$41 million
 - Value Added impact over \$90 million
- Economic Impact from Forestry:
 - Cash receipts delivered to mills over \$8 million
 - Value Added impact over \$27 million

NC Cooperative Extension

Empowering People • Providing Solutions

Summary

- Cooperative Extension Service is restructuring – keeping county presence
- Emphasis on local issues in Agriculture, Foods, and 4-H

NC Cooperative Extension

Empowering People • Providing Solutions

Vice Chairman Newell asked Mr. Westfall about the prospect of Person County becoming a food growing county to which he replied very feasible for specialty crops noting local foods are strong in NC.

Commissioner Clayton noted the benefits of the Voluntary Agricultural Districts, the educational Farm Tour as well as many participating youth of 4-H programs.

Commissioner Jeffers commended the Farmland Protection Plan moving forward.

PUBLIC SALE OF “LIBRARY HOUSE”:

General Services Director, Ray Foushee told the group that quite a few years ago, the house and .85/100 acre that is located at 2461 Burlington Road was donated to the Person County Library in a “trust” under the will of Mattie Maude Williams. For a time, the head librarian lived in the house. Later, when that was not practical, the County began to lease the property (through a rental agency) and continued that up through September 2014.

Mr. Foushee stated with the guidance of the County Attorney, staff decided it best to remove the property from the rental market, sell the house/property, and put the proceeds back into the library trust fund. However, removing the property from the “trust” was not easy and resulted in a lengthy court proceeding. In December 2014, the Superior Court judge ruled that the property could be sold at Public Auction and proceeds go to the library fund. Thus, upon instruction from the County, Alan Hicks, a local attorney will orchestrate the sale of this property through the required 20-day advertisement period. In order to prevent the sale going significantly below market value, Mr. Foushee requested the Board to approve the County entering an upset bid of up to \$100,000. Mr. Foushee noted that Wayne Ross, a local appraiser completed and released to the County on March 5, 2015 an appraisal that stated the value of this house/property at \$100,000.

Mr. Foushee stated if approved by the Board and the County has to use the upset bid process, the County would then be able to advertise and sell the property by any approved means, including the use of a real estate agent.

A **motion** was made by Commissioner Clayton and **carried 5-0** to approve the County entering an upset bid up to \$100,000.

CHAIRMAN'S REPORT:

Chairman Puryear report that he and Vice Chairman Newell recently met with the Chair and Vice Chairman of the Board of Education to discuss their budget request.

Chairman Puryear told the group that he had participated in the Reality Store through the Chamber of Commerce. The Reality Store is an interactive, hands-on simulation of real life in which 8th graders are assigned a career with basic educational requirements and family life. Depending on their life assignments, the students move from booth to booth where each represent expenses and income for living. The Reality Store is designed to provide students with a glimpse into their future lives, and help them with real-world financial planning, goal setting, decision making and career planning.

MANAGER'S REPORT:

County Manager, Heidi York reported that staff and Vice Chairman Newell met with a representative from DENR related to the available testing by the State at the landfill. Ms. York noted the DENR representative is available to attend the Board's meeting in April once the Board provides input for the specific data to which he will be asked to address. Ms. York said she would provide the Board contact information to give residents that complain of odor issues from the landfill.

Ms. York asked the Board to confirm attendance at a closed session meeting for PCBIC on March 18, 2015 at 4:30 pm in the S-100 room at Piedmont Community College for the purpose of consultant site evaluation follow-up.

COMMISSIONER REPORT/COMMENTS:

Commissioner Jeffers reported he presented the proposed capital program to the Fire Chief's Association to which they were appreciative and agreed to accept the proposal.

Commissioner Clayton encouraged the Board to attend the upcoming County Assembly Day scheduled for May 6, 2015 for an opportunity to talk to the legislative delegation representing Person County.

Commissioner Kendrick had no report.

Vice Chairman Newell reported the DENR representative, Jason Watkins would address complaints about the landfill noting he was currently working to get an inspector on site to address a recent complaint.

March 16, 2015

CLOSED SESSION #1

A **motion** was made by Commissioner Kendrick and **carried 5-0** to enter into Closed Session per General Statute 143-318.11(a)(4) at 11:47 am for the purpose of discussion of matters relating to the location or expansion of industries or other businesses in the county (economic development update) with the following individuals permitted to attend: County Manager, Heidi York, Clerk to the Board, Brenda Reaves and Economic Development Director, Stuart Gilbert.

It was the consensus of the Board to hold the Closed Session in the Board's meeting room 215. A brief recess was called to relocate the meeting to the Board's meeting room 215.

Chairman Puryear called the Closed Session to order at 11:54 am.

A **motion** was made by Commissioner Jeffers and **carried 5-0** to return to open session at 12:14 pm.

ADJOURNMENT:

A **motion** was made by Commissioner Kendrick and **carried 5-0** to adjourn the meeting at 12:14 pm.

Brenda B. Reaves
Clerk to the Board

Kyle W. Puryear
Chairman

March 16, 2015