

The Alleghany County Board of Commissioners met in special session on Friday, November 13, 2015, at 3:00pm in the Board Meeting Room of the County Administration Building, 348 South Main Street, Sparta, North Carolina.

Present: Chair Tom Smith, Vice-Chair Karen Leys, Commissioner Larry Davis, Commissioner Mark Evans, Commissioner Bobby Irwin, County Attorney Donna Shumate, County Manager Don Adams, and Clerk to the Board Karen Evans.

Chair Smith called meeting to order at 3:03pm and explained the purpose of the meeting to have conversations regarding the Article 46 referendum including the process if the Board decides to pursue it and then what occurs after that.

County Manager Don Adams handed out papers regarding Article 46 including the North Carolina General Statutes (NCGS) stating what is required to have a referendum. He reviewed the NCGS including Article 46 has to follow the same rules as Article 39 with a few exceptions. He continued to review the NCGS regarding having the referendum. He said if the Board chooses to move forward then the Commissioners would have to direct the Board of Elections to hold the referendum. He reviewed the steps that are required including this has to be done by referendum. He explained that he has been asked if this is a permanent tax, which everyone would have to refer back to Article 39 that says the tax can be appealed by how it was authorized meaning if the tax is put on by referendum then it would have to be removed by referendum.

Chair Smith said the Commissioners couldn't pursue this without Article 39, 40, 42. County Manager Don Adams agreed. Chair Smith noted those taxes were put in place by prior boards. The County Manager explained how the other taxes were authorized.

Commissioner Leys asked a question about exemptions. The County Manager reviewed the language in the NCGS.

Commissioner Evans and the County Manager talked about the amount of revenue is estimated to be around \$175,000. The County Manager explained his conversations with the North Carolina Association of County Commissioners including we would not see the actual revenues until September, but the County would realize the entire year after the auditors make their adjustments.

County Manager Don Adams explained the timeline if the referendum passes including the timing of the resolution must be sent to the Department of Revenue 90 days prior to the effective date and a 10-day notice for the required public hearing prior to the adoption of the resolution. He further explained that otherwise the County will miss the first-quarter revenues.

Commissioner Leys asked what would it cost an average individual. The County Manager provided one way to look at it and explained the ¼¢ sales tax analysis.

Commissioner Irwin mentioned that every time a citizen goes to the surrounding areas they are paying the extra tax, and we are losing taxes to surrounding areas.

The County Manager said for every \$100 spent it will cost an extra \$0.25 with the exception of food.

Commissioner Leys provided examples of items that the tax would be charged on.

County Manager Don Adams talked about if the Board chooses to continue he can run multiple ways to look at it.

Commissioner Irwin asked one way to look at it is looking at the guesstimate about what people go out of the county to spend.

Commissioner Leys and the County Manager talked about the tax is a point-of-delivery tax.

Commissioner Irwin said we have no choice to implement the backup system for 911. The County Manager explained that the County has to deal with a portion of this regardless of today's conversation there will have to be a plan developed and put in place by the end of June 2016 showing that we are developing a true backup system in dispatch or we lose the 911 monies, which help pay for the equipment and a portion of the salaries. Commissioner Irwin said if we don't approve this or the public doesn't approve this where does the money come from. The County Manager talked about we need assistance to develop the plan so that money would have to come from the General Fund and implementation monies would have to be determined depending upon the implementation because the biggest part of it could come from 911 monies.

Chair Smith asked if there are any other questions about the Article itself since the conversations are moving towards communications.

Commissioner Evans asked if the tax would be on prescription drugs.

Commissioner Irwin said he doesn't think there is a list of items, and it is confusing on what was charged sales tax or not in a convenience store.

County Manager Don Adams said he would have to see what Article 39 applies to with the Article 46 exemption. He said that the only thing he would know to do is call the Department of Revenue and ask.

Commissioner Leys said all she sees exempt is un-prepared food and certain building materials. She stated that it is worth a phone call to confirm that. County Manager Don Adams said he would compile a list of questions then call, and used gasoline and prescription drugs as examples.

Commissioner Irwin and County Attorney Donna Shumate talked about the court system doesn't charge any type of sales tax.

Commissioner Irwin said he was trying to think of things that could impact lower income people. He stated we as Commissioners need to be prepared to answer citizens who ask if this affects their medication costs.

The County Manager urged everyone to think of questions, let him know, and he will ask the Department of Revenue.

Commissioner Irwin mentioned rounding of taxes already.

Commissioner Evans read an article regarding items Article 39 applies to.

Commissioner Irwin said this is such a minimal tax increase, don't like taxes but the money has to come from somewhere to pay for the 911 backup.

County Manager Don Adams displayed a map of Alleghany County and explained the basics of how communications work when someone calls 911. He showed the locations of the two communication towers and talked about getting ready to move one of the towers. He described the repeater system and how it works. He explained the current setup with pagers, walkies, radios in vehicles and how each of them work with the current repeater system. He talked about the viper system and dual band channel systems that the Sheriff has spoken about. He explained the price of the walkies for both systems and the viper system won't page.

Commissioner Irwin asked does a firefighter use the walkie during a fire. Commissioner Davis said yes. The County Manager explained yes it depends, and they get a lot of abuse due to the nature of the jobs.

Chair Smith and the County Manager talked about Daniel Roten has the same radio walkie.

The County Manager explained that there is no county that has switched totally over to the viper system. Commissioner Irwin and the County Manager talked about the main reason is the paging system. The County Manager explained the importance of the paging system. Commissioner Irwin asked with the new plan, what will they carry. The County Manager said it is the same radio, not changing how we are currently operating.

The County Manager explained the issue is we have significant dead spots in the county. He finished explaining the current system including how people have to switch back and forth between channels to communicate. He talked about the new system would be a simulcast system and explained how it works. He explained this system is a lot more expensive.

Chair Smith and the County Manager talked about volunteers have to switch channels when responding to calls if they are communicating on the radios.

County Manager Don Adam said it is more responsible for us to not separate these two issues, backup plan and dead spots. He said they are highly encouraging a regional system.

Commissioner Evans talked about another purpose of the additional towers.

The County Manager talked about the 911 monies won't pay for the additional towers. He explained if we could develop a plan to use a neighboring county as the backup then that county has to be able to communicate to our emergency services. He further explained that the State is willing to have conversations about the grant dollars to help pay for the initial communications. He stated that typically looking at 4-5 towers for the simulcast system then we are talking about \$800,000, and that is why we are talking about using sales tax monies then add the 911 dollars, so long-term it could save taxpayer dollars. Commissioner Leys asked how. The County Manager explained we are tying this to the backup plan because otherwise it would come from the General Fund monies.

Commissioner Evans said we are thinking we need four towers and one tower could be paid for. The County Manager mentioned adding the equipment in the towers. County Manager Don Adams explained the purpose of the plan and working on getting more 911 monies to help us upgrade.

The County Manager talked about the process to go through in determining a regional system. Commissioner Leys asked about only being in North Carolina. He said he thought only in North Carolina and the importance of staying within the same phone company.

Commissioner Irwin asked how long would it take for the study. The County Manager said he doesn't know because he doesn't have a timeline. Commissioner Irwin said we are pushed on the timeline for the Article 46 sales tax, and the deadline for the study. The County Manager explained it won't be done by June 30, a more reasonable goal is by January of 2017 submitting information to the 911 board for grants, and by then January/February have a project. Commissioner Irwin asked if the Article 46 sales tax passes, we could built up the fund. The County Manager agreed. Commissioner Irwin talked about money needed for the study and then reimburse the General Fund for the study. County Manager Don Adams agreed and explained his timeline.

Commissioner Irwin and County Manager talked about the March timeline for the referendum. The County Manager talked about having a request at the first meeting in April. Commissioner Evans said regardless of the sales tax. The County Manager agreed.

Chair Smith asked does the County Manager have any information about the study. The County Manager talked about an engineering spec plan and provided information about the plan proposal.

Commissioner Evans talked about if we worked out a plan with a neighboring county for simulcast with the existing the towers it wouldn't help with the dead spots. County Manager Don Adams said potentially but he doesn't know for sure. Commissioner Evans asked if the 911 board will pay for the study. The County Manager said no.

The County Manager encouraged the Board to read the proposal, and explained the three different phases of the proposal. He further explained that justification is service to the citizens. He continued to explain the proposal and the need to come with a goal of coverage needed.

Commissioner Irwin said the 911 monies are funded through the phone bills. The County Manager explained that 911 monies only covers what is in the four walls at dispatch, and the vast majority of the sales tax is for outside of it.

The County Manager said that the percentage of coverage in the county will dictate the number of towers. Commissioner Irwin asked what is the percentage needed. The County Manager said he doesn't know, and added we have a lot of dead spots.

The Commissioners and the County Manager talked about locations for additional towers.

The County Manager continued to review the proposal and what is involved in the proposal. He recommended the Commissioners read the proposal.

Commissioner Irwin and County Manager talked about the towers can have a secondary use.

The County Manager continued to review the proposal including the costs and the purpose of the phases.

Commissioner Irwin asked if there is any use of the current equipment. The County Manager said there is not a lot value in it.

The County Manager continued to review the proposal and the phases.

Commissioner Irwin asked about training on the equipment. The County Manager said it will be in the bid specs to train on the equipment.

The County Manager talked about he has dealt with two vendors.

Chair Smith asked about the grant application. The County Manager said behind the grant application are the specs.

Commissioner Leys asked if the referendum doesn't pass, what are the steps then. The County Manager said we would be looking at \$15,000 which would be a General Fund costs, and need to add in about replacing the 911 equipment. He said he doesn't know the costs.

Commissioner Irwin said he doesn't know where the money would come from. County Manager Don Adams said General Fund monies. Commissioner Irwin asked how much is there and drawing down \$800,000. The County Manager said yes if we are doing the entire plan but we won't be able to do the entire thing. Commissioner Evans said that we wouldn't know the costs until the study is completed. Commissioner Irwin said we need the study done to determine what is needed. Commissioner Evans said we are paying for the study regardless of which way we go, might be wise to have the entire study to know what the needs are in order to be able to plan. The County Manager agreed but talked about what he needs for communications. Commissioner Evans said the mandate is the backup system. The County Manager said that is correct plus they want to evaluate our current system, and our current system isn't ideal.

Commissioner Irwin said if we are going to do the program then look at what best serves the needs of the county in the best way possible.

Commissioner Leys asked can we get a referendum passed on this issue if the majority agree to do this.

Commissioner Davis said all we can do is try.

Chair Smith asked did the County Manager have anything else to share. County Manager Don Adams said no.

Chair Smith talked about it passing would take a collaborative effort with everyone involved in emergency services and judging by past bonds, it would take that kind of effort.

Commissioner Irwin and Commissioner Davis talked about the last Fire Commission meeting was favorable. Commissioner Irwin asked have we been in contact with rescue and EMS. Commissioner Evans said he doesn't think there will be a problem with any emergency services people.

Chair Smith asked are we collectively willing to put this on the referendum and to sign a resolution saying that Article 46 would go towards to communications.

Commissioner Irwin said it is a no-brainer because this is a need in the county, and he doesn't see a downside to letting the people decide.

Commissioner Davis talked about the same amount of additional money generated by the taxes. He said that it is time to get more modern equipment.

Commissioner Evans agreed with what has been said. He talked about the ability to pay it off in five/six years and asked what then. He asked are there any other needs. He said he doesn't want to focus on this one if there are others. He asked what the chance of taking it off is. Chair Smith answered it would take a referendum. Commissioner Evans said if it is only \$0.25 per \$100 an average person will see it as a tax increase. Commissioner Evans further said that sales tax is the fairest tax there is.

Commissioner Leys said it is the fairest tax mostly but at the worst it is an affordable tax. She further said we are going to have to enhance 911 sooner or later, and this is an excellent opportunity to put it on the referendum. She talked about the surrounding counties have it and decided their top priority. She further talked about the priority now, and no one has approached her for the monies for their organization. She said that health and safety is number one. She further said that she is worried that we would have to hard sell this.

Commissioner Evans mentioned the need to tie it into something. He said one thing he sees is that current leadership is pushing things down the road for future generations. He further said that another selling point is if we go to a neighboring county we are paying the tax to them.

Commissioner Leys said we are already rounding up anyway.

Commissioner Irwin said he would hope that this Board can be united and be behind it 100%. He said we were elected to do what is the best for the county and have a good selling campaign.

Commissioner Leys said that she agrees if we aren't together on this then the referendum is dead.

Commissioner Irwin, Commissioner Davis and County Manager talked about Sheriff was at the fire commission meeting, and he is in support of improving communication and dispatch/911 upgrades. Commissioner Irwin asked does he support the sales tax to support it. Chair Smith said that is the Commissioners' decision, not his. Commissioner Irwin said all emergency departments need to be supportive. Chair Smith noted that as the County Manager indicated the Sheriff is aware of the needs.

Chair Smith said everyone has spoke, he is in favor of a referendum and willing to sign a resolution saying the sales tax goes to communication. He talked about having a selling campaign, and asked how we go do that. The County Manager noted that nothing restricts how you support this, only restriction is spending County money, a lot of things the Board can do, and if spending money then there are restrictions.

Chair Smith mentioned Monday's meeting agenda including having Article 46 discussions. He asked what the Board wants to accomplish Monday.

Commissioner Irwin said he is ready to vote. Commissioner Davis agreed.

Commissioner Evans asked about what about the monies after this. Commissioner Leys said you can't control what other boards do.

Commissioner Leys talked about the importance to buy the best for what you can with the best planning because new technology is always changing. She said that it is this Board's responsibility to do something, and yes the Board can change the function but doesn't think that is our worry.

Chair Smith talked about guidance on Monday. He said that he thinks there is a consensus to vote on it on Monday. The County Manager explained the vote would be to direct the Board of Elections to put it on the referendum but that isn't the resolution stating the Board's support. Chair Smith asked is the Board comfortable with putting the Article 46 on the agenda. The Board agreed.

Being no further business, Commissioner Evans made a motion to adjourn at 5:16pm. Commissioner Irwin seconded the motion. Vote 5:0.

Respectfully submitted,

Attest:

Karen Evans
Clerk to the Board

Tom Smith
Chair