

MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
CIP WORK SESSION
NOVEMBER 19, 2013

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Historic Courthouse, 1 Hillsboro Street, Pittsboro, North Carolina, 1:00 PM on November 19, 2013.

Present: Chairman Walter Petty; Vice Chairman Brian Bock; Commissioners Mike Cross, Sally Kost, and Pamela Stewart

Staff Present: Charlie Horne, County Manager; Jep Rose, County Attorney; Renee Paschal, Assistant County Manager; Vicki McConnell, Finance Officer, Sandra B. Sublett, Clerk to the Board; and Lindsay Ray, Deputy Clerk to the Board

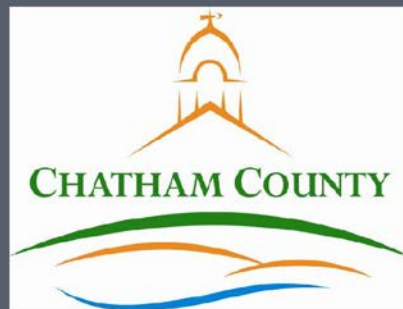
CALL TO ORDER

Chairman Petty welcomed those in attendance and called the meeting to order at 1:00 PM.

CAPITAL IMPROVEMENT PROGRAM (CIP)

13 0592 Introduction:

Renee Paschal, Assistant County Manager, began with an introduction with regard as to how staff approached the Capital Improvements Program. Ms. Pascal stated that Lisa West, Hope Tally, Charlie Horne, and she had toured most of the facilities, looked at most of the new projects, and took a lot of pictures.



**2015-2021 RECOMMENDED
CAPITAL IMPROVEMENTS
PROGRAM (CIP)**

19 November Work Session



What has not changed?

- The high school is still scheduled to open in August, 2019
- No elementary school has yet been scheduled—NE elementary school still a “future project”

Ms. Paschal stated that staff does not have a build-out schedule for the Chatham Park schools at this time. School staff has spoken with the developers at length. If the development is approved, it will radically change the Capital Improvement Plan.



CIP Introduction & Summary

- Major changes:
 - Complete all school roof repairs and replacements identified in the 2010 roofing assessment [+\$1.9 million]
 - Add financial/budget/human resources software [+\$1.5 million]
 - “Repay” the general fund from a FY 2007 \$5 million transfer to the water capital reserve
 - Add two small water main replacements in Haywood and Natural Trail MHP [+789K]
 - Timing and budget changes in several other projects

CIP Meeting Overview



- Summary of Financing Methods
- Operating Impacts
- School Projects
- Other Projects—Categories:
 - Completed (no discretion about delaying or not funding, for information only)
 - Substantially complete (no discretion about delaying or not funding)
 - Approved—Contracts Let (little discretion about delaying or not funding)
 - Approved—No Contracts Let (no construction or purchase contracts let; design contracts may have been let; commissioners may decide to delay or cancel)
 - New (has not been approved in a previous CIP)
 - Future (lacks full information, justification, or funding source at this time)

Ms. Paschal reviewed the completed projects to highlight where the funds have been spent.

Commissioner Kost asked when staff closes out a project.

Ms. Paschal stated a project is closed when everything is fixed.

Commissioner Kost reiterated that as long as there are outstanding expenditures, the project stays open. Ms. Paschal acknowledged that was correct.

Commissioner Kost asked if staff could put a table of completed projects in the back of the CIP as a summary.

Ms. Paschal said staff would consider that.

13 0593 Funding Plan

Funding Strategy



- Fund large, needed facilities through debt:
 - School debt to be repaid from impact fees, lottery proceeds, debt reserve, and restricted sales tax
 - Water debt to be repaid from water capital reserve
 - Other debt to be repaid from **5.6** cents on tax rate going into reserve [no increase from FY 14]
 - Debt model is based on these funding sources
 - Adding joint school bus/county garage would require an additional 0.5 cents (not recommended at this time)
- Fund smaller needs through fund balance/capital reserve, as this source is available; schedule in CIP should be considered tentative

Funding Strategy



- Maximize grant opportunities (parks)
- Fund parks through grants, recreation fee, and capital reserve
- Fund northeast solid waste collection center through capital reserve
- Fund eligible emergency communications projects through 911 funds

Ms. Paschal stated they had struggled with the school bus and county garage, and tried to find a way to fund it. She stated that it requires an additional half-cent, and it is not clear they can absorb the additional half-cent in the operating budget. She stated that they would look at that in the spring.

Chairman Petty stated he had been out at the school garage. He asked if there was any way to make it work, they do so as they are in desperate need.

Ms. Paschal stated revenues are picking up. The County had better growth in property tax last year and sales tax is looking good. She stated that she would rather have more information about revenues before it is decided. She stated that her assumption is that the Board does not want to increase the tax rate by a half-cent.

Commissioner Kost stated they can go through the CIP and the projects and may be able to bump it up in the priorities.

Ms. Paschal stated that the only other project that would make sense to trade it with would be the roofs. Because of the cost involved, there would be debt for the school bus garage. The Board of Education's priority is the bus garage, but from County staff's perspective, the roofs are in really poor shape. It is one of the major capital assets. If that asset is not protected, they may be looking at spending a lot more money in the future. Details will follow at a later date.

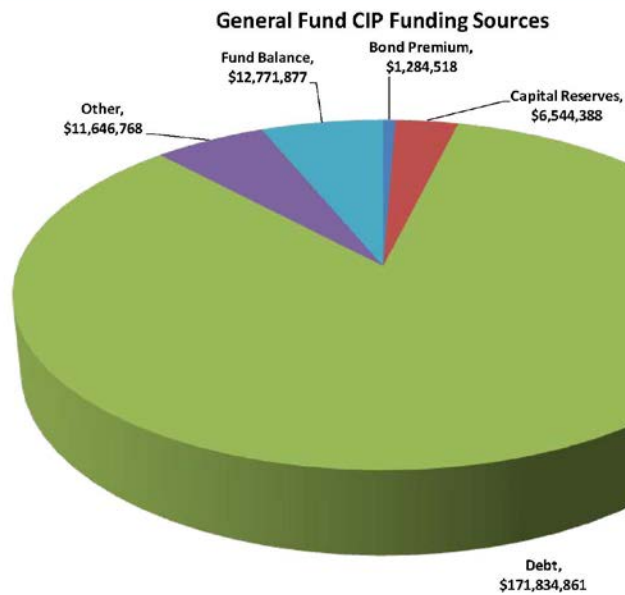


Fund Balance

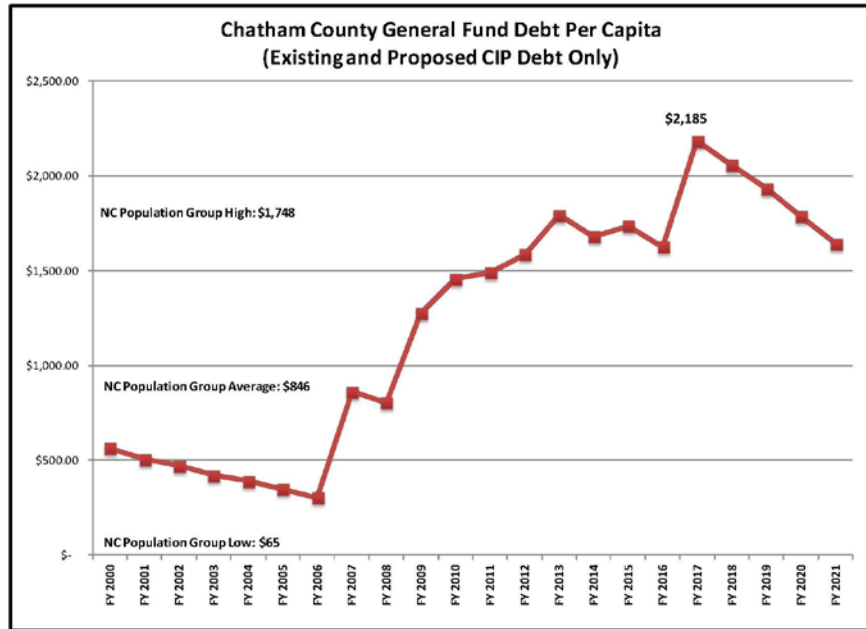
- Board adopted new policy to transfer undesignated fund balance greater than 22% into capital reserve to fund CIP
- Currently, with FY 2014 appropriation, undesignated fund balance is 21.8%--so none available to transfer yet
- This problem may reoccur with the current level of fund balance appropriation



General Fund—Funding Sources (Pages 8-11)

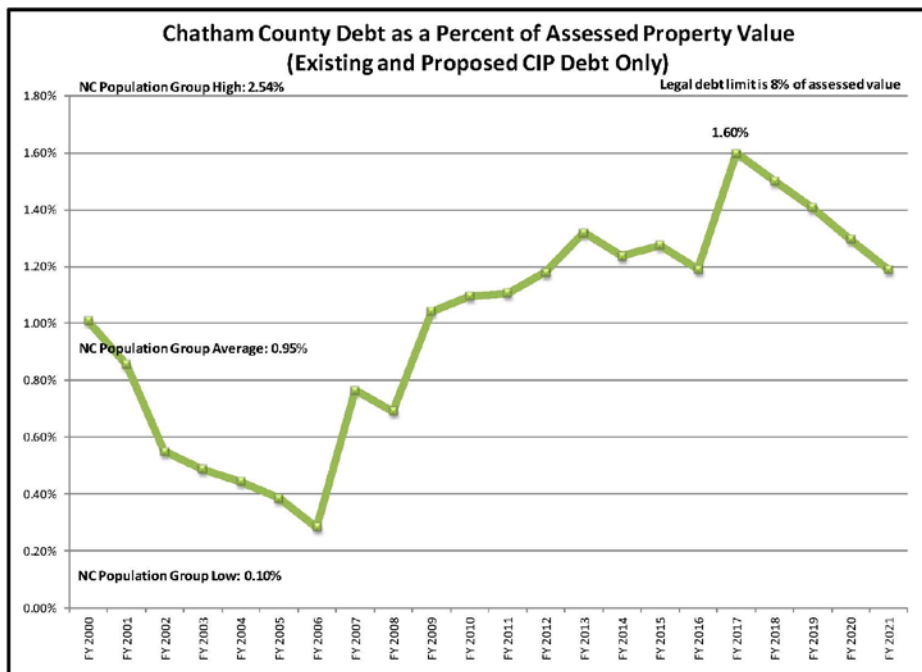


Debt Per Capita



Ms. Paschal stated the only change since last year is that the high school has been extended out two years. This means that there will be high debt per capita. When the County borrows for the high school, it will be above what the highest debt per capita is for our population group. That's balanced somewhat by the assessed property values per capita. When the County borrows for the high school, it will be at 1.6 and the highest county in our population group is 2.54. Chatham County has property values to absorb the debt and also has the debt reserve.

Legal Debt Limit



Debt Service as % of General Fund



- Staff projects that debt service may exceed the 15% maximum recommended by the Local Government Commission
- Current model shows debt service just under 15%
- However, Chatham County has a debt reserve that other jurisdictions do not have
- Increased debt service covered by the debt reserve does not lessen the county's flexibility in the operating budget (LGC's main concern)

Other Revenue Sources



Parks Capital Reserve



- \$225K projected balance after improvements finished at NE Park
- No additional contribution is being made
- Staff will explore how best to leverage remaining funds (e.g., through PARTF)
- Remaining funds can be used to make small improvements at NW Park

Recreation Fees



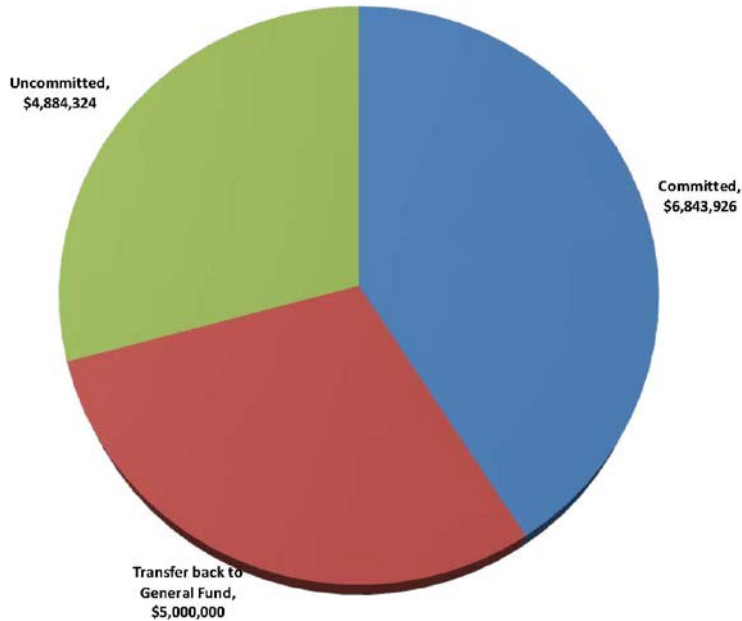
- \$843K projected for Briar Chapel Park improvements (currently planned)
- Other recreation fees collected will reimburse the general fund for NW and SE land purchases
 - ▣ NW—not in our great-grandchildren’s lifetime (~350 years)
 - ▣ SE—well beyond the scope of the CIP (~31 years)
- Bottom line: No additional funds for land purchase in the foreseeable future

Ms. Paschal stated the bottom line with recreation fees is that there is no money for park development.



Water Capital Reserve

Uses of Water Capital Reserve

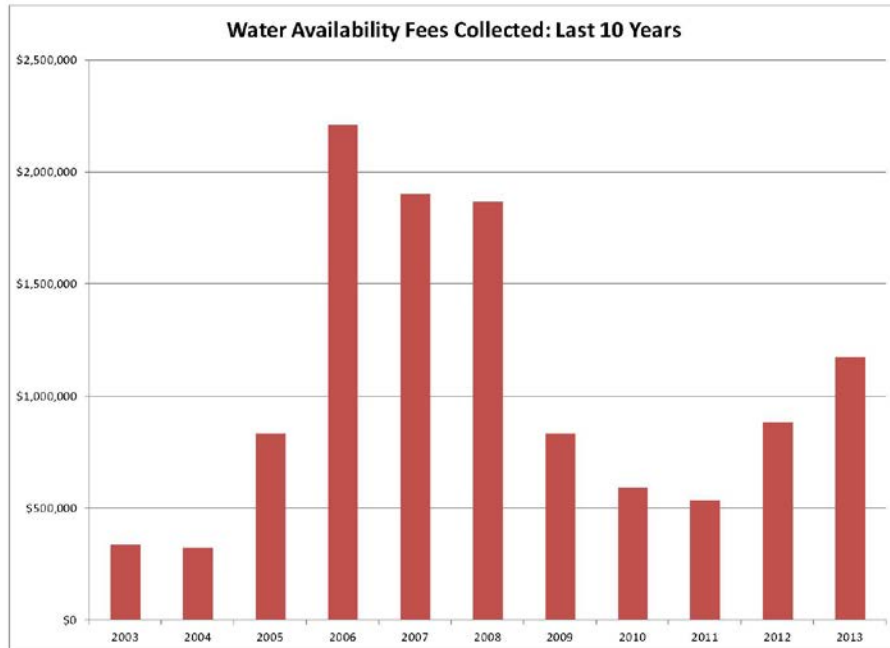


Commissioner Kost asked if this is the money that is eventually being used to build the intake.

Ms. Paschal stated the 2.2 million is already committed. Five million was transferred in 2007, and was used to finance the Harnett County interconnection. That project was later abandoned by the Board of Commissioners. There is the western intake, and the timing for that is yet unknown. There are immediate needs in the general fund. The general fund has subsidized the utility fund very strongly for the last ten years. There has been a contribution in the life of the water system, 16.3 million from the general fund with 12.3 of that committed in the last ten years.



Water Availability Fees



Ms. Paschal stated the graph shows what the County has in the bank. She stated that she doesn't feel there is any way they can build the western intake without borrowing money. She asked how much the Board wants in the bank to offset the borrowing and how much they want in the general fund to subsidize it.

David Hughes, Public Works Director, stated there is a feasibility study that is just being done. Thirty to sixty million dollars will be Chatham's share for the intake, plant, and pipeline. He stated that the County will probably be the major partner along with Durham. Pittsboro is looking to expand its plan along the Haw River. An intake is a major infrastructure and will cost at least 30 million. He stated that the County does not have an allocation yet, but they are looking at 12 million gallons-per-day allocation.

Commissioner Kost stated they need to make sure they are really ready to build the plant.

Commissioner Petty asked about the Harnett County hookup.

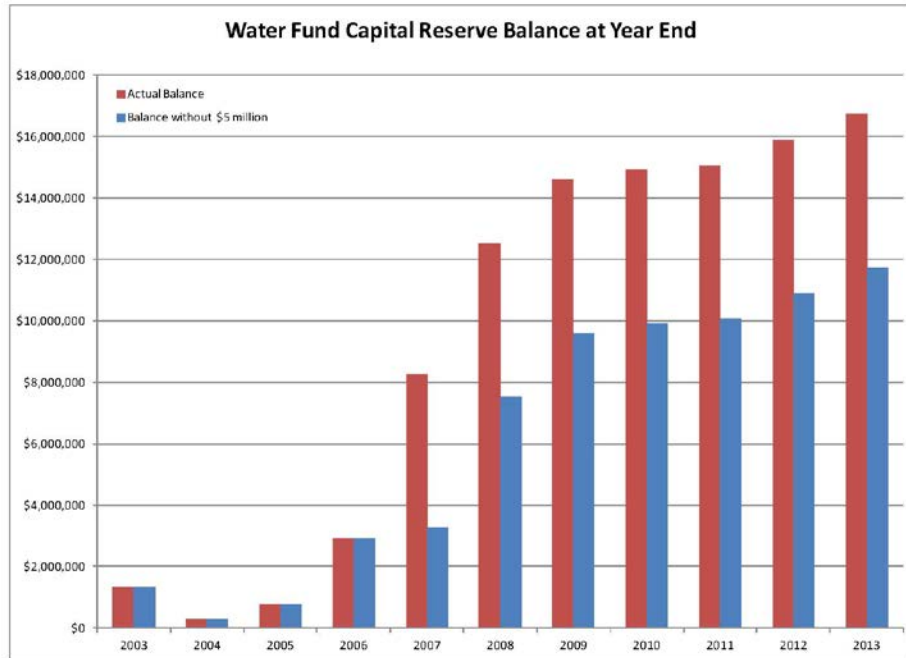
Mr. Hughes stated that it would be a 30 million plus project for much less capacity.

Ms. Paschal stated the 5 million transfer was done because they looked at it and said they were not going to have enough money in the Water Capital Reserve. There are so many unknowns at this point. There is a clear need on the general fund side. She stated that she thinks if they have a more defined scope, they can make plans.

Commissioner Kost stated that she was uncomfortable taking the money out at this time.



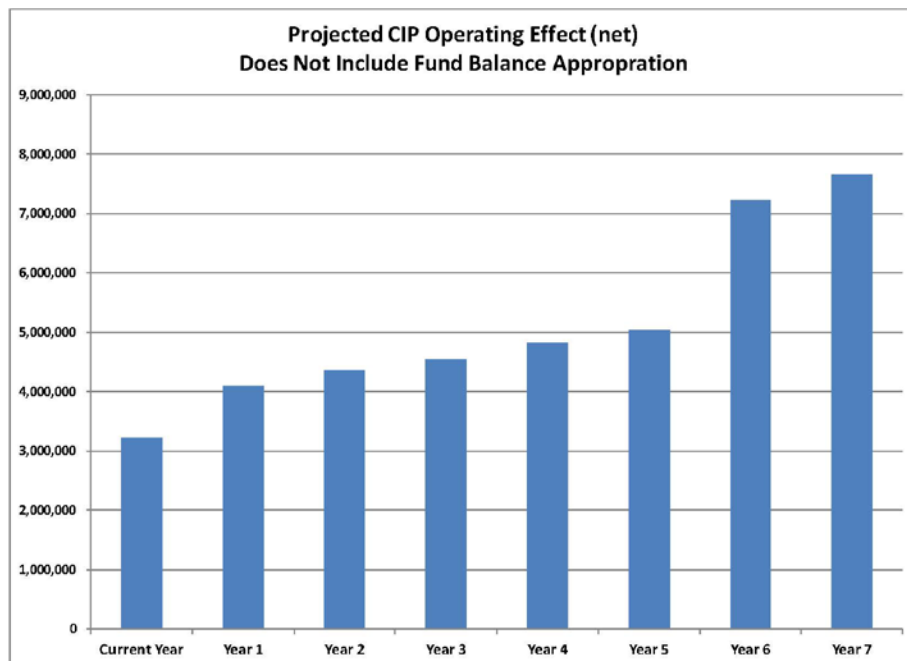
Balance in Water Capital



Ms. Paschal stated the balance in the Water Capital Reserve is now over 16 million.



Effect on Operating Budget



Ms. Paschal stated the extension is due to the high school.

Commissioner Kost asked why there are no projected projects in 2021.

Ms. Paschal stated departments tend to wait to the last minute to submit their projects.

Commissioner Kost stated they agreed to go to a seven-year CIP and this is a five-

year CIP.

Ms. Paschal stated all the new projects were needed immediately and were funded in the next couple of years. The roofs, software, and two water main replacements do not make sense not to do in a short timeframe. Ms. Paschal stated she has to custom-write the software so until they get budget software, she would ask the Board to leave the seven-year timeframe.

13 0594 Schools:

Overview of School Projects



Board of Education Priorities (New Only)



	Project	Cost	Req. FY	Recommendation
1	Joint county/bus garage	\$8 M	ASAP	Future—requires additional ½-cent contribution to debt reserve
2	Roofing Assessment	\$7.1 M	2013-2021	Recommended

Completed Projects



- Purpose for including completed projects is to “close the loop”
- Projects that had spending in the previous and/or current fiscal year are included
- Gives final accounting for budget

Schools-Auditorium Sound & Lighting Upgrades (Page 45)



- Upgrade auditorium sound and lighting at Chatham Central and Jordan-Matthews (Northwood auditorium completed through renovation project)
- Did not meet theatrical guidelines
- Completed August 15, 2012 (small amount of spending in FY13)
- Funded through qualified school construction bonds (QSCBs)
- Spent \$768K

Schools-Margaret Pollard Middle School (Page 48)



- Construct a 119,945-square-foot middle school in the Briar Chapel development to accommodate 650 students, with core facilities sized to accommodate up to 800 students
- Students moved in January 2011; project complete June 30, 2012
- School obtained LEED Gold status (first in the state!)
- Spent \$21.5 M; remaining borrowed funds of \$2.5M reallocated to JS Waters Roof, HS stadium restrooms, and HS gym HVAC replacements



Schools - Renovate Restrooms and Add Hot Water (Page 54)



- Using fund balance, replace partitions and add hot water to Pittsboro Elementary School, SAGE Academy, and Siler City Elementary. Schools having the least hot water availability were prioritized ahead of other schools—all complete
- Using QSCBs, upgrade restrooms at Bennett, Bonlee, Chatham Central, Horton, JS Waters, Jordan-Matthews, and Moncure
- All projects complete July 2013
- \$1.74 million in QSCBs; \$17K in general fund balance; \$13K in interest



Schools – Roof Replacements (QSCBs) (Page 57)



- Using QSCBs, replace or repair roofs at Bonlee (FY 2012); Pittsboro and Silk Hope (FY 2013); and make minor repairs to other roofs
- All projects complete July 2013
- \$1.9 million in QSCBs
- Schools did a stellar job of spending all QSCBs; to do so, contributed \$53K of maintenance funds to complete kindergarten wing at Pittsboro



Substantially Complete Projects



- No discretion to change or remove the project
- Construction or purchase contracts are nearly complete
- Only punch list items remain

Schools – High School Gym HVAC Replacements (Page 47)



- Replace heat and install air-conditioning in the gyms at Chatham Central, Jordan-Matthews, and Northwood
- \$881K from leftover Pollard funds (debt); \$35K reallocated to JS Waters Roof, reducing general fund contribution
- Punch items are in progress
- Estimated completion is December 1, 2013

Schools –North Chatham Traffic Improvements (Page 52)



- Implement NCDOT traffic study recommendations at North Chatham
- \$265,000 in general fund balance
- Estimated completion was November 1, 2013

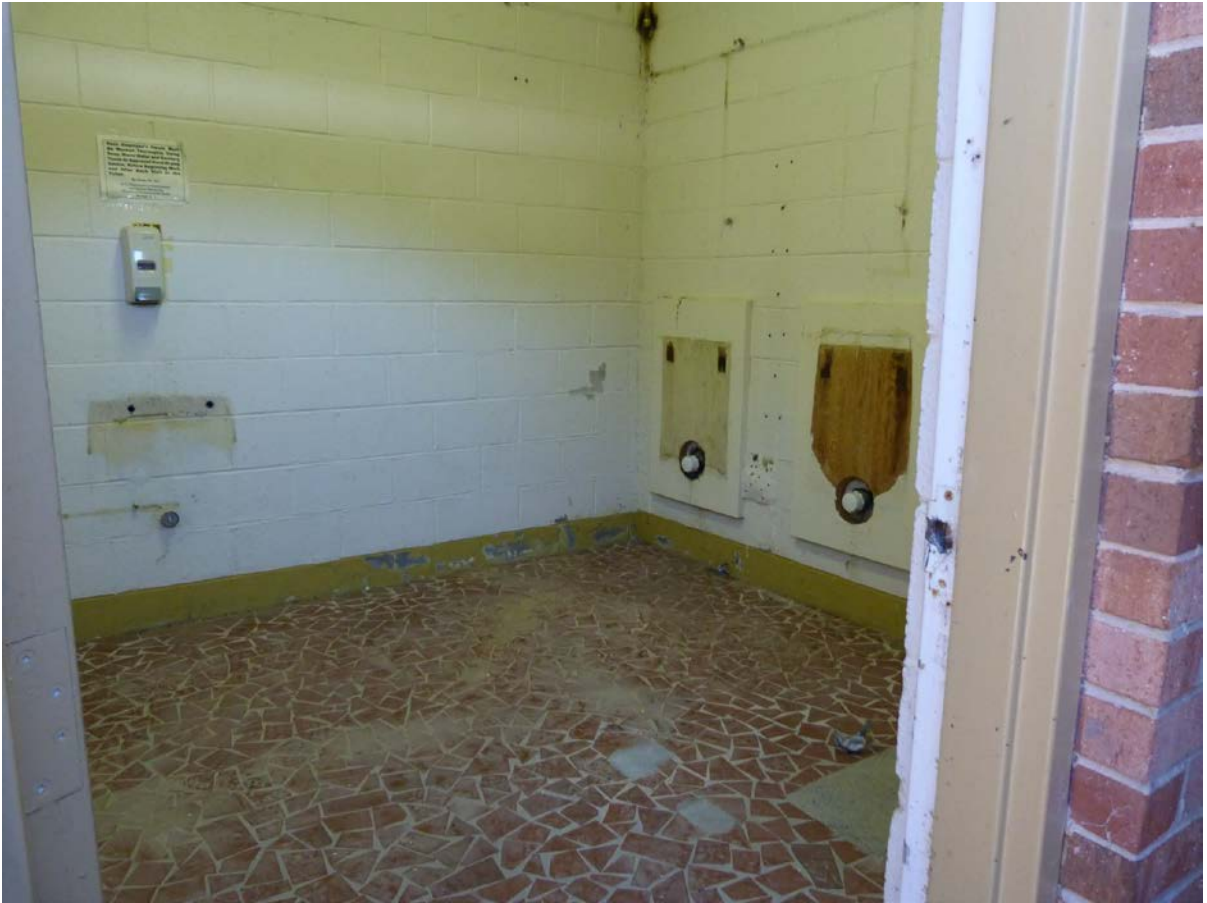
Commissioner Kost asked if the state was going to pay for some of the study and if that cost was included in the \$265,000.

Randy Drumheller stated the state could pay up to \$50,000. Ms. Paschal stated it was possible the County could get some of its money back.

Schools –Stadium & Softball Restrooms (Page 58)



- Add restrooms to Jordan-Matthews and Northwood's football stadiums to accommodate the number of spectators at games. Add restrooms near the softball field at Chatham Central
- \$1.2 million from leftover Pollard funds (debt); \$97K reallocated to JS Waters roof, reducing general fund contribution
- Punch list in progress
- Estimated completion December 1, 2013





Approved—No Contracts

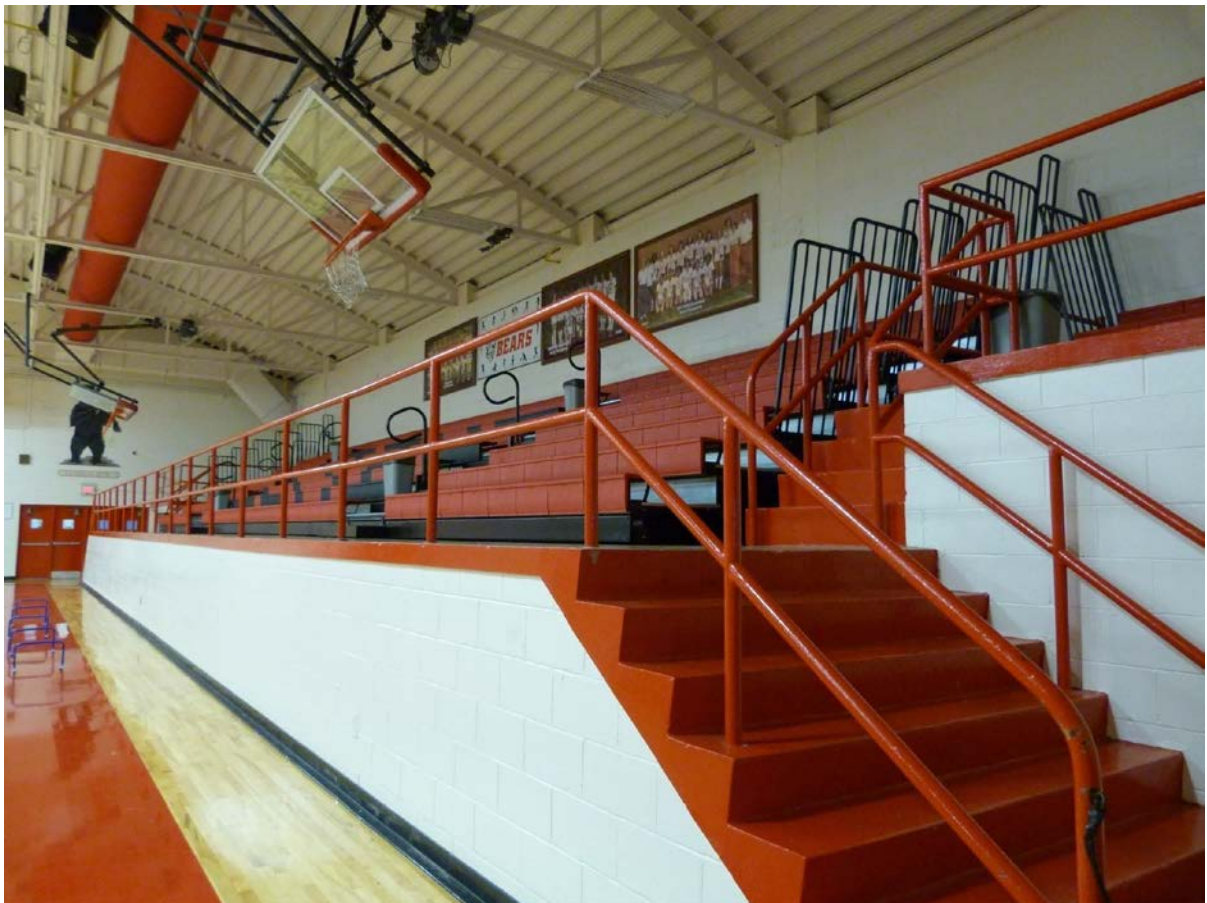


- No construction contracts have been executed (design contracts may have been executed)
- Manager is recommending these projects
- Commissioners have discretion to change, delay, or delete the projects realizing that some planning costs may have been incurred
- For some projects, this applies only to future phases

Schools—Bleacher Replacements (Indoor) (Page 46)



- ❑ Renovate and/or install new indoor bleachers at Chatham Central, Jordan-Matthews, J.S. Waters, Moncure, and Horton Middle
- ❑ Chatham Central and Jordan-Matthews are complete (Northwood bleachers paid for from leftover renovation funds)
- ❑ JS Waters, Moncure & Horton (\$272K) scheduled for FY 2019





Schools - New High School (Page 50)



- Construct a 169,000 square-foot high school on Jack Bennett Road in northeastern Chatham to open August, 2019
- \$49 million; installment purchase recommended
- Schematic design is complete
- \$2 million projected in operating costs beginning FY 2020

Commissioner Kost asked where the 49 million dollar figure came from.

Randy Drumheller stated that the architects came up with that number.

Commissioner Bock stated that the school on Jack Bennett Road has been discussed by the School Board and the Board of Commissioners and all have agreed that this is not where the school should be located.

Commissioner Kost agreed no one really likes the Jack Bennett Road site, but until a better site is found, they cannot say it is not going to be built there. They have to find a better site first.

Commissioner Bock stated that keeping the property at that site sends the wrong message.

Ms. Paschal stated staff will make a change in the narrative as to the location of the high school in the northeast part of the County.

Schools—Paving Installation and Replacement (Page 53)



- Replace or repair deteriorated paving and pave unpaved areas of sidewalk, play areas, and roadways at Chatham Central HS, Chatham Middle, Horton Middle, Jordan-Matthews, Siler City, and Silk Hope
- \$143K from fund balance; \$30K remaining in FY 15
- Silk Hope and Horton are complete; Chatham Central, JM, Siler City and Chatham Middle are underway



New



- Projects not approved in a previous CIP
- Manager is recommending these projects
- Commissioners have complete discretion about timing and whether to fund or not

Schools – Roof Replacements (non QSCBs) (Page 55)



- Roofing Assessment in 2010 showed many roofs need repair or replacement
- School system considers roof replacements the 2nd most critical need
- JS Waters underway; combination of leftover Pollard (\$1.1 million) and \$125K in fund balance; punch list items remain; projected completion December 1, 2013

Schools – Roof Replacements (non QSCBs) (Page 55)



- FY 14: SAGE Academy and Moncure roofs; \$1.2 million from *one-time windfall of motor vehicle taxes*
- FY 15: Administration and half of Horton (spanning summer); \$1.1 million from *capital reserves*
- FY 16: Remainder of Horton, Bennett, and Pittsboro (part); \$1.7 million from *capital reserves*
- FY 17: Chatham Central and North Chatham; \$1.1 million from *general fund balance*

Schools – Roof Replacements (non QSCBs) (Page 55)



- FY 18: Maintenance, Perry Harrison, and Siler City; \$96K from *capital reserves* and \$62K from *general fund balance*
- FY 19: Jordan Matthews and Northwood; \$655K *capital reserves* and \$2K from *general fund balance*
- Total: \$7.1 million; \$3.5 million *capital reserves*; \$1.1 million leftover Pollard; \$2.5 million *general fund balance*



Commissioner Kost asked if the roof is the same pitch.

Mr. Drumheller stated that they added some pitch to the roof; however, not only do they have a new roof, they now have an energy-saving roof.

Commissioner Stewart asked about the life-span of a roof.

Mr. Drumheller replied that it should last from forty to fifty years.

Commissioner Stewart asked if there was any mold.

Mr. Drumheller replied, yes. It had to be remediated.

Commissioner Kost asked if it was done as a part of the roof project.

Mr. Drumheller replied, no.

Commissioner Stewart stated that with children who have asthma, it could be dangerous.







Future Projects



- Not enough information is available to schedule or there is no identified funding source for these projects
- Projects are NOT recommended by the County Manager for FY 2015-2021 CIP; but could be recommended in future CIPs
- Included to give Commissioners “heads up” about possible future obligations

Schools – Chatham Middle Expansion (Page 89)



- Expand the capacity of Chatham Middle
- The cost of the expansion would require additional debt funding
- Staff recommends waiting until the need is clearer

Schools – High School Locker Rooms (page 89)



- The locker rooms in all three high schools are in disrepair and require renovations to meet current standards
- The school system requests to renovate the locker rooms to bring them up to the standards of the rest of the district's gyms



Schools – Joint School Bus & County Garage (Page 90)



- The current Bus Garage for Chatham County Schools is too small and is inadequate for our mechanics. The regional director has stated that the bus garage is the worst facility in the entire region
- County garage is nearly as bad
- County staff and school administration have discussed sharing a facility and staff
- \$8 million projected costs; requires additional 1/2 transfer to debt reserve









The joint school bus and County garage is projected to cost eight million dollars. One million of that could be removed if the County's portion was removed.

Commissioner Kost asked if they could find \$450,000 in the existing budget.

Commissioner Bock asked Commissioner Kost if she meant find the money in the

operating budget. Commissioner Kost said, yes. Commissioner Bock stated that they need to see what other operating budget items there are.

Ms. Paschal stated they could front the planning money and not delay anything by waiting until the spring.

Commissioner Kost stated that if they find this is a higher priority, they would be ready to move.

Schools – New Northeast Elementary (Page 91)



- Construction of a 110,000-square foot elementary school in the northeast part of the county
- The cost of the expansion would require additional debt funding
- Staff recommends waiting until the need is clearer

Schools – Replace Gyms at Bennett, Silk Hope, and Bonlee (Page 91)



- The gymnasiums at Bennett, Silk Hope, and Bonlee schools are in poor condition. Chatham County Schools has determined that it is more economical to replace them rather than renovate them
- The cost of the expansion would require additional debt funding



13 0595 Other Projects:

Non-school Projects



Completed Projects

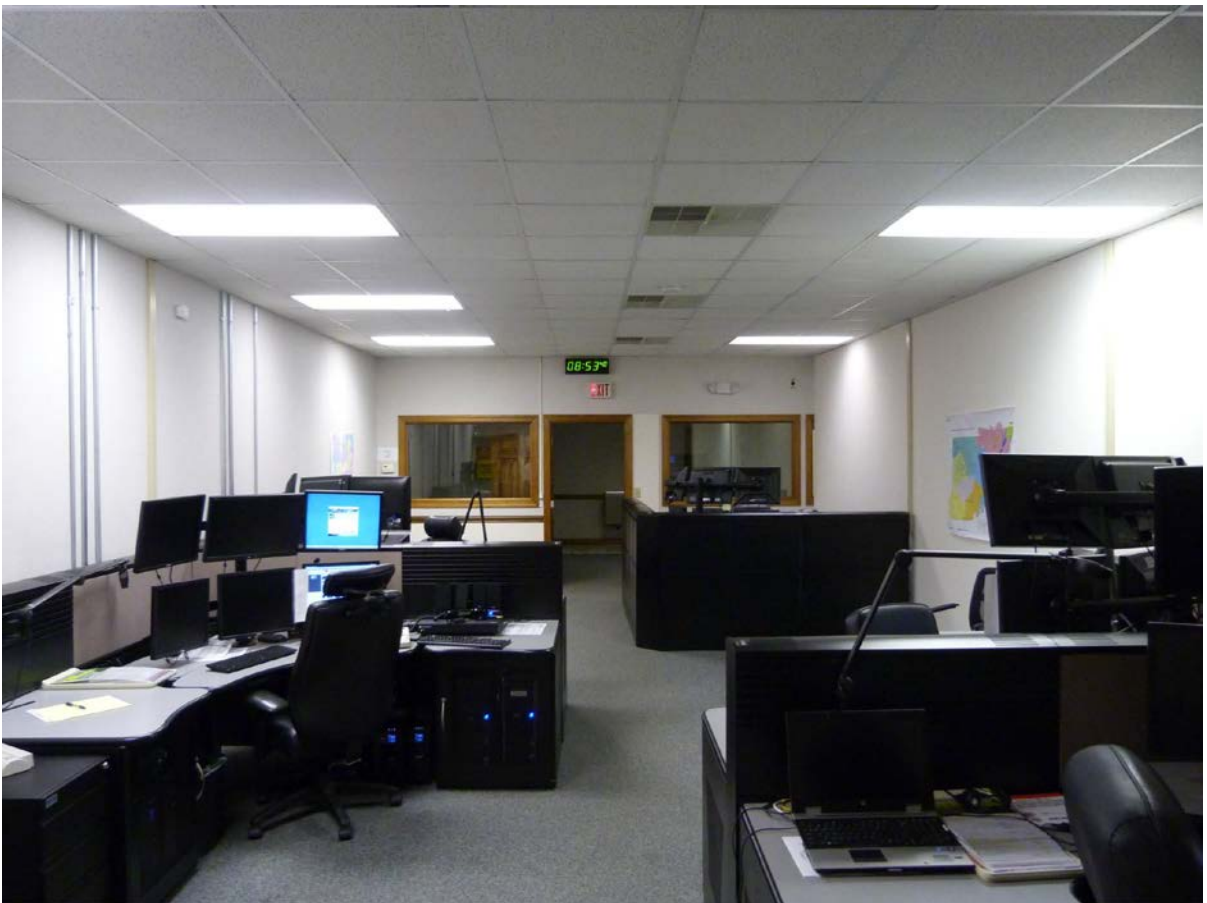


- Purpose for including completed projects is to “close the loop”
- Projects that had spending in the previous and/or current fiscal year are included
- Gives final accounting for budget

Emergency Communications – Backup 911 Center (Page 14)



- Construct an alternate site for receiving and processing 911 calls when the primary communications center is evacuated or otherwise not in service
- Backup center required in order to continue receiving 911 funds; public safety funds had to be spent by June 30, 2012 (narrative in document incorrect)
- \$1.1 million; \$588K from 911; \$519K from 911 “public safety”; \$17K from grants; \$0 required from general fund (reverted)
- Completed November 2012, \$273K under budget



Law Enforcement Center Site Improvements (Page 36)



- Provide additional parking and an access road for the Law Enforcement Center and Emergency Operations Center
- \$539K; \$19K project balance transferred to capital reserve
- Project was completed September 2012

CCCC - Pittsboro Campus - Sustainable Technologies (Page 19)



- Construct an 18,000-square-foot Silver certified building for the environmental resources programs at Central Carolina Community College at the same time as the joint-use library
- Building occupied August 2010
- \$5.4 million; \$5.1 installment purchase; \$217K transfer from capital reserve; \$9K interest; \$100K DOT reimbursement
- Project completed September 2013

County Buildings – Chatham Community Library (Page 21)



- Construct a 25,000-square-foot LEED Gold joint community college-county library on the Pittsboro campus of CCCC
- Building occupied August 2010
- Project totals include transfers to Steele property purchase and Annex renovations (\$2.7 million)
- Library project cost \$6.7 million
- Project completed September 2013

Water - Western Transmission Mains (Page 80)



- A continuation of the Pea Ridge water transmission main, the project consists of constructing 162,000 linear feet of water mains to serve the southwest water system
- \$14.9 million (including transfer out); \$14.5 million installment purchase; \$397K contribution from Siler City; \$43K in interest
- Project complete August 2013
- Projected balance: \$675K to be transferred to Increase Capacity project for elevated tank



Substantially Complete Projects



- No discretion to change or remove the project
- Construction or purchase contracts are nearly complete
- Only punch list items remain

Ms. Paschal stated the Board of Commissioners need to approve a budget amendment for the Project Ordinance Concerning the Central Carolina Business Campus in Siler City to include the survey, the slope easement, and the sign.

Commissioner Bock moved, seconded by Commissioner Cross to approve the Budget Amendment Project Ordinance Concerning the Central Carolina Business Campus. The motion carried by the following vote:

Aye: 5 Chairman Petty, Vice Chair Bock, Commissioner Cross,
Commissioner Kost and Commissioner Stewart

The Project Ordinance is attached hereto and by reference made a part hereof.

Central Carolina Business Campus (Page 17)

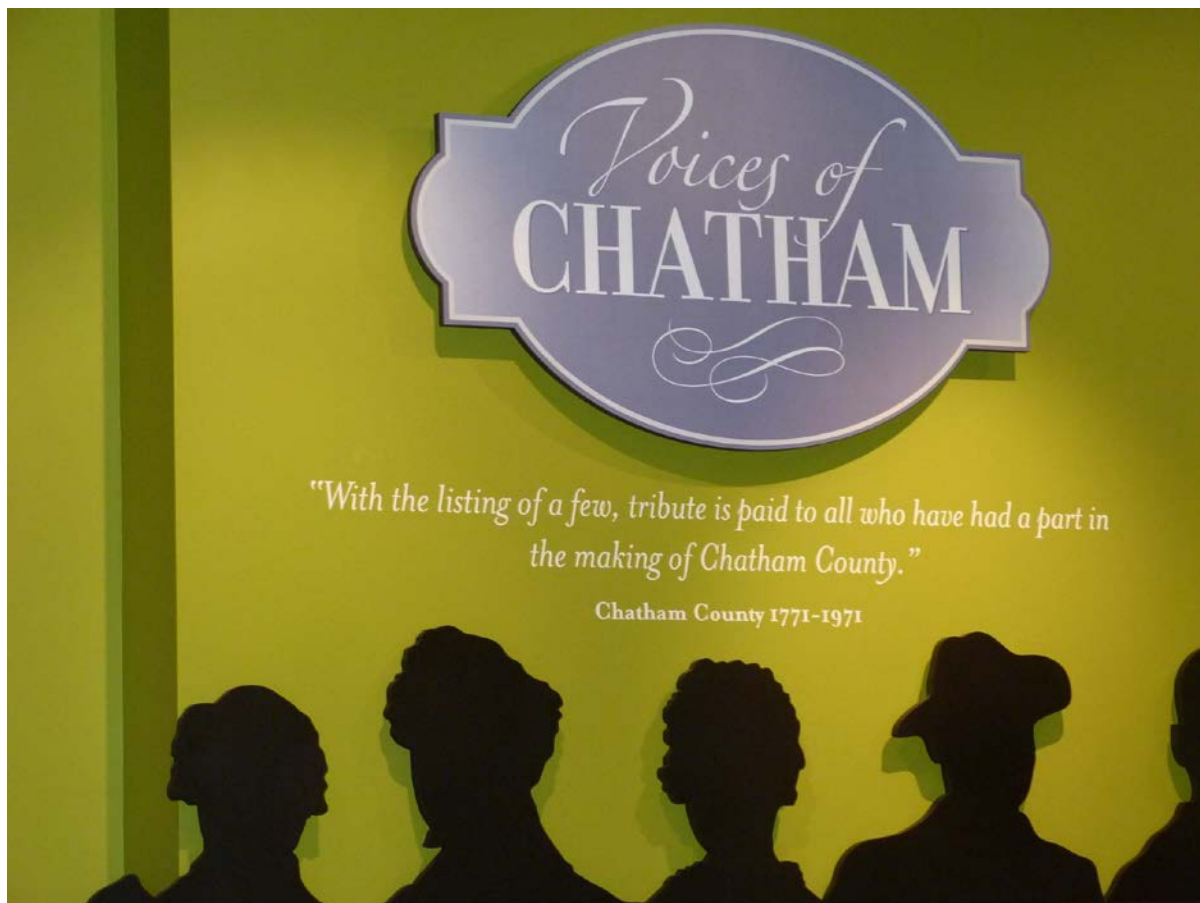


- Construct the infrastructure for Chatham County's Business Campus in Siler City including construction of roadways, water mains, sewer mains, and sewer pump stations
- \$8.4 million; \$7.4 million in COPs issued; \$272K general fund revenue; \$400K from grants; \$338K from water capital reserve; \$28K in interest
- Substantially complete in November 2009
- Balance difficult to predict until all issues have been resolved (easements, sign)
- ACTION: Need to approve budget amendment

County Buildings – Historic Courthouse Restoration (Page 28)



- Reconstruct the Chatham County historic courthouse, which was damaged extensively by fire on March 25, 2010
- Project is substantially complete with punch list items remaining
- \$5.6 million; \$5.3 from insurance reimbursement; \$302K from general fund



County Buildings – Justice Center (Page 29)



- Construct an 87,093-square-foot judicial facility south of the Courthouse Annex to accommodate the existing and future needs of the judicial system (courtrooms, judges, clerk of court, district attorney, probation, and public defender)
- The building was occupied in December 2012; anticipated additional expenses include parking lot and equipment
- Substantially under budget: \$22.7 million funded through USDA Rural Development loan and transfer from capital reserve

Park – Northeast District (Page 41)



- Develop a district park located in the northeast quadrant of the county on 66 acres located on Big Woods Road
- \$3.3 million; \$500,000 PARTF grant; \$1.1 million transfer from capital reserve; \$1.4 million in recreation fees to purchase land; \$338K in other grants
- Park opened August 2011; dugouts were completed September 2012; additional expenses this year include soccer goals, portable baseball mound and benches for soccer; future expenses include a storage shed
- Projected balance: \$96K (reduce transfer from capital reserve)



Commissioner Kost asked how heavily the park is used.

Ms. Paschal stated she believed it was used a lot, but she did not have the data.

Parks – Northwest District (Page 43)



- Renovate existing facilities and construct a playground in order to open Northwest Park on a full-time basis
- Playground installation, dining hall and pool house repair, building demolition, gravel for the loop road, and installation of vehicle barriers complete
- Park opened full-time in August 2010; additional small projects are needed to make the park fully functional
- All (except replacing the shop roof) are on hold pending determination of parks capital reserve
- \$1.6 million; \$81K capital reserves; \$1.5 million fund balance; \$7K from parks operating budget



Approved—Contracts Let



- Little discretion to change or remove the project
- Construction or purchase contracts have been executed
- May be able to postpone expenses beyond FY 2014 if multi-phased

County Buildings—New Jail (Page 31)



- Construct a 60,000-square-foot jail and continue efforts to decrease the jail population
- \$16.8 million; \$15.5 in limited obligation bonds; \$1.3 in bond premium (does not have to be repaid)
- Additional \$795K needed in FY 2015 for increased operating costs
- Bids were awarded March 2013; project is scheduled for completion in fall 2014



 Aero
Photo
727.520.8181
www.aerophoto.com

Chatham County Detention Center -
Pittsboro, NC

Image # 131022_0202
Date 10.22.13

Parks – American Tobacco Trail (Page 37)



- Constructing trailhead parking on New Hope Church Road
- Cary is in design and permitting for the trailhead parking; project expected to be bid in January 2014 and complete in the spring of 2015
- \$60K funded from recreation fees
- Cary has agreed to provide maintenance if the county will pay half (reduces county cost from \$74K to \$15K in FY 2015)!



Commissioner Kost stated that the Rails-to-Trails Program put a parking lot at Pittard Sears Road which they are having trouble. She asked if staff could ask Cary to help maintain it.

Ms. Paschal confirmed that staff would ask Cary.

Water - Increase Capacity (Page 76)



- Provide for the long-term needs of the county water system through a combination of negotiated bulk purchases from other jurisdictions.
- \$4.3 million from water capital reserves; \$675K transfer from Western Transmission to fund elevated tank
- Construction of Durham interconnect is underway and expected to be complete June 2014; the water tank is complete



Approved—No Contracts



- No construction contracts have been executed (design contracts may have been executed)
- Manager is recommending these projects
- Commissioners have discretion to change, delay, or delete the projects realizing that some planning costs may have been incurred

County Buildings – Agricultural & Center (Page 23)



- Construct a new 32,000-square foot agricultural center for Chatham County. The facility would include offices for agriculture-related services, a large meeting space to seat 800/400 at tables, and breakout rooms
- Design development complete; estimated completion is September 2015
- \$11.5 million installment purchase
- Estimated \$194K increased operating costs, starting in FY 2016



County Buildings—Emergency Services Storage Building (Page 26)



- Construct a 6,000-square-foot storage building for Emergency Operations to use as a County Receiving and Distribution Point (CRDP) and the Sheriff's Office to use as a secure indoor facility for vehicles and other large items that are part of an investigation.
- A more cost-effective solution found for CRDP
- Costs reduced from an estimated \$593K to \$13K; we plan to complete this year
- Still need to address Sheriff needs (future project)





Chairman Petty asked about the storage needs of the Sheriff's Office.

Commissioner Kost stated they needed room for impounded cars, for evidence, etc.

County Buildings—Space Needs Study Implementation (Page 34)



- FY 2011: Renovate the old library space for temporary superior courtroom and future county office space and renovate the economic development office for county attorney's office; court occupied in January 2011; attorney office occupied March 2011 (\$657K)

County Buildings—Space Needs Study Implementation (Page 34)



- FY 2014: Renovate temporary superior court to accommodate Management Information Systems (MIS), projected for January 2014 (\$70K)
- FY 2013-2015: Renovate the courthouse annex for the Manager's Office, Finance, Tax, and Register of Deeds to expand into space vacated by the courts; Phase 1 to be bid in early winter (\$3.6M, increase of \$300K)
- FY 2016: Construct a 500-square-foot addition and renovate the emergency operations center (\$522K, increase of \$25K)

Commissioner Kost asked if staff could have a table by project instead of lumping them all together.

Commissioner Kost asked if improving the exterior of the building was included in the second phase of the project.

Ms. Paschal said staff would reexamine that.

County Buildings—Space Needs Study Implementation (Page 34)



- Total of \$4.2M; \$522K leftover library/CCCC, \$4.2 million fund balance, \$91K operating funds
- Minimal increased operating costs (<\$3K beginning in FY 2016)

Chairman Petty asked Ms. Paschal to review the decision that was made about the Sheriff's Office and renovating the existing jail. Ms. Paschal stated that is a future project and staff still needs to hire an architect to review it.

Parks – Briar Chapel (Page 39)

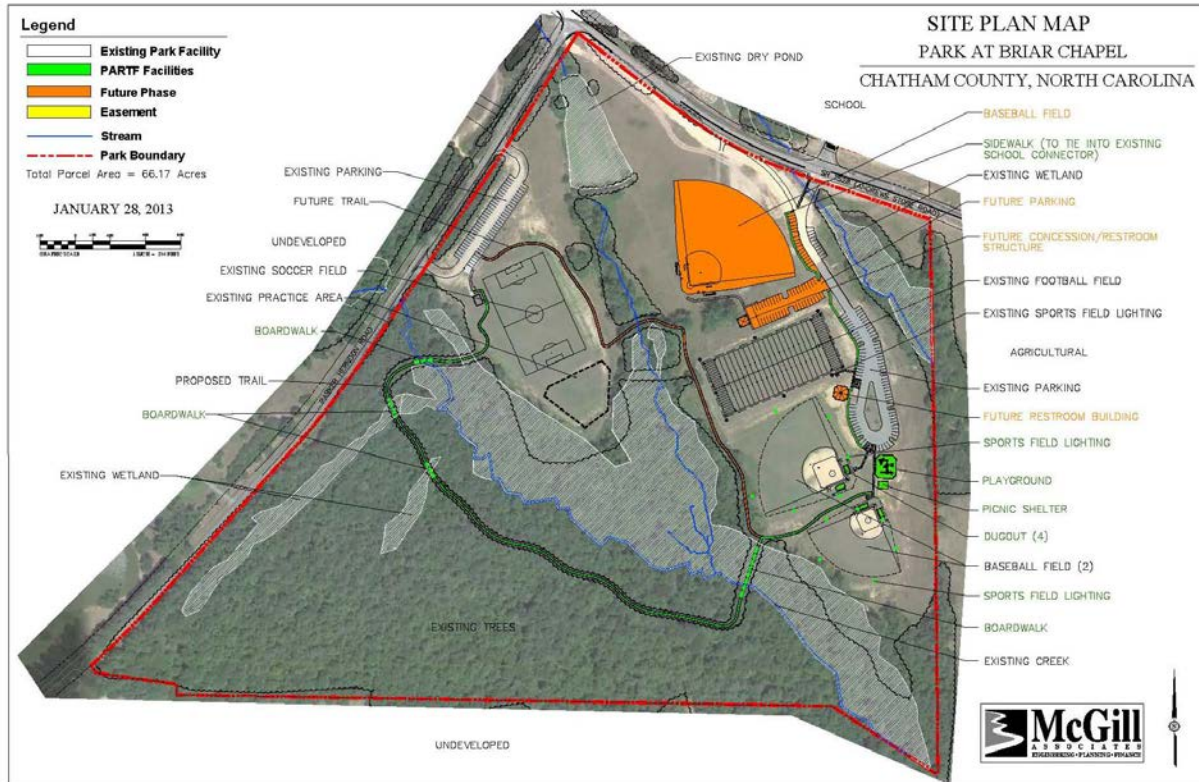


- Phase 2—\$763K for bleachers, lighting of baseball fields, dugouts, walking trail, playground with shade structure, and signage pending PARTF grant approval
- Total: \$1.2 Million; \$310K grant and \$843K recreation fees paid by Briar Chapel
- ACTION needed: Accept and adopt site master plan (following) to obtain 9 additional points for PARTF grant

Parks – Briar Chapel (Page 39)



- Accept the 62-acre Briar Chapel Park with existing regulation soccer, football, baseball, and softball field; fence and light the athletic fields; and construct a restroom, concessions building, and trails over several phases using recreation fees paid by the Briar Chapel development and grant funding (if available)
- County closed on property June 2012; lighting of football fields and fencing of baseball fields is complete
- Phase 1—\$391K for lighting one field, fencing, and restroom/concession stand; funded through recreation fees paid by BC development; scheduled for FY 2014



Ms. Paschal stated the Board needed to approve site master plan for the park at Briar Chapel.

Commissioner Kost asked if anything had changed significantly on the plan. Ms. Paschal said, no. Commissioner Kost asked if they were tearing down the house. Ms. Paschal said they were and probably sooner rather than later because it was a liability.

Ms. Paschal asked for a motion to accept and approve the site master plan for Briar Chapel Park.

Commissioner Kost moved, seconded by Commissioner Stewart, to accept and approve the site master plan for Briar Chapel Park. The motion carried by the following vote:

Aye: 5 Chairman Petty, Vice Chair Bock, Commissioner Cross,
Commissioner Kost and Commissioner Stewart

Commissioner Kost asked if they have gotten complaints about the lights.

Ms. Paschal stated not with regard to the football field.

Commissioner Bock asked if there had been complaints about the soccer fields.

Ms. Paschal stated that there are no lights there.

Telephone System Replacement – Countywide (Page 65)



- Replace the county's phone system in FY 2017
- \$400,728 from fund balance
- May require additional operating costs, depending on system and in-house capability to maintain

Ms. Paschal stated that this is a placeholder for the telephone system replacement. She stated that they do not yet know what technology will be or how much it will cost.

Voting Equipment Replacement (Page 67)



- Replace voting equipment for Chatham County elections
- Voting equipment owned by Chatham County has an average expected life span of 12-14 years. By 2019, the county's voting equipment will be approximately 15 years old
- \$551,034 from fund balance

Ms. Paschal stated the voting equipment replacement is also a place holder.

Solid Waste & Recycling— New Collection Center (Page 70)



- Build a new, state-of-the-art collection center in the northeast quadrant of the County to accommodate the influx of new residents
- \$968K; funded from capital reserve
- Difference from previous CIP: Project moved to FY 2018 because of lower number of visitors than projected and costs inflated [+37K]

Solid Waste & Recycling – Replace Waste & Recycling Facility Office (Page 72)



- Construct an approximately 5,100-square-foot building adjacent to the existing modular office and demolish modular on completion of the new building
- Current modular was installed in 1997 and is badly in need of maintenance and new HVAC units
- Estimated completion December 2014
- \$1.4M to be funded from waste management fund balance
- \$320K savings from going ahead with project

Ms. Paschal stated new scales and other equipment are included along with the building.





Water – Western Intake & Water Treatment Plant (Page 79)



- Fund **initial planning** costs to construct a water intake and treatment plant on the west side of Jordan Lake
- Chatham County is approaching the capacity of the existing water treatment plant and additional supply will be needed in the future. Current maximum demand is 2.8 mgd. Chatham is working with regional partners to build a treatment plant and western intake
- \$2.2 million from water capital reserve
- Cost to construct the plant and intake will be substantially more

Commissioner Kost asked when staff thought this would start.

Mr. Hughes stated that once staff knows what is being built, they will know where to start.

Commissioner Kost suggested putting planning in the title to make it clear so that it doesn't look like it is the total cost of the project.

New Projects:

New



- Projects not requested in a previous CIP
- Manager is recommending these projects
- Commissioners have complete discretion about timing and whether to fund or not

Technology—Increase Capacity for Data Storage (Page 59)



- Provide a secure storage system for the county's increasing data storage needs
- Phases one and two of the project were completed in 2009; phase 3 scheduled in FY 2018 (moved out 2 years) [+\$41K for inflation]
- NEW: Also requesting \$106K in FY 14 (from fund balance) for software to automate switch to backup system
- \$723K from fund balance (cost based on replacement, but may be able to upgrade)

Technology – Integrated Public Sector Software (Page 61)



- Purchase software specifically designed to support the public sector and that integrates financials, human resources, utility billing and budget
- Current software is outdated; human resources is still on paper; data is entered multiple times
- Preferred vendor has a platform for many other functions that could be added later (e.g., tax and permitting)
- \$1.5 million; funded from capital reserve
- Request to spend a portion of funds in FY 2014

Technology – Patient Data Management and Electronic Health Records System (Page 63)



- Purchase & implement patient data management system and electronic health records system
- Health department chose “cloud-based” system with monthly subscription fee
- Initial phase complete June 30, 2013; upfront costs of \$120K (\$265K budgeted originally)
- NEW: \$31K for additional modules requested for FY 2015

Commissioner Petty asked if there was any off-site storage.

Ms. Paschal stated, yes, but they do not have any “cloud” storage.

Commissioner Kost asked if they are required to provide the data storage for the courts.

Ms. Paschal stated only for the security. The videos and the jail will have a big impact.

Ms. Paschal stated the County will be purchasing a public sector software that will integrate human resources, finance, budget, and utility billing.

Commissioner Kost asked if planning would be including.

Ms. Paschal stated that planning is on the permitting software.

Commissioner Bock asked if the County will get a good support package with it.

Ms. Paschal stated the plan is to use an established North Carolina vendor.

Commissioner Kost asked if the software will streamline the document production and production of the audit.

Ms. Paschal stated it will make producing the audit much easier.

Vicki McConnell, Finance Director stated it will give her the numbers needed to produce the audit.

Commissioner Kost asked about the County website where the checkbook is posted. She stated it isn't user friendly and asked if the software has something available for open government.

Ms. McConnell stated she didn't know, but will ask. She stated that Human Resources is completely paper currently, and that this will help make it paperless. She also stated it will help with hourly and payroll the most. The Health Department chose a cloud

based system with a monthly subscription for patient data management and electronic health records system.

Water – Haywood Water Main Replacement (Page 75)



- Replace existing 4-inch main under the railroad tracks on Haywood Road with a 6-inch main that supports fire hydrant use
- Originally part of Southeast Water District, but removed because of cost
- 4-inch line prevents use of hydrants in the area
- \$138K; estimated completion is December 2016

Water—Nature Trail Water Main Replacement (Page 78)



- Replace all existing water lines in Nature Trail MHP
- Existing mains are old and improperly installed
- County could save approximately 300 employee hours per year by avoiding repairs
- \$651K; estimated completion December 2016
- Applying for CDBG funding

Mr. Hughes stated that he is applying for a CDBG grant to fund the Nature Trail water main replacement and that there is a match of about 5%.

13 0596 Future Projects:

Future Projects



- Not enough information is available to schedule or fund these projects
- Projects are NOT recommended by the County Manager for FY 2015-2021 CIP; but could be recommended in future CIPs
- Included to give Commissioners “heads up” about possible future obligations

County Buildings - Animal Shelter Expansion and Renovation (Page 83)



- Build an addition to the existing Animal Control Shelter and renovate the existing 2,600-square-foot building to meet the needs of animals, visiting public, and staff
- \$7,800 appropriated for schematic design and cost estimates in FY 2014; not complete





County Buildings – Northeast Library (Page 84)



- ❑ Build a library branch in the northeastern part of the county
- ❑ Success of the new eResources collection has addressed some of the concerns of residents who can not drive to a branch
- ❑ Grant from the state is funding an update to the strategic plan
- ❑ County currently lacks debt capacity to build a new library
- ❑ Other alternatives include renting space, but start-up and operating costs are significant

County Buildings—Public Health Building (Page 86)



- Construct an 18,626-square-foot stand-alone Health Department in Pittsboro to house administration, community health and family connections, clinic, vital records, and community surveillance
- Lack debt capacity for this project currently
- Funds for cost estimates not recommended at this time
- ***Last year the manager recommended creating a capital reserve with initial funding from excess Medicaid cost settlement, \$566K***

County Buildings – Renovate Old Jail (Page 86)



- Renovate the current detention center when the new jail opens
- Staff is working with an architect to evaluate options for renovation; funds appropriated for study in FY 2014
- Options are limited because of construction

County Buildings – Sheriff Storage (Page 87)



- The Sheriff needs a secure indoor facility to store and gather evidence for vehicles and other large items that are part of an investigation
- Previous plan was to share a building with Emergency Operations
- A cost-effective solution for the Emergency Operations CRDP has been identified, making the storage building for the Sheriff a future project

Emergency Communications – Next Generation 911 (Page 87)



- Convert the 911 phone system and equipment to “next generation” technology
- Chatham County not capable of receiving text, video or other smart-phone applications
- State 911 Board has made this a priority and will fund leasing arrangements
- Vendor has recently been identified that can provide all necessary equipment
- Project being removed from CIP because \$0 estimated startup costs; operating costs expected to be minimal increase

Emergency Communications – Radio System Upgrade (Page 88)



- Replace current emergency radio system infrastructure with modern, state-of-art system
- Existing VHF frequency system is 30 years old
- County has 5 tower sites with backup generators and 24/7 monitoring – covers 90% of county
- Emergency Operations is working with Wireless Communications to define required infrastructure and identify possible tower sites
- Cost will be substantial – not funded by 911

Emergency Communications – Radio System Upgrade (Page 88)



- 800MHZ VIPER: State is promoting, but many problems with local governments using system (\$5.8M est)
- 800MHZ stand alone: Very costly (\$10M)
- 700MHZ: Feds may mandate; grant funding could be available (costs unknown)
- Simulcast: Uses existing tower structure but allows for transmission from multiple towers, improving coverage and channel availability (\$4.2M)
- Cannot use 911 funds
- **Costs are very rough and for comparison only!!!**
- Suggest future work session to discuss emergency communications future projects

Water District - Southwest Water District Distribution Lines Construction (Page 92)



- Install approximately 48 miles of water distribution mains in the Southwest Water District
- Still do not have sufficient sign-ups for project to be viable
- Preliminary engineering report is too old and will have to be redone

Next Steps



- Approve projects and schedule, as changed by BOC

Ms. Paschal reviewed the next steps stating that the Board needs to approve the projects and schedule at the December 16, 2013 BOC meeting.

Commissioner Bock asked to discuss the garage funding.

Ms. Paschal stated they could go ahead and include the planning costs in the CIP.

Commissioner Petty asked if the planning costs would be to combine the County and the schools.

Ms. Paschal said, yes. She stated there is no need to go ahead with the design costs, because they wouldn't start until the year 2015.

Commissioner Kost stated they should add it as a discussion item when they start talking about budget.

Commissioner Petty stated they should combine the two facilities.

By consensus the Board agreed.

Ms. Paschal stated the schools are willing to give the County their facility.

Commissioner Kost asked if they had checked the cost of a Morton Building.

Ms. Paschal stated yes, but there is a large amount of mechanical equipment in the building.

Commissioner Bock asked what the County would do with the old school garage.

Ms. Paschal stated it could be torn down or they could sell it.

Commissioner Bock stated staff's recommendation is to absorb it. He then asked how much the County would save if the garage was made operational. Ms. Paschal stated they would not be saving anything now. It would be future cost savings.

Commissioner Bock stated he would like to see more information on keeping it separate and if the County took their garage. He stated that they need to reduce the cost by one million with the bus garage.

Commissioner Stewart asked if it would cost more to operate two buildings instead of one.

Ms. Paschal replied more than likely.

Commissioner Cross stated he assumed the County would share mechanics with the schools as well.

Ms. Paschal stated staff was looking at contracting the garage staff and have been doing that since May. It has been working well. She stated that she did not know how long that would be cost effective.

Mr. Hughes stated it is a very valuable piece of property because it is right in the middle of the town.

Commissioner Bock asked if it was a million dollar piece of property.

Mr. Hughes stated that it could easily appraise for that amount.

The County Manger stated the value of that property will go up over time substantially if the County has it. He stated that the schools would have a different type of mechanic than the County would. He stated that was something to think about. They could look at possibly selling the current garage location as an option.

COMMISSIONERS' REPORTS

The Commissioners had no reports.

ADJOURNMENT

Commissioner Bock moved, seconded by Commissioner Kost, to adjourn the meeting. The motion carried five (5) to zero (0), and the meeting adjourned at 2:46 PM.

Walter Petty, Chairman

ATTEST:

Sandra B. Sublett, CMC, NCCCC, Clerk to the Board
Chatham County Board of Commissioners

