

MONDAY, APRIL 15, 2013

The Pender County Board of Commissioners met in regular session on Monday, April 15, 2013 at the Public Assembly Room, 805 S. Walker St., Burgaw, NC 28425.

MEMBERS PRESENT: Chairman George Brown, presiding; Vice Chairman Fred McCoy; and Commissioners Jimmy Tate, Chester Ward, and David Williams.

MEMBERS ABSENT: None.

OTHERS PRESENT: Dr. Mickey Duvall, County Manager and Clerk to the Board; Trey Thurman, County Attorney; Glenda Pridgen, Deputy Clerk to the Board; other staff and members of the Press and public.

CALL TO ORDER

Chairman Brown called the meeting to order at 4:16 p.m. and thanked and welcomed all. Chairman Brown apologized for the meeting starting late and explained the Board was in the middle of holding budget work sessions with the fire departments and the work sessions ran over.

INVOCATION

Commissioner McCoy offered the Invocation.

PLEDGE OF ALLEGIANCE

Commissioner Ward led the Pledge of Allegiance.

REPORT FROM EMERGENCY MANAGEMENT

Mr. Brown asked Emergency Management Director Tom Collins to come to the podium and tell everyone what he had just told him. Mr. Collins reported: About an hour ago, there had been what appeared to be a terrorist related attack at the Boston Marathon; two bombs were involved; at this time it is known that two people had been killed and 24 or 25 injured; they don't know if it was foreign or domestic; and the Sheriff said it had been reported on CNN. Mr. Williams asked if we could have a moment of silence for the victims.

PUBLIC HEARING

1. Public Hearing and Resolution Authorizing Approval of the Housing Department's Proposed 2013-14 Annual Plan.

The Public Hearing opened at 4:18 p.m. Housing Director Judy Herring explained this Annual Plan is the same as it has been every year except for two differences this time: They have completed the Housing Needs Assessment Survey which was talked about in the last Plan; and the SEMAP due this year is included. Ms. Herring said the public hearing was duly advertised, they haven't received any public comments in the office, and if no comments are received here, the Plan will be adopted and submitted to the US Department of Housing and Urban Development. No one wished to comment. The public hearing closed at 34:19 p.m. Mr. Tate made a motion to approve the resolution, Mr. Williams seconded the motion and it was unanimously approved.

PUBLIC INFORMATION

2. Presentation of and Resolution Authorizing Acceptance of FY 11-12 Audit Report.

Finance Director Butch Watson deferred to Alan Thompson of Thompson, Price, Scott, Adams & Co., Accountants. Mr. Thompson distributed to the Board a condensed version of the audit results, which contained the topics "Required Communications SAS 114", and "Audit Results." Required Communications included Significant Audit Findings and Other Matters, which Mr. Thompson explained. Audit Results included Financial Information for Five Years. Financial Information for Five Years included: Total Fund Balance-General Fund; Unavailable Fund Balance-GF; Restricted, Committed, and Assigned Fund Balance; General Fund Expenditures (excluding transfers); Fund Balance Available as % of General Fund Expenditures; Unassigned Fund Balance; Unassigned Fund Balance % of General Fund Expenditures (excluding transfers); Revenues Over (under) Expenditures Before Transfers; Cash vs. Accumulated Depreciation-Water & Sewer Funds; 6/30/12 Cash vs. Fund Balance; Property Tax Rates; Collection Percentages; Collection Percentages (excluding Motor Vehicle); Total Property Valuation; Total Levy Amount; Summary of Debt (excluding Compensated Absences & OPEB), Breakdown of General Fund Revenues-2012; and Breakdown of General Fund Expenditures-2012. Audit Results also included charts and graphs which Mr. Thompson explained. Included in the charts and graphs were: Analysis of Fund Balance; Analysis of Fund Balance Available; Analysis of Revenues Over (Under) Expenditures before Transfers; Cash vs. Accumulated Depreciation-Water & Sewer Funds; Analysis of Cash and Fund Balances at June 30, 2012; Property Tax Rates; Collection Percentages; Property Valuation and Levy Amount; Debt Analysis (Excluding Compensated Absences & OPEB); Breakdown of General Fund Revenue-June 30, 2012; and Breakdown of General Fund Expenditures-June 30, 2012. Mr. Brown asked about the four items under "Other Matters". Mr. Thompson explained each item and said they have since been resolved. In reference to the Finance Office and timely reconciliation of bank accounts, Mr. Thompson said during the transition of the Finance Officer, a couple of accounts were not reconciled as timely as they need to be. With reference to the DSS issue, Mr. Thompson said relating to how funds are reimbursed, they think it needs to be done differently than the way it is currently being done. In reference to the Capital Improvements Fund, Mr. Thompson said in no instances should proprietary projects be comingled with this project fund. With reference to the Vehicle Replacement Fund, Mr. Thompson said the Local Government Commission has said wherever a vehicle is assigned, they would like to see it in that budget. If it is a General Fund vehicle, they want to see it in the General Fund rather than the Vehicle Fund; if it is a Proprietary Fund vehicle, they want to see it in the Proprietary Fund. The entire presentation and Audit Report are on file in the Clerk to the Board's Office and the Finance Office. The Board accepted the Audit Report as presented, but inadvertently did not formally vote on it. The resolution will be placed on the next agenda under Consent for the vote.

3. Carolyn Moser, Health Director/Kyle Breuer, Planning Director/Dee Turner, Planner: Presentation of Proposed Maple Hill Walking Trail Project.

Ms. Moser explained: The Health Department received one-time Chronic Disease/Health Promotion funds to promote healthier living in the County; she worked with Planning and Parks & Recreation staff to determine the area of greatest need in the County; from statistical data they gathered, the Maple Hill Community was determined as the area of greatest need for health promotion; they then collaborated with Maple Hill stakeholders to develop a plan to reduce Chronic Disease in Maple Hill; and they determined walking is the best source of exercise for those chronic diseases listed in the State of the County Health Report. Ms. Moser and Mr. Breuer delivered a presentation that included the State of the County Health Report, health disparities among different races in the area; statistics that show African Americans are more likely to get certain chronic diseases; statistics that show the cause of death from the diseases listed are lower in Whites; and statistics that show most of the people living in Maple Hill

are African Americans, and most are living below the poverty level. The presentation also included information from the 2010 Comprehensive Parks & Recreation Master Plan, and a map of the proposed trail. The trail will circle the Maple Hill Community Center property. Board members commended staff for working together on this project and for working with the residents of Maple Hill.

PUBLIC COMMENT

No one wished to speak under public comment.

CONSENT AGENDA

Mr. Brown presented the one item on the Consent Agenda and asked for any discussion or questions. There being none, Mr. Tate made a motion to approve the Consent Agenda, Mr. Williams seconded the motion and the Consent Agenda was unanimously approved as follows:

4. Approval of Minutes: Regular and Closed Session of April 2, 2013.

ROCKY POINT/TOPSAIL WATER & SEWER DISTRICT CONSENT AGENDA

The Board convened as the Rocky Point/Topsail Water & Sewer District Board of Directors at 4:55 p.m. Mr. Brown presented the two items on the Rocky Point/Topsail Water & Sewer District Consent Agenda and asked for any discussion or questions. There being none, Mr. Williams made a motion to approve the Rocky Point/Topsail Water & Sewer District Consent Agenda, Mr. McCoy seconded the motion and the Rocky Point/Topsail Water & Sewer District Consent Agenda was unanimously approved as follows:

5. Resolution by the Board of Directors of the Rocky Point/Topsail Water & Sewer District Accepting the Deed of Dedication and Affidavit from the Owners of the Bailey Shops of Hampstead for the Conveyance of Title to the Water Distribution System Properly Installed within the Shopping Center in Exchange for the Provision of Water to the Property.
6. Resolution by the Board of Directors of the Rocky Point/Topsail Water & Sewer District Accepting the Deed of Dedication and Affidavit from the Owners of the Hampstead Town Center for the Conveyance of Title to the Water Distribution System Properly Installed within the Shopping Center in Exchange for the Provision of Water to the Property.

The Board reconvened as the Pender County Board of Commissioners at 4:56 p.m.

RESOLUTIONS

7. **Resolution Authorizing Purchase of Pender County Animal Shelter Security Cameras & Door Access Control System: \$17,298.95.**

Mr. Brown explained: The Board discussed this item at the last meeting; some Board members were not present for this item; the item didn't pass at the last meeting; and a Commissioner requested that it be brought back before the Board. Mr. Williams said he wanted to bring the matter back with a down-sized proposal. He said having cameras at the Shelter can also work as a deterrent. IT Director Erik Harvey said they are asking for four or five cameras less than before. Mr. Harvey delivered a PowerPoint presentation and explained each category. The presentation included: What Types of Security Systems; Current Challenges; Benefits; Estimated Costs & Funding; When; and What Next. Discussion included: The gate and fence at the Shelter; the need for security; employee safety; different types of systems; adopting the animals; and issues of accountability. Mr. Tate asked about having hidden cameras. Mr. Tate's comments included: Having hidden cameras will make people more aware of what they are

doing; he is concerned about the employees out there; he has trouble knowing where the truth lies with all that has been said about the Shelter; and sometimes people respond differently knowing the Board has information. Daniel Watson of Security Plus explained how hidden wireless cameras work in conjunction with regular cameras. After more discussion, the Board agreed to add one hidden camera. Mr. Williams made a motion to approve the resolution, including adding one hidden camera. Mr. Tate seconded the motion and it was unanimously approved.

8. Resolution Approving an Amended and Restated Requirements Water Supply Agreement to Address Future Infrastructure Requirements of the Lower Cape Fear Water and Sewer Authority for the Provision of an Additional Raw Water Supply of 6 Million Gallons Per Day (12 MGD Total) to Pender County in Order for the LCFWASA to Finance Debt Service for Construction of a New 60-inch Raw Water Delivery Line.

Utilities Director Michael Mack explained Don Betz, Executive Director of the Lower Cape Fear Water & Sewer Authority (LCFW&SA), had requested that this item be pulled from the April 15 Agenda. Mr. Tate questioned why the resolution is being pulled because at the LCFWASA meeting he attended last week, his understanding was Mr. Betz or Chairman Kopp would be here for it and one of them will be at Brunswick County's meeting. Mr. Mack said there were some issues with some of the other members having additional questions, so Mr. Betz thought it was in Pender's best interest to let it go through Brunswick County first.

9. Resolution Authorizing Acceptance of the Professional Design Services Proposal of LS3P (Boney Architects) for the Old Topsail High School Campus Renovation Project and Issuance of a Purchase Order to LS3P: \$294,175.

Mr. Mack introduced the Architect, Charles Boney, Jr., said Mr. Boney is the grandson of the original Architect of the school. Mr. Mack distributed information prepared by Mr. Boney. Mr. Mack explained: Staff selected the architectural firm of LS3P (Boney Architects) as the most qualified to lead the renovation project based on their direct history with the school and three successful renovations of schools exactly like Topsail High; in concert with staff's recommendations and approval, LS3P assembled a project team of sub-consultants for each of the major design and permitting components required to successfully complete the project; the sub-consultants services will include plumbing, HVAC, electrical, structural and civil engineering, soils analysis, stormwater, wetland, on-site water design, site layout and landscape architecture. Mr. Mack said the critical path schedule for completion of the renovation project and certified occupancy by Pender County is September 2014. Other discussion included: The retention pond, stormwater permitting, septic tank issues; the wastewater system and the buildings on the campus. Mr. Ward asked if the project was bid out and Mr. Mack responded no. Mr. Ward was concerned that the project wasn't bid out. Mr. Mack said it wasn't bid out because of the timeline. He said the Board had led him to believe they wanted staff to move forward to have the building renovated before the lease on the Annex runs out in November of 2014. Mr. Williams said the Board had only held discussions on this item but basically gave staff the nod to proceed. There was discussion of the cost of the project. Mr. Boney explained they put together the design fee as a fixed cost. Mr. Ward asked where the money is coming from and Dr. Duvall responded from General Fund Contingency. Mr. Ward said his concern is the timeframe and he didn't know we were going to move this rapidly on the project. Mr. Tate said he agrees with Mr. Ward, but he is also concerned about the amount we pay annually to lease the Annex. Mr. Tate was also concerned about what departments currently occupying the Annex would do if Dr. Garg doesn't renew the lease. Mr. Ward asked if the Shell Building in Burgaw can be used for offices and Mr. Tate said he is looking at long-term offices for the east side. The status of the Shell Building was then discussed. Mr. Tate said he is also concerned that we didn't bid the project out and said going forward with other projects, staff needs to make sure

everything is bid out. Mr. Mack said "Professional Services" contracts have to be chosen by qualification, not cost. Mr. Boney said his firm came to the project under the impression that the project is under time constraints. Mr. Tate said he only asked a simple question and he is made to feel belittled by the answer. Other discussion included renovating the bottom floor of the building first and the need to be out of the Annex before the lease has to be renewed. Mr. Williams made a motion to approve the resolution, and Mr. Tate seconded it. Dr. Duvall reminded the Board that the contingency fund is getting low. Mr. Williams then made an amended motion to approve the item up to \$294,176, not-to-exceed \$50,000 out of the current year's budget. Mr. Tate seconded the amended motion and it was unanimously approved.

10. Resolution Authorizing Approval of the Juvenile Crime Prevention Council's Annual Plan, Board Members and Funding Recommendations for FY 2013-2014.

Planner Dee Turner explained: The Juvenile Crime Prevention Council (JCPC) is a state mandated county board who oversees the distribution of state funds for programs serving youth who are currently in the juvenile justice system or are at risk of entering it; JCPC is required to prepare an Annual Plan each year; and the Division of Juvenile Justice has told them to prepare a budget this year based on a 2% reduction, which would be \$111,319. Ms. Turner said the following programs are recommended by the Pender County JCPC: Psychological Services \$58,500, administered by Pender DSS; Juvenile Restitution/Community Service \$25,250, administered by Boys and Girls Club; Teen Court \$18,840, administered by ADR Center; Counseling Services & Anger Management \$11,359, administered by Coastal Horizons; and JCPC Administration \$7,370, majority for an Administrative Assistant. In the event full funding is received, some programs will be allocated additional funds in the total amount of \$2,272. Mr. Tate asked about the Juvenile Restitution Program and Ms. Turner explained a Judge can order restitution which happens often with a property crime, the juvenile earns money usually through doing community service and that money is sent to the victim. Mr. Tate asked if community service sites are in county or out of county. Ms. Turner responded they have sites in Pender County and in Wilmington. The sites in Wilmington are available for juveniles who have to do their community service work on Saturday. Mr. Tate asked which Boys Club it is and Ms. Turner responded the Brigade Boys and Girls Club out of Wilmington. She said they no longer have an office in Pender County since Juvenile Probation moved to Hampstead, but someone comes to Teen Court and are right there to do intake as soon as a sentence is given. They also use the Pender County Library to meet with parents so they don't have to drive to Wilmington. Mr. Tate said he is glad they meet people here because he is always concerned about people who can't afford to drive out of County. Mr. Tate made a motion to approve the resolution, Mr. Williams seconded the motion and it was unanimously approved.

11. Resolution Authorizing Approval to Provide for the Reimbursement of Initial Expenditures and Project Costs for a Law Enforcement Center Project.

Mr. Watson said Item Numbers 11 and 12 are the same. He explained the County intends to undertake a Law Enforcement Project, use its own funds to pay initial Project costs, and then reimburse itself from financing proceeds for these early expenditures. He said federal tax laws require that a reimbursement resolution must be in place for reimbursement of any past or future expenses, and he and the Manager are advising the Board that it should adopt this resolution to document the County's plans for reimbursement. Mr. Watson gave an example of a large city in North Carolina that lost \$1 million in reimbursement funds because it didn't have documentation of a reimbursement resolution. Mr. Ward made a motion to approve the resolution, Mr. Williams seconded the motion and it was unanimously approved.

12. Resolution Authorizing Approval to Provide for the Reimbursement of Initial Expenditures and Project Costs for the Old Topsail High School Project.

Mr. Watson explained this resolution is the same as Item No. 11 except it is for renovation of the Old Topsail School. Mr. Ward made a motion to approve the resolution, Mr. Williams seconded the motion and it was unanimously approved.

13. Resolution Authorizing Approval of Wells Insurance to Provide Broker Services for Employee Benefits for Pender County Employees.

Human Resources Director Denise Mulhollen explained: On March 23, 2010, the Patient Protection and Affordable Care Act was signed into law by President Obama; together with the Health Care and Education Reconciliation Act, it represents the most significant government expansion and regulatory overhaul of the United States healthcare system since the passage of Medicare and Medicaid in 1965; due to the compliance issues that will need to be addressed today as well as into the future, the County will need expertise and guidance in implementing the requirements of this Act, as well as other legislative updates pertaining to health care and employee benefits; the County solicited a Request for Qualifications to various insurance brokers to evaluate services such as consultation, preparation of bid specifications, analysis of proposals, contract negotiation, review of selected employee benefit packages, accuracy and completeness throughout the entire benefit process, cost effectiveness, competitiveness and plan administration; Harold W. Wells Insurance was selected as the most qualified broker to administer the services we now require, as well as to provide guidance related to future regulatory insurance requirements; and Steve Sims, the selected broker from Wells, has been a licensed broker in the State of North Carolina for over 34 years. Ms. Mulhollen gave a history, qualifications and experience of the firm and of Mr. Sims. There was discussion and questions concerning Mr. Sims. Mr. Tate requested that going forward, a spreadsheet should be included in the Board's packages listing all the bidders, and listing their background, experience, qualifications, etc. Mr. Tate made a motion to approve the resolution, Mr. Williams seconded the motion and it was unanimously approved.

14. Resolution Authorizing Acceptance of Duke Energy Carolinas Site Readiness Program Grant for Pender Commerce Park on US Highway 421.

Dr. Duvall explained: Duke Energy is aggressively promoting industrial development in eastern NC with the initiation of the Duke Energy Site Readiness Grant Program; the program evaluates specific sites for readiness and commercial development capability and makes recommendations to counties to address identified shortcomings/marketability issues; the Grant Program provides a \$10,000 dollar-for-dollar match (50% Duke Energy match/50% County match) for a maximum total of \$20,000; the grant program also requires the recipient to submit a \$1,000 project fee (determined by County Tier Status) in order to assure the County is invested in the project; Wilmington Business Development (WBD) (Pender County's Economic Development Partner) recommended Pender Commerce Park be selected for this particular grant due to its many amenities, high development potential and unique proximity to Wilmington, NC, with access to deep water international port facilities; and the Pender County Commerce Park was selected for this grant program. With respect to marketability, Dr. Duvall said the Board will hear some announcements tonight that it will be pleased with. Mr. Ward asked why we are doing this and asked are we giving extra money for what WBD should be doing. Mr. Williams explained this project is in corroboration with what WBD does and said WBD is only trying to enhance the Park. Mr. Williams said this is the second time WBD has been "thrown under the bus" tonight. Mr. Ward stated: We are already paying an organization for economic development; why are we always breaking our necks saying come to Pender County; every time he turns around businesses are closing in Pender County; every time he turns around New Hanover County has businesses coming in; now we are paying more; and will this really make a difference? Mr. Brown responded: New Hanover already has

water and sewer and businesses can move right in; we are trying to get where New Hanover is; and this project is something WBD is trying to help make Pender County more visible. Mr. Williams said it is a matter of tangible versus intangible – this is an intangible investment we will make, and hope good will come from it. Mr. Williams made a motion to approve the resolution, Mr. Ward seconded the motion and it was unanimously approved.

DISCUSSIONS

15. Discussion of Pender County Agricultural Economic Impact Update.

Mr. Tate thanked the Chairman for letting him bring this to the Board and thanked Mr. Breuer and Cooperative Extension Director Mark Seitz for getting this information together. Mr. Tate said Nash-Johnson will no longer be growing turkeys due to the closing of the House of Raeford Processing Plant in Raeford, who supplies the turkeys. He said this will affect a lot of farmers in the area and he wants data to share with them. Mr. Breuer said they will bring back any information they can for the Board and Mr. Seitz is working with his contact to get information regarding the closings. Mr. Breuer and Mr. Seitz delivered a PowerPoint presentation which included: Pender County Agriculture; Agriculture Value Trends; Major Crop Acreage Trends; Total Animal Production; All Livestock-Pork/Poultry/Beef; Animal Production: Swine/Cattle/Turkeys/Chickens; Pender County Estimated Crop Yields and Values-2012; Pender County Other Ag Values-2012; Pender Agriculture/Agribusiness Value; Notes; and Sources. There were questions and discussion of the total land mass of the county and how much of it is agricultural; and various products grown in Pender County and types of soils they grow on. Mr. Tate asked if Cooperative does soil testing and Mr. Seitz responded “yes, and we send the samples to Raleigh.” Mr. Tate instructed staff to disseminate information through the media to let farmers know Cooperative Extension does soil testing.

16. Discussion Regarding the Biggert-Waters Flood Insurance Program Reform Act of 2012 and Its Effect on Flood Insurance Policies within Pender County.

Mr. Breuer explained this item was tabled a couple of meetings ago, and at the last meeting he was attending class and wasn't here to present it. Mr. Breuer delivered a PowerPoint presentation and explained each topic. The presentation included: Reauthorization of the NFIP-Pender County began participation in the NFIP on February 15, 1985; Reform of Insurance Premiums; Real Estate Agents-Agents are now required to notify homeowners of the availability of flood insurance regardless of whether they are in a Special Flood Hazard Area or not; NFIP Reform-Allows for communities to make remapping requests & requires use of local data when mapping communities; Statewide vs. Coastal Comparisons; and Community Rating System. Mr. Breuer explained this is different from coastal homeowners insurance and everyone in the Country will feel the impact. Questions and discussion included rate and premium increases; the effect on property owners; and subsidized properties. Mr. Breuer asked if the Board wants him to come back with an evaluation on the CRS Program and Mr. Brown responded that would be helpful. Mr. Breuer also noted he presented this at a contractors' meeting last month, and that they are working with Homebuilder Associations to get the word out to people.

17. Presentation of the New Salary Study and Pay Plan/COLA for FY 13/14.

Ms. Mulhollen explained that at the request of the Board of Commissioners, her predecessor had started a pay study using benchmark surrounding counties. Ms. Mulhollen delivered a PowerPoint presentation entitled “Compensation & Classification Study”, and explained each topic. The presentation included: Objectives; Terminology; Methodology; Salary Survey Benchmark Communities; Benchmark Comparison Sample-Library Director; Benchmark Comparison Sample-Environmental Health Specialist; Procedural Rules to be Followed from Analysis through Implementation and Administration;

and Implementation. Discussion included salary increases, merit raises and longevity pay. Ms. Mulhollen noted either a 1.2% COLA, a 2% or a 3.5% increase is recommended for employees for FY 13/14, and will cost the County \$312,000 if implemented. Mr. McCoy said he is a strong believer in merit raises. Mr. Tate said it is commendable that Ms. Mulhollen had department heads to stay here until 8:00 and said department heads are fighting to get their employees raises.

All presentations in their entirety are on file in the Clerk to the Board's Office.

ITEMS FROM THE COUNTY ATTORNEY

Mr. Thurman said there are items for closed session and said the DSS Attorney had asked for his assistance on some cases.

ITEMS FROM THE COUNTY MANAGER

Dr. Duvall announced that a meal is being provided even though there is no 7:00 meeting.

ITEMS FROM THE COUNTY COMMISSIONERS

Mr. Tate recognized Library Director Mike Taylor for receiving the First Annual Legacy Award for Community Service at the NAACP Banquet. Mr. Tate commended Mr. Taylor for the great job he does with projects, such as "Journey Stories" and the Dallas Herring Collection. Mr. Brown also commended Mr. Taylor.

Mr. McCoy said he is glad the camera issue came back before the Board and said he is looking forward to working with the Animal Shelter Advisory Committee.

Mr. Williams' comments included: This December he will have been serving on the Board of Commissioners twelve years; besides getting married and having kids, serving on the Board has been one of his greatest pleasures; April 7th in church God spoke to him; he needs to spend more time with his family; he will not be running for re-election in 2014; it is a burden off him to announce this, but the good by far outweighs the shenanigans during his service on the Board; he is leaving his options open; and this is what is right for his family and for himself. Mr. Williams also spoke about the changing of Commissioner Districts. Mr. Brown said he is sorry to see Mr. Williams step down, your life is not your own anymore when serving on the Board, it is not an easy job, you do your best but it can be demanding, and he appreciates Mr. Williams. Mr. Brown and Mr. Tate spoke of advice Mr. Williams gave them when they first came on the Board. Mr. Tate also spoke of when Mr. Williams was Chairman of the Board and thanked him for being a good leader.

CLOSED SESSION

At 7:54 p.m., Mr. Williams made a motion to enter into closed session, pursuant to NCGS 143-318.11: 3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged. General policy matters may not be discussed in a closed session and nothing herein shall be construed to permit a public body to close a meeting that otherwise would be open merely because an attorney employed or retained by the public body is a participant. The public body may consider and give instructions to an attorney concerning the handling or settlement of a claim, judicial action, mediation, arbitration, or administrative procedure. If the public body has approved or considered a settlement, other than a malpractice settlement by or on behalf of a hospital, in closed session, the terms of that settlement shall be reported to the public body and entered into its minutes as soon as possible within a reasonable time after the settlement is concluded; 4) to discuss matters relating to the location or

expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations. The action approving the signing of an economic development contract or commitment, or the action authorizing the payment of economic development expenditures, shall be taken in an open session; 5) to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease; or (ii) the amount of compensation and other material terms of an employment contract or proposed employment contract; and 6) to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee. General personnel policy matters may not be considered in a closed session. A public body may not consider the qualifications, competence, performance, character, fitness, appointment, or removal of a member of the public body or another body and may not consider or fill a vacancy among its own membership except in an open meeting. Final action making an appointment or discharge or removal by a public body having final authority for the appointment or discharge or removal shall be taken in an open meeting. Mr. Ward seconded the motion and it was unanimously approved. The Board went into closed session at 8:05 p.m. and exited the closed session at 10:45 p.m. There were no announcements made upon exiting the closed session.

ADJOURNMENT

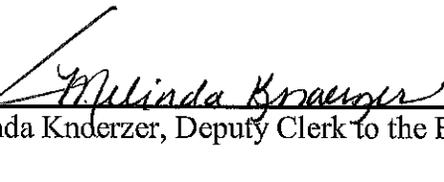
There being no further business, Mr. Ward made a motion to adjourn, Mr. Williams seconded the motion and the meeting adjourned at 10:45 p.m.

Respectfully Submitted,



Glenda Pridgen, Deputy Clerk to the Board

Reviewed By:



Dr. Mickey Duvall, Clerk to the Board/Melinda Knderzer, Deputy Clerk to the Board

ADJOURNMENT

There being no further business, the meeting adjourned at 10:45 p.m.

THERE WERE NO PUBLIC HEARINGS FOR 7:00 P.M.; THERE WAS NO 7:00 P.M. MEETING.