

Approved February 16, 2009

September 15, 2008
Special Meeting

The Union County Board of Commissioners met in a special meeting on Monday, September 15, 2008, at 3:30 p.m., in the Conference Room, First Floor, Union County Government Center, 500 North Main Street, Monroe, North Carolina. The purpose of the special meeting was 1) to go into closed session to consult with an attorney in order to preserve the attorney-client privilege in accordance with G.S. 143-318.11(a)(3); and 2) to hold a work session designed to:

- Establish a policy in connection with County debt capacity limits
- Review the County tax supported Capital Improvement Program for the period 2009-2013, which includes South Piedmont Community College (SPCC), Union County Public Schools (UCPS) and County agencies
- Provide direction to County staff regarding “near term” (i.e. land acquisition, engineering/design, construction implementation of CIP) projects

The following were

PRESENT: Chairman Allan Baucom, Commissioner Roger Lane, and Commissioner Lanny Openshaw

ABSENT: Vice Chairman Pressley and Commissioner A. Parker Mills, Jr.

At approximately 3:55 p.m., Chairman Baucom convened the meeting and in open session moved that the Board go into closed session to consult with an attorney in order to preserve the attorney-client privilege in accordance with G.S. 143-318.11(a)(3). The motion was passed by a vote of three to zero. Chairman Baucom, Commissioner Lane, and Commissioner Openshaw voted in favor of the motion. Vice Chairman Pressley and Commissioner Mills were not present.

At the conclusion of the closed session at approximately 4:10 p.m., Commissioner Lane moved that the Board go out of closed session. The motion was passed by a vote of three to zero. Chairman Baucom, Commissioner Lane, and Commissioner Openshaw voted in favor of the motion. Vice Chairman Pressley and Commissioner Mills were not present.

In open session, the Chairman moved that the Board recess its special meeting to reconvene in the Personnel Training Room, Room 131, First Floor, Union County Government Center for the purposes of holding its work session as advertised.

The motion was passed by a vote of three to zero. Chairman Baucom, Commissioner Lane, and Commissioner Openshaw voted in favor of the motion. Vice Chairman Pressley and Commissioner Mills were not present.

The Board members moved to the Personnel Training Room, Room 131, first floor, Union County Government Center, and at approximately 4:15 p.m., the Chairman reconvened the special meeting. The following were

PRESENT: Chairman Allan Baucom, Commissioner Roger Lane, Commissioner A. Parker Mills, Jr., (joined the meeting at 5:25 p.m.), and Commissioner Lanny Openshaw

ABSENT: Vice Chairman Kevin Pressley

ALSO PRESENT: Al Greene, County Manager, Matthew Delk, Assistant County Manager, Lynn G. West, Clerk to the Board of Commissioners, Jeff Crook, Senior Staff Attorney, Kai Nelson, Finance Director, Richard Black, Planning Director, Martie Smith, Library Director, Dana Eure, Assistant Library Director, Wanda Smith, Director, Parks and Recreation, Bill Whitley, Assistant Director, Parks and Recreation, Don Hughes (Union County Public Schools), and Mike Webb (Union County Public Schools), members of the press, and interested citizens

Mr. Greene stated that today's work session has three purposes:

- 1) To establish a financial policy in connection with County debt capacity limits
- 2) To review the County tax supported Capital Improvements Program (CIP) for the period 2009-2013, which includes South Piedmont Community College (SPCC), Union County Public Schools (UCPS) and County agencies and adopt the CIP; and
- 3) To provide direction to County staff regarding "near term" (i.e. land acquisition, engineering/design, construction, financing mechanisms/concepts) and implementation of CIP projects.

Mr. Greene recognized Kai Nelson, Finance Director, for his presentation. Mr. Nelson reviewed the agenda for the meeting.

Mr. Nelson reviewed First Southwest findings, conclusions, and recommendations regarding the County's debt capacity. It was noted in the written information that First Southwest's representatives presented their findings to the Board in April 2008. He noted that approximately 95 percent of the County's tax supported debt is for the schools. He stated that the County's outstanding debt has increased from 2003 (slightly in excess of \$150 million) to 2007 (\$550 million).

He said that the focus of First Southwest's presentation was to spend some time with the Board on the following national standard benchmarks: 1) Debt to Assessed Valuation; 2) Debt per Capita; and 3) Total Debt Service as a Percent of Expenditures. Mr. Nelson stated that the County's tax base has changed dramatically since 2007. He reviewed that in 2007, the County's debt to assessed value was 3.86 percent and its debt per capital was \$3,602. He said that the average debt to assessed value for all North Carolina counties at June 30, 2007, was 1.47 percent and the debt per capita was \$1,280. Further, he stated that the average debt to assessed value average for the largest counties in North Carolina at June 30, 2007, was 2.18 percent and the debt per capita was \$2,063 (Cumberland, Forsyth, Guilford, Mecklenburg, and Wake).

Mr. Nelson then reviewed the comparative debt ratios for Union County as compared with other counties with similar populations (Union, Cabarrus, Iredell, Johnson, and New Hanover). Other Counties were counties not experiencing the rapid school growth as Union County were: Alamance, Buncombe, Catawba, Davidson, Orange, and Pitt.

He next reviewed the debt capacity – current data and benchmarks. Mr. Nelson stated that in 2011, the debt service as a percent of general fund expenditures, is projected to be at almost 20 percent (limit of 20 percent included in benchmarks). He said that the per capita debt is projected to be \$2,543 (limit \$2,500) in 2011, and the debt to assessed valuation is projected to be 2.1 percent.

Mr. Nelson stated that the consultant has suggested that the County consider eliminating two of the three benchmarks and that it focus exclusively on debt to assessed value and establish that measure at three (3) percent. He reviewed the additional amount of debt capacity that would be available through 2013 if the debt to assessed value ratio was limited to three percent. He said that it is proposed that the annual debt capacity be smoothed to approximately \$66 million per year. He stated that in year 2013 the study applies 100 percent of a future revaluation and all of the growth 100 percent retroactively to the previous four years.

He reviewed the recommended change in the County's Financial "Best Practices" to eliminate the other two variables: debt to capita basis and total debt service as a percent of expenditures and retain the three percent as follows:

Debt – Tax Supported

- Tax supported debt to be issued over a 5-year capital planning period will be managed to a projected ratio of no more than 3 percent of the assessed valuation of taxable property of the County, may exceed the 3 percent ratio in any single year during the 5-year capital planning period, with the 5-year capital planning trend at or below 3 percent.

Mr. Nelson explained that in any given year, the potential is that it might exceed 3.0 percent in connection with debt issuance. He said that when debt is issued, then the proceeds are expended over the next year or two years.

He referred to the staff's recommendation for the schools' CIP and the County's CIP.

He stated that this discussion concluded his presentation on the Debt Capacity Limits.

In response to a question by Commissioner Openshaw, Mr. Nelson explained that the County's CIP, as modified, contains two differences from what was submitted by the schools. He said that in the County's CIP, it proposed design of middle and high school "E" in the 2012-2013 year and construction after 2013 and opening in 2015 as opposed to opening in 2013 as proposed by the schools. He stated that this is a \$95 to \$100 million decision.

He pointed out the second difference in the County's recommended CIP as compared to the schools' CIP is elementary school "M." He stated that the County's CIP contains no dollars for "M", and he noted that the schools' CIP contains a small amount of engineering in 2013. He said that the final difference in the staff's recommendation in connection with land for schools is there is no money in the 2013 CIP for land for schools.

Mr. Greene stated that Mr. Nelson could share with the Board school projection capacities that support the staff's recommendation in connection with the schools' CIP. He said that he did not sense a strong disagreement between the County staff and the school's staff on the recommendations. He explained that the CIP is a document that the Board would revisit every year. He said that the staff needs to meet with the Board of Commissioners to look at the projections to see what has changed in terms of demand and the County's financial forecast. Mr. Greene stated that was why he thought these projects could be pushed out on the

CIP, because based on the projections, the need is not justified and the Board would be looking at the CIP each year to make sure that the forecast is still accurate.

Mr. Nelson stated that the McKibben report issued in January projected roughly 39,000 additional students (Grades K-12), and the nine-day count showed 38,187 students. He said the difference in the actual number of students is approximately 800 to 900 students. He explained how he had used this report with his analysis to estimate projected new student growth.

He reiterated that the CIP is a plan, and decisions need to be made in the earlier years of the CIP, but the later years of the CIP will be revisited many times over the next few years.

The Chairman suggested that the staff proceed through the recommendations and then the Board could come back and make decisions later in this meeting regarding those recommendations.

Mr. Nelson reviewed the County's recommendations in connection with the Union County Public Schools. He pointed out that the differences as reviewed earlier are in connection with elementary school "M" and middle and high schools "E."

He next addressed the Comprehensive Facility Plan and Study. He stated that in the schools' original submission of its CIP, they had made a twofold request. He said that one was for \$31 million in Comprehensive Facility Plan Improvements. He further stated that there were no requests relative to Comprehensive Facility Plan Improvements in the later years, and there was a request to embark on a study. Mr. Nelson said that the County's proposal was to do the study, recognizing that the schools have said there is a significant need for renovations at the older existing campuses, and the potential costs for which could possibly exceed \$100 million. He stated that included in the County's CIP as a placeholder was \$20 million per year for the additions and renovations pending the results of the study. He said that the schools have identified two high priorities, Piedmont and Western Union Schools.

Mr. Nelson said that the near-term decisions that the staff is recommending to proceed with immediately includes the construction of "D" (Hemby Bridge) within the next few months. He stated that middle and high school "D" was part of the 2006 bond referendum relative to land and site improvements, but did not include any funds for brick and mortar construction. He said that was to be the subject of a future bond referendum or some other method of financing.

He said that the County's recommendations total approximately \$107 million for the projects. He stated that this included proceeding with middle and high school "D" and in terms of construction projects, includes Sun Valley Middle and High Schools,

Piedmont High School, and Western Union School. Mr. Nelson said ultimately because the proposal would be for COPS (Certificates of Participation) financing sometime in the spring, the sizing of the financing would be based on construction bids in hand. He stated that the goal would be that sometime in the April - June period when the Comprehensive Facility Plan Improvement projects are hopefully under construction or having just received bids, the COPS transaction would be sized to essentially pay the bills.

Chairman Baucom questioned why COPS financing would be used versus general obligation bonds. Mr. Nelson responded that there were several reasons to use COPS. He said that the time is now beyond scheduling a bond referendum for November. He stated that with the construction schedule for middle and high school "D", these schools need to be completed and opened by 2010.

Commissioner Openshaw asked what impacts the capital market would have on the COPS financing. Mr. Nelson replied that COPS financing would be no different than previous COPS financing. Commissioner Openshaw stated that the difference is that the market is in turmoil and questioned who would be the purchaser. Mr. Nelson stated that municipal debt is probably one thing that purchasers would want to buy. He added that at this particular point it would be difficult for him to say what the potential impact would be by the summer.

Commissioner Openshaw asked if Mr. Nelson has looked at how interest rates have been affected where COPS have been issued. Mr. Nelson said that he did not know the answer to that question. He said that North Carolina by and large continues to issue COPS transactions even in the current market, and he was not aware of any jurisdiction that has pulled a COPS financing due to a lack of buyers.

Mr. Nelson said that in order for middle and high school "D" to be opened according to schedule and to provide for additional classroom space at Sun Valley Middle and High School in a timely fashion, the schools need to make certain decisions. He stated that because general obligation bond funds are currently available, those funds would be used to provide financing on a cash flow basis, and by spring, with construction bids in hand, debt would be issued.

Don Hughes of the Union County Public Schools stated that because Sun Valley Middle and High Schools are on the same campus, the improvements would be bid several ways: one for the middle school, one for the high school, or a bid for both schools.

Following further discussion, the Chairman called for a recess of the special meeting at 5:30 p.m.

At approximately 6:00 p.m., the Chairman reconvened the meeting.

Al Greene, County Manager, noted that there was a potential that the Board might not be able to complete its discussions of the items in the work session today. He said that there were several points that have already been covered where decisions are needed: 1) the three percent as the measure of debt capacity going forward and 2) the Union County Public Schools' Capital Improvement Plan. He stated it would be helpful if the Board could give its indication on those two matters at this time. He said that as Mr. Nelson had pointed out in his presentation, the schools need to move ahead fairly quickly in engaging architects to meet the timeline for the COPS issue by late spring or early summer and to make sure the schools are ready to open on time. In addition, he said that a meeting is scheduled for tomorrow morning with the schools' facilities committee and it would be ideal if the consensus of the Board could be reported to the committee at that time.

Revised Debt Capacity Limit Policy:

Motion was made by Commissioner Lane to adopt the following:

- Tax supported debt to be issued over a 5-year capital planning period will be managed to a projected ratio of no more than, 3 percent of the assessed valuation of taxable property of the County, may exceed the 3 percent ratio in any single year during the 5-year capital planning period, with the 5-year capital planning trend at or below 3 percent.

The motion was passed by a vote of four to zero. Chairman Baucom, Commissioner Lane, Commissioner Mills, and Commissioner Openshaw voted in favor of the motion. Vice Chairman Pressley was not present.

Union County Public Schools:

Commissioner Lane moved to adopt the Union County Schools 2013 CIP and "near term" decisions which includes middle and high school "D", various A & R projects, approve Comprehensive Facility plan and the 2009 COP's Financing.

The motion was passed by a vote of four to zero. Chairman Baucom, Commissioner Lane, Commissioner Mills, and Commissioner Openshaw voted in favor of the motion. Vice Chairman Pressley was not present.

Radio Communications:

Mr. Nelson reminded the Board that it has made a number of decisions with respect to the radio communications and that the Motorola Contract has been executed. He explained that the contract calls for the County to move forward with the Customer Design Review (CDR) and to order the equipment no later than October 31, 2008. He stated that the challenges involved with that order to preserve: 1) the favorable pricing; and 2) receive \$900,000 in DHS grant funding available to the City of Charlotte in conjunction with the County's partnership with the City of Charlotte. He said that in some respects they are dependent upon the sites.

Mr. Greene noted that on the maps provided in the Board's package that the portable handheld units are not projected to have 95 percent coverage within buildings. He stressed that this does not mean there is no coverage in these areas but it does not meet the standard of 95 percent coverage. He said that until the system is completed, it would not be known how well the system is performing.

Mr. Nelson pointed out that the current design has moved the recommended tower site from Fairview to Midland. He noted that maps included in the package show the coverage areas for both the mobile and portable units for the current recommended site in Midland.

Chairman Baucom stated that he was under the impression that there would be 100 percent coverage with the new system. Mr. Greene responded that 95 percent is the customary percentage that most systems strive to reach.

Pat Beekman, Homeland Security Director, stated that it is practically physically impossible to have 100 percent coverage because of atmospheric conditions, etc. Chairman Baucom questioned if there would be any dead spots in the county. Mr. Greene explained that the southeast part of the county has topographical problems and said that in order to correct the problem, there would have to be a tower sitting on top of the areas. The Chairman also asked why there are dead spots under the tower in New Salem. Gary Thomas, Communications Director, replied that there are a lot of hills and valleys in that area. He said that the New Salem tower site sits on top of a hill with the backside of the site going down to Richardson Creek.

Mr. Greene reiterated that 95 percent coverage is a very good standard and even in the worse case, it would be a vast improvement over the current system. Mr. Beekman added that the light spaces on the coverage map do not mean they are dead spots, but they just do not have 95 percent coverage.

The Manager stated that until the system is built, it is not known what problems there will be. He stated that the staff believes the coverage shown is acceptable, but if not, there are solutions in terms of adding additional tower sites to the system. He said that

the difficulty is that between the tower sites and the equipment, it would cost approximately \$1.5 million per additional site. He stated that it would be best to wait and see the percentage of coverage before making those decisions.

There was discussion regarding the difference in coverage as shown on the maps from the original site in Fairview to the recommended site in Midland. Commissioner Openshaw asked if Fairview were aware that there would likely be dead spots if the site is moved to Midland. Mr. Beekman responded that Fairview has been briefed on both occasions when the County was requesting to place towers in Fairview but were denied twice. He said that they had told Fairview that the alternative would be to go to the Midland tower site which could cause 95 percent coverage 95 percent of the time in their area, and they knew that was a consequence of their decision.

Commissioner Openshaw asked if there was any way to bring the tower site back to Union County. Mr. Beekman replied that the County has gone twice to Fairview within the last 10 months with requests for tower sites. The Chairman asked about a site being in Unionville. Mr. Beekman responded that Unionville would have to give approval. Mr. Greene said that that cost of moving the site compared to the benefits gained does not work. He reiterated that this was a good coverage map. Mr. Beekman pointed out that the savings in cost by going to the Midland site would be approximately \$600,000, but the building at the base of the tower would have to be increased to place the County's equipment. He said that the tower already exists and Midland has agreed to allow the County to place its equipment on the existing tower.

Chairman Baucom questioned why the Midland site had not been considered previously. Mr. Beekman responded that staff's guidance on the towers had been that the County wanted to own the towers. He said that they had looked initially at county owned land. He said that they knew they would not be able to do that in New Salem and the initial consideration in Fairview would be the Old Fairview Elementary School. He explained the reasons why the communications tower in Fairview would not be acceptable.

Mr. Beekman introduced Dennis Baucom, head of the Charlotte-Mecklenburg Radio System. Mr. Greene offered that Mr. Baucom could probably address the coverage issues better than staff.

Mr. Baucom stated that he agreed with the Manager that the coverage maps are some of the best that he has seen. He said that the light areas are topographical and when there are gullies and valleys, it is difficult to get a signal to reach those areas. He stated that the day that the system is turned on, they would drive almost every square inch of the county and map the coverage. He said they would find ways to get the signal to radiate into the gullies that cannot be seen now. He said that if the coverage is as predicted, Union County would have better coverage than does Mecklenburg County.

Mr. Beekman stated that if the County constructs a tower in Fairview, it might be able to receive revenue from leasing space on the tower. He said that comparable coverage for a cell phone tower would require 12 towers, and the County will require 7.

Mr. Greene noted that the staff is coming to the Board with a change in plans and is recommending that the Board authorize the order to be placed with Motorola now under the assumption of the configuration presented. He stated that if the equipment can be ordered prior to October 31, it would avoid the cost escalation that Motorola can take under the agreement and also the timing is good in preserving the \$900,000 grant.

Following the presentation, Commissioner Lane moved to: 1) authorize the County Manager to approve the Customer Design Review (CDR) acknowledging that all of the tower sites have not been secured; 2) approve ordering the Motorola Equipment prior to October 31, 2008, in order to preserve the contract pricing and the Department of Homeland Security (DHS) Grant; and 3) authorize the County Manager to approve the lease agreements for the Belk/Mill, SHP, Midland, Cuthbertson, and Crow Road sites. The motion was passed by a vote of four to zero. Chairman Baucom, Commissioner Lane, Commissioner Mills, and Commissioner Openshaw voted in favor of the motion. Vice Chairman Pressley was not present.

South Piedmont Community College:

Mr. Nelson referred to the Multi-Purpose facility for the community college. He stated that the community college's master plan was included in the board's package. He said that the staff is proposing a timeline based on the information provided that South Piedmont Community College would like to have the facility opened in December 2010.

Commissioner Openshaw questioned the timeline of opening the facility in December 2010 versus August or September of 2011. Dr. John McKay, President of South Piedmont Community College, responded that he believed it had to do with the COP's financing. Mr. Nelson concurred that this was correct in part. He explained that in a number of the projects, the staff has tried to stack them in terms of a financing instrument. He noted that one of the challenges is when the projects are taken to the bond markets, they have to avoid multiple transaction costs. He said that each time the County has a transaction, there is a fixed cost of issuance.

Mr. Nelson said that the other project for South Piedmont Community College in the master plan short-term is the facility for public safety and manufacturing. He stated that this project is shown further out on the timeline. He said that it is hoped that there will be a statewide community college bond referendum and part of that referendum would be that Union County would receive credit

for building the Multi-Purpose facility, and when it comes time to build the second project, it will not cost any additional money on the County's local property taxes.

Mr. Nelson said that in order to meet the timeline for the Multi-Purpose facility, the community college needs to move forward with selecting an architect/engineer and then move forward with the design. He stated that the staff recommended that the Board authorize funding for the architectural component of the project only through the construction documents and the community college would come back to the Board with updates so that the price can be firmed up. He said that the community college would come back to the Board on at least two occasions.

Following the discussion, Chairman Baucom moved to authorize funding for the architectural component of the Multi-Purpose Facility only through the construction documents. The motion was passed by a vote of four to zero. Chairman Baucom, Commissioner Lane, Commissioner Mills, and Commissioner Openshaw voted in favor of the motion. Vice Chairman Pressley was not present.

Library:

Commissioner Openshaw stated that he had not been in favor of the regional library concept. He said that the alternatives that he was looking at would be considerably less expensive, and the alternatives he was considering were the two original regionals, and preferably constructing only one at this point. He said that the regionals would be significantly smaller with different possibilities, one of which would be constructing a facility that would be expandable. He said one possibility might be having a smaller library now which would dramatically reduce operating costs. Commissioner Openshaw said that it would probably reduce the funding needs in the CIP.

There was discussion about the purchase price of the Honeycutt property.

Ms. Smith stated that the Library Board of Trustees had recommended the James property. She said that she thought the asking price of this property was \$2.5 million for five acres and \$3.5 million for the entire tract which consists of 15 acres. She stated that the James property is directly across the street from the Cureton Towne Center and would be adjacent to the commercial development at Cuthbertson Road. She said that this property has the best access and is the most desirable tract.

Mr. Nelson explained that the Board has appropriated \$4 million for the project. He said that the financial impact on the tax rate would be roughly one cent. He noted that the operating and maintenance costs would be approximately \$1.2 million in additional operational costs. He said again that the staff would try to find other projects in the future to align with this project from a construction standpoint to package them into a single bidding.

He stated that the project has a great deal of history and the architect has been engaged. Mr. Nelson said that both the Library Board of Trustees and the Board of Commissioners made a decision with regard to the super regional library approach and previously directed the Library Board of Trustees to perform its statutory responsibilities of recommending a site.

Mr. Greene said that the staff's recommendation is that the proposed project proceed but in light of Commissioner Openshaw's comments, there should be some discussion.

Commissioner Openshaw said that Ms. Rogers and Ms. Kuehler have not been elected yet, but this is a major expenditure that he has not heard any support for from them and he does not support it. He stated that he believed there are potentially better alternatives at least from his perspective. He offered to sit down with each of the Board members and flesh out his version. He stated that granted there are a number of variables. He said that he believes libraries should be a part of the community.

Commissioner Openshaw stated that after last year's tax increase, he was looking for ways to cut taxes and not ways to increase them. He said that currently Waxhaw's library is 2,920 square feet. He stated that he did not believe that its library needed to increase from 2,920 square feet to 40,000 square feet. He stated that 40,000 square feet might ultimately be needed. He further said that he did not believe it is convenient for the service area.

He stated that he would like to see a greater contribution from the municipalities toward libraries. He said that he was looking for ways to reduce the cost but still give a good product that is needed now and one that can grow for the future. Commissioner Openshaw stated that he was going back to the plan that the libraries had before going to the super regional which was the regional libraries. He said that anything beyond a regional library should be the responsibility of the municipalities.

Ms. Smith said that the issues that have been mentioned by Commissioner Openshaw have been discussed and considered at great length by the Library Board in making this recommendation to the Board of Commissioners for a super regional library. Further, she said that they were the same issues considered when the Board of Commissioners made the decision to merge those two regions.

She introduced Phil Barton, library building consultant in North Carolina. Ms. Smith said that Mr. Barton could speak to some of the issues raised by Commissioner Openshaw.

Mr. Barton addressed the reason that 40,000 square feet of library space was needed. He stated that it would be building for future growth. He said that the service area population is approximately 39,000 currently. He stated that the projected growth based on some information provided by Ms. Smith indicates that with the future growth over the next 20 years, there might be a population base of approximately 80,000 in the service area. Mr. Barton said that one of the reasons Ms. Smith had asked him to get involved with the project was to review the status of the idea of a single region as opposed to two smaller ones. He said that the biggest reason to consider a single region is to look at the service area for the two towns, Waxhaw and Weddington, which are only seven and one half miles apart.

He explained that the primary service area of a library is generally considered to be a five mile service radius. He said that in doing a five mile service area around those two towns, there is a tremendous overlap. Mr. Barton stated that looking at the idea of a single area midway between the two communities, it begins to make sense and when looking at the cost of operating two branches that were comparable in size opposed to operating a single branch, there would be less cost in the long run with a single branch.

He said that there were some issues with the Weddington site and whether the site itself was possibly not adequate for a single story facility versus a multi-story library. He stated that he believed the bigger issue was the parking issue. Mr. Barton said that one other issue that has been raised is why do the municipalities not get more involved. He stated that in this state that is not the trend of public libraries and has not been since the 1950's and before. He said that the State Library in pushing library development and has basically supported two types of development: 1) the county library system which has been the ideal governmental unit for operating public libraries; and 2) the multi-county system known as regional.

Mr. Barton said that there are municipal libraries in the state, but it is not the type of system that has really been pushed. He pointed out there are only approximately nine municipal libraries in the entire state that receive state aid. He said that those libraries do not receive the amount of state aid equal to what a county or regional system receives, because it is not the direction that the State has gone in as far as library development.

Commissioner Mills stated that he respected and understood Commissioner Openshaw's position. However, he said that there is so much potential for a larger facility that can be expanded that is going to serve a tremendous number of people and will cost less to operate. He stated that his number one concern is the funding.

Ms. Smith said that Mr. Nelson in the past has shown the Board how the funding would apply. She stated that it would save approximately \$700,000 per year by building one larger facility over two smaller facilities. She said that even if two regional libraries are built, they are not town libraries and are not meant to serve an individual town. She stated that even the Marshville library serves an entire region. She said that none of the municipalities are prepared to significantly support a library.

Ms. Smith stated that people go to libraries where it is most convenient for them to go and where they shop or work ordinarily.

With the time being approximately 7:00 p.m., Chairman Baucom asked if the Board wanted to recess the special meeting until later in the evening. Commissioner Mills questioned whether it would be possible to add the remainder of this meeting onto the agenda and address these issues at the beginning of the regular meeting.

Commissioner Openshaw said that he had a lot of rebuttals to the library issue and would suggest that it be tabled until he could have a more thorough conversation with the other members of the Board.

Chairman Baucom suggested that the special meeting be adjourned and that another meeting time be scheduled to discuss the remaining items.

Mr. Greene noted that the staff was requesting that the Board set a work shop on September 22, 2008, to discuss the status of the Comprehensive Plan and also to present the water allocation policy. He said that if it was the Board's desire, that the issues remaining on the CIP could possibly be scheduled at that time. Commissioner Openshaw stated that he would be out of town on September 22, 2008.

There was discussion about convening the regular meeting and then reconvening this special meeting to address the remaining items. Chairman Baucom suggested that this special meeting be recessed. Mr. Crook noted that there were two public hearings scheduled on the agenda tonight, which should be heard first. There was discussion about recessing this meeting for 30 minutes and then reconvening the special meeting to address the remaining items regarding the CIP.

Commissioner Openshaw suggested that the Board either finish the special meeting now or continue the special meeting in the Board Room. By consensus, the Board agreed to add the continuation of this work session to the regular agenda tonight to be heard in the Board Room.