

March 17, 2016—Planning Retreat

The Randolph County Board of Commissioners met in special session at the Randolph County Office Building, 725 McDowell Rd., Asheboro, Meeting Room A, for a Planning Retreat. Commissioners Frye, Kemp, Lanier, Haywood and Allen were present, as well as, County Manager Hal Johnson; Assistant County Manager/Finance Officer Will Massie; County Attorney Ben Morgan; Associate County Attorney Aimee Scotton; Amanda Varner, Clerk to the Board and Dana Crisco, Deputy Clerk to the Board. County Department Heads/staff were in attendance and made presentations where so noted later in these minutes.

At 1:00 p.m., Chairman Frye called the meeting to order.

Cooperative Extension Report to the People Update

Jonathan Black, Cooperative Extension Director, presented statistical information about agricultural production in Randolph County. He said Randolph County is number one in beef cows (16,500 hd.), number two in all cattle (43,500 hd.), number one in goats (2,700 hd.), number two in dairy cattle (4,700 hd.), number six in poultry (36,015,000 hd.), and number six in hay (26,200 acres) in North Carolina. Agriculture accounted for \$568,546,742 (2012) in value-added production and equine inventory was \$22,953,000.

He then discussed the recently filled positions of Family and Consumer Science Agent and Field Crops Agent. He said there is still a great need for a Livestock Agent position which will cover small ruminants, equine, swine, and 4-H livestock. He stated that the County could use a center for agricultural needs, education and community events. In closing, he shared the Cooperative Extension's 2015 Impact Snapshot as follows:

- \$3,266,287 Net Income Gains From Use of Best Management Practices
- \$434,708 Value of Volunteer Hours Donated
- \$19,107 in Grants Received
- 56,505 Educational Contacts
- Over 5,000 Youth Enrolled in 4-H Youth Development Program
- 13 4-H Clubs
- 12,437 Participating in Educational Meetings
- 18,131 Acres Enrolled in Voluntary Agricultural District Program

Commissioner Haywood asked if the County had any farms with bison or emus and how many farms grew strawberries. Mr. Black said that there was one bison farm but no emu farms and named three large strawberry producers in the County.

Commissioner Frye inquired about presence of sheep in the County. Mr. Black responded that the numbers were increasing especially for grazing on land that was being used for solar farms. Commissioner Frye's next question was whether or not family owned farms were being continued with the younger generations. Mr. Black said that some of the older farmers in the area were ready to retire but their children were not interested in maintaining the farm.

Commissioner Lanier questioned if cotton was being grown. Mr. Black said that growing cotton involved the need for specialized equipment that was very expensive and there is not a gin close. No one in Randolph County is growing cotton, he said.

Strategic Planning Update

County Manager Hal Johnson spoke about the Strategic Planning process that has been ongoing since June 2015. He said that there have been up to one hundred citizens participating and giving their input. The process is addressing the three functions of government; safety, health, and well-being and how they are all interconnected. In the health area, mental health and substance abuse have been identified as needing more focus as well as recruiting health services and individuals to provide those services. Under safety, the topics having been discussed are paramedicine, a special unit at the jail to house mentally ill inmates and those with substance abuse issues, recruitment of volunteer fire fighters, and Enterprise Risk Management. For well-being, subjects have included workforce development consolidation, economic development, quality of life, and an agribusiness center.

Commissioner Haywood asked if there was room at the hospital for a mental health ward and Mr. Johnson responded no. He then inquired as to the availability of vacant land owned by the County to house a mental hospital. The response was that none was available.

Updates on Joint Projects with the City of Asheboro

David Smith, Mayor of Asheboro, and John Ogburn, City Manager, thanked the Commissioners for allowing them to come and speak. Mr. Smith stated that the City and the County have a good working relationship. Mr. Ogburn said the County has worked with the City on hazard mitigation and solid waste and has allowed them to use the mobile command center and officers for events.

The first project Mr. Ogburn addressed was the extension of New Century Drive. Currently New Century Drive ends at the jail. The City proposed extending it to feed into Veterans Loop. This would allow traffic to more quickly get to properties that will make up an industrial park. Currently, access is only available from Southmont Drive. He explained that smaller industrial companies were looking to house their businesses on lots that have quick access to Hwy 220, are flat, and have utilities already available to them. The estimated cost of constructing the extension was \$296,529 which also included widening the current road and the McDowell Road intersection. He said that the City planned to use \$148,264.50 from the incentive money earmarked for Post/Malt-o-Meal (since they did not make their employment number for the grant match) and suggested that the County might do the same.

Commissioner Frye asked if DOT Drive would be an option to connect to Veterans Loop. Mr. Ogburn said that DOT was opposed to that proposal. Commissioner Frye inquired if Southmont Drive would be able to handle the increased traffic if the industrial park was developed. Mr. Ogburn said that it was underutilized and would handle the traffic. Mr. Ogburn noted safety features that would be designed to allow for emergency traffic.

Commissioner Lanier asked about the acreage available and was told by Mr. Ogburn that the area contained approximately sixty acres that could be developed.

The Great Oak Landfill was the next topic. Mr. Ogburn stated that the new landfill will be a strategic asset for both the County and the City. It would be able to handle all of the waste from the entire County. The City was asked by Waste Management Inc. to extend water and sewer to the site and to accept leachate from it. He quoted the cost estimate of water extension at \$572,980.10 and sewer extension at \$1,341,183.80 and spoke of the approximate \$184,950 cost savings which would be per year for the City with a facility available locally. He said the City was pleased to accept the leachate since it would generate a revenue of over \$14,000 each year. The City proposed that Waste Management Inc. construct at their expense the lines to the site and the City would maintain them.

The last project update presented was the Asheboro Airport. Mr. Ogburn said that the state had given \$562,000 for the project. The airport now had approximately \$1 million for the terminal renovation. He stated that local government lobbyists would try and get Federal funding for the project.

Workforce Development Lead Agency Update

Hal Johnson, County Manager, updated the Board on the workforce development lead agency. He said one of the strategic issues that had been identified during the ongoing Strategic Planning process was the need for Randolph County to expand its workforce development programs to include development of small business incubators, apprentice, job shadowing, and on-the-job training programs. He also stated that adult, dislocated workers, and youth services are areas of continued strategic concerns.

Mr. Johnson explained that in 2013, the N.C. General Assembly, as part of a reorganization of the Department of Commerce, created Prosperity Zones within the state. The intent of these zones was to better focus state resources into needed areas. The Prosperity Zones were also developed to better use available state resources on workforce development issues.

He stated Randolph County recognized the Regional Consolidated Services Workforce Development Board as its primary provider of workforce development services. Due to Randolph County's location in the Piedmont Triad Prosperity Zone, the County has the opportunity to be a part of the Piedmont Triad Regional Council's Northwest Piedmont Region Workforce Development Board.

He said it was difficult to change from one provider to another. To enhance the County's workforce development capabilities, he suggested examining whether or not the workforce development business solutions offered by the Piedmont Triad Regional Council may be a better fit for this expanded County strategic goal. With the economic development, job creation and support challenges that Randolph County may face, he said the County would need a workforce provider that has the greatest scope and resources.

For many years, Regional Consolidated Services has served Randolph, Montgomery, Alamance, and Orange counties, Mr. Johnson stated. After meeting with both the Regional Council and Regional Consolidated Services Workforce Development, he said he learned that Regional Consolidated Services also provided Head Start and in-home care services that positively

impact 485 children and families. With that in mind, he recommended further investigation before choosing between Regional Consolidated Services and the Piedmont Triad Regional Council.

Updates on Condemnation of Property

David Bryant, Building Inspections Director, explained the rules and procedures to condemn property in Randolph County. He said the Inspections Department was responsible for condemnations within all county municipal areas which include the cities of Archdale, Trinity, Liberty, Seagrove, Randleman, Franklinville, Ramseur and Staley. The only exception was the City of Asheboro. The following are the rules that govern condemnation:

- Premises: Residential and commercial structures must be structurally sound and maintained in a water-proof and weather-proof condition.
- Equipment: Residential and Commercial structures must be equipped with adequate heating and electrical systems, potable water, sanitary facilities and adequate means of egress.

He said that an inspection could occur if requested by an inspector, a tenant, a resident, or a government agency. An Inspector will conduct an inspection of the property to validate the complaint. If the inspection reveals violations, the Inspector documents the violations along with the name of the owner(s) and/or agents and tenants of the property. The property owner is notified to allow the opportunity to correct the violation prior to starting the condemnation process. If an agreement cannot be made between the Director of Inspections and the property owner, the condemnation process will begin. If no violations are found, the Inspector will document these findings as well. All records pertaining to condemnations are kept in accordance with state law. In emergency cases, where there is apparent immediate danger to life, health or safety of any person or to the safety of other property, the Inspector shall issue a 48-hour Repair or Vacate Notice, if any of the following conditions exist:

- Broken, burst or inoperable plumbing systems, or no water service
- Unsafe or exposed wiring
- Dangerous heating or cooking equipment or conditions
- Dangerous fuel storage equipment or fuel supply lines

If the structure is not repaired within 48-hours, the Inspector shall order the structure closed for occupancy and unfit for human habitation and may have the utilities disconnected. If the Inspector verifies the presence of violations of a non-emergency nature, the owner is notified of the violation(s) and is summoned to appear at a hearing before the Director of Inspections. The hearing is scheduled to be held not less than 10 days and not more than 30 days after the notice is served. A Notice of Hearing is issued to the owner listing the violations and a hearing date set for 15-30 days from the date of inspection. This notice is sent by certified mail. The hearing is an opportunity for the owner to meet with the Director of Inspections and discuss the violations. The owner may have legal representation at this hearing. If, at the hearing, the Inspector determines the structure is unfit for human habitation, the Inspector shall issue an Order to Repair, requiring the owner to correct the violations within a time frame set by the Inspector (at least 30 days). If the estimated repairs to the structure exceed 50 percent of its value, the Inspector will issue an Order to Repair or Demolish. The property owner reserves the right to appeal the Director's decision to the

Randolph County Board of Commissioners. After the specified time limit of the Order to Repair (or Demolish) has expired, the Inspector will re-inspect the structure to verify that the violations have been corrected or that the structure has been demolished. If the required work has not been completed, but the owner has made substantial progress, the Inspector may grant an additional 30 days to complete the repairs. The Inspector may continue to grant 30-day extensions, for a total of up to 90 days, provided that substantial work has occurred during each extension, as verified through subsequent re-inspections. If, after re-inspection, the repairs required to bring the property into compliance with the North Carolina State Building Codes have not been completed, the Inspector will send the owner a Notice of Condemnation stating that it shall be unlawful to occupy the property. The Inspector will also post a Building Condemned sign at the main entrance to the structure. This sign serves as notice to any tenants of the property that they may be required to vacate within 30 days. The owner may choose to close or secure the structure rather than make any repairs (in County jurisdiction only), but understands that the structure may not be occupied. The owner may sell the property, but is required to notify the buyer about the violations, condemnation and any related information. Upon completion of the sale, the new owner (buyer) becomes responsible for making any required repairs in order to bring the structure into compliance with applicable building codes. After the condemnation process within a city limits, the city takes over and pays all expenses for the demolition and cleanup of the property. If the property is located within County jurisdiction, the property is posted, roped off with caution tape and utilities disconnected if applicable.

Mr. Bryant addressed some properties that have received complaints and explained the findings. In cases where the property was condemned but still unrepaired, he said that there were not funds available to him for demolition and the owners could not be found.

Human Resources Updates

Jill Williams, Human Resources Director, stated that the goals of Human Resources were to recruit, retain, and develop a qualified workforce. To do this, she said the County needed to provide competitive market compensation to attract well-qualified applicants and adequate compensation and training to maintain a competent and capable workforce. She also recommended training employees to meet current needs while developing future management and leadership talent.

She presented monetary compensation considerations; cost of living adjustment (COLA), market adjustment, and merit pay increase. She suggested that any or all of these methods could be used to raise the rate of pay for County employees. While the County has never offered a longevity bonus, she wanted to make the Commissioners aware of its use in over half the counties in North Carolina.

She offered some statistics of Randolph County Government employment for 2015. The turnover rate was 13.95% but should ideally be below 10%. Randolph County's range minimums were on average 4.48% lower than other counties in the state. She also noted that recruitment competition came from other government agencies as well as private businesses. She presented the Consumer Price Index, 1.8% for 2015, as another measure for the Commissioners to consider when making pay adjustments. She shared benefit comparisons against other counties making note that 85 counties offered 401K while 40% of those contributed 3% or more and 88 counties

provided dental insurance to their employees while 55% either cost shared or paid 100% of employee coverage.

The last item she spoke of was the proposed Department of Labor increase to the Fair Labor Standards Act exemption from its current level of \$23,660 salary per year to \$50,440. This would affect 57 employees currently exempt from overtime if it were implemented.

Commissioner Lanier stated that the employees should be offered a pay adjustment of some kind. He suggested using some of the landfill payment of \$1million to accomplish that.

Information Technology (IT) Update

Michael Rowland, IT Director, presented information on the critical need for cybersecurity. He stated that the County currently has over 800 desktop/laptop computers and over 200 mobile smart phones. The network spans 18 buildings with 149 servers, over 40 network devices, and more than 120 remote connections from more than 35 separate outside agencies. He listed sensitive data being protected; social security numbers, health information, criminal justice information, finance information, and the County website and services.

He offered some statistics from a NetDiligence Cyber Claims Study based on 160 claims between 2012 and 2015 that only accounted for approximately 5% of total cyber claims handled within that time frame. Hackers caused the highest percentage of loss with private health information being the data that was most often lost. Malware that was on the rise was ransomware, a malicious program that encrypts files requiring payment to get the files back.

He explained how networks in Randolph County government were currently protected. IT uses firewalls and filters to inspect both in and outbound traffic for potential threats or compromises. Guest users are isolated on a separate network from our own and Virtual Private networks provide secure remote access as needed. Desktop systems have anti-virus and firewalls installed on them. Windows security patches are applied monthly to all servers and clients. Mobile devices have full encryption and a software installed that can wipe and lock the device if it is lost or stolen. Both datacenters have protected access and are monitored by surveillance video and wiring closets are protected under lock and key.

Some ongoing risk mitigations that he said IT used were weekly vulnerability scans, constant proactive monitoring, employee training, email compliancy and attachment scanning, an annual PCI Penetration Test performed by a third party, employee access to only the files needed to perform their jobs, and encrypted data.

In conclusion, he shared some actual incidents and looked ahead at future methods to further secure data. He said that while the networks are constantly monitored, viruses and malware are still common and the firewalls are constantly reacting to threats. In 2015, IT had three cases of ransomware that were quickly eradicated. Minimal data loss occurred in one case due to user error. In the future, he suggested that limited privilege to data would continue to be used, two-factor authentication would be required for select users to gain access, expanded encryption would be implemented on internal and mobile devices, and file monitoring and consolidation would

continue. He noted that software packages would eventually take the place of staff to control breaches.

Cathryn Davis, Risk Manager, stated that the keys of cybersecurity from a Risk Management perspective were prevention, protection, and mitigation. She shared some scenarios that had occurred in North Carolina government to reinforce the necessity for security. Next she outlined Randolph County's NCACC insurance coverage for cyber threats. NCACC provides \$1million in coverage annually which includes coverage for privacy response, regulatory proceedings and penalties, ransomware, property damage by virus, and an erisk hub.

Commissioner Agenda Technology Update

Michael Rowland, IT Director, said as the Commissioners move closer to using tablets with a digital agenda, best practices recommend that the County develop a policy to cover the appropriate use of the tablets. The device's primary purpose is to assist Board members in the performance of their duties. The tablets will also reduce the use of paper and in turn reduce the costs of producing meeting agenda packets. They will also serve as a communication tool. The devices will be issued and maintained by IT and remain County property. All County computer systems are considered public property. All documents and email messages sent or received from any County system are considered public records. Each tablet will be set up with County email for official use by Board members.

The draft tablet policy was presented for review and discussion. The policy covered ownership of the tablet, care and acceptable use, and return to Randolph County when leaving office. Mr. Rowland explained the details of it and said if there were no changes, the final version will be presented at a regular meeting for official adoption.

Review of New Article 44 Sales Tax

Will Massie, Assistant County Manager/Finance Officer, reviewed the current sales tax distribution structure for the 2015-16 year for comparison with the changes for 2016-17, resulting from House Bill 97 adopted by the State last year. An estimated additional \$2,622,000 will be distributed to the County in 2016-17; the new Article 44 sales taxes are to be used for schools, community college or economic development.

Water Fund Update

Will Massie, Assistant County Manager/Finance Officer, addressed the current water allocation and expense. He stated that the County is not selling all of the water that they have. The City of Archdale is currently negotiating to purchase raw and treated water allocations from Randolph County. Mr. Massie shared the calculations on the County's cost of raw and treated water per 100,000 gallons. Archdale will be reviewing their needs and the affordability of the allocations. With any proceeds, Mr. Massie recommended paying down the debt service for the water treatment plant and mentioned there would be a 1% penalty for prepayment. He also reminded the Board that the Piedmont Triad Regional Water Authority is planning an expansion of its water treatment plant. Depending on which members participate, Randolph County could get more water at an even cheaper price if the Commissioners wished to do that. That decision would need to be made at the April Commissioners Meeting. Any purchase of water would increase our annual budget to cover the PTRWA's operating costs to treat the additional water.

Sheriff's Office Updates

Sheriff Robert Graves spoke of the various needs of the Sheriff's Office. The first need he addressed was a new position of Professional Standards Investigator. He said it was an essential position that was missing from the organization. The officer in that position would investigate any allegations and complaints of misconduct or wrongdoing that are raised against an officer or other staff. That person would research and develop a system to measure an officer's performance for use with promotions and for career enhancement and growth. The investigator would also write and update policies in the Sheriff's Office and provide coaching or counseling to an officer when mistakes are made. Sheriff Graves would present the request at the April meeting for approval. The complete salary package including benefits, taxes, etc. would be \$77,264.

Sheriff Graves addressed the new Aviation Program Contract between Guilford, Alamance, and Randolph counties. The contract would be valid for a ten year period and would cost \$10,000 per year. It would cover expenses associated with hanger rental, insurance, annual inspection and routine maintenance.

Commissioner Lanier asked how the plane had been used in the past. Detective Sergeant Ryan McClelland, the authorized County pilot, responded that it had been used for tracking drugs, locating missing persons, and taking aerial photos to aid in investigations. He said the plane is paid for and was a very cost effective method of investigation.

In regards to renovations, Sheriff Graves stated that the entryway and reception area of the office needed to be enlarged and updated for comfort of citizens, positive image of the department, and safety within the building. An office in the front will be converted to a public conference room to be used when some privacy is needed. When the lobby area is enlarged, a full door with controlled access will be installed to keep unauthorized people from entering restricted areas. Sheriff Graves said these changes would create a much nicer space and would be more secure. He showed slides of other places in the department that needed paint, flooring, and replacement partitions.

Last, he addressed the jail overcrowding issues. The average daily population in 2015 was 232 inmates. The highest one-day population was 282 inmates. The jail was built to accommodate only 211 detainees, 183 male and 28 female. In 2015, the peak male population was 230 while the peak female population was 60. There is no place for special populations without displacing other prisoners or housing them in facilities that are not meant to be jail cells. He mentioned that the Department of Health and Human Services Jail Inspector had written up the jail for overcrowding numerous times. Officer JoAnn Sapp confirmed the lack of space and the need for special population cells. Sheriff Graves had been working with Paxton Arthurs, Public Works Director, to investigate the placement of a new pod on the existing jail property.

County Capital Project Updates

Paxton Arthurs, Public Works Director, gave updates on numerous projects. Projects that have been funded include the Emergency Services Headquarters, Ambulance Bases, and the Animal Shelter. He said the Emergency Services Headquarters Building is underway with a projected completion date of January 2017. The Ambulance Bases in Randleman, Uwharrie and Liberty are

complete. The Coleridge – Erect base is in the final stages of completion and property for the Trinity Base still needs to be found. The Animal Shelter is currently in the design phase. He stated that he expected to be able to bid the project out this summer with construction starting in the fall.

He identified future capital needs for the Sheriff’s Office, DSS, the Courthouse, and water/sewer expansion. The Sheriff’s Office needed expansions for both the Jail and the main office. He noted that the plans for the office renovation were only short term and long term plans were still needed. DSS would need more space for Medicaid expansion and Mr. Arthurs suggested the Commissioners consider a satellite office or an addition to the main office. In an attempt to alleviate overcrowding at the Courthouse, a study had been conducted early in the year and presented at the February meeting to show different options for use of the current space. At that time, it was determined that Probation, Parole, and Day Reporting would not have to be housed at the Courthouse. In looking for property, Mr. Arthurs suggested building a facility on New Century Drive across the street from the Randolph County office building behind the Tank and Tummy. The land was already owned by the County. Once the offices of those departments were moved, the Clerk’s Office, District Attorney’s Office, and Juvenile Justice (possible expansion) could be reconfigured. For water/sewer expansion, he recommended conducting engineering studies to plan for expansion of Municipal systems and connection of existing systems. Mr. Arthurs reminded the Commissioners that Randolph County could build two additional convenience sites and Waste Management would operate them under the current contract. The most pressing need was for a site in the northwest quadrant of the County.

Beth Duncan, DSS Director, showed some pictures of the inside of the DSS office and the parking lot. She explained the need for renovations and repairs to the office and property with estimated costs of those items at \$459,976.

Adjournment

At 6:15 p.m., on motion of Kemp, seconded by Allen, the Board voted unanimously to adjourn.

Darrell L. Frye, Chairman

Phil Kemp

Arnold Lanier

Stan Haywood

David Allen

Dana Crisco, Deputy Clerk to the Board