

FINANCE COMMITTEE MEETING  
THURSDAY, MARCH 6, 1997 8:00 AM  
ROOM 119, COUNTY COURTHOUSE

Present: H. Mac Tyson II, Chairman  
Billy R. King, Commissioner  
Ed G. Melvin, Commissioner

OTHERS: Rollin Shaw, Commissioner  
J. Lee Warren, Jr., Commissioner  
County Staff  
Members of Social Services Board  
Press

The meeting was duly called to order.

INVOCATION: Commissioner Lee Warren

**AGENDA ITEMS:**

1. Design and Development of New Department of Social Services Building.  
(Referred by Board of Commissioners on February 25, 1997)

Commissioner King stated his position is that the role and function of the County Finance Committee is not to create buildings. The Finance Committee's purpose is purely financial. He does not think their role is to design buildings.

**MOTION:** Commissioner Melvin offered a motion to accept the Recommendation Upon Review brought to the Committee and to recommend it to the full Board of Commissioners.

**SECOND:** Commissioner Tyson

**DISCUSSION:** Commissioner Melvin stated he feels it is the responsibility of him and the Commissioners to look at the welfare and needs of the county. Over two hundred million dollars in projects are facing this county and he feels they should start cutting on these buildings.

Commissioner Tyson read the recommendation to the persons present at the meeting. (That recommendation, along with attachments is hereby incorporated into and made a part of these minutes).

Commissioner King asked if any consideration was given to Social Services programs or was there any discussion with Social Services staff when considering the proposed building design?

Commissioner Tyson responded by noting the Committee was asked to review the building. He thanked Mr. Strassenburg and the Clerk to the Board for getting information together on the history of the project. His personal view was that the Committee was to review, not engage in dialogue and not prejudice what the Board asked the Committee to do.

Commissioner King asked if Social Services staff was consulted to see if the proposed building functionally meets their needs.

Mr. Tyson stated Mr. Myrick reviewed the information regarding the Social Services needs.

Commissioner King stated what is being proposed turns the whole project on it's head. The County Facilities Committee has reviewed this building and the project since it's inception. To undo what prior fellow Commissioners have already done defies reason. Commissioner Melvin stated he does not want to "rubber stamp" projects. He was elected

to review these matters and noted this item must still go before the full Board of Commissioners.

Commissioner King stated he is concerned about the taxpayers as well. It is a little unnerving to have this whole project turned on it's head after a tremendous amount of staff and committee time has gone into it. He has served on the Facilities Committee and has visited many sites. They have tried to find a facility that we all could be proud of.

Commissioner Melvin stated what is being proposed, depending on the condition of the site, would cut the project costs by one-half, maybe more.

Commissioner Tyson noted that the day Mr. Vick gave his presentation to the County, he stated he was using the current courthouse as a model. The current courthouse is 30 years old. The recommendation presented is based on modern design and materials. Rather than what others have done, he would like to see the County have a building that is a model for future buildings. One that would set an example for others in America, in view of the current climate and welfare reform.

Commissioner King stated he thinks the proposal is ridiculous. For Commissioner Melvin to put forward a motion without discussion with the Department of Social Services about their needs and the fact that they would turn this project on it's head and not consult with staff or the architect defies reasoning.

Commissioner Melvin stated this proposal is just a recommendation. He hopes that all parties can sit down with it and go forward from there.

Commissioner King asked why sitting down with staff and discussing this proposal could not be done on the front end.

**COMMISSIONER MELVIN CALLED FOR THE QUESTION.**

**VOTE: Favor: Commissioners Melvin and Tyson**  
**Oppose: Commissioner King**

Commissioner Tyson stated that he hoped they can incorporate into the floor designs what has been adopted today. He invited anyone wishing to do so to read the minutes of the August 5, 1996 Facilities Committee meeting where Commissioner King asked Mr. Modlin if the proposed building was too big.

Commissioner King stated he well remembers the conversation and does not see the relevance to this discussion. He asked if the Committee plans to give any direction to staff or the architects.

Commissioner Tyson noted the presence of Commissioners Warren and Shaw at the meeting. He noted that at this point, he would hope to try to have something to incorporate the floor plan side by side. The key thing to consider is time. He welcomed Ms. Elliott from the State to the meeting. He noted this project has taken too long. They want to get the building consistent with what Ms. Elliott requested which was a building "built as soon as possible". He referenced a letter from her dated in 1993. He advised her they would try their best to get the office building built as soon as possible. He noted a larger building takes more time and money to build. He noted a meeting would be held with Mr. Modlin and the architect to explore this matter.

2. Discussion of Business Personal Property auditing of Businesses Maintaining Corporate Offices Outside Cumberland County.

Commissioner Tyson stated this item had been previously presented to the Finance Committee and would apply to out of state or out of county firms. He noted Commissioner King offered a motion to recommend adoption of this item to the full board back in November, 1996.

**MOTION:** Commissioner Melvin offered a motion to recommend to the full Board of Commissioners that the County enter into a contractual agreement with Tax Management Associates to conduct Business Personal Property auditing of Businesses Maintaining Corporate Offices Outside Cumberland County.

**SECOND:** Commissioner King

**VOTE:** UNANIMOUS

3. Review of Options for Complying with Subtitle D Regulations Effective January 1, 1998.

BACKGROUND: Federal regulations promulgated by the US Environmental Protection Agency (EPA) and enforced through the North Carolina Department of Environment, Health and Natural Resources (NC DEHNR), Division of Solid Waste Management require that all municipal solid waste (MSW) received by landfill operators must be disposed of in state permitted lined landfill cells effective January 1, 1998. These EPA regulations, known as Subtitle D Regulations, require landfill cells lined with an impervious plastic material; leachate collection, treatment and disposal systems; methane gas control systems; and an elaborate system of monitoring wells and ground water testing, all of which are very expensive. The estimated cost of the initial lined landfill cell at the county's Ann Street Landfill is approximately \$7.5 to 9.0 million and will have a useful life of three to five years depending on the outcome of the BCH Energy Project situation. The county has a valid plan and permit issued by NC DEHNR to construct a Subtitle D landfill at the Ann Street site. Approximately six months time will be required to build the initial lined cell which must be operational by January 1, 1998.

Operating a lined landfill complying with EPA regulations will add considerable expense to the county's solid waste management program. To assure the county is pursuing the most cost effective course of action, management solicited proposals from private solid waste operators for the privatization of the county's solid waste management program. Proposals were sought for all aspects of the solid waste operation except administration and enforcement (i.e., MSW disposal, construction/demolition debris disposal, collections and container sites, and household hazardous waste). Upon review of the proposals it was decided to narrow the focus of the privatization evaluation to the MSW disposal operations (Ann Street Landfill).

Three options for MSW disposal were evaluated:

- Close the Ann Street Landfill and send MSW to the BFI Landfill in Sampson County for disposal (the BFI Proposal).

- Contract with Addington Environmental, Incorporated to finance, construct and operate a Subtitle D lined landfill at the county's Ann Street Landfill site under the county's permit (the Addington Proposal).
- County finance, construct and operate a Subtitle D lined landfill at Ann Street through a re-engineered solid waste management program (the County with 57-60 Personnel Proposal).

These three options are more fully described in Attachment "A", attached to and incorporated into these minutes.

Attachment "B", which is attached to and incorporated into these minutes summarizes the cost analysis of the three options. The analysis indicated county operation of the Ann Street Landfill with 57-60 personnel would be the most cost effective option. The cost-effectiveness of the county operation is further enhanced by the ability of the county to find the construction of the initial lined cell on a "pay-as-you-go" basis (no borrowing) utilizing funds that have accumulated due to BCH tipping fee charges that have been avoided as a result of the current shut-down of the BCH Project.

Mr. Martin noted that if the county financed the Subtitle D Landfill at Ann Street, the savings from BCH and the fund balance can finance the initial cells. Also, the county operating with sixty personnel should have a savings of 2.1 million in the first year. In looking at the numbers, they would have to assume the household fees would remain at \$48.00 and the tipping fees will remain in affect.

The anticipated life of the landfill is fifteen years. At that point, something else will have to be done. The county would either have to secure another landfill site or contract with another county for disposal of our waste.

RECOMMENDATION: Management recommends the county fund, construct and operate a Subtitle D lined landfill at the Ann Street Landfill, by using existing funds on hand and those that will be on hand as of June 30, 1997 and to authorize staff to solicit bids for the construction of the initial lined cells.

PROPOSED ACTION: The County Finance Committee forward a recommendation to the full Board of County Commissioners that the county, fund, construct and operate the Subtitle D lined landfill at the Ann Street Landfill and that authorization be granted to solicit bids for the construction of the initial lined landfill cell.

Commissioner King asked if the recommendation was for the staff at the landfill be cut to sixty people.

Mr. Martin stated the re-engineering of the Solid Waste Department would decrease the personnel by twenty to twenty-five. Some positions are currently vacant and they will not be filled. They are hoping through attrition, the rest of the positions will be taken care of.

Commissioner King asked if the County was to up-front the money that will off-set the costs.

Mr. Strassenburg noted the funds will partially off-set the costs.

Mr. Martin advised funds will need to be borrowed to pay for the additional cells.

Commissioner Melvin questioned what type of monitoring will have to be done at the Ann Street Landfill once it is closed.

Mr. Martin noted the landfill will last fifteen more years. Once it is closed it would have to be monitored, but that would be included in the contract with the company hired to take our waste. Funds will be reserved to pay the costs for closure and post closure of the landfill once the landfill is closed.

Commissioner King asked what would happen if BCH were to go back into business?

Mr. Martin stated we would then be looking at a fee increase with household solid waste and a tentative fee for commercial tipping. What needs to be considered is what this does to the life of the landfill.

Commissioner Tyson asked what would happen to the life of the landfill if BCH was to come back on line.

Mr. Martin stated the life of the landfill will be extended 20 to 25 years above the current 15 year life span if BCH was to become operational again.

**MOTION:** Commissioner King offered a motion that the Finance Committee recommend to the full Board of Commissioners that the County fund, construct and operate the Subtitle D lined landfill at the Ann Street Landfill and that authorization be granted to solicit bids for the construction of the initial lined landfill cell.

**SECOND:** Commissioner Melvin

**VOTE:** UNANIMOUS

Mr. Martin thanked the Solid Waste Management staff and the Budget staff for the fine work they have done on this project. More than a years worth of work has gone into this recommendation.

Commissioner Tyson also thanked staff for their work in this matter.

#### 4. Other Committee Concerns.

No other committee concerns were raised.

**MOTION:** Commissioner King offered a motion to adjourn.

**SECOND:** Commissioner Melvin

**VOTE:** UNANIMOUS

Meeting adjourned at 8:45 AM.