

Minutes
 Catawba County Board of Commissioners
 Regular Session, Monday, August 2, 2004, 9:30 a.m.

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The Catawba County Board of Commissioners met in regular session on Monday, August 2, 2004, 9:30 a.m., at the 1924 Courthouse, Robert E. Hibbitts Meeting Room, 30 North College Avenue, Newton, North Carolina.

Present were Chair Katherine W. Barnes, Vice-Chairman Dan A. Hunsucker, Commissioners Glenn E. Barger, Barbara G. Beatty, and Lynn M. Lail.

Absent: N/A

A quorum was present.

Also present were County Manager/Deputy Clerk J. Thomas Lundy, Assistant County Manager Joellen J. Daley, County Attorney Robert Oren Eades, Staff Attorney Debra Bechtel, and County Clerk Thelda B. Rhoney.

1. Chair Barnes called the meeting to order at 9:30 a.m.
2. Commissioner Beatty led in the Pledge of Allegiance to the Flag.
3. Invocation offered by Chair Barnes.
4. Commissioner Hunsucker made a motion to approve the minutes from a special session of Wednesday, July 7, 2004, and regular session of Monday, July 12, 2004. The motion carried unanimously.
5. Recognition of Special Guests:

Chair Barnes recognized Candidates for County Commissioner Barbara Beatty and Dan Hunsucker. She recognized Candidates for Catawba County School Board of Education Lewis Woods and Wayne Hicks. She recognized Sarah Talbert, Hickory Public Schools board member, and Ms. Pat Hensley, Catawba County Schools.

6. Public Comment for items not on the agenda. None.
7. Presentations:

a. Certificates of Commendation:

1. North Carolina Principal of the Year John R. Black, Hickory Public Schools.

Board members presented a Certificate of Commendation to Mr. Black that read: In recognition of your outstanding achievement in being named North Carolina's 2004 Wachovia Principal of the Year. This certificate commends you for your leadership as Principal of Long View Elementary School, which is one of Hickory's most diverse schools. Long View's population of students needing English as a Second Language (ESL) instruction increased from 4 percent to 35 percent. As a result, you encouraged parents of all backgrounds to become more involved in the school and established three new parent committees: one for the Asian community, one for the Hispanic community, and one for the African-American community. Achievement scores increased from a 59.9 percent proficiency rate in 1997 to a 77.6 percent proficiency rate in 2003. Long View Elementary achieved the "High Growth" standard set by the State as a "School of Progress" this past school year. We congratulate you on this outstanding achievement and thank you for bringing a statewide honor and recognition to Catawba County and all of our citizens.

Mr. Black thanked the Board for honoring him.

2. North Carolina Teacher of the Year Lizbeth Alfaro, Catawba County Schools.

The Board also presented a Certificate of Commendation to Ms. Alfaro that read: In recognition of your outstanding achievement in being named North Carolina's State Teacher of the Year. This certificate commends you for your leadership as a K-6, English-as-a-Second-Language (ESL) teacher at Lyle Creek Elementary School, in the Catawba County Schools system. This certificate congratulates you on achieving the National Board Certification. It also congratulates you for being a trainer with the Teacher Academy in the

new module "Meeting the Needs of the English Language Learner," and for coauthoring the new module, "Raising Elementary ELL Student Achievement in Literacy Across the Curriculum," for the 2004 Teacher Academy. We congratulate you on this outstanding achievement and thank you for bringing a statewide honor and recognition to Catawba County and all of our citizens.

Mr. Alfaro thanked the Board for honoring her.

3. Assistant County Manager Joellen Daley introduced newly appointed Staff Attorney Tammera Hill.

Ms. Hill said she was from Catawba County and she was looking forward to serving the citizens.

8. Appointments:

Catawba County Criminal Partnership Advisory Board

Commissioner Hunsucker nominated Ronn Abernathy for reappointment to a first term, Debra Bechtel for reappointment to a third term, and Nathan Poovey for reappointment to a second term. The three-year terms expire June 30, 2007.

Newton-Conover Auditorium Authority Board of Directors

Commissioner Hunsucker nominated Jane Coley Sigmon for reappointment to a second, three-year term. The term expires June 30, 2007.

Conover Planning Board

Commissioner Hunsucker nominated Claude E. Hefner for reappointment to an eighth, three-year term. The term expires June 1, 2007.

Nursing Home Community Advisory Committee

Commissioner Lail nominated Julia Stallings, 6480 Providence Church Road, Vale (replaced Marianna Raugh who resigned) and Alberta Stone, 403 - 5th Avenue NE, Conover (replaces Pat Gibson who resigned). These are Commission Appointees and the initial, one-year terms expires August 3, 2005.

Chair Barnes made a motion to approve the aforementioned appointments. The motion carried unanimously.

9. Departmental Reports:

- a. Public Health Department:

1. Maternal Health Budget Activity Revision No. 1.

Public Health Director Barry A. Blick said in June 2004, the Health Department entered into a contractual agreement with Catawba Women's Center (CWC) to perform ultrasound procedures on clients of the Health Department, at the Health Department's facility. In previous years, Health Department maternity clients were sent to Catawba Valley Medical Center's (CVMC) radiology department for sonogram services. CVMC then billed for technical and professional services and received the reimbursement for these services. By providing on-site sonogram services, CWC felt the health care needs of the Maternity Clinic clients would be better met. Therefore, a request was made by CWC to the Health Department to provide a sonogram machine on site, in turn, CWC agreed to provide a fully licensed sonogram technician to perform sonogram procedures with results being reviewed by the CWC physicians. The billing process for technical and professional services will be billed to first and third parties by Health Department billing staff. Payment for services rendered will be made to the Health Department. The reimbursement received for the "technical services" fee is projected to cover the cost of the sonogram machine lease and service agreement. The Health Department will then pay to CWC that portion of the total reimbursement invoiced for "professional services." The amount for "professional services" is estimated to be \$170,000 annually.

The Finance and Personnel Subcommittee recommended that the Board of Commissioners approve the following: 1) allow incoming revenue for services rendered to be deposited, and 2) allow funds received for professional services to be paid out to CWC.

Supplemental Appropriations:

Escrow – Sonograms	110-580250-673645	\$170,000
Medical Services – Sonograms	110-580250-856306	\$170,000

Commissioner Lail made a motion to allow incoming revenue for services rendered to be deposited, and allow funds received for professional services to be paid out to CWC. The motion carried unanimously.

2. Update on Expanded Dental Facility Project.

Public Health Director Barry A. Blick said the Catawba County Dental Practice was established in 1995, with the mission of serving children who have no access to a private dentist. Low Medicaid rates and too few private practices combine to cause a barrier to care for children who are Medicaid eligible or medically indigent, that is, youngsters coming from homes without the money or insurance to pay for private dental care. Thus, the Catawba County Board of Health, continuing the Public Health tradition of being a “provider of last resort” or “safety net” for people with no alternative source of care, created the Dental Practice. The Dental Practice currently serves 15% of the Medicaid eligible County population or 2000 children with a staff of one dentist, one dental hygienist, two dental assistants, and one receptionist. The expanded Dental Practice will have the capacity to provide an additional 11,000 poor children in Catawba County with dental care. Perkins Eastman has completed a design process heavily involving the Board of Health and Health Department professional staff. Consensus has been reached about the arrangement and capacities of the facility to achieve the mission and outcomes of the pediatric practice. The proposed new facility includes 28 operatories, seven dentist offices, office space for 34 remaining staff, reception area, electronic medical records and billing, waiting rooms, x-ray and lab facilities, a multi-purpose conference/classroom/library, administrative areas, public and staff restrooms, and storage space. The gross square footage of the facility is estimated to be 19,110 square feet. The project budget for the facility, based on current information, is estimated to be between \$2,280,061 and \$2,600,000 for construction and between \$1,345,124 and \$1,500,000 for technology, furnishings, and dental equipment with the total cost estimate being between \$3,625,185 and \$4,100,000. Cost estimates will be refined as the specifics for dental equipment, furnishings, and automation are further specified in detail. The design package prepared to date enables the Board of Health and Health Director to better communicate with potential funders important information that will describe and explain resource requirements for the building. Several funding sources have indicated high interest in providing financial support of the Expanded Dental Practice Facility. Most notably, North Carolina Senators Dole and Edwards have submitted funding requests as a part of the current congressional budget. Large foundations have instructed Health Department management to submit funding requests in September 2004. The aim is to attain sufficient funding for the project to be bid by January 2005. The tentative completion date for the project is estimated to be March 2006.

Mr. Blick said the Policy and Public Works Subcommittee recommended that the update on the Expanded Dental Facility be presented to the Board of Commissioners. The Board of Health voted unanimously to accept the work as completed for this stage of the project. Mr. Blick said he wanted to keep the Board of Commissioners current about project progress and solicit input regarding the design completed to date. Subsequent to this presentation and with the concurrence of the Board of Commissioners, information will be prepared and released to potential grantors and contributors, which will give a tangible profile of the facility and solicit financial support of the project. Additional status reports will be made as significant milestones in the project are achieved.

Mr. Doug Burns, Principal, Perkins Eastman Architects said his firm contacted the School of Dentistry in Chapel Hill and the facilities manager of the school contacted Mr. Blick offering their services to help with the design of the operatories which was an expense staff was struggling with. The facilities manager asked to become an ongoing consultant with the project assisting with procurement.

Mr. Burns recognized Stan Winstead, a local partner and he also recognized Ernest Williams. He said they decided to go with the Participatory Planning Programming and Design Process (PPPD Process) and said County staff had been most helpful. Mr. Burns said they will assist the County in obtaining grants. He recognized Brad Crotts to review the contract documents (formerly known as blueprints).

Mr. Brad Crotts thanked County staff and gave a PowerPoint presentation to review progress to date on program and contract documents.

After a brief discussion, Chair Barnes thanked Mr. Blick and the architectural representatives for the informative update.

b. Utilities and Engineering Department:

1. Marketing and Sale of Catawba County Blackburn Landfill Electrical Generating Facility's Renewable Energy Attributes.

Finance Director Rodney N. Miller said a Renewable Energy Attributes market is developing in the United States that involves the buying and selling of renewable energy 'credits' in intra- and inter-state transactions. Catawba County has a low emission, renewable energy source electrical generator and is in a position to financially benefit from this new market. Although at this time, certificate trading is formally recognized only in Texas and Massachusetts, other states are moving toward similar programs. If a federal RPS (renewable portfolio standard) is legislated, this will likely include provisions for a national certificate-trading program. Regardless of future Federal and State actions, Catawba County's Blackburn Facility Renewable Energy Attributes are currently being sought because of the facility's excellent emissions and operational record. The County's current attraction evolves from careful planning and decision making by the Board of Commissioners and from our partner's exceptional equipment, GE-Jenbacher and County staff who manage and operate the County's facility.

Currently, Catawba County has existing contractual commitments for delivery of generated electricity to Duke Energy and tax credit claims and intra-stream gas ownership to Catawba Landfill Gas, LLC (Enerdyne, Inc.) through October of 2013.

Catawba County retains ownership of the Green Attributes, or 'Green Tags,' and therefore has the opportunity to sell the credits and benefit from the profits. The current market is fragmented, but a market place does exist through renewable energy brokers, with prices ranging in from \$1.00 to \$3.00 per mega-watt hour, depending on the renewable technology.

Catawba County presently produces 16,300 mega-watt hours per year. The "Renewable Energy Credit" is similar to stock and can be traded or sold within the Renewable Energy Attributes market; the only difference is the credit is sold or purchased for a given length of time and the seller has no control of the trading during the "sold" period. Currently, one to three year contracts are prevalent. The Energy Broker, "Purchaser," has trading and selling rights during contract or "sold" period.

Catawba County currently operates the Blackburn Landfill Facility where methane gas is extracted from the buried landfill refuge and burned to generate electricity. The Blackburn Landfill Facility handles approximately 650 tons of waste per workday. The County's Landfill Gas to Energy Facility produced 16,302 mega-watts with energy sales of \$544,270 and profits of \$142,857 in FY 02-03. The sale of generated Green Tags based on the contract price of \$1.45 will earn the County an additional \$22,926 after customary 3% broker fees with no additional investment (actual revenue from sale is dependant upon sale price).

Staff recommended hiring Amerex U.S.A. for Energy Brokerage Services and approve the Trade Transaction Agreement with Three Phase Energy Services, LLC.

Amerex Energy provides energy-trading services for major oil companies, natural gas producers, electric utilities, municipalities, and independent sovereign states. The company trades a variety of financial instruments and has offices in New York, Houston, London, Tokyo,

and Singapore. Amerex is known as a market leader and is currently the largest over-the-counter energy broker in North America.

Amerex began its emissions brokerage desk in October of 2001, focusing on SO2, NOx, and their related options market. The scope of the desk expanded to include the HGA NOx and other regional markets in early 2002.

As the world's largest over-the-counter energy broker, Amerex is well positioned to provide Catawba County with the best possible service, advice, and execution. Amerex acts strictly as an intermediary, neither buying nor selling for proprietary purposes, to insure its clients the best possible price.

With Board approval, Greg Pool will act as Catawba County's Broker. Mr. Pool graduated from Texas A & M University in 1996 with a BS in Environmental Engineering. He began his career working for an environmental consulting firm in Arlington. In the fall of 1996, he took a position with a forest products company in East Texas where he spent the next six years in various management positions. Greg began brokering emissions in 2002 after completing his MBA. He concentrates, primarily, on Green Credits and HGA markets. Greg joined Amerex in July of 2003, where he specializes in Renewable Energy Credit markets.

There will be no County Solidwaste Enterprise Funds depleted in this transaction. Brokerage fees are included and a part of the sale of County's Blackburn Landfill Gas to Energy Facility Renewable Energy Attributes. If the Board of Commissioners approves the Broker, Amerex Energy, will be paid for their services at the time of sale or within 30 days thereof based on agreed upon contract terms.

The Policy and Public Works Subcommittee recommended that the Board of Commissioners:

1. Approve the marketing and sale of its Blackburn Landfill Gas to Energy Facility Renewable Energy Attributes;
2. Authorize staff to sign brokerage agreement with Amerex Emissions, LTD (the largest over-the-counter energy broker in North America) for energy brokerage service (Copy of agreement on file in the Office of Utilities and Engineering Director.); and
3. Authorize Amerex Emissions, LTD to sell County Green Certificates to Three Phase Energy Services, LLC for a designated time period. (Copy of agreement on file in the Office of Utilities and Engineering Director.)

Supplemental Appropriation:			
525-350400-856900	\$1,479	525-350050-690100	\$1,479
Other Professional Services		Fund Balance Applied	

After a brief discussion, Commissioner Barger made a motion to approve the marketing and sale of the Blackburn Landfill Gas to Energy Facility Renewable Energy Attributes; authorize staff to sign a brokerage contract with Amerex Emissions, LTD, for energy brokerage service; and authorize Amerex Emissions, LTD, to sell County Green Certificates to Three Phase Energy Services, LLC, for a designated time period. The motion carried unanimously.

10. Attorneys' Report. None.

11. Manager's Report. None.

12. Other items of business.

a. Reinventing:

1. Reinventing Government - Social Services Department

North Carolina advised Social Services that an additional 31 slots in the Community Alternatives Program-Disabled Adults were allocated to Catawba County. It will result in 31 elderly and disabled citizens being provided in-home services and avoiding institutionalization. An additional Social Worker III is needed in Social Services effective September 1, 2004, in

order to assure individuals are assessed, enrolled, case managed, and develop plans of care to meet their needs in the home.

13. Adjournment.

At 10:15 a.m. there being no further business to come before the Board, Commissioner Beatty made a motion to adjourn. The motion carried unanimously.

The next meeting is scheduled for Monday, August 16, 2004, 7:00 p.m., 1924 Courthouse, Newton, NC.

Katherine W. Barnes
Chair, Board of Commissioners

Thelda B. Rhoney
County Clerk