

STATE OF NORTH CAROLINA)
)
COUNTY OF STOKES)
)

OFFICE OF THE COMMISSIONERS
STOKES COUNTY GOVERNMENT
DANBURY, NORTH CAROLINA
NOVEMBER 22, 2010

The Board of Commissioners of the County of Stokes, State of North Carolina, met for regular session in the Commissioners' Chambers of the Ronald Wilson Reagan Memorial Building (Administration Building) located in Danbury, North Carolina on Monday, November 22, 2010 at 6:00 pm with the following members present:

Chairman Jimmy Walker
Vice Chairman Ernest Lankford
Commissioner J. Leon Inman
Commissioner Ron Carroll
Commissioner Stanley Smith

County Personnel in Attendance:
County Manager K. Bryan Steen
Clerk to the Board Darlene Bullins
Finance Director Julia Edwards
Support Services Supervisor Danny Stovall
Department Head James Booth, Soil and Water

Chairman Jimmy Walker called the meeting to order.

Commissioner Inman delivered the invocation.

GENERAL GOVERNMENT-GOVERNING BODY-PLEDGE OF ALLEGIANCE

Chairman Walker opened the meeting by inviting the citizens in attendance to join the Board with the Pledge of Allegiance.

GENERAL GOVERNMENT – GOVERNING BODY – APPROVAL OF AGENDA

Chairman Walker entertained a motion to approve or amend the November 22, 2010 Agenda.

County Manager Bryan Steen noted information was received on Friday, November 19th from Chairman Sonya Cox, Stokes County Board of Education, requesting the Board of Commissioners pass the required Budget Ordinance and Reimbursement Resolution in order for contracts with the architects and with the CM at Risk be executed.

Chairman Walker opened the floor for discussion regarding adding the request from the Board of Education to tonight's Agenda.

Vice Chairman Lankford stated that since it was not already on the agenda, he would not be willing to add the item to the agenda.

Commissioner Carroll requested the item be added to the Agenda.

Vice Chairman Lankford noted the following:

- Agenda was delivered on Wednesday, November 17th
- Agenda has been posted to the public for review and this particular item was not included on the Agenda
- Can't agree to place the item on tonight's Agenda
- This would be unfair to the citizens of Stokes County to add an item to an Agenda that has already been posted
- Adding this item to the Agenda tonight would not allow the people to know in advance what is going to be discussed
- Believe this is a procedure this Board has followed- not adding items to the Agenda after it was posted to the public

Chairman Walker noted that items requested by Commissioners have always been considered and added to the Agenda.

Commissioner Inman questioned what was the urgency in approving the item at tonight's meeting.

Clerk Darlene Bullins noted that the correspondence was received on November 19th. The letter was scanned via email to each commissioner with a follow up telephone message.

Finance Director Julia Edwards noted that last week school administration staff had requested her signature on contracts. Director Edwards informed school administration staff that she could not sign contracts until after a Budget Ordinance was adopted by the Board of Commissioners.

Commissioner Carroll noted the following:

- This is not the first time Agendas have been amended and approved, they have been amended numerous times
- This involves a timetable that was set in place by the motion that was passed by the Board of Commissioners at the November 8th meeting
- According to the minutes of November 8th, an item regarding a Homeland Security Grant was added, discussed, and approved

Commissioner Carroll moved the Agenda be approved with the addition of the request from the Board of Education added to the Discussion Agenda. Commissioner Smith seconded the motion.

Vice Chairman Lankford stated that he felt that this would be setting a poor example for this Board to publicize an Agenda without an item being on it of this nature and have discussion on it without the public knowing about it.

The motion carried (3-2) with Vice Chairman Lankford and Commissioner Inman voting against the motion.

PUBLIC COMMENTS

There were no public comments.

CONSENT AGENDA

Chairman Walker entertained a motion to approve or amend the following items on the

Consent Agenda:

Minutes

- Minutes of November 8, 2010

Sheriff's Department - Budget Amendment #25

Finance Director Julia Edwards submitted Budget Amendment #25.

To amend the General Fund, the expenditures are to be changed as follows:

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
100.4310.260	Sheriff's Department Departmental Supplies	\$23,226.00	\$293.00	\$23,519.00
	Totals	\$23,226.00	\$293.00	\$23,519.00

This budget amendment is justified as follows:
To appropriate funds for a recorder and case for CID.

This will result in a net increase of \$293.00 in the expenditures and other financial use to the County's annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received this fiscal year.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
100.3839.001	Calendar Fund(Miscellaneous)	\$6,100.00	\$293.00	\$6,393.00
	Totals	\$6,100.00	\$293.00	\$6,393.00

Tax Administration Report – October 2010

Real and Personal Releases more than \$100.00

Tax Administrator Jake Oakley submitted the following Real and Personal Property Releases (October 2010) which are more than \$100 at the November 8th meeting with a request for approval at the November 22nd meeting:

**Releases (Real and Personal Property)
More than \$100–October 2010-Per NCGS 105-381 (b)**

Name	Bill Number	Amount	Reason:
Dow Roofing	10A156025401.02	\$13,336.00	Appealed Personal Property Value Based on Plant Closing-reduced 50% SWMH Ownership
Charles Smith	09A64059.02	\$107.31	transferred in 2007
Charles Carriker	10A156010608.02.1	\$165.81	SWMH is real property
	Total Amount	\$13,609.12	

Late Applications for Elderly and Disabled Exemption for 2010

Tax Administrator Jake Oakley submitted the following Late Applications for Elderly and Disabled Exemption for 2010 at the November 8th meeting with a request for denial at the November 22nd meeting:

- **Billy J. Hall** – 3589 NC 772 HWY, Walnut Cove – Assigned Tax Value = \$45,000
- **Angeline W. Nelson** – 1851 US 311 HWY N, Walnut Cove – Assigned Tax Value = \$74,600

Delinquent EMS/Motor Vehicle Tax Bills

Tax Administrator Jake Oakley submitted the following request regarding submission of delinquent EMS/motor vehicle tax billings to Interstate Collection at the November 8th meeting with a request for approval at the November 22nd meeting:

- Delinquent 2006-2008 EMS/2008 motor vehicles billings be forwarded to Interstate Collection

Proposed State Public Building Capital Fund Application

Manager Bryan Steen submitted a request for approval (Public School Building Capital Fund –ADM) from Stokes County Schools for the release of \$180,000.00 from the Public School Building Capital Fund (approved in the Fiscal Year 2010-11 Budget).

Commissioner Inman moved to approve the Consent Agenda as presented.

Commissioner Carroll seconded and the motion carried unanimously.

GENERAL GOVERNMENT – GOVERNING BODY – INFORMATION AGENDA

Update – Manager and Board of Commissioners

Manager Bryan Steen noted the following:

- The County has received flags representing the Army, Navy, Air Force, Marines, and Coast Guard branches (donated from the City of King and American Legion Post #290) to be used in the new renovated Veterans Services' office
- These flags were flown at the Veterans Memorial located at Central Park from November 11, 2009 to November 11, 2010

Commissioner Inman noted the following:

- Attended the 18th Annual Triad Philanthropy Awards in Greensboro
- 21 individuals/companies were recognized
- Stokes County received two of the 21 awards
- Eddy McGee, Director of the Arts Council, was recognized as “Outstanding Fundraising Professional”
- Ben and Lemma Apple Foundation – Stokes County, was recognized as an “Outstanding Philanthropic Foundation”

Vice Chairman Lankford noted that the delegation voted at their November 16th meeting to start the application process to the Governor's office to merge the Northwest Piedmont Council of Governments and the Piedmont Triad Council of Governments.

GENERAL GOVERNMENT – GOVERNING BODY – DISCUSSION AGENDA

Natural Resources/Soil & Water – Replacement for Part Time Department Head

Department Head James Booth, Natural Resources/Soil & Water, presented the following information regarding the replacement for the part time department head:

- With the election to the Board of Commissioners, I will no longer be able to serve the duties of part time department head
- Stokes County Soil and Water Board of Supervisors met on November 19th and approved to recommend Mr. Marvin Cavanaugh to assume the duties of part time department head
- Mr. Cavanaugh volunteered to assume the responsibilities of part time department head
- Mr. Cavanaugh has served 12 years on the Board of Supervisors
- Contract is for no more than 30 hours per 4 weeks
- I have served as the part time department head for eight years and the arrangement has worked extremely well
- The former department head was a federally paid employee and that position is no longer allowed to supervise county employees
- Supervises five employees, prepares the annual departmental budget, and oversees daily operations as needed
- Request the item be moved to tonight's Action Agenda in order to execute a contract with Mr. Cavanaugh

The Board discussed the item with Mr. Booth.

Vice Chairman Lankford noted the following:

- Next year's budget will be an extremely tight budget
- Would like to see the county consider having an employee in the department take over the responsibilities without having to contract with someone from the outside
- An employee in the department will be available at all times and is already being paid by the county

Mr. Booth noted the Board of Supervisors did consider having an employee in the department assume the responsibilities, but at this time, felt this arrangement would be best.

Commissioner Inman questioned Vice Chairman Lankford regarding the recommendation using existing staff.

Vice Chairman Lankford noted that Watershed Conservationist Tom Smith, whose salary is paid 50% county and 50% federal, could assume the responsibilities.

Mr. Booth reiterated that the Board of Supervisors feels the recommendation to use Mr. Cavanaugh at this time would be the best arrangement.

Commissioner Carroll stated that the Board of Supervisors is an independent Board whose majority of members are elected and feels the Board of Commissioners should consider their recommendation.

Commissioner Smith stated that he had worked closely with this department over the years and this arrangement has worked very well. Commissioner Smith stated that he had no issues

with the recommendation from the Board of Supervisors and had no issues with moving the item to tonight's Action Agenda.

Chairman Walker noted the this funding for this part time position has already been approved in the fiscal year 2010-11 budget and there would be no additional cost to the county, but did agree with Vice Chairman Lankford that next year's budget would be tight. Chairman Walker noted that this could be reviewed during the budget process for fiscal year 2011-12.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on tonight's Action Agenda.

Engineering Services – Early College High School – Relocation of POD

Support Services Supervisor Danny Stovall presented the following information regarding engineering services for relocation of a POD for Early College High School at the Meadows location: (Gary Robbins, Robbins Architecture, was in attendance for the meeting)

- Proposed engineering fees from Robbins Architecture for re-locating the Pinnacle POD to the Early College site (proposed site location is the area set aside for overflow parking):
 - Civil Engineer & Surveying = \$9,900.00
 - Construction Stake Out = \$6,600.00
 - Construction Supervision and Inspections = \$4,400.00
 - Water Line Extension Design = \$2,750.00
 - Design Subsurface Water Disposal for Modular Addition = \$26,900.00
 - Plumbing & Electrical Engineering = \$7,000.00
 - Architectural Design & Coordination = \$14,000.00
 - Total Fee = \$71,550.00
 - Civil Engineering Services not included:
 - Soil evaluations
 - System layout
 - Permit or review fees
 - Fees are based on having adequate soil area conventional type system, without pretreatment
 - Review, application, inspection or any other fees required by governmental review agencies to be paid by owner
 - Any additional work requested beyond what is outlined above will be performed by the hourly rate
 - Items not included:
 - Watershed Control BMB Devices
 - Government Review, Application, Inspection or Permit Fees
 - Coordination or engineering for any additional modular units
 - Printing/Reproduction of plans and specifications for permitting, review or bid purpose
 - Advertisement for bid by Stokes County
 - Soil Testing
 - Changes to the scope of work after approval of preliminary design
 - Fire alarm system design, data, phone, intercom cabling, and devices
 - HVAC or HVAC control system designs, economic analysis or alternative systems or equipment
 - Design 600 Student Subsurface Wastewater Disposal System Option
 - Proposed 600 student wastewater system design flow will be greater than 3,000 gallons per day (gpd)
 - Size of system will require reviews and approval by NCDENR On-Site Water Protection Section

- Work will generally consist of pre-application submittal, design flow confirmation submittal and application, site plan and layout approval for conventional system, engineering design for a conventional system, and inspections during installation
- Additional fee of \$4,000.00 to the total fee (248 student system would be deleted and substituted for the 600 student system)
- Completion Time- Estimate approval by the State of North Carolina of the wastewater system of approximately nine (9) months to acquire a permit and to allow system design to begin, maybe even longer
- Environmental Health Supervisor Leslie Easter provided the following information
 - Additional 24 students per day on campus can be added without any septic system upgrades
 - Addition of 25-69 students per day on campus will require septic system upgrades and/or a new septic system – permitting process would be handled at the local level
 - Addition of 69 students or more per day anywhere on campus will require obtaining state approval for the system design, private soil scientist consultation, in depth soil testing and private engineering work
- Site location will not interfere with future expansion
- POD will hold more than 69 students which will require wastewater permitting by the State
- The County will need to determine whether to install another small septic system that will accommodate 248 or a larger system
- Engineer Darian Creed noted that the County should consider a small septic system if plans in the near future are to run sewer to the area, if not, the County should consider a larger system to eliminate wasteful spending

The Board discussed the relocation of the POD with Mr. Stovall and Mr. Robbins.

Commissioner Inman confirmed with Mr. Stovall that the number of students being added does not determine whether the state will be involved with wastewater permitting, it depends on the number of students the POD will hold.

Mr. Stovall noted the current POD is rated for 224 students plus staff and the POD from Pinnacle is the same size and his understanding is that adding the POD will automatically mean the State will be involved in wastewater permitting.

Mr. Gary Robbins, Robbins Architecture, agreed that the County needs to evaluate whether to install a small or large system, which would depend on when sewer would be in the area. Mr. Stovall also noted that permitting and engineering fees are about the same cost, but cost for a larger system could be extremely higher possibly being \$225,000+ with a small system being approximately \$40,000.00 plus fees.

Chairman Walker noted that the community college project is scheduled to be started in 2013 with completion being 2-3 years.

Mr. Stovall noted that the current meter is actually on the water tank. The County is currently installing another meter directly in front of the existing POD in order to determine the exact number of gallons being used by the building. The County must have 60 days of data in order to request a flow reduction, if a flow reduction is approved by the State, our current system's

capacity could be increased which could decrease the size of the next system.

Commissioner Carroll expressed concerns about the timeframe of having the POD available for students in August of 2011.

Manager Steen noted that he had informed Ann Watts, Stokes Director, that it would probably be January 2012 before the POD would be ready for occupancy. Ms. Watts noted that arrangements would have to be made to accommodate the students until January 2012.

Vice Chairman Lankford noted that he understood that space is available for the Early College students scheduled to be enrolled in August 2011.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on the December 13th Action Agenda.

YVEDDI – Request for Payment of Services

Chairman Walker requested Finance Director Julia Edwards brief the Board regarding the request the County received from YVEDDI.

Finance Director Julia Edwards noted the following:

- YVEDDI Executive Jo Ann Larkins and Transportation Director Jeff Cockerham sent a request to the County in October for advance payment for transportation services rendered to Stokes County citizens in July and August (E&D =\$7,242.85 and RGP =\$13,892.16)
- Information received from YVEDDI stated that YVEDDI Transportation has been incurring cost and providing trips for three months and has not received any funds and their operating reserve is depleted and at a critical level
- Funding received from the State for YVEDDI is “pass thru” funds for E&D and RGP transportation which are normally received in December and March
- YVEDDI was informed that the County, unless approved by the Board, could not advance payment until the funding is actually received
- With the State’s predicted budget shortfall, funding could withheld by the State
- Funding is budgeted in the fiscal year 2010-11 budget with revenues being budgeted from the State

The Board discussed the issue.

Commissioner Inman expressed concerns with advancing “pass thru” funds before they are actually received by the County.

Commissioner Smith questioned what would happen if the State did withhold the funding with transportation services already being provided to the citizens of the County.

Finance Director Julia Edwards stated that she could not answer that question.

Vice Chairman Lankford also expressed concerns with advancing “pass thru” funds before they are actually received by the County.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on the December 13th Action Agenda.

Draft RFP – Stokes Reynolds Memorial Hospital, Inc
Proposed Resolution of Intent to Sell, Lease, or Convey Stokes Reynolds Memorial Hospital

Chairman Walker opened the floor for discussion regarding the following draft RFP and proposed Resolution of Intent to Sell, Lease, or Convey Stokes Reynolds Memorial Hospital included in tonight's Agenda:

Re: Proposals for the Lease, Sale or Conveyance of Stokes-Reynolds Memorial Hospital

Dear _____,

On _____, 2010, the Board of Commissioners (the "Board of Commissioners") of Stokes County, North Carolina (the "County") adopted a resolution (the "Resolution") declaring its intent to sell, lease, or convey Stokes-Reynolds Memorial Hospital (the "Hospital"). In accordance with the Resolution and the provisions of Part 1, Article 2, Chapter 131E of the NC General Statutes (the "Statute"), the Board of Commissioners is required to solicit proposals for the sale, lease or conveyance of the Hospital. The purpose of this letter is to invite your organization to submit a proposal. (copies of the Resolution and the Statute are enclosed for your reference.) The County is under no obligation or responsibility to accept any proposal and reserves the right to reject any and all proposals.

The Hospital is owned by the County and is operated by Stokes-Reynolds Memorial Hospital, Inc., a nonprofit corporation (the "Corporation"), pursuant to a lease agreement (the "Lease") between the County, as Lessor, and the Corporation, as Lessee. The Lease will terminate upon the closing of the sale of the Hospital assets to the Purchaser.

It is the intention of the County to sell the Hospital, but proposals for the lease of the Hospital real estate and the sale of the personal assets will be considered. The County will require, as a condition to the sale or lease of the Hospital, that the buyer or lessee (the "Purchaser") agree to replace the Hospital's inpatient hospital facility with a new inpatient hospital facility within a reasonable period of time **and revert the existing facility back to the County.** The County will require that location of the replacement hospital be consistent with the CMS requirements for the relocation of a Critical Access Hospital and that it be within an approximately three-mile radius of the **current** Hospital **in Danbury.**

In addition to the condition regarding the replacement of the inpatient facility, the following specific provisions listed in the Statute will be included in the lease, sale or conveyance document:

1. The Purchaser shall operate the Hospital, including the replacement inpatient facility, as a community general hospital open to the general public and free of discrimination based on race, creed, color, sex, or national origin.
2. The Purchaser shall continue to provide the same or similar clinical hospital services in medical-surgery, pediatrics, outpatient and emergency treatment, including emergency services for the indigent, that the Hospital provided prior to the lease or sale of the Hospital.
3. The Purchaser shall ensure that indigent care is available to the population of the area served by the Hospital at levels related to need, as previously demonstrated and determined mutually by the County and the Purchaser.
4. The Purchaser shall not enact financial admission policies that have the effect of denying essential medical services or treatment solely because of a patient's immediate inability to pay for the services or treatment.
5. The Purchaser shall ensure that admission to and services of the Hospital are available to beneficiaries of governmental reimbursement programs without discrimination or preference because they are beneficiaries of such programs.

6. The Purchaser shall prepare an annual report to the County that demonstrates compliance with the requirements of the lease or sale documents.

The Purchaser shall agree that if it fails to substantially comply with the foregoing conditions, including without limitation, the replacement of the Hospital's inpatient facility with a new inpatient facility, or if it fails to operate the Hospital as a community general hospital, or if it dissolves without a successor corporation to carry out the terms and conditions of the lease or sale documents, then all ownership or other rights in the Hospital, including the building, land and equipment associated with the Hospital, shall revert to the County; provided that any building, land or equipment associated with the Hospital that the Purchaser has constructed or acquired since the sale or lease may revert only upon payment to the Purchaser of a sum equal to the cost less depreciation of the building, land or equipment.

The County expects to select the Purchaser from its careful examination of the proposals and to thereafter enter into negotiations with the selected party relating to a definitive agreement or agreements. However, the County reserves the right to reject any or all proposals for reasons sufficient to the Board of Commissioners in its sole and absolute discretion.

The County will require the Purchaser to reimburse the County for its professional expenses in preparing this RFP and in connection with the sale or lease transaction, including without limitation, legal and consulting fees and expenses.

The County will require the Purchaser to provide professional liability coverage (i.e. "Tail Coverage") to protect the County against liability for claims arising prior to the purchase of the Hospital

Hospital Description

Stokes-Reynolds Memorial Hospital (License #H0165) is a federally recognized Critical Access Hospital with two campus locations; Stokes-Reynolds Memorial Hospital in Danbury and Dr. J.R. Jones Medical Center in King. These are described as follows:

Stokes-Reynolds Memorial Hospital, Inc. ("SRMH")
1570 NC Hwy 8 & 89 North
P.O. Box 10
Danbury, NC 27016

The SRMH campus in Danbury includes a full time Emergency Department with 9 treatment rooms and 53 licensed inpatient general acute care beds (25 of these beds are staffed) and 40 nursing facility beds that comprise the Stokes-Reynolds Skilled Nursing Facility. This hospital campus location provides diagnostic imaging services including fluoroscopy, echocardiography, vascular studies and ultrasound. Surgical capacity at this location includes two licensed operating rooms that serve both inpatients and ambulatory patients. Ancillary services include laboratory, physical therapy, occupational therapy, respiratory therapy and pulmonary rehabilitation, diabetes education and outpatient behavioral health. The Hospital also operates Stokes Medical Associates family practice and Stokes Medical Associates-Pediatrics which are located on the Danbury campus. The total gross square footage of the hospital facility in Danbury is 52,330.

Dr. J.R. Jones Medical Center
402 West King Street
P.O. Box 410
King, NC 27021

Located in southwestern Stokes County, the Dr. J.R. Jones Medical Center is licensed as part of Stokes-Reynolds Memorial Hospital and includes ambulatory surgery, endoscopy and outpatient diagnostic services, including laboratory. Two ambulatory operating rooms are located in the facility. Dr. J.R. Jones Medical Center provides emergency services Monday through Friday from 8:00a.m to 12:00 Midnight and weekends & holidays from 9:00a.m to 12:00 midnight. Imaging services include a CT scanner, a radiography and fluoroscopy room and computed radiography. The Dr. J.R. Jones Medical Center totals 12,378 square feet.

In addition to the above hospital facility locations, the Hospital provides outpatient services in leased space at the Stokes Medical Center Park office building 167 Moore Road, King NC.

Hospital-owned imaging equipment at this location includes ultrasound, radiography unit, bone density unit and mammography. At this location, the hospital also provides physical therapy and occupational therapy services through a contract services agreement. The Hospital also operates the King Comprehensive Wound Center at this location. In addition, the Hospital partners with specialty physicians to provide Dermatology, Orthopedics, Podiatry and Urology services at Stokes Medical Center Park.

Property, Facilities and Equipment

The land, buildings and physical property owned by the hospital is described in the attached spread sheet entitled “Stokes-Reynolds Memorial Hospital, 2010-2011 Statement of Values.

CON Applications

According to hospital officials, there are no CON applications that are pending review or development.

Service Area Demographics

The majority of inpatients and long-term care patients originate from Stokes County, making it the primary services area for Stokes-Reynolds Memorial Hospital. Ambulatory surgery patients and endoscopy patients who obtain service at Dr. J.R. Jones Medical Center reflect a mix of patients with most originating from Stokes and Forsyth County.

The following table provides the total population data for Stokes and Forsyth Counties.

	2010	2015	% Growth
Stokes County	46,958	47,700	1.6%
Forsyth County	361,444	390,369	8.0%

North Carolina Office of State Budget and Management, July 2, 2010
www.osbm.state.nc.us

A high percentage of Stokes County inpatients and ambulatory patients are served by Forsyth Memorial Hospital and North Carolina Baptist Hospital. While these facilities offer considerable depth of tertiary care in Winston-Salem, Stokes-Reynolds Hospital fulfills a vital role in providing access to Emergency Department, outpatient and inpatient care as well as nursing facility care to Stokes County residents within their home county.

Financial Statements

Copies of the Hospital’s audited financial statements for the fiscal years ended June 30, 2008 and June 30, 2009 and interim financial statements through February 28, 2010, are enclosed with this letter.

Proposals

Your proposal should be in writing, signed by an authorized person, and received by the undersigned no later than 5:00 pm on _____, 2010. My mailing address is Post Office Box 20 Danbury, NC 27016 and my office is located in the Stokes County Administration Building, located at 1014 Main Street, Danbury, North Carolina 27016. Requests for additional information should be submitted to me. You are invited to visit the Hospital. Please call me to schedule your visit. My telephone number is (336) 593-2448 and my fax number is (336) 593-2346.

Please provide us with six (6) copies of your proposal and an electronic copy, which may be in the form of a compact disk or an attachment to an e-mail. The electronic copy should be in PDF format.

All proposals will be evaluated as submitted; provided that the County reserves the right to request more information. Although your proposal will be a public document, it will be reviewed by the Commissioners in closed session, and will be made available to the public when the County gives notice of a public hearing on the proposals.

Information Regarding the Proposing Company

Please provide the following information in your proposal.

1. The full name of your company (the “Company”), its state of organization, the date of its organization, its mailing and street addresses, telephone number and the name of the person to contact. Please provide the same information for each subsidiary and affiliate of the Company which is engaged in the operation of a hospital (each, a “Subsidiary” and collectively, the “Subsidiaries”).

2. The name of the directors and principal officers of the Company and each Subsidiary, and a brief summary of the experience of each person in the healthcare industry.

3. Copies of the audited financial statements of the Company and each Subsidiary (including all footnotes and auditor’s letters) for the last three fiscal years and unaudited interim statements for the current period. Please provide us with a copy of the attorneys’ letters regarding pending and threatened claims and investigations for the Company and each Subsidiary for each of the last three fiscal years.

4. A list of all hospitals owned and/or operated by the Company and its Subsidiaries, including the mailing addresses, telephone numbers and persons to contact for each hospital. Please indicate which of these are Critical Access Hospitals.

5. A statement as to whether or not the Company, any Subsidiary or any shareholder, officer or director of the Company or any Subsidiary has ever been suspended or excluded from or denied participation in any federal health care program, including without limitation Medicare, Medicaid and TRICARE. Please indicate whether there are any threatened or ongoing investigations relating to Medicare, Medicaid or TRICARE.

6. A statement as to whether or not the licensure or accreditation of the Company or any Subsidiary, or any hospital owned or operated by the Company or any Subsidiary of the Company, has ever been suspended, revoked or denied.

7. A listing of the insurance coverage maintained by the Company and each Subsidiary, including without limitation, professional liability, general liability and officers and directors coverage. Please include the name of each insurance company and provide the coverage limits and deductibles under each policy.

8. A copy of the indigent care policies in effect at hospitals owned or operated by the Company and any Subsidiary of the Company.

9. A copy of the most recent community benefit report or reports of the Company and its Subsidiaries.

10. A complete list of services provided by the hospitals owned and operated by the Company and its Subsidiaries.

Matters to be Discussed in the Proposals

Please discuss the following matters in your proposal:

1. How you propose to structure the transaction, including the amount you are willing to pay for the purchase or lease of the Hospital real estate and the purchase of the non-real estate Hospital assets.
2. Describe your vision for providing health care services in the Hospital’s service area and strategy the Company plans to employ to implement any changes necessary to achieve the vision
3. How you propose to grow the Hospital’s inpatient and outpatient volumes.
4. Describe your plan to reduce patient outmigration.
5. Give examples of successful growth strategies that the Company has utilized.

6. Do you plan to make changes to the medical staff structure at the Hospital? If so, please describe your proposed changes.
7. Does the Company or any of its Subsidiaries operate a hospitalist program? If so, please describe the program.
8. Specifically describe the Company's experience in physician recruitment and management of physician practices. What financial arrangements (income guarantees, loans, other financial assistance) does the Company contemplate using when recruiting physicians?
9. Please describe the Company's policies and programs regarding access to care for indigent and uninsured residents, including your specific experience with providing indigent care.
10. Please describe how you determine charity care as opposed to bad debts.
11. Describe the commitment to help the Hospital access sufficient capital to address its facility, physician recruitment and other requirements for long-term financial stability and ability to support clinical excellence in the future.
12. Describe the information technology features the Company could offer to the Hospital.
13. Your commitment to continued employment of current Hospital employees and continuation of equivalent benefits, including without limitation, retirement benefits.
14. Your commitment to plan, develop construct and license a new hospital facility within five (5) years.
15. Your record of regulatory compliance.
16. Your commitment to maintain appropriate amounts of insurance coverage including without limitation, professional liability coverage and "tail" coverage to protect the County after the lease or sale of the Hospital.
17. Information demonstrating that the lease, or sale of the Hospital to your organization will provide for the health-related needs of medically underserved groups such as low income persons, racial and ethnic minorities, and handicapped persons.
18. Information on charges, services, and indigent care at similar facilities owned or operated by the Company and its subsidiaries.
19. Please indicate whether you are willing to pay or reimburse the County for the costs of professional fees in connection with the development of this RFP and relating to the sale or lease of the Hospital.
20. Please provide information and examples of your commitment to support psychiatric and mental health services and coordination of care through the hospital emergency department. Please describe your experience regarding innovative methods for assessment and coordination of care or including telepsychiatry.
21. Please describe your proposal for relocating or replacing the Stokes-Reynolds Skilled Nursing Facility.
22. Your commitment to support Stokes County Emergency Medical Services capability to maintain an "**EMS crew station / on-call room**" at the existing and anticipated replacement hospital facility.
23. Information and examples of your commitment to support Stokes County EMS and other County Departments ability to obtain physician examination of

employees with workers compensation injuries during and after normal business hours.

24. Your commitment to support public health initiatives including contract staffing for part-time, shared positions including physician's assistant and nurse practitioner, provided by the hospital to the Stokes County Public Health Clinics and the Hospital's continued participation in Grant funded programs with the Health Department.
25. Your commitment to support public health initiatives including Healthy Carolinians and other programs.

Please contact the undersigned for more information regarding the Hospital and to schedule a visit to the Hospital

Thank you very much for your interest in this important matter.

Sincerely,

Bryan Steen
County Manager

cc: Stokes County Board of Commissioners

Enclosures:

Resolution
Statute
Financial Statements

Proposed Resolution – of Intent to Sell, Lease, or Convey Stokes Reynolds Memorial Hospital

RESOLUTION DECLARING THE INTENT OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF STOKES, NORTH CAROLINA TO LEASE, SELL OR CONVEY STOKES-REYNOLDS MEMORIAL HOSPITAL

WHEREAS, Stokes-Reynolds Memorial Hospital (the "Hospital") is owned by the County of Stokes, North Carolina (the "County"); and

WHEREAS, the Hospital consists of the Stokes-Reynolds Memorial Hospital inpatient hospital facility located at 1570 NC Hwy 8 & 89 North, Danbury, North Carolina, and the J. R. Jones Medical Center outpatient facility located at 402 West King Street, King, North Carolina; and

WHEREAS, the Hospital also includes a forty (40) bed skilled nursing facility located at 1570 NC Hwy 8 & 89 North, Danbury, North Carolina; and

WHEREAS, the Hospital is operated as a community general hospital by the Stokes-Reynolds Memorial Hospital, Inc. Board of Trustees; and

WHEREAS, The Board of Commissioners of the County (the "Board of Commissioners"), is interested in receiving proposals for the lease, sale or conveyance of the Hospital and intends to negotiate a contract to sell, lease or convey the Hospital; and

WHEREAS, any lease, sale or conveyance of the Hospital by the Board of Commissioners (i) shall be pursuant to the authority granted to the County by Part 1, Article 2, Chapter 131E of the North Carolina General Statutes (the "Statute"), and (ii) shall be in compliance with the procedures set out in the Statute, and any document of sale or lease shall include the conditions required by the Statute;

WHEREAS, in compliance with the Statute, the Board of Commissioners has given notice by publication of its intent to lease, sell or convey the Hospital and has given notice by certified mail to certain agencies of the State of North Carolina, as required by the Statute; and

WHEREAS, there has been presented to the Board of Commissioners a Request For Proposals for the lease, sale or conveyance of the Hospital which the County intends to send to prospective lessees and buyers.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE COUNTY OF STOKES, NORTH CAROLINA RESOLVES AS FOLLOWS:

(1) The Board of Commissioners hereby declares its intent to lease, sell, or convey Stokes-Reynolds Memorial Hospital, pursuant to terms and conditions negotiated by the Board of Commissioners.

(2) The Board of Commissioners hereby approves the form and content of the Request For Proposals (the "RFP") and hereby authorizes the County Manager of Stokes County to provide a copy of the RFP to any person who requests a copy.

(3) The County Manager shall directly solicit proposals for the lease, sale, or conveyance of the Hospital from the entities listed on Exhibit "A" attached hereto. Each such solicitation shall include a copy of the RFP and a copy of the Statute. All proposals for the lease, sale, or conveyance of the Hospital must be received by _____, 2010, in order to be considered by the Board of Commissioners.

(4) Any entity interested in leasing or purchasing the Hospital shall provide to the County Manager information as to charges, services and indigent care at similar facilities owned or operated by the proposed lessee or purchaser.

(5) The Board of Commissioners reserves the right to reject any and all proposals and to accept the proposal that it determines, in its sole and absolute discretion, is in the best interests of Stokes County and its citizens.

(6) The Board of Commissioners intends to negotiate a contract for the lease, sale, or conveyance of the Hospital with the entity that submits the proposal accepted by the Board of Commissioners.

(7) A public hearing on this Resolution of Intent shall be held on _____, 2010, at 9:____ a.m. in the Commissioners Chambers, Administration Building, 1014 Main Street, Danbury, North Carolina 27016

Adopted this __ day of _____ 2010

Jimmy Walker, Chairman
Stokes County Board of Commissioners

Attest: Darlene Bullins
Clerk to the Board of County Commissioners

Commissioner Inman confirmed with Manager Steen that Legal Counsel John Crill had reviewed all the changes made by the Board to the RFP.

Commissioner Inman noted the following:

- RFP process is very lengthy
- County has held a public hearing allowing the citizens to speak regarding the future of the hospital
- County assumed 100% responsibility of the hospital on March 1, 2010 and assumes all the losses incurred by the hospital
- HMC/CAH has indicated that they will be a bidder
- With all these factors, see no reason not to go forward with the RFP

Manager Steen noted that he would get back with Attorney Crill regarding the statutory requirements and provide the Board with a timeline.

The Board had no issues with proceeding with the RFP process.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on the December 13th Action Agenda and request the presence of Special Legal Counsel John

Crill at the meeting to discuss the timeline.

Home Health Relocation – Further Discussion

County Manager Bryan Steen noted the following information regarding the Home Health relocation:

- Met with Health Director Josh Swift and DSS Director Kristy Preston on 11-20-10
- Director Swift stated, by direction of his Board Chair, that he wanted to wait until the Board of Health met on 12-7 before taking any action
- As a result of Director Swift's request, final details of an option discussed on 10-14 could not be included in tonight's information
- Would like to provide the following options for the Board's consideration:
 - **Option A**
 - Move the Preparedness Planner, two Health Dept. Community Care employees and a DSS Community Care employee to the modular building and provide storage space for the Preparedness Planner, Baby Love Program, Health Department and DSS
 - Shift Health Dept. files and other items located in Home Health Conference Room to the current Preparedness Supply Room
 - Shift Home Health's dead and live files to the Preparedness Planner's current office
 - Shift two Home Health nurses to the current Community Care office
 - Preparedness Planner and supplies could be moved to the former Environmental Health Office
 - County would be responsible for cost related to long distant phone calls, fax line, DSL connection and electric service for HVAC, equipment and lights (Hospital will add this to their current phone system)
 - No Home Health personnel leave the DSS Building
 - **Option B**
 - Move the Preparedness Planner, two Health Dept. Community Care employees and a DSS Community Care employee to the modular building and provide storage space for the Preparedness Planner, Baby Love Program, Health Department and DSS
 - Move Home Health supplies and dead and live files to the current Home Health conference room and move, if needed, non-essential items to the current copier, fax, supply room or the modular building
 - Shift two Home Health nurses to the current Community Care office
 - Preparedness Planner and supplies could be moved to the former Environmental Health Office
 - County would be responsible for cost related to long distant phone calls, fax line, DSL connection and electric service for HVAC, equipment and lights (Hospital will add this to their current phone system)
 - No Home Health personnel leave the DSS Building
 - All repairs, modifications, and operation of the modular building through June 30, 2011 can be accomplished with the funds originally set aside for repair of the Day Care Building
- Modular building can be moved to the Government Center campus, but there will be costs:
 - Tear down/transport approximately \$12,000/set up fee
 - Town of Danbury zoning compliance permit application fee = \$35.00
 - Site preparation cost and cost for water and sewer line extension can't be calculated until a location is established
 - Parking lot and ADA building accessibility cost, to include handicapped parking, may also be incurred depending on the topography of the site selected

Chairman Walker opened the floor for further discussion.

The Board continued discussion regarding the relocation of Home Health.

Commissioner Inman requested comments regarding the relocation of Home Health from Chairman Walker who serves on the DSS Board and Commissioner Carroll who serves on the Board of Health.

Commissioner Carroll responded the following:

- Position of the Board of Health was to use the modular unit for storage for both departments and then evaluate to see what amount of space is freed up as a result of that particular move
- His personal position, as long as Home Health is not disrupted, then there could be flexibility with other options
- Doesn't personally like the Preparedness Planner being in the former Environmental Health office which is now behind secured doors
- Personally would like the modular unit on the Government Center complex

Manager Steen noted that a suitable place would have to be found for relocation of the modular unit before a cost could be provided and there could be some issues with the unit being able to be moved.

Chairman Walker responded the following:

- DSS Board has expressed concerns with the amount of time this is taking
- DSS has needed the space for a long time
- Needs to be resolved in order to provide the needed space for DSS

Chairman Walker requested approval from the Board to allow Health Director Josh Swift and DSS Director Kristy Preston to comment. The Board had no issues with either or both directors being allowed to speak regarding the issue.

DSS Director Kristy Preston noted the following:

- DSS is in desperate need for more space
- Former DSS Director Jan Spencer starting working on this space issue in 2007
- Director Spencer worked with Health Director Swift on the plan that was approved by the Board several months ago
- In agreement with both options, but would prefer option "B"
- Would like to move the entire Adult Services to the Home Health area which would require 6 offices
- No current offices at DSS are used solely for storage, all offices are occupied by one or more workers

Health Director Josh Swift noted the following:

- Worked with former Director Spencer regarding space issues
- Found out later, the excessive cost involved in relocating to the former Happy Hills Building
- Currently, there are 45 Health Department employees located in 4 different locations
- Health Department also has storage issues
- Just wants a safe environment for staff to work
- Would prefer the modular unit be located on the Government Center complex

- Concerned about placing employees in the modular unit at its current location (gravel road during severe weather)
- Board of Health Chairman has requested no decision be made until after the next Board of Health meeting scheduled for December 7th

The Board further discussed possible space at the King Clinic and evaluate how much office space would be freed up if storage were moved to another location.

Director Preston reiterated that freeing up storage space doesn't alleviate the overcrowding at DSS, all offices have at least one worker.

Vice Chairman Lankford suggested the County evaluate how much office space would be freed up if storage was moved to another location.

Chairman Walker noted that the County would need to make sure the modular unit that was being discussed and is located on the Stokes Reynolds Campus is not included in the RFP for Stokes Reynolds Memorial Hospital.

Commissioner Smith suggested looking at moving Emergency Communications to the former Environmental Health offices (secured location) in the Government Center Complex and possibly use the current Communications Center for the Preparedness Planner and storage.

Commissioner Inman agreed with Vice Chairman Lankford that an evaluation needed to be done first to see how much office space would be freed up before making any permanent decisions.

Commissioner Carroll suggested that Commissioner Smith's idea of relocating Emergency Communications be investigated as a viable option.

Commissioner Inman noted the two vacant offices located in the Administrative Building.

Chairman Walker directed the Manager to look at the following options:

- Relocation of storage
- Vacant offices on third floor of Administration Building
- Relocation of Emergency Communications

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on the December 13th Discussion Agenda.

Personnel Policies Handbook – Proposed Revision

Manager Bryan Steen presented a draft copy of the Personnel Handbook which has been revised along with a legal opinion regarding county employees involved in political activity for the Board's review.

Clerk to the Board Darlene Bullins noted that the personnel committee would provide the Board with a proposed policy regarding unpaid medical leave at the December 13th meeting.

The Board discussed the newly elected Commissioners needing to be able to have discussion

regarding the revised personnel policy.

Commissioner Inman confirmed with Clerk Bullins that wordage had been included pertaining to the recent revised General Statute regarding the release of personnel information.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on the December 13th Discussion Agenda.

Job Vacancies

County Manager Bryan Steen presented the following job vacancies:

- EMS – Paramedic – vacant on November 29, 2010
- Jail/Transport Officer – vacant since November 1, 2010

County Manager Steen recommended to fill both positions.

Chairman Walker opened the floor for discussion.

Commissioner Carroll suggested moving the item to tonight's Action Agenda.

Vice Chairman Lankford expressed concerns regarding moving the item to tonight's Action Agenda. Vice Chairman Lankford noted that both departments had part time employees that could cover the positions.

Commissioner Carroll moved these vacancies be moved to tonight's Action Agenda. Commissioner Smith seconded and the motion carried (4-1) with Vice Chairman Lankford voting against the motion.

Proposed Capital Project Ordinance

Chairman Walker noted the proposed Capital Project Ordinance was added to tonight's Agenda. Chairman Walker yielded the floor to Commissioner Carroll who made the motion to add the item to tonight's Agenda.

Commissioner Carroll noted the following:

- At the November 8th meeting, this Board passed a motion setting in place a timetable for the construction of school facilities with the first project being March 2011
- Preliminary work must be done in order to meet these projected schedules
- In order to prevent further delay, the Board needs to proceed with the proposed Capital Project Ordinance and Reimbursement Resolution

Finance Director Julia Edwards submitted the following proposed Capital Project Ordinance:

Capital Project Ordinance

BE IT ORDAINED by the Governing Body of the County of Stokes, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The projects authorized are for the construction of a New Elementary School (Yadkin Township), construction and renovation at Southeastern Middle School, construction of a Community College, construction and renovation at Lawsonville Elementary School and other related expenditures financed by proceeds from financing.

Section 2. The officers of this unit are hereby directed to proceed with the capital projects within the budget contained herein.

Section 3. The following amounts are appropriated for the project:

<u>Southeastern Middle School</u>		
Architect Fees	400.5917.601	\$ 600,000.00
General Contractor	400.5917.600	<u>\$ 5,400,000.00</u>
Total		\$ 6,000,000.00

<u>New Elementary School</u>		
Architect Fees	400.5915.601	\$ 1,360,000.00
General Contract	400.5915.600	<u>\$11,640,000.00</u>
Total		\$13,000,000.00

<u>Community College</u>		
Architect Fees	400.5916.601	\$ 500,000.00
General Contractor	400.5916.600	<u>\$ 5,500,000.00</u>
Total		\$ 6,000,000.00

<u>Lawsonville Elementary School</u>		
Architect Fees	400.5913.601	\$ 135,000.00
General Contractor	400.5913.600	<u>\$ 1,365,000.00</u>
Total		\$ 1,500,000.00

Section 4. The following revenues are anticipated to be available to complete this project:

Proceeds from financing	400.3831.002	\$26,500,000.00
-------------------------	--------------	-----------------

Section 5. The Finance Director is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments as due.

Section 7. The Finance Director is directed to report, on a quarterly basis, on the financial status of each project element in Section 3.

Section 8. The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this Board.

Section 9. Copies of this capital project ordinance shall be furnished to the Clerk to the Governing Board, and to the Budget Officer and the Finance Director for direction in carrying out this project

Adopted this ____ day of _____, 2010

Jimmy Walker-Chairman

Ernest Lankford-Vice Chairman

J. Leon Inman-Commissioner

Ron Carroll-Commissioner

Stanley Smith- Commissioner

Darlene M. Bullins-Clerk to the Board

Finance Director Julia Edwards noted the following:

- In speaking with the Bond attorney, architectural and permitting fees (soft costs) do not require the Reimbursement Resolution, but the Board must approve a Reimbursement Resolution before any dirt is moved (Reimbursement Resolution is only valid for two years)
- Noted Section 6 – Funds may be advanced from the General Fund for the purpose of making payments as due until funding is secured at which time advancements made will be reimbursed back to the County
- Estimates for the architectural fees were provided by Dr. Hobbs
- Proposed Capital Project Ordinance includes all funding approved by the Board at the November 8th meeting

- Request was made last week from school administration staff for the Finance Director to sign architectural contracts, per the Budget and Fiscal Control Act, no contracts can be signed until a Capital Project Ordinance is approved by the Board of Commissioners
- This is the first time the county has been requested to sign off on architectural contracts

Commissioner Carroll confirmed with Finance Director Edwards that the proposed Capital Project Ordinance is just a formality that this Board must do in order to keep the process going that this Board approved at the last meeting.

Vice Chairman Lankford presented the following questions for discussion:

- If the school system has completed all this work, why hasn't the Board of Commissioners been made aware of the work?
- Doesn't know if the Board of Education has requested architectural bids?

Vice Chairman Lankford also noted that funding for the Nancy Reynolds project was available without a tax increase and now the Board is dealing with proposed school projects that will require a tax increase.

Commissioner Carroll responded that the superintendent has been before this Board on at least two occasions discussing the work that has been done and this Board has told the superintendent that funding would not be available until a project is approved.

Manager Steen noted that he had sent the superintendent correspondence approximately a year ago stating that school administration did not have spending authority until a project and funding are approved by the Board of Commissioners.

Chairman Walker confirmed with Finance Director Julia Edwards that if the County had not done the Nancy Reynolds project first, the County could have done the Southeastern project and the new elementary school without a tax increase. Chairman Walker stated that the Nancy Reynolds project had to be done and it was not completely fair to say the Southeastern project and the new elementary school project alone would cause a tax increase.

Vice Chairman Lankford stated that he had not seen any design work regarding the proposed projects and is being asked to approve a Capital Project Ordinance that will obligate the county taxpayers \$20.5 million dollars without knowing anything about the projects.

Vice Chairman Lankford expressed concerns regarding not knowing what the actual costs were going to be for the proposed projects, these figures included in the proposed Capital Project Ordinance were only estimates.

Commissioner Carroll noted the following responses to Vice Chairman Lankford's comments:

- The Board of Education can't send out for bids until a project and funding are approved
- School Board has gone through the process of securing architects (reported to the Board approximately 18-24 months ago)
- Schematic designs have been presented to this Board
- This is more than any Board of Education that I ever served with ever reported to any Board of Commissioners

Commissioner Smith agreed with Commissioner Carroll that schematic designs (actually a virtual tour) of the new elementary school was presented to this Board and that the Superintendent at one meeting had actually requested funding to pay sFL+a Architects for services already done pertaining to the projects and the Board of Commissioners stated funding would not be available until a project is approved.

Commissioner Smith concurred that approval of the Capital Project Ordinance is just the next step in the process for school construction and is ready to move the item to tonight's Action Agenda.

Commissioner Inman confirmed with Finance Director Edwards that a Capital Project Ordinance was done for the Nancy Reynolds project. Finance Director Edwards stated that an amendment to the Ordinance was done when the final figures were received.

Chairman Walker confirmed with Finance Director Edwards that this step for these school construction projects is no different from the procedures done by this Board for the Nancy Reynolds project.

Finance Director Edwards reiterated that a Capital Project Ordinance is done each time the Board of Commissioners approves funding for a capital project.

Chairman Walker confirmed with Finance Director Edwards that this process is consistent with all other construction projects approved by the Board of Commissioners.

Commissioner Smith moved the proposed Capital Project Ordinance be moved to tonight's Action Agenda. Commissioner Carroll seconded the motion.

Vice Chairman Lankford expressed the following concerns:

- This issue was brought to the Board during the approval of the Agenda
- The issue was placed on the Discussion Agenda without public knowledge
- this Board is considering moving an item that was not publically announced to the public to tonight's Action Agenda

Vice Chairman Lankford requested any Board member to explain the urgency in placing the item on tonight's Action Agenda.

Commissioner Carroll stated the action was approved by the Board of Commissioners at the last meeting to allocate funding for school construction and the public was fully aware

of the meeting (thirty individuals spoke during public comments regarding school construction) and this is merely a continuation which is the next step in the process.

Vice Chairman Lankford questioned why the issue was not on the Agenda so that the General Public would have known that the Board of Commissioners was going to discuss the issue.

Commissioner Carroll reiterated that items were added to the Agendas during the approving of the Agenda and just at the last meeting an item was placed on the Agenda at the request of EMS Director Monty Stevens regarding a Homeland Security Grant.

Finance Director Edwards reiterated that information was received by the County from the Board of Education on Friday, November 19th and a Capital Project Ordinance was prepared in case the Board approved to add the item to the Agenda.

Vice Chairman Lankford confirmed with Finance Director Edwards that no one directly requested the item be put on tonight's Agenda.

The motion carried (4-1) with Vice Chairman Lankford voting against the motion.

GENERAL GOVERNMENT – GOVERNING BODY – ACTION AGENDA

Stokes County Comprehensive Solid Waste Management Plan – Proposed Amendment

Chairman Walker entertained a motion regarding the proposed amendment to the Stokes County Comprehensive Solid Waste Management Plan.

Clerk Darlene Bullins noted that County Attorney Edward Powell had reviewed and approved the following proposed Resolution which was submitted at the November 8th meeting for approval at the November 22nd:

STOKES COUNTY RESOLUTION TO APPROVE AMENDMENT TO THE STOKES COUNTY SOLID WASTE PLAN

WHEREAS, better planning for solid waste will help protect public health and the environment, provide for an improved solid waste management system, better utilize our natural resources, control the cost of solid waste management; and,

WHEREAS, NC Session Law 2010-67 and Senate Bill 887 requires modification to the computer recycling plan requirements and associated fee imposed on manufacturers; and make further substantive, clarifying, technical, and conforming amendments to the laws governing the management of discarded computer equipment and discarded televisions, as recommended by the Environmental Review Commission; and,

WHEREAS, G.S. 130A-309.137 requires changes to the County's Comprehensive Solid Waste Management Plan and submission to the Department of Environment and Natural Resources on or before December 31, 2010.

NOW, THEREFORE, BE IT RESOLVED that the County Commissioners of Stokes County hereby approved the amendment (Appendix K- Electronic Waste Program) to the Stokes County Comprehensive Solid Waste Management Plan.

ADOPTED by the Board of Commissioners during regular session on this _____ day of _____, 2010

Jimmy Walker - Chairman

Ernest Lankford – Vice Chairman

J. Leon Inman - Commissioner

Ron Carroll - Commissioner

Stanley Smith - Commissioner
Attest:

Darlene M. Bullins – Clerk to the Board

Commissioner Inman moved to approve the proposed Resolution to Approve Amendment to the Stokes County Solid Waste Plan. Vice Chairman Lankford seconded and the motion carried unanimously.

Dan River #319 Request for Approval to Apply for State/Federal Funding – Second Phase

Chairman Walker entertained a motion regarding a monetary match for the Dan River #319 Grant submitted at the November 8th meeting.

The Board further discussed the requested match with Mr. James Booth.

Mr. Booth noted that the County does not have to match 50% of the coordinator's salary as requested by the Division of Soil and Water, the county can allocate any amount such as \$1,000, \$2,000, etc. per year for the next three year cycle. Mr. Booth stated that any allocation will be beneficial towards making the application for funding a success. Mr. Booth also noted that there are several districts now seeking grant funding.

Chairman Walker questioned Mr. Booth as to his recommendation regarding an amount to allocate and where this funding might be available since it was not allocated in the 2010-11 fiscal year budget.

Mr. Booth noted that his recommendation would be to allocate a minimal amount such as \$2,000 or \$3,000 per year and that funding could be allocated from the Grant Contingency line item that was approved in this year's fiscal budget (Grant Contingency budgeted this year in the amount of \$25,000).

Mr. Booth reiterated the #319 Grant is being used to implement Best Management Practices along the Dan River, which is currently on the EPA's 303(d) list of impaired rivers.

Mr. Booth noted that the grant application was due in late December or early January 2011.

Vice Chairman Lankford stated he supported the grant but could not vote to allocate funding at this time.

Commissioner Inman stated that he believed this could possibly be considered by the

Economic Development Commission for the leveraging grant funding.

The Board discussed placing the item on the EDC Agenda for consideration of funding at their next meeting.

The Board unanimously agreed to have Commissioner Inman, who serves on the EDC, request the item be on the December EDC Agenda for consideration and then be placed on the Action Agenda for the Board of Commissioners' December 28th meeting.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on the December 28th Action Agenda.

Proposed Resolution – Vehicle Request for Retiring Sheriff Mike Joyce

Chairman Walker entertained a motion regarding the vehicle request for retiring Sheriff Mike Joyce which was originally submitted by Major Durward Bennett at the October 25th meeting.

The Board had no issues with Danny Stovall speaking to the Board regarding the Agenda item.

Mr. Stovall noted that if the Board wished to dispose of the Sheriff's vehicle at the next public auction, then the Board will not have to adopt the resolution included in tonight's Agenda.

The Board unanimously agreed to move forward with disposing of the Sheriff's vehicle at the next public auction.

Health Department – Job Reclassification

Chairman Walker entertained a motion.

Commissioner Carroll moved to approve the job reclassification submitted by Health Director Josh Swift at the November 8th meeting (Accounting Processing Assistant III to Accounting Processing Assistant IV). Commissioner Smith seconded the motion.

The Board had no issues with Health Director Josh Swift speaking to the Board regarding the Agenda item.

The Board briefly discussed the added duties to the current position with Director Swift.

The motion carried unanimously.

Appointments – JCPC

Chairman Walker noted that the following students were nominated at the November 8th meeting:

- Destiny Carpenter – Student representative from South Stokes High School
- Jesse Eads – Student representative from North Stokes High School

Chairman Walker noted there were no further nominations.

Commissioner Inman moved to close the nominations. Vice Chairman Lankford seconded and the motion carried unanimously.

Chairman Walker polled the Board regarding the appointment of Destiny Carpenter and Jesse Eads:

Commissioner Smith – yes
Commissioner Inman – yes
Chairman Walker – yes
Vice Chairman Lankford – yes
Commissioner Carroll – yes

Chairman Walker noted that the Board unanimously approved Destiny Carpenter and Jesse Eads to serve as student representatives on the Juvenile Crime Prevention Council.

Natural Resources/Soil & Water – Replacement for Part Time Department Head

Chairman Walker entertained a motion.

Commissioner Smith moved to approve the recommendation from the Stokes County Board of Supervisors to contract with Marvin Cavanaugh to serve as part time department head for Natural Resources/Soil & Water. Commissioner Carroll seconded the motion.

Commissioner Inman noted that he had no issues with approving the contract for the remaining of this fiscal year. Vice Chairman Lankford noted that he could support the motion for the remaining of this fiscal year with all positions being looked at during the budget process.

The motion carried unanimously.

Job Vacancies

Chairman Walker entertained a motion.

Commissioner Carroll moved to approve the manager's recommendation to fill one EMS Paramedic position and one Bailiff/Transportation position. Commissioner Smith seconded the motion.

Vice Chairman Lankford stated that he was going to be pretty consistent with moving items to the Action Agenda and reiterated that both departments have part time personnel who can cover the vacancy; therefore, can't support voting on the item tonight.

The motion carried (4-1) with Vice Chairman Lankford voting against the motion.

Proposed Capital Project Ordinance

Chairman Walker entertained a motion.

Commissioner Carroll moved that the Capital Project Ordinance related to school construction be approved. Commissioner Smith seconded the motion.

Vice Chairman Lankford stated that he could not support the item due to the fact that the item had not been on the original Agenda and no one could explain the urgency for placing the item on tonight's Agenda.

The motion carried (4-1) with Vice Chairman Lankford voting against the motion.

Closed Session

County Manager Bryan Steen requested direction from the Board regarding Clerk Bullins taking the minutes in tonight's closed session since he would be leaving on December 10th.

The Board discussed the request from Manager Steen.

Vice Chairman Lankford suggested Manager Steen take the minutes and have the Clerk submit the minutes.

Manager Steen reiterated that he would not be able to sign the minutes.

The Board unanimously agreed to have Clerk Bullins attend Closed Session and take the minutes.

Chairman Walker entertained a motion to enter Closed Session for the following:

- To consider the initial employment or appointment of an individual to any office or position, other than a vacancy in the Board of County Commissioners or any other public body, or to consider the qualifications, competence, performance, character, and fitness of any public officer or employee, other than a member of the Board of Commissioners or of some other public body pursuant to G.S. 143-318.11(a)(6).

Commissioner Inman moved to enter Closed Session for the following:

- To consider the initial employment or appointment of an individual to any office or position, other than a vacancy in the Board of County Commissioners or any other public body, or to consider the qualifications, competence, performance, character, and fitness of any public officer or employee, other than a member of the Board of Commissioners or of some other public body pursuant to G.S. 143-318.11(a)(6).

Commissioner Smith seconded and the motion carried unanimously.

The Board re-entered the regular session of the November 22nd meeting.

Christmas Dinner

Clerk Darlene Bullins notified the Board that the annual Christmas Dinner is scheduled for Thursday, December 23rd unless there were objections from the Board.

The Board had no issues with Christmas dinner being on December 23rd.

Adjournment

There being no further business to come before the Board, Chairman Walker entertained a motion to recess the meeting.

Vice Chairman Lankford moved to recess the meeting to Wednesday, December 1st at 6:00 pm. Commissioner Inman seconded and the motion carried unanimously.

Darlene M. Bullins
Clerk to the Board

Jimmy Walker
Chairman