

**NORTHAMPTON COUNTY
REGULAR SESSION
February 3, 2014**

Be It Remembered that the Board of Commissioners of Northampton County met on February 3, 2014 with the following present: Robert Carter, Fannie Greene, Virginia Spruill, Chester Deloatch, and Joseph Barrett

Others Present: Ken Creque, Kimberly Turner, Charles Vaughan

Agenda Work Session:

A 10-minute work session was held to discuss today's agenda items. There were no changes to the agenda.

Regular Session:

Chairman Carter called the meeting to order. Commissioner Barrett delivered the Invocation and the Pledge of Allegiance was recited. Chairman Carter welcomed everyone and explained the citizen comment process.

Approval of Regular Session Minutes for January 27, 2014:

A motion was made by Chester Deloatch and seconded by Virginia Spruill to approve the Regular Minutes for January 27, 2014. **Question Called For: All present voting yes. Motion carried.**

Approval of Closed Session Minutes for January 27, 2014:

A motion was made by Virginia Spruill and seconded by Chester Deloatch to approve the Closed Session Minutes for January 27, 2014. **Question Called For: All present voting yes. Motion carried.**

Approval of Agenda for February 3, 2014:

A motion was made by Fannie Greene and seconded by Joseph Barrett to adopt the agenda as printed. **Question Called For: All present voting yes. Motion carried.**

Implementation of NC 211:

Mr. Keith Letchworth, East Carolina Behavioral Health, appeared before the Board to provide information regarding the NC 2-1-1 initiative of United Way, which is a statewide database of community services and resources available to citizens of North Carolina that can be accessed via internet or by calling 211.

2014-2015 CSBG Anti-Poverty Work Plan:

Mr. Chris Moody, CADA, appeared before the Board to present the 2014-2015 Community Services Block Grant (CSBG) Anti-Poverty Work Plan.

A motion was made by Chester Deloatch and seconded by Virginia Spruill to accept this plan coming from Mr. Moody. **Question Called For: All present voting yes. Motion carried.**

BanaLogic Corporation Service Agreement:

Mr. Jason Morris, Public Works Director, appeared before the Board to obtain approval to enter into a new contract agreement with BanaLogic Corporation to become effective immediately to provide inspection service to county vehicles.

A motion was made by Joseph Barrett and seconded by Fannie Greene to enter into a contract with BanaLogic Corporation for the amount of \$250 to be renewed on a yearly basis for the inspection program. **Question Called For: All present voting yes. Motion carried.**

**PLEASE SEE SCANNED AGREEMENT BELOW WHICH IS HEREBY MADE A PART
OF THESE MINUTES:**

FAX COVER SHEET

TO	
COMPANY	
FAX NUMBER	12525341525
FROM	Carol Kilner
DATE	2013-12-06 15:36:18 GMT
RE	BanaLogic Equipment Maintenance Program

COVER MESSAGE

Dear Customer,

Thank you for your interests in our extended maintenance support service we offer to inspection stations in North Carolina.

The State has announced effective November 30th, 2012 they are no longer providing free support on your BL-A100 Inspection Analyzer Equipment. Your inspection analyzer will continue to work, but you will need to make alternative arrangements if you need maintenance or support of your equipment.

Please review the maintenance program information attached. To sign up for maintenance service, simply fill in the form in the attached document and fax/e-mail back to us.

For further information or to speak to one of our sales representatives please call 1-866-853-6320 (Option 1).

Sincerely,

BanaLogic Customer Care Team

E-Mail: customercare@banalogic.com

Phone: 1-866-853-6320

Fax: 1-866-247-1185

BANA LOGIC

Effective November 30th, 2012 the State is no longer providing free support on your BL-A100 Inspection Equipment. You can continue to use your inspection analyzer however we recommend you purchase a maintenance contract for your equipment.

We have two options to service your business.

BanaLogic Inspection Equipment

Coverage after November 30th

1
Worry Free

1 – Year "Bumper-To-Bumper" Maintenance and Support for your Inspection Equipment

- Access to our toll free customer care line for technical support and trouble shooting.
- Free of charge system diagnostics
- Free Software Updates
- Free of charge field support, if required
- Free of charge replacements delivered next business day.

\$900 / Year

1 – Year Basic Coverage for your Inspection Equipment

- Access to our toll free customer care line for technical support and trouble shooting.
- Free of charge system diagnostics
- Free software updates

\$250 / Year

2

For further information or to speak to one of sales representatives please call 1.866.853.6320 #1.

Extended Maintenance/Support Terms and Conditions

Should your analyzer system be experiencing difficulties during the period covered by your maintenance contract call our toll-free customer care line at 1.866.853.6320 between the hours of 8:00am – 4:30pm Monday through Friday. A customer care agent will provide trouble shooting/diagnostic service over the telephone to determine whether the analyzer system, or a component of it, requires replacement. If it is determined that a replacement is required, it will be shipped to the customer overnight arriving the next business day if the request is received by 2PM EST at no cost to the customer. If the order is received after 2PM EST the replacement will be shipped the next business day.

If an exchange is needed for the defective piece of equipment BanaLogic will ship a replacement unit or component to you, so long as you use an address within the State of North Carolina. You are responsible for securely packaging the defective unit or component and returning it to BanaLogic within five (5) working days of receipt of the replacement.

What is covered under maintenance?

All hardware and software is covered under the maintenance and support contract including:

- BL-A100 Analyzer and Power Supply
- LCD Monitor and Power Cable
- Hand scanner & Cable
- USB Printer and Cable
- Mouse and Keyboard
- Cabinet and Power strip
- OBD Interface and Cables (if applicable)

What is not covered under maintenance?

BanaLogic covers replacements and repairs that are as a result of normal use. Issues caused by fire, water or misuse and abuse cannot be covered.

Toner cartridges and Photoconductor kits for the printer are considered consumables and are replaceable at the customer's expense. BanaLogic offers both of these items at our e-store at <http://www.banalogic.com>

For payment by check, please make checks Payable to: **BanaLogic Corporation**
Mail To: 5761 Mount Hermon/Rock Creek Road, Snow Camp, North Carolina, North Carolina, 27349

Mrs. Cathy Allen, Tax Administrator, appeared before the Board to obtain approval to release or refund ad valorem taxes assessed in the amount of \$2,153.07 on eight appeals.

A motion was made by Virginia Spruill and seconded by Chester Deloatch to accept the request coming from the Tax Administrator, Mrs. Allen. **Question Called For:** *All present voting yes.* **Motion carried.**

Motor Vehicles Refunds Appeals:

Mrs. Cathy Allen, Tax Administrator, appeared before the Board to obtain approval to release or refund ad valorem taxes assessed in the amount of \$1,292.67 on 17 appeals.

A motion was made by Fannie Greene and seconded by Chester Deloatch to approve the request for release or refund of the ad valorem tax appeals submitted herewith in the amounts and for the reasons stated on the listings. **Question Called For:** *All present voting yes.* **Motion carried.**

Outstanding Secured & Unsecured Report & Order-Advertising of 2013 Tax Liens:

Mrs. Cathy Allen, Tax Administrator, appeared before the Board to present the report on secured and unsecured delinquent tax and fees from 2013 tax bills and to request the adoption of an Order to the Tax Collector directing that the secured 2013 tax liens be advertised pursuant to G.S. 105-369.

A motion was made by Virginia Spruill and seconded by Fannie Greene to adopt an Order to the Tax Collector directing that the secured 2013 tax liens be advertised pursuant to G.S. 105-369 and G.S. 105-321. **Question Called For:** *All present voting yes.* **Motion carried.**

Late Elderly Application-Donald Dixon:

Mrs. Cathy Allen, Tax Administrator, appeared before the Board to obtain a decision as to if the appellant has good cause for the filing of a late application of Donald Dixon for the elderly/disability exemption on Tax Bill 13A0101258.

Commissioner Deloatch left the meeting at this time.

Mr. Donald Dixon stated that the reason why he was late was because he did not know he could apply for this exemption and he did not know about the deadline.

Commissioner Deloatch rejoined the meeting at this time.

A motion was made by Virginia Spruill and seconded by Chester Deloatch to deny Mr. Dixon the late application to the elderly/disability exemption. **Question Called For:** *All present voting yes.* **Motion carried.**

Farm Lease-Carstarphen Property:

Mr. Ken Creque, County Manager, appeared before the Board to obtain approval of a farm lease agreement between Northampton County and Mr. John Thomas Hargrave, Jr. for the Carstarphen property and to authorize the County Manager to execute the contract.

A motion was made by Chester Deloatch and seconded by Virginia Spruill to accept the farm lease contract. **Question Called For:** *All present voting yes.* **Motion carried.**

**PLEASE SEE SCANNED AGREEMENT BELOW WHICH IS HEREBY MADE A PART
OF THESE MINUTES:**

NORTH CAROLINA

NORTHAMPTON COUNTY

THIS CONTRACT OF LEASE, made and entered into this ____ day of December, 2013, by and between Northampton County, a body politic and corporate of the State of North Carolina, party of the first part, sometimes hereinafter referred to as Lessor, and John Thomas Hargrave, Jr., of 1273 Macon Price Road, Garysburg, State of North Carolina, party of the second part, sometimes hereinafter referred to as Lessee;

WITNESSETH:

That the Lessor does hereby lease and farm-let unto the Lessee, and the Lessee does hereby accept this Lease as the Lessee of the Lessor, upon the terms and conditions hereinafter set forth, the following described farm land in Gaston and Pleasant Hill Townships, Northampton County, North Carolina, to-wit:

All those certain tracts or parcels of land containing 157.7 cultivated acres, more or less, known as the J. R. Carstarphen Estate Farm, Gaston and Pleasant Hill Townships, Northampton County, North Carolina, which is identified in the Northampton County Farm Service office by Farm Serial No. 256.

The terms and conditions of the Lease are as follows:

1.

This Lease shall be for a period of three (3) years, commencing on 1 January 2014 and will expire on 31 December 2016 . This Lease may be extended additional three-year periods upon mutually agreeable terms.

2.

The Lessee shall pay as annual rental for said J. R. Carstarphen Estate Farm the sum of Twenty-Two Thousand, Seventy-Eight and 00/100ths Dollars (\$22,078.00) plus an adjustment to reflect the cost of living as described in the National Cost of Living Index published by the United States Department of Labor Statistics for the period of 1 January 2014 through 1 November 2014, in cash, on or before 1 December 2014 and on or before each 1 December during the continuation of this Lease, plus an annual adjustment to reflect the cost of living as described in the National Cost of Living Index published by the United States Bureau of Labor Statistics for the period of 1 January 2014 through 1 November 2015 for the 2015 annual payment, for the period of 1 January 2014 through 1 November 2016 for the 2016 annual payment. The automatic adjustment provided hereunder shall be calculated on or before 1

December of each year and such adjustment shall be added to the annual rent of Twenty-Two Thousand, Seventy-Eight and 00/100ths Dollars (\$22,078.00). Should said Lease be extended as above set forth, then the annual rent shall be set upon mutually agreed terms. Said annual rental payment to be made unto Northampton County, c/o County Manager's Office, P. O. Box 808, Jackson, North Carolina, 27845.

3.

The Lessee shall not cut any standing timbers located upon the land hereby leased without first having obtained the specific permission from the Lessor.

4.

It is specifically agreed that the Lessee will keep and maintain the paths, bridges, ditches and fences on the lands hereby leased in their present condition.

5.

The Lessee agrees to manage and keep the lands hereby leased in as good condition as they are at the date of this Lease, and that they will not suffer any waste thereon and will farm said lands in good, husband-like manner and will adequately fertilize and lime said lands, will utilize necessary and acceptable farm practices regarding rotation of crops, keep said lands properly drained to prevent erosion, that they will keep the farm paths and bridges upon said lands in their present condition, that they will shrub the ditch banks and the edge of the woodland around the fields so that the same will be kept in their present condition, that they will not move any fences, that they will plant all crops allotted to said land by the United States Department of Agriculture, to the end that the lands hereby leased shall not lose any crop allotments presently allotted to said lands by the United States Department of Agriculture, and they will not sell any crops in excess of the amount permitted to be sold from said lands which would reduce or jeopardize the sale of any crops for any year thereafter, and it is specifically provided that the Lessee will not plant any allotted crops upon any other lands, and the Lessee agrees that he will deliver up the possession of said premises at the termination of this Lease in as good condition as the same are now in.

6.

It is expressly understood and agreed that this Lease pertains to farming rights only and does not give to Lessee the right to hunt said lands or the right to give permission to other people to hunt said lands. It is also specifically understood and agreed that Lessee is hereby given the authority and will exercise same to prevent unauthorized hunting on said premises whenever same is brought to his attention. Lessor also reserves the right to harvest timber by use of all farm paths and such field borders as may be necessary.

7.

The Lessee shall not sublet, sub-rent or assign the lands hereby leased or any part hereof without the written permission of the Lessor, except Lessee will be permitted to sub-rent the tobacco allotment without the written permission of the Lessor.

8.

The Lessee shall not be required to pay for any taxes or assessments against the lands and buildings hereby leased, nor shall the Lessee be required to insure or pay for any insurance premiums to insure any of the buildings situate upon said lands, as said taxes and insurance shall be the expenses of the Lessor.

9.

In the event the Lessee shall neglect to make payment of the rent when due or shall neglect to do and perform any matter or thing herein agreed to be done and performed by him and shall remain in default thereof for a period of ten (10) days after notice from the Lessor of such neglect or default, then and in that event, the Lessor may terminate and cancel this Lease, and the Lessor may re-enter and take possession of said premises and expel the Lessee therefrom without prejudice to any other legal or equitable remedies available to the Lessor; and provided that the Lessee has complied with all of the terms and conditions of this Lease, the Lessor agrees that the Lessee shall enjoy said premises during said term free from the adverse claims of any persons and from the interference of the Lessor.

10.

The Lessee agrees to make no unlawful or offensive use of the premises hereby leased, and agrees to deliver up the same at the end of the term of this Lease in as good order and condition as the same are now in, reasonable wear, tear, fire and other unavoidable casualties excepted.

11.

It is expressly understood and agreed that all statutory liens of the party of the first part as landlord are reserved until all rent herein called for is fully paid.

12.

The Lessee shall permit the Lessor or its agents, representatives, employees, or prospective purchasers to enter the Premises at all reasonable times for the purpose of inspecting the Premises to determine whether the Lessee is complying with the terms hereof, and for the purpose of doing any other lawful act on the Premises that Lessor is authorized to do or that is necessary or appropriate to protect their interest therein or hereunder or to recruit industrial prospects.

13.

The Lessee accepts the Premises, as well as the improvements thereon in their present condition. The Lessee agrees with, and represent to the Lessor, that the Premises have been inspected by him and that he has been assured by means independent of the Lessor or any agent of the Lessor of the truth of all facts material to the lease and that the Premises are not being leased by the Lessee as a result of the Lessor's representative.

14.

The Lessee agrees to indemnify and hold Lessor and the property of the Lessor, including the Premises, free and harmless from all claims, liability, loss, damage, or expenses resulting from Lessee's occupation and use of the Premises, specifically including without limitations, any claim, liability, loss or damage arising:

A. By reason of the injury to or death of any person or property, from whatever cause, while in or on the Premises or in any way connected with the Premises or with the improvements or personal property in or on the Premises including any liability for injury to the person or property of the Lessee, his agents, assignees, or employees;

B. By reason of any work performed on the Premises or materials furnished to the Premises at the instance or request of the Lessee, his agents, assignees, or employees;

C. By reason of the Lessee's failure to perform any provision of this lease or to comply with any requirement imposed on them or on the Premises by any duly authorized governmental agency or political subdivision;

D. Because of the Lessee's failure or inability to pay as they become due any obligations incurred by him in the agricultural or other operations to be conducted by him on the Premises.

15.

Should the Lessee breach this lease or abandon the Premises, in which event the Lessor may:

A. Continue this lease in effect by not terminating the Lessee's right to possession of the Premises, in which event the Lessor shall be entitled to enforce all its rights and remedies under this lease including the right to recover the rent specified in this lease as it becomes due under this lease; or,

B. Terminate this lease and recover from the Lessee:

1. The worth at the time of award of the unpaid rent which had been earned at the time of termination of the lease;
2. The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination of the lease until the time of award exceeds the amount of rental loss that the Lessee proves could

have been reasonably avoided;

3. The worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of rental loss that the Lessee proves could be reasonably avoided; and,
4. Any other amount necessary to compensate the Lessor for all detriment proximately caused by the Lessee's failure to perform his obligations under this lease.

16.

The insolvency of the Lessee as evidenced by a receiver being appointed to take possession of all or substantially all of the property of the Lessee, the making of general assignment for the benefit of creditors by the Lessee, or the adjudication of the Lessee as a bankrupt under the Federal Bankruptcy Act or request of the Lessee to effect a reorganization under the bankruptcy laws shall terminate this lease and entitle the Lessor to re-enter and regain possession of the Premises.

17.

Should any litigation be commenced between the parties to this lease concerning the Premises, the lease or the rights and duties in relation thereto, the party, the Lessor or the Lessee, prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for his attorney's fees in such litigations which shall be determined by the court in such litigation or in a separate action brought for that purpose.

18.

It is specifically understood and agreed that in order to facilitate the recruitment of industry to be located upon the above described property that it may be necessary during the term of this lease or any renewal term for the Lessor or a new industry to utilize some of the cultivated acreage which is the subject of this lease for the purpose of improvement and construction. In the event that Lessor contracts with an industrial prospect requiring the use of portion of the cultivated acreage contained herein for the location of a new industry then, in the event that Lessee has growing crops, Lessor and Lessee agree that the sum of \$350.00 plus the CPI increase beginning 1 January 2014 per cultivated acre used for industrial purposes shall be deducted from the annual farm rent set forth in Paragraph 2 of this Lease. Lessor agrees to notify Lessee as soon as possible should Lessor contract with an industrial prospect for the use of a portion of the cultivated acreage contained herein in order to minimize the expenditure by Lessee of additional funds for the production of crops upon the cultivated acres to be utilized for the location of a new industry or industries.

19.

It is also agreed that should Lessee for any reason not be able to cultivate any of the acreage herein leased prior to the planting of crops due to unexpected reasons associated with the Enviva Pellets LLC operation or any other industry or industries that the rent herein set forth shall be reduced by \$140.00 per acre for any acreage Lessee is not able to cultivate.

20.

Except as otherwise expressly provided by law and all notices or other communications required or permitted by this lease or by law to be served on or given to either party hereunto by the other party hereto shall be in writing and shall be deemed duly served and given when personally delivered to the party whom it is directed, or in lieu of such personal service when deposited in the United States mail, first-class postage prepaid, addressed to Lessee or to Lessor at the address of their respective principal residences. Either party, the Lessee or the Lessor, may change their address for the purpose of this paragraph by giving written notice of such change to the other party in the manner provided in this paragraph.

IN WITNESS WHEREOF, the parties have executed this Lease in triplicate, either of which may be considered an original, a copy of which is retained by each of the parties hereto, this the day and year first above written.

NORTHAMPTON COUNTY, Lessor

BY: _____ (SEAL)
Kenneth Creque, County Manager


ATTEST:

Kimberly Turner, Clerk

John Thomas Hargrave, Jr., Lessee

Instrument has been pre-audited in the manner as

Per NC.G.3. 159-28 (a)


Dorothy E. Kirk
Finance Officer

Management Matters:

Mr. Ken Creque, County Manager, appeared before the Board and presented the following information:

**PLEASE SEE SCANNED DOCUMENTS BELOW WHICH ARE HEREBY MADE A PART
OF THESE MINUTES:**

3 February 2014 Manager's Report

Kenneth Creque
County Manager

GENERAL:

Hosted meetings with:

- Pierce Group Benefits (Health Insurance Benefits)
- Golden Leaf
- NCLM (Health Insurance Benefits)
- Farm Bureau Insurance
- Legal Shield (Employee Benefit)
- Residents

Traveled to meeting with:

- Lake Gaston Home Owners Association (Complaint)
- Northampton County TDA
- Northampton County EDC
- North East Commission (Economic Development)
- Northampton County Recreation Committee
- King Solomon's Cove Home Owner Association (Various Issues)

POLICY:

- Alcohol by the Drink Resolution to be voted on by the Board of Commissioners.
- Consideration of re-appointment of Mr. Aussie Broadnax to the CPTA Board of Directors. 17 Feb 2014
- Fuel Point Policy for consideration and adoption.
- RFP's Returned for collection of Delinquent Taxes three firms have applied Zacchaeus Legal Services, Prichette & Burch PLLC, and Charles Vaughan. (Packages and recommendations are included). Recommend making a selection on the 17th of February 2014.
- NC-DHHS Warning Letter
The North Carolina DHHS has received a warning letter from USDA that unless service issues associated with NC FAST are corrected that USDA will withhold reimbursement of administrative expense for providing food and nutrition services (SNAP) the amount is **\$24,850.00**. This withholding of funds could be as early as the 12th of March 2014. If this occurs there will be significant budget impact that may or may not be reimbursed at a later date.
- An updated Cash Operations Policy will be presented to the Board of Commissioners for consideration, 17 Feb 2014

- An updated Cash Disbursement Policy to be presented to the Board of Commissioners for consideration, 17 Feb 2014. The current policy was last updated 1997.
- Courtesy Tax Collection notices will be mailed out this week to start the process to collect the nearly \$5.2million dollars that are in arrears to the county.

MONTHLY NORTHAMPTON COUNTY FINANCIAL STATEMENT

Because of inclement weather the Northampton County Finance Officer will provide the midyear financial report on the 17th February 2014 BOC Meeting.

FOLLOW UP:

- Old DSS Building Information paper.
- Grant Funding for Affordable Care Act Help
- Department Head Reports.

OTHER:

I will be out of the Office pm 4 February to pm 7 February to attend the NC City and County Managers Conference in Raleigh.

**NORTHAMPTON COUNTY
RESOLUTION CALLING FOR
ALCOHOLIC BEVERAGE ELECTION**

WHEREAS, The Board of Commissioners of Northampton County represents the citizens of the County of Northampton County and:

WHEREAS, the citizens of Northampton County should have the opportunity to decide on the sale of mixed beverages and the issue shall be decided by the majority of the registered voters in Northampton county and;

WHEREAS, the Board of commissioners seek to serve the citizens of Northampton County in a manner that represents the will of the majority;

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners of Northampton County that the Northampton County Board of Elections is requested to conduct an Alcoholic Beverage Election to be voted upon by the registers voters who reside in Northampton County,

The issue to be considered by the residents is as follows:

1. To permit the sale of mixed beverages in hotels, restaurants, private clubs, community theatres, and convention centers.

[] For [] Against

Adopted this the ____ day of ____ 2014.

By:

Robert V. Carter, Chairman

Attest:

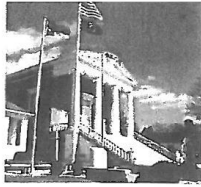
Kimberly Turner, Interim Clerk to the Board

Post Office Box 320
Rich Square, North Carolina 27869

Fax: (252) 539-2533

Pamela Perry
Executive Director

Pamela Perry
Pamela Perry
Executive Director



OFFICE OF THE
COUNTY MANAGER

Northampton County

"A GREAT PLACE TO RAISE FAMILIES, PROFITS AND EXPECTATIONS"

P.O. Box 808
Jackson, NC 27845
Phone (252) 534-2501
Fax (252) 534-1166

28 January 2014

TO: All

FROM: County Manager

SUBJECT: Fuel Point Usage Policy

This policy shall apply to all agencies and departments that have vehicles and equipment owned by Northampton County and uses the Northampton County Fuel Point.

1. The Northampton County Department of Public Works maintains a self service fuel point that provides fuel for county vehicles and equipment.
2. Each county vehicle is issued a pump key and a unique identification code to track usage and to financially account for fuel expenditures.
3. The fuel point key and unique code shall be only used for the vehicle or piece of equipment for which the code is assigned.
4. Any employee found to be in violation of this policy shall be punished in accordance with the Northampton County Personnel Policy up to and including termination. Additionally, at the determination of the County Manager criminal charges may also be pursued.
5. It is the responsibility of each department head to insure that every employee that operates a county vehicle or piece of equipment understands and follows this policy. Any violations of this policy shall be immediately reported to the county manager.

Kenneth A. Creque MPA
County Manager

Kenneth Creque

From: Rebecca Troutman [rebecca.troutman@ncacc.org]
Sent: Monday, January 27, 2014 11:33 AM
To: County Managers
Cc: NCACC-Legislative; sherry.bradsher@dhhs.nc.gov; wayne.black@dhhs.nc.gov; Dean Simpson (dean.simpson@dhhs.nc.gov); John Eller; Sharnese Ransome (sransome@ncacdss.org)
Subject: USDA Food Stamp Reimbursement Warning
Attachments: DCD Letter 1_24_14 and USDA Letter.pdf

Dear County Managers,

I wanted your county to be aware of possible Federal actions to withhold county administrative reimbursement for food stamp processing due to continued implementation issues with NCFast. At stake is nearly \$80 million in Federal cost-share with counties to offset county food stamp administrative costs, at \$6.7 million monthly.

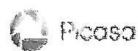
Please find attached a letter from U.S.D.A. outlining the steps that North Carolina needs to take within a short timeframe to resolve food stamp case processing delays, along with a response from NC-DHHS to county social services agencies calling for "all hands on deck." NC-DHHS believes that many of these cases in arrears are actually duplicates of successful case processing, and has provided your agencies with a number of reports to help identify these duplicates. With these reports, your DSS should be able to quickly settle the duplicate cases and shift additional resources to expedite true outstanding cases.

NC-DHHS has convened a task force of social services directors who have successfully worked these case delays in order to develop workable case processes to share best practices with their peer counties. Please make sure that your DSS director is actively pursuing these best practices and is closely monitoring your county's performance. Ask what resources your DSS agency is directing to clear up these cases, including reassignment of existing staff to focus on food stamp processing. NC-DHHS has offered its expertise and technical resources to help your DSS overcome its workload backloads—make sure your agency is taking advantage of this assistance. Combined and renewed efforts to manage processing delays should successfully clear up your county's cases in arrears.

Please let us know what we might do to help in our conversations with NC-DHHS and the NCFast project team.



Rebecca Troutman
Intergovernmental Relations Director
North Carolina Association of County Commissioners
Phone (919) 715-4360
www.ncacc.org
www.welcometoyourcounty.org





North Carolina Department of Health and Human Services
Division of Social Services

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS
Wayne E. Black
Division Director

January 24, 2014

Dear County Director of Social Services:

Over the past several months, we have been discussing the critical need to improve the processing of FNS cases and to assure that eligible recipients receive their Food and Nutrition Services benefits in a timely manner. County and state staffs have taken unprecedented steps to achieve this outcome nonetheless we find ourselves in a serious situation.

While we have made progress in this effort, we have not met the USDA requirements. Attached is a letter dated January 23, 2014 to DHHS Secretary, Dr. Aldona Wos, which mandates expected processing requirements for North Carolina. **By February 10, 2014, we are all required to:**

1. **Complete all backlogged applications subject to 7-day processing (expedited assistance applications).**
2. **Complete all applications subject to 30-day processing that are pending over 90 days.**
3. **Complete all recertifications that are pending over 90 days.**

In addition, by no later than March 31, 2014, we will be held accountable for resolving all backlogs and meeting all Federal processing timeframes as noted in the letter. If the State's response is inadequate, FNS will suspend Federal funding for administrative expenses as early as March 12, 2014.

The leadership of our Department and the N.C. Association of County Directors of Social Services were in communication last night regarding further action steps to be taken to achieve these requirements. Further conversations are being held today to intensify our joint efforts to avoid a suspension of Federal administrative funds. It is imperative that we all implement "all hands on deck" as we would do in the case of an emergency including working overtime, assigning staff from other areas to assist with this very important work.

www.ncdhhs.gov • www.ncdhhs.gov/dss
Tel 919-527-6335 • Fax 919-334-1018

Location: McBryde Bldg. • 820 S. Boylan Avenue • Raleigh, NC 27603
Mailing Address: 2401 Mail Service Center • Raleigh, NC 27699-2401
An Equal Opportunity / Affirmative Action Employer

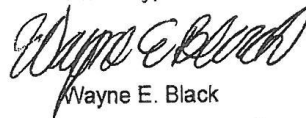


Dear County Director Letter
January 24, 2014
Page 2 of 2

As a first step, Directors need to immediately assure that the daily Pending App and Recert Reports are reviewed and appropriate action is taken to process all overdue FNS cases. **It is imperative that these applications are processed urgently.** Detailed instructions will be issued with the next report.

Thank you for your immediate response to the urgency of the situation. Further information will be shared on an ongoing basis beginning with the 100 county DSS Director conference call at 9:00 a.m. on Tuesday, January 28, 2014. Please contact Wayne Black at Wayne.Black@dhhs.nc.gov, 919-527-6336 or Dean Simpson at Dean.Simpson@dhhs.nc.gov, 919-527-6330 with any questions.

Sincerely,



Wayne E. Black

WEB/arg

Attachment: USDA Letter to DHHS Secretary Aldona Wos, M.D. dated January 23, 2014



United States
Department of
Agriculture

Food and
Nutrition
Service

January 23, 2014

Southeast Region Aldona Wos, M.D.
Secretary
61 Forsyth St. S.W. Department of Health and Human Services
Room 8T36 2001 Mail Service Center
Atlanta, GA Raleigh, North Carolina 27699-2001
30308-3415

Dear Dr. Wos:

The Food and Nutrition Service (FNS) has reviewed your December 23, 2013, response and your January 15, 2014, addendum responding to our advance notification letter dated December 11, 2013, regarding problems with the North Carolina Families Accessing Services through Technology (NC FAST) eligibility system. FNS is alarmed by the persistent problems despite our extensive technical assistance and repeated communications concerning the severity of the situation. Citizens of North Carolina that need help putting food on the table are not receiving the basic level of responsiveness and quality of service that they deserve from their government. Continued delays create undue hardship for the most vulnerable citizens of North Carolina.

According to your own data, the backlog of overdue applications and recertifications at the time of our December 11, 2013, advance notification letter was over 20,000 households with over 6,000 of those waiting for more than 3 months to receive benefits. FNS is extremely concerned that the State allowed the number of households experiencing delays with Supplemental Nutrition Assistance Program (SNAP) applications to increase over this period of time. Your own data shows that the number of overdue applications and recertifications increased to over 39,000 households on January 7, 2014. While the most recent data you submitted does show an improvement, the State has not substantiated, nor has FNS verified, that this represents actual service to households, as opposed to a reduction in the number of duplicate applications. As of January 21, 2014, your data now shows the backlog stands at over 23,000 households with 8,327 households waiting for more than 3 months to receive benefits. The maximum amount of time permitted by Federal law for most households is 30 days from the time of application.

As part of DHHS' corrective action plan submitted in response to our December advance notification letter, FNS expects to see significant outputs towards total resolution of the backlog by February 10, 2014. FNS already notified DHHS in our December advance notification letter, that implementation of significant corrective action was expected in 60 days. This letter clarifies that significant corrective action includes measureable results by February 10, 2014, in addition to the actions that DHHS spelled out in its December 23, 2013 and January 15, 2014 letters. By this date, DHHS must:

Aldona Wos, M.D., Secretary

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- Complete all backlogged applications subject to 7-day processing (expedited assistance applications).
- Complete all applications subject to 30-day processing that are pending over 90 days.
- Complete all recertifications that are pending over 90 days.

It is FNS's expectation that the backlog not be compounded by any new applications or recertifications and DHHS will work all new applications and recertifications within the Federal processing requirements.

In addition, it has come to FNS's attention through recent news reports that the State is attributing the difficulties in reducing their SNAP backlog to the Affordable Care Act (ACA). It should be noted that many other States have implemented ACA without the dramatic impacts on SNAP that have occurred in North Carolina. FNS expects full resolution of the remaining backlog and that all new applications and recertifications will be processed in accordance with the Federal timeframes no later than March 31, 2014, as indicated in DHHS' January 15, 2014 letter.

Monitoring of the overdue cases in this situation is critical. To date, DHHS has failed to provide FNS with regular weekly status reports as agreed to in DHHS' November 20, 2013, letter. On two occasions, the transmittal had multiple and contradictory data sets. Future weekly reports from DHHS must include the status of corrective action strategies along with the data on pending applications and recertifications showing days beyond the Federal processing requirements, including specific distinction of those requirements (e.g., expedited and regular processing). These reports must be submitted to FNS each week until full resolution of the backlog.

If DHHS fails to comply with the requirements outlined in this letter, FNS will issue a formal warning on February 10, 2014, in accordance with 7 CFR 276.4. DHHS would have 30 days from receipt of the formal warning to submit additional evidence that it is in compliance or submit a revised corrective action plan. If DHHS' response is inadequate, FNS will suspend Federal funding for State administrative expenses as early as March 12, 2014.

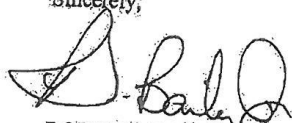
FNS accepts the DHHS response for the NC FAST Defects and Information for the NC FAST Post-Implementation Review (PIR). FNS will conduct a follow-up site visit to complete the PIR and will work with DHHS staff to schedule the visit.

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FNS remains committed to working with the State of North Carolina and will continue to provide technical assistance as needed to support your ongoing efforts to resolve these issues of concern. Peggy Fouts, Regional Director of the Supplemental Nutrition Assistance Program, is available at (404) 562-7099 to answer questions.

Sincerely,



ROBIN D. BAILEY, JR.
Regional Administrator

cc: Jason Donaldson
Sherry Bradsher
Wayne Black
Joe Cooper
Anthony Vellucci
James Blackie
Dian Carrol
Dean Simpson



OFFICE OF THE
COUNTY MANAGER

Northampton County

"A GREAT PLACE TO RAISE FAMILIES, PROFITS AND EXPECTATIONS"

P.O. Box 808
Jackson, NC 27845
Phone (252) 534-2501
Fax (252) 534-1166

30 January 2014

TO: Northampton County Board of Commissioners

FROM: Northampton County Manager

SUBJECT: Future Use and Application of Current/Old DSS Building

BACKGROUND: Upon a request by the Northampton County Board of Commissioners staff was requested to research possible future uses of the current DSS building upon vacancy by the Northampton County Department of Social Services. During the preparation of this document Surapon Sujjavanich, Architect, P.A. And the Wooten Company Inc, were informally consulted and provided basic information that comprise this report.

SITUATIONAL REVIEW: The current DSS is composed of a two buildings, a front main building greater than 60years old comprising 9176 SF and a newer addition built in 1997 comprising 4686 SF, with a total square footage of 13862 SF. The building is located along NC305 centrally located within a campus of other county buildings and departments, allowing residents access to multiple departments within easy walking distance of each other.

Approximately 4 miles away within the Jackson NC town center is located County Administration, Finance Office, Human Resources, Veterans Services, Planning and Zoning, Tax Department, Register of Deeds, Land Records (GIS), MIS, Day Reporting, Sheriff's Department, Detention Center, County Commissioners Chambers, there is no provided office space for a County Attorney. The county leases a very small office for the Human Resources Office, as well as, pays to lease space of the State Probation Office. Candidates for a potential move to any renovated/new build facility would be County Administration, Finance Office, Human Resources, Economic Development (Move from the Faison Building), Planning and Zoning (to the Faison Building thereby consolidating Planning and Zoning, Code Enforcement in one place), Veterans Affairs, MIS, new Commissioners Chambers, as well as, providing office space for a County Attorney. Upon any move the Probation Office would move into the current offices occupied by the Finance Office and Veterans Affairs thereby eliminating their office lease expense. A move would also eliminate the need to continue to lease the current HR office space. Certain offices have a statutory requirement to be near the courts, Register of Deeds, and Probation, and because of the close working relationship between the Register of Deeds, and the Tax office, the Tax Office would remain. The working relationship between the

Sheriff's Office and Day Reporting would also mean that Day Reporting would remain were currently housed. The space requirement for the proposed move would be an estimated 12,000 SF all total.

PROJECT PROPOSALS AND COST ESTIMATES: The following cost estimates were suggested and confirmed independently between the two consulting firms.

Renovation expense of 60yo building \$230-\$250SF
New construction expense \$130-\$150SF
Renovation expense modern building \$35SF

OPTION 1: The current configuration of the DSS building is not suitable, nor does the space provide adequate work facilities to support the proposed departments. The older portion of the building requires major remediation of mold, asbestos, fire protection, floors, roof, and wall systems. The expense of renovating the 9176 SF would cost between \$2,110,480 and \$2,294,000, additional work on the newer 4686SF would add \$164,010.00 with a total project expense between \$2,274,490 and \$2,458,010.

OPTION 2: Demolish the facility and build all new construction on the lot would be between \$1,560,000 and \$1,800,000. However, keeping the current facility without moving any County Offices to the site, the Northampton County Department of Health has expressed interest in occupying the back 4686 SF as an annex to house contracted services.

OPTION 3: Demolish only the front 9176 SF of the DSS site with an expense of \$60,000. Construct a new 7000 SF building and renovate the rear 4686 SF with a total project expense of \$1,050,000.

OPTION 4: Purchase a nearby adjacent building (propose the East Carolina Behavioral Health Building¹ adjacent to the Northampton County Cultural Arts and Wellness Center) renovate and expand the facility (into the front parking lot). Stabilize the DSS building and sell the facility. Project expense \$1,050,000 plus building and land purchase no to exceed \$200,000 for a total expense of \$1,250,000. There was also a discussion for a OPTION 3A the ECBH building would be expanded to the rear, however that would include an additional expense of a purchase of additional land to provide for the rear set back to the lot.

COST COMPARISONS:

OPTION 1: \$2,274,490 to \$2,458,010

OPTION 2: \$1,560,000 to \$1,800,000

OPTION 3: \$1,050,000

OPTION 4: \$1,250,000

¹ ECBH Building built in 1987, inspected by staff 8 January 2014.

Respectfully Submitted,

Kenneth A. Creque MPA
County Manager

A motion was made by Virginia Spruill and seconded by Fannie Greene that Northampton County approve the Resolution Calling For Alcoholic Beverage Election to permit the sale of mixed beverages in hotels, restaurants, private clubs, community theaters, and convention centers. **Question Called For:** *4 yes (Spruill, Greene, Deloatch, Carter) 1 no (Barrett).* **Motion carried.**

A motion was made by Chester Deloatch and seconded by Virginia Spruill to approve the fuel policy. **Question Called For:** *All present voting yes.* **Motion carried.**

Citizens/Board Comments:

Chairman Carter called for citizens comments:

Mr. Albert Vann made comments in reference to the break-ins in the Ashley's Grove area.

Chairman Carter called for Board comments:

Commissioner Barrett made comments in reference to the Ashley's Grove area break-ins.

Vice-Chairwoman Greene expressed her concern about not getting coverage by the Daily Herald at our meetings and stated that we need to take some approach with the Daily Herald.

Chairman Carter expressed his appreciation of the audience attending the meeting.

The Board discussed the applications for the Clerk to the Board and decided to review the applications on February 17, 2014 at 10:00 a.m.

A motion was made by Chester Deloatch and seconded by Fannie Greene to adjourn. **Question Called For:** *All present voting yes.* **Motion carried.**

Kimberly L. Turner, Clerk to the Board

"r.m. 02-03-14"