

**WARREN COUNTY
BOARD OF COMMISSIONERS**

JUNE 15, 2016

6:00 PM

BOARD WORK SESSION

WARREN COUNTY
ARMORY CIVIC CENTER
COMMISSIONERS' MEETING ROOM
WARRENTON, NORTH CAROLINA

June 15, 2016
Board of Commissioners
Work Session Agenda
6:00 p.m.

1- Open with Moment of Silence

2- Department Head Report:

Macon Robertson, Public Utilities

3- Prudential 457 Plan – Tripp Madden

4- Roads Program: Set Terms & Interest Rate

5- Buck Springs Phase I Project Financing

6- Tar River Regional Hazard Mitigation Plan – Dennis Paschall

7- Employee Manual Update – Lisa Alston & Jamie Wilkerson

8- E-911 Agreement with Halifax County

9 - Adjourn Work Session

Item # 1

Moment of Silence

Item # 2

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Department Head Report

(5 Minutes)

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Macon Robertson, Director

Public Utilities

Item # 3

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Prudential 457 NC Total Retirement Plans

- - -

Tripp Madden

Offer your employees a chance for a more financially secure retirement with the NC 457 Plan.

The NC 457 Plan is sponsored by the state of North Carolina and is available **ONLY** to North Carolina public employees. As a public employer in the state of North Carolina, you have the ability to offer your employees this unique Plan.

You can offer the NC 457 Plan, even if you have an existing 457 plan in place from another provider.

You have the flexibility of several options:

1. **Terminate other 457 plan(s) and move employees to the new NC 457 option**, giving them the ability to consolidate their assets in the NC 457 Plan.
2. **Suspend active participation in other 457 plan(s)**, allowing employees to keep their existing investments working for them.
3. **Keep your other existing 457 plan(s) active**, while still allowing the option of the NC 457 Plan.

About the NC 457 Plan

- **Automatic pre-tax, and Roth after-tax, payroll deductions.** Contributions to the Plan come out of members' gross pay automatically, helping them save regularly and conveniently.
- **Catch-up contributions.** "Pre-retirement" and "over 50" catch-up contributions, which can be made over the course of the year, are great opportunities for members to make up for lost time or bridge any gaps in retirement income.
- **Multiple custom investment choices.** Custom-developed and competitively priced investment options* include stable value, fixed-income, inflation protection, large-cap, small/mid-cap, international, global, and inflation responsive to meet any investing goal.
- **Investing made easy with GoalMaker®** This optional, no-additional-cost asset allocation program guides members to an investment mix based on their age and risk tolerance.
- **Rollovers allowed.** The NC 457 allows for rollovers from other qualified plans from previous employers.
- **The ability to take loans.** If necessary, members can access their savings through loans or hardship withdrawals.
- **Access to their money.** If a member terminates employment (or retires), he or she can withdraw their NC 457 Plan account balance at any age without early withdrawal penalties.
- **Flexible distribution options.** When it comes time to put those savings to work, the Plan offers a variety of ways to withdraw savings so members can choose the method that best meets their needs.
- **Online account access and helpful retirement planning tools.** In addition to 24/7 access, members can tap into a host of retirement articles, interactive calculators, and online tutorials to help educate them on a disciplined approach for saving for retirement.

*2013 Defined Contribution Benchmarking Report For North Carolina Retirement Systems.

The NC 457 Plan is a win for you and for your employees. Here's why:

Employer Benefits

Dedicated Board of Trustees oversight
For example: audits, investment review, and due diligence

Simplified Plan administration and remittance process
Single recordkeeping vendor

Consolidated assistance
Regional Retirement Education Managers and Account Executives handle both the NC 401(k) and the NC 457 Plans

Benefits for Both

One-on-one assistance
Regional Retirement Education Manager support

No cost to add the Plan

No increase to the number of Plan administrators
Simplified Plan/account management

Award-winning Plan communications
Member education

Member Benefits

Flexible contributions
Accommodates pre-tax and Roth after-tax contributions

Combined quarterly statements
Single statement for both Plans

A comprehensive Annual Benefits Statement
Includes all NC public retirement plans, Social Security, and outside assets

Competitive Plan fees



It's easy to add the NC 457 Plan. Prudential Retirement®, the recordkeeper for the Plan, is positioned to be your partner.

Whether you decide to offer the NC 457 as a stand-alone Plan, or add it to your existing plan lineup, our experienced professionals are prepared to provide as much assistance as you'd like to ensure a smooth implementation and/or transition process. We make it simple by helping you:

- Understand Plan provisions
- Gather all necessary Plan documentation
- Review options for your current 457 plan(s)
- Iron out payroll processing details
- Accurately handle records conversion and asset transfer
- Navigate legal contracts
- Plan and develop member communications
- Obtain governing board approval, if necessary
- Create a transition timeline and review the milestones

Important points to consider when deciding to offer or switch to the NC 457 Plan:

- Would my employees appreciate having the additional opportunity to save for their retirement?
- Would my employees like to take advantage of both pre-tax savings, along with Roth after-tax savings?
- Would this Plan help me to attract and retain talent?
- Is there a cost-savings opportunity involved in adding the NC 457 Plan?
- Is there a cost-savings opportunity for replacing existing plans?
- Would adding this Plan simplify overall plan administration and retirement education?
- Would my employees appreciate having the ability to access one website for both the NC 401(k) Plan and the NC 457 Plan?
- Would there be any increased efficiencies, perhaps involving payroll or informational meetings?

Learn more about the advantages of adding the NC 457 Plan to your benefits offering!

Contact your **Retirement Education Counselor** directly or visit NCPlans.prudential.com.

Experience the ease of implementation and enjoy expert Plan oversight, simplified administration, and increased cost savings, all while improving the overall retirement savings experience for your employees with award winning education and enrollment programs. It's a win-win decision you won't regret making.

PRUDENTIAL RETIREMENT

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Amounts withdrawn before age 59½ may be subject to a 10% federal income tax penalty, applicable taxes and plan restrictions. Withdrawals are taxed at ordinary income tax rates.

Please keep in mind that it is possible to lose money by investing in securities. Application of asset allocation and diversification concepts does not ensure safety of principal.

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Item # 4

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Roads Program
Set Terms & Interest Rate

**WARREN COUNTY
ROADS IMPROVEMENT PROGRAM
POLICIES AND PROCEDURES**

I. PURPOSE AND AUTHORITY

The purpose of the Roads Improvement Program is to assist property owners with making improvements to non-state-maintained roads in private subdivisions in the unincorporated areas of Warren County.

The procedures in this policy are in accordance with and follow the guidelines set forth in Article 9A. Special Assessments for Critical Infrastructure Needs, NC General Statutes 153A-210.1 through 153A-210.7, and Session Law 2015-121, Senate Bill 284.

II. REQUIREMENTS TO QUALIFY FOR ASSESSMENT

201. A petition requesting Warren County to make certain improvements to non-state-maintained roads in private subdivisions in the unincorporated areas of the County to be financed by imposing a special assessment against benefited property must be signed by property owners representing at least 66% of the assessed value of all real property to be assessed in the subdivision.

III. ASSESSMENT PROVISIONS

301. Depending upon funding availability, Warren County may finance up to 100% of the cost of road improvements made to non-state-maintained roads in private subdivisions in the unincorporated areas of the County.
302. The assessment may be set and property owners charged for the actual cost of engineering design, construction and construction administration connected with the road improvements.
303. An administration fee may be charged by Warren County as part of the total project cost. This fee would cover the cost of legal ads advertising the public hearing as well as notifying property owners, staff and legal assistance time.
304. The cost of the project shall be assigned to the property owners in one of the following methods to be determined at the outset of the project:
1. equal rate per lot, or
 2. per foot of street frontage.

IV. PROCEDURE FOR SPECIAL ASSESSMENT FOR ROAD IMPROVEMENTS

401. SUBMISSION OF PETITION

401.1 Benefited property owners shall submit a petition requesting the County's participation in funding improvements to non-state-maintained roads in private subdivisions in the unincorporated areas of the County. This petition shall be signed by:

1) a majority of the owners of real property to be assessed; and 2) owners who represent at least sixty-six (66%) of the assessed value of all real property to be assessed. (See GS 153A-210.3(a) for the methodology to determine whether the petition has been signed by a majority of owners.

401.2 Verification of the property owners along the road shall be made from the files of the Warren County Tax Office. Signatures of others (renters, etc.) not listed as a property owner shall be considered invalid signatures.

401.3 The following information shall accompany the petition:

1. List of names and addresses of property owners along the road;
2. Map of road(s) in question indicating lot ownership; and
3. List of property owners agreeing to be assessed.

401.4 County staff shall have 30 days following the submission of the petition to verify the petition. Upon completion of that time period and certification that the petition is valid, and if funds are available, staff will prepare the preliminary assessment resolution for consideration by the Board of County Commissioners at the next regular meeting following the current agenda procedures.

Should it be determined the petition is valid; however, no funds are available in the Roads Improvement Program, the petition will be date stamped and kept on file in order of receipt until such time as funds become available.

402. PRELIMINARY ASSESSMENT RESOLUTION

402.1 The following items shall be included in the Preliminary Assessment Resolution:

1. A statement of intent to undertake the project;
2. A general description of the nature and location of the project;
3. A statement as to the proposed basis for making the assessments(i.e. lot, frontage);
4. A statement as to the percentage of cost of the work that will be assessed;
5. A statement of estimated project cost;
6. A statement as to which, if any, assessments shall be held in abeyance and for how long;
7. The estimated cost of the project and the amount of the cost to be derived from each financing source, i.e.:
 - a) Revenue bonds issued under G.S. 153A-210.6;

- b) Project development financing debt instruments issued under the NC Project Development Financing Act, Article 6 of Chapter 159 of the General Statutes;
 - c) General obligation bonds issued under the Local Government Bond Act, Article 4 of Chapter 159 of the General Statutes; or
 - d) General revenues.
8. A statement as to the proposed terms of payment of the assessment;
 9. An order setting the time and place for a public hearing on all matters covered by the Preliminary Assessment Resolution. (The public hearing will not be earlier than three weeks nor later than ten weeks from the date of the adoption of the Preliminary Assessment Resolution.)

403. FINAL ASSESSMENT RESOLUTION

403.1 Notice of Hearing

The Clerk to the Board of County Commissioners shall duly advertise the public hearing by the following methods:

1. A notice must be published in the local newspaper at least ten (10) days before the Public Hearing is to be held providing the facts of the Preliminary Assessment Resolution and the date, time and location of the Public Hearing.
2. A copy of the Preliminary Assessment Resolution must be mailed by first class mail to each property owner who will benefit from the road improvements at least 10 days prior to the Public Hearing. A certified statement must be filed with the Board of County Commissioners that each property owner has been mailed a copy of the Resolution along with the date mailed.

403.2 After the public hearing is held, the Board of County Commissioners shall vote to consider the adoption of the Final Assessment Resolution. If the Board decides that a different percentage of cost to be assessed or that the scope of the project should be lesser or greater than described in the Preliminary Assessment Resolution, it shall adopt and advertise a new Preliminary Assessment Resolution.

403.3 The Final Assessment Resolution shall include:

1. The basis upon which the assessments will be made, together with a general description of the boundaries of the benefited area;
2. The percentage of the cost of work to be assessed;
3. The financing source(s) to be used by the County to fund the improvements;
4. The terms of payment, including the conditions, if any, under which assessments are to be held in abeyance.

403.4 The Final Assessment Resolution shall not be different from the Preliminary Assessment Resolution.

404. PROJECT CONSTRUCTION

- 404.1 Upon adoption of the Final Assessment Resolution and confirmation that sufficient funds are available in the Roads Improvement Program, the County shall commence with the project. The County shall follow the proscribed bid procedures in the NC General Statutes to secure a contractor to make the necessary improvements.
- 404.2 Upon completion of all improvements, staff will prepare a summary of the total project costs, including but not limited to: engineering design, construction expenses, staff and legal expenses, surveying expenses, and other related expenses.
- 404.3 Once the final project costs are determined and approved by the Board of County Commissioners, the Preliminary Assessment Roll may be prepared.

405. PRELIMINARY ASSESSMENT ROLL

- 405.1 The Preliminary Assessment Roll shall be prepared and presented to the Board of County Commissioners for consideration and approval. The Preliminary Assessment Roll shall contain:

1. A brief description of each lot, parcel or tract to be assessed;
2. The basis for assessment;
3. Terms of payment;
4. The amount assessed against each property owner;
5. A map of the project showing each lot, parcel or tract assessed;
6. The name of property owners as verified by the County tax records; and
7. An order setting the time and place for a public hearing for consideration of the Final Assessment Roll.

- 405.2 Upon approval of the Preliminary Assessment Roll, it shall be placed on file in the office of the Clerk to the Board of County Commissioners and open for public inspection. The Preliminary Assessment Roll will also set a time for a public hearing for consideration of the Final Assessment Roll.

406. PUBLIC HEARING AND FINAL ASSESSMENT ROLL

406.1 Notice of Hearing

The Clerk to the Board of County Commissioners shall duly advertise the public hearing by the following methods:

1. A notice must be published in the local newspaper that a Preliminary Assessment Roll has been adopted noting that the roll is on file in the Clerk's office and open for public inspection and also give the date, time and place for the public hearing, this shall be published at least 10 days prior to the hearing date;
2. Mail (by first class mail) a copy of the Preliminary Assessment Roll to each property owner listed on the roll. This notice shall include: the time,

date and place of the public hearing; a note that the roll is on file in the Clerk's office; and state the amount (as shown on the roll) of the assessment against each property owner. This mailing shall be completed at least 10 days prior to the hearing.

The Clerk shall file with the Board of County Commissioners a certified statement confirming the notices were mailed to the property owners indicating the date which the notices were mailed and the date of the publication.

406.2 Public Hearing

At the public hearing, the Board of County Commissioners shall hear from all interested persons in the matter. The hearing will operate in accordance with the Board's policy for holding public hearings. At or after the hearing, the Board shall annul, modify or confirm the assessments in whole or part, either by:

1. Confirming the preliminary assessments against each lot, parcel or tract of land described in the assessment roll; or,
2. Canceling, reducing or increasing the assessments as may be proper in compliance with the basis of assessment. If a property is found to be omitted on the roll, the Board may place it on the roll and make proper assessments.

When the Board confirms the assessments for the project, the Clerk shall enter the date, hour and minute of the confirmation into the Board's minutes. From the time of confirmation, each assessment becomes a lien on the real property of the owner under priorities set out in N.C.G.S. 153A-200.

406.3 Delivery of Final Assessment Roll

After the assessment roll is confirmed, the Clerk shall send a certified copy of the Assessment Roll to the County Tax Collector for collection in the same manner as property taxes or as otherwise provided in this policy.

406.4 Publication of Final Assessment Roll

The County Tax Collector shall publish once in the local newspaper, a notice that the assessment roll has been confirmed. This notice shall be published no earlier than 20 days from the date the assessment roll is confirmed. The notice shall state:

1. The assessments may be paid without interest at any time before the expiration of a 30 day period from the date that the notice is published;
2. If the assessment is not paid within this time, all installments shall bear interest, as determined by the Board of County Commissioners.

407. PAYMENT TERMS

407.1 Full Payment of Assessment

Within thirty (30) days after publication of confirmation of the assessment roll, each property owner shall pay his full assessment, unless the Board has provided the assessments may be paid in annual installments.

407.2 Installment Payments of Assessment

If the Board allows installment payments, any portion not paid within the thirty (30) day period shall be paid in annual installments. The Board shall determine in the assessment resolution whether payments may be made by annual installments and set the number of installments which may not be more than twenty-five (25.) (See NCGS 153A-210.5)

The assessment against each benefited property shall be payable in a period not to exceed twenty-five (25) years with the unpaid balance having an interest rate not to exceed _____ () per cent.

The Board may provide:

1. the first payment with interest is due on the date when property taxes are due; and one installment with interest is due on the same date in each successive year until the assessment is paid in full; or,
2. the first installment with interest is due sixty (60) days after the date the assessment roll is confirmed, and one installment with interest is due on the same day in each successive year until the assessment is paid in full.

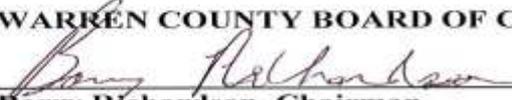
407.3 Assessment of Property Not in Single Ownership

Assessment of property in the below listed areas shall be conducted in accordance with N.C. General Statutes as outlined in each specific section:

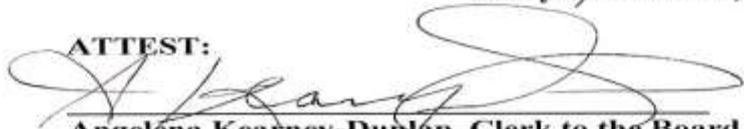
- NCGS 153A-202 Assessments on property held by tenancy for life or years.
- NCGS 153A-203 Lien in favor of a contingent or a joint owner payment special assessment;
- NCGS 153A-204 Apportionment of assessments.

Adopted this the 2nd day of May 2016.

WARREN COUNTY BOARD OF COMMISSIONERS


Barry Richardson, Chairman

ATTEST:


Angelena Kearney-Dunlap, Clerk to the Board



Item # 5

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**Buck Springs Phase I
Project Financing**

MEMORANDUM

TO: Warren County Board of Commissioners
FROM: Linda T. Worth, County Manager *LW*
RE: Buck Spring Phase I Project Financing
DATE: June 13, 2016

As you will recall, the Board at its May 2, 2016 meeting, accepted the bid from DanCo Buildings, Inc. in the amount of \$485,878 for Buck Spring Phase I Cabin Construction. The Board at that time also authorized me to seek financing for the project in the amount of approximately \$320,000.

Gloria Edmonds, Finance Director, has prepared the attached finance comparison for the project if we were to seek financing from local banks for either 5, 7, or 10 year terms at interest rates of 1.88% (rate recently secured for Simulcast Upgrade Project), and 2.17%.

In addition to exploring options to finance this project through local banks, I contacted our local USDA Rural Development Office to determine if that agency would consider providing financing through one of its loan programs. The Area Director of the Henderson Rural Development Office advised me that USDA must be involved in the project from the outset including the Project Architect selection phase in order for us to complete their pre-application requirements. If USDA was not involved, as they have not been in this project, we would be required to start the project over from scratch to meet their requirements. Also the current interest rate for USDA funded projects is 2.875% for a maximum term of 40 years. I was also advised by the Area Director that there may be potential grant funds of up to \$100,000 available for this project. However, if we were to start the project over, we would incur additional fees for architectural services and other USDA required-items that would potentially reduce the amount of grant we may realize.

As you will recall, we have bid this project twice because we did not receive the required number of bids during the first bidding. We are ready to move the project forward to construction when it is decided which route we will take to procure financing. At this time, based on where we currently are with the project, it would be my recommendation to seek traditional financing from local banks for a term to be decided by the Board.

I will look forward to discussing this matter further with the Board.

cc: Gloria Edmonds, Finance Director
Jamie Wilkerson, County Attorney

**FINANCE COMPARISON
BUCK SPRING REGIONAL LEADERSHIP CENTER**

Amount to Finance	Years Financed	Estimated Interest Rate	Payment Frequency	No. Payments	Estimated Annual Payments	Interest Paid
\$ 318,959	5	1.88	semi-annual	10	\$ 68,888.76	\$ 13,658.53
\$ 318,959	7	1.88	semi-annual	14	50,919.54	19,654.97
\$ 318,959	10	1.88	semi-annual	20	37,442.59	28,649.60
\$ 318,959	5	2.17	semi-annual	10	\$ 69,674.99	\$ 15,765.41
\$ 318,959	7	2.17	semi-annual	14	51,745.41	22,686.85
\$ 318,959	10	2.17	semi-annual	20	54,438.41	33,068.96

Gloria Edmonds

6/10/2016

Item # 6

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Tar River Regional Hazard Mitigation Plan

Link to public website: <http://espgis.com/TarRiverHazard/>

Link to the full plan document: <https://atkins.box.com/s/5sa9ge6jxw2n5mzgabe63b7zotqbdvkq>

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**Dennis Paschall, Director
Emergency Services**

Tar River Regional Hazard Mitigation Plan

DRAFT – March 2016

ATKINS



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**RESOLUTION TO ADOPT THE
TAR RIVER REGIONAL HAZARD MITIGATION PLAN**

WHEREAS, Warren County is vulnerable to an array of natural hazards that can cause loss of life and damages to public and private property; and

WHEREAS, Warren County desires to seek ways to mitigate situations that may aggravate such circumstances; and

WHEREAS, the development and implementation of a hazard mitigation plan can result in actions that reduce the long-term risk to life and property from natural hazards; and

WHEREAS, it is the intent of Warren County to protect its citizens and property from the effects of natural hazards by preparing and maintaining a local hazard mitigation plan; and

WHEREAS, it is also the intent of Warren County to fulfill its obligation under North Carolina General Statutes, Chapter 166A: North Carolina Emergency Management Act and Section 322: Mitigation Planning, of the Robert T. Stafford Disaster Relief and Emergency Assistance Act to remain eligible to receive state and federal assistance in the event of a declared disaster affecting Warren County; and

WHEREAS, Warren County, in coordination with Franklin County, Granville County, and Vance County, and the participating municipalities within those counties, has prepared a multi-jurisdictional hazard mitigation plan with input from the appropriate local and state officials;

WHEREAS, the North Carolina Division of Emergency Management and the Federal Emergency Management Agency have reviewed the Tar River Regional Hazard Mitigation Plan for legislative compliance and have approved the plan pending the completion of local adoption procedures;

NOW, THEREFORE, BE IT RESOLVED that the Town of Macon of Warren County hereby:

1. Adopts the Tar River Regional Hazard Mitigation Plan; and
2. Agrees to take such other official action as may be reasonably necessary to carry out the proposed actions of the Plan.

Adopted on _____, 2016.

Barry Richardson, Chair
Warren County

ATTEST:

Angelena Dunlap, Clerk



FEMA

June 2, 2016

Mr. Chris Crew
State Hazard Mitigation Officer
North Carolina Emergency Management Agency
4238 Mail Service Center
Raleigh, North Carolina 27699

Reference: Tar River NC Regional Hazard Mitigation Plan

Dear Mr. Crew:

This is to confirm that we have completed a Federal review of the draft Tar River NC Regional Hazard Mitigation Plan for compliance with the Federal Hazard Mitigation Planning requirements contained in 44 CFR 201.6(b)-(d). We have determined that the Tar River NC Regional Hazard Mitigation Plan is compliant with Federal requirements, subject to formal community adoption.

In order for our office to issue formal approval of the plan, Tar River Regional must submit adoption documentation and document that the final public meeting occurred. Upon submittal of these items to our office, we will issue formal approval of the Tar River NC Regional Hazard Mitigation Plan. Please have Tar River Regional submit a final copy of their Plan, without draft notations and track changes.

For further information, please do not hesitate to contact Shemeeka Hopkins, of the Hazard Mitigation Assistance Branch, at (770) 220-8788 or Linda L. Byers of my staff, at (770) 220-5498.

Sincerely,

A handwritten signature in black ink that reads "Robert E. Lowe". The signature is fluid and cursive, with a long horizontal line extending to the right.

Robert E. Lowe, Chief
Risk Analysis Branch
Mitigation Division

Item # 7

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Employee Manual Update

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Lisa Alston, HR Director

&

Jamie Wilkerson, County Attorney

Item # 8

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E-911 Agreement With Halifax County

MEMORANDUM

TO: Warren County Board of Commissioners

FROM: Linda T. Worth, County Manager *LJW*

RE: Proposed 911 PSAP Back-Up Agreement

DATE: June 13, 2016

Pursuant to NCGS 143B-1400 (6) Back-up PSAP requirements, my staff and I have met with our counterparts in Halifax County to develop a proposed formal agreement to serve as Back-up 911 Center for each other in the event either of our 911 Centers experience failure. The proposed agreement is attached along with the statute. In addition to the agreement, we are also completing a Request for Back-Up Plan Approval that must also be submitted to the 911 Board for review and approval.

We are required by the legislation to have a plan and means for 911 call-taking in place by July 1, 2016 in the event 911 calls cannot be received and processed in our primary PSAP. If a PSAP has made substantial progress toward implementation of the plan and means, the 911 Board may grant the PSAP an extension until July 1, 2017, to complete implementation of the plan and means. NCGS 143B-1400(6) does not require a PSAP to construct an alternative facility to serve as back-up PSAP; however, it may be in our County's best interest to consider such a facility as a long-term solution.

Should the Board of Commissioners wish to enter into the agreement with Halifax County, it can be placed on the agenda of the Boards' June 22, 2016 Special Meeting for consideration. The agreement along with our Request for Back-Up Plan Approval and request for extension until July 1, 2017 to fully implement our Back-Up Plan will be submitted thereafter to the 911 Board prior to the July 1, 2016 deadline. If Warren County is deemed non-compliant in meeting the back-up PSAP requirements, the monthly 911 surcharge funds we receive for our PSAP may be withheld until such time as we become compliant.

Your consideration of these matters is greatly appreciated.

cc: Sheriff Johnny Williams
Venicia Harris, E911 Center Coordinator
Jamie Wilkerson, County Attorney
Gloria Edmonds, Finance Director
Attachments

WARREN AND HALIFAX COUNTIES

This AGREEMENT made and entered into by and between Warren County, North Carolina (“Warren”) and Halifax County, North Carolina (“Halifax”), collectively referred to herein as the “Parties”;

WITNESSETH:

WHEREAS, Warren and Halifax are both bodies politic and corporate under Article 2, Chapter 153A of the North Carolina General Statutes; and

WHEREAS, both Warren and Halifax operate 911 emergency communications systems; and

WHEREAS, during times of natural disaster and other unpredictable events, a county’s 911 communications system may be temporarily disabled; and

WHEREAS, Warren and Halifax each desire to serve as a Backup 911 Center to the other; and

WHEREAS, Warren recognizes the economy and benefits of utilizing Halifax’s 911 emergency communications system; and

WHEREAS, Halifax recognizes the economy and benefits of utilizing Warren’s 911 emergency communications system; and

WHEREAS, the parties desire to set forth in this AGREEMENT the terms by which Warren and Halifax may utilize the other’s 911 emergency communications centers for the benefit of the people in Warren and Halifax Counties.

Now, therefore, in consideration of the terms, conditions, and covenants expressed herein, the parties agree as follows:

1. Purpose of Agreement

- 1.1 The purpose of this AGREEMENT is to establish a formal arrangement whereby Warren utilizes Halifax as its Backup 911 Center located at 10 North King Street, Halifax, North Carolina, during such times as Warren may experience failure to its primary 911 emergency call and dispatch center, and Halifax utilizes Warren as its Backup 911 Center located at 132 Rafter Lane, Warrenton, North Carolina, during such times as Halifax may experience failure to its primary 911 emergency call and dispatch center subject to the terms of this AGREEMENT.

2. Term

- 2.1** This AGREEMENT shall commence upon last date of execution indicated below and will continue in effect until one of the Parties delivers a notice of intent to terminate effective at least twelve (12) months prior to the end of the subsequent fiscal year.
- 2.2** Either party may terminate this agreement upon a breach by the other party. However, if either party desires to terminate this AGREEMENT based upon a breach, it shall first deliver a notice of breach to the other party by registered or certified mail, expressing its intent to terminate. Upon receipt of such notice, the other party shall have sixty (60) days to remedy the condition(s) constituting the breach. If remedied within the time prescribed, the notice of termination shall be withdrawn. If not remedied within the time prescribed, the termination shall become immediately effective without further notice.

3. Responsibilities of Warren

- 3.1** Warren agrees to program the Warren 911 telephone system with a Halifax profile, trunked phone lines and appropriate number of digit telephone lines for Halifax's use in answering emergency telephone calls during a Halifax failure at Warren's expense.
- 3.2** Warren agrees to program the Warren radios and radio consoles with necessary frequencies for Halifax's use during a Halifax failure at Warren's expense.
- 3.3** Warren agrees to provide space in their recording system to capture all telephone and radio traffic associated with Halifax during a Halifax failure at Warren's expense.
- 3.4** Warren agrees to maintain its 911 emergency communications system operational, functional and as technologically up to date as is reasonable.
- 3.5** Warren shall give the Halifax 911 Director as much advance notice as practicable under the then existing circumstances of its need and intent to transfer, receive and dispatch emergency calls of service through the Halifax 911 emergency communications system.
- 3.6** Warren agrees to process all Halifax medical calls utilizing Priority Dispatch protocols and all fire and law enforcement calls based on procedures provided by Halifax.
- 3.7** Warren shall work with Halifax to help train Halifax telecommunicators in dispatch methods for Warren.
- 3.8** To the extent allowed by law, Warren will hold Halifax harmless and indemnify Halifax from any and all claims and expenses related thereto which may arise out of or relate to Warren's use of Halifax as a Backup 911 center.

4. Responsibilities of Halifax

- 4.1 Halifax agrees to program the Halifax 911 telephone system with a Warren profile, trunked phone lines and appropriate number of digit telephone lines for Warren's use in answering emergency telephone calls during a Warren failure at Halifax's expense.
- 4.2 Halifax agrees to program the Halifax radios and radio consoles with necessary frequencies for Warren's use during a Warren failure at Halifax's expense.
- 4.3 Halifax agrees to provide space in their recording system to capture all telephone and radio traffic associated with Warren during a Warren failure at Halifax's expense.
- 4.4 Halifax agrees to maintain its 911 emergency communications system operational, functional and as technologically up to date as is reasonable.
- 4.5 Halifax shall give the Warren 911 Director as much advance notice as practicable under the then existing circumstances of its need and intent to transfer, receive and dispatch emergency calls of service through the Warren 911 emergency communications system.
- 4.6 Halifax agrees to process all Warren medical calls utilizing Priority Dispatch protocols and all fire and law enforcement calls based on procedures provided by Warren.
- 4.7 Halifax shall work with Warren to help train Warren telecommunicators in dispatch methods for Halifax.
- 4.8 To the extent allowed by law, Halifax will hold Warren harmless and indemnify Warren from any and all claims and expenses related thereto which may arise out of or relate to Halifax's use of Warren as a Backup 911 center.

5. Amendment

This AGREEMENT may not be modified or amended except by subsequent written modification approved and authorized by the governing boards of each party and signed by the authorized representatives of each party.

6. Entire Agreement

This AGREEMENT contains the entire agreement between the parties, and no statement, oral or written, made by either party or agent of either party that is not contained in this written AGREEMENT shall be valid or binding.

7. Remedies

This AGREEMENT shall be enforceable by each party by all remedies available at law or in equity. Failure or delay to exercise any right, remedy, or privilege hereunder shall not operate as a waiver of such right, remedy, or privilege, nor prevent subsequent enforcement.

8. Duplicate Originals

This agreement shall be executed by the parties in duplicate originals, each of which when executed shall constitute the same AGREEMENT.

IN WITNESS WHEREOF, this AGREEMENT is adopted as of the last date of execution indicated below.

WARREN COUNTY

By: _____
Chairman, Board of County Commissioners

Date: _____

ATTEST:

Clerk to the Board

HALIFAX COUNTY

By: _____
Chairman, Board of County Commissioners

Date: _____

ATTEST:

Clerk to the Board

Back-up PSAP Information Document



When creating your back-up PSAP plan, there are several key requirements and best practices that you need to understand in order to fulfill the legal and suggested requirements of a back-up PSAP. As a reminder, you are required by law to have a back-up plan in place by July 1, 2016.

Background

PSAP Defined

The North Carolina General Statutes include the following definitions to apply in understanding the back-up PSAP requirement:

§ 143B-14.00. (4) 911 system. -- An emergency communications system using any available technology that does all of the following:

- a. Enables the user of a communications service connection to reach a PSAP by dialing the digits 911.
- b. Provides enhanced 911 service.

§ 143B-14.00. (6) Back-up PSAP. -- The capability to operate as part of the 911 System and all other features of its associated primary PSAP. The term includes a back-up PSAP that receives 911 calls only when they are transferred from the primary PSAP or on an alternate routing basis when calls cannot be completed to the primary PSAP.

§ 143B-14.00. (7) Call taking. -- The act of processing a 911 call for emergency assistance by a primary PSAP, including the use of 911 system equipment, call classification, location of a caller, determination of the appropriate response level for emergency responders, and dispatching 911 call information to the appropriate responder.

911 Back-up Requirement

The 911 Back-up requirement is as follows:

§ 143B-14.06. Fund distribution to PSAPs.

(f) Compliance. -- A PSAP, or the governing entity of a PSAP, must comply with all of the following in order to receive a distribution under this section:

(5) By July 1, 2016, a PSAP must have a plan and means for 911 call-taking in the event 911 calls cannot be received and processed in the primary PSAP. If a PSAP has made substantial progress toward implementation of the plan and means, the 911 Board may grant the PSAP an extension until July 1, 2017, to complete implementation of the plan

and means. The plan must identify the alternative capability of taking the redirected 911 calls. This subdivision does not require a PSAP to construct an alternative facility to serve as a back-up PSAP.

NOTE: The NC 911 Board has defined "substantial progress" as 1) have a plan submitted for approval and 2) have a timeline submitted for completion before July 1, 2017.

Elements for Approved 911 Back-up Plan

The NC 911 Board Administrative Rules (effective July 1, 2016) provide additional information that pertain to back-up PSAPs and elements needed for an approved back-up plan.

09 NCAC 06C .0206 BACK-UP PSAPS

- (a) Each Primary PSAP shall establish a back-up PSAP or have an arrangement for back-up provided by another PSAP. Agencies may also pool resources and create regional back-up centers. Alternate methods for receiving and processing 911 calls may include interlocal agreements among one or more PSAPs for sharing physical resources, entail a use of portable equipment that may be implemented wherever secure network connectivity is accessible, construction and maintenance of a back-up PSAP facility that would only be utilized when the Primary PSAP is inoperable, or other alternative solution.
- (b) Back-up Plan. There shall be a local management approved, written, dated, and annually tested back-up PSAP plan.
- (c) The Board shall disburse 911 Funds for back-up PSAPs to the extent eligible expenses are incurred for such PSAPs, and provided:
- (1) A back-up PSAP plan is submitted to the 911 Board. The plan shall include start-up costs, projected recurring expenses, and any local agreements which may exist, or which are anticipated, that provide for the back-up PSAP.
 - (2) Any back-up PSAP plan revisions have been provided to the 911 Board staff.
- (d) The back-up PSAP shall be capable, when staffed, of performing the emergency functions performed at the primary PSAP.
- (e) The back-up PSAP shall be separated geographically from the primary PSAP at a distance that ensures the survivability of the alternate center.
- (f) Each PSAP shall develop a formal written plan to maintain and operate the back-up PSAP or, if back-up is provided by another PSAP, a formal written plan that defines the duties and responsibilities of the alternate PSAP.
- (1) The plan shall include the ability to reroute incoming 911 call traffic to the back-up center and to process and dispatch 911 calls at that center.
 - (2) The plan shall be included in the Comprehensive Emergency Management Plan (CEMP).
- (g) The PSAP shall be capable of operation long enough to enable the transfer of operations to the back-up PSAP in the event of an emergency in the PSAP or in the building that houses the PSAP.

Key Questions to Ask and Things to Consider

With an understanding of the requirements outlined above, the following information can be used as a checklist or "best practice" to assist in developing a back-up plan and the means to implement that plan for your agency. The information below is suggested, and is intended to provide helpful guidance as you develop your plan.

- The means to implement the plan includes the resources, both physical and human, identified in the plan that are necessary to answer and process 911 calls.
- Consider what type of back-up solution you need:

- single agency stand-alone facility (not preferred)
 - multi-agency stand-alone facility
 - utilizing another existing PSAP
 - mobile solution
 - hosted third party solution
 - something else (explain in detail)
- If your solution involves utilizing another existing primary or secondary PSAP, or a multi-agency arrangement, do you have signed Memorandums of Understanding (MOUs) and other applicable agreements? These inter-local agreements are an absolute must.
 - How many positions/workstations are normally manned in your Primary PSAP? Do you and can you staff for more positions to handle peak workloads? How many additional positions are used during these peak workloads?
 - If you are entering into an agreement with another primary or secondary PSAP, how many positions do they staff to handle their call volume, and do they staff extra positions for peak times? Does your backup plan have enough total seats to handle your peak call volume staffing, as well as that of the other PSAP?
 - Will the primary PSAP and the back-up PSAP equipment be connected or stand-alone? If connected, how will CAD, Mapping, and Telephone equipment be connected between the primary and the back-up PSAP? How will 911 trunks be rerouted to the back-up PSAP? Will you use a geo-diverse telephone switch, with one side of the server at the primary site and another server at the back-up site, with a network connection (fiber or microwave) between the two?
 - If you choose a mobile solution, how will 911 ANI and ALI data be delivered to the mobile PSAP? How will the mobile solution obtain access to CAD and Mapping data? The mobile solution cannot be dependent on the equipment at the primary PSAP.
 - How will 911 calls be answered and processed during the transition from the primary to the back-up facility? The transition plan should ensure that 911 calls are delivered in such a way that voice and data are available for mapping the location of any 911 caller.
 - If your back-up solution involves another existing PSAP, are all CAD, Mapping, and Telephone systems interoperable? How will they be connected? Are employees cross-trained on all equipment? Is there sufficient back room space at your proposed back-up site to handle your server and equipment needs?
 - The back-up equipment needs to function to the same capability or capacity as the primary equipment, but does not have to be identical. For example, you do not have to use custom console furniture in your back-up, if you can set your computer workstations on a table top.
 - What type of back-up power system will be in place at the back-up PSAP? Will there be a generator and a UPS? What will be the capacity of the generator and the UPS? How much fuel is stockpiled for the generator, and is it sufficient to cover your plan for uninterrupted operation of the back-up facility?
 - Does your back-up plan include a schedule/plan on how the back-up center will be maintained and tested on regular intervals to ensure it will be fully operational when needed? The plan should also be tested with enough frequency that staff is comfortable operating in the back-up environment.
 - The plan should include both the projected start-up costs and the annual operating costs of the back-up PSAP. Since funding of an approved backup PSAP is an allowable use of surcharge funds, and since future funding will be based on actual expenses, it is critical that 911 Board staff have an accurate cost projection for budgetary purposes.

A guide for creating the plan and providing estimated cost is attached to the document.

Extension Request

To be in compliance with § 143B-1406.f(5) must have **implemented** an approved plan no later than July 1, 2016. If substantial progress toward implementation of the plan and means has not been completed by July 1, 2016, the PSAP may request an extension and the 911 Board may grant an extension for up to one year (July 1, 2017). The 911 Board has defined substantial progress as, 1) have a backup plan submitted for approval, 2) have a timeline submitted for completion before July 1, 2017.

To request an extension, a PSAP must submit the request on agency letterhead to the Executive Director of the North Carolina 911 Board. The letter must indicate when the proposed backup plan was submitted to the 911 Board for approval and include the timeline that the plan will be implemented.

A sample template of a request letter is attached to this document.

Questions

The NC 911 Board staff stands ready to assist you with any questions you have in developing a successful plan.

Tina Bone
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919-754-6111

David Dodd
david.dodd@nc.gov
919-754-6625



HOUSE BILL 512: Amend/Clarify Back-Up Public Safety Answering Points (PSAP) Requirements

2015-2016 General Assembly

Committee:

Introduced by:

Analysis of: S.L. 2015-219

Date:

Prepared by: Kelly Tornow
Staff Attorney

SUMMARY: *S.L. 2015-219 allows time extensions for implementation of back-up PSAP requirements to July 1, 2017, under certain circumstances; and requires the 911 Board to investigate alternatives for facilitation of uniform procurement and pricing of 911 eligible expenses through bulk purchasing and other means.*

This act became effective August 18, 2015.

CURRENT LAW: The 911 Board distributes 911 fees to "public safety answering points" (PSAPs). Each PSAP is the public safety agency that receives incoming 911 calls and dispatches public safety agencies in response. The distributions from 911 fees may only be used for certain eligible purchases by the PSAP.

Session Law 2014-66 requires each PSAP to plan for 911 call-taking in the event the primary PSAP cannot process calls. PSAPs are authorized to use distributions from the 911 Fund to pay for dispatch equipment at a back-up PSAP. As of July 1, 2016, PSAPs will not be eligible for distributions from the 911 Fund if the PSAP does not have a back-up PSAP.

BILL ANALYSIS: Section 1 of S.L. 2015-219 requires a PSAP to implement a plan by July 1, 2016, for 911 call-taking in the event 911 calls cannot be received and processed in the primary PSAP. If a PSAP has made substantial progress toward implementation of the plan, the 911 Board may grant a time extension until July 1, 2017, for that PSAP to complete implementation.

Section 2 of the act requires the 911 Board to investigate alternatives for facilitation of uniform procurement and pricing of 911 eligible expenses through bulk purchasing and other means and report its findings and requests for legislative action to the Joint Legislative Oversight Committee on Information Technology by May 1, 2016.

EFFECTIVE DATE: This act became effective August 18, 2015.

O. Walker Reagan
Director



Research Division
(919) 733-2578

§ 143B-1400. Definitions.

The following definitions apply in this Part.

- (1) 911 Board. – The 911 Board established in G.S. 143B-1401.
- (2) 911 Fund. – The North Carolina 911 Fund established in G.S. 143B-1403.
- (3) 911 State Plan. – A document prepared, maintained, and updated by the 911 Board that provides a comprehensive plan for communicating 911 call information across networks and among PSAPs, addresses all aspects of the State's 911 system, and describes the allowable uses of revenue in the 911 Fund.
- (4) 911 system. – An emergency communications system using any available technology that does all of the following:
 - a. Enables the user of a communications service connection to reach a PSAP by dialing the digits 911.
 - b. Provides enhanced 911 service.
- (5) 911 system provider. – An entity that provides a 911 system to a PSAP.
- (6) Back-up PSAP. – The capability to operate as part of the 911 System and all other features of its associated primary PSAP. The term includes a back-up PSAP that receives 911 calls only when they are transferred from the primary PSAP or on an alternate routing basis when calls cannot be completed to the primary PSAP.
- (7) Call taking. – The act of processing a 911 call for emergency assistance by a primary PSAP, including the use of 911 system equipment, call classification, location of a caller, determination of the appropriate response level for emergency responders, and dispatching 911 call information to the appropriate responder.
- (8) Commercial Mobile Radio Service (CMRS). – Defined in 47 C.F.R. § 20.3.
- (9) Communications service. – Any of the following:
 - a. The transmission, conveyance, or routing of real-time communications to a point or between or among points by or through any electronic, radio, satellite, cable, optical, microwave, wireline, wireless, Internet protocol, or other medium or method, regardless of the protocol used.
 - b. The ability to receive and terminate voice calls, messages, videos, data, or other forms of communication to, from, and between the public switched telephone network, wireless networks, IP-enabled networks, or any other communications network.
 - c. Interconnected VoIP service.
- (10) Communications service connection. – Each telephone number or trunk assigned to a residential or commercial subscriber by a communications service provider, without regard to technology deployed.
- (11) Communications service provider. – An entity that provides communications service to a subscriber.
- (12) CMRS connection. – Each mobile handset telephone number assigned to a CMRS subscriber with a place of primary use in North Carolina.
- (13) CMRS provider. – An entity, whether facilities-based or nonfacilities-based, that is licensed by the Federal Communications Commission to provide CMRS or that resells CMRS within North Carolina.
- (14) Enhanced 911 service. – Directing a 911 call to an appropriate PSAP by selective routing or other means based on the geographical location from

- which the call originated and providing information defining the approximate geographic location and the telephone number of a 911 caller, in accordance with the FCC Order.
- (15) **Exchange access facility.** – The access from a subscriber’s premises to the telephone system of a service supplier. The term includes service supplier provided access lines, private branch exchange trunks, and centrex network access registers, as defined by applicable tariffs approved by the North Carolina Utilities Commission. The term does not include service supplier owned and operated telephone pay station lines, Wide Area Telecommunications Service (WATS), Foreign Exchange (FX), or incoming only lines.
- (16) **FCC Order.** – The Order of the Federal Communications Commission, FCC Docket No. 94-102, adopted on December 1, 1997, and any consent decrees, rules, and regulations adopted by the Federal Communications Commission pursuant to the Order.
- (17) **GIS mapping.** – Computerized geographical information that can be used to assist in locating a person who calls emergency assistance, including street centerlines, ortho photography, and oblique imaging.
- (18) **Interconnected VoIP service.** – Defined in 47 C.F.R. § 9.3.
- (19) **Local exchange carrier.** – An entity that is authorized to provide telephone exchange service or exchange access in North Carolina.
- (20) **Next generation 911 system.** – An IP-enabled emergency communications system using Internet Protocol, or any other available technology, to enable the user of a communications service to reach an appropriate PSAP by sending the digits 911 via dialing, text, or short message service (SMS), or any other technological means.
- (21) **Next generation 911 system provider.** – An entity that provides a next generation or IP-enabled 911 system to a PSAP.
- (22) **Prepaid wireless telecommunications service.** – A wireless telecommunications service that allows a caller to dial 911 to access the 911 system, which service must be paid for in advance and is sold in predetermined units or dollars of which the number declines with use in a known amount.
- (23) **Primary PSAP.** – The first point of reception of a 911 call by a public safety answering point.
- (24) **Proprietary information.** – Subscriber lists, technology descriptions, technical information, or trade secrets that are developed, produced, or received internally by a communications service provider or by a communications service provider’s employees, directors, officers, or agents.
- (25) **Public safety answering point (PSAP).** – The public safety agency that receives an incoming 911 call and dispatches appropriate public safety agencies to respond to the call.
- (26) **Retail transaction.** – The sale of prepaid wireless telecommunications service for any purpose other than resale.
- (27) **Service supplier.** – An entity that provides exchange telephone service to a telephone subscriber.
- (28) **Subscriber.** – A person who purchases a communications service and is able to receive it or use it periodically over time.
- (29) **Voice communications service.** – Any of the following:

- a. The transmission, conveyance, or routing of real-time, two-way voice communications to a point or between or among points by or through any electronic, radio, satellite, cable, optical, microwave, wireline, wireless, or other medium or method, regardless of the protocol used.
 - b. The ability to receive and terminate voice calls to and from the public switched telephone network.
 - c. Interconnected VoIP service.
- (30), (31) Repealed by Session Laws 2015-261, s. 4(a), effective January 1, 2016.
- (32) VoIP provider. – An entity that provides interconnected VoIP service. (2007-383, s. 1(a); 2010-158, s. 1; 2011-122, s. 2; 2014-66, s. 1.1; 2015-241, s. 7A.3(2); 2015-261, ss. 1(a), 4(a).)

§ 143B-1406. Fund distribution to PSAPs.

(a) **Monthly Distribution.** – The 911 Board must make monthly distributions to primary PSAPs from the amount allocated to the 911 Fund for PSAPs. A PSAP is not eligible for a distribution under this section unless it complies with the requirements of this Part, provides enhanced 911 service, and received distributions from the 911 Board in the 2008-2009 fiscal year. The Board may reduce, suspend, or terminate distributions under this subsection if a PSAP does not comply with the requirements of this Part. The Board must comply with all of the following:

- (1) **Administration.** – The Board must notify PSAPs of the estimated distributions no later than December 31 of each year. The Board must determine actual distributions no later than June 1 of each year. The Board must determine a method for establishing distributions that is equitable and sustainable and that ensures distributions for eligible operating costs and anticipated increases for all funded PSAPs. The Board must establish a formula to determine each PSAP's base amount. The formula must be determined and published to PSAPs in the first quarter of the fiscal year preceding the fiscal year in which the formula is used. The Board may not change the funding formula for the base amount more than once every year.
- (2) **Reports.** – The Board must report to the Joint Legislative Commission on Governmental Operations and the Revenue Laws Study Committee within 45 days of a change in the funding formula. The report must contain a description of the differences in the old and new formulas and the projected distributions to each PSAP from the new formula.
- (3) **Formula.** – The funding formula established by the Board must consider all of the following:
 - a. The population of the area served by a PSAP.
 - b. PSAP reports and budgets, disbursement histories, and historical costs.
 - c. PSAP operations, 911 technologies used by the PSAP, compliance with operating standards of the 911 Board, level of service a PSAP delivers dispatching fire, emergency medical services, law enforcement, and Emergency Medical Dispatch.
 - d. The tier designation of the county in which the PSAP is located as designated in G.S. 143B-437.08.
 - e. Any interlocal government funding agreement between a primary PSAP and a secondary PSAP, if the secondary PSAP was in existence as of June 1, 2010, receives funding under the agreement, and is within the service area of the primary PSAP.
 - e1. Any expenditure authorized by the 911 Board for statewide 911 projects or the next generation 911 system.
 - f. Any other information the Board considers relevant.
- (4) **Additional distributions.** – In the first quarter of the Board's fiscal year, the Board must determine whether payments to PSAPs during the preceding fiscal year exceeded or were less than the eligible costs incurred by each PSAP during the fiscal year. If a PSAP receives less than its eligible costs in any fiscal year, the Board may increase a PSAP's distribution in the following fiscal year above the base amount as determined by the formula to meet the estimated eligible costs of the PSAP as determined by the Board. The Board may not distribute less than the base amount to each PSAP except as provided in subsection (c) of this section. The Board must provide a

procedure for a PSAP to request a reconsideration of its distribution or eligible expenses.

(b) **Percentage Designations.** – The 911 Board must determine how revenue that is allocated to the 911 Fund for distribution to primary PSAPs and is not needed to make the base amount distribution required by subdivision (a)(1) of this section is to be used. The 911 Board must designate a percentage of the remaining funds to be distributed to primary PSAPs on a per capita basis and a percentage to be allocated to the PSAP Grant Account established in G.S. 143B-1407. If the 911 Board does not designate an amount to be allocated to the PSAP Grant Account, the 911 Board must distribute all of the remaining funds on a per capita basis. The 911 Board may not change the percentage designation more than once each fiscal year.

(c) **Carryforward.** – A PSAP may carry forward distributions for eligible expenditures for capital outlay, capital improvements, or equipment replacement. Amounts carried forward to the next fiscal year from distributions made by the 911 Board may not be used to lower the distributions in subsection (a) of this section unless the amount is greater than twenty percent (20%) of the average yearly amount distributed to the PSAP in the prior two years. The 911 Board may allow a PSAP to carry forward a greater amount without changing the PSAP's distribution.

(d) **Use of Funds.** – A PSAP that receives a distribution from the 911 Fund may not use the amount received to pay for the lease or purchase of real estate, cosmetic remodeling of emergency dispatch centers, hiring or compensating telecommunicators, or the purchase of mobile communications vehicles, ambulances, fire engines, or other emergency vehicles. Distributions received by a PSAP may be used only to pay for the following:

- (1) The lease, purchase, or maintenance of:
 - a. Emergency telephone equipment, including necessary computer hardware, software, and database provisioning.
 - b. Addressing.
 - c. Telecommunicator furniture.
 - d. Dispatch equipment located exclusively within a building where a PSAP or back-up PSAP is located, excluding the costs of base station transmitters, towers, microwave links, and antennae used to dispatch emergency call information from the PSAP or back-up PSAP.
- (2) The nonrecurring costs of establishing a 911 system.
- (3) Expenditures for in-State training of 911 personnel regarding the maintenance and operation of the 911 system. Allowable training expenses include the cost of transportation, lodging, instructors, certifications, improvement programs, quality assurance training, training associated with call taking, and emergency medical, fire, or law enforcement procedures, and training specific to managing a PSAP or supervising PSAP staff. Training outside the State is not an eligible expenditure unless the training is unavailable in the State or the PSAP documents that the training costs are less if received out-of-state. Training specific to the receipt of 911 calls is allowed only for intake and related call taking quality assurance and improvement. Instructor certification costs and course required prerequisites, including physicals, psychological exams, and drug testing, are not allowable expenditures.
- (4) Charges associated with the service supplier's 911 service and other service supplier recurring charges. The PSAP providing 911 service is responsible to the communications service provider for all 911 installation, service, equipment, operation, and maintenance charges owed to the communications

service provider. A PSAP may contract with a communications service provider on terms agreed to by the PSAP and the provider.

(e) **Local Fund.** – The fiscal officer of a PSAP to whom a distribution is made under this section must deposit the funds in a special revenue fund, as defined in G.S. 159-26(b)(2), designated as the Emergency Telephone System Fund. The fiscal officer may invest money in the Fund in the same manner that other money of the local government may be invested. Income earned from the invested money in the Emergency Telephone System Fund must be credited to the Fund. Revenue deposited into the Fund must be used only as permitted in this section.

(f) **Compliance.** – A PSAP, or the governing entity of a PSAP, must comply with all of the following in order to receive a distribution under this section:

- (1) A county or municipality that has one or more PSAPs must submit in writing to the 911 Board information that identifies the PSAPs in the manner required by the FCC Order.
- (2) A participating PSAP must annually submit to the 911 Board a copy of its governing agency's proposed or approved budget detailing the revenues and expenditures associated with the operation of the PSAP. The PSAP budget must identify revenues and expenditures for eligible expense reimbursements as provided in this Part and rules adopted by the 911 Board.
- (3) A PSAP must be included in its governing entity's annual audit required under the Local Government Budget and Fiscal Control Act. The Local Government Commission must provide a copy of each audit of a local government entity with a participating PSAP to the 911 Board.
- (4) A PSAP must comply with all requests by the 911 Board for financial information related to the operation of the PSAP.
- (5) By July 1, 2016, a PSAP must have a plan and means for 911 call-taking in the event 911 calls cannot be received and processed in the primary PSAP. If a PSAP has made substantial progress toward implementation of the plan and means, the 911 Board may grant the PSAP an extension until July 1, 2017, to complete implementation of the plan and means. The plan must identify the alternative capability of taking the redirected 911 calls. This subdivision does not require a PSAP to construct an alternative facility to serve as a back-up PSAP.
- (6) A primary PSAP must comply with the rules, policies, procedures, and operating standards for primary PSAPs adopted by the 911 Board.

(g) **Application to Cherokees.** – The Eastern Band of Cherokee Indians is an eligible PSAP. The Tribal Council of the Eastern Band is the local governing entity of the Eastern Band for purposes of this section. The Tribal Council must give the 911 Board information adequate to determine the Eastern Band's base amount. The 911 Board must use the most recent federal census estimate of the population living on the Qualla Boundary to determine the per capita distribution amount. (2007-383, s. 1(a); 2008-134, ss. 1(b), (c); 2010-158, ss. 7(a)-(d); 2011-291, s. 2.18; 2014-66, s. 1.3; 2015-219, s. 1; 2015-241, s. 7A.3(2); 2015-261, ss. 1(e), 4(e).)

Item # 9

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Adjourn Work Session

Reminders:

June 20th – 6pm – Budget Work Session

June 22nd – 7pm – FY 2017 Budget Special Meeting