

MINUTES OF THE MEETING OF THE BOARD OF
ROWAN COUNTY COMMISSIONERS
SPECIAL CALLED MEETING
AUGUST 25, 1988

The Board of Rowan County Commissioners met in a Special Called Meeting in the Community Building on August 25, 1988 at 9:30 A.M. for the purpose of discussing the Proposed Water/Sewer Extension Policy.

PRESENT: Richard D. Messinger, Chairman
J. Newton Cohen, Vice-Chairman
Wilborn Swaim, Member
George C. Knox, Member
Jamima P. DeMarcus, Member

The County Manager, County Attorney, and Clerk to the Board were also present as well as various concerned citizens and members of the Economic Development Commission.

Chairman Messinger called the meeting to order and gave the invocation.

CONCERN OF ANIMAL CONTROL - MRS. NANCY VICKOWANICH:

Mrs. Nancy Vickowanich, resident of Homestead Hills, reported that on Thursday, August 11, 1988 her daughter was walking their dog in the subdivision with a leash. A dog from another yard attacked her daughter in an attempt to attack their dog. This dog is known to break chains and attack small animals, and the owner has admitted to this. As a result of her daughter's attack, she sustained severe lacerations on the leg and two (2) punctured wounds on the arm. There are witnesses available to this incident.

Immediately after the attack, Mrs. Vickowanich called the Sheriff's Department and they filed a report. She confirmed that the County Ordinance as well as the State Law requires the dog to be impounded for ten (10) days. Mrs. Vickowanich then notified the Animal Shelter of the incident as the Sheriff's Department confirmed the dog should be impounded.

The Shelter was supposed to contact her husband if there was a problem in getting the dog impounded but nothing was ever communicated until Sunday, when the dog owner contacted her family. The owner felt that as long as he confined the dog to their home, he was within the law. The Law states, however, that the dog must be confined either at a Vet or at the Shelter. Mrs. Vickowanich found out that once a dog breaks the skin, the dog is automatically classified under the Viscious Dog Act. When the Viscious Dog Act becomes viable, the dog must be impounded, but Mr. Seagle felt that the dog was not viscious. Mrs. Vickowanich contacted Mr. Blalock at

the Shelter on Friday and he told her that she was putting him in a bad situation as the owner has had the dog for ten (10) years and this was the first instance. Mr. Seagle and Mr. Blalock visited the owner of the dog a week later on Friday, August 19, 1988 and played with the dog with the owner present. Under these circumstances, they felt the dog was not vicious.

The County Manager stated that in discussion with Mr. Seagle, some of the information that has been provided today is contrary to what Mr. Seagle has provided. The County Manager then suggested to be given an opportunity to find the facts and provide these to the Commission. Mr. Seagle stated in his report to the County Manager that the dog is not vicious--one (1) bite does not constitute a dog being vicious. Therefore, under the County Ordinance and State Law, this dog could not be declared vicious and taken from the owner. The law does not speak as to where the dog should be impounded, as it gives the impression that the owner can impound the dog.

Mrs. Vickowanich reported that General Statute 106378 stated "confinement at once for ten (10) days if the skin is broken". She feels the law needs to be changed that previously states a dog is not vicious because of one (1) attack.

Commissioner DeMarcus was concerned in the delay of the response time. Chairman Messinger requested the County Attorney to clarify for the Commission exactly what the law is and what the County should and should not do. The County Attorney then suggested that the County Manager make a thorough investigation of the facts for the Board. Chairman Messinger then concurred that this would be discussed at the September meeting.

OTHER BUSINESS:

Chairman Messinger, the County Manager, and Commissioner Cohen met with the Division of Health Services in the State Department of Human Resources in Raleigh regarding a modification of their ruling on County landfills and historic sites. Chairman Messinger provided the Commission with a statement that addresses the Commission's position on this issue. Chairman Messinger reported that nothing has happened that will change the Commission's plans to put a landfill on the White site. The Commission was attempting to have the ruling changed in order to use the McClamrock site for something more than just a buffer. Even though the County may obtain permission to use this site as a buffer, they would like to eventually use it as a landfill provided the County does something with the Mingus Farm.

ECONOMIC DEVELOPMENT COMMISSION'S REQUEST:

Chairman Messinger turned the Chair over to Vice-Chairman Cohen as the Chairman has property involved in the matter being discussed. Mr. R. O. Everett, Vice-Chairman of the Economic Development Commission, presented a request to the Commission under the Rowan County Water/Sewer Extension Policy. The purpose of this request is

to assist in the location of an industry between Spencer and the Yadkin River. The industry is interested in acquiring a thirty (30)-acre tract located in this area. Mr. C. E. Spear, Mayor of Spencer, was also present as well as Mr. Gary Stark of Stark-Wilson Associates who are consultants for the Town of Spencer, and Mr. Harry Whalen, Executive Director of the Economic Development Commission.

The company joining in this request is Globe Manufacturing from Fall River, Massachusetts. This company has a 275,000-square foot Plant in Massachusetts, 100,000-square foot Plant in Gastonia, North Carolina, and plans to locate another Plant just North of Spencer of approximately 150,000 Square Feet. The project cost will initially be \$9.5 Million and is expected to generate 100 to 150 jobs. The product this company will manufacture is called Spandex, which is an elastic fiber or cord used in waistbands and corners of fitted sheets. The waste products this Plant will have are to be of a chemical nature and will be packaged in fifty-five (55)-gallon drums and shipped out of North Carolina for disposal in New Jersey in an EPA approved manner. The remainder of the affluent and discharge of this plant will meet EPA standards. The company expects to use 2.9 million gallons of water per month. The location of this Plant will be on the West side of Highway 29 North where they have selected a thirty (30)-acre tract. The Company has arranged to purchase the property for approximately \$8,000 per acre or \$240,000 for the total cost of the land.

The taxes generated on \$9.5 Million will be approximately \$52,250 per year at the present fifty-five (55) cents tax rate for the County. Construction is expected to begin within six (6) months and plans to be in operation by December of 1989. The purpose of presenting this request to the Commission is to ask the County to join in the participation in a Community Development Block Grant. The total cost of water/sewer development for this Plant is \$550,000. The Town of Spencer plans to allocate approximately \$120,000 into this project. They are willing to do this on the basis that this is the first industry that has located in the Spencer area since 1954.

The Community Development Block Grant has been joined by the industry as a nominal applicant in a letter to the Governor. Although the EDC does not have the financial information to release to the Commission on the condition of the company, they have every indication that it is an excellent financial company. This industry presently accommodates approximately 815 employees and obtains a net worth in the medium to medium-low eight-figure amount. This company is privately held and, therefore, the industry is able to have their financial information treated in a confidential manner.

This application for funds under the Rowan County Water/Sewer Extension Policy has been approved by the Salisbury-Rowan Economic Development Commission. Mr. Everett then provided the Commission with a schedule of these funds. The request for the County to participate is for \$150,000. This will make up the local portion of the \$550,000 total project cost and leave the Community Development Block Grant request at \$231,500.

The normal Water/Sewer Extension Policy of Rowan County states there will be no annexation of these properties while the payback is in process from County taxes for any funds the County may put in a project. This company is specifically requesting annexation. When this policy was adopted, Rowan County decided that it would protect industry locating in the County. Economic Development's request is for variance of this policy to permit the Town of Spencer to annex Globe Manufacturing Company and its thirty (30) acres of land as well as allow Globe Manufacturing to have the Town of Spencer's water and sewer rates at 2.9 Million gallons per month.

Mr. Spear clarified to the Commission that if the Block Grant does not come through, other arrangements would have to be made. Mr. Spear remarked that the Town of Spencer would not be in a position to fund \$231,000 should this happen.

Vice-Chairman Cohen asked how the \$550,000 figure was derived. Mr. Stark replied that his engineers came up with this figure and then provided the Commission with a map of the proposed location. Mr. Stark stated that the Community Development Process is very competitive and is not a matter of being eligible for money. This is why the EDC is attempting to tie other funds into the project as this cuts the leveraging ratio of the public funds which is CDBG funds to the private funds they generate. This makes it much more competitive. There are also other technical details that have to be realized to get into a competitive field. Mr. Stark stated that quite a bit of the sewer line will run into the landowners' property and will enhance this property. This is another issue that has to be addressed in the application itself as the State has a reasonable expectation when enhancing someone else's property with water and sewer, they want to know what the other landowner is going to do and expect a right-of-way donation. The EDC has obtained a commitment on this as well as a commitment of \$25,000; therefore, the \$48,500 figure is partially right-of-way funds. They actually have \$30,000 that has been committed. Mr. Stark noted that Globe Manufacturing will not be charged a tap-on fee as this cannot be charged for Community Development. In the future, if any other industries tap to this line, then the normal policy will apply. Globe's only commitment subject to the approval of these funds is \$9.5 Million. Mr. Whalen stated that the potential in five (5) to seven (7) years is three (3) times this figure.

Commissioner DeMarcus felt the EDC has been very fair with the Commission in reporting what kind of industry will locate in the County as she is interested in good pay and industry where no hazardous waste has to be stored or disposed in Rowan County. However, she feels the Commission is being asked to deviate from its policy in several ways. She raised the concern that by deviating from the policy at this time, it opens the door for others that might need and want this type of help. She concurred with Mr. Everett's statement of Rowan County including the annexation clause for protection in their original policy for a municipality not to annex an industry immediately to enhance the its own tax base. Rowan County recognizes low employment, and industry that comes into the County should offer higher pay as a better opportunity for Citizens. She stated that if the Commission decides to do this, then the Commission should update the County's policy to bring it to the place where it can be more flexible when this type of opportunity comes before the Commission.

Clarence Kluttz, County Attorney, stated that the Commission could change the policy by eliminating the clause on annexation but does not suggest the Commission bind one (1) person to the policy and not the next. Commissioner DeMarcus suggested as different opportunities present itself, the Commission should immediately begin to look at the policies and bring about changes that will make their job easier as well as EDC's and not be asked to change policies for special cases. Mr. Whalen stated that the investment to the County would be received in three (3) years.

Vice-Chairman Cohen confirmed that Spencer will receive \$52,000 a year for this industry in taxes as well as the County. Mr. Starke stated that one of the questions the State asks directly whenever a Town is an applicant as well as dealing with an industry outside the corporate limits, is how this money comes back into the Town simply saying the company be charged a water or sewer rate whether it is twice the normal rate or not is sufficient. The State expects a letter in this application from the industry that upon provision of the Water/Sewer Policy that the industry requests to be annexed when this service is provided. This letter is presently in hand.

The County Attorney stated once this is taken to Raleigh, the annexation provision must be deleted which says the County can get its money back upon annexation. The County Attorney suggested the Commission study the policy with the idea of making amendments to it.

Commissioner DeMarcus asked the County Manager how the money would come available to fund this project. The County Manager described that the Commission established a reserve three (3) or four (4) years ago setting aside funds for Water and Sewer. At June

30, 1988 approximately \$500,000 was in this reserve and this year the Commission appropriated \$100,000.

Although the industry will be a good opportunity to help Spencer as the Commission has done for the Town of Rockwell, Cleveland, City of Salisbury, etc., the County Manager raised the concern to the Commission using Ad Valorem Tax money to subsidize cities to cover their Capital and Operating costs through water and sewer fees. The County Manager emphasized that the Commission should still be given total authority to have some discretion and cautioned that the Commission should be careful not to set a rule that would entice municipalities to bring their projects to the Commission with the belief that they would all be funded as the Commission would not have the financial resources available. The County Manager declared by action of this project does not endorse the Commission's acceptance of all future projects.

Mr. Whalen explained that whether this company is annexed or not, the County will still receive a payback on this project and other projects hoping additional industries will locate on this project by virtue of the sewer line which will make available an additional 190 acres. As additional companies locate, then the County tends to grow with additional tax base from those companies.

Mr. Messinger provided the Commission with a map indicating his property location in the subject vicinity (off Salisbury Road). The first phase houses eleven (11) lots on twenty-eight (28) acres and they all have septic tanks and wells except for Lot 1. The next phase is planned for twenty-six (26) lots on fifty-five (55) acres. The average lot size is approximately an acre and a half. Mr. Messinger has planned to have septic tanks and wells placed on these lots but has not planned to have sewer there. He currently has a Duke Power Easement and a Piedmont Natural Gas Easement. In conversations with Mr. Stark, he has indicated that they would be able to follow the easements fairly close but another easement will be needed which will ruin the previous lots to some extent.

Commissioner Swaim made a motion to amend Paragraph 10 to state "If the Industry requests voluntary annexation within the stated "payback period", the reimbursement commitment of the municipality will be waived". The County Attorney concurred that this would be satisfactory. Commissioner DeMarcus stressed the need for a committee to study the entire policy. Commissioner Swaim explained that this could still be studied but prefers to have the amendment in place and then study the policy. Commissioner DeMarcus concurred. Vice-Chairman Cohen feels the Commission and the Municipalities need to form a policy that they can all work with. Commissioner Knox seconded Commissioner Swaim's motion with unanimous approval. The County Attorney read Article 10 as previously stated:

Upon the annexation of any development by the serving municipality, prior to the five (5) year payback period, the municipality shall reimburse the County at the cost incurred at the following rate:

0 to 1 years	-	100%
1 to 2 years	-	80%
2 to 3 years	-	60%
3 to 4 years	-	40%
4 to 5 years	-	20%

Commissioner DeMarcus made a motion for the Commission to fund up to \$100,000 for this project and if there was a problem with this allocation, the EDC could return to the Commission for reconsideration. Commissioner Knox seconded this motion with unanimous approval.

In closing, Vice-Chairman Cohen stated that he would hope the County could accommodate the EDC by increasing this contribution to receive additional funds up front subject to working out some sort of payback.

Mr. Messinger then presided for the remainder of the meeting as Chairman.

OTHER BUSINESS:

Commissioner Cohen stated that he has received a number of calls about the Park Policy. He stated that the Republican Party requested to have an auction at the Park and this was denied. Commissioner DeMarcus stated that Jim Foltz, Director of the Parks, brought this issue to the Parks Board. The Policy prohibits selling--even a photographer cannot make photographs and sell the pictures or negatives. A fund-raising cannot be held at the Parks unless the members of the Parks Board approves it. Although the Board did not approve the auction, they did encourage the Party to use the facilities.

Commissioner Cohen raised the concern of other fund-raising that have been held at the Parks on previous occasions. Commissioner DeMarcus explained that the feeling of the Board was Civic Clubs raising funds were funds going back into the Community for everyone. Commissioner DeMarcus did state that a vote was not taken on the auction as the Chairman felt that if the Board was not going to approve this, then there was no reason to vote; therefore, action was taken by consensus. Commissioner DeMarcus pointed out that Mr. Carl Sloop objected to this and stated there should not be selling from political parties in the Park. Commissioner Cohen stated that

if one is going to be denied then they should all be denied. It was on that basis that Commissioner DeMarcus suggested to the Park Board after action was taken to review their policy and update it and have the Attorney review it as well. Commissioner Swaim suggested getting a copy of this policy to determine if the Commission should change it. Chairman Messinger then suggested the County Manager alert the Commission as to the exact rules. Commissioner DeMarcus stated that the Republican nor the Democrat Party should use County property to raise money.

EXECUTIVE SESSION - LANDFILL:

Commissioner Knox made a motion to go into Executive Session for the discussion of landfill and Commissioner Cohen seconded with unanimous approval. Commissioner Swaim made a motion to come out of Executive Session and Commissioner Cohen seconded with unanimous approval. No action was taken in Executive Session. This Special Called Meeting adjourned at 11:45 a.m.

Respectfully submitted,

Wendy S. Powell
Clerk to the Board