

**MINUTES OF THE MEETING OF THE
ROWAN COUNTY BOARD OF COMMISSIONERS
OCTOBER 1, 2001 – 9:00 AM
J. NEWTON COHEN SR. ROOM, ADMINISTRATION BUILDING**

Present: Steve Blount, Chairman
Gus Andrews, Vice-Chairman
Arnold Chamberlain, Member
Frank Tadlock, Member
Leda Belk, Member

The County Manager, the Clerk to the Board, the County Attorney and the Finance Director were also present.

Chairman Blount called the meeting to order at 9:00 a.m.

Commissioner Tadlock provided the Invocation and Commissioner Belk led the Pledge of Allegiance.

ADDITIONS TO THE AGENDA:

- John Holshouser, County Attorney, asked to be excused at 9:45 a.m. to answer a calendar call for an upcoming case and he would return to the meeting after the call.
- Mr. Holshouser requested to add an update on Colortex.
- Mr. Russell asked to go into Closed Session to discuss an Economic Development Issue.
- Chairman Blount asked to go into Closed Session to discuss a Personnel Issue.

COMMISSIONER LIAISON REPORTS:

Commissioner Belk reported she had attended the Fire Association Banquet on Saturday evening and that “great things are going on out there”.

CONSIDERATION OF THE CONSENT AGENDA:

Commissioner Tadlock made a motion to approve the Consent Agenda as presented. Commissioner Andrews seconded and the motion carried unanimously.

The Consent Agenda consisted of the following:

Consideration Of Consent Agenda:

- A. Approval of the 09/17/2001 minutes.
- B. Approval to set a public hearing for Z-26-01 and CUP-25-01 RA to MFR, a request from H&H Properties.
- C. Approval to set a public hearing Z-24-01 and CUP-23-01, CBI to IND, a request from Curtis Dean Royal.
- D. Approval of the NC DOT request to add Old Wood Lane to the Secondary Road System for maintenance.
- E. Approval of the NC DOT request to add Chaparral Drive to the Secondary Road System for maintenance.
- F. Approval of the NC DOT request to add SR 1204 – Sloop Street (303' extension) to the Secondary Road System for maintenance.
- D. Approval of the Budget Amendments.

ADDITION:

Colortex Update:

Mr. Holshouser, County Attorney, updated the Board on the Property Settlement Agreement between Rowan County and the North Carolina Warehouse, LLC, which is a limited liability company formed by David Risdon. Mr. Russell passed out a copy of the proposed agreement for the Board to review. Mr. Holshouser reviewed the three objectives that were being requested in the agreement which are: 1) The payment of all personal property and real estate property taxes plus expenses incurred with the foreclosure. 2) To provide for plant security. 3) To be responsible for the requirements of the EPA or DENR. Mr. Holshouser stated that the agreement does meet these objectives.

Mr. Holshouser said that prior to the sale, Mr. Risdon had perspective purchasers for the large equipment at the plant, which had a value of approximately at \$450,000 and that all Rowan County personal property taxes could be paid from this amount. The lien holders are a group from the Cayman Islands and the ARC 2001 (a limited company that bought all the liens from Fleet Bank, which was the lien holder on all the equipment and land). Fleet Bank transferred their interest to ARC 2001 and the group from the Cayman Islands, which through Patriarch Partners, had began liquidating some of the personal property. Mr. Risdon purchased the liens from the Cayman Islands group and he would need to bring foreclosure action, since he does not have the title to the land. Mr. Holshouser explained the difficulties experienced by Mr. Risdon in his proposal. The

equipment still located at the plant, would take approximately six months to be disassembled, cleaned and removed from the plant. The highest bid received by Mr. Risdon was approximately \$300,000, which would enable Mr. Risdon to payoff the lien holder (approximately \$125,000) and pay Rowan County \$75,000 in taxes and still have about \$100,00 in working capital. Mr. Holshouser continued to state that with this capital, Mr. Risdon has taken over the plant security and Rowan County's expenses with security ended on Friday (September 28, 2001) of the past week. These expenses are shown in the agreement.

Mr. Holshouser informed the Board that the agreement states that, for a period of one year, Rowan County will receive one-half of the proceeds that will be applied to outstanding taxes. Rowan County's interest at three quarters of one percent on the unpaid balance will continue. Also the agreement states that the taxes will be paid in full in one year. Mr. Risdon stated that, through some of the proceeds from the sale, he intends to settle with the Union and the wages for the employees that were left "barren" when the plant closed. Mr. Holshouser verified this with Norman Beaver, head of the Union. Mr. Risdon stated that, following the guidelines of the EPA, he has done a Phase II Assessment. There are chemicals in the plant that need to be removed, as well as the pumps that aerated the water. The soil needs to be disposed of and the property filled in with dirt. Mr. Holshouser expressed that the City of Salisbury may be interested in the aerators.

Mr. Holshouser continued to state that this is a solution where Rowan County can recover the taxes that are owed. Mr. Risdon intends to reduce the size of the holdings to thirty-four acres and use it for warehousing.

Mr. Holshouser said that Mr. Russell questioned the County's responsibility, if Mr. Risdon liquidated the real estate without completing the "clean-up", would Rowan County be responsible at that point. Mr. Holshouser stated that if Mr. Risdon sold the property at fair market value, all the taxes would be paid and anyone that owned the plant could do the same.

Mr. Holshouser stated that Mr. Risdon is ready to deposit the \$75,000 with Rowan County.

Commissioner Chamberlain stated that he is ready to agree to the proposal, but expressed concern that Mr. Risdon was "supposed to be a heavy hitter" and \$300,000 seemed like a lot of money to him, where in situations like this, this would be pocket change to him.

Commissioner Andrews expressed his discomfort with this agreement because it appeared that the LLC would block Mr. Risdon for any future liabilities. Commissioner Andrews said that if the LLC is not worth anything and if Rowan County should try to recoup money from the sales or if Rowan County was not able to receive the fifty percent and the assets are sold, Mr. Risdon would be in a good situation. Commissioner Andrews stated that he would like to see some type of responsibility tied to Mr. Risdon or another source, other than the LLC taking the "sole" responsibility.

Mr. Holshouser stated that he had “no fear” of recovering the taxes because if Mr. Risdon made the first deed and Rowan County did not receive its share of the proceeds, Rowan County could file an action to set that deed aside. Mr. Holshouser stated that in his opinion there was nothing in the plant that was of any value and the liabilities of removal of these items are “pretty tremendous”. The \$300,000 was up-front for a couple pieces of equipment. The purchaser of the equipment, who is from South Carolina, can go into the plant, take what they want for \$300,000 and whatever remains will be sold for scrape. Mr. Holshouser stated that Rowan County has 100 percent capability of “undoing any LLC or any shell corporation, in so far as land transactions go” because he could file an action to set aside the deed. Mr. Holshouser assured the Board that no purchaser of any real estate would deal without Rowan County being a party to the transaction. The document, in final form, will be recorded in the office of the Register of Deeds.

Commissioner Andrews stated that this was satisfactory to him.

Commissioner Tadlock stated that the equipment at the plant was obsolete in comparison to the sophisticated equipment available at this time and with the loss of textile business in this area, “buying and selling” may be the coming thing.

Commissioner Andrews stated that since this is the “only play in town, we will have to deal with that” and expressed his concerns in the overall process. Commissioner Andrews continued to express that there is a great deal of liability, with the contamination, just to get a warehouse and he looks at this as a liquidation sale. Commissioner Andrews said that he reads more into this and “I don’t feel totally comfortable that we won’t get it back”.

Commissioner Tadlock made a motion to accept the agreement. Commissioner Belk seconded the motion.

Commissioner Chamberlain asked Mr. Holshouser if Rowan County is off the property. Mr. Holshouser answered “yes”.

The motion passed unanimously.

UPDATE ON THE COURTHOUSE SECURITY SYSTEM:

Chairman Blount reviewed with the Board a meeting recently held with Superior Court Judge Beale concerning courthouse security, at which time Chairman Blount informed the group in attendance about the meetings that have taken place six months prior with a courthouse security committee. Chairman Blount read an excerpt from a letter received from Judge Beale stating that the Sheriff had proposed a very adequate system by the use of two metal detectors and six additional officers. Judge Beale continued to state that the Sheriff had the ability to make cards for all officers of the court and also the willingness of the “officers of the court” to go through the security system.

Sheriff George Wilhelm addressed the Board and expressed many times during his presentation that his proposal is the “minimum” needed to protect the courthouse and that this was the proposal he presented previously to Judge Ford and the committee. Sheriff Wilhelm added that the sergeant over the court, who supervises the court room, is also a working court officer and that makes it difficult for him to supervise the nine employees he is responsible for at this time. Sheriff Wilhelm expressed that this sergeant would also need to be available to supervise the six new employees. Sheriff Wilhelm explained that this is why there is one additional person added to the proposal. Also included with the Sheriff’s proposal would be two vehicles for the K-9 officers to transport two “bomb dogs”. Sheriff Wilhelm mentioned that he has stand-up metal detectors available now, but there would be a need for an x-ray machine. Sheriff Wilhelm addressed the question of who would be allowed to have keys to the building and the need to conduct random checks for those with keys. Sheriff Wilhelm said that he would use the federal forfeiture funds to assist with this system.

The Board discussed the possibility of using other firms and special deputies and/or retired deputies. The Board questioned the cost and the effect on the County budget this year and the next budget year. The Board questioned the security on the unguarded doors with the alarms, the response needed at these doors and evacuation of the building if necessary.

Chairman Blount questioned the security of the courthouse versus the schools and the risk factors. Chairman Blount also cautioned on funding the “illusion” of a security system.

Commissioner Chamberlain expressed that, based on all the Courthouse Security Committee meetings, based on the dialogue with the Sheriff, based on the “sermon” received from Judge Beale, he would like to make a motion to accept the Sheriff’s Courthouse Security Proposal with the figures he gave knowing that there will probably be some cost overrides.

Commissioner Chamberlain stated that “it is very clear what has happened in our country and what may happen, could happen, hopefully will never happen, but we have been going with this long enough and these are the guys with the expertise”.

Commissioner Tadlock seconded the motion.

Chairman Blount stated that taking into consideration, one-half of the labor cost, one-half of the estimated yearly cost and all the one-time cost, this plan would cost approximately \$500,000 this year.

Commissioner Andrews voiced concern as to the source of the funding for this proposal. Mr. Russell stated that appropriations would come from the fund balance and next year this cost would be part of the continuation budget. Chairman Blount asked Leslie Heidrick, Finance Director, if there would be adequate fund balance to appropriate \$500,000 this year without negative impact. Ms. Heidrick responded, “I believe so”.

Commissioner Belk discussed allowing staff an opportunity to report back with additional information before adopting the proposal. It was noted that the manpower would come from the Sheriff's Department and that the building is the county's responsibility.

Commissioner Tadlock suggested adopting the concept and request staff to "put actual dollars" to the proposal at the next meeting. Chairman Blount suggested bringing this issue up at the Commissioner's Planning Retreat in February.

The motion lost on a 3-2 vote. Commissioners Chamberlain and Tadlock voted for the motion and Commissioners Andrews, Blount and Belk voted against the motion.

Commissioner Andrews made a motion to have staff work with the Sheriff to put the additional closures to the Sheriff's plan so that the Sheriff could implement this plan right away and that would include the doors, etc. that goes with it. Then bring it back to the Board at the next meeting so that the process can expediently move along. Commissioner Belk seconded the motion.

It was noted that the Sheriff could not begin to bring out the "metal detectors" since this would take additional manpower.

Commissioner Chamberlain made an amendment to the motion that would allow the Sheriff the latitude to go ahead and pull out the equipment he can use and to begin the hiring process. Commissioner Chamberlain stated that his motion was to let the Sheriff go ahead and get the ball rolling, as far as employees and the basic equipment.

Chairman Blount asked if the motion could be clarified to allow the Sheriff to do anything that does not allow the expenditure of funds. Commissioner Chamberlain answered that he was sure that the Sheriff would not expend over \$400,000 worth of funds and the concern was getting into over \$500,000. Commissioner Chamberlain continued that he would like to leave it up to the Sheriff and the Board.

The amendment to the motion died for a lack of a second.

The motion passed on a 4-1 vote with Commissioner Chamberlain voting against the motion.

Chairman Blount called for a break at 10:45 am.

Chairman Blount reconvened the meeting at 11:00 am.

UPDATE ON THE ZONING ORDINANCE ADDRESSING SIGNS:

Marion Lytle, Planning Department, reviewed with the Board a modified draft of the Zoning Ordinance addressing signs, highlighting the changes made by the Board and the

Planning Board Committee. Mr. Lytle referred to the significant changes that included the exemption of incidental signs, the allowance for grand opening and going out of business signs, the regulations for political signs, clarification of double face signs, the regulations for pylon signs and clarification on maintenance of signs. Mr. Lytle addressed off-premises signs and clarification of billboard signs and informed the Board that the Planning Board had scheduled a public hearing for October 22, 2001.

The Board discussed the length of time to place political signs, which is 45 days prior to the election, and to remove these signs, which is 15 days after the election. The Board also discussed where the political signs may be placed. Commissioner Andrews voiced concern about establishing rules that we cannot enforce.

APPROVAL OF SNIA PERMIT REQUEST:

Ed Muire, from the Planning Department, stated that the request was from James Newcombe for the establishment of a machine shop, which would exceed the 12 percent built upon area. Mr. Newcombe may build up to the 70 percent built upon impervious cover with approval from the Board. Mr. Newcombe's request is for approximately 35 percent of what is allowed. Staff recommends approval.

Commissioner Tadlock made a motion to approve the SNIA request. Commissioner Belk seconded and the motion carried unanimously.

OFFER TO PURCHASE PROPERTY FROM ROBERT BOONE:

Robert Boone approached the Board to submit an offer for property located in the China Grove Township. Mr. Boone showed the Board pictures of the property stating that it was located in a depressed area and had no water and sewer. Mr. Boone stated that his offer of \$2,000 reflected what it would cost to clean up the property.

Mr. Russell informed the Board that this property was acquired by the County through foreclosure. Jerry Rowland, County Assessor, looked at the property and said that although it may not be worth the assessed value, it is worth approximately \$5,000.

Chairman Blount stated that the procedure in the past is that property is held for auction or should an offer be accepted, it would require an upset bid process.

Commissioner Tadlock made a motion to reject the offer of \$2,000. Commissioner Belk seconded the motion.

The Board discussed that the County Manger could negotiate the price and return to the Board with a recommendation or the property could be listed for the next County Auction at an undetermined date.

The motion passed unanimously.

Mr. Boone was advised to stay in touch to determine when the next auction would be held for surplus property.

REVISIONS TO THE PILOT AREA ADDRESSING PROGRAM:

Adrian Rollans, GIS Coordinator, reviewed with the Board that at a May Commission meeting, staff had reviewed the amendments for the Pilot Project and changes to the current addressing ordinance, in order to update and finalize procedures. Mr. Rollans continued to review the changes highlighting that there are now procedures for petitions and also several changes on the Planning Staff's duties for assigning addresses. Mr. Lytle added that these amendments would clarify roads and give people a chance to address concerns and if not, staff would assign a generic name.

A public hearing is to be set for the next Commission meeting at a time designated by the Clerk.

BOARD APPOINTMENTS:

The Board requested to advertise for the following:

- Agricultural Advisory Board
- Juvenile Crime Prevention Council
- Piedmont Behavioral Healthcare Board
- North Carolina Jury Commission

Woodleaf Volunteer Fire Department Relief Fund Trustee:

Commissioner Belk made a motion to appoint James D. Gray as a Trustee and the motion passed unanimously.

Town of Granite Quarry ETJ Planning Board Member:

Commissioner Andrews made a motion to appoint Lovie Reid and Calvin Moore and the motion carried unanimously.

Town of Spencer ETJ Board of Adjustment:

Commissioner Tadlock made a motion to appoint Ted Barnes and the motion passed unanimously.

Commissioner Andrews voiced concern about not knowing the people that apply for appointment, especially if four names are submitted for three positions. Commissioner Andrews stated that he would like to see the fire department recommend three for appointment and an alternate, since those nominated are eager to be appointed. The Clerk was instructed to draft a letter to the Fire Departments to assess their feelings on this matter.

PUBLIC COMMENT PERIOD:

Chairman Blount opened the public comment period to entertain comments from those in attendance.

Those wishing to address the Board were as follows:

1. Bobby Call, a citizen who previously addressed the Board about a month ago, concerning an issue with the Sheriff's Department. Mr. Call expressed that he has been charged for numerous calls made to County buildings and he is upset about this. Mr. Call past out pictures of a swimming pool in a neighbor's yard that he has health concerns about. Mr. Call said that he has not been pleased with the response from the Health Department and the lack of enforceable actions. Chairman Blount suggested Mr. Call revert to the Restrictive Covenants. Sheriff Wilhelm stated that the Sheriff's Department would enforce violations. Commissioner Andrews informed Mr. Call that he serves on the Board of Health and that this issue would be addressed at that next meeting.
2. Robert Boone stated that after attending the City Council meetings, he wanted to commend the Board on their openness and sharing of authority to the Chairman.

There being no other citizens who wished to address the Board, Chairman Blount closed the public comment period.

Chairman Blount adjourned the Open Session to go into Closed Session to discuss a Personnel Issue and an Economic Development Issue at 11:55 am.

Chairman reconvened the meeting into Open Session.

There being no further business, Chairman Blount adjourned the meeting at 12:40 pm.

Respectfully Submitted,

Rita K. Foil
Clerk to the Board