

**MINUTES OF THE MEETING OF THE
ROWAN COUNTY BOARD OF COMMISSIONERS
NOVEMBER 18 2002 – 4:00 PM
J. NEWTON COHEN, SR. ROOM, ADMINISTRATION BUILDING**

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

The County Manager, the Clerk to the Board and Intern, Ginny Summey were also present.

Chairman Blount convened the meeting at 4:00 pm.

PUBLIC HEARING FOR CABLEVISION FRANCHISE AGREEMENT:

The following citizens appeared before the Board to address their concerns about the cablevision franchise agreement.

1. Bill Owens addressed the Board and made the following points:
 - Mentioned in article that anyone can put anything they want on public access, bringing lawsuits against the county – not true. Obscene materials, pornography are all prohibited.
 - Mentioned in article that Neilson's rating said that so few people watch public access that it could not be rated – not true. Neilson does not rate public access.
 - Best way to address public access TV is through non-profit organizations.
 - 119 different organizations in Rowan County would benefit from a public access station.
 - Public access gives all people the ability to participate on certain events in the area.
 - Volunteers produce television shows for public access.
 - A public access station could help bridge a communication gap between elected officials and constituents.

- Public access stations could provide educational opportunities for children in schools.
 - Station could be used to display everything Rowan County has to offer (ex: things to do, places to go). Could promote local businesses.
 - Three channels: education, government, and public access. Coordinate with RCCC to set up studio that could become a learning facility. One board would oversee the production studios and the production of the shows. Additional boards would determine what will be aired on each channel (ex: gov't would determine what will be aired on the gov't channel)
2. Ed Curtis – Salisbury resident & Time Warner Customer. Would like to see cable handle triad area television stations. Salisbury is about an equal distance from the triad as from Charlotte and feels like we should have affiliates other than Charlotte channels.
 3. Rick Moorefield – President of Rowan Arts Council. Supports anything that Commission can do to advance a community access board. Encourages the Commission working with Time Warner Cable to enhance possibilities of community access television. At the bare minimum put County Commission and City Council meetings on TV. Also can let the community know what is going on with the arts.
 4. Karen Patel – Community access television will be very helpful for people such as stay-at-home moms and the elderly stay in touch with the community.

There being no other citizens that wished to address the Board, Chairman Blount closed the public hearing at 6:30 pm.

MINUTES OF THE REGULARLY SCHEDULED
BOARD OF COMMISSIONER MEETING
7:00 PM

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 Finance Director and the County Attorney were also present.

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

LIAISON REPORTS:

Commissioner Andrews stated Alcoa had held a meeting with citizens to review the future licensing process. Commissioner Andrews praised the approach taken by Alcoa to create awareness for the process. Commissioner Andrews felt the citizens and the Board should stay on top of what is happening in the licensing process to insure that the long-range effects are beneficial for Rowan County.

Commissioner Belk reported that she had attended the Firefighters Association banquet and praised the tremendous turnout and the “great group of citizens who serve this county.”

CONSIDERATION OF CONSENT AGENDA:

Commissioner Andrews requested to pull Item E from the Consent Agenda for discussion.

Commissioner Tadlock made a motion to approve Consent Agenda Items A through D. The motion was seconded by Commissioner Chamberlain and passed unanimously.

The Consent Agenda consisted of the following items:

- A. Approval of the 10/21/02 minutes
- B. Approval of the 11/04/02 minutes
- C. Request from NC DOT that a portion of SR1221-Bostian Street be abandoned from the Secondary Road System
- D. Approval to set a public hearing for the unanimous petition for Tall Oak Circle, Walnut Cove Drive and Pine Cone Lane
- E. Approval of a capital project ordinance

Commissioner Andrews commended the Parks Staff in generating grant funds and donations for the renovations at Dan Nicholas Park. Commissioner Andrews stated for the record, that he supports and encourages the renovations, but expressed concern for the overall expenditures for building the bear habitat, regardless of the funding sources. Commissioner Andrews again praised the “excellent” grant writing and said the County was fortunate to have received the grant funds. Commissioner Andrews read amounts appropriated in Section 3 of the Capital Project Ordinance, saying for the record, “No matter where the funds came from, it was an inappropriate amount of money to build bear cages.”

In response to a query from Commissioner Belk, Mr. Russell stated that there are no exact expenses or commitments. Mr. Russell explained that the Board is required to approve a budget ordinance before any monies could be spent. Mr. Russell suggested combining the three construction accounts into one construction item. Commissioner Belk stated that combining the three (3) items would reflect the commitment for the entire Nature Center.

Commissioner Tadlock made a motion to approve the budget ordinance to reflect the amendment as suggested by Mr. Russell. The motion was seconded by Commissioner Belk and passed unanimously.

APPROVAL TO ADOPT A RESOLUTION ON CLOSING TWO UNOPENED ROADS:

Don Conner, Director of Environmental Services, said the road closings had been advertised as a public hearing and explained that the two (2) roads in question, were never opened and are approximately 300-feet in length. Mr. Conner reported that the property owners on each side of the roads, wished to have the roads closed, in order to use the property.

Attorney Ed Parrott, representing three separate property owners, petitioning to permanently close two undeveloped and previously unopened, platted roadways in Rowan County. Mr. Parrott said he represented Jim and Polly Lewis, Jerry Jowers, and Patricia Curlee. Mr. Parrott provided the Publishers Affidavits, as well as Affidavits required by N.C.G.S. Section 153A-241.

Chairman Blount opened the public hearing at 7:10 pm to entertain citizen comment. With no citizens wishing to address the Board, Chairman Blount closed the public hearing at 7:10 pm.

Commissioner Belk made a motion to close the two (2) streets as indicated. The motion was seconded by Commissioner Andrews and passed unanimously.

DISCUSSION OF PUBLIC HEARING FOR THE RENEWAL OF THE CABLEVISION FRANCHISE AGREEMENT:

Dave Harris of Piedmont Triad Council of Governments addressed the Board concerning the Public Hearing held prior to the Board meeting. Mr. Harris mentioned concerns of the individuals who spoke at the hearing, and Mr. Harris also stated that discussions had been held with staff, concerning community-related needs for cable television in the renewal process. Mr. Harris asked the Board to discuss the items that were of importance to the county.

Commissioner Belk said she would like to see the required number of homes per mile lowered to twelve (12) to fifteen (15). Commissioner Belk said she would also like to see the fire departments offered the Roadrunner Internet service at a reduced fee, allowing the departments to utilize the service with its grant applications and in “keeping abreast with the times.”

Commissioner Tadlock agreed with Commissioner Belk and supported the request to lower the required number of homes per mile for cable service.

Mr. Harris pointed out for the record, that Commissioner Tadlock had asked Mr. Harris to pursue a system that would look at 10-15-20 homes per mile, to see how this impacted the business plan of Timewarner. Mr. Harris said he would accept the Board's guidance in requesting Timewarner to look into a scheme for the number of homes per mile, and do a survey, where service could be increased within the county.

In response to a query from Commissioner Andrews, Mr. Harris explained that past experiences had been unsuccessful in negotiating a "no cost service" to the fire stations for Roadrunner. Mr. Harris said he had been successful acquiring a reduced rate.

Commissioner Andrews said that the current programming does not include what was identified as a "token channel" out of the Greensboro and High Point area. Commissioner Andrews asked if the Greensboro/High Point stations could be included in the negotiation process. Mr. Harris responded that due to deregulation in 1996, the franchising authority cannot dictate programming. Mr. Harris said he would pursue the issue with Timewarner.

Commissioner Andrews pointed out that the technology that would take place during the course of a new fifteen (15) year contract would be "phenomenal." Commissioner Andrews felt the contract should allow the new "blooms" to be added to the contract, without additional cost factors. Commissioner Andrews questioned who pays the costs of programs and additions to the new contract. Commissioner Andrews said Mr. Harris was being given the challenge to examine the costs of providing the additions to the contract. Mr. Harris responded by highlighting several methods for paying for the additions: 1) The franchise related costs that goes into the cost to the subscribers, 2) If the cost is a large item, it could be a "direct pass through from the cable operator to the subscriber, 3) The costs could be a grant from the cable operator and "nobody pays for it."

PUBLIC HEARING FOR THE REVISED ROWAN COUNTY CABLEVISION ORDINANCE:

Mr. Harris stated that Timewarner was given an opportunity to comment on the proposed ordinance. Mr. Harris continued by highlighting the following changes in the proposed ordinance:

- Section 34-124, Changed the definition of a Public Building so that federal buildings were not included
- Some "typos" were corrected
- Section 34-159, Page 19, additional reports was changed

Mr. Harris said these were the only significant changes he felt the county could accept. Mr. Harris reported that Timewarner had requested that some of the penalties be reduced, as well as other changes, however, Mr. Harris said he chose not to present those changes to the Board for its consideration.

Chairman Blount opened the public hearing at 7:25 pm to entertain citizen input concerning the ordinance. With no citizens wishing to address the Board, Chairman Blount closed the public hearing at 7:25 pm.

Commissioner Chamberlain made a motion to approve the ordinance with the changes recommended by Mr. Harris. Commissioner Andrews seconded the motion and the motion passed unanimously.

In response to a query from Commissioner Chamberlain, Mr. Russell stated that the contract would be renewed in December of 2003. Mr. Russell added that the target would be three (3) months.

PUBLIC HEARING TO APPROVE THE PROPOSED SCHEDULE OF VALUES FOR THE 2003 REVALUATION:

Jerry Rowland, Tax Assessor, explained that the Proposed Schedule of Values was a “tool” to allow the appraisers to determine the values that represent the market.

Commissioner Chamberlain questioned if there was citizen contact concerning the schedule. Mr. Rowland said there were two (2) and possibly a couple more.

Commissioner Belk thanked Mr. Rowland and his staff for working with the farmers to come to an agreement of understanding.

Commissioner Andrews asked how the taxes are figured on the land owned by Alcoa on the lake. Barbara Ames, of the Tax Assessor’s office, stated that in 1995, Alcoa had appealed the appraisals done on some of its properties. Ms. Ames reported that she and Mr. Rowland had met with a representative from Alcoa. The group had identified Alcoa’s lake properties and reached an agreement as to what the properties would be appraised at. Mr. Rowland also explained that everything below the 650-contour line is appraised at the same number. Mr. Rowland said everything above the 650-contour line is appraised as “developable” land.

Commissioner Andrews discussed the Alcoa plant closing and the new re-licensing issue. Commissioner Andrews asked Mr. Rowland to evaluate the fact that Alcoa’s concept is shifting from aluminum plant manufacturing and to consider Alcoa’s responsibility of the land on High Rock Lake. Mr. Rowland responded by saying the development along the lake had, in his opinion, changed the primary use of the lake, and the closing of Badin Works did not change the use of the lake. Mr. Rowland stated that staff works strictly with sales data.

Commissioner Andrews questioned if the land carries the same value if there is no water in the lake and asked Mr. Rowland to consider his question for future thought.

Chairman Blount opened the public hearing at 7:40 pm to entertain citizen comment. With no citizens wishing to address the Board, Chairman Blount closed the public hearing at 7:40 pm.

Mr. Rowland requested that the schedule or values be approved at the first Commission meeting in December.

PUBLIC HEARING FOR THE FOLLOWING ROAD NAME PETITIONS: HILL FARM ROAD, MORRIS FARM ROAD, GOODMAN PARK ROAD, JADE STREET (SPECIAL CONSIDERATION), CEDAR GLEN CIRCLE, LUCAS LANE, JESSE DRIVE, KITTEY LANE, KINGS FARM DRIVE, REIDS PECAN DRIVE:

Matt Ward, Assistant County Planner, explained that five (5) out of eight (8) signatures had been obtained for the proposed road name of Hill Farm Road. Mr. Ward stated that the road is located off of the 3600 block of Liberty Road.

Mr. Ward stated that a unanimous petition had been received for the proposed road name of Morris Farm Road, located off the 400 block of Webb Road. Mr. Ward reported that eight (8) out of eight (8) signatures were obtained on the petition.

Mr. Ward reported that a unanimous petition was received with two (2) out of two (2) signatures for the proposed road name of Goodman Park Road. Mr. Ward said the road is located off the 6400 block of Woodleaf Road.

Mr. Ward stated that a public hearing had been held in August for the special consideration of Jade Street, located off Joe Summers Road. Mr. Ward reported that all property owners on the road had been notified concerning the proposed road name. Mr. Ward explained that a sign was posted on the road location advertising the public hearing, as well as a notice of the public hearing being posted in three (3) public places.

Mr. Ward discussed the unanimous petition for the proposed name of Cedar Glen Circle, Lucas Lane and Jesse Drive. Mr. Ward explained that the Rowan County Zoning Ordinance requires all roads within a mobile home park (MHP) to be named.

Mr. Ward stated that a unanimous petition had been received for the proposed road name of Kittey Lane, having been identified by ASI as a road needing to be named. The road is located off the 1100 block of Ramseur Drive.

Mr. Ward stated that a unanimous petition had been received for the proposed road name of Kings Farm Drive, located off of the 2500 block of Shuping Mill Road.

Mr. Ward discussed the unanimous petition for Reids Pecan Drive, located off of the 5800 block of NC 152 Hwy East.

Chairman Blount opened the public hearing at 7:45 pm, to entertain citizen input for the proposed road names of: Hill Farm Road, Morris Farm Road, Goodman Park Road, Jade Street, Cedar Glen Circle, Lucas Lane, Jesse Drive, Kittey Lane, Kings Farm Drive and Reids Pecan Drive.

With no citizens wishing to address the Board, Chairman Blount closed the public hearing at 7:45 pm.

Commissioner Chamberlain made a motion to adopt the proposed road names as submitted. Commissioner Andrews seconded the motion.

In response to a query from Commissioner Tadlock, Chairman Blount and Commissioner Belk confirmed there were three (3) roads being named within the Cedar Glen MHP.

The motion passed unanimously.

PUBLIC HEARING FOR CUP-22-02, A REQUEST FROM MARSHALL AND TAMMY ANTHONY FOR THE PLACEMENT OF A STORAGE UNIT:

Chairman Blount declared the public hearing for consideration of CUP-22-02 to be in session and read the Chairman's Speech (Exhibit "A"). Chairman Blount explained that the hearing would focus on applications submitted by Mr. Anthony Marshall for placement of a "Residential Storage Facility" on his property located at 635 Wyatt Grove Church Road.

The Clerk swore in those who planned to provide testimony in the case.

Matt Ward presented the Staff Report (Exhibit "B") concerning the conditional use permit. Mr. Ward stated that an abandoned home that previously existed at 635 Wyatt Grove Church Road had been burned down to create a vacant lot for property owners, Mr. and Mrs. Marshall Anthony. Mr. Ward stated that the Anthony's would like to obtain a permit for placement of a storage building on the vacant lot until their house is completed. Mr. Ward explained that if the previous house had not been burned, the Anthony's would not have to seek a conditional use permit. Mr. Ward stated that staff did not have a problem with the request due to the new house scheduled for completion in 2003.

In response to a query from Chairman Blount, Mr. Ward confirmed that the request meets all the specific criteria of the ordinance.

Commissioner Andrews inquired if the Anthony's had a plan in place for rebuilding. Mr. Ward responded that the house was scheduled for completion in October of 2003 and that Staff had a survey pertaining to the location of the building. Mr. Ward stated that Staff could ask for house plans.

Commissioner Chamberlain felt it unnecessary to request house plans.

Chairman Blount opened the public hearing at 7:50 pm to entertain citizen input. With no citizens wishing to address the Board, Chairman Blount closed the public hearing at 7:50 pm.

Commissioner Tadlock made a motion to approve CUP-22-02 as presented, followed by a second from Commissioner Belk. The motion passed unanimously.

Chairman Blount declared the Findings of Fact to be the Specific Criteria Standards listed in the Staff Report (Exhibit B) as follows:

1. The parcel on which the structure is constructed shall be in fee simple ownership of person owing the associated residence.
2. The structure shall be of compatible construction with surrounding area.
3. The maximum size allowed is 3000 sq. ft.
4. No outdoor storage is allowed except as specifically provided otherwise.
5. Minimum lot size shall be the same as for a single-family residence.
6. The building and associated driveways cannot be located on the same lot as the owners residence in conformance with applicable codes.
7. Storage vehicles shall not be in front yard.
8. Outside lighting shall be designed to prevent direct glare on adjoining residences.
9. Setbacks shall be at a minimum the same as family dwellings.

PUBLIC HEARING FOR CUP-23-02, A REQUEST FROM VERNON AND ALICE DAVIS FOR A SUBDIVISION IN CBI DISTRICT:

Chairman Blount declared the public hearing for CUP-23-02 to be in session. Chairman Blount referred to the Chairman's Speech (Exhibit A), stating the purpose of the hearing was to focus on an application submitted by Alice and Vernon Davis, requesting approval of a Family Subdivision on property located in the Commercial Business Industrial (CBI) District.

The Clerk swore in those wishing to provide testimony in the case.

Matt Ward presented the background (Exhibit B), explaining that Vernon and Alice Davis, property owners at 1302 Cruse Road, had submitted an application for a family subdivision in the CBI District. Mr. Ward described the Davis's property as Tax Map Parcel 471 019, approximately 58 acres, with one (1) home on the property. The Davis's requested approval for a 2.893-acre tract for a home for their son. Mr. Ward reported the Davis's land to be in the I-85 study area and that the Davis's property is scheduled to be rezoned RA. Mr. Ward reviewed the Evaluation Criteria and stated that Staff recommends approval of the request.

Ms. Davis asked the Board to grant the waiver. Ms. Davis expressed displeasure that she had to pay a fee for the request to give her son land that she has owned and paid taxes on, for forty-five (45) years.

Commissioner Chamberlain confirmed with staff that the fees had been waived for the Davis's.

In response to a query from Chairman Blount, Ms. Davis stated that her son hoped to begin construction by the first of the year.

Chairman Blount opened the public hearing at 7:57 pm to entertain citizen comment. With no citizens wishing to address the Board, Chairman Blount closed the public hearing at 7:57 pm.

Commissioner Chamberlain made a motion to grant the CUP as requested, followed by a second from Commissioner Andrews. The motion passed unanimously.

Chairman Blount declared the **Findings of Fact** to be Staff's Report (Exhibit B):

1. Adequate transportation access to the site exists.
2. The use will not significantly detract from the character of the surrounding areas.
3. Hazardous safety conditions will not result.
4. The use will not generate significant noise, odor, glare or dust.
5. Excessive traffic or parking problems will not result.
6. The use will not create significant visual impacts for adjoining properties or passersby.

FAMILY SUBDIVISION WAIVER (FSW-01-01) LOCATED ON CHERISH LANE:

Marion Lytle, County Planner, presented the background (Exhibit A) concerning the FSW. Mr. Lytle stated that George Tucker had previously approached the Board in 2001 for a waiver to sell a lot to help pay for an illness in the family. Mr. Lytle stated that he had discussed the situation with Mr. Tucker's minister, Billy Payne. Mr. Lytle explained that Mr. Payne had loaned the Tuckers funds with the option of taking title to some of Mr. Tucker's lots as payment for the loans. Mr. Lytle continued by saying Mr. Payne recalled conversation where Mr. Lytle conveyed that the deeded lots could be sold after a period of time. Mr. Lytle could not recall the conversation but remembered being very sympathetic to the situation. Mr. Lytle mentioned that Mr. Payne had been deeded Lots 4 and 6, with selling prices of \$5,000 and \$22,000 respectively. Mr. Lytle was of the opinion that Mr. Payne acted in good faith in the situation and asked the Board to grant approval of the request.

Chairman Blount confirmed with Mr. Lytle that the case was due to a hardship in the family.

Commissioner Chamberlain said he remembered the situation and said he also believed that the Payne's acted in good faith.

Commissioner Chamberlain made a motion to grant the family subdivision waiver for the two (2) lots as presented. Commissioner Belk seconded the motion and the motion passed unanimously.

REQUEST FOR EXTENSION OF MORATORIUM:

Mr. Lytle reported on the progress of the moratorium affecting "Residential Care Facilities." Mr. Lytle stated, "It is a very complicated issue" when determining boarding school standards and the way specialized foster homes "fit into the equation."

In response to a query from Chairman Blount, Commissioner Belk stated that the moratorium is to review the impact of a foster home pertaining to the well-being and quality of life for the citizens of Rowan County.

Commissioner Chamberlain said he was not in favor of extending the moratorium for ninety (90) days. Commissioner Chamberlain suggested extending the moratorium for sixty (60) days.

Commissioner Chamberlain made a motion to extend the moratorium to January 6, 2003. Commissioner Belk seconded the motion and the motion carried unanimously.

Chairman Blount called for a short break at 8:10 pm.

Chairman Blount reconvened the meeting at 8:20 pm.

APPROVAL OF THE REVISED BUDGET:

Mr. Russell discussed the various Budget Revision Plans, stating that Plan C was the proposed budget. Mr. Russell stated that the County had "weathered and survived the financial storm" that the State and General Assembly had created. Mr. Russell praised county employees for continuing to provide services at a high level throughout the difficult budget times. Mr. Russell discussed Plans A and B which were submitted in June. Mr. Russell referred to Attachment 1, highlighting the fund balances for 2001 and 2002. Mr. Russell continued by discussing Plan C and the estimated increase in Unreserved/Undesignated Fund Balance at June 30, 2002.

Commissioner Andrews verified that the \$3.3 million (page 5 of the handout) in reserve funds were not "new monies."

Mr. Russell discussed page 6, Plan C, which addressed how staff recommends reductions in programs to offset the \$2 million budget shortfall. Mr. Russell referred to page 3 and proposed that the Board consider approving the budgeted projects listed. Mr. Russell

continued by referring to page 4 and highlighted the adjustments that need to be made to continue to maintain a balanced budget for the remainder of the fiscal year. Mr. Russell also mentioned on page 4, the correction of an error in budgeting.

Mr. Russell stated that if the Board approved the budget as presented, the county would realize a growth of \$2 million in its unreserved/undesignated fund balance at June 30, 2002, and would be able to operate effectively during fiscal year 2002-03.

In response to comments from Commissioner Andrews, Mr. Russell stated that the sales tax would be for twelve (12) months “next year,” and would be a permanent source of revenue.

Commissioner Chamberlain inquired who would collect the ½ cent sales tax. Mr. Russell responded that the State would collect the tax. Commissioner Chamberlain questioned the guarantee for counties, that the Governor would not keep the tax funds. Mr. Russell pointed out that the Governor could “choose to do anything if the General Assembly will support it.”

Commissioner Chamberlain made a motion to approve Plan C and to approve the Budget Amendment as presented. Commissioner Belk seconded the motion. The motion passed unanimously.

APPROVAL OF THE SOUTH ROWAN LIBRARY PROJECT:

Mr. Russell recommended that the Board proceed with the final design approval and authorization to advertise for bids to construct the new public library in South Rowan. Mr. Russell stated that the terms of the financing would be for ten (10) years or less based on market conditions. Mr. Russell requested that the Board approve the recommendation to allow staff to proceed with the construction.

In response to a query from Commissioner Chamberlain, Finance Director Leslie Heidrick stated that the cost for the first year would be approximately \$440,000, and would decrease over the ten (10) year period. Ms. Heidrick stated that the average would be approximately \$390,000.

Commissioner Belk made a motion to begin construction on the South Rowan Library. Commissioner Tadlock seconded the motion.

Commissioner Andrews questioned the budget and the timing for beginning construction of the library, in anticipation of what the next fiscal year could bring. Commissioner Andrews emphasized that there are no extra funds “floating around” that the Governor didn’t use in the past year. Commissioner Andrews pointed out that “taxes are probably going to increase and that the counties and municipalities are required to carry a reserve fund. Commissioner Andrews stated that the State of North Carolina is not required to carry a reserve fund and Commissioner Andrews declared this to be a “false identity.” Commissioner Andrews continued by saying, “Their reserve fund becomes our reserve

fund.” Commissioner Andrews said the State does not need a reserve fund “because we have one.” Commissioner Andrews declared that next fiscal year would have to “be one of the most difficult, most trying years, ever in the history of this state.” Commissioner Andrews cautioned the Board about committing to a \$440,000 debt, with the “unknowns” in the economy. Commissioner Andrews felt that county services had been affected with the hiring freeze and suggested using a portion of the funds to hire employees, and to delay the \$440,000 library project. Commissioner Andrews said he is 100% in favor of the library project, but that the timing is not right for borrowing funds to start the project. Commissioner Chamberlain said he would like to “piggyback” on the comments made by Commissioner Andrews. Commissioner Chamberlain stated that the items he had just voted to support were already in the budget and were “one-time items.” Commissioner Chamberlain agreed the comments made by Commissioner Andrews.

Commissioner Tadlock added that Commissioner Andrews had made several good points and discussed the speculation of war with Iraq and the effects it would have on the economy. Commissioner Tadlock stated that the project had been talked about for a long time and expressed optimism that the timing is right.

Commissioner Andrews clarified that during war times, the economy changes and budgets are tightened. Commissioner Andrews stated that until the budget is known for next year, the timing is not right to begin the library project.

Commissioner Belk felt that the county is conservative and prudent and agreed that the county should begin the project.

Chairman Blount stated that he had been through eight (8) years of county budgeting and there is never a “great time” to begin new projects. Chairman Blount continued by saying the Board must set priorities and the library project had been discussed for “a long time.” Chairman Blount added that the property had been purchased, an architect had been hired and the drawings were done. Chairman Blount asked Mr. Russell if he projected the county’s local sales tax and property revenues to grow at the normal rate. Mr. Russell responded stated that the new sales tax created a permanent revenue source at “a hold harmless \$3.9 million.” Mr. Russell stated that the real property tax base grows at approximately 4% per year.

Chairman Blount stated that he felt it was time to move ahead with the project.

Commissioner Andrews questioned Mr. Russell as to the percentage of “growth money” that went to the increased cost of Medicaid. Mr. Russell said approximately 50-75%. Commissioner Andrews said if the cost of Medicaid continued to increase, the county could not project “new money.” Commissioner Andrews said the situation was “not good” pertaining to projected funds, “if the state does anything to us.”

The motion passed with Commissioners Andrews and Chamberlain opposing.

APPROVAL OF THE ROWAN COUNTY EMPLOYEE RETIREE HEALTH INSURANCE:

Mr. Russell reviewed the Retiree's Health Insurance Plan, which would allow retirees with qualified service to remain on the County's health insurance program, at no cost for their coverage. Mr. Russell requested the Board to consider approving the program.

Commissioner Belk said that the program had been "a long time coming" and she would be glad to see the health insurance provided. Commissioner Belk said Rowan County is one of the few counties that do not currently provide the coverage for its retirees and added that even though the program would cost money, it also would recognize the worth of those employed by Rowan County twenty-plus years. Commissioner Belk pointed out the "safeguards" in the program, to protect the county from the rising cost of healthcare. Commissioner Belk stated that the program would also be an incentive "to get good people to come to the County and go to work."

Commissioner Tadlock said the program would be an excellent way to recruit and retain employees. Commissioner Tadlock expressed concern with the language in Item C of the information provided in the agenda packet. Mr. Russell clarified that the intent of Item C was for the retiree to pay a portion of any increase in premiums. Mr. Russell stated that because the County is self-insured, insurance rates are reviewed annually. Mr. Russell gave a scenario pertaining to a 15% increase in premiums, stating that the Board would determine any amounts to be contributed by the retiree.

Chairman Blount pointed out that in any given year, the County could ask its current employees to contribute for the cost of insurance premiums. Chairman Blount stated that Item C indicates to employees that they could be asked to contribute for the cost of insurance premiums.

Mr. Russell stated that each year there is an adjustment in services, coverage and premiums.

In response to a query from Commissioner Tadlock, Mr. Russell stated that employees are currently allowed to continue coverage if they pay the premiums and the coverage for retirees would be limited by age.

Commissioner Andrews mentioned that he had attended Board meetings while running for County Commissioner and the topic of retiree's health insurance was discussed at that time. Commissioner Andrews described the economy during his candidacy as the "best ten years of the economy we've ever had." Commissioner Andrews said for some reason the insurance plan was not adopted at that time and asked, "When is the time to implement the plan?" Commissioner Andrews said that cost had not been discussed and that information he had received did not project any costs. Commissioner Andrews said if the Board voted to support the insurance plan, the Board would be voting to support a plan that had increased in the last two (2) years (at 25%, per Mr. Russell). Commissioner Andrews questioned the projected cost to the County, if the premiums (currently at

\$473.00/month, per Mr. Russell) continued to increase at 25%, every two years, for the next ten years. Commissioner Andrews stressed that he would have to know that figure before he would vote to implement the plan. Commissioner Andrews referred to various comments made by Board members, that the plan would encourage employment with the county. Commissioner Andrews described four (4) of the Board members as private employers and expressed doubts that private employers do not pay for their retiree's health insurance. Commissioner Andrews emphasized that the timing and the lack of information concerning the total cost of the package would be like "voting for a pig in the poke."

Chairman Blount stated that the Board was given a spreadsheet when the last discussion took place.

Commissioner Andrews questioned Commissioner Tadlock as to his anticipated cost of the package for the next ten (10) years. Commissioner Tadlock responded that the cost was unknown. Commissioner Andrews rephrased his question and asked Commissioner Tadlock what the cost of the package would be for the next two (2) years. Commissioner Tadlock said, "very little, if anything."

When asked the same question by Commissioner Andrews, Chairman Blount recalled the eight (8) year the projected figures to be \$1.8 million. Chairman Blount explained that since the spreadsheet had been discussed, the County had "tightened down the eligibility" with the number of qualified retirees.

Commissioner Andrews created a scenario between employees to stress that the County would not save a significant amount in salaries by enabling employees to retire with health coverage.

Mr. Russell said that currently the health insurance costs the County \$3.8 million per year and said the Board would have to decide if adding an additional \$100,000 per year would be "material."

Commissioner Chamberlain illustrated to Commissioner Andrews that a quick cost estimate would be \$12,000 per employee over a ten (10) year period. Commissioner Chamberlain noted the people in the audience that were in attendance due to the issue of retiree insurance, and also questioned how many were already retired (3 raised hands). Commissioner Chamberlain asked how many of those already retired were 55 years of age or older (2 raised hands). Commissioner Chamberlain praised the employees who deserve to be rewarded for their service, saying he would love to approve the plan, but agreed that timing is an issue.

Commissioner Andrews expressed concern with the timing and circumstances, and the freeze on employment, which has restricted services. Commissioner Andrews continued to express his concern that the Board "can't hire people" but the Board could approve the recurring expenses for the library project, in addition to including an unknown recurring figure for the health insurance.

Commissioner Belk made a motion to approve the Retirees' Health Insurance Program as presented. Commissioner Tadlock seconded the motion.

In response to a query from Commissioner Tadlock, Mr. Russell stated that the plan would be implemented upon approval by the Board.

The motion passed with Commissioners Andrews and Chamberlain opposed.

APPROVAL OF THE EMPLOYEE BONUS:

Mr. Russell proposed that the Board consider offering a one-time bonus to employees. Mr. Russell explained that during the past two years, Rowan County has been unable to provide its employees with any increase in pay except for a small cost-of-living adjustment, in addition, employees have assumed more of the cost of health insurance, as well as, reducing operating expenses in their programs.

Mr. Russell recommended the amount of \$250 to all eligible employees. To be eligible, employees must (1) be benefited, (2) been employed on June 30, 2002, (3) received the most recent employee performance evaluation of "meets expectation" or higher and (4) will be on the County's payroll on December 6, 2002, when the checks would be dispersed.

The estimated cost would be approximately \$190,000 to be taken from the Workers Compensation/Liability Self-Insurance Fund.

Commissioner Chamberlain made a motion to approve the request. Commissioner Andrews seconded and the motioned passed unanimously.

Commissioner Andrews commented on the value of Rowan County Employees. Commissioner Tadlock echoed the comments.

APPROVAL POLICY ON DISPOSITION OF EQUIPMENT:

Mr. Russell discussed a policy that would allow employees leaving public office, with at least four (4) years of service, to retain some of technological equipment that had been assigned to them and requested the Board to adopt the policy, which would allow him to declare technology equipment surplus for the purpose of transferring the equipment to the retiring commissioner. Mr. Russell stated that expenses pertaining to monthly maintenance and upkeep would become the responsibility of the commissioner. Mr. Russell proposed that the equipment be depreciated over four (4) years. Mr. Russell said that the depreciated amount would not fall below 25% of the purchase price.

Commissioner Chamberlain mentioned that he was the only outgoing commissioner and stated that he was not planning on purchasing any equipment. Commissioner Chamberlain requested that he be allowed not to vote on the issue.

By consensus, the Board agreed to excuse Commissioner Chamberlain from voting on the issue.

Commissioner Andrews stated that he would feel comfortable with the current market value.

Commissioner Andrews made a motion that all technological equipment issued to Commissioners is to be left with the county at the end of the Commissioner's term. Commissioner Tadlock seconded the motion and the motion passed 4-0.

PUBLIC COMMENT PERIOD:

Chairman Blount opened the Public Comment Period to entertain comments from the audience. Those that chose to come forward are as follows:

1. (No Name) discussed the moratorium and asked why there is now a concern about the citizens that live around these facilities and is there not zoning laws that dictate where these facilities are placed. Secondly, if there is a problem with these facilities, the county should handle each facility on a case-by-case basis and not impose a blanket policy. Lastly, a request was made to end the moratorium on December 2nd as originally planned.
2. Max Kent agreed that this is a bad budget year, and referenced the Lincolnton apartments, which the City of Salisbury had recently torn down. Mr. Kent stated that he had a buyer for these 62 apartments who would have paid \$1 million to acquire them. Mr. Kent stated that if the City of Salisbury had given the county this property, he could have given the county \$1 million to solve some of the budget problems. Secondly, Mr. Kent expressed his concern for the recent moratorium and the extension. Mr. Kent stated that he operates three adult homes in the area and asked for consideration for an exemption on adult homes. Mr. Kent added that "one guy has made a big mistake in Salisbury" and everyone is feeling the affects of this decision.

ADDITION: SALE OF PROPERTY:

Mr. Russell reviewed with the Board an offer from NC DOT to acquire the Rowan County recycling center on Long Ferry Road, as a result of the widening of I-85. NC DOT has made an offer lower than the value of this property, based on our appraisal. The offer made was \$352,600 plus \$34,500 for moving, which totaled \$387,100. Mr. Russell requested guidance or concurrence to negotiate the offer.

The Board, by consensus, concurred.

With no further business to come before the Board, Chairman Blount adjourned the meeting at 10:35 pm.

Respectfully Submitted,

Rita K. Foil, CMC
Clerk to the Board