

**MINUTES OF THE MEETING OF THE
ROWAN COUNTY BOARD OF COMMISSIONERS
APRIL 4, 2005 – 9:00 AM
COMMISSIONER’S MEETING ROOM, ADMINISTRATION BUILDING**

Present: Frank Tadlock, Chairman
Arnold Chamberlain, Vice-Chairman
Steve Blount, Member
Chad Mitchell, Member
Jim Sides, Member

County Manager Tim Russell, Clerk to the Board Rita Foil, County Attorney John Holshouser and Finance Director Leslie Heidrick were also present.

Chairman Tadlock called the meeting to order at 9:00 am. Commissioner Mitchell provided the Invocation and Commissioner Sides led the Pledge of Allegiance.

ADDITIONS/APPROVAL OF THE AGENDA:

Commissioner Blount moved to approve the agenda as presented. Commissioner Mitchell seconded and the motion passed unanimously.

CONSIDERATION OF THE CONSENT AGENDA:

Commissioner Sides questioned Item “D,” a budget amendment change for the Department of Social Services (DSS). Commissioner Sides also questioned the budget amendment for the Sheriff’s Department for the Highway Safety Project Contract.

Finance Director Leslie Heidrick explained that apparently “they missed the date.” Ms. Heidrick confirmed that the State had filled in the date and returned the form back to the County. Ms. Heidrick verified that the budget amendment reduced the county budget in order to recognize the grant amount. Ms. Heidrick said no county funds were spent.

Commissioner Sides said he had spoke with Leigh Ann Christy “this morning” regarding the budget amendment. Commissioner Sides expressed concern with any budget amendments regarding large amounts of money. Commissioner Sides said he had intended to pull the item from the agenda in order to better understand the issue.

Ms. Heidrick explained that at the beginning of the current fiscal year, the Board had approved a 1% cost of living raise as well as a merit increase. Ms. Heidrick said this is not actually budgeted, especially for DSS and lapse salaries. Ms. Heidrick described a lapse salary as a position that is budgeted but the position is not filled. Ms. Heidrick said the county waits until “later in the year to see how much money we’re actually going to need.” Ms. Heidrick continued to explain the proposed budget amendment and confirmed to Commissioner Sides that there was no “new money” involved and that the money was budgeted in the current fiscal year.

Commissioner Sides said he still did not fully understand the budget amendment and he suggested letting “it go through.” Commissioner Sides said anytime there is a budget amendment of this size he personally did not want it to be listed in the Consent Agenda.

Commissioner Blount moved to approve the Consent Agenda followed by a second from Commissioner Chamberlain. The motion passed unanimously.

The Consent Agenda consisted of the following:

- A. Approval of the March 21, 2005 minutes
- B. Approval to set a public hearing for the Unanimous road name petitions for Moore Village Road and Boston Grace Lane
- C. Approval to set a public hearing for Z-05-05, Town of Spencer ETJ Boundary Adjustment
- D. Budget Amendments

PUBLIC HEARING FOR THE ROAP APPLICATION:

Clyde Fahnestock, Senior Services Director, and Sandra Wilkes, Social Services Director, provided the presentation for the approval of the application for the FY '06 Rural Operating Assistance Program (ROAP), which is funded by the NC General Assembly to every county in the state with a transit system.

Mr. Fahnestock explained that the funds help pay mileage to provide services to the county’s citizens. Mr. Fahnestock said the program has three (3) “different pots of money” with the Board of Commissioners being the only eligible applicant.

Mr. Fahnestock explained that this application consisted of three (3) transportation programs and the RTS Advisory Committee is requesting approval of the following:

1. EDTAP (Elderly and Disabled Transportation Program) requires no county match and the grant amount is \$78,724, which cannot be used to supplant county funds currently allocated to transportation services. Mr. Fahnestock said the funds help the clients and are used to purchase additional transportation, over and above the line item from the Commissioners. Mr. Fahnestock reviewed the individual allocations for the various agencies as listed in the agenda packets.
2. RGP (Rural General Public) requires a 10% county match in the amount of \$9,641. The grant is in the amount of \$86,766 and is used for general public transportation for rural county residents. The 10% will be included in the budget to commissioners. Fares are collected to recover some of the county match for approximately \$6,000. Mr. Fahnestock said the grant is not used for human service agencies. Mr. Fahnestock explained that any rural county resident could use the transit system (RITA) when the service is in a particular area of the county. Mr. Fahnestock provided an example of a situation when the service could be used such as assistance to the grocery store. Mr. Fahnestock said the funds are intended for rural general public passengers. Mr. Fahnestock said most of the money is used for dialysis transportation. Mr. Fahnestock said every resident of Rowan County does have access to transportation.

Commissioner Chamberlain asked if any type of research was done to establish whether citizens had access to any other transportation, such as family members? Mr. Fahnestock said the regulations of the funding state that the County cannot deny any rural resident access to this public transportation.

Ms. Wilkes reported that many people apply to DSS in need of temporary, short-term assistance. Ms. Wilkes described the following program that is used to meet these needs:

3. Work First Employment Program requires no county funds and the grant amount is \$11,725, which is used to support the employment transportation needs of Work First Clients. Ms. Wilkes said the funds assist low-income families so they can find and keep employment and not become dependent on the welfare program. The funds can be used to pay for car repairs, insurance, and also to reimburse people for gas to and from their jobs. Ms. Wilkes stated that this year thirty-eight (38) families have received this assistance. Ms. Wilkes said none of the recipients of these funds have had to reapply for Work First. Ms. Wilkes said the funds have helped to steadily decrease the number of families receiving Work First.

Commissioner Sides referred to Rowan Vocational Opportunities and asked if transportation is charged back to the clients who work there. Mr. Fahnestock said he was not fully acquainted with their administration. Commissioner Sides asked if the \$23,017 allocation through EDTAP would reduce the amount charged back to the clients? Commissioner Sides said these clients do not receive a substantial check however the check was important to them. Commissioner Sides asked Mr. Fahnestock to follow up and determine if the allocation would reduce the amount the clients must pay. Mr. Fahnestock said another incentive for providing the allocation to Rowan Vocational Opportunities is “to keep them in our transit system.” Mr. Fahnestock explained that the county owns the vehicles but they are leased to a private operator who is “doing a great job.” Mr. Fahnestock said he would follow-up on Commissioner Sides concerns.

Chairman Tadlock questioned the 10% match for the RGP funds and Mr. Fahnestock verified that no new funds were needed.

Commissioner Mitchell recalled that last year the Board’s match was approximately \$9,600 for the RGP funds. Mr. Fahnestock said the Commissioners were making a commitment for the match. Mr. Fahnestock confirmed that the program would utilize approximately \$3600 from the Board and that the program had never failed to utilize all of the allocated funds. Ms. Heidrick added that any unused money in the proposed \$6000 (collected in fares) would stay in the General Budget.

Chairman Tadlock opened the public hearing.

With no citizens wishing to address the Board, Chairman Tadlock closed the public hearing.

Commissioner Sides made a motion to approve NCDOT grant. Commissioner Mitchell seconded and the motion passed unanimously.

Mr. Fahnestock called Steve Julian forward. Mr. Fahnestock said that he was very proud of the safety record of Rowan Transit System (RTS) and that as of today RTS had operated 870 days, or nearly 2 ½ years, and 885,000 miles with no at-fault accidents. Mr. Fahnestock credited the excellent transportation record to MV Transportation, Inc. Mr. Fahnestock said Steve Julian was the General Manager of MV Transportation, Inc.

Commissioner Chamberlain moved to approve the resolution and to send MV Transportation a salute of their safety record. Commissioner Sides seconded and the motion passed unanimously.

APPROVAL OF THE PROCLAMATION FOR APRIL AS CHILD ABUSE PREVENTION MONTH:

Department of Social Services (DSS) Director Sandra Wilkes informed the Board that April is designated as “Child Abuse Prevention Month.” Ms. Wilkes mentioned that 1600 reports of alleged abuse and neglect have been made to DSS from last July through this February. Ms. Wilkes said “a few of those reports have been malicious and unfounded” and a good number of the reports did not rise to the definition of abuse and neglect. Ms. Wilkes said those reports reflect that more than 1,000 people alerted DSS to the fact that children were being harmed in some way. Ms. Wilkes said of the 1600 reports, 1,046 were actually investigated and 98 children were removed from homes that were determined to be unsafe. Ms. Wilkes said contacts were still made and situations were assessed from the reports for which investigations were not performed. Ms. Wilkes said Child Protective Services (CPS) is a priority at DSS through training of staff and oversight of the work by the administration. Ms. Wilkes said community education was also a priority.

Ms. Wilkes said the Protocol describes connection points between DSS, the hospital, school system and law enforcement. Ms. Wilkes said the protocol standards are being followed with good results and a cooperative spirit with the other agencies builds a stronger safety net for children.

Ms. Wilkes highlighted events that would take place in recognition of Child Abuse Prevention Month.

Commissioner Chamberlain said the Child Abuse Prevention Task Force would convene “this evening.” Commissioner Chamberlain said the meeting would be important due to some changes that had been made since the inception of the task force. Commissioner Chamberlain reviewed several statistics regarding child abuse victims.

Commissioner Chamberlain read the Proclamation for Child Abuse Prevention Month.

Commissioner Sides moved to approve the Proclamation designating April as “Child Abuse Prevention Month”. Commissioner Blount seconded and the motion passed unanimously.

APPROVAL OF THE PROPOSED EXPANSION GRANT FOR NATIONAL STARCH:

Randy Harrell, Director for the Economic Development Commission, and Mr. Richard Steinert, Manager for Plant Operations for National Starch and Chemical Company discussed the proposed expansion grant for National Starch.

Mr. Harrell stated that the \$19.6 million expansion would create thirty (30) new jobs.

Mr. Harrell said that the previously agreed upon grant consisted of an amount equal to 50% of the total county and city property taxes paid by National Starch and Chemical and would apply over the first five (5) calendar years after commencement of the proposed expansion.

Commissioner Sides said it was stated at the previous Board meeting that National Starch should receive a blue ribbon for their contributions to the community. Commissioner Sides said he was glad the company was in Rowan County and that his mother had worked for the company for approximately ten (10) years. Commissioner Sides said he was disturbed that a profit-making company would ask for local tax incentives and added that this company had been placed on a national priority list for cleanup in 1989 due to problems that resulted from chemicals improperly disposed of on the property. Commissioner Sides reported that water contamination had occurred. Commissioner Sides said it was stated in a meeting he had with Chairman Tadlock and County Manager Tim Russell that the County would never pay incentives to a company to stay in this "location" and he understood this to be a retention grant. Commissioner Sides said it was a location incentive grant and considers this to be tantamount to blackmail. Commissioner Sides said he was opposed to any economic incentives for a profit making company.

Chairman Tadlock opened the public hearing to entertain comments from the audience.

With no citizens wishing to address the Board, Chairman Tadlock closed the public hearing.

Commissioner Mitchell asked when the City of Salisbury would act on the issue and Mr. Harrell responded "tomorrow."

Commissioner Blount made a motion to approve the expansion grant for National Starch and Chemical Company. Commissioner Mitchell seconded.

Commissioner Chamberlain said he agreed with Commissioner Sides on many issues but not completely when pertaining to incentives. Commissioner Chamberlain mentioned that the previous Board had agreed to the proposed incentives and he continued by saying if the issue were being presented to the current Board, he would not support "this much in incentives." Commissioner Chamberlain said under the circumstances and the fact that construction had started, he would honor the efforts of the previous Board. Commissioner Chamberlain said he wanted to make it clear that in the future he would not support "this kind of incentive."

Chairman Tadlock said he had been concerned with existing businesses in Rowan County and he had always tried to share equal concern in both the

existing and potential businesses. Chairman Tadlock said he has heard criticism that Rowan County does “nothing” for existing businesses in Rowan County and with this grant, the County is demonstrating its support of existing companies and appreciation for the support National Starch provides to the community.

Commissioner Sides reiterated that the County Manager had said the County would not give incentives to keep a company in Rowan County. Chairman Tadlock questioned the comment and said he did not recall the comment being made. Chairman Tadlock apologized if any comments had been misinterpreted. Mr. Russell expressed that he did not recall making that comment.

Commissioner Chamberlain said that a need would have to be established regarding incentives. Commissioner Chamberlain was of the opinion that National Starch “would not pick up and leave a community just because we don’t give you some money.” Commissioner Chamberlain pointed out that most people would not want this type of industry in their community due to the potential pollution problems. Commissioner Chamberlain said the company had proved to be a good corporate citizen. Commissioner Chamberlain said the Board needed to discuss specific needs rather than just giving money away.

Commissioner Blount said at one time he had lived in the “backyard” of National Starch and the company had been a responsible neighbor. Commissioner Blount expressed pleasure at having the company in Rowan County.

Mr. Harrell said the issue was never a retention issue but an expansion issue and Commissioner Sides then asked why the word “retention” was on the paper. Mr. Harrell apologized for the error.

Upon being put to a vote, the motion passed 4-1, with Commissioner Sides voting against the motion.

PUBLIC HEARING FOR THE CLOSE OUT OF THE 2002 SCATTERED SITE HOUSING GRANT:

Gary Wilson with CMR Services reported that eleven (11) homes were successfully rehabilitated in Rowan County for the 2002 Scattered Site Housing Project. Mr. Wilson explained that the county had “drawn down” all of the available grant funds from the Division of Community Assistance (DCA) and explained that a public hearing must be held according to the DCA for the county to submit a close out report, which requires the Chairman’s signature.

Chairman Tadlock opened the public hearing to entertain comments from the audience.

Chairman Tadlock closed the public hearing with no one present to address the Board.

Commissioner Blount made a motion to approve the request of close out documents as presented. Commissioner Sides seconded and the motion passed unanimously.

PUBLIC HEARING FOR A MAJORITY ROAD NAME PETITION FOR COWAN DRIVE:

Fredda Greer, from the Planning Department, presented the Board with the majority road name petition for the following, in addition to presenting a letter received via fax on Friday:

Proposed Name:	Cowan Rd
Currently Known As:	Joe Rankin Rd
Location:	S off 400 block Cline Rd
Property Owners:	5 out of 8 signed petition
S/R:	1751

Ms. Greer reviewed the Staff Notes and explained that some months ago, family members along this road requested a petition to rename this road and a completed petition has been submitted to the planning office with five (5) of eight (8) property owners along the road requesting the name be changed to Cowan Road. Ms. Greer said that the notification to all property owners was made as well the road was posted and newspaper and public building posting were also made. Ms. Greer said to date, there has been one phone call from a property owner, Ms. Luther, who is the same lady that submitted the letter. Ms. Luther was opposed to the renaming saying others who did not sign the petition were also opposed. Ms. Greer said Ms. Luther asked how she could voice opposition in lieu of attending the public hearing as she works and cannot be away from her job. Ms. Greer said that she was informed to submit a letter to staff, which would be presented for her. However, Ms. Greer said that as of the date of this information submittal, no letter has been received and the family making the petition request followed proper procedure, and unless those in opposition present their case for denial, staff would normally recommend approval. However, Ms. Greer continued to state staff does recognize that this petition is merely to rename the road to reflect family interest and would be an inconvenience for all involved in address changes.

Staff made no recommendation.

Ms. Greer said Ms. Luther told her on the phone and in the letter that there were some property owners not listed. Ms. Greer said she had checked and the tax records do not show other property owners. Ms. Greer referred to the map and said the Ms. Luther had said the property owners not listed came from Parcel 36.

Ms. Greer said a family member from another state had made the initial request, which was true and explained to the petitioner that the request must come from a property owner on the road, which it did.

Commissioner Chamberlain verified that staff recognized the renaming to reflect family interest.

Chairman Tadlock opened the public hearing to entertain comments from the audience on the above road name petition.

With no one present to address the Board, Chairman Tadlock closed the public hearing.

Commissioner Sides made a motion to disallow the renaming based on information provided and to leave the road name as Joe Rankin Road. Commissioner Chamberlain seconded the motion.

Chairman Tadlock said 5 out of 8 signatures were obtained to rename the road. In response to a query from Chairman Tadlock, Ms. Greer said according to staff procedures, the family had followed the procedures to rename the road.

Chairman Tadlock asked if staff had heard from Ms. Luther prior to receiving the letter. Ms. Greer said Ms. Luther had contacted her in opposition after the road posting went up.

Commissioner Blount asked if staff could confirm if there was a subdivision of property and additional property owners on the road? Ms. Greer said she had reprinted the map after speaking with Ms. Luther on the phone and the map does not reflect the subdivision. Ms. Greer said it normally takes a couple of weeks for a subdivision to reach the mapping department.

Chairman Tadlock said he would like to see research to confirm the number of property owners.

Commissioner Sides withdrew his motion in order to allow the research.

PUBLIC HEARING FOR A SPECIAL CONSIDERATION FOR A ROAD NAME PETITION FOR EDMINSTON ROAD:

Ms. Greer provided the Board with the presentation on the special consideration for the following:

Proposed Name:	Edmiston Rd
Currently Known As:	Edminston Rd (in county files, SR files, etc)
Location:	North off Mooresville Rd to NC 801 Hwy near Iredell County line
Property Owners:	25

SR:

1758

Ms. Greer gave the Staff Report stating several residents of Edmiston Road have called the planning office to inquire about the spelling of the road and informing staff that the road was named after the Edmiston family who lives along the road. Ms. Greer noted there is no "N" after the "i" in that spelling and that over the years, the spelling of the road name in County road files, and state road files listed the road as Edminston. Ms. Greer added the county tax assessor records indicate Edmiston.

Ms. Greer said staff mailed a survey, which was included in the packets, to each property owner along the road asking them to respond to their preference of spelling and 16 of 25 have responded of which 15 indicated Edmiston as their choice. Ms. Greer noted the lone choice for Edminston Road is shown to have the spelling of Edmiston on his address label. Ms. Greer added that today she had received another letter bringing the total responses to 18. Ms. Greer said 17 of the 18 say the road name should be Edmiston.

Ms. Greer referenced some of the comments from the property owners in favor of Edmiston:

- Lazy speaking and spelling caused the road to become misspoken and misspelled.
- Please! Please! Thank you!
- The road was named after the Edmiston family dairy and should be spelled like their name.

Ms. Greer said staff recommends that the spelling of this road name be changed in county and state road files as well as the road signs for Edmiston Road.

Commissioner Mitchell asked if any of the 25 people used the name Edminston. Ms. Greer said no but pointed out that one property owner requested to leave the "n".

Chairman Tadlock opened the public hearing to entertain comments from the audience on the above road name petition.

1. A citizen showed an original sign with the spelling of EDMISTON RD. The citizen said the signs at each end of the road had different spelling.

Chairman Tadlock closed the public hearing.

Commissioner Sides made a motion to approve the special consideration road name as EDMISTON. Commissioner Mitchell seconded and the motion passed unanimously.

APPROVAL OF SNIA-05-05:

John Hanes of the Rowan County Planning Department stated that the following Special Non-Residential Intensity Allocation (SNIA) request for consideration has been submitted to the Planning Department for compliance review with the provisions of Article II Section 21-33 (2) e of the Rowan County Zoning Ordinance.

Mr. Hanes reviewed following information:

Applicant: James Rowland
Property Owner: Myers & Rowland Rentals
Location: Pitt Road
Tax Parcel: 230D-057
Zoning: Industrial (IND)
Purpose: SIC 3281: Cut Stone & Stone Products
Watershed: SW II BW (Coddle Creek)

Mr. Hanes said the total lots size was a little over 53,000 square feet with impervious coverage available at 70%. Mr. Hanes said Mr. Rowland planned on adding a showroom on the site.

Staff recommended approval of the permit.

Commissioner Blount made a motion to approve the SNIA request as presented. Commissioner Mitchell seconded and the motion passed unanimously.

BUDGET AMENDMENT FOR THE PARKS CONSTRUCTION FUND PULLED FROM THE 3/21/2005 COMMISSION MEETING:

Commissioner Arnold Chamberlain expressed concern with large amounts of money being placed on the Consent Agenda. Commissioner Chamberlain said the Consent Agenda normally consisted of items that required little to no discussion.

Commissioner Chamberlain referred to the previous board meeting where he had requested to pull the budget amendment for \$310,000 from the Consent Agenda and he requested time to independently study the issue and possibly allow for public comment regarding such a large sum. Commissioner Chamberlain asked if any other Commissioners had any questions.

Commissioner Mitchell said his concerns had been answered. Commissioner Mitchell said the funds were budgeted and were being moved from one line item to another.

Commissioner Chamberlain agreed with Commissioner Mitchell and said the former Board had approved the issue. Commissioner Chamberlain said the former Board was cautioned that the “new Board” could possibly choose to re-route any or all of the funds that had not been used. Commissioner Chamberlain

said the budget amendment was a legitimate item, however he did not like having such a large sum placed on the Consent Agenda without public comment.

Chairman Tadlock said concerns had been raised regarding the amount of money that has come under the Consent Agenda. Chairman Tadlock said the practice has been in place for some time.

Chairman Tadlock described the funds as somewhat of a “controversial issue” and said he would like to thank staff for bringing it to the Board’s attention that the County had the Norfolk South Stock. Chairman Tadlock recalled that the stock could have been sold at one time for \$18,000 and through the direction of staff, this stock eventually sold for \$850,000. Chairman Tadlock said he had voted to support giving the money to Dan Nicholas Park (DNP) and the naming opportunity for the late Representative Eugene McCombs. Chairman Tadlock said he supported spending the money as enhancement opportunities for the citizens at DNP. Chairman Tadlock praised the park as one of the most outstanding parks in North Carolina. Chairman Tadlock said he had supported and would continue to support DNP in a positive manner. Chairman Tadlock said the Board’s action has “enhanced the opportunities for people to give money to DNP” and he estimated the contributions to total between \$300,000-\$400,000. Chairman Tadlock said careful consideration should be given to the future of DNP that this issue does not become a deterrent to the donors who have graciously given in the past. Chairman Tadlock said he would support to keep the money in place and understands the project was being handled and there should be a substantial savings on the project.

Chairman Tadlock said he would make a motion for consideration of freezing \$100,000 of the funds for at least 90 days. Chairman Tadlock said if it is determined that DNP does not need the money, then he would be willing to evaluate reallocating the funds.

Commissioner Sides said he wanted everyone to fully understand that he is 100% in favor of DNP but he was never in favor of the \$750,000 allocation to DNP from the sale of the railroad stock. Commissioner Sides said at that time the Commissioners were well aware of the situation the county was facing pertaining to the school bonds and everyone knew that there would be an overwhelming need to pay for interest on the bonds. Commissioner Sides said he had visited the park and was impressed with DNP and always had been. Commissioner Sides continued by saying there are times to prioritize and to back off of projects because the funds are not there. Commissioner Sides recommended freezing funds for the projects at the park that were not yet underway. Commissioner Sides expressed concern with the possibility of a tax increase in order to maintain the same level of services. Commissioner Sides said citizens are faced with increased gasoline prices, etc. and the Board is obligated to try and keep the tax rate where it is.

Commissioner Chamberlain said he had recently visited DNP with Commissioner Sides. Commissioner Chamberlain said Don Bringle of DNP had been straightforward when answering their questions. Commissioner Chamberlain expressed appreciation to Mr. Bringle who was in the audience.

Commissioner Chamberlain said he wanted everyone to understand that when he had pulled the budget amendment at the previous meeting it was due to the amount of money. Commissioner Chamberlain said, "The reaction I got when I made a motion to pull it, really astounded me." Commissioner Chamberlain agreed with Commissioner Sides and said that he understood the only project that had not started construction was the auditorium, which totaled approximately \$260,000. Commissioner Chamberlain said the County would have a tax increase because of the school bonds and he felt the Board should save any available funds for the citizens.

Commissioner Sides said all money is for the citizens but he felt that cuts should be made where possible to keep the taxes lowered.

Chairman Tadlock asked Don Bringle to come forward. Chairman Tadlock questioned Mr. Bringle concerning any expenses for the auditorium. Mr. Bringle said restrooms were currently being constructed and "talented people on board" "can do that type of work." Mr. Bringle said it was estimated that the teaching auditorium could be built for approximately \$260,000 "with a little bit of contingency in there just to safeguard the rising cost of materials, etc." Mr. Bringle reported that architectural fees had been incurred for drawings and explained that the area had been cleared but inclement weather had prevented the footings from being dug. Mr. Bringle reported that Narvie Bonds was the General Contractor overseeing the process and fees have been incurred for the architectural drawings, the General Contractor and clearing the area for the auditorium.

In response to Commissioner Mitchell, Mr. Bringle said approximately \$30,000-\$34,000 of the \$260,000 had been spent.

Mr. Bringle explained to Commissioner Sides that clearing the area had required expenses for backhoes, dumptrucks, bulldozers etc. as the County did not have this type of equipment.

Commissioner Sides said the "clearing fees are not going to go anywhere" and he pointed out that if the work were to be performed next year, the clearing would already be done. Mr. Bringle said dirt could be hauled in and the area could be leveled and "grassed." Mr. Bringle explained that staff was trying to allow the perimeters of the auditorium to be such that construction could begin on the Red Wolf Habitat, which was funded by Alcoa.

Commissioner Sides questioned the fees for the General Contractor to which Mr. Bringle said the fees were being negotiated and that there had been no fees at this point. Mr. Bringle said staff did not realize that a General Contractor must underwrite the process and staff had every intention of building the auditorium. Staff had been advised that the county needed to have a General Contractor for the project.

Commissioner Sides questioned the number of staff from the Parks that would be used to build the auditorium. Mr. Bringle responded five (5) full time staff, along with the General Contractor, Plumbing Contractor, Electrical Contractor and HVAC. Mr. Bringle said the brickwork would also be subcontracted. Mr. Bringle said staff would finish the concrete, build the walls, put on the roof, etc.

Commissioner Sides questioned the length of time anticipated to build the auditorium. Mr. Bringle estimated 4-5 months, depending on the weather. Mr. Bringle pointed out that staff also had other projects to handle at DNP, Sloan Park, Ellis Park and Dunn's Mountain Park. Mr. Bringle said there was not enough staff to do what has to be done but the purpose of using staff was because of the savings of approximately \$100,000 on the project.

Commissioner Sides asked who performed the duties of the five (5) full time staff while they worked to build the auditorium. Mr. Bringle said this is a coordinated effort with a varied schedule and that the Parks were certainly not overstaffed.

Commissioner Sides commented that it was hard to believe staff could build the auditorium and still do their regular jobs.

County Manager Tim Russell said \$17,280 was budgeted for part-time staff that could fill in for the skilled workers performing the construction.

Chairman Tadlock asked if he correctly understood that \$100,000 might be left from the funds. Mr. Bringle said he was "very comfortable" from the information that he had that there would be a \$100,000 in savings.

Chairman Tadlock mentioned that this was "one time money so we really can't support school bonds with money like this."

Commissioner Blount asked Mr. Russell to clarify if there was a potential savings "not over what was quoted to us but what we have in the budget." Mr. Russell responded yes and explained that in a memo sent to the Board in December, \$400,000 was allocated with the architectural money having been spent. Mr. Russell said Wagoner Construction had presented a proposal of \$354,000, which exceeded what the building should be costing. Mr. Russell said the budget amendment given to the Board was in the amount of \$310,000 and allocated to two (2) different projects. Mr. Russell said \$260,000 was allocated to the project.

Commissioner Mitchell confirmed that the savings of \$100,000 would not come off of the \$260,000 but the \$354,000.

Commissioner Sides commented that employees were being taken to perform a job that they were not hired to do.

Chairman Tadlock agreed with Commissioners Chamberlain and Sides that the budget process would be very difficult but said he would like to see the project that has been started completed and the \$100,000 frozen for ninety (90) days.

Commissioner Sides moved that the \$260,000 not be allocated for this project at this time but that the project be put on hold until the next budget.

Commissioner Mitchell pointed out that there was already a motion from Chairman Tadlock on the floor.

Chairman Tadlock repeated and clarified that his motion was to freeze approximately \$100,000 for 90 days and to allow the project to proceed up to the \$260,000 level. Commissioner Blount seconded the motion.

Commissioner Chamberlain said he preferred a motion to take \$100,000 of the money and put it back in the general fund and use it as however the Board saw fit at budget time. Commissioner Chamberlain said he would not support Chairman Tadlock's motion based on the word "frozen".

Chairman Tadlock clarified that his motion was for the \$100,000 would be frozen for ninety (90) days and if it could be utilized somewhere else, it is up to the Board to decide how to utilize the \$100,000.

Commissioner Blount questioned what would happen to the approximate \$100,000 if it were not used. Mr. Russell responded that it would go into the General Fund.

Commissioner Mitchell said his initial concern was that the funds should have been appropriated during budget session. Commissioner Mitchell said he had voted against the appropriation the first time. Commissioner Mitchell said the Board was now faced with three (3) options:

1. Completely Remove
2. Remove all but \$100,000
3. Leave it Alone

Commissioner Mitchell said he would have a problem during the budget allocating any of these particular funds towards paying down a debt for interest payments, with one-time money, unless it was a lump sum payment to reduce the principal. Commissioner Mitchell said he preferred to discuss the issue within the context of the budget process as a whole.

Commissioner Sides said if the Board did not take action, the project would continue. Commissioner Sides felt any project not under construction should be stopped.

The motion on the floor failed 2-3. Chairman Tadlock and Commissioner Blount supported the motion with Commissioners Mitchell, Chamberlain and Sides voting against.

Commissioner Sides moved that any building project that has not begun, as far as footings, not be continued at this point and those funds remove to the General Fund. Commissioner Chamberlain seconded the motion.

Commissioner Blount questioned the cost to stabilize the area that had been graded. Mr. Bringle explained that dirt had been hauled out and would have to be brought back in; grass would have to be sewed to maintain an erosion control plan. Mr. Bringle said costs would be incurred for this.

Chairman Tadlock asked if there were any funds that had been contributed by the private sector that might be withdrawn if the project were stopped? Mr. Bringle said there had been no funding for the auditorium. Mr. Bringle said he did not know if the action would change the attitude of commitment towards other projects. Mr. Bringle said there were several candidates coming to look at the park and DNP ranks 7th in the state in 2003 in providing educational programs to the students. Mr. Bringle said there are only 40 seats in the current auditorium and the new auditorium would seat 80 students. Mr. Bringle said halting the work would be that “certainly the opportunity that we’re sending a message.” .

Commissioner Chamberlain piggybacked on Commissioner Mitchell’s comments and said he could possibly foresee the project happening after budget session.

Mr. Bringle said that based on that possibility, he would not have soils hauled back in. Mr. Bringle said he would consult with Planning Staff to determine what could be done from an erosion control aspect. Mr. Bringle said he must move on with the habitat that goes directly in front of the auditorium and the habitat was funded by private donors.

Finance Director Leslie Heidrick requested clarification regarding Commissioner Sides’ motion. Ms. Heidrick said the funds were currently in the Parks Fund and not the General fund. Commissioner Sides clarified that he did not want the funds spent and Commissioner Chamberlain added, “ no matter where they are.”

Commissioner Chamberlain said the funds would need to be shown for budget where the monies were earmarked.

Commissioner Sides said the basic idea is to take the funds out of a general construction budget and put them in a separate budget that allocates the funds for a specific project.

Commissioner Blount asked if the Board was talking about the full \$400,000 or the \$310,000?

Commissioner Sides said if the entryway had been started then he would suggest that it not stop. Commissioner Sides said he was talking about the \$260,00 and any other funds in that account, such as the \$90,000 that goes with it.

The motion passed on a 3-2 vote with Chairman Tadlock and Commissioner Blount voting against the motion.

Commissioner Mitchell moved approval of the web cam donation and the entry plaza. Commissioner Sides seconded the motion and the motion passed unanimously.

Chairman Tadlock called for a break at 10:55 am

Chairman Tadlock reconvened the meeting at 11:00 am

APPROVAL OF EXENSION LEASE FOR THE STADIUM AND DISCUSSION ABOUT THE EQUITY AGREEMENT AND THE NAMING RIGHTS:

County Manager Tim Russell provided the presentation for extending the lease agreement with the Smith Family Baseball for Fieldcrest Cannon Stadium for an additional two (2) years. Mr. Russell added that the City of Kannapolis has recently approved this extension.

Mr. Russell said there were three (3) outstanding issues to be reviewed:

1. Request for Extension – Mr. Russell referred to a letter from the new team owners requesting that the Sports Authority grant a two-year extension to the existing lease, which is a reduced amount of \$75,000. Mr. Russell reported that the City of Kannapolis Council had approved the request approximately two (2) weeks ago.

Commissioner Sides asked if his previous comments regarding maintenance issues had been addressed? Mr. Russell responded yes and said the team owner had agreed to “pick up all of the outside mowing” without the City of Kannapolis.

Mr. Russell confirmed to Chairman Tadlock that the seeding and fertilizing would be split on a 75/25 percent cost with the City of Kannapolis.

Commissioner Sides asked if this would be handled through the funds within the Authority as opposed to being handled through the County and the City's budget? Chairman Tadlock said he had objected to this in the past and would continue to do so. Chairman Tadlock said the money in the Consortium Fund is understood for "major" expenses. Chairman Tadlock said the seeding and fertilizing should "be paid for out of our expense with Kannapolis paying their part."

Commissioner Sides said he did not have a problem with this.

2. Naming Rights – Mr. Russell said the team had requested that the Authority "clear the way" concerning naming rights and if possible, provide the team the authority to market the opportunity to another company. Mr. Russell said the agent would receive a 10% royalty and the remaining 90% would be split 50-50 between the Sports Authority and the team.

Mr. Russell confirmed to Commissioner Sides that any costs for signage or costs incurred due to the name change would also be split 50-50.

Chairman Tadlock voiced concern with the \$3500 expense for the investigation currently underway for the naming rights. Chairman Tadlock said he did not want to see the money come from county funds but rather from revenues from the naming rights.

Chairman Tadlock mentioned that the City of Kannapolis had been cooperative throughout the process.

Mr. Russell reported that Rowan County had not heard back regarding the research and legal opinion of Parker Poe (attorney) pertaining to the support of allowing Brad Smith the opportunity to seek funding.

Attorney John Holshouser said he would follow-up on the issue "today."

3. Proposed Agreement of Equity – Mr. Russell said the agreement was included in the agenda packets and had also been forwarded to Kannapolis. Mr. Russell said the agreement would serve to establish the funding partners percentage of control in the Sports Authority. Mr. Russell said if the agreement were accepted, it would become the operating agreement between the two (2) partners. Mr. Russell said the agreement was a draft and he encouraged the Board to inform staff of any issues they might have.

In response to a query from Commissioner Chamberlain, Mr. Russell said the City of Kannapolis recognizes that it has not been forthcoming regarding expenditures for maintenance in past years but the City intends to be forthcoming in the future.

Commissioner Sides added that the City said the “money should have come from the funds that are in that account.” Commissioner Sides felt the County had expended those funds and there was a direct cost associated with pulling County employees for maintenance such as mowing at the stadium. Commissioner Sides said the County has paid for this maintenance every year while Kannapolis had paid nothing. Commissioner Sides contended that the County should establish a cost for services provided and recoup those costs from the fund prior to execution of this agreement. Commissioner Sides said the County was entitled to the funds and should be reimbursed for the expenses incurred.

Commissioner Sides said another issue with the Agreement of Equity was the skyboxes. Commissioner Sides asked why Kannapolis, with an investment of 25%, should receive a full skybox and free tickets? Commissioner Sides said he would like to see the questions addressed before the Board accepted the proposed Agreement of Equity.

Commissioner Chamberlain asked Mr. Russell if he had previously provided the Board with an estimation of what Kannapolis would have paid through the years if they had indeed made payments? Mr. Russell responded, “Not for the maintenance.”

Commissioner Chamberlain continued by saying the estimation would be “substantial.” Commissioner Chamberlain asked, “Why would we write that off? Just so we can start over?” Mr. Russell said staff would need the Board’s direction on the issue to seek recovery.

Mr. Russell agreed that Commissioner Sides’ had voiced valid concerns.

Commissioner Chamberlain asked what affect it might have on the baseball season if the Board did not approve the proposed agreement “today?”

Commissioner Sides felt the contract should be addressed and extended for two (2) years. Commissioner Sides said the naming rights should be addressed but he felt the Board should hold off on the issues regarding the money and the skyboxes.

Mr. Russell said he had sent the “draft” to the City of Kannapolis and that he was not asking the Board to “approve this today.” Mr. Russell said his intention was to present the draft and that any issues raised by the Board could be addressed. Mr. Russell felt sure negotiations would have to be made

Commissioner Sides was of the opinion that Kannapolis would have no problem with the County recouping any costs from the “fund” but that Kannapolis would have a problem reimbursing the County from their General Fund.

Commissioner Sides moved to approve the request for the extension of the lease agreement to Smith Family Baseball for two (2) years. Commissioner Mitchell seconded and the motion passed unanimously.

Commissioner Sides moved to allow the Smith family, based on the information received from the legal research that is being done, to proceed with the naming rights with an agreement that the split be 50-50. Commissioner Chamberlain seconded the motion and the motion carried unanimously.

Commissioner Sides requested to have staff address the issues mentioned and come back with proposal. Commissioner Sides said the County has paid for not only maintenance, but also audits of the funds, etc. out its General Fund. Commissioner Sides said the Sports Authority should be paying the bills and not the County. Commissioner Sides stressed that the Sports Authority is Rowan County and the City of Kannapolis. Commissioner Sides said he would like to see the funds addressed for "what Kannapolis should have paid."

Commissioner Chamberlain asked how much was in the account for the Sports Authority? Finance Director Leslie Heidrick responded approximately \$500,000 to \$600,000.

Commissioner Sides moved to allow the County Manager to address the issues mentioned in regards to expenses incurred by Rowan County over the years where Kannapolis has not participated and that those funds be recaptured from the Sports Authority account in order to be put on a level playing field before coming to an Agreement of Equity with the City of Kannapolis. Commissioner Sides declared the issues to be the skyboxes and the free tickets. Commissioner Chamberlain seconded the motion and the motion passed unanimously.

UPDATE ON THE SCHOOL CONSTRUCTION AND APPROVAL OF MILLBRIDGE ELEMENTARY UTILITIES:

Ed Watson, from Construction Control Corporation (CCC), and Jim Christy, from the Rowan-Salisbury Schools, provided the Board with this presentation. Mr. Casey, a representative with Shuler Architects, was also in attendance.

Mr. Watson discussed the contingency request for utilities for Millbridge Elementary. Mr. Watson said the school was under construction and scheduled to open in July. Mr. Watson said bids were out for the utilities, which are the well system, the fire pump and tank system and the septic system. Mr. Watson said DENR requires projects such as this to have the well water pretreated with chemicals, which has increased the costs. Mr. Watson said the low bidders were local entities and \$510,000 was budgeted. Mr. Watson said the bids were approximately \$200,000 over budget.

Mr. Watson referred to Option B in the agenda packet, which outlines the various costs of the systems and possible funding of the systems. Mr. Watson said there

was currently around \$185,000 in contingency on the project and it was anticipated that there would be approximately \$9500 in fees such as permitting for the water and septic systems. Mr. Watson said there were also unused allowances from the contractors for “things such as bad soil.”

Mr. Watson referred to capital building funds and said there was excess land at the site and it had always been the intention of the school system to sell the excess land once construction was completed. Mr. Watson estimated the sale would be a minimum of \$70,000. Mr. Watson recommended that the school system be allowed to take \$100,000 from the capital building funds to give the “edge” until construction was completed and the property could be sold. Mr. Watson said the \$100,000 would go back into the capital building fund at the end of the project. Mr. Watson estimated approximately \$33,000 would be left in contingency upon completion of the project and he requested the Board’s approval.

Commissioner Mitchell asked how much the fire, septic and well were individually over budget? Mr. Watson said he did not have the information with him but estimated the septic at 2/3 of the overage.

Commissioner Mitchell asked what items were left to be bid that could come in over budget and Mr. Watson responded that there was nothing else to bid.

Commissioner Sides questioned the agency fee and Mr. Watson said the fee had not been paid and would have to come out of the funding.

Commissioner Sides asked why Mr. Watson preferred to take the funds from the capital building fund as opposed to the schools unbudgeted surplus? Mr. Russell said if the school system was anticipating selling the property, there is no need to take money from anywhere because it will be replenished.

Commissioner Sides said if the school system planned to sell the property, they should take the funds from their unbudgeted surplus and they wouldn’t have to bring the issue before the Commissioners. Mr. Russell explained that the issue would still have to come before the Board. Finance Director Leslie Heidrick said the capital building funds were funds set aside by the state specifically for the school system. Ms. Heidrick said the schools get approximately \$1 million per year and the County only serves as a “pass through.” Commissioner Sides said if the funds were not County money, then he did not have a problem with the issue.

Commissioner Mitchell moved to approve the request for the utilities bid for Millbridge Elementary School. Commissioner Sides seconded and the motion passed unanimously.

Commissioner Sides said he was aware the school administration was looking to update its office facilities, which would require a large sum of money. Commissioner Sides stressed, "If there is anywhere they can save money, I want them to save money" and if they can use their surplus money, "I want them to use theirs as opposed to using ours."

Mr. Watson requested approval of the use of contingency money for the new high school. Mr. Watson said "after bids" instructions were received from DENR requiring additional site work. Mr. Watson said these directives from the state were not unusual. Mr. Watson requested to take \$99,745 from the current project contingency of \$550,000. Mr. Watson said if the work was not performed "they could probably shut us down" or "they could fine us."

In response to a query from Commissioner Mitchell, Mr. Watson said that the state came back and requested that more changes be made to cover water control and erosions. Mr. Watson added that this was after CCC had complied with previous concerns from the state.

Commissioner Mitchell commented concern that this was early in the schedule to be tapping in on the contingency funds.

Commissioner Chamberlain questioned if this has happened before, to which Mr. Watson responded "yes".

Commissioner Chamberlain asked if this should not have sent a "red flag", to which Mr. Watson responded that CCC does not do any civil designs.

Commissioner Sides voiced concern about Mr. Watson's comment that there was no choice but to go with what the state says. Commissioner Sides said that there should be a letter of explanation, since this entails a lot of money and the state should be notified of the county's displeasure.

Commissioner Chamberlain questioned if a letter would matter to the state. Commissioner Sides responded by questioning if not getting a letter would matter. Mr. Watson expressed caution and stated that "you have to be careful".

Commissioner Mitchell made a motion to approve the change order for the site work followed by a second from Commissioner Chamberlain. The motion passed unanimously.

Mr. Watson reviewed a status report for the new high school, Millbridge Elementary, Salisbury High School, West Rowan High School, North Rowan High School, Isenberg Elementary, Erwin Middle School, East Elementary School, Cleveland Elementary, Woodleaf Elementary and Summit Parkway.

Commissioner Chamberlain described the outside work at Salisbury High School as a “wonderful looking project.” Mr. Watson attributed the success to Ramsey, Burgin and Smith Architects and Monteith Construction of Monroe, NC.

Chairman Tadlock thanked Mr. Watson and Mr. Christy for the presentation.

BOARD APPOINTMENT

Salisbury-Rowan Community Service Council, Inc.:

Commissioner Sides made a motion to approve the reappointment of Milton Taylor and the extension of one-year for Nora Faucette and the motion passed.

Juvenile Crime Prevention Council:

Commissioner Chamberlain made a motion to approve the appointment of Joshua Hoehman to fill the “Youth At Large” position on this council and the motion passed.

Rowan County Planning Board :

W. A. Cline submitted a resignation.

Commissioner Blount made a motion to appoint John Linker to fill this slot. The motion received one (1) vote of support from Commissioner Blount.

Commissioner Sides made a motion to appoint Mac Butner to fill this slot. The motion received four (4) votes with Commissioners Sides, Chamberlain, Mitchell and Chairman Tadlock in support.

Rowan County Rescue Squad

Commissioner Chamberlain nominated Mary Ponds for the at large slot and the motion passed unanimously.

Rowan County Nursing Home Advisory Committee:

Commissioner Chamberlain made a motion to reappoint Virginia Graves, Leah McFee and D. J. Whitfield to the committee and the motion passed.

PUBLIC COMMENT PERIOD:

Chairman Tadlock opened the Public Comment Period to hear from citizens who had signed up to address the Board.

1. Jeff Morris said he and Commissioner Sides had reviewed the Department of Social Services (DSS) budget the previous week. Mr. Morris thanked the Board for taking the steps during this meeting to reallocate the funds that would have gone towards the Bear Habitat Auditorium. Mr. Morris presented the following two (2) questions for the Board to ponder:
 1. Is the county Parks and Recreation Department so over-funded and over-staffed that it has the manpower to launch into major construction projects? Mr. Morris said, if so, perhaps they could

build schools by the Consent Agenda and save the citizens a 6% tax increase.

2. Mr. Morris reported that a black bear's longevity in the wild is 20 to 25 years. Mr. Morris said that Nikki and Lolli are at the end of their life expectancy. Mr. Morris asked if the purchase of new bears would be presented as a Consent Agenda item? Mr. Morris said the "allocation of the windfall from the Yadkin Railroad Stock toward the bear habitat was the last straw for voters last November who ousted two former elected officials." Mr. Morris described the bear habitat "as a classic monument to their falling." Mr. Morris thanked the Board members for allowing their conscience to guide them in regards to votes for money not spent on the bear habitat auditorium. Mr. Morris said the "funds could be put to good use elsewhere in our county."

2. Dale Wagstaff thanked the Board and commented that he hoped to continue to learn as he attended the Board meetings. Mr. Wagstaff said he had two (2) comments to make:
 1. It appears that at times the public bid process does not serve the County well. Mr. Wagstaff discussed a chapter in a book that he had just read, which was titled "The Art of the Deal" by Donald Trump. Mr. Wagstaff said he did not understand completely why in the case of the bear habitat that the \$750,000 was not put to public bid. Mr. Wagstaff said there was an advantage to the public bid process through the competitive pricing. Mr. Wagstaff said change orders are a good source of extra profit for contractors with ongoing projects.
 2. Mr. Wagstaff recalled discussion regarding the claim to naming rights for the \$750,000. Mr. Wagstaff said the issue of naming rights was presented so strongly at the meeting that perhaps votes had been influenced. Mr. Wagstaff also referred to the Board's discussion pertaining to naming rights for the "sports arena" in Kannapolis. Mr. Wagstaff felt that the county should not try to spend money not yet received. Mr. Wagstaff felt it was imperative that claims used to influence votes are followed up on.

With no additional citizen input, Chairman Tadlock closed the Public Comment Period.

BREAK FOR LUNCH:

Chairman Tadlock recessed the meeting at 11:50 am.

Chairman Tadlock reconvened the meeting at 1:00 pm

ECONOMIC DEVELOPMENT WORKSHOP:

Chairman Tadlock welcomed those present for the afternoon workshop on economic development and asked representatives for the Committee of 100 and the Rowan Jobs Initiative to come forward.

Committee of 100 and the Rowan Jobs Initiative

Brian Miller, Chairman of the Committee of 100 (C-100) and Dyke Messenger, Vice Chairman of the C-100 and the Chairman of the Rowan Jobs Initiative (RJI) were in attendance for the presentation.

Mr. Miller distributed a handout that listed previous questions from the Commissioners and he discussed the written responses to each question.

Upon completion of Mr. Miller's review, Chairman Tadlock asked the Board if there were any questions?

Commissioner Blount asked how many members the organization (C-100) had at this time? Mr. Messenger responded that there were approximately 55 or 60 members and that each member pays \$500 per year with some members having contributed more in the RJI effort.

Commissioner Sides asked if any of the members were from the private sector or if they were business members? Mr. Miller said membership was a combination of individuals and businesses but he estimated 90% of the RJI membership was from the business sector.

Chairman Tadlock asked if the goal was to have 100 members? Mr. Miller said the group would love to have 100 members but the name is a "brand" already established in the state and has very little to do with the number 100.

Chairman Tadlock questioned the cost of the membership and Mr. Miller explained that the \$500 is an annual expense and the operating budget is approximately \$25,000 based on current membership.

Commissioner Blount asked if the C-100 could see any duplication with what the EDC does or if the C-100 could replace the EDC? Mr. Miller responded, "Absolutely not." Mr. Miller said the C-100 is support to the EDC, which the organization considers a "full-time job." Mr. Messenger added that RJI was very different in that it would be providing money to encourage a broader sector of the business community to consider Rowan County. Mr. Messenger said the EDC was basically focused on bringing specific prospects and RJI was trying to generate a broader interest outside of the county.

In response to a query from Commissioner Sides regarding the pledges of \$530,000, Mr. Miller explained that the figure included the County's one-time allotment of \$150,000, the City of Salisbury pledged \$150,000 over a five-year period and the difference was from the private sector. Mr. Messenger explained

that it was “last year” that the County gave the \$150,000 in order to get the organization started. Mr. Messenger said the organization would not be asking for the funds this year but would be requesting funds “next year.” Mr. Messenger stressed the committee was important to the economic growth of this county and the Board’s support was needed along with the private sector.

Commissioner Sides referred to item #1 and asked if the committee had identified any of the sites the committee intended to purchase? Mr. Miller responded that the narrative was meant to say that the committee is working on the development fund first because the purchases would require financial resources. Mr. Messenger further explained that the committee would not do anything until the EDC has a prospect and something extra is needed to the “close this deal.”

Commissioner Mitchell asked what procedure might be used to get the committee’s services into action. Mr. Messenger said the action would start with the prospective industry. Mr. Messenger said this was a great question and he added “We’ll know it when we see it.” Mr. Miller said he would see it when it comes through the EDC’s “front door”.

Commissioner Chamberlain referred to the second paragraph and asked where the issue with the “brand name” stood. Mr. Messenger said the committee was awaiting marketing proposals from a variety of firms and he expressed hope that a firm would be selected by early to mid summer. Mr. Messenger said the theme of “Opportunity Delivered” was “how we want to drive our brand” and the 50-plus members accepted the theme. Mr. Messenger said the committee hoped to take a brand and tell a story behind that. Mr. Messenger anticipated the brand should be chosen by next fall.

Commissioner Chamberlain asked if these comments were consistent with the extra dollars funded for EDC marketing? Mr. Messenger explained that the Business Alliance, Chamber, school system, etc. were in support of developing one brand for Rowan County for all to adopt. Mr. Messenger said the brand would be put out to the external market and added that this is “separate work from what the EDC is doing.”

Chairman Tadlock moved to item #2 in the handout.

Commissioner Blount suggested asking general questions as opposed to following the item numbers in the handout and Chairman Tadlock agreed.

Commissioner Blount referred to handout and asked if the county’s “part” was some type of incentive to the company such as land, utilities, road improvements or cash incentives? Commissioner Blount asked if these items were considered as an integral part of the economic development process? Mr. Miller said yes and continued by saying “incentives are part of the landscape that we exist in.”

Mr. Miller compared having no incentives to the same scenario of sending players onto the football field without pads and helmets – “they’re gonna get killed.” Mr. Miller said, “We aren’t going to be able to win in this game if we don’t play the game with the rules that exist now.”

Commissioner Blount asked if there was a way to “get us out of that game?” Mr. Messenger said he was not sure what that way would be.

Commissioner Sides stressed that he had a problem with the county adding to the “bottom line” of a profit-making business. Commissioner Sides asked how the Board could justify taking taxpayers’ money and using it for incentives? Mr. Miller responded that he personally had answered that question by realizing 50% of something is better than nothing. Mr. Miller said if we do not play the game, we would not have the increase to our tax base to support other infrastructures such as schools.

Commissioner Chamberlain piggybacked on Mr. Miller’s comments and said the Board should do a “good job” and review each incentive request in an effort to determine the need.

Mr. Miller stressed that it was important not to be critical of the companies already located in Rowan County and to continue to be supportive of local businesses.

Commissioner Blount referred to the expansion grant the Board had just approved for National Starch. Commissioner Blount said the expansion was estimated at \$20 million and he felt the expansion grant “was a good idea.”

Commissioner Blount questioned funding for the committee and Mr. Messenger said additional funding was not needed this year but “we will be coming back” next year. Mr. Miller said the committee was attempting to keep the ratios consistent between the public and private sectors.

Commissioner Chamberlain said Rowan County did not have the money and that he would not vote to increase taxes in an unreasonable amount. Commissioner Chamberlain suggested leaning more on those in the private sector. Mr. Messenger said that there must be a partnership between the county and the private sector.

Commissioner Blount for further explanation on a report in the paper that stated the C-100 supports the Land Use Plan, as it relates to Farmland Preservation etc. and it sounded like there were directing residential and commercial development to the right place. Mr. Miller reference the costs and infrastructure on the I-85 corridor and said that these funds needed to be leveraged and get additional development to happen where it is most cost effective, which the Land

Use Plan does. Mr. Miller continued to explain that development needed to be encouraged where the county wants it to be developed.

Commissioner Sides said that Land Use Plan is zoning. Mr. Messenger said that they were not advocating a particular Land Use Plan. Mr. Miller added the importance of implementing a plan to be cost effective for the county. Mr. Messenger added that by the placement of water and sewer down I-85, “you are essentially doing that – that is a Land Use Plan and that is smart.”

Commissioner Chamberlain said that the Board would continue to do just what was stated until a Land Use Plan is developed. Mr. Miller stated that the I-85 corridor has the highest potential for the kind of development needed to support the infrastructure. Commissioner Chamberlain said that he agreed on a “short term bases” and said that he would argue that the west area also has a high potential. Mr. Miller applauded the Board for making the I-85 corridor a priority.

Mr. Miller concluded by expressing appreciation for the role the Commissioners play and added that the C-100 and the RJI desire to be an asset and part of the process. Mr. Miller expressed the members’ desire to see development occur and added that no one in this initiative is being paid.

Chairman Tadlock called for a break at 1:45 pm.

Chairman Tadlock reconvened at 1:50 pm.

Salisbury-Rowan Economic Development Commissioner

Randy Harrell, Director of EDC and Bruce Jones, Chairman of the EDC. Gave a PowerPoint presentation, which is included in the Commissioner’s packets.

Mr. Jones reviewed that the EDC was established in 1984 and was a partnership between the Rowan County, City of Salisbury and the municipal governments. Mr. Jones stated that the primary purpose was to promote the general welfare of the county by assisting with economic development and to promote ethical practices with the EDC staff and Board. Mr. Jones added that the most important message is that EDC is considered to be the lead agency for client handling.

- A. Mr. Harrell reviewed where the EDC is today, emphasizing that the EDC is all about product development. Mr. Harrell said that the EDC identifies sites, meets with realtors, brokers and property owners to assist with providing exposure of the availability of these sites. Mr. Harrell added that there are now two certified sites in Summit Corporate Center and on Peeler Road, which are qualified through stringent criteria. Mr. Harrell added that the EDC plans identify five (5) more sites this year. Mr. Harrell said Assistant Director Clyde Padgett has conducted over forty (40) visitations to existing companies in Rowan County. Mr. Harrell said that EDC supports infrastructure, which aids in bringing in industries and EDC

works with RCCC to assist with training. Mr. Harrell discussed the EDC supporting the construction of shell buildings and discussed the Pristine Building that houses six (6) bays of 5,000 square, of which 5 are being occupied.

Mr. Harrell said the EDC marketing is to work directly with the client and assisting with new and expanded industries. Mr. Harrell said that the EDC continues to maintain a database and works closely with the city and county GIS, which assists greatly with getting responses quickly to the clients. Mr. Harrell said that the EDC website is outstanding and one of the best in the state.

Mr. Harrell discussed plans for the EDC for the next three-five years and the EDC plans to continue to act as a lead agency for economic development and to assist clients with training, incentives, labor and the permitting process. Mr. Harrell said the EDC continues to be recognized as one of the premier economic development agencies in an every changing global economy.

Mr. Jones said that the EDC sees the role in economic development as “Jobs, Jobs, Jobs” and capital investment and the EDC’s core value is to promote a vital economy to improve the overall quality of life, with assistance from other organizations, such as the Chamber of Commerce. Mr. Jones said the EDC is focusing on above average salaries for employees and stressed Jobs as being the primary focus. Mr. Jones said the EDC is looking for Capital intensive organizations, which do not put a strain on schools systems and infrastructure. Mr. Jones said that the critical component is “us working together” and understanding all the roles. Mr. Jones said that the EDC acts as a “middle person” in trying to look after the taxpayers dollars and as well as the client.

Mr. Harrell named the following initiatives of the EDC:

- Summit Corporate Center
- I-85 corridor study and controlling the growth
- Infrastructure extensions and improvements
- EDC supports the Land Use Plan

Mr. Harrell said that the EDC serves as an advisory capacity in addressing incentives to prospects, which is done on a case by case basis for Rowan County. Mr. Harrell said that incentives are a reality and Rowan County needs to be open-minded in looking at incentives as an investment. Mr. Harrell said that taxpayers would not “get hurt” with performance based incentives.

Mr. Harrell said that the EDC would be coming before the Board within the next six months on another Master Plan recommendation around Summit Corporate Center, RCCC and the Fair Grounds.

Mr. Harrell said that Rowan County needs to “set the stage” on the type of companies needed for Rowan County, which the EDC has accomplished.

Mr. Harrell explained that a commitment, consistency and uniformity are necessary initiatives needed to put Rowan County in the “drivers seat” for attracting new jobs and new investments with a “Can do attitude”.

Mr. Harrell said that the EDC supports the C-100 and the RJI and encourages private sector support, branding and identity. Mr. Harrell stressed the need to be cognoscente of having a competitive incentive package available.

Mr. Jones discussed how the EDC compares with the C-100 and the RJI and said that the EDC acted as a catalysis for this organization to start. Mr. Jones discussed how the EDC’s marketing plan and the C-100’s marketing plan coordinate together. Mr. Jones reminded the Board of the marketing funds provided by the Commissioners to the EDC, of which some funds have been spent. Mr. Jones added that the EDC is waiting to see what plan develops with the RJI. Mr. Jones said that at that point, the EDC Board would form a committee to help with the development of a marketing plan.

Mr. Harrell discussed the cost projections for the next three-five years by breaking this out into three segments:

1. Operating and Administrative Expenses -- to increase 5% per year, the bulk of which will be in health insurance in addition to salaries and merit.
2. Office and Utilities – to increase 3%
3. Market and Prospect Development – \$5.000 per year

Commissioner Chamberlain asked Mr. Harrell if he said anything different then what he said four (4) years ago. Commissioner Chamberlain said that if same things continue to be done without results, then why are the same things being done and it appears that some counties are getting results where Rowan County is not. Mr. Harrell responded that “you did hear allot” of different things in this presentation. Mr. Harrell said that he has been in Rowan County for six (6) years and during this time has worked closely with private and pubic businesses and continues to try and get their support. Mr. Harrell said that there is more of an effort for site selection.

Commissioner Mitchell asked for the comparison of Rowan County with other counties as compared to budget, successes and failures. Mr. Harrell responded that Gaston County has a million dollar budget and Lincoln County’s budget is comparable to Rowan County. Mr. Harrell said that Lincoln County has had some good successes and Rowan County needs to work harder to get our message out.

Commissioner Mitchell asked Mr. Harrell if they solicit feedback from companies. Mr. Harrell gave an example as expressed from one of the consultants that stated they were not overly impressed with the student interviews at the college. Mr. Harrell said that some students expressed that they would leave the area for

as little at \$.50 per hour, where the consultants did not receive this kind of feedback from Cleveland. Mr. Harrell said that they do not normally receive feedback from companies, but if they do, the information is assessed. Mr. Harrell stated that there is a lot of secrecy in this business.

Commissioner Sides read from an article in the Charlotte Observer about Gaston County EDC that flew to Germany in 1995 to convince Audi to come to Gaston County. Commissioner Sides said that during this meeting the Audi official opened a file “jammed packed full” of papers from other EDC that had visited the facility to make the same offer.

Commissioner Sides said that if a \$30,000 piece of property is made to be worth \$30,000 an acre and then the property is reduced in price and given to a company for \$10,000 an acre as an incentive, the company’s profit has increased along with the company’s quality of life, but what about the citizens of Rowan County.

Commissioner Blount questioned if Rowan County had sites that would meet the criteria to be certified. Mr. Harrell said that he raised this question to the Department of Commerce and asked the importance of certified sites. Mr. Harrell said it has been during the last five (5) years that having certified sites came into play and cautioned that this is an expensive process, but it does generate traffic. Mr. Harrell said that it is an advantage to have more sites.

Commissioner Blount asked what criteria is “knocking out” most of the sites in Rowan County to be certified. Mr. Harrell gave the example that sewage has to be within 500 feet, gas and water has to be at the site, Geo-tech work must be done, environmental assessments must be done and the owner has to agree to sell the property at a set price that is legal contract.

Commissioner Chamberlain questioned how Rowan County stacked up to the other 18-20 counties that have certified sites. Mr. Harrell said that Catawba took the lead for certified sites in our region with three (3).

In response to a query from Commissioner Chamberlain, Mr Harrell stated that Rowan County has approximately five (5) sites that could move forward to be certified.

Mr. Harrell stated that the certified site in Summit Corporate Center cost \$10,000. in response to a question from Commissioner Chamberlain. Mr. Harrell added that Rowan County would receive 25% of this amount back through the Golden Leaf Foundation.

Commissioner Blount reminded the board of the new idea, which he presented at the Commissioner’s retreat in February. Commissioner Blount also mentioned that during the last ten years, negative things have been said about incentives

and asked if financial incentives are a necessary part of the economic development strategy. Mr. Harrell commended Commissioner Blount for his innovation and said that it is not however reality. Mr. Harrell said that in order to be competitive, incentive would need to be offered along with relocation, expansion and retention grants.

Commissioner Chamberlain asked for the opinion in having a case by case incentive appraisal as opposed to an incentive package in place. Mr. Harrell responded that a lot is contingent on the county manager and or getting to the “right person at the right time” so that the county manager can convey the message. Mr. Harrell added that this has never been a hindrance or eliminated a project.

In a response to a query from Commissioner Blount, Mr. Harrell said that in order to keep the project alive, time is critical. Mr. Harrell said that they never make a commitment to incentives.

Chairman Tadlock asked when the new EDC board members would need to be in place and asked if there is “new bate” that EDC could use in the future. Chairman Tadlock asked if the EDC was instrumental in reducing the unemployment rate and if the EDC was using the resources of the three (3) outstanding colleges in Rowan County.

1. In response to the question on board members, Mr. Harrell said that letters had been sent out to all municipalities, since there was a change in the bylaws and as of yet there has been no responses. Mr. Harrell said that the new board members would be effective in July of this year. Mr. Harrell said that a committee, under the EDC Board would, provide the recommendations for new members.
2. Mr. Harrell said in order to “compete” the incentive package must be increased.
3. Mr. Jones said that the EDC has had an impact on the unemployment in Rowan County and that Rowan County is fortunate to be in an area knowing that economic growth is coming along I-85. Mr. Jones said that EDC has assisted industries in addressing problems such as the increased cost of water and sewer. Mr. Jones said that EDC plays a critical role in job retention, which continues to be a priority.
4. Mr. Harrell said that EDC has established a team with RCCC that responds quickly to meet with prospects. Mr. Harrell said that the other colleges will provide tours when needed, since most companies are interested in training.

Mr. Harrell and Mr. Jones thanked the Board for allowing this presentation and expressed hope that the presentation was insightful.

BOARD ADJOURNS:

There being no further business to be brought before the Board, Chairman Tadlock adjourned the meeting at 3:00 pm.

Respectfully Submitted,

Rita K. Foil, CMC
Clerk to the Board