

**MINUTES OF THE MEETING OF THE
ROWAN COUNTY BOARD OF COMMISSIONERS
June 19, 2006 – 7:00 PM
J. NEWTON COHEN, SR. ROOM, ADMINISTRATION BUILDING**

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

County Manager William Cowan, Clerk to the Board Carolyn Athey, County Attorney Jay Dees and Finance Director Leslie Heidrick were present.

Chairman Chamberlain convened the meeting at 7:00 pm.

Commissioner Mitchell provided the Invocation and Commissioner Blount led the Pledge of Allegiance.

ADDITIONS/DELETIONS TO THE AGENDA

County Manager William Cowan requested to add the following 4 items to the agenda:

1. Request from District Attorney William Kenerly for temporary funding for Assistant District Attorney positions. Chairman Chamberlain moved to add the issue as agenda Item 2a. Commissioner Blount seconded and the motion passed unanimously.
2. To set a public hearing for the July 17, 2006 Commission meeting for consideration of the DDSM Properties, LLC project. Chairman Chamberlain moved to set the public hearing for July 17, 2006 and to add the issue to the Consent Agenda as Item J. The motion was seconded by Commissioner Blount and carried unanimously.
3. Discussion regarding the recommendations from the Personnel Board for the classification study for Department Directors. Chairman Chamberlain moved to add the Department Directors classification study to the agenda as Item #9. Commissioner Mitchell seconded and the vote passed unanimously.

4. Discussion pertaining to the Codes Enforcement Officer study. Chairman Chamberlain moved to add the discussion to the agenda as Item 10. The motion was seconded by Commissioner Blount and carried unanimously.

APPROVAL OF THE AGENDA

Commissioner Mitchell moved, Commissioner Blount seconded and the vote for approval of the agenda passed unanimously.

APPROVAL OF THE JUNE 5, 2006 MINUTES

Commissioner Mitchell moved for approval of the minutes of the June 5, 2006 meeting. The motion was seconded by Commissioner Blount and carried unanimously.

1. CONSIDERATION OF THE CONSENT AGENDA

Commissioner Sides moved to pull Item C from the Consent Agenda for a separate vote. The motion was seconded by Commissioner Mitchell and passed unanimously. Chairman Chamberlain added the issue as Item 2a.

Commissioner Mitchell moved to approve the Consent Agenda as amended. Commissioner Blount seconded and the motion passed unanimously.

The Consent Agenda consisted of the following items:

- A. Approval of Grant from NC Crime Control & Public Safety
- B. Approval of Health Department Fee Schedule for Fiscal Year 2006-07
- C. Approval of Offers for Purchase of T-hangars (pulled for discussion)
- D. Set Public Hearing for July 17, 2006 to Amend HOME Program
- E. Approval of Revised Ambulance Fee Schedule
- F. Approval of Subdivision Guarantee for (1) Road in Ketner Farms
- G. Approval of Updated Letter of Credit for Proposed Utility in Sunset Pointe Phase I, II, & III
- H. Set Public Hearing for July 17, 2006 for Unanimous Petition for Chippewah Woods Circle
- I. Set Public Hearing for July 17, 2006 for Unanimous Petition for Blackfoot Lane
- J. Set Public Hearing for July 17, 2006 for consideration of DDSM Project (addition to the agenda)

2a. APPROVAL OF OFFERS FOR PURCHASE OF T-HANGARS

Commissioner Mitchell moved for approval of the (3) leases. The motion was seconded by Commissioner Blount and carried 4-1 with Commissioner Sides dissenting.

2. PUBLIC HEARING FOR MAJORITY PETITION FOR LAKE FOREST COVE ROAD

Fredda Greer of the Rowan County Planning Department provided the background for the majority petition and said that 2 out of 3 property owners had signed the petition in support of the proposed road name. Staff recommended approval.

Chairman Chamberlain opened the public hearing to entertain citizen input regarding the proposed road name of Lake Forest Cove Road. With no one wishing to address the Board, Chairman Chamberlain closed the public hearing.

Commissioner Mitchell moved, Commissioner Sides seconded and the vote to approve Lake Forest Cove Road passed unanimously.

3a. FUNDING REQUEST FROM DISTRICT ATTORNEY'S OFFICE

County Manager William Cowan distributed a memo from the District Attorney's Office regarding assistance with temporary funding for 2 Assistant District Attorney's positions.

District Attorney William Kenerly provided the background regarding the request and said that approximately 4 ½ years ago a federal grant was received, which provided funding for 2 Assistant District Attorneys. Mr. Kenerly said when the grant expired, the State Administrative Office of the Courts continued the funding until June 30, 2006. Mr. Kenerly said while it appears that legislation will provide funding for the 2 positions, funding would not be effective for approximately 3 to 6 months. Mr. Kenerly asked that the County, along with the City of Salisbury, temporarily "bridge" the gap in funding. Mr. Kenerly said the City of Salisbury would be considering the request on June 20, 2006.

Commissioner Blount moved to fund up to 50% of the cost of keeping the Assistant District Attorney's during the gap. Commissioner Mitchell seconded the motion.

Commissioner Sides expressed concern that the state might not fund the additional positions if the county was providing assistance. Commissioner Sides said he would like for the Board to wait until the actual need had been determined.

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

3. PUBLIC HEARING FOR SPECIAL CONSIDERATION OF PROPOSED NAME OF ANDOVER LANE

Fredda Greer of the Rowan County Planning Department explained that the road had been cited for naming during the March 2003 hearings. Due to conflicts between Staff and a property owner as to which part of the road should be

named, the Commissioners had asked Staff to verify information to be presented at a later time.

Ms. Greer said Staff provided 5 property owners with the opportunity to name the road but to date no response had been received. Staff proposed and recommended approval of Andover Lane.

Chairman Chamberlain opened the public hearing to entertain citizen input regarding the proposed road name of Andover Lane and with no one coming forward to address the Board, Chairman Chamberlain closed the public hearing.

Commissioner Sides moved, Commissioner Blount seconded and the vote to approve the road name of Andover Lane passed unanimously.

4. UPDATE FROM CONSTRUCTION CONTROL CORPORATION REGARDING SCHOOL CONSTRUCTION PROJECTS

Ed Watson from Construction Control Corporation (CCC) provided the Board with an update on the school construction projects.

5. REQUEST TO USE PROJECT CONTINGENCY @ JESSE CARSON HIGH SCHOOL

Ed Watson from Construction Control Corporation (CCC) explained that due to budgetary concerns, a decision had been made not to pave the student parking lot at the new Jesse Carson High School.

Mr. Watson reported that the Board of Education was recommending the use of project contingency funds to pay for the paving, not to exceed \$300,000.

At the request of Commissioner Sides, Mr. Watson discussed the projected fund balance for Jesse Carson High School. Mr. Watson said the \$2.9 million in funds are committed but have not yet been spent. Mr. Watson said he would verify this information.

Commissioner Sides moved to allow the use of the maximum of \$297,162 from the contingency to pave the parking lot. Commissioner Blount seconded and the motion passed unanimously.

6. WATER/SEWER AGREEMENT AND RESOLUTION FOR EAST ELEMENTARY

Ed Watson from Construction Control Corporation (CCC) presented an approved agreement between Rowan Salisbury Schools and Salisbury-Rowan Utilities for the construction of a water main, lift station, and force main to serve East Elementary School. The total estimated project cost to the school system remains at the budgeted amount of \$1,300,000.

Commissioner Blount moved for approval of the request and Commissioner Mitchell seconded.

Commissioner Sides stated he would not support the motion because he did not agree with some of the terms of the contract with Salisbury-Rowan Utilities.

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

7. REQUEST FROM SALISBURY-ROWAN UTILITIES FOR SECOND CREEK GRANT PROJECT

Matt Bernhardt, Assistant City Manager for Utilities introduced Carol Hamilton, Environmental Services Manager and Stephanie Athey, intern/civil engineering student from NC State University.

Mr. Bernhardt provided the Board with a power point presentation as he discussed the Second Creek Grant Project. Mr. Bernhardt said the participants who stood to benefit from the project were Rowan County, Apple Baking, Meridian Automotive, Rowan-Salisbury Schools and the City of Salisbury/Salisbury-Rowan Utilities. Mr. Bernhardt explained that the project would allow the extension of sewer service into the Second Creek Drainage basin and the elimination of at least 3 package sewer systems. The project would also allow the opportunity for expansions at Meridian Automotive and Apple Baking.

The total project cost was \$4,085,000 with grants being sought in the amount of \$3,505,000, and the remaining \$580,000 in local dollars. Mr. Bernhardt mentioned that Skip Greene was the grant consultant and he then reviewed the breakdown of the grants being applied for. Mr. Bernhardt explained that Rowan County must be the grant applicant because the City of Salisbury was an entitlement city and not eligible to apply for Small Cities Communities Grant funds. Mr. Bernhardt said the proposed minimum local funding for Rowan County was \$189,666 and the proposed maximum local funding for Rowan County was \$681,333. Mr. Bernhardt said conversations with various agencies had led Staff to believe the minimum funding scenario was likely. Mr. Bernhardt reported that if Rowan County and the City of Salisbury approve the proposal, the project would get underway immediately.

Mr. Bernhardt highlighted the project benefits.

Commissioner Mitchell asked when the local funding would need to be available if the project were to be approved. Mr. Bernhardt said the project would extend over several years, however the local funding should be available fairly soon for the upfront phases, beginning July 1, 2006. Mr. Bernhardt added that SRU was not proposing to do the project under the maximum funding scenario and that SRU would approach the parties involved if there were any changes.

Commissioner Mitchell referred to the note in the handout regarding Meridian Automotive creating at least 100 new jobs. Commissioner Mitchell asked who would be responsible for paying back grant funds if the jobs were not created. Mr. Bernhardt responded that the agencies would be responsible for repayment in that event. Mr. Bernhardt added that the figures were below the number of jobs that both Meridian Automotive and Apple Baking had projected.

In response to a query from Commissioner Sides, Mr. Bernhardt used the power point presentation to show where the city lines currently stop. Mr. Sides inquired about a satellite annexation. Mr. Sides inquired if Mr. Bernhardt knew the next targeted area for annexation in the vicinity and Mr. Bernhardt responded that he was unaware of the answer. Mr. Sides asked if the project would aid the City of Salisbury in future annexations. Mr. Bernhardt said water/sewer was essential for any annexation. Mr. Bernhardt continued by emphasizing that the project focus was about cost avoidance and cost elimination for all involved agencies, as well as the ability for industry expansion. Commissioner Sides said while he could agree with most of the points made for the project, he contended that the project had a considerable affect on annexation and that he felt annexation was the reason behind the project. Commissioner Sides asked how much money Meridian Automotive would save on waste disposal and Mr. Bernhardt said SRU did not specifically ask Meridian for that information. Mr. Bernhardt said each agency had been asked the needed information for the grant application and to make the project work.

Commissioner Sides said he wanted the public to be aware that the project was an incentive for Meridian Automotive if the company was being relieved of substantial waste disposal costs. Mr. Bernhardt said neither of the companies involved had expressed an interest in incentives in their discussions of the project. Mr. Bernhardt also confirmed to Commissioner Sides that SRU would own the infrastructure created upon project completion

Commissioner Blount questioned the County's funding sources for the project and County Manager William Cowan said there was an adequate Fund Balance for such one-time projects.

Chairman Chamberlain pointed out that the Board had approved an Incentive Policy and that any incentives would be dealt with separately.

Commissioner Blount stated that it was always important to expand the infrastructure in order to attract new companies and to also aid existing companies with growth. Commissioner Blount moved to approve entering into this partnership with a total financial commitment of \$189,667 to be modified later as required, and authorization to apply for these grants. Commissioner Mitchell seconded the motion.

Chairman Chamberlain suggested that the City of Salisbury consider giving the County representation on the Salisbury Rowan Utilities Board.

Upon being put to a vote, the motion on the floor passed 4-1 with Commissioner Sides dissenting.

8. HOME PROGRAM IMPLEMENTATION POLICIES

Gary Wilson from Benchmark CMR, Inc. reviewed the policy documents that would guide Staff in the selection of recipients and distribution of HUD HOME funds. Mr. Wilson stated that on July 1st the County would be receiving about \$108,000 and that the county had already decided on how to spend the funds, 1) housing rehabilitation, and 2) a down payment assistance program.

Mr. Wilson asked the Board to accept the information.

ADDITION: RECLASSIFICATION OF DEPARTMENT DIRECTORS

County Manager William Cowan said the Personnel Board had asked Human Resources to perform a market analysis of the Department Directors. Mr. Cowan distributed a summary of the report to the Commissioners.

Director of Administration Ken Deal discussed the reclassification process and reported that most Department Directors were in the 90% range, with the County's goal being 91% to 92%. Mr. Deal said the Personnel Board recommended a 5% increase in the salaries for the Directors of the Board of Elections, Telecommunications and Senior Services.

Chairman Chamberlain stated that the former County Manager had set the Department Directors salaries in the past but that Staff had been asked to perform the study this year. The study resulted in the recommended wage increases for 3 Directors. Chairman Chamberlain added that the Cost of Living Adjustment would be added on top of the increase.

Commissioner Mitchell moved, Commissioner Blount seconded and the vote for approval of the 3 salary increases passed unanimously.

ADDITION: CODES ENFORCEMENT STAFFING

County Manager Bill Cowan provided a handout and stated that based on budget meetings with the Environmental Services Director and the Codes Enforcement Supervisor, a study was needed to determine if Codes Enforcement positions were properly classified and staffed. Mr. Cowan said the report before the Board was a result of the study and it was found that Rowan County was severely understaffed.

Commissioner Blount referred to the pay level comparisons and said it appeared that Cabarrus County was Rowan's biggest competitor. Mr. Deal responded by

explaining Rowan's career development plan as opposed to the levels of experience in Cabarrus County.

Mr. Deal said the biggest issue currently facing Rowan's Codes Enforcement Staff was the number of daily inspections. Mr. Deal said the average number of daily inspections should be 8 to 12 but that employees were doubling these numbers at times. Mr. Deal felt that three positions might be needed. Mr. Deal said the County did not want inspectors to become overwhelmed and allow "things to get by."

Chairman Chamberlain pointed out that timely inspections provided the contractors with the opportunity to carry on with business.

Mr. Deal said the use of laptops in the field does not require as many trips back to the office. Mr. Deal said Staff was working with Information Systems pertaining to the use of laptops for inspectors.

Commissioner Blount questioned Mr. Deal about the rates/levels for inspectors from comparable counties. Mr. Deal explained how the certificates/experience determine the rate of pay.

Commissioner Blount expressed concern with 1) salaries of comparable counties, and 2) the benefits package of comparable counties. Commissioner Blount said hiring additional workers with no certification did not reduce the workload for those who were already skilled. Commissioner Blount said the County should determine how to entice qualified workers to come to work in Rowan County. Commissioner Blount asked how many positions the Personnel Board was recommending and Chairman Chamberlain responded one replacement and one additional employee. Commissioner Sides clarified that one new position was already in the budget, therefore a total of 2 new positions and one replacement.

Chairman Chamberlain called Barry Motsinger, Codes Enforcement Supervisor forward. Mr. Motsinger said most of the applications/resumes received thus far had no construction experience.

Mr. Deal said he was sending the Codes Enforcement Officers in surrounding counties a letter regarding the openings in Rowan County.

Chairman Chamberlain asked if the County was able to offer more than what other counties are paying and Mr. Deal responded that it was possible if the applicant held all of their certificates. Mr. Motsinger said the inspectors who held all of their certificates were swamped daily while inspectors in other counties held certificates for one or two trades and were at the same pay level.

After further discussion, Chairman Chamberlain said he understood the need was for additional inspectors; better pay for 1 or 2 employees and laptops in the field.

Commissioner Blount said he would like to see Staff's report regarding the differences in the benefit packages in surrounding counties.

Chairman Chamberlain recognized those in the audience from the Salisbury Rowan Homebuilders Association.

9. REQUEST FOR FUNDING FOR WHITE HILL WATERLINE

County Manager William Cowan discussed an email from Mike Legg, Kannapolis City Manager, concerning a funding request for a water line for the residents of White Hill, a community in Enochville. Mr. Cowan said the request asked for \$12,000 from the Enochville Fire District and \$8,000 from Rowan County. The City of Kannapolis would contribute \$10,775 and \$280,000 would be obtained in federal funds. Mr. Cowan said the figures were based on actual bids and not estimates. Mr. Cowan asked if the Board wished to participate in the project at 6.8%?

Mr. Cowan said the property was located in Rowan County and that there were several families that had contaminated water due to petroleum leakage. Mr. Cowan said some cleanup had occurred but the families had continued to have to carry water for bathing and drinking.

Commissioner Sides suggested splitting the costs evenly with the City of Kannapolis.

Commissioner Blount expressed concern with setting a precedent regarding other hardship cases.

Mr. Cowan pointed out that splitting the costs at 50-50 allowed the County to set a policy and participate in projects up to 5% of their total cost. Commissioner Blount agreed that the policy was reasonable and a legal way to argue the point if it came up in the future.

Commissioner Sides moved to supply 5% to the project, which would be \$15,388. Commissioner Mitchell seconded and the motion passed unanimously.

10. CONSIDER APPROVAL OF FY 2006-07 PROPOSED BUDGET

County Manager William Cowan said the Budget Ordinance reflected the changes that were made at the last budget work session for fiscal year 2006-07. Mr. Cowan mentioned that the Ordinance sets forth the Board's compensation for the next fiscal year, as well as the rules and guidelines that administer the budget and the all of the funds.

Fund 101 – General Fund

Commissioner Blount moved to adopt General Fund 101 Budget Ordinance as presented. Commissioner Mitchell seconded and the motion passed 4-1 with Commissioner Sides dissenting.

Fund 201 – Fire District Fund

Commissioner Mitchell moved for approval of Fund 201. The motion was seconded by Commissioner Blount.

Commissioner Sides said a citizen had informed him that the Enochville Fire Department would be receiving grant monies that were “not necessarily anticipated.” Commissioner Sides said the grant funds were in excess of the amount of the requested 2-cent tax increase. Commissioner Sides said he was also told that at the last Fire Commission meeting, there had been discussion as to what the 2-cent tax increase would be used for. Commissioner Sides said based on the information, he could not support the 2-cent tax increase.

Commissioner Chamberlain asked if there was anyone present from the Enochville Fire Department and there was no response from the audience.

In response to a query from Commissioner Blount, Mr. Cowan said he had not been officially contacted by the Enochville Fire District or Fire Department.

Chairman Chamberlain said he, too, was uncomfortable to support the additional increase. Chairman Chamberlain recognized EMS Director Frank Thomason in the audience. Mr. Thomason confirmed to Chairman Chamberlain that numerous fire departments had received Homeland Security grant funding.

Commissioner Mitchell moved to amend the motion to reduce the Enochville Fire District tax levy to 4-cents. The motion was seconded by Commissioner Sides.

Commissioner Blount asked if the whole process should be stopped since other departments had received grant funds and he also questioned stopping the process because of the concerns of one citizen. Commissioner Blount expressed concern that neither the County Manager nor the Board had been officially contacted by the fire department asking to reduce the budget request.

Mr. Cowan said the rate must be set by June 30.

Commissioner Tadlock pointed out that the Fire Commissioners recommend what is needed for their respective fire departments. Commissioner Tadlock continued by saying he would like to hear from the Fire Commissioners from Enochville. Commissioner Tadlock felt the Fire Commissioners had substantiated the requested increase.

Upon being put to a vote, the motion on the floor passed 3-2 with Commissioners Blount and Tadlock dissenting.

Commissioner Sides seconded the amended motion by Commissioner Mitchell. The amended motion passed 3-2 with Commissioners Blount and Tadlock dissenting.

Fund 202 – Emergency Telephone System Fund

Commissioner Mitchell moved approval of Fund 202 followed by a second from Commissioner Blount. The motion passed 4-1 with Commissioner Sides dissenting.

Fund 501 – Risk Management Fund

Commissioner Blount moved approval of Fund 501 as presented. Commissioner Mitchell seconded and the motion passed unanimously.

Fund 601 – Landfill Fund

Commissioner Mitchell moved approval of Fund 601. The motion was seconded by Commissioner Blount and passed unanimously.

Fund 602 – Sports Authority Fund

Commissioner Blount moved approval of Fund 602. Commissioner Mitchell seconded and the motion passed 4-1 with Commissioner Sides dissenting.

11. DISCUSSION REGARDING JULY COMMISSION SCHEDULE

County Manager William Cowan discussed the possibility of the Board amending its July meeting schedule. Mr. Cowan noted that the Board did have one Special Meeting scheduled for July 10th for the express purpose of a Closed Session.

Commissioner Sides moved to have one meeting on July 17, a regularly scheduled meeting. Commissioner Tadlock seconded and the motion passed unanimously.

12. BUDGET AMENDMENTS

Commissioner Mitchell moved, Commissioner Blount seconded and the vote to approve the budget amendments as presented passed unanimously.

13. APPROVAL OF BID FOR AUDIT SERVICES

Finance Director Leslie Heidrick reported that the Finance Department had received 3 bids in response to the Request for Proposals for audit services. The 3 bids received were from:

Fiscal Year Ending June 30			
	2006	2007	2008
Potter & Company	\$ 34,000	\$ 36,000	\$ 38,000
Martin Starnes & Associates	\$ 40,000	\$ 42,000	\$ 44,000
Dixon Hughes	\$ 43,000	\$ 44,700	\$ 46,400

Ms. Heidrick said Staff recommended that the contract for audit services be awarded to Potter & Company.

Commissioner Mitchell moved, Commissioner Blount seconded and the vote to award the resolution and contract for audit services to Potter & Company passed unanimously.

14. PUBLIC COMMENT PERIOD

Chairman Chamberlain opened the Public Comment Period to receive comments from citizens. The following citizens addressed the Board:

- John Burke commended the Board for approving the budget without a tax increase or a tax cut.
- Carl Ford expressed appreciation to the Board for its work on the budget. Mr. Ford felt that not cutting taxes allowed wasteful spending to continue, such as funding of the Sports Authority. Mr. Ford anticipated that the meeting room would be full of angry people “next year” due to revaluation. Mr. Ford expressed hope that the Board could find areas in which to cut wasteful spending of taxpayers’ funds.
- Tina Hall said she was concerned that the Board had been unable to provide a tax cut; she felt the Board had missed a “golden opportunity” with the revaluation coming. Ms. Hall referred to an article in the Salisbury Post regarding the Sports Authority and she questioned an agreement/payment from the City of Kannapolis.

With no one else wishing to address the Board, Chairman Chamberlain closed the Public Comment Period.

Chairman Chamberlain addressed Ms. Hall’s comments regarding the payment from Kannapolis. Chairman Chamberlain clarified that only the normal payment of \$153,000 had been budgeted.

15. EXECUTIVE SESSION

Commissioner Mitchell moved at 9:16 pm for the Board to enter Closed Session according to North Carolina General Statute 143-318.11(a)(1) for the purpose of approving closed session minutes to prevent the disclosure of information that is privileged or confidential; and according to North Carolina General Statute 143-318.11(a)(3) for Attorney-Client Privileged Communication regarding Wilson Properties. The motion was seconded by Chairman Chamberlain and passed 4-1 with Commissioner Sides dissenting.

Before entering Closed Session, Chairman Chamberlain called for a short break at 9:16 pm.

RETURN TO OPEN SESSION

The Board returned to Open Session at 9:28 pm.

Commissioner Mitchell moved to instruct the County Attorney to begin the process of having a court determine the fair market value of the Wilson hangar building; and that the monthly lease payments at that point will begin being deposited with the Clerk of Court. The motion was seconded by Commissioner Tadlock.

Commissioner Sides clarified that the deposits with the Clerk of Court would be applied towards the purchase price of the hangar.

The motion passed unanimously.

ADJOURNMENT

Commissioner Mitchell moved, Commissioner Blount seconded and the vote to adjourn at 9:30 pm passed unanimously.

Respectfully Submitted,

Carolyn Athey
Clerk to the Board