

**MINUTES OF THE MEETING OF THE
ROWAN COUNTY BOARD OF COMMISSIONERS
November 4, 2013 – 3:00 PM**

J. NEWTON COHEN, SR. ROOM

J. NEWTON COHEN, SR. ROWAN COUNTY ADMINISTRATION BUILDING
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Present: Jim Sides, Chairman
Craig Pierce, Vice-Chairman
Jon Barber, Member
Mike Caskey, Member
Chad Mitchell, Member

County Manager Gary Page, Clerk to the Board Carolyn Barger, County Attorney Jay Dees and Finance Director Leslie Heidrick were present.

Chairman Sides convened the meeting at 3:00 p.m.

Chairman Sides provided the Invocation and also led the Pledge of Allegiance.

CONSIDER ADDITIONS TO THE AGENDA

- Commissioner Barber moved to add a discussion regarding the purchase of the Salisbury Mall. The motion was seconded by Commissioner Pierce and passed unanimously.

Chairman Sides added the issue as agenda item #7a.

- Commissioner Pierce moved to add a public hearing for a Department of Commerce Community Development Block Grant application for economic development. The motion was seconded by Commissioner Barber and passed unanimously.

Chairman Sides added the issue as agenda item #2a.

- Commissioner Barber moved to add a discussion regarding the no further action letter for property located at 329 South Main Street. The motion died due to the lack of a second.

CONSIDER DELETIONS FROM THE AGENDA

There were no deletions from the agenda.

CONSIDER APPROVAL OF THE AGENDA

Commissioner Barber moved, Commissioner Pierce seconded and the vote to approve the agenda passed unanimously.

CONSIDER APPROVAL OF THE MINUTES

Commissioner Barber moved, Commissioner Pierce seconded and the vote to approve the minutes of the October 21, 2013 Commission Meeting passed unanimously.

1. CONSIDER APPROVAL OF CONSENT AGENDA

Commissioner Barber moved approval of the Consent Agenda. The motion was seconded by Commissioner Pierce and passed unanimously.

The Consent Agenda consisted of the following:

A. Proclamation Honoring Veterans Day in Rowan County

WHEREAS, America was founded on the principles of liberty, opportunity and justice for all; and

WHEREAS, America has called on her men and women in uniform to protect our national security, to advance our national interests and to preserve our rights and independence; and

WHEREAS, on Veterans Day we recognize the men and women of our Armed Forces who have valiantly defended these values throughout our Nation’s history; and

WHEREAS, on Veterans Day we also remember and pay tribute to the millions of patriots whose invaluable contributions, courage and sacrifices have secured our freedom and who have kept the peace and defended our values around the globe; and

WHEREAS, our Nation’s servicemen and women deserve our deepest appreciation and respect for their selflessness and devotion.

NOW, THEREFORE BE IT RESOLVED, that the Rowan County Board of Commissioners does hereby proclaim November 11, 2013 as VETERANS DAY IN ROWAN COUNTY.

BE IT FURTHER RESOLVED that the Rowan County Board of Commissioners in keeping with the time honored tradition of recognizing and honoring our veterans, does hereby call upon the citizenry of Rowan County to observe this day with appropriate ceremonies in honor of our veterans, both living and deceased, who have served this country so willingly to preserve the principles of justice, freedom and democracy; to fly the flag and let our veterans know we appreciate their great sacrifices.

B. Campground Rules Changes

C. Approval of Bid for Purchase of Two Ambulances

D. Amendment to April 17, 2013 Tax Administration Records Retention Schedule

2. PUBLIC COMMENT PERIOD

Chairman Sides opened the Public Comment Period to entertain comments from any citizens wishing to address the Board. With no one wishing to address the Board, Chairman Sides closed the Public Comment Period.

2a. PUBLIC HEARING FOR COMMUNITY DEVELOPMENT BLOCK GRANT FOR ECONOMIC DEVELOPMENT

Economic Development Director Robert Van Geons said the Board had voted during regular session on October 21, 2013 to set a public hearing regarding the proposed Community Development Block Grant (CDBG) for economic development. Mr. Van Geons said the public hearing had been advertised as required to provide an opportunity for citizens to offer input should they have any ideas or concerns regarding a potential CDBG for economic development. Mr. Van Geons said Board approval would not obligate the County to any action or any specific application in the future. Mr. Van Geons explained that once the public hearing was held, the Board could apply for up to one (1) year from today.

Chairman Sides opened the public hearing to receive citizen input regarding the proposed CDBG economic development application. With no one coming forward to address the Board, Chairman Sides closed the public hearing.

Commissioner Pierce moved, Commissioner Barber seconded and the vote for approval of the Rowan County North Carolina Department of Commerce CDBG for economic development passed unanimously.

3. CONSIDER APPROVAL OF PICTOMETRY

Chairman Sides stated the Board had received a presentation from Rich Rothman of Pictometry during regular session on October 21, 2013. The Board postponed a decision in order to allow additional review for the technical framework of the project.

Tax Administrator Kelvin Byrd said he had met with the County's Information Systems Network Administrator, Randy Cress, to review what could be done based on the contract presented from Pictometry. Mr. Byrd discussed how Pictometry would work with the County's current GIS Connect. Mr. Byrd said staff felt good about Pictometry if the Board chose to move forward with the purchase. Mr. Byrd said Pictometry agreed to allow the County to have the needed tools this year but there would be a license fee cost of \$500/year in the future.

Chairman Sides pointed out that funds had not been allocated for Pictometry and if the Board was to approve the purchase, the County Manager and Finance Director would need to find funds in the budget.

Commissioner Pierce moved approval of the Pictometry proposal. The motion was seconded by Commissioner Barber and passed unanimously.

4. CONSIDER PERMIT FEE INCREASE FOR BUILDING CODE ENFORCEMENT

Pete Bogle, Building Code Enforcement Director, reviewed a request for the Board to consider raising permit fees. Mr. Bogle said the increased fees would be paid by those who use the services and would benefit the County's general budget as opposed to specifically benefitting the Building Code Enforcement Department (Department).

Mr Bogle provided a power point presentation as he reviewed the proposed increases. The summary of the proposed fee increases was as follows:

1. Building Permit: Replace outdated ICC valuation chart with current ICC valuation chart, and adopt a policy to update the ICC valuation chart when published every six (6) months.
2. Plumbing Permit: Increases apply to commercial construction only. Increase connection inspection fees from \$30 to \$40. Increase per-fixture fees from \$7 to \$10. No increases on residential construction (other than minimum fee indicated in #5).
3. Mechanical Permit: Increases apply to commercial construction only. Increase simple split system (heat pump) from \$55 to \$75. Increase commercial kitchen hood from \$55 to \$75. No increases on residential construction (other than minimum fee indicated in #5).
4. Electrical Permit: Add levels to "Wire from Existing" (1-25 devices=MinFee, 26-50 devices=2xMinFee, 51-100 devices = 3xMinFee). Add Solar Permits (per system size and installation type). No increases except to reflect minimum fee increase.
5. Minimum Fee: Increase minimum fee from \$30 to \$40.
6. Plan Review: Increase from 1 cent per 1,000 square feet to 2 cents per 1,000 square feet.

Mr. Bogle estimated the proposed overall increase would be approximately 19.7%, or \$93,000/year based on last year's total permit fees.

Commissioner Pierce moved to accept the recommendations from Mr. Bogle for the increase in the Building Code Enforcement fees to include the current ICC chart annually; implement the new fee schedule immediately and add fees for solar arrays to be determined by the Inspection Department and approved by the Commissioners. Commissioner Barber seconded and the motion passed unanimously.

5. DISCUSSION REGARDING POSSIBLE 2014 COMMISSIONERS ANNUAL PLANNING WORKSESSION

Chairman Sides said the Board had chosen to conduct a Commissioners' Planning Worksession over the past several years due to the poor economy as opposed to the annual planning retreats that were held in the past. Chairman Sides asked the Board's preference for 2014.

Commissioner Barber said he was in favor of going back to the practice of holding a planning retreat.

Commissioner Pierce favored the Board holding a worksession in another county-owned facility as opposed to the regular meeting chambers.

In response to an inquiry from Chairman Sides, Commissioner Pierce preferred for the County Manager to relay the needs of the departments to the Board instead of having the individual directors make presentations during the worksession.

Commissioner Mitchell's preference was to hold a worksession in the regular meeting chambers for the ease of staff and in order to record the discussions. Commissioner Mitchell also preferred for the County Manager to relay the needs of the departments to the Board.

Commissioner Caskey said he preferred to conduct the worksession in the regular meeting chambers for video purposes so the public could watch the discussions. Commissioner Caskey said he liked the worksession format the Board had used back in February.

Chairman Sides said he would like for staff to come up with some suggested dates for a one day work session. Chairman Sides said the Board could schedule additional time if needed.

Chairman Sides mentioned that when the Board had established the position of Assistant County Manager, one of the duties was to develop a new Capital Improvement Plan (CIP). Chairman Sides said he would like to give the process time to work. Chairman Sides said the current plan was out of date and the Assistant County Manager had already started working on the new CIP.

Commissioner Pierce moved to instruct staff to come up with a date to schedule a worksession to be presented at the next meeting and the worksession would be held in Board's chambers. The motion was seconded by Commissioner Caskey and passed 4-1 with Commissioner Barber dissenting.

6. DISCUSSION REGARDING DECEMBER MEETING SCHEDULE

Chairman Sides said the Board typically holds one (1) meeting in the month of December due to the holidays. Chairman Sides asked if the Board wished to cancel the second meeting in the month of December.

Commissioner Mitchell moved, Commissioner Barber seconded and the vote to cancel the second board meeting in December passed unanimously.

7. CONSIDER PROPOSED TEXT AMENDMENTS TO AGENDA PROCESS

Chairman Pierce stated that during regular session on October 21, 2013 he had suggested an Announcement section be added to the current agenda format. The intent is to give viewers of commission meetings an opportunity to hear about different activities, programs and specialized information taking place in the County and its different municipalities.

Chairman Pierce presented the proposed text amendments, as well as a proposed form for online submission of Announcements. If approved, the form will be submitted electronically directly to the Clerk to the Board and reviewed by the Chairman for approval and possible inclusion on the agenda. Chairman Pierce asked the Board to consider scheduling a public hearing on November 18, 2013 to receive citizen input regarding the proposed text.

Chairman Sides referred to the proposed online submission form in the agenda packet and requested that it be modified to include a brief description/purpose for each event.

Commissioner Pierce moved to accept the agenda format change and the form attached for making the announcements, along with the additional request suggested by Chairman Sides. The motion was seconded by Commissioner Barber and passed unanimously.

Commissioner Pierce moved to set a public hearing for the next meeting (November 18, 2013) to receive citizen input regarding the proposed text amendments. The motion was seconded by Commissioner Barber and passed unanimously.

The proposed text was presented as follows:

Sec. 2-209. Agenda.

(a) ~~(a)~~—The chairman of the board of commissioners shall prepare the agenda for each regular, special and emergency meeting. A request to have an item of business placed on the agenda for a regular meeting must be received by the chairman of the board by 5:00 p.m. the second Friday prior to the meeting. Any board member may, by a timely request, have an item placed on the agenda. Staff requests for agenda items must be approved by the manager. The chairman will give priority to items requiring board action to be placed on the agenda.

(b) Announcements for a Rowan County municipality sponsored event or a County sponsored event may be submitted via an online form for approval to the chairman of the board for inclusion on the agenda. The announcements must be for public events scheduled within the County. Municipalities are limited to one (1) announcement per commission meeting and County departments may submit one (1)

announcement per month. Announcements receiving approval **will also be listed on the Rowan County Website.**

(bc) The agenda packet shall include the agenda document, any proposed ordinances or amendments to ordinances, and supporting documentation and background information relevant to items on the agenda. The chairman shall not place items on the agenda if the only supporting documentation is a memorandum and it is apparent that additional information is necessary for board action. A copy of the agenda packet shall be made available to each board member the Wednesday prior to the meeting. Documents in the agenda packet, if not previously available for public inspection, shall become so when packets have been delivered to each board member or left at his or her usual dwelling.

(cd) The board may, by majority vote, add an item not on the agenda, or remove items from the agenda.

(Ord. of 4-1-91, Rule 9; Amend. of 1-4-10)

Sec. 2-210. Informal public comments.

The clerk shall include on the agenda of each regular meeting at least fifteen (15) minutes for comments or questions from the public in attendance. Citizens wishing to address the board will register on a sign-up sheet available with the clerk. The sign-up sheet will be available thirty (30) minutes before the start of the meeting; no one will be allowed to have his/her name placed on the list by telephone request to staff. Comments will be limited to three (3) minutes. The chairman will recognize individuals in the order in which they signed up and then may recognize others, subject to available time. When the time set aside for informal public comment has expired, the chairman will recognize further speakers only upon motion duly made and adopted. If the time period expires before all persons who have signed up get to speak, those names will be carried over to the next public comment period.

(Ord. of 4-1-91, Rule 10; Amend. of 1-4-10)

Sec. 2-211. Order of business.

At regular meetings, the board shall proceed to business in the following order:

- (1) Approval of the minutes of the previous meeting.
- (2) Approval of the agenda.
- (3) **Announcements**
- (3)(4) Informal public comments.
- (4)(5) Scheduled public hearings.

- (5)(6) Administrative reports.
- (6)(7) Reports.
- (7)(8) Introduction of ordinances, resolutions and orders.

Without objection, the chairman may call items in any order most convenient for the dispatch of business.

ADDITION

7a. DISCUSSION REGARDING PURCHASE OF SALISBURY MALL

County Manager Gary Page said the Board had met in Closed Session several times in accordance with the North Carolina General Statutes to discuss the purchase of the Salisbury Mall (Mall) property. Mr. Page said the Board had concluded to offer \$3.45 million for the Mall and two (2) outparcels. Mr. Page said the original offer included a closing date of November 25, 2013; however, the owner preferred to close on December 16, 2013. Mr. Page said he had informed the Board there appeared to be a deal on the price but with a different closing date. Mr. Page said one (1) Board member was not in agreement with the date change due to income that would be lost from leases with current Mall tenants. Mr. Page said the leases would generate income for the County to offset utility costs. Mr. Page said the closing date changed the prorating of the leases by approximately \$40,000.

Mr. Page highlighted the process for the purchase as follows:

- \$3.45 million purchase price
- Closing date to be determined
- Leases with current Mall tenants would have to be prorated accordingly
- County would have the opportunity to perform a Phase I Environmental Assessment, which is standard procedure for every project

Mr. Page said the information had not been publicly disclosed as it was proprietary information discussed in Closed Session. Mr. Page said one issue was to authorize the County Manager to sign the contract on behalf of the Board and to authorize him to wire the ten percent earnest money (\$345,000) required.

Mr. Page said once the funds were wired, the interest that was accrued until closing date was to be applied to the purchase price and be shown on the settlement document.

Mr. Page said the owner had accepted the terms and the closing date was the issue the Board needed to discuss.

Chairman Sides said was satisfied with the December 16, 2013 closing date but felt there should be a clawback provision granting the County the lease amounts, effective December 1, 2013. Chairman Sides said the County had also provided

a clause to allow the County time to perform its due diligence and an environmental assessment.

Commissioner Pierce recalled that the first offer had a January 15, 2014 closing date, which the owner had now accelerated by 30 days. Commissioner Pierce said he did not want to see the County lose the \$43,000 but he did not want the County to lose the purchase either.

Commissioner Pierce and Chairman Sides shared their calculations regarding costs and savings for the Mall purchase.

Commissioner Barber said he had not voted for the Mall purchase. Commissioner Barber said he had emailed the Board asking to put the issue before the citizens on the ballot in May 2014. Commissioner Barber said Chairman Sides had been the only board member to respond stating time was of the essence. Commissioner Barber said he would still like to see citizens weigh in through an online survey form.

Commissioner Barber said he had a lengthy list of questions. Commissioner Barber began to discuss the bond rating for the City of Salisbury (City) and Chairman Sides interjected and requested that Commissioner Barber confine his comments to the issue of the purchase of the Mall.

In response to an inquiry from Commissioner Barber, Finance Director/Assistant County Manager Leslie Heidrick stated that Standard and Poors (S&P) had been developing new criteria for general obligation bond ratings. Ms. Heidrick said in her conversations with S&P, they simply had not reviewed all municipal and county bonds to this point. Ms. Heidrick said the County was in a holding period and had the same rating, which she did not anticipate changing. Ms. Heidrick said S&P had not confirmed they would hold the rating.

Commissioner Barber said the County anticipated a tax increase next year and he asked if it would make more sense not to purchase the Mall and save the \$3.45 million to help ensure taxes would not have to be raised higher than necessary.

Commissioner Pierce responded to Commissioner Barber and explained that the County was not going to borrow \$3.45 million and pay it off in one (1) year. Commissioner Pierce said the County would pay off the Mall over ten (10) years, or \$350,000 in debt service each year. Commissioner Pierce expressed his displeasure with what he felt was Commissioner Barber's inability to make a decision without a vote of the citizens.

Commissioner Caskey questioned the timeline for the phase 1 environmental assessment. Mr. Page said he had a proposal for the phase 1, which would be

performed over the next three (3) weeks. Mr. Page said once the purchase contract was executed, he would authorize the environmental assessment.

At this point Chairman Sides asked if there was a second to the motion on the floor. Commissioner Caskey seconded the motion for further discussion.

Mr. Page discussed the financing options, including \$6 million that might be needed for construction of a central office for Rowan Salisbury School System.

Chairman Sides questioned the timeline for financing the projects. Ms. Heidrick explained that a Declaration of Reimbursement had an IRS provision that did not allow funds to be dispersed more than sixty days before approving the Declaration; therefore the County would have eighteen months.

Chairman Sides said he did not wish to drag the issue out with the Board of Education and that he preferred for the County to do one (1) loan for both projects (Mall purchase and central office).

Commissioner Barber commented that he could go through a list of thirty-two questions as to what he was hearing in the community regarding the Mall purchase. Commissioner Barber said he showed up at board meetings to be the voice of those citizens.

Chairman Sides said he accepted Commissioner Barber's argument that he was the voice for a group of people; however, he expressed concern with how he felt Commissioner Barber continually fought the Board once a decision had been made. Chairman Sides said it disturbed him that Commissioner Barber had taken proprietary Closed Session information and provided it to other bodies in the County. Chairman Sides pointed out that such actions could open the County to a lawsuit.

Commissioner Barber said Auction.com had been contacted by citizens and had informed those citizens of "everything that we have voted on and how much we've authorized to buy it for". Chairman Sides responded that Auction.com had not provided the bid document to the City of Salisbury.

Commissioner Mitchell explained the intent of the Mall purchase was to have available space to address the County's facility needs. Commissioner Mitchell pointed out the days for the Mall to be a retail facility were over and the County was not in competition with a retail developer for the purchase. Commissioner Mitchell said while the decision to purchase the Mall might not be popular, it came down to judgment. Commissioner Mitchell said he had been skeptical of the idea at first; however, he now realized the Mall property would make a great opportunity to locate Rowan County offices. Commissioner Mitchell described the possibilities for the property as endless and for space the County could not otherwise afford for the next fifty years. Commissioner Mitchell said if the County

did nothing but shift the Sheriff's warehouse and the Board of Elections to the site, the County would break even on the purchase. Commissioner Mitchell reiterated that the decision came down to judgment and that he did not want to let a once in a lifetime opportunity pass the County by over approximately \$40,000.

Commissioner Pierce moved to amend the motion on the floor for the County to request the \$43,000 prorated lease amounts. The motion was seconded by Chairman Sides and passed 4-1 with Commissioner Barber dissenting.

Chairman Sides moved to authorize the County Manager and County Attorney to take the necessary steps to close on the purchase and sign the check. The motion was seconded by Commissioner Caskey and carried 4-1 with Commissioner Barber dissenting.

8. CONSIDER APPROVAL OF BUDGET AMENDMENTS

Finance Director Leslie Heidrick presented the following budget amendments for the Board's consideration:

- Health Department – To reduce Family Planning funds per the decrease from the State Agreement Addendum - \$4,374
- Health – To reduce funds for the Healthy Beginnings per the updated Agreement Addendum - \$15,520
- Health – To move funds from the Healthy Beginnings Expenditure account to pay for the salary and benefits of two (2) employees in Health Promotions - \$84,283
- Health – To reduce Maternal health funds per the decrease from the State Agreement Addendum - \$2,862
- Library – Additional revenue for gifts; will be used to purchase books and library materials - \$20,715
- Finance – Budget for new Vital Record revenues and related expenditures for Register of Deeds - \$1,750
- Finance – Adjust ROAP budget to agree with State Budget - \$19,287
- Finance – Appropriate fund balance and additional restricted sales tax for Kannapolis City Schools' capital needs - \$300,547
- Sheriff – Recognize funds awarded by State Criminal Alien Assistance Program in FY 2013; budget to appropriate expense account - \$28,864
- Social Services – Budget Child Welfare In Home Services in expense and revenue line items (no county money required) - \$78,172

Commissioner Pierce moved approval of the budget amendments as presented. The motion was seconded by Commissioner Mitchell and passed unanimously.

9. CONSIDER APPROVAL OF BOARD APPOINTMENTS **NURSING HOME ADVISORY COMMITTEE**

An application has been submitted by Joann Diggs.

The term would be for one (1) year beginning November 1, 2013 and expiring October 31, 2014.

Commissioner Mitchell nominated Joann Diggs and the nomination carried unanimously.

POOLETOWN VFD FIRE COMMISSIONER

There are three (3) vacancies and the following have submitted applications:

- Christopher Hall
- William Shaver
- Billy Bostian
- Todd Kirk

The terms are for two years beginning December 1, 2013 and expiring November 30, 2015.

Commissioner Pierce nominated William Shaver, Billy Bostian and Todd Kirk and the nominations passed unanimously.

10. ADJOURNMENT

There being no further business to come before the Board, Commissioner Pierce moved to adjourn at 4:22 pm. The motion was seconded by Commissioner Mitchell and passed unanimously.

Respectfully Submitted,

Carolyn Barger, CMC, NCCCC
Clerk to the Board/
Assistant to the County Manager