

**MINUTES OF THE MEETING OF THE
ROWAN COUNTY BOARD OF COMMISSIONERS
June 16, 2014 – 5:00 PM
J. NEWTON COHEN, SR. ROOM
J. NEWTON COHEN, SR. ROWAN COUNTY ADMINISTRATION BUILDING**

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 5:00 p.m.

Commissioner Caskey provided the Invocation and also led the Pledge of Allegiance.

CONSIDER ADDITIONS TO THE AGENDA

- Chairman Sides moved to add a discussion regarding the Shield-A-Badge with Prayer Program. The motion was seconded by Commissioner Pierce and passed unanimously.

Chairman Sides added the issue as agenda item #3b.

- Chairman Sides moved to add a Closed Session at the end of the meeting for a personnel matter. The motion was seconded by Commissioner Pierce and passed unanimously.

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

- Commissioner Pierce moved to add two (2) budget amendments as distributed by Finance Staff. The motion was seconded by Commissioner Mitchell and passed unanimously.

Chairman Sides added the budget amendments to agenda item #7 (Consider Approval of Budget Amendments).

- Commissioner Pierce moved to add a discussion for the disposition of property for the Rowan-Salisbury Board of Education. The motion was seconded by Commissioner Mitchell and passed unanimously.

Chairman Sides added the issue as agenda item #3a.

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 Pierce moved, Commissioner Barber seconded and the vote to approve the minutes of the June 2, 2014 Commission Meeting passed unanimously.

1. CONSIDER APPROVAL OF CONSENT AGENDA

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

The Consent Agenda consisted of the following:

- A. Set Quasi-Judicial Hearing for July 7, 2014 for CUP 14-99 Amendment
- B. Acceptance of Blanche and Julian Robertson Family Foundation Grant for DSS
- C. Proposed Service Changes to Rowan Express East
- D. Alpha One Air Service LLC Limited FBO Agreement Renewal

2. BUDGET WORK SESSION AND CONSIDERATION OF FY 2014-15 BUDGET ADOPTION

Chairman Sides said the Board would be considering approval of six (6) funds during budget adoption. Chairman Sides said he felt four (4) of the six (6) funds would not require a lot of discussion. The exceptions were the General Fund 101 and Fire District Fund 201. Chairman Sides asked the Board's pleasure in considering the remaining funds for approval.

FUND 202 EMERGENCY TELEPHONE SYSTEM

Commissioner Mitchell moved, Commissioner Barber seconded and the vote to approve Fund 202 passed unanimously.

FUND 501 RISK MANAGEMENT

Commissioner Mitchell moved, Commissioner Pierce seconded and the vote to approve Fund 501 passed unanimously.

FUND 601 LANDFILL

Commissioner Mitchell moved, Commissioner Barber seconded and the vote to approve Fund 601 passed unanimously.

FUND 603 AIRPORT

Commissioner Mitchell moved, Commissioner Pierce seconded and the vote to approve Fund 603 passed unanimously.

FUND 201 FIRE DISTRICT

Commissioner Pierce said Franklin Fire Township was requesting a move from a .0531 tax rate to a .0731 tax rate. Commissioner Pierce moved to set the tax rate at .07. The motion was seconded by Commissioner Barber and passed 4-1 with Chairman Sides dissenting.

Commissioner Pierce said Mt. Mitchell had requested an increase from .0526 up to .0726. Commissioner Pierce moved for the Board to hold off on the requested increase by Mt. Mitchell Fire District until after the public hearing later in the meeting (agenda item #4). Commissioner Mitchell said he would second the motion; however, he stated if the Board passed Fund 201, the rate would be locked in unless the Board amended the rate.

Commissioner Pierce said South Rowan/China Grove Fire District was currently at .0480 and was requesting an increase to .0630. Commissioner Pierce moved to go with the recommended increase. The motion was seconded by Commissioner Barber and passed 4-1 with Commissioner Sides dissenting.

Chairman Sides said the Board would hold off on Mt. Mitchell's rate until later in the meeting.

FUND 101 - GENERAL

Commissioner Pierce said the changes he wanted to see in Fund 101 were for Animal Control to move the position of an Animal Handler to that of a Vet Tech. Commissioner Pierce put the recommendation in the form of a motion, which was seconded by Commissioner Mitchell.

Commissioner Mitchell questioned the cost for upgrading the position. County Manager Gary Page estimated the timeframe for advertising and filling the position and said the Board was probably looking at a difference of \$10,000 to \$12,000 for salary and benefits.

Commissioner Mitchell pointed out the Animal Shelter (Shelter) would then have the ability to provide better care.

Mr. Page clarified information raised at a previous meeting. Mr. Page explained that the County receives approximately \$150,000 in spay and neuter fees but only spends \$70,000-80,000 for those costs. Mr. Page said the program costs \$600,000; however, the County only generated \$150,000 towards those costs.

Commissioner Barber said he would support the motion on the floor but stated he had further comments that he would share on the matter during agenda item #6. Commissioner Barber said he would only support a true no kill shelter in which the gas chamber was completely removed and taken off the property.

Upon being put to a vote, the motion on the floor passed unanimously.

Commissioner Barber highlighted various needs within the school system and moved to make the total current expense allocation to Rowan-Salisbury School System to be \$1.725 million. The motion died for lack of a second.

Commissioner Barber moved the Board of Commissioners rejoin the Charlotte Regional Partnership with annual membership dues of \$40,000 plus/minus. The motion died for lack of a second.

Commissioner Barber moved to honor the request from Food for Thought and to add \$5,000 to the budget. The motion was seconded by Commissioner Pierce and passed 4-1 with Chairman Sides dissenting.

Commissioner Barber moved to fund the North Carolina Transportation Museum in the amount of its last funding request for fiscal year 2013-2014 for \$30,000. Commissioner Mitchell seconded the motion.

Mr. Page pointed out that \$30,000 was allocated in the proposed budget for fiscal year 2014-15. Therefore, Commissioner Barber withdrew the motion.

Commissioner Barber said Prevent Child Abuse Rowan had requested \$10,000; however, the County Manager's recommendation was for \$2,500. Commissioner Barber moved to expand the past funding from \$2,500 to \$7,500.

Finance Director Leslie Heidrick said the continuation amount currently in the budget was \$2,500 and the County Manager recommended an additional \$2,500 for a total of \$5,000.

Commissioner Barber confirmed he wanted to see the allocation increased to \$7,500.

The motion died for lack of second.

Commissioner Barber moved to increase the allocation to RiverPark Bullhole for an overall allocation of \$3,565. The motion died for lack of a second.

Commissioner Barber asked that the requested increase (\$13,212) for the Economic Development Commission (EDC) be increased to \$50,000.

Commissioner Caskey asked if Commissioner Barber would consider changing the suggested increase to \$55,000 and Commissioner Barber agreed.

Commissioner Caskey said if the amount was increased to \$55,000 and the \$30,000 allocated last year was made permanent, it would provide \$25,000 difference and would allow the EDC to hire an additional recruiter. Commissioner Caskey then seconded the motion.

Based on the motion, Ms. Heidrick stated \$41,788 would be added to the County Manager's recommendation.

Commissioner Mitchell questioned Commissioner Caskey's reference to making other temporary funds permanent.

Commissioner Caskey explained that the County had given a temporary \$30,000 allocation for last year and next year for an EDC employee to work with industry. Commissioner Caskey said by making the position permanent and adding an additional \$25,000, it would give the EDC \$55,000 to hire a recruiter.

Commissioner Mitchell clarified the proposal was not to add \$55,000 but to add \$41,788.

Commissioner Pierce asked if the increased funds would be redirected from the funds that had been previously allocated for the Charlotte Regional Partnership (CRP).

Chairman Sides restated motion to add \$41,788 to the County Manager's recommendation. The motion passed 4-1 with Chairman Sides dissenting.

Commissioner Barber moved to rejoin the Salisbury Rowan Human Relations Council at the County's last funding amount of \$3,150. The motion died for lack of a second.

Commissioner Barber recommended donating \$5,000 for Pops at the Post. The motion died for lack of a second.

Commissioner Barber moved to rejoin Centralina Council of Governments by adding \$40,000 to the budget. A brief discussion ensued; however, the motion died for lack of a second.

Commissioner Barber recommended increasing the funds to the Rowan County Cooperative Extension to \$50,000. The recommendation died for lack of a second.

Commissioner Barber discussed the Carolina Thread Trail. Commissioner Barber said the Board had last discussed the issue in April of 2009. Commissioner Barber said the minutes reflected the Board would take the issue back up at such time that all the municipalities in Rowan County had considered the matter. Commissioner Barber said it did not cost any money to participate and he would like the Board to consider adding a discussion later in the summer regarding the Carolina Thread Trail and Rowan County's participation.

Commissioner Mitchell discussed the career development plan for the Sheriff's Department and said he felt the plan was worthwhile to fund. Commissioner Mitchell said the Sheriff had indicated the plan would cost \$62,513 to reinstate. Commissioner Mitchell asked how many other departments had career development plans and Mr. Page responded the Inspections Department. Mr. Page went on to say that the downside was there were some departments that did not have the opportunity to enhance their professionalism.

Commissioner Mitchell asked Mr. Page what the proposed increase was for all county employees with Mr. Page responding one and one half (1½) cents.

Commissioner Mitchell discussed the idea of lowering the overall increase for the departments that had a career development plan and use the savings to fund the plan. Commissioner Mitchell went on to talk about compression issues and how his suggestion might begin to tackle the problem.

Mr. Page interjected that he omitted the EMS department as also having a career development plan. Mr. Page said that the Board could deviate from the recommendation; however, the Board could give staff sixty (60) days to find out if there would be money that could be put back into the fund balance for the plan.

Commissioner Mitchell responded that he could accept the two (2) month wait as he was trying to find a way to fund the plan without additional money.

Commissioner Pierce said it was important to clarify that in last year's budget, there was a sizeable increase for the employees who had received their certificates in the Inspections Department. Commissioner Pierce said since the Board had taken care of Inspections, the scope for the plan could be narrowed down.

Commissioner Caskey asked for clarification as to which departments were being discussed and Mr. Page responded the Sheriff's Department and EMS.

Chairman Sides asked where the \$120,000 for the cost of the plan would come from and Mr. Page responded by saying the fund balance.

Chairman Sides said there was no motion on the floor but the Board would allow the County Manager to investigate the issue and report back at a later meeting.

Commissioner Caskey said he had talked earlier in the year about the fire academy at South Rowan High School. Commissioner Caskey said there were actually six (6) such academies and he would like to add an extra \$2,000 per academy to help each buy equipment, for a total of \$12,000. Commissioner Caskey put his suggestion in the form of a motion. The motion was seconded by Commissioner Barber and passed 4-1 with Chairman Sides dissenting.

Commissioner Caskey said he would like to add some deputies to the Sheriff's Department. Commissioner Caskey said there are currently eight (8) zones and he was proposing to add another zone with four (4) deputies. Commissioner Caskey said the cost for the first year was estimated at \$88,139 per deputy; however, after all equipment purchases, the salary costs would total \$200,000 per year. Commissioner Caskey put his suggestion in the form of a motion. The motion was seconded by Commissioner Barber.

Commissioner Mitchell asked Ms. Heidrick for the total cost of the first year of the program including outfitting with uniforms and equipment for four (4) deputies and their salaries. Commissioner Mitchell also asked for the total recurring cost. Ms. Heidrick responded by stating the first year cost would be \$352,000 with the recurring annual cost of around \$200,000.

Mr. Page pointed out if the four (4) deputies were added with a hiring date of October 1, 2014, the cost would come down to \$264,000. Mr. Page felt the County's financial picture would be clearer by September.

Commissioner Caskey said his motion was acceptable to wait until October 1, 2014.

The motion passed 4-1 with Chairman Sides dissenting.

Commissioner Pierce said he would like to propose one (1) item. Commissioner Pierce went on to state a lot of time was spent talking about education and children. In the Town of East Spencer (Town), Commissioner Pierce said there was a fund raiser taking place to try and revamp the athletic facility and the Royal Giants Park. Commissioner Pierce said the need was for \$600,000 to redo the swimming pool and there was currently a match for half from the state, leaving \$300,000 plus a match from the Julian Robertson Foundation for \$50,000. Commissioner Pierce said he would like to propose a \$20,000 matching grant where, if the Town could raise \$20,000, the County would match that amount to go towards revitalizing the athletic center. Commissioner Pierce went on to talk about the North Rowan coach taking the position of athletic director for the Town at no pay, and providing seminars and camps in the evening free of charge. Commissioner Pierce explained this gave the youth something to do at night rather than roam the streets. Commissioner Pierce felt the \$20,000 would go a long way in showing the County's support of such efforts. Commissioner Pierce said he realized this was for a municipality, which went against the County's

position of singling out one municipality over another. Commissioner Pierce felt the Town of East Spencer really needed the help and had shown through hard work they were willing to try to make a change. Commissioner Pierce said he felt the Board needed to consider making the matching grant available.

Commissioner Barber asked if the funds would be a dollar for dollar match, with Commissioner Pierce responding up to \$20,000.

Commissioner Pierce said the Town needed to raise \$300,000 in order for the State to match the remaining \$300,000. Commissioner Pierce said the Town had a \$50,000 matching grant from the Julian Robertson Foundation, but the Town had to raise the matching \$50,000. Commissioner Pierce said the motion was for \$20,000 to match, should they raise \$20,000.

Commissioner Caskey seconded and the motion passed 4-1 with Chairman Sides dissenting.

Commissioner Barber said this was his last budget as a County Commissioner and that people did not realize how much work staff put into creating the budgets. Commissioner Barber thanked the professional staff, including the County Manager and Assistant County Manager/Finance Director, for a proposed budget he felt would get three (3) votes. Commissioner Barber said the budget process begins July 1st, and he wanted to recommend to future Boards to always take advice from the professionals. Commissioner Barber also recommended not spending money on projects that were not in the budget. During the last two (2) years, Commissioner Barber said money had been spent on projects that were not in the budget and that the County was trying to catch up and figure out how to get the money back into the reserves. Commissioner Barber went on to say the County should not count on money it did not have. Commissioner Barber said he was personally disappointed in that, the eight (8) years he had been on the Board, there had been a demonstrated lack of commitment for the education system. Commissioner Barber pointed out the County would be going through the revaluation process in the next budget. According to Commissioner Barber, the County Tax Administrator said the County would be lucky to have the tax base flat and it could even go further down. Commissioner Barber said whatever decision was made on this budget would have a huge impact on what the new Board would have to vote on this time next year. Commissioner Barber said he felt he could not, in his heart, vote for a regressive budget and one that continued to isolate Rowan County in the region in which the County participated.

Chairman Sides said, based on the budget presented, the County Manager was recommending \$1,694,904 in expansion requests. Chairman Sides asked Ms. Heidrick if she had calculated the cost of everything that had been added. Ms. Heidrick responded the additional amount was approximately \$355,205, not knowing the exact numbers on the vet tech, and some other items.

Mr. Page clarified for the public's benefit how to deal with a \$355,000 increase. Mr. Page stated the County had a \$133 million budget and the budget called for \$6.6 million from the fund balance. Mr. Page said on July 1st he would challenge the department heads to not spend their total budget but rather hold to 95%, which would be \$6.5 million. Mr. Page said the department heads would make up the \$6.5 million and the \$300,000. Mr. Page said that he tried to provide the best budget possible; however, the department heads were the reason the County had been able to get through the last five (5) to six (6) years without a tax increase. Mr. Page said if all had gone according to plan (approval of application to the Local Government Commission for the West End Plaza Purchase), the County would be sitting with a twelve (12) percent fund balance on July 1st. Mr. Page explained that the County would save more by delaying some items until October. Mr. Page stated it had been a challenging time and the Board had not been dealt the best hand the past few years.

Commissioner Pierce moved to accept the budget with a two and three quarter (2 $\frac{3}{4}$) cents tax increase, with one (1) cent from the 2010 election authorizing the Board to pay for construction at Rowan Cabarrus Community College that had not been implemented; one (1) cent that would go for cost of the schools in the budget, as well as the employee raises and include the \$300,000 request from Commissioner Caskey, and three quarters ($\frac{3}{4}$) of a cent for the Local Government Commission application. Commissioner Caskey seconded the motion.

Commissioner Mitchell thanked staff, including Assistant Finance Director Suzanne Burgess, for a great job with the budget.

The motion to approve Fund 101 with the changes and to accept the tax increase of 2.75 cents passed 3-2, with Commissioners Barber and Sides dissenting.

Chairman Sides called for a recess at 6:14 p.m.

Chairman Sides reconvened the meeting at 6:38 p.m.

3. PUBLIC COMMENT PERIOD

Chairman Sides opened the Public Comment Period to entertain comments from any citizens wishing to address the Board. The following individuals came forward:

- Kay Wright Norman, Vice-Chair of the Board of Education, thanked the Board of Commissioners for approving the technology lease at its last meeting
- Jonathan Chamberlain, representing Rowan Cabarrus Community College expressed appreciation for the Board's support. Mr. Chamberlain discussed the chiller and said it was an important project with great savings to the college and taxpayers. Mr. Chamberlain also stated there

was a representative from Duke Energy present if the Board had any questions.

- Mandy Nance spoke in support of improvements at the Animal Shelter and supported a no kill Shelter.
- Eric Phillips spoke in support of the Carolina Thread Trail.
- Gene Miller spoke regarding the proposed (Local Government Commission) application and questioned the Board's methods. Mr. Miller suggested the Board stop spending money on the West End Plaza and allow the incoming Board to figure a way out of it.
- Louis Bodak thanked the Commissioners for their unanimous 5-0 vote on computers for the school system. Under the Freedom of Information Act, Mr. Bodak also requested a breakdown on the cost of submitting the first LGC application.
- Judy Klussman concurred with the comments made by Gene Miller.
- Terry Kindley spoke in support of improvements at the Animal Shelter, including the use of volunteers and making the facility a no kill shelter.
- Larry Wright discussed the City of Salisbury's reduced bond rating and thanked the Board for spending money wisely.
- Steve Phillips spoke on behalf of his aunt and uncle who reside in the Mt. Mitchell fire district. Mr. Phillips asked the Board to leave the fire district boundaries where they currently are.
- Julian Torrey provided the Board with information he felt would be useful with regards to the roof at the West End Plaza.

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

ADDITIONS

TENDER OF PROPERTY BY THE ROWAN COUNTY BOARD OF EDUCATION

Dr. Lynn Moody, Superintendent for the Rowan-Salisbury School System, said the Rowan County Board of Education (BOE) was tendering to the Board of Commissioners (BOC) for purchase of property currently owned by the BOE and located on the corner of North Ellis and West Liberty Street. Dr. Moody stated the property was no longer suitable for public school purposes and had been appraised at \$617,000. Dr. Moody said before the BOE could sell the property, it must first offer the property to the BOC.

Commissioner Pierce stated that he and Dr. Moody both served on the Joint Planning Committee (JPC) for the BOC and the BOE. Commissioner Pierce said the meeting of the JPC that had been scheduled for June 10th had been cancelled due to a lack of business. Commissioner Pierce said two (2) days later the BOC received the proposal for the property. Commissioner Pierce inquired as to why the JPC did not discuss the matter on June 10th.

Dr. Moody said the BOE had been in negotiations on the property and that she could not disclose the information, per the purchaser, until further down the road. Dr. Moody said the information was not available for the JPC meeting on June 10th. Dr. Moody said the BOE was told if the property was tendered and closed before the end of the month, the BOE could disclose more. Dr. Moody stated that if she talked about the information publicly, the purchaser would withdraw.

Commissioner Pierce said the BOE was under the same conditions as the County when the BOC was trying to purchase the former Salisbury Mall. Commissioner Pierce pointed out how the BOC was berated for its actions.

Commissioner Pierce then questioned the reasoning for the purchaser to remain anonymous. Dr. Moody said she could not answer the question without disclosing the purchaser.

Commissioner Barber moved to allow the BOE to move forward with this particular process. The motion was seconded by Commissioner Caskey.

Chairman Sides asked if the property would be sold or traded and Dr. Moody responded that it could be either.

Chairman Sides questioned as to whether there would be a proper bidding process or if the matter was a closed bidding process. Chairman Sides also asked if the BOE was subject to the same rules and bidding process as the County. County Attorney Jay Dees said he was not sure who the buyer was. Mr. Dees said there were exceptions to transfer to other nonprofits or for economic development.

Chairman Sides asked Dr. Moody if either of these exceptions applied. Dr. Moody said in order for the BOE to be able to negotiate, the BOE must tender for purchase to the BOC at the appraised price. Dr. Moody said the appraisal was much higher than anyone anticipated. Dr. Moody said the first step was for the BOC to release the property as the BOE could not negotiate without completing this step.

Chairman Sides again asked if either of the two (2) exceptions as stated by Mr. Dees applied to the property. Chairman Sides said he did not see how the answer would infringe on anyone's rights. Chairman Sides asked if the property would be put up for upset bid or if the matter was a closed transaction. Assistant Superintendent Anthony Vann responded that the question was one to be answered by their attorney; however, the assumption would be that it would have to follow one or the other guidelines.

Commissioner Mitchell asked if the BOE would follow the General Statutes and either put the property up for upset bid or qualify for one of the exemptions. Mr. Vann responded that the BOE attorney could verify the answer.

Chairman Sides quoted Commissioner Barber as saying one did not count on money until one had it, but asked if the BOE could reveal what the plans were for the money, when it was received. Dr. Moody responded that she could not. Chairman Sides went on to ask how that could be a part of the negotiations. Dr. Moody responded that all the BOE was asking at this point was not for the BOC to approve anything, only for the BOC to state it did not want the property at \$617,000.

Chairman Sides said, as a Commissioner, in making decisions of this magnitude he felt like he should be able to ask pertinent questions for the public and he did not feel the questions were out of line.

Commissioner Mitchell referred to this issue as one of the crazy ways North Carolina education law worked, in that the BOE was required to offer property back to the BOC before the BOE could sell the property. Commissioner Mitchell said either the County wanted to buy a piece of property for \$617,000 or allow the BOE to dispose of it for a value of \$617,000. Commissioner Mitchell said the appraised value was higher than tax value and the BOC's statutory responsibility ended there.

Dr. Moody confirmed to Commissioner Caskey the BOE would not have to come back before the BOC to sell the property if the BOC did not wish to purchase the property today.

Commissioner Caskey said the County was not interested in purchasing the property.

Upon being put to a vote, the motion on the floor passed unanimously.

REQUEST FROM SHIELD A BADGE WITH PRAYER MINISTRY

Chairman Sides said the Board had received a letter from Chaplain Michael Taylor regarding the donation of a vehicle for the Shield A Badge With Prayer Ministry (Ministry). Chairman Sides said the County's Pretrial Release Program would be receiving a different vehicle in the near future and Chaplain Taylor was requesting the car currently in use by the Pretrial Release Program be donated for the Ministry.

Chairman Sides moved to transfer the vehicle to the 501 (C)(3) non-profit, Shield A Badge With Prayer Ministry. The motion was seconded by Commissioner Barber and passed unanimously.

4. PUBLIC HEARING FOR PROJECT BUCK

Economic Development Director Robert Van Geons reviewed the Economic Impact Summary (Summary) in the agenda packet and reported that James River Equipment (JRE), which operated a full-service equipment and tractor dealership at 805 Klumac Road, was seeking land for a new location. Mr. Van

Geons said the Company had expressed an interest in purchasing approximately 14.5 acres of land in and adjacent to Summit Corporate Center for this new location.

Approximately 13.73 acres of the land is owned by the County, while the remaining 0.77 acre is owned by the Rowan County Fair Association (RCFA). Mr. Van Geons said JRE was prepared to offer \$485,700 for the land (\$33,500). The tax value is currently \$399,145 (or \$27,527 per acre). Mr. Van Geons stated if JRE was successful in purchasing the land, the Company would construct a 12,000-14,000 square foot facility on the site.

Mr. Van Geons highlighted the projected outcomes in the Summary as follows:

- Rowan County would collect \$485,750 in revenue for the sale of this land to JRE
- The facility would generate \$9,338 of new revenue annually for the County
- Modeled with a 10-year horizon, the County would collect an estimated \$93,375 of new revenue
- The facility would generate \$1,163 of new revenue annually for the South Salisbury Fire District
- Modeled with a 10-year horizon, the South Salisbury Fire District would collect an estimated \$11,625 of new revenue

Mr. Van Geons shared some of the discussions with the RCFA with regards to parking for the yearly fair event and how the issue would be handled. Mr. Van Geons described the three (3) parking lots, their size and their potential. Mr. Van Geons discussed the products, services, and revenue JRE had and the economic impact on Rowan County, stating JRE was probably the most effective form of retail for a community.

Chairman Sides asked how soon the EDC would be able to get the restrictive covenants into play and Mr. Van Geons projected it would probably be in August.

In response to an inquiry from Chairman Sides, Mr. Van Geons stated the request was for approval of the sale.

Chairman Sides questioned lot C, which was owned by the RCFA and asked Mr. Van Geons if the purchase of the lot would pose a problem. Mr. Van Geons responded that JRE was probably the best type of buyer to have across from a fairground, as one would overlap the other. Mr. Van Geons pointed out some of the advantages as the ability to have co-signage, co-promotions, and partnerships. Mr. Van Geons stated that the RCFA would receive far better benefits with this type of company.

Chairman Sides stated JRE had already made concessions that were certainly to the benefit of the RCFA. Chairman Sides said he appreciated JRE's willingness to make those concessions.

Chairman Sides opened the public hearing to receive citizen input regarding the proposed land sale to JRE. With no one wishing to address the Board, Chairman Sides closed the public hearing.

Commissioner Barber moved to approve the offer from JRE to buy approximately fourteen (14) acres of land in and adjacent to Summit Corporate Center for \$485,750. The motion was seconded by Commissioner Pierce and passed unanimously.

5. PUBLIC HEARING – MODIFICATION OF THE BOSTIAN HEIGHTS AND MOUNT MITCHELL FIRE SERVICE FIRE DISTRICTS

Fire Marshal Aaron Youngblood reported that during regular session on June 2, 2014 the Board voted to schedule a public hearing to hear public comment regarding the proposed modification of the Bostian Heights and Mount Mitchell fire service districts. Mr. Youngblood stated that notification of the public hearing was mailed to the affected property owners, as requested by the Commissioners.

Commissioner Mitchell asked if there had been any response to the notification that was sent out. Mr. Youngblood responded that there had been communication from one (1) individual, which was sent to him through the Clerk's office.

Commissioner Pierce asked if the individual was for or against the proposed changes. Mr. Youngblood responded the individual initially supported the changes but had then followed up with an email stating they were no longer in favor of the changes.

Commissioner Barber questioned whether the applicable statutes for the process had been followed with Mr. Youngblood responding in the affirmative.

Chairman Sides stated in the materials the Board received, there were sixty (60) individual property owners, with twenty-eight (28) responding to the petition. In looking at the list provided, Chairman Sides said there were two (2) duplicates making the total twenty-six (26). Chairman Sides pointed out that some of the property owners owned multiple properties in the same districts, thereby bringing the total to sixteen (16) property owners. Chairman Sides said he had received emails from some of the property owners who had initially been in favor of the change but wanted to change their minds. Chairman Sides said in talking with EMS Director Frank Thomason, he asked Mr. Thomason why the people wanted the change. Chairman Sides said some individuals wanted the change for lower insurance premiums. Chairman Sides said his decision was based on if the individuals were receiving better fire protection. Chairman Sides pointed out there were some cases where better fire protection would be true and some cases where it would not be. Chairman Sides said his concern was with the people who petitioned for better fire insurance and those outside of the lines

receiving better fire protection but not a reduction in the insurance premiums, therefore not changing the ISO rating.

Chairman Sides agreed with the petitioner and those who signed the petition, but pointed out the others who did not sign would be taken in. Chairman Sides stated there were some questions with the area indicated in pink on the map and individuals being outside of the 5 mile district.

Chairman Sides acknowledged he wanted to grant the petition when people would receive better fire protection, not just based on whether they would receive a lower insurance premium. Chairman Sides said his first inclination would be to put the proposed changes off for thirty (30) days and narrow the area down that would actually be a part of the fire district. Chairman Sides said the problem with not voting to accept the change today would be the fire tax rates could not be implemented until July 1, 2015, as opposed to July 1, 2014. Chairman Sides pointed out that he felt some people were being pulled in and the district was not a contiguous area.

Commissioner Mitchell said his concern with the process was the piece mill nature. Commissioner Mitchell said he would like to see the station given a five (5) mile radius. Commissioner Mitchell said he realized the five (5) mile radius was not a possibility today in that the public hearing was not advertised for that purpose.

Mr. Youngblood said the Board had the freedom to pass what it saw fit and to move the line.

Commissioner Mitchell reiterated by moving the line and removing two (2) of the properties, it would create a contiguous boundary for Mt. Mitchell through the Michelle Drive area, satisfying the large majority on both sides of the issue. Commissioner Mitchell said he personally would like to see a proposal for the five (5) mile radius rule implemented and brought before the Board to put an end to the petitions for the two (2) districts. Commissioner Mitchell expressed concern with the two (2) cent requested tax increase from Mt. Mitchell which, if approved, would mean a higher tax than Bostian Heights. Commissioner Mitchell said he was also concerned with the proposed budgets from Mt. Mitchell not being signed by the fire commission chairman. Commissioner Mitchell wondered if there was an appointed board of fire commissioners for Mt. Mitchell and if Rowan County had any residents on the board. Commissioner Mitchell asked if the fire commissioners for Mt. Mitchell were meeting to establish the budget and provide oversight. Commissioner Mitchell felt it was the Commissioners responsibility to look out for the Rowan County citizens that were served by Mt. Mitchell and that Mt. Mitchell should follow Rowan County rules. Commissioner Mitchell said he would be willing, after the public hearing, to remove the two (2) properties, let everybody else in, and keep Michelle Drive with Mt. Mitchell, and ask that the process be started for the five (5) mile radius for the Bostian Heights VFD.

Chairman Sides opened the public hearing to receive citizen input regarding the proposed changes. The following individuals came forward to address the Board:

- Claude Dillard of Parcel #138-076 said he had no trouble with fire protection. Mr. Dillard said over the years, he had learned Bostian Heights was much better accredited and was a fulltime department. Mr. Dillard said he was not as much concerned about rates as he was about life and protecting property.
- Darrell Little of Michelle Drive felt it made no sense to have a fire department 5 to 6 miles away when the Mt. Mitchell department was next door. Mr. Little said it would take Bostian Heights twice as long to reach him. Mr. Little said he had signed a petition against changing the boundaries.
- Brandon Lee said he had started a petition to have the fire district boundaries changed. Mr. Lee said the issue initially started out being about money (ISO rating) but now he wanted to get what he paid for. Mr. Lee said Mt. Mitchell would always be a part-time department and he would rather pay a little more in taxes to have full 24/7 coverage as opposed to a little insurance savings.
- Tammy Eury and her husband, Jeffery, of Parcel #148 070, praised the Mt. Mitchell volunteers for their prompt response to her automobile accident two (2) years ago. Ms. Eury said they lived 1/2 mile away from Mt. Mitchell and questioned why she should wait for Bostian Heights to respond to a call from several miles away. Ms. Eury said money should not determine a person's life. Ms. Eury said, "If your house is on fire you don't care how much your insurance or taxes cost". Mr. Eury added that their opinion was nothing against Bostian Heights; however, they felt Mt. Mitchell had volunteers that could more quickly respond.
- Robert Earnhardt, Chief of the Mt. Mitchell Volunteer Fire Department, provided the Clerk to the Board with a petition from property owners that were against the request for the Board of Commissioners (BOC) to move the fire district boundaries. Mr. Earnhardt said the State Fire Marshal's Office was coming in next week and he discussed the department's hard work to establish water points, etc. to get the insurance rating down. Mr. Earnhardt also provided the Clerk to the Board with a list of response times. Mr. Earnhardt expressed his frustration with petitions being submitted. Mr. Earnhardt said it made more sense to have a department close by. Mr. Earnhardt said the department had been serving the County since 1967 and very seldom had a second dispatch. Mr. Earnhardt said he was present to give citizens the protection they needed.

Commissioner Mitchell inquired as to the makeup of Mt. Mitchell's board and Mr. Earnhardt responded thirteen (13). Commissioner Mitchell asked if any were from Rowan County.

Mr. Earnhardt responded by naming several members who were from Rowan County and said the Mt. Mitchell firemen were made up of half from Rowan County and half from Cabarrus County. Mr. Earnhardt said there was a public meeting concerning the increase in taxes that was advertised in both Rowan County and Cabarrus County. Mr. Earnhardt went on to describe the station's new equipment and said the department was state certified, with all firefighters either Level I or II. Mr. Earnhardt said Mt. Mitchell had seventeen (17) EMT's and they all carried a trauma bag in their vehicles, plus other equipment that EMT's must carry.

Commissioner Caskey asked what percentage of the Mt. Mitchell VFD was in Rowan County and Mr. Earnhardt responded it was about 50-50. Commissioner Caskey went on to ask if there were any fire commissioners appointed by the Rowan County Board of Commissioners and Mr. Earnhardt said there were not. Mr. Earnhardt said that until the letter was sent, he did not know anything about fire commissioners.

Commissioner Barber asked if Mt. Mitchell VFD in the recent past lost any other geographical area to any other fire department. Mr. Earnhardt responded that Kannapolis had not taken any land in the last several years, since Rowan had sold the stadium and the hospital had been built.

Chairman Sides moved to defer a decision for sixty (60) days on this petition to give Commissioners the opportunity to meet with fire staff. Chairman Sides said that if a petition was put in, that was not the county commission coming after the department, but it was a legal right that a petitioner had to request they be moved from one fire district to the other. The motion died for lack of a second.

Commissioner Pierce said he would like for the Board to address the tax rate request that had been sent in by Mt. Mitchell VFD.

Commissioner Caskey said he felt the tax rate may reflect whatever was decided at this point.

Commissioner Pierce responded that if the Board was going to take away the property values from their valuation then there could be a need for reassessing a higher rate tax so that income would not be lost to the station.

Chairman Sides closed the public hearing.

Commissioner Pierce moved to reject the petition and leave things as they are. Commissioner Mitchell seconded the motion, if staff were to be instructed to bring back a request for a five (5) mile zone for Bostian Heights.

Commissioner Pierce said the County had mutual aid, meaning that when an alarm went off, all fire departments in the area responded. Commissioner Pierce

said it was all about getting added protection and with the station's close proximity to the area, he felt Mt. Mitchell would be the first to respond about 90% of the time. Commissioner Pierce said he did not feel as if the reservations should be about losing service or added response times, but about stopping the back and forth. Commissioner Pierce went on to applaud Mt. Mitchell for working on the ISO rating and said he hoped the rating went down. Commissioner Pierce felt Mt. Mitchell was doing an adequate job and the people on the petition were going to get the same services, regardless of which district they were in. Commissioner Pierce said Mt. Mitchell needed to continue to be funded with the work they had been doing.

Chairman Sides said he could not vote for the motion due to instructing staff to extend Bostian Heights to the five (5) mile limit without any consideration of what that would do to other fire districts that could possibly overlap.

Commissioner Mitchell said that could be a possibility but the individual petitions needed to stop.

Chairman Sides said the point he was making was that the same courtesy was not being extended to Mt. Mitchell in giving them a five (5) mile radius.

Commissioner Caskey asked if the Board was just asking staff to bring back information for the Board to look at. Commissioner Mitchell said it was not for the Board to approve but to just to see what the five (5) mile radius would look like.

The motion passed 4-1 with Chairman Sides dissenting.

Commissioner Pierce moved to increase Mt. Mitchell's fire tax from .0526 to .0626, with the understanding that Mt. Mitchell appoints some fire commissioners from Rowan County.

Commissioner Barber seconded and the motion passed 4-1 with Chairman Sides dissenting.

At this time, Commissioner Mitchell moved approval of Fund 201 – Fire District. The motion was seconded by Commissioner Barber and passed unanimously.

6. CONSIDER APPROVAL OF LOCAL GOVERNMENT APPLICATION FOR CAPITAL IMPROVEMENTS

County Manager Gary Page said Commissioner Pierce had requested the Board of Commissioners (BOC) consider approval of a new North Carolina Local Government Commission (LGC) financing application to include the following capital expenditures:

1. \$1,900,000 for HVAC improvements to Rowan Cabarrus Community College (RCCC)
2. \$200,000 for the construction of a new Airport Office Building

3. \$450,000 for the construction of ten (10) T-Hangars at the Airport
4. \$150,000 for improvements to the Rowan County Animal Shelter
5. \$100,000 for Veterans Service Office renovations at the West End Plaza
6. \$400,000 for Elections Office renovations at the West End Plaza
7. \$3,425,000 to reimburse the purchase of the Old Salisbury Mall for future County office space

Commissioner Pierce moved approval (of the items to be included in a new LGC financing application) and Commissioner Mitchell seconded.

Commissioner Pierce explained that the approval was to begin the paperwork on the application.

In response to an inquiry from Commissioner Barber, Finance Director Leslie Heidrick provided a breakdown regarding the cost for submittal of the previous LGC application, which was approximately \$10,000 to \$15,000.

Commissioner Barber asked if the Board would consider breaking the projects out separately, due to the controversy of the financing for the West End Plaza. Commissioner Barber said even if multiple applications would cost more, it would ensure that at least the other projects could be approved.

Commissioner Mitchell said he would support one (1) application.

Commissioner Pierce said he felt the new application would show the Commissioners were on board and on the job in realizing the different needs in the County, rather than just one (1) item. Commissioner Pierce said Rowan Cabarrus Community College (RCCC) had a need. Commissioner Pierce said he had spoken with Gray Medinger, who was to meet with RCCC to see if it was financially affordable for his company to come in and do the project the same way the school system project was done. Commissioner Pierce stated that the County had made a huge investment in RCCC and this was furthering the investment and funds did not need to be taken out of fund balance.

Commissioner Pierce described the airport hangars and the confirmation of a waiting list of eleven (11) rentals on the hangars. Commissioner Pierce said t-hangars had been recommended, but t-hangars had to be paved all around at a cost of \$450,000. The only way to do the proposed ten (10), according to Commissioner Pierce, was the money would be used from the Vision 100 funds from the years 2013 and 2014, taking care of \$200,000 of the cost, plus the NCDOT had agreed to pick up the difference on this project.

Commissioner Pierce discussed misinformation that had been circulated and said the Board knew what it was doing and was going to move forward. As time goes forward, Commissioner Pierce said everything would be seen as being the best for the County. Commissioner Pierce discussed Animal Control and said

the \$150,000 identified for improvements was not coming out of the fund balance, but rather with the LGC application to borrow money to make the improvements. Commissioner Pierce said the County was moving forward to a no kill shelter but this would take time and money. Commissioner Pierce stated the money could not come out of fund balance to improve the Animal Shelter and that was why it was included in the LGC application.

Commissioner Pierce restated his motion to move forward with the LCG application and instruct staff to prepare the bids so that the Board could set a public hearing and move forward.

Commissioner Barber said he supported the improvements for RCCC.

Commissioner Barber asked if the \$150,000 for the Animal Shelter improvements would get the County to a true no kill shelter. Commissioner Mitchell said as of July 1, 2014 the gas chamber would no longer be used. Commissioner Mitchell said the County would still be euthanizing animals but not by the gas chamber.

Commissioner Barber inquired as to the cost to be a no kill shelter. Commissioner Mitchell said a different Board would have to make the decision, as it would have to find a way to house hundreds of animals.

Commissioner Barber said he wanted Rowan County to be a true no kill shelter. Chairman Sides said there were other plans in the works in which the Board was not at liberty to discuss. Chairman Sides said if everyone would give the County time, everyone would be happy with the results.

Commissioner Barber said he could not support the projects as one (1) package.

Upon being put to a vote, the motion on the floor passed 3-2 with Chairman Sides and Commissioner Barber dissenting.

7. CONSIDER APPROVAL OF BUDGET AMENDMENTS

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

- Finance – to budget additional revenues and expenditures due to an increase in building permits - \$6,000
- Sheriff – recognize public donations made to Gang Resistance Education and Training Program - \$350
- Sheriff – recognize funds received from Blanche and Julian Robertson Foundation and budget to proper expense account - \$5,000
- Finance – budget additional revenues and expenditures due to an increase in adoptions (\$15,500); budget an increase in occupancy tax revenues and expenditures to Tourism (\$40,000); budget increase in revenues and expenditures due to an increase in concealed weapon permits (\$15,000)

- Finance – revise fire department budgets to allow for increased collections \$34,000
- Finance – To increase the budget for the accessory-use office building at the Rowan County Airport. \$180,000 was approved by the Board for this project on August 19, 2013. After receiving construction bids, total cost (including construction and architectural and other fees) is estimated at \$215,000. - \$35,000 (addition to the agenda)
- Finance – Reduce General Fund budget for the purchase of West End Plaza, which has been recorded in the West End Plaza Capital Projects Fund - \$3,950,000 (addition to the agenda)

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

ADDITION

Closed Session

Commissioner Pierce moved to enter into Closed Session at 8:17 pm. In accordance with NCGs 143-318.11(a)(6) for a personnel matter. The motion was seconded by Commissioner Caskey and passed unanimously.

Before entering Closed Session, Chairman Sides called for a recess at 8:18 p.m. The Board reconvened and immediately went into Closed Session at 8:22 p.m.

The Board returned to Open Session at 8:29 p.m.

- At this point Commissioner Mitchell moved to approve the Declaration of Official Intent to Reimburse Expenditures. The motion was seconded by Commissioner Pierce and passed unanimously. (This action was a necessary step for agenda item #6).
- Commissioner Pierce moved to start advertising for the job of County Manager and to advertise for forty-five (45) days. The motion was seconded by Commissioner Barber and passed unanimously.

8. ADJOURNMENT

There being no further business to come before the Board, Commissioner Pierce moved to adjourn at 8:31 p.m. The motion was seconded by Commissioner Barber and passed unanimously.

Respectfully Submitted,

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