

**MINUTES OF THE MEETING OF THE
ROWAN COUNTY BOARD OF COMMISSIONERS**

November 3, 2014 – 3:00 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 Aaron Church, Clerk to the Board Carolyn Barger, County Attorney Jay Dees and Assistant County Manager/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

Chairman Sides moved to add an item of discussion for two (2) easements related to the Gildan Project. Commissioner Barber seconded and the item was added 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 Barber moved, Commissioner Pierce seconded and the vote to approve the minutes of the October 20, 2014 Commission Meeting passed unanimously.

1. CONSIDER APPROVAL OF CONSENT AGENDA

Commissioner Pierce requested to pull item D from the Consent Agenda item for discussion on the regular agenda.

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

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

The Consent Agenda consisted of the following:

- A. Resolution Revoking Appointed Review Officer
- B. Resolution Appointing Review Officer
- C. Memorandum of Agreement Between NC Wildlife Resources Commission and the County of Rowan
- D. Donation of Gazebo from Terry Fries Family for Ellis Park (added to the regular agenda as item #3b)
- E. Set Quasi-Judicial Hearing for CUP 05-14 for November 17, 2014
- F. Thanksgiving Office Hours
- G. Grant County Manager Authority to Refund Fees
- H. Stipend of Appreciation to Leslie Heidrick for Service as Interim County Manager
- I. Donation of Vehicle to Rowan County Rescue Squad
- J. NACo Dental Discount Program
- K. Resolution Dedicating Seats On The Rowan County Housing Authority Board
- L. October 2014 Refunds
- M. Set Public Hearing for PDS 01-14 for November 17, 2014

2. 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:

- Larry Wright discussed his candidate preferences for election to the Board of Commissioners and the Board of Education.

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

3. RECOGNITION AWARD FOR NC PARAMEDIC COMPETITION STATE CHAMPIONS

Emergency Services Director Frank Thomason provided information regarding the NC Paramedic Competition and praised Rowan County Paramedics Aaron Thurston and Daniel Medina for their achievements as the NC Paramedic 2014 State Champions.

Chairman Sides presented Mr. Thurston and Mr. Medina with Certificates of Award in recognition of their dedication to Rowan County and for their outstanding accomplishments as 2014 State Champions in the NC Paramedic Competition.

The presentation was followed by a standing ovation and round of applause.

ADDITION

3A. DRIVEWAY EASEMENT AGREEMENT FOR GILDAN YARNS, LLC.

Rowan County Economic Development Director Robert Van Geons presented a power point presentation and on behalf of the Company, said he was asking for an easement that would allow Gildan to connect from their property line to the water line and actual driveway to the cul-de-sac. Mr. Van Geons said he was asking for the Board to approve the connection across the County's property.

Chairman Sides asked Mr. Van Geons if, since the fiber optic easement had already been granted, the company would have to go back and grant an easement to Gildan across their easement. Mr. Van Geons responded that eventually that would have to happen, with the responsibility being Gildan's.

Chairman Sides questioned whether it was a requirement for the County to grant the easement first prior to the fiber optic, with Mr. Van Geons responding in the affirmative.

Commissioner Pierce moved, Commissioner Barber seconded and the vote to approve the request for the water line and driveway easements passed unanimously.

3b. DONATION OF GAZEBO FROM TERRY FRIES FAMILY FOR ELLIS PARK

(Note: This item was pulled from the Consent Agenda for discussion).

Commissioner Pierce said he pulled the donation of the gazebo from the Consent Agenda in order for the Board to publicly recognize the gift to the County's park system. Commissioner Pierce explained that the Fries Family was such a large family that had been in the Ellis Park area for a long time and the gazebo was being presented in honor of their grandfather. Commissioner Pierce said he had known the family for an extended period of time and wanted to recognize them publicly.

Commissioner Pierce moved approval of the donation of the Gazebo. Commissioner Barber seconded and the motion passed unanimously.

4. CONSIDER REQUEST FOR EXTENSION OF INCENTIVE AGREEMENT FOR SOUTHERN POWER

Economic Development Director Robert Van Geons presented a request for an extension of the County's Relocation and Expansion Assistance Agreement (Agreement) with Southern Power as part of a project to locate another power generating plant at 5755 NC Highway 801. Under the terms of the agreement, Southern Power has until January 1, 2015 to notify Rowan County of its intent to initiate the project. Southern Power now says it will be unable to do so by that date. Pursuant to the Agreement, Southern Power requested to extend "this period for an additional two (2) years to and including January 1, 2017." Mr. Van Geons stated the Commissioners could decide to extend the time period for an additional two (2) years without a public notice and a public hearing.

Matt McCurry with Southern Power said the Company had enjoyed a great relationship with the County and he felt the Company's community involvement was a testament to the relationship. Mr. McCurry asked the Board to support the 2-year extension.

Chairman Sides said Southern Power had been a great corporate neighbor and very active in the community and he attested to the fact by pointing out the Company's donation for purchase of equipment to the Rescue Squad, etc.

Chairman Sides said he had comments to share; however, he said the comments were not directed at Southern Power or their employees. Chairman Sides continued by saying he felt incentives created an imbalance in the market place where government officials were put into a position of deciding which businesses succeeded or failed. Chairman Sides said he felt the incentive agreement previously approved with Southern Power was unprecedented. Chairman Sides said the incentive was a guarantee to the Company that they could go out and bargain for business based on a projected yearly credit of \$1.7 million from Rowan County. Chairman Sides said this was an agreement that placed the Company at a distinct advantage over other companies in the market place which could be vying for the same type business. Chairman Sides went on to say the incentive agreement, unlike any other in the past did not guarantee a minimum capital investment to qualify for the grant. Chairman Sides said the Company could choose to exercise the agreement at any time based on a capital investment less than the amount projected. Chairman Sides pointed out the agreement far exceeded Rowan County's Level III grant category, and was the equivalent of 136% tax rebate if put on a five year grant level.

Chairman Sides said he was not voting against jobs but rather against incentives, stating the incentive was not tied to job creation or job retention. According to Chairman Sides Southern Power has had five years to exercise the option on the agreement and nothing has happened. Chairman Sides said if there had been a renegotiation of terms, the extension might have been acceptable to him. Chairman Sides said based on the information he had presented, he was not

voting against Southern Power, but was voting against incentives that favored and created an unfair advantage for larger companies over smaller companies. Chairman Sides stated it was unfair for the County to pick and choose who succeeded or failed based on incentives. Chairman Sides said he felt it important for the public to understand incentives and the costs associated with them.

Commissioner Barber moved to extend the agreement with Southern Power. Commissioner Barber went on to say he looked at job creation differently. Commissioner Barber talked about the Schedule of Values (SOV) and the increment to the tax base that would help to keep the property tax rate low, enticing other companies to come.

Commissioner Caskey seconded motion. Commissioner Caskey said he appreciated the Company coming forward with the request, saying the County was not losing because it was helping to keep the tax rate down.

Commissioner Pierce inquired as to whether Cleveland County had given their approval to the extended incentive agreement, with Mr. McCurry answering in the affirmative.

Commissioner Pierce went on to state there was competition nearby for the same proposal and this type of incentive was not uncommon.

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

5. CONSIDER APPROVAL OF SCHEDULE OF VALUES

Tax Administrator Kelvin Byrd said the Board of Commissioners held a public hearing on October 20, 2014 for the 2015 Schedule of Values (SOV) as statutorily required.

Mr. Byrd read a change and statement added to page 6 of the document included in the packet:

The schedule of values manual is intended to cover and address all classes and types of properties. Unique or special classes of properties may require special methods of appraising and have unique characteristics not found in the schedule of value manual. Staff appraisers may need to refer to Marshall & Swift or some other professional guide for assistance when assigning value for ad valorem purposes.

Mr. Byrd talked about the statement and allowing for structures and businesses that possibly had not been included in the schedules.

Commissioner Barber called Barbara McGuire, Real and Person Property Manager for the Tax Administrator's Office forward. Commissioner Barber said the SOV was a document of high quality of work by staff and he wanted to

recognize the staff for a job well done. Commissioner Barber said his only concern was the tax base continued to remain flat, or go down.

Commissioner Barber asked Mr. Byrd if he felt the tax base would remain flat. Mr. Byrd responded by saying that was not a solid assumption. The schedules may show some flatness, according to Mr. Byrd, but the overall values have yet to be determined. Mr. Byrd said the base for the schedules had not changed a lot since 2010. Mr. Byrd said he felt the residential values were stable.

Commissioner Barber said that the County had a unique circumstance that was not present in 2010, which pertained to properties along the railroad. Secondly, Commissioner Barber said land in the high end residential communities had gone down in land value only.

Commissioner Barber stated the SOV showed an increase in discoveries and asked if the increase was attributable to Pictometry.

Mr. Byrd responded yes, with Commissioner Barber following up by asking if the discoveries were in specific districts. Mr. Byrd responded he was not certain if it could be attributed to specific areas. Pictometry, according to Mr. Byrd, had made it possible to distinguish more and he said more would be known at a later date when the information was completed.

Commissioner Barber inquired as to when the assessment notices would go out with Mr. Byrd responding around the first part of February.

In response to an inquiry from Commissioner Barber, Mr. Byrd responded the public would have four (4) weeks to review and appeal the schedule.

Mr. Byrd said the cost basis for the values was based on a 1200 square foot home with two bathrooms on a crawl space. Mr. Byrd said everything would be adjusted up or down, depending on that cost basis.

Chairman Sides said that Commissioner Barber had mentioned the railroad and the closing of numerous crossings. Chairman Sides asked Mr. Byrd if the Tax Office automatically realized the impact and devaluation of property and adjusted the values accordingly. Mr. Byrd responded in the affirmative. Mr. Byrd said the intention was to get that adjustment made prior to the notices going out. Mr. Byrd went on to explain that the railroad was a corridor and there were no standard adjustments. Mr. Byrd said each property would be looked at on an individual basis, as some might have agreements made directly with the railroad.

Commissioner Barber moved adoption of the 2015 Schedule of Values. The motion was seconded by Commissioner Pierce and passed unanimously.

6. CONSIDER APPROVAL OF BUDGET AMENDMENTS

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

- RTS – Adjust ROAP revenues and expenses to agree with state allocations – (\$28,658)
- RTS – Adjustment to return to original contract price - \$2,552
- Social Services – Revised expenditures and revenues based on funding authorizations received from the State. Funding authorizations reflect the actual amount we receive and may increase or decrease – (\$71,138)
- Social Services – Increase expenditure and revenue for donations received in order to provide goods and services to clients - \$2,858

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

7. CONSIDER APPROVAL OF BOARD APPOINTMENTS **JUVENILE CRIME PREVENTION COUNCIL (JCPC)**

- David Lambert has resigned from the Council.
- William Ryan Walker has submitted an application to fill the remainder of David Lambert's term, expiring June 30, 2015.

Commissioner Pierce moved to accept the resignation of David Lambert. Commissioner Barber seconded and the motion passed unanimously.

Commissioner Pierce nominated William Walker to fill the remainder of Mr. Lambert's term and the nomination passed unanimously.

THERAPEUTIC RECREATION

- There is one vacancy and Peggy Sue Harris has submitted an application for consideration.

The term is for three (3) years beginning November 1, 2014 and expiring October 31, 2017.

Commissioner Pierce nominated Peggy Sue Harris and the nomination passed unanimously.

HISTORIC LANDMARKS COMMISSION

- Denise Foutz has resigned from the Commission leaving two (2) vacancies.

Commissioner Pierce moved to accept the resignation of Denise Foutz. Commissioner Barber seconded and the motion carried unanimously.

TOWN OF CLEVELAND ZONING BOARD OF ADJUSTMENT AND PLANING BOARD

- Roy Huss has submitted an application for consideration
- Grayson Bryan Phillips has submitted an application as an alternate

The terms are for three (3) years beginning October 1, 2014 and expiring September 30, 2017.

Commissioner Pierce nominated Roy Huss as a full member and Grayson Phillips as alternate. The nominations passed unanimously.

LOCAL EMERGENCY PLANNING COMMITTEE

An application has been received from Heath McCorkle with Southern Power to replace Eric Brown as an industry representative on the Local Emergency Planning Committee (LEPC).

There are no term limits with the LEPC.

Commissioner Pierce nominated Heath McCorkle to replace Eric Brown. The nomination carried unanimously.

8. ADJOURNMENT

There being no further business to come before the Board, Commissioner Pierce moved to adjourn at 3:52 p.m. The motion was seconded by Commissioner Barber and passed unanimously.

Respectfully Submitted,

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