

**MINUTES OF THE MEETING OF THE
ROWAN COUNTY BOARD OF COMMISSIONERS
March 16, 2015 – 6:00 PM**

J. NEWTON COHEN, SR. ROOM

J. NEWTON COHEN, SR. ROWAN COUNTY ADMINISTRATION BUILDING

Present: Greg Edds, Chairman
Jim Greene, Vice-Chairman
Mike Caskey, Member
Judy Klusman, Member
Craig Pierce, Member

County Manager Aaron Church, Clerk to the Board/Assistant to the County Manager Carolyn Barger, County Attorney Jay Dees and Assistant County Manager/Finance Director Leslie Heidrick were present.

Chairman Edds convened the meeting at 6:00 p.m.

Commissioner Klusman provided the Invocation

Boy Scout Troop #448 led the Pledge of Allegiance.

CONSIDER ADDITIONS TO THE AGENDA

There were no additions to the agenda.

CONSIDER DELETIONS FROM THE AGENDA

Commissioner Pierce moved to pull and table Consent Agenda Item F. The motion was seconded by Commissioner Caskey and passed unanimously.

CONSIDER APPROVAL OF THE AGENDA

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

CONSIDER APPROVAL OF THE MINUTES

Commissioner Pierce moved, Commissioner Caskey seconded and the vote to approve the minutes of the March 2, 2015 Commission Meeting passed unanimously.

1. CONSIDER APPROVAL OF CONSENT AGENDA

Commissioner Pierce moved approval of the Consent Agenda (as amended). The motion was seconded by Commissioner Caskey and passed unanimously.

The Consent Agenda consisted of the following:

- A. Refunds for Approval
- B. Authorization for County Manager to Support Request From Director of Cooperative Extension For An Employee Title Promotion
- C. Authorize Extension of Water System on Wagoner Road
- D. Award CDBG Substantial Rehabilitation Contracts
- E. Proclamation for Child Abuse Prevention Month
- F. Donation of Vehicle to Enochville Fire and Rescue (this item was tabled)
- G. Set Public Hearing for April 6, 2015 for West End Plaza Financing
- H. Hartigan Agreement for IDF Grant Administration for Gildan Yarns Project
- I. Hartigan Agreement for CDBG Administration for Gildan Yarns Project

2. SPECIAL RECOGNITION

On behalf of the Board, Chairman Edds recognized students from different high schools attending the meeting today for their achievements in winning state championship titles.

Chairman Edds read a Proclamation honoring Brandon Sloop of the Carson Wrestling Team.

The Proclamation read:

WHEREAS, by his astonishing efforts, Brandon Sloop, of Carson High School, under the direction of Coach Bryce Vandenburg, has won the 3A N.C. High School Wrestling State Championship in the 170 pound weight class; and

WHEREAS, Brandon finished an extraordinary high school career with 154 victories; and

WHEREAS, the dedication and commitment of this young Rowan County man has proven to be a source of admiration and inspiration to his fellow students and the citizens of Rowan County.

NOW, THEREFORE BE IT PROCLAIMED, that the Rowan County Board of Commissioners does hereby honor Brandon Sloop of the Carson High School Wrestling Team for his astonishing achievements and to commend him for his display of sportsmanship and leadership as he represented Rowan County.

Commissioner Pierce moved, Commissioner Greene seconded and the vote to approve the Proclamation carried unanimously.

Chairman Edds read a Proclamation honoring Brittany Small of the East Rowan Indoor Track Team.

The Proclamation read:

WHEREAS, Brittany Small of the East Rowan High School Indoor Track Team, under Coach Laurie Wyrick, is to be recognized and honored for her victorious 2015 indoor track season; and

WHEREAS, by her astonishing efforts, Brittany has demonstrated her skill throughout the season by winning the individual 3A State Championship title in the high jump with a personal record of 5' 6"; and

WHEREAS, this individual effort, tremendous commitment and excellent performance of this young Rowan County woman has proven to be a source of admiration and inspiration to the citizens of Rowan County.

NOW, THEREFORE BE IT PROCLAIMED, that the Rowan County Board of Commissioners does hereby honor Brittany Small of the East Rowan Indoor Track Team for her incredible achievements and commends her for her display of sportsmanship and leadership as she represented Rowan County.

Commissioner Klusman moved, Commissioner Pierce seconded and the Proclamation for Brittany Small was approved unanimously.

In response to an inquiry from Chairman Edds, Ms. Small said she had also gone to Australia and competed against 5 countries to win the gold in Australia.

Next, Chairman Edds recognized Taylor Kirk of the East Rowan Indoor Track Team and read the following Proclamation:

WHEREAS, Taylor Kirk of the East Rowan High School Indoor Track Team, under Coach Laurie Wyrick, is to be recognized and honored for her 2015 indoor track season; and

WHEREAS, by her astonishing efforts, Taylor has demonstrated her skill throughout the season by winning the individual 3A State Wheelchair Championship title in the shot put throwing a personal record of 8' 5½"; and

WHEREAS, this top rated performance, dedication, and commitment of this young Rowan County woman has proven to be a source of admiration and inspiration to the citizens of Rowan County.

NOW, THEREFORE BE IT PROCLAIMED, that the Rowan County Board of Commissioners does hereby honor Taylor Kirk of the East Rowan Indoor Track Team for her incredible achievements and commends her for her display of sportsmanship and leadership as she represented Rowan County.

Commissioner Klusman moved approval of the Proclamation. Commissioner Greene seconded and the motion carried unanimously.

Michael Streater of the North Rowan Indoor Track Team was unable to attend the meeting; however Chairman Edds announced that Mr. Streater had won the individual 1A-2A State Championship title in the high jump.

Commissioner Greene moved approval of the Proclamation honoring Michael Streater as submitted. Commissioner Klusman seconded and the motion passed unanimously.

The Proclamation was submitted as follows:

WHEREAS, Michael Streater, of North Rowan High School, under the direction of Coach Phillip Bush and staff, is to be acknowledged and honored for his superior athletic season; and

WHEREAS, by his outstanding efforts, Michael has won the individual 1A-2A State Championship title for the high jump; and

WHEREAS, Michael jumped a personal best of 6 feet, 4 inches; and

WHEREAS, the top-rate performance, perseverance and commitment of this young Rowan County man, along with his coaching staff, has proven to be a source of encouragement and admiration for the citizens of Rowan County.

NOW, THEREFORE BE IT PROCLAIMED, that the Rowan County Board of Commissioners does hereby honor the Michael Streater of the North Rowan High School Indoor Track Team for his outstanding achievements and praises him for his display of sportsmanship and leadership for Rowan County.

Chairman Edds called Logan Durham of the South Rowan Wrestling Team forward and read a Proclamation honoring Mr. Durham as follows:

WHEREAS, Logan Durham, of South Rowan High School, under the direction of Coach Josh Yost, has won the Individual N.C. High School Athletic Association's State 3A wrestling championship in the 113 pound weight class; and

WHEREAS, by his outstanding efforts, he had an undefeated season for the second straight year; and

WHEREAS, Logan became South Rowan's first two-time state champion; and

WHEREAS, the dedication and commitment of this young Rowan County man has proven to be a source of inspiration to his fellow students and the citizens of Rowan County.

NOW, THEREFORE BE IT PROCLAIMED, that the Rowan County Board of Commissioners does hereby honor Logan Durham of the South Rowan High School Wrestling Team for his outstanding achievements and commends him for his display of sportsmanship and leadership as he represented Rowan County.

Commissioner Greene moved approval of the Proclamation. Commissioner Pierce seconded and the motion carried unanimously.

A round of applause followed each presentation.

3. PUBLIC COMMENT PERIOD

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

- Robin Rhyne, Director of Business Development for the Rowan County Economic Development Commission (EDC), said she had recently joined the EDC and wanted to introduce herself to the Board.

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

4. CONSIDER LEASING PROPERTY TO FAIR ASSOCIATION

Chairman Edds stated the Board had tabled the issue of leasing property to the Rowan County Fair Association (RCFA) in order to direct the County Attorney to draft a lease for \$1.00 a year for fifteen (15) years. The motion to table the issue was also to allow for submission of a diagram of the property showing where the timber lines were located in order to identify the minimum amount of clearing needed to facilitate parking needs.

Chairman Edds said the County Manager had met with the RCFA on March 3, 2015 in an effort to reduce the number of trees to be affected. Chairman Edds said it appeared that the RCFA would need approximately 500 parking spaces for the fairgrounds and they would like for the County to consider leasing the five (5) acres that have been identified on the map in the agenda packet.

Commissioner Caskey moved approval of the request followed by a second from Commissioner Greene.

Commissioner Pierce said he did not like the lease for \$1 per year due to the land sales that had taken place along Julian Road over the past twenty-four (24) months. Commissioner Pierce expressed his opinion regarding the location of a new building erected by the RCFA in their existing parking lot. Commissioner Pierce preferred for the County to consider selling the land to the RCFA and said he would be willing for the County to finance the land purchase.

Commissioner Caskey stated that under the current proposal, the County would get the land back with 30 days notice. Commissioner Caskey pointed out the land was limited to what it could be used for due to the swampy area, etc. Commissioner Caskey said at the very worst, the County would have property that had been cleaned off with a parking lot created, if the property were taken back. Commissioner Caskey said he supported the request.

Commissioner Klusman concurred with Commissioner Caskey and said she viewed the fairgrounds property as a community location for citizens to gather for various events.

Commissioner Greene said the property was contiguous to that of Rowan Cabarrus Community College (RCCC). Commissioner Greene said at some point RCCC might decide upon a use that would encompass a joint effort with the

County. Commissioner Greene felt the County should keep the property with the option to take it back in thirty (30) days.

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

5. PRESENTATION OF SPACE NEEDS ASSESSMENT BY ADW ARCHITECTS

Bob Lauer and Scotty Smith of ADW Architects (ADW) presented the summary regarding the findings on the Space Needs Study (Study) conducted for Rowan County.

Mr. Lauer discussed the various phases of the study and said ADW had begun the Master Plan (Plan) development process. Mr. Lauer said the Plan would be comprehensive and presented in April.

Mr. Lauer discussed Phase I of the Study where ADW had toured all county facilities to familiarize themselves with the facilities, conditions and learn about immediate needs.

Mr. Smith said county department heads and judicial staff had submitted worksheets, which outlined their operations, personnel, major duties, types of rooms and activities that occur in their workspaces, security and storage needs, etc.

For Phase II, Mr. Lauer said each department provided a long term “wish” list of space needs based on growth projections for the next 10-15 years.

Phase III of the Study was the current facilities assessment and Phase IV consisted of the Program and Plan development.

Mr. Lauer said one of the predominant discoveries was the need for need for conference space, meeting rooms, storage space, more usable work rooms, and more office space. There were other items brought up as a common request not accounted for in the square footage calculations that included parking, the ability to scan/archive, and concerns for security measures for facilities.

In response to an inquiry from Commissioner Greene regarding ADW’s qualifications for the project, , Mr. Lauer discussed the firm’s background, as well as recent projects.

Commissioner Klusman asked if the Plan would include costs. Mr. Lauer responded the Plan would provide estimates but not hardline construction costs.

6. CONSIDER REQUEST FOR AMENDMENT TO FUNDING POLICY

Chairman Edds said the request before the Board of Commissioners (BOC) was the result of several meetings he and County Manager Aaron Church had with Volunteer Fire Departments (VFD).

Chairman Edds said at a recent meeting of the VFD, it was requested the BOC consider revising its Funding Policy (Policy). Chairman Edds said prior to May 18, 2013, the Policy was not applicable to the VFD.

Commissioner Pierce said the intent of the revisions to the Policy in 2013 were to show the County's transparency how funds were spent once received. Commissioner Pierce said everyone wanted transparency but when policies were invoked to provide transparency, people got upset. Commissioner Pierce reiterated the purpose of the Policy was to let citizens know how funds were spent if an agency received tax funds.

Commissioner Caskey commented that VFD were non-profit corporations but were different than other non-profit agencies in the way they were set up. Commissioner Caskey did not feel VFD fit well under the current Policy but he pointed out they still had to follow certain laws because they are a public body. Commissioner Caskey supported the request.

Commissioner Klusman supported the request, as well.

Commissioner Greene described the request as complex and said any group spending tax dollars needed to be open to the public. Commissioner Greene discussed the checks and balances for the VFD, which included the appointment of three (3) fire commissioners and two (2) board of trustees' members by the BOC. Commissioner Greene said the VFD budgets provided to the County each year required the signatures of the fire commissioners and board of directors indicating their approval of the budget. Commissioner Greene said the checks and balances appear to be in place and he did not perceive the requested revision as a lack on the BOC's part of being open with public funds.

Chairman Edds said the County was in the process of creating an updated contract with the VFD and specific components could be included in the contracts, if needed.

Chairman Edds supported the request and working with the VFD on the language for the new contracts.

Mr. Church said he had routinely seen one (1) detailed contract between the VFD and a County. Mr. Church said it had been difficult for him to grasp the varying documents and rules. Mr. Church said in a nutshell, if a VFD is not utilizing tax monies appropriately, the issue could be addressed annually when the BOC sets the VFD tax rate.

Mr. Church said the County does receive a copy of the VFD budgets but did not receive a copy of their checkbook and what was spent. Mr. Church said VFD have annual audits, where were a snapshot of their financial stability. The purpose of the audit is not to detect fraud but to determine if the public body is abiding by accounting principles. The VFD submits their requests for their tax rate to County and the BOC sets the rates annually.

Commissioner Greene inquired as to whether the books of a VFD were open to the public. Mr. Church responded, yes, now that NC General Statute § 55A-15-24(a) had been passed.

Commissioner Caskey made a motion to remove volunteer fire departments from the Funding Policy. The motion was seconded by Commissioner Klusman and passed unanimously.

7. CONSIDER REQUEST FROM VOLUNTEER FIRE DEPARTMENTS TO RESCIND 2012 RESOLUTION

Chairman Edds discussed a request from the Volunteer Fire Department Chiefs to rescind the Resolution in the agenda packet, which was passed in 2012.

In response to an inquiry from Commissioner Caskey pertaining to item #4 in the Resolution, County Manager Aaron Church said the letters he had seen in the past were basically asking the County to confirm the agency was a VFD with a contract with the County and a tax rate. The County does not approve or disapprove the purchase. Mr. Church said if the Resolution was rescinded, he or the Finance Director could sign the letters in question.

Commissioner Caskey asked whether a separate motion would be necessary to grant authority to the County Manager or Finance Director to sign the letters in question if item #4 was rescinded. Mr. Church said the letters are signed by someone that can validate the VFD had a contract. Mr. Church said copies of the signed letters could be provided to the Board if that was the Board's preference. Mr. Church said if the request was for a large debt, the item would be brought to the BOC for approval.

Commissioner Caskey said after speaking to the past Commission, he understood the Resolution had been intended to be more of a communication process. Commissioner Caskey said he did not mind rescinding the Resolution but the Board should make an effort to strengthen the process with regards to the appointment of fire commissioners. Commissioner Caskey said while the fire commissioners were listed on the County's website, there was no contact information. Commissioner Caskey suggested the Board direct Frank Thomason, Director of Emergency Management, to provide recommendations as to how to improve the process. Commissioner Caskey said not all counties have fire commissioners and it might be good to offer training for fire commissioners.

Commissioner Caskey felt the process could be set up better and made more transparent to the public in having contact information for their fire commissioners, as well as the fire chiefs.

Commissioner Caskey moved to ask Emergency Management to come up with recommendations to better strengthen and organize the fire commission positions in the County. The motion was seconded by Commissioner Klusman.

Mr. Church pointed out the contracts signed in 2000 by the VFD was as strong as any of the documents the Board was discussing today. Mr. Church said he or the Finance Director could go to any VFD and inspect any record at any time.

In response to Commissioner Pierce, Mr. Church confirmed that neither he nor the Finance Director had the time to visit the fire departments and look at their records.

Commissioner Pierce said he was not comfortable rescinding the Resolution and would not support rescinding it until the County had the new, signed contract in place.

The Board continued to discuss the current contract in place for the VFD, which is in effect until it is re-negotiated.

Commissioner Greene said the Board controlled the tax rate and appointed members to the VFD boards. Commissioner Greene said the Board had little control over the VFD and if their audits revealed any findings, the matter would be brought before the Board.

Mr. Thomason came forward and said the existing contract was under review by his office, along with the Fire and Rescue Association. Mr. Thomason said the draft was half complete and would be submitted to the County Manager as soon as it was ready. Mr. Thomason personally felt all items could be consolidated into one document.

Commissioner Pierce moved to table consideration of the Resolution. The motion failed for lack of a second.

Commissioner Caskey restated his motion, which was seconded by Commissioner Klusman and passed 4-1 with Commissioner Pierce dissenting.

8. CONSIDER APPROVAL OF RESOLUTION FOR LGC APPLICATION AND BOND ORDER

Amy Vitner, with First Tryon Advisors said she serves as the County's financial advisor. Ms. Vitner discussed the refunding savings related to the County's general obligation bonds from 2005. Ms. Vitner reported the County currently had \$20.3 million bonds outstanding. Ms. Vitner said the current interest rate on

the bonds averages 4.24%. Ms. Vitner projected in the current market environment the County could achieve an interest rate of approximately 1.81%, which would result in net present value savings of \$1.3 million, or 6.8% of refunded bonds outstanding. Ms. Vitner said the results would be an annual savings of approximately \$280,000/year.

Ms. Vitner discussed the schedule and said the County was at the point of being asked to consider adoption of a refunding bond order. Ms. Vitner said the approval would allow the County to move forward with the transaction and also would allow administration to file a statement of debt with the Local Government Commission (LGC) and include a statement of estimated interest.

Ms. Vitner said the next part of the process would be to send out a Request for Proposals (RFP) to various banks who bid on this type of debt. Ms. Vitner said bids would be expected on April 7, 2015 and at that point the County would know what its interest rates would be on the bond issue. Ms. Vitner said all bids submitted were contingent upon final Board adoption of a Resolution on April 20, 2015 and also LGC approval on May 5, 2015.

In response to an inquiry from Commissioner Klusman, Finance Director Leslie Heidrick explained that no public hearing was required for the proposed type of refunding bonds.

Commissioner Greene moved approval of the Resolution Making Certain Findings And Authorizing The Filing Of An Application With The Local Government Commission In Connection With The Proposed Issuance Of General Obligation Refunding Bonds Of The County. Commissioner Klusman seconded and the motion carried unanimously.

Commissioner Greene moved approval of the Introduction of the Bond Order. Commissioner Klusman seconded and the motion passed unanimously.

Commissioner Klusman moved to adopt the Bond Order Authorizing the Issuance of General Obligation Refunding Bonds, Series 2015 Of the County of Rowan, North Carolina In A Maximum Aggregate Principal Amount Not To Exceed \$21,000,000 For The Purpose Of Refunding All Or Certain Maturities Of The County's General Obligation Bonds, Series 2005. Commissioner Greene seconded and the motion passed unanimously.

9. FINANCIAL REPORT

Assistant County Manager and Finance Director Leslie Heidrick presented the Board with a brief report on the financial position of Rowan County. Using graphs, Ms. Heidrick went over the past three (3) years, from 2012 forward, to capture the County's financial picture as it related to 2015.

With regards to expenditures, Ms. Heidrick said the County was on the same track as with the prior years.

In revenue comparisons, Ms. Heidrick said the County was exceeding prior years, which was expected due to the tax increase.

The last chart pertained to monthly sales tax collections, which Ms. Heidrick said were hard to predict. The good news for this year is that collections were up compared to the same five months for the previous year.

10. CONSIDER APPROVAL OF BUDGET AMENDMENTS

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

- Health Department – To distribute true up funds to the following CC4C accounts - \$14,874
- Health Department – Smart Start for Child Care Health Consultant (CCHC) has revised the budget. Need to correct the AS400 to match the true budget per the Grant - \$1,237
- Health Department – Smart Start for Health Link has revised the budget. Need to correct the AS400 to match the true budget per the Grant. This amendment is to reduce the contracted services, supplies, salaries, etc. in the Health Link program - \$56,068
- Health Department – To distribute true up funds to the following PCM accounts - \$32,394
- Finance – To budget grant funds received for an Environmental Management Electronics Management Program and to appropriate fund balance for funds received in prior years for the Program that have not been spent - \$25,234

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

11. CONSIDER APPROVAL OF BOARD APPOINTMENTS

BOARD OF EQUALIZATION AND REVIEW

The following applications have been received for consideration:

- Jerry E. Spry
- John P. Burke – Please note that Mr. Burke currently serves on two (2) Board appointed committees, Home and Community Care Block Grant and the Industrial Facilities and Pollution Control Finance Authority (Authority). Per Mr. Burke's application, he would resign from the Authority should he be appointed to this Board.
- Matthew Mark Causey

Commissioner Caskey moved to add an application for Troy Rushing and to approve all the applications. The motion was seconded by Commissioner Pierce and passed unanimously.

At the regular meeting of the Rowan County Board of Commissioners on March 2, 2015, the following were appointed to serve on the Board of Equalization and Review:

- Michael Darrell Upright
- Hugh Blackburn
- Robert Roakes
- James Franklin Honeycutt
- Donald Conner
- Jennifer Anne Craft
- Lisa Cleary Cartner
- James David LaFevers
- Randy Joel Johnson
- James T. Kirks
- Jeffrey Michael Brown

The Tax Administrator's Office requested that all appointments to the Board of Equalization and Review (BER) be made by March 16, 2015 in order to allow ample time to prepare and train the newly appointed BER members.

In accordance with NCGS §105-322(a), the Board of Commissioners will need to designate the Chair of the Board of Equalization and Review.

Commissioner Pierce nominated Robert Roakes as the Chair of the BER and the nomination passed unanimously.

12. REPORTS

Annual Report from Community Child Protection Team

Department of Social Services Director Donna Fayko presented the annual report from the Community Child Protection Team (CCPT). Ms. Fayko stated the report outlines service gaps in Rowan County and makes recommendations to the Commissioner for which the CCPT respectfully requests consideration.

Ms. Fayko highlighted the annual report and shared recommendations for the Board from the CCPT.

13. CLOSED SESSION

Chairman Edds moved at 7:42 p.m. for the Board to enter Closed Session in accordance with North Carolina General Statute § 143-318.11(a)(1) to consider approval of closed session minutes for January 20, 2015; January 26, 2015; February 16, 2015; and March 2, 2015; NCGS § 143-318.11(a)(4) for an economic development matter at the Rowan County Airport, and NCGS §143-318.11(a)(5) to discuss a possible property acquisition for a potential EMS site. The motion was seconded by Commissioner Caskey and passed 4-0 (Commissioner Klusman left the room prior to the vote being taken).

The Board returned to Open Session at 8:59 p.m.

Commissioner Greene moved to approve the lot in Rockwell as presented tonight. The motion was seconded by Commissioner Caskey and passed unanimously.

14. ADJOURNMENT

There being no further business to come before the Board, Commissioner Klusman moved to adjourn at 8:59 p.m. The motion was seconded by Commissioner Pierce and passed unanimously.

Respectfully Submitted,

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