

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

Aaron Church, County Manager  
Carolyn Barger, Clerk to the Board  
John W. Dees, II, County Attorney

## **Rowan County Board of Commissioners**

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### **MINUTES OF THE MEETING OF THE ROWAN COUNTY BOARD OF COMMISSIONERS May 18, 2020 – 6:00 PM**

**PLEASE NOTE: DUE TO THE CORONAVIRUS PANDEMIC  
THE MEETING WAS HELD BY REMOTE PARTICIPATION FOR THE BOARD OF  
COMMISSIONERS, STAFF AND THE PUBLIC**

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#### **Commissioners Participating:**

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

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

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

Chaplain Michael Taylor provided the Invocation.

Chairman Edds led the Pledge of Allegiance.

#### **CONSIDER ADDITIONS TO THE AGENDA**

Chairman Edds added an Emergency Management Performance Grant Supplemental Application to the Consent Agenda as Item H.

#### **CONSIDER DELETIONS FROM THE AGENDA**

There were no deletions from the agenda.

#### **CONSIDER APPROVAL OF THE AGENDA**

Commissioner Pierce moved, Commissioner Klusman seconded and the vote to approve the agenda as amended passed unanimously.

## **CONSIDER APPROVAL OF THE MINUTES**

Commissioner Klusman moved, Commissioner Greene seconded and the vote to approve the minutes of the May 4, 2020 Commission Meeting carried unanimously.

## **1. CONSIDER APPROVAL OF CONSENT AGENDA**

Commissioner Klusman moved approval of the Consent Agenda as amended. The motion was seconded by Commissioner Greene and passed unanimously.

The Consent Agenda consisted of the following:

- A. White Goods Grant Equipment
- B. Tax Refunds for Approval
- C. LSTA COVID-19 Response Mini-Grant
- D. PORT Program Funding Grant
- E. Woodson Foundation Grant Award for ROCOC
- F. FY 2020 Vehicles Financing
- G. Point of Contact for Annual Population Survey Estimates
- H. Emergency Management Performance Grant Supplemental Application (addition to the Consent Agenda)

## **2. PUBLIC COMMENT PERIOD**

Chairman Edds opened the Public Comment Period to entertain comments from any citizens who had either called in or submitted an email request to address the Board via electronic means. With no one wishing to provide comments, Chairman Edds closed the Public Comment Period.

## **3. PUBLIC HEARING & SUMMARY PRESENTATION – EDC ‘PROJECT LAKE’**

Scott Shelton, Vice President of the Economic Development Commission (EDC), presented the economic impact analysis for the potential location of Project Lake (Project) in Rowan County.

Mr. Shelton reported the company behind the Project was a pharmaceutical manufacturer interested in reactivating the former Ei Solutions facility located at 2865 North Cannon Boulevard in Kannapolis.

The company would initially use the facility to manufacture hand sanitizer and eventually transition to producing various generic drugs that would be available both over-the-counter and by prescription.

Mr. Shelton stated that if Rowan County was chosen, the company would create 388 new jobs over the next four (4) years. Some of the proposed job categories were Filling Team Members, Lab Technicians, Sales and Marketing Staff, and Facilities Technicians.

The company planned to invest approximately \$14.1 million into the property through improvements to the facility and major equipment upgrades. The majority of the improvements would be completed by the end of 2021.

The company was also considering sites in South Carolina, Georgia and Virginia. Mr. Shelton reviewed the company's request for a Level 1 Grant under the County's Investment Grant Program and he also illustrated the projected revenue returns over a 10-year period. It was estimated the County would collect an estimated \$824,505; disburse a \$270,276 grant and retain an estimated \$553,779 of new revenue.

Mr. Shelton said on May 26, 2020, the City of Kannapolis would also consider assistance for the Project through its Industrial Development Grant Program.

According to Mr. Shelton, the Company was seeking a One NC Grant and if approved, the Grant would be awarded to the County to disburse the funds as long as the Company met the job creation and wage requirements. The Board would also need to authorize the submission of a One NC Grant application to the State at a future meeting.

In addition, Mr. Shelton said a Building Reuse Grant was being pursued from the State for the Project. The Building Reuse Grant would help the Company with a variety of improvements to the building. Like the One NC Grant, the Board would also need to authorize submission of the Building Reuse Grant application at a future meeting. Mr. Shelton said the EDC would also request the County consider hiring a professional grant administrator at an estimated cost of no more than \$12,500.

Commissioner Pierce inquired as to the salary ranges for the jobs and Mr. Shelton responded the average salary was \$44,039 and above average.

Commissioner Caskey inquired as to the condition of the building. Mr. Shelton said the facility had been vacant since around 2018. The Company officials had seen the building and most improvements would be more along the line of upgrades.

In response to an inquiry from Commissioner Greene, Mr. Shelton discussed how the grant process would work if the Company did not fulfill its obligations as a grant recipient.

Chairman Edds referred to the new rulings from the legislature and Governor with regards to virtual meetings being held during the Pandemic. Chairman Edds said the Board would conduct the public hearing and leave it open for an additional twenty-four (24) hours to give citizens the opportunity to provide input. Chairman Edds said the Board would take a vote; however, it would be contingent on any additional comments that might be received. Barring any comments in the upcoming the 24-hour period, the Board would grant final approval at the Special Meeting to occur on May 27, 2020.

Chairman Edds opened the public hearing to receive citizen input regarding Project Lake. With no callers wishing to address the Board, and no one having submitted concerns via email, Chairman Edds closed the public hearing.

Commissioner Pierce moved approval of the investment grant as requested for Project Lake subject to the 24-hour additional period and final approval via the Consent Agenda on May 27, 2020. The motion was seconded by Commissioner Klusman and passed unanimously.

#### **4. PUBLIC HEARING**

Planning Director Ed Muire said the Commissioners had adopted the 2020-21 Funding Action Plan at its March 5, 2020 meeting with a goal to rehabilitate at least five (5) owner occupied single-family homes with funding allocated by the Consortium. After submittal of its Plan, the County received notice from the Consortium that funding had been reduced from the anticipated amount of \$192,081 to \$178,260.

Regardless of the funding reduction, Staff opinion was the scope of the FY 20-21 program would still allow for five (5) units to be rehabilitated. The Board approved the Salisbury Community Development Corporation (CDC) to administer the County's program.

Chairman Edds opened the public hearing to receive citizen input regarding the 2020-21 HOME Funding. With no callers wishing to address the Board, and no one having submitted concerns via email, Chairman Edds closed the public hearing.

Chairman Edds moved to approve the FY 2020-21 HOME Funding action plan; authorize the County Manager to sign the application as the Certifying Official; authorize the County Manager to sign all administrative documents associated with the program; authorize the County Manger to enter into a contract with the Salisbury CDC to administer the County's HOME Program for FY 2020-21. The motion was followed by a second from Commissioner Greene and carried unanimously.

Commissioner Greene expressed appreciation to Mr. Muire for his work with on HOME Program each year.

Chairman Edds said the vote would be subject to any comments received in the 24-hour period following the public hearing and final approval via the Consent Agenda on May 27, 2020.

#### **5. PROCLAMATION – MENTAL HEALTH MONTH**

Commissioner Klusman said she had placed the Proclamation for Mental Health Month on the agenda to create awareness of the importance of being mentally healthy, especially during this time of Pandemic.

Commissioner Klusman read the Proclamation as follows:

WHEREAS, mental health is an important part of overall health and well-being; and

WHEREAS, mental health includes our emotional, psychological, and social well-being, and affecting how we think, feel and act; and

WHEREAS, mental health determines how we handle stress, relate to others, and make healthy choices; and

WHEREAS, mental health is important at every state of life, from childhood and adolescence through adulthood.

NOW, THEREFORE, the Rowan County Board of Commissioners, does hereby proclaim the month of May as Mental Health Month and furthermore, encourages leaders of Rowan County and its citizens to learn more about mental illness so we may support those struggling with this illness, understand and learn how to help those as they try to live a safe and healthy life contributing to our community.

Commissioner Klusman moved, Commissioner Pierce seconded and the vote to approve the Proclamation for Mental Health Month as read passed unanimously.

Chairman Edds said he had learned this week was the 46<sup>th</sup> Annual National EMS Week. Chairman Edds said in 1974 President Gerald Ford had authorized EMS Week to celebrate EMS practitioners and to recognize the importance of their duties. Chairman Edds praised all EMS workers, including Lennie Cooper, EMS Division Chief and Chris Soliz, Chief of Emergency Services, stating how much the citizens appreciated the work performed daily by all EMS staff.

## **6. REQUEST FOR QUALIFICATIONS (RFQ) FOR ARCHITECT TO DESIGN COVID-19 WORK/CITIZEN ENVIRONMENTS**

County Manager Aaron Church said the purpose of the agenda item was to authorize the County Manager to release a Request for Qualifications (RFQ) for Architectural Services to design work environments that minimize as much as possible the transmission of COVID-19 between coworkers and citizens. Government Employees provide essential services that require frequent interaction with the public.

The RFQ will request that an architect submit qualifications to design, bid and manage construction. The renovations may include by will not be limited to installing safety glass, partitions, intercom systems and possibly drive through facilities. We expect that these services and subsequent construction action would be paid for with funding from the Coronavirus Relief Fund (CRF) established under the CARES Act.

Mr. Church confirmed to Commissioner Klusman that funds from the Act had to be spent specifically for COVID-19. Commissioner Klusman asked if funds could also be used for testing and Personal Protective Equipment (PPE) and Mr. Church said yes. Mr. Church said the funds were required to be obligated in December of this year.

Commissioner Pierce questioned if the architectural fees would come from the grant and Mr. Church responded it was anticipated the fees would be an allowable expense.

Commissioner Caskey referred to the different options, such as intercoms and putting glass between citizens and employees, and he asked if it was possible some of the

options could work dually for both COVID-19 and physical violence protection. Mr. Church said the architect would be tasked with minimizing the transmission of COVID-19.

Commissioner Pierce asked if the RFQ would be just for county office buildings or if it could also be for the schools. Mr. Church said the RFQ could potentially include municipalities if they were interested. Mr. Church asked Assistant County Manager/Chief Information Officer Randy Cress if he knew what the schools had received from the CARES Act.

Mr. Cress said he was aware the schools had received funding for technology but he did not have the exact details.

Commissioner Pierce asked if the funds were to be used for technology or for safety. Mr. Cress said the funds he was aware of were for technology but he could find out about the details for the other areas.

Commissioner Pierce said it would be helpful for the architect to know the scope of work before starting. Mr. Church explained the RFQ would address the design and renovation of government facilities. The scope would not be limited in the RFQ.

Commissioner Pierce moved to approve an RFQ for an architect to design COVID-19 work/citizen environments. The motion was seconded by Commissioner Klusman and passed unanimously.

#### **7. SCHEDULE SPECIAL MEETING FOR MAY 27, 2020 AT 3:00 P.M.**

According to the information in the agenda packet, the County received a letter from the North Carolina State Budget Director, which provided information about the Coronavirus Relief Fund (CRF). According to the letter Rowan County would receive \$2,561,818.

Chairman Edds said the County Manager had requested the Board schedule a Special Meeting on May 27, 2020 at 3:00 p.m. to discuss and adopt a plan to be submitted to State by June 1, 2020. Chairman Edds said the Board would also need to add two (2) items to the Consent Agenda as discussed earlier in the meeting. The first item was to ratify the Board's approval of the Investment Grant for Project Lake. The second item was to ratify the Board's approval of the FY 2020-21 HOME Funding Plan.

Commissioner Klusman moved to schedule a Special Meeting on May 27, 2020 at 3:00 pm for the purposes outlined (as stated by Chairman Edds above). The motion was seconded by Commissioner Pierce and passed unanimously.

#### **8. FINANCIAL REPORT**

Assistant County Manager/Finance Director Leslie Heidrick highlighted several financial graphs depicting the following information:

- Annual Cumulative Current Year Property Tax Comparisons as of March 2020 – \$84,576,418
- Annual Cumulative Sales Tax Comparisons as of January in FY '20 - \$16,158,967
- Annual Cumulative Revenue Comparisons as of April 2020 - \$127,826,108
- Annual Cumulative Expenditure Comparisons as of April 2020 - \$122,695,118

**9. PRESENTATION OF FY 2020-21 BUDGET AND SCHEDULING OF PUBLIC HEARING FOR PROPOSED BUDGET**

County Manager Aaron Church presented the FY 2020-21 proposed budget. Mr. Church described the proposed budget as tight and conservative.

Mr. Church provided a power point highlighting the following information:

**FY 2021 BUDGET**

FUND 101	General Fund	\$153,521,214
FUND 201	Fire District Fund	\$6,608,824

*NO TAX INCREASE RECOMMENDED*

FUND 202	Emergency Telephone	\$547,782
FUND 501	Risk Management Fund	\$1,392,800
FUND 601	Landfill Fund	\$9,612,166
FUND 603	Airport Fund	\$4,581,965
FUND 605	Water Fund	\$136,000
TOTAL		\$176,400,751

Mr. Church discussed the budget requests that had been submitted versus what was recommended. The recommendation was a 4% reduction from last year.

FY 2020 Budget	\$159,883,238
FY 2021 Requested	\$215,839,302
FY 2021 Recommended	\$153,521,214
FY 2021 Reduction	\$6,362,024

With regards to revenue, Mr. Church and Assistant County Manager/Finance Director Leslie Hedrick addressed the following:

Property Tax Base	\$13,760,000,000
Increase over last year	3.38%
Collection Rate DECREASE by	<b>-1.25%</b>
Recommended Tax Rate	65.75 Cents
Sales Tax	<b>-\$2,500,000 or -9.5%</b>

Mr. Church reported the recommended tax rate remained at 65.75 cents. Mr. Church said sales tax revenue projections were estimated to decrease 9.5% from last year's budgeted amount and a loss in revenue of \$2.5 million.

Continuing with the power point, Mr. Church reviewed the following:

**FY 21 CONTINUATION BUDGET HIGHLIGHTS**

**WEST END PLAZA**

FY 2019 Balance	\$1,532,998
FY 2020 Transfer	1,299,820
FY 2021 Transfer	<u>1,440,160</u>
Total of Transfers	<u>\$4,272,978</u>

**FY 2021 EXPANSION HIGHLIGHTS**

Position Request	39
Requested Cost	\$1,997,273
Positions Recommended	2
Recommended Cost	\$111,320
COLA	\$0

Health Insurance Adjustment	\$752,378
Energov Assist Complete	\$30,000
Eagle View Pictometry	\$40,000
Independent Validation of EMS	\$13,500
74 Streamlight Pro Tac Railmount	\$7,992

NATO Ballistic Shields	\$8,442
Two Annual Summer Camps	\$3,000
RFID Security Gate	\$14,811
Two RFID Work Stations	\$2,710
Woodleaf Park Master Plan	\$100,000

**FY 2021 School Funding Current Expense**

Rowan Salisbury Schools	-\$363,918
Kannapolis City Schools	-24,105
Charter Schools	\$747,694
Total Increase	\$359,671

**FY 2021 School Funding Capital Outlay**

Local Option Sales Tax estimated decrease for Article 40 & 42	
Rowan Salisbury Schools	-\$421,022
Kannapolis City Schools	-\$28,978
Total	-\$450,000

**FY 2021 School Funding New Debt Service**

The budget did not include any additional debt commitments for Rowan Salisbury Schools, Kannapolis City Schools or Rowan Cabarrus Community College. All plans to build any new school facilities will be suspended if this budget is adopted. This includes all architectural and engineering designs.

In closing, Mr. Church repeated the budget was tight and conservative. Mr. Church said if the projected sales tax revenue was over-stated, a property tax rate increase would be required in FY 2022 to maintain the current services recommended in this budget. Mr. Church said the County's hiring freeze would remain in place until it was known whether the economy would improve.

The Commissioners expressed appreciation for the Department Directors, Finance Department Staff and Mr. Church for their work on the budget.

Chairman Edds said he would work with the Clerk to the Board on scheduling the public hearing and a work session for the Commissioners.

#### **10. LITTER REPORT**

Chairman Edds reported that Environmental Management Staff had removed 12,250 pounds of roadside bulk debris and litter from the two-week period beginning April 20, 2020 through May 1, 2020.

Chairman Edds said Rowan County law enforcement initiated twenty-four (24) case reports while investigating littering calls.

Commissioner Klusman encouraged citizens who were staying home during the COVID-19 Pandemic, to help clean up the litter in their respective neighborhoods.

#### **11. ADJOURNMENT**

There being no further business to come before the Board, Commissioner Pierce moved to adjourn at 7:31 p.m. The motion was seconded by Commissioner Klusman and passed unanimously.

Respectfully Submitted,



Carolyn Barger, MMC, NCMCC  
Clerk to the Board