

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 SPECIAL MEETING OF THE ROWAN COUNTY BOARD OF COMMISSIONERS JULY 21, 2020 – 6:00 P.M.

**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
Mike Caskey, Member
Judy Klusman, Member
Craig Pierce, Member

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

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

Chaplain Michael Taylor provided the Invocation and Chairman Edds led the Pledge of Allegiance.

CONSIDER ADDITIONS TO THE AGENDA

Chairman Edds said the Board had received two (2) requests for additions to the agenda from the County Manager. The first was to consider approval of the July Coronavirus Relief Fund (CRF) Report and the second was to consider issuing a directive on CRF Reporting.

Commissioner Pierce moved to add the items as requested followed by a second from Commissioner Klusman. The motion carried unanimously.

Chairman Edds added the items to the agenda as #1a and #1b respectively.

CONSIDER APPROVAL OF THE AGENDA

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

1. DISCUSSION REGARDING USE OF ARCHITECTURAL FUNDS THROUGH THE CORONAVIRUS RELIEF FUND (CRF) FOR ROWAN COUNTY'S MUNICIPALITIES

County Manager Aaron Church said he was seeking clarity from the Board regarding the use of architectural funds through the Coronavirus Relief Fund (CRF) Grant.

Mr. Church said the Board had agreed in the County's initial plan to provide architectural services to each municipality; however, the decision was made prior to additional legislation being passed requiring the County to give 25% of CRF to each municipality. The Board had developed a distribution method for the 25% of CRF for each municipality at its July 13, 2020 meeting. Following the decision, Mr. Church said a meeting was held with the municipalities and the question came up as to whether the County would still provide for the architectural services, on top of the required 25% distribution from the CRF.

Mr. Church asked the Board to consider allowing the County to use the CRF to provide architectural services to the municipalities in the event they would like to utilize the architectural services. Mr. Church said the municipalities would be required to pay for any construction costs from their 25% distribution.

Commissioner Pierce commented the Board had agreed to provide for the architectural services before the Commissioners knew other dollars would be distributed to the municipalities. Commissioner Pierce felt the County had been more than generous and he did not feel the County should pay for the architectural fees on top of the other allocation.

Commissioner Greene asked how much money Mr. Church was talking about. Mr. Church said the contract with the Bogle Architectural Firm did not exceed \$100,000 and was to provide for services to the County, the courthouse and the municipalities. Mr. Church continued by saying he could calculate the percentage for the municipalities. Another option was for the County to track each hour the architect provided services and bill the municipalities, or, the municipalities could utilize their own architect.

Chairman Edds said he understood both sides of the issue. Chairman Edds noted the Board had previously agreed to pay for the services and had taken the lead in helping the municipalities through staff and management leadership. Chairman Edds said he would do what the majority of the Board wanted but he would rather see the County help the municipalities (with the architectural services).

Commissioner Klusman agreed with Chairman Edds.

Commissioner Caskey referred back to Commissioner Greene's original question and asked how much was previously budgeted for the architectural fees. Mr. Church responded the actual contract with Mr. Bogle was initially \$97,180 for the courthouse, all county buildings, and the municipalities. Mr. Church provided an estimated breakdown as to how the dollars would be spent based on hours and the hourly rates. Mr. Church

referred to the schematic design and said he did not think it was broken out because at the time of the initial plan all the money was to come to the County.

In response to an inquiry from Commissioner Caskey, Mr. Church said it was unknown how many municipalities would want to use the architectural services. The County was now mandated to provide money to the municipalities and they were to develop their own plans.

Commissioner Pierce noted pricing for the general schematic design was \$160 per municipality (2 hours at \$80/hour). Mr. Church pointed out some of the municipalities had more sites than others. Commissioner Pierce agreed and said that was why he felt they should pay their proportionate share from their monies. As an example, he noted the City of Salisbury would have more sites than Granite Quarry, Spencer or East Spencer.

Commissioner Caskey asked Commissioner Pierce if he was concerned the County might receive a large bill from work for a municipality, which the County had not planned for. Commissioner Pierce said now that the municipalities had their own funds, they could determine what work they wanted done. Commissioner Pierce said the scope of work was limited and the Board did not know what the municipalities would do. Commissioner Pierce said he was okay with leaving the \$100,000, minus what the County paid, and letting the municipalities evenly divide what was left. Commissioner Pierce had concerns with the architectural work not being defined.

Commissioner Caskey suggested the municipalities pay for anything above what the Commissioners had already agreed to provide. Commissioner Caskey felt the confusion was in approving something the Commissioners did not know the cost for in the future.

Mr. Church confirmed to Commissioner Klusman the architectural firm could not exceed \$97,180, as per the contract. Mr. Church did not feel he had the authority to approve funding over the 25% to the municipalities and the issue was now whether the 25% distribution was to include the architectural fees.

Chairman Edds suggested the County Manager determine the County's architectural fees and let the municipalities know they would receive a share of the balance based on population.

Commissioner Klusman agreed with the comments from Chairman Edds and Commissioner Pierce.

Commissioner Greene was in favor of knowing exactly what the County was going to spend. Commissioner Greene said he did not want an accounting nightmare and monies spent elsewhere.

Commissioner Pierce asked if the Board members were personally liable for the funds and Mr. Church said since the Board was required to give the municipalities 25% the municipalities would be responsible for those funds.

Commissioner Pierce referred to the \$97,180 in architectural fees and asked if the Board was responsible for those funds and Mr. Church said yes because the Board had approved the contract.

Mr. Church asked for confirmation of his understanding of the Board's direction.

Chairman Edds clarified the Board's intentions by stating the following: The County had a total budgeted amount of \$97,180 (for architectural services). The Board wanted Mr. Church and Assistant County Manager/Finance Director Leslie Heidrick to determine how much of the figure was for the County and how much was municipal. For example purposes only, Chairman Edds stated if \$40,000 was for the County, there would be \$57,180 left to go towards the municipalities to be distributed to the municipalities based on population. Chairman Edds put his statements in the form of a motion followed by a second from Commissioner Pierce. The motion passed unanimously.

Mr. Church asked for clarification and stated the motion meant it was possible a municipality's distribution could exceed 25%. Chairman Edds said yes, the funds would be in addition to the 25%.

ADDITION

ITEM 1A. APPROVAL OF THE JULY 2020 CRF REPORT

Chairman Edds said the request was before the Board due to the Commissioners directive to see a monthly report regarding Coronavirus Relief Fund (CRF) expenditures. Chairman Edds referred to page 3 of the report, which indicated the total expenditures were \$100,328.45. Chairman Edds said the Board was being asked to approve the CRF Report and authorize the Finance Department to submit the report to the State.

Chairman Edds suggested going forward there be a statement included from Finance that all receipts that were received and paid were COVID-related and met the requirements of the CRF legislation. Mr. Church and Ms. Hedrick confirmed the addition of the requested statement would be possible.

Commissioner Klusman moved to approve the July CRF report. The motion was seconded by Commissioner Caskey and passed unanimously.

ITEM 1B. DIRECTIVE ON REPORTING

Chairman Edds said the minutes of the May 27, 2020 Special Meeting stated, "By consensus, the Commissioners agreed to having a report in each agenda packet for approval before requests were processed for payment." Chairman Edds continued by saying the County Manager was asking the Board to consider amending the minutes to

direct staff to present the Coronavirus Relief Fund (CRF) report once a month to the Board of Commissioners for approval.

Chairman Edds questioned the purpose of the request. Mr. Church said he was asking the Board to clarify its previous direction. Mr. Church said some of the payments in the report the Board had just approved went back to March. Mr. Church said the Board did not approve every purchase made in the County as there was a purchase order system in place. Mr. Church said the Board was approving the expenditures that had been made and authorizing staff to request reimbursement for those expenditures. Mr. Church stated the expenditures would be in the report each month.

Chairman Edds clarified the request to the Board was not to amend the minutes as stated but rather to ask the Board to change its directive to staff. The new directive would be for staff to present the CRF report once a month to the Board of Commissioners for approval. Mr. Church confirmed Chairman Edds was correct.

Commissioner Greene asked if the checks were going to be written before they were presented to the Board and Assistant County Manager/Finance Director Leslie Heidrick said yes. Ms. Heidrick said staff could provide copies of the invoices and/or checks, if the Board preferred. Ms. Heidrick said the process would be the same as for every other County grant, for the most part, on a reimbursement basis.

Chairman Edds said he did not feel the Commissioners wanted to put themselves in the the position of approving invoices. Chairman Edds said the Board wanted to see how the funds were being spent.

Commissioner Greene responded the issue for him was that if the Commissioners were personally responsible for the funds the Commissioners would not be seeing how the money was being spent until after the fact.

Ms. Heidrick said the way she viewed the situation was that the request was coming from Finance, Department Directors, and the County Manager and they would not be cutting checks for unnecessary items. Ms. Heidrick repeated the Board could be provided with copies of all the invoices and added that if there was an item which was questionable, it could be pulled from the reporting process. Ms. Heidrick said staff would follow the Board's direction.

Commissioner Pierce said he would be comfortable with receiving the spreadsheet.

Commissioner Greene said he would be happy with the spreadsheets to review; however, he stressed the CRF was "a different ballgame" in that the Commissioners were being held personally responsible for the funds. Commissioner Greene said he did not want one (1) "bad apple somewhere to cause an issue." In closing, Commissioner Greene said if the Board would receive a spreadsheet as it did for the

current report, and there was an invoice to go along with it, that was about as good as the Board could do.

Ms. Heidrick assured the Board members they would receive a spreadsheet outlining the expenditures once per month for approval.

Commissioner Pierce requested the print on the spreadsheets be larger.

Chairman Edds moved to direct staff to present the CRF once a month to the Board for approval. The motion was seconded by Commissioner Pierce and passed unanimously.

2. CLOSED SESSION

Chairman Edds moved at 6:36 p.m. for the Board to enter Closed Session pursuant to North Carolina General Statute § 143-318.11(a)(5) to consider a potential lease at Mid-Carolina Regional Airport.

The Board returned to Open Session at 6:51 p.m.

Chairman Edds explained the County had been approached by a company called Heli-1 for a lease agreement for a corporate hangar and office space. Chairman Edds said the Commissioners had discussed and agreed in principal for a one (1) year lease for a hangar and the office space. The offer was for \$10,000 per month for a one-year minimum, with options to extend the lease. The lease would be reviewed by Heli-1 and the Airport in nine (9) months to discuss renewal for a one-year term. Chairman Edds said Heli-1 was asking for immediate possession of the space, if possible.

Chairman Edds said the Company operated a fleet of helicopters that were transient based on work available. The Company would maintain a minimum taxable value on January 1, 2021 in Rowan County of \$7,000,000 for aircraft tax value purposes for aircraft based at Mid-Carolina Regional Airport. Fuel usage from the Airport was estimated to be approximately 1,000 USG per month. If the Company did not use 500 gallons per month it would pay \$2/gallon for fuel not used up to 500 gallons.

Chairman Edds moved to give the County Manager the authority to put the terms on paper and present it and bring back to the Board for its first meeting in August for final approval. The motion was seconded by Commissioner Greene and passed unanimously.

3. ADJOURNMENT

There being no further business to come before the Board, Commissioner Pierce

moved to adjourn at 6:54 p.m. The motion was seconded by Commissioner Klusman and passed unanimously.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Carolyn Barger".

Carolyn Barger, MMC, NCMCC
Clerk to the Board