

the Clerk to the Board to make it “available to all the news media in the County. He then gave the following budget presentation for fiscal year 2021-2022:

Madam Chair, members of the Board, thank you for the opportunity to officially present the fiscal year 2021-2022 budget document. This binder contains the County’s recommended annual budget as required by North Carolina General Statute 159 and the *Local Government Budget and Fiscal Control Act*. Two general units comprise the document. The first unit is the continuation budget for all funds necessary to carry out the services authorized by the Granville County Board of Commissioners. This portion contains both the financial information and the narrative descriptions of each program in all funds for which the Board is responsible. In addition to the financial information, the continuation budget section also contains non-financial information about the County and a proposed fee manual. The fee manual describes the user fees that attempt to recover some or all of the costs of services from the direct beneficiaries of the services, rather than taxpayers. The second unit contains detailed information on approximately 38 service expansions proposed by departments and outside agencies. These are “new and different” programs or activities that expand or decrease the current level of service to the Granville County citizens and taxpayers. The budget is balanced and prepared in accordance with the policies and procedures outlined in the *Local Government Budget and Fiscal Control Act*.

The Process

While budgeting is an ongoing process, the budget preparation season officially begins at the Board’s planning retreat. During the planning sessions the Board Members discuss the current programs and provide staff guidance to what should be included in the service expansion process. The County Manager then informs department managers of program ideas that the Board would like to see proposed in the new budget.

Section II of the budget contains the budget calendar. Departments and outside agencies were reminded in late January to begin thinking about service expansions. The instructions and formal notification for the continuation budget requests were sent out in February and service expansions were to be returned by mid-March. Individual departmental meetings were held in late March and early April to review the budget requests and finalize the expenditure requests. Revenues were the last item to be addressed, because much of the property tax information and the year-to-date historical data are not available until late April. The revenue and expenditures were finalized at the end of April, after another full review of revenues, expenditures and projected fund balance.

Outlook

Due to the uncertainty of the pandemic recovery efforts, the ability to forecast the local or state’s economy with any meaningful level of reliability is difficult. Granville County is projected to receive funding from the American Rescue Plan, however the Treasury Department has not provided specific details around this funding, therefore there is little emphasis in the recommended budget regarding these funds.

With this in mind, and the fact that so much of our services and our local economy are tied to the State and Federal government efforts, we have compiled a conservative budget.

Goals

This budget is a product of the Board’s vision of what Granville County will strive toward in the coming year. The long-standing values communicated during individual budget work sessions, monthly meetings, and in the annual planning retreat are as follows:

- Continue to rely on financial plans and systems in the preparation of the proposed budget;
- Conservatively estimate revenues and expenditures to avoid expectations of performance that are not realistic;
- Create an atmosphere where efforts to “spend down” during the fiscal year are discouraged;

- Present a budget that maintains the current level of programs and services provided by County departments to the public without a reduction unless those reductions are caused by State or Federal reductions.
- Present a budget that re-evaluates all expenditures in order to offset projected losses in revenues so that in light of the current economic conditions a tax increase is not needed for general government operations, but allows for policy review and potential service reductions or expansions based on other policy directives.
- Present a budget that does not supplant funding cuts by the State or Federal governments, but instead reduces those programs and informs the public of the associated impacts.

Overview of the Budget

Some of the key drivers for the fiscal year 2021-2022 budget include:

- **Health Insurance Increase** – Granville County is self-funded, and we re-evaluate our anticipated and maximum claim liability each year and budget within this range. For fiscal year 2020-2021, the County increased the employer’s funding to the health plan by approximately 5%, while not passing along any additional increase to the employees. This is an increase of approximately **\$132,400** over the previous year to the County’s operating budget.
- **Retirement Rate Increase** – For this budget, the required employer contribution to employee retirement has increased 1.2% from 10.15% to 11.35%. This is an increase of approximately **\$185,826**.
- **Debt Service** – Debt service has been monitored closely for the past several years and it has been an anticipated driver in our overall operating budget. Fiscal year 2020-2021 was the planned peak year for debt service payment (principal and interest) requirements. Beginning with fiscal year 2021-2022, assuming no new debt is issued during the year, we start to see a declining debt service payment requirement year over year. For this year, we are just over the peak with a very small decrease of **\$17,298**.
- **Pay and Classification Implementation** – The Board approved the implementation of a pay and class plan for county employees effective January 16, 2021. This represented just under a 6% increase to the overall county budget for full-time employees. The anticipated cost of these increases to the fiscal year 2021-2022 annual budget is approximately **\$1,051,213**.
- **Vehicles** - During fiscal year 2020-2021 we significantly reduced the purchase of replacement autos. We have reinstated this allocation in the fiscal year 2021-2022 budget. The annual impact the budget is approximately **\$558,594**.
- **Merit Pay Program** – In order to provide funding for the Pay and Classification plan in fiscal year 2020-2021, the Merit pay program for employees was suspended for 1 year. The recommended budget reinstates the merit pay program with merit adjustments authorized up to a maximum of 4%. The estimated costs of this program is approximately **\$549,000**.

Some of the key drivers for specific department areas which are notable include:

- **Board of Elections** – COVID-19 resulted in several operational changes to how elections are conducted. These include costs associated with PPE as well as increased costs for supplies, contracted services (for setup and take down of polling sites), and the number of temporary poll workers needed. These changes will be continued into the foreseeable future regardless of the impact of vaccines and other mitigation measures. The exact impact to the budget is difficult to calculate, however we have estimated the annual recurring impact at approximately **\$65,000**.

- **School System** – The County attempts to include a 2-3% inflationary growth factor to the public schools funding allocation in the continuation budget. The recommended budget currently projects a 3% growth for current expense (operating) and 2.5% growth for capital outlay funding. The school system is requesting approximately 4.6% increase on their current expense in order to continue ongoing operations. A request for the funding difference is included in the service expansion section of the budget for the Board’s consideration. The increase for annual recurring operating and capital funding included in the recommended budget totals **\$534,905** over last year’s funding level.
- **Health & Medical Increase** – Based on planned increases, this budget contains a \$40,000 program increase for the Public Health Department’s general allocation and a \$50,000 program increase for the hospital for the EMS allocation. This is a total programmed increase of **\$90,000**.
- **Recreation** – During fiscal year 2020-2021 we significantly reduced the Parity in Funding allocation and we have included a partial re-instatement of this allocation in the fiscal year 2021-2022 budget. This impacts the budget by **\$30,000**.
- **Volunteer Fire Departments (VFD)** – This year, we have included the 4.8% project growth into the VFD’s funding for FY 2021-2022. Also, as directed by the County Board, funding for year one (1) of three (3) of \$500,000 is included to assist with the VFD’s radio replacements. Additional funding requests are included in the service expansion section of the budget for the Board’s consideration. This funding increase for the FY 2021-2022 recommended budget is a total of **\$551,399**.
- **Sheriff’s Office** – The radio replacement program included in the fire service budget includes radio replacements for VFDs, Animal Control, Emergency Management, and the rescue and recovery service. Radio replacements for the Sheriff’s office are included in the Sheriff’s office budget and account for **\$141,000**.
- **Facilities** – There are two notable additions to the Capital Improvement Program (CIP). These renovations have been discussed previously during fiscal year 2020-2021 and are included as one-time expenditures in the Capital Improvements budget for the upcoming fiscal year. These are the renovation of the Williamsboro Street facility at an anticipated budget of \$650,000 and the DSS Satellite office at an anticipated budget of \$841,000. These two items represent the primary drivers to the increase in the CIP budget for fiscal year 2021-2022. The together total **\$1,491,000**.

General Fund

The majority of the general governmental activities are accounted for in the General Fund.

- ⇒ The recommended budget maintains the ad valorem tax rate to 84¢ for each \$100 of assessed valuation.
- ⇒ Revenues and expenditures are balanced in accordance with North Carolina General Statutes. Total recommended revenues, including appropriated fund balance, are \$74,461,177.

Sources of Revenues for the recommended fiscal year 2021-22 budget:

Property Taxes – 58.5%
 Sales & Other Taxes – 18.1%
 Intergovernmental & Restricted Funds – 12.1%
 License & Fees – 4%
 Use of Fund Balance – 7.3%

- ⇒ **Property Taxes** – The estimated tax base of \$5,230,907,631 for fiscal year 2021-2022 is projected to provide revenues of \$43,429,722 at the recommended tax rate of 84¢.

- ⇒ **Sales and Other Related Taxes** are expected to increase approximately 14% over the fiscal year 2020-2021 approved budget. Historically Granville County has budgeted these revenues very conservatively and in most years the actual revenues exceed the budget estimates. This year, estimates were based on actual revenues collected in the current year and guidance from various outside agencies, such as the League of Municipalities.
- ⇒ **Licenses, Fees, and Other Revenues** are expected to increase by approximately 1.4% when compared with the fiscal year 2020-2021 amended budget. This is mostly due to fees associated with the housing a State and Federal inmates.
- ⇒ **Restricted and Intergovernmental Revenue** is expected to decrease by 4.5% from the fiscal year 2020-2021 amended budget primarily due to a change in State funding associated with the Social Services Department and other grant funding. This category changes the most throughout the year based on the availability of grants during the year. As we gain guidance on the ARP funding, this area will be amended as appropriate.
- ⇒ **Investment earnings** are expected to decrease due to the utilization of construction project funding and due to reduced investment earning rates.
- ⇒ **Use of Fund Balance.** The recommended budget appropriates \$5,406,419 in fund balance. Fund balance is estimated to be 34.7% of expenditures as of June 30, 2020. Based on the fiscal year 2021-2022 recommended budget, the fund balance is projected to be 28.29% of expenditures as of June 30, 2021 which is just under the County's targeted range of 30% - 35%.

General Fund Expenditures

Overall the County general operating expenditures increased \$6,164,999 which is 9% over the fiscal year 2020-2021 approved budget. Of departments that had increases, they were mostly due to increases in wages, health insurance premiums, retirement contributions, debt service, and the reinstatement of funding for vehicle purchases.

General Government – 7%

(Governing Board, Admin, HR, IT, Finance, Internal Audit, BOE, ROD, General Services, Court Facilities, and Tax Administration)

Departments which comprise General County Government activities averaged a 11.37% increase in operational expenditures from the previous fiscal year approved budget. The 23.4% increase in Information Technology is due primarily to a re-classing of budget accountability from the non-departmental budget to IT.

Human Services Departments – 18%

(Social Services, Veteran Services, Senior Services, Public Health, Hospital, and Mental Health services)

The Health and Human Services area of the budget averaged a 8.32% increase. The primary drivers for this function area results from programmed increases to Granville Health System and Granville-Vance Public Health.

Community Services – 12%

(Library, Addressing, CES, Recreation, GAP, EDC, Tourism, Inspections, Planning, & Construction Administration)

Community Services averaged a 25.37% increase. The primary area of increase in this category is construction projects. This budget contains funding for two major renovation projects: the Williamsboro street project at an estimated cost of \$650,000 and the DSS satellite office upfit of \$841,000.

Education – 34%

(VGCC and Traditional Public School System)

Total education funding remains fairly level. Vance-Granville Community College funding remains level with the prior year and funding to the Granville County Public School System increases \$534,905 (operating & capital) when netted for the one-time capital funding of \$100,000. Education related debt service decreased \$483,068. An additional request for

operating funding for the Granville County Public School System is included in the service expansion budget.

Public Safety – 23%

(Sheriff, Detention Center, Emer. Communications, Animal Control, Emer. Mgmt., Fire Services, Forestry, and other emergency services)

The Public Safety functional area showed the largest net increase of \$2,439,308 or 16.65%. The majority of this increase is related to the operations of the new Law Enforcement Center, Detention Center, and Animal Shelter. This was one of the expected impacts on the fiscal year 2021-2022 budget.

Area Projects & Other Appropriations – 6%

(Special Appropriations, Non-Departmental, and Pass-Through funds)

The amount budgeted for Special Appropriations remained fairly flat from the fiscal year 2020-2021 budget. Some outside agencies have requested new funding and their requests are included in the service expansion portion of the budget document.

Non-departmental expenditures show a 13.4% increase from the fiscal year 2020-2021 approved budget which results primarily from the restoration of the employee merit pay program funding along with an increase to property & liability coverage and an increase in worker's compensation premiums.

Pass-through funds remained fairly consistent with the previous year.

Contributions to Other Funds

The proposed budget for this cost center shows an \$50,000 increase from the fiscal year 2020-2021 budget due to occupancy taxes. These tax revenues resulting from tourism are expected to increase and are transferred to the Tourism Development Authority.

Contingency

The Contingency appropriation is \$290,000 which was the same funding level as the fiscal year 2020-2021 original budget.

Other Funds

Emergency Telephone System Fund (ETSF)

This fund continues to change due to rules from the State 911 Board regarding the allowable expenditures of the E-911 telecommunications surcharges. The Fund expenditures are budgeted at \$319,165.

R.H. Thornton Library Memorial Fund

This fund is a special revenue fund used to account for the receipts and disbursements made on behalf of the Granville County Library System. The fund is budgeted at \$20,000.

Solid Waste Management – MSW Landfills

The budget provides \$1,861,675 for operation of the County's municipal solid waste (MSW) landfill. Tipping fees for the landfill are recommended to increase from \$37/ton to \$38/ton.

Solid Waste Management - Convenience Centers

The budget for the operation of the convenience centers is \$1,480,550.

Stormwater Management

The budget establishes the Stormwater Management Operations fund to primarily provide services related to the State mandated Falls Lake rules. The fund is budgeted at \$361,826.

Service Expansion Section

The service expansion budget consists of expenditures that generally "change" something about the operation. Examples include new positions, new equipment (not just replacement), new programs, acceptance of various grants, and initiatives to address employee compensation. Funding all service expansions will require more than \$6 million in additional General Fund revenue. The Board may

wish to consider other sources of revenue to fund these additional services. Some of the initiatives may appropriately be considered for partial funding, future funding, or be incorporated into an overall plan, such as the capital improvement program or recreation master plan.

Fee Manual

Four departments show changes to the fee manual this year, they include Inspection fees, Animal management fees, Planning fees, and Solid Waste Management fees.

Summary

So in summary, Granville County continues to face uncertainty and challenges in the coming year. This recommended budget continues current operations and maintains the Ad Valorem tax rate at the prior year's level, in accordance with the Board's directive at the annual planning session, despite the increasing costs of providing these services. The local and state economies in fiscal year 2021-2022 and the actions of the State and Federal government will be important factors in the performance of this budget. Granville County staff will continue to build relationships with our State representatives and various associations in order to influence positive change for our County.

The Granville County Board of Commissioners has prepared for tough times by managing its resources well and has acted responsibly in its efforts to maintain services. The County will continue to provide critical services to those in need and do so at the proposed tax rate unless actions by the State or Federal governments force changes that are beyond its control. I believe the County has adequate reserves to remain flexible, however with the planned utilization of fund balance for the past few years and the high level of uncertainty we face looking forward, may impact our ability to remain flexible in the coming years. Staff will continue to monitor the impact of COVID-19 recovery efforts and will work to keep the Board informed of the changing economy.

Department Managers and key employees did an outstanding job of compiling their departmental budget requests to meet the County's mission of providing its residents with an array of services to enhance their quality of life, through a responsive, effective and efficient local government. They have worked long hours, through uncertain conditions, and deserve heartfelt thanks. The people working for Granville County Government care about their community and take pride in providing services that make life better for others. Staff have gone the extra mile to help our senior citizens, have worked diligently to provide materials online for children and adults who are staying home, spent many hours moving offices so we can provide better social distancing for our staff and clients, or have spent untold hours responding to hundreds of facility requests so that staff can continue to provide services to the community.

Putting together a budget and a budget document requires significant collaboration and communication. The Finance Department, under the leadership of Steve McNally, did an outstanding job in creating an informative and functional document that serves as a management tool and an outline from which to debate policy. Also a very special thanks to Debra Weary, Patrice Wilkerson, and Korena Weichel for their support and for making sure that the business of the County continued while many County employees completed the efforts to compile this recommended budget. Thank you!

County Manager Felts then gave County Administration's recommendation for holding a public hearing and setting budget work sessions.

Upon a motion by Commissioner David T. Smith, seconded by Commissioner Tony W. Cozart, and unanimously carried, the Board approved scheduling the public hearing on the proposed recommended budget on Monday, May 17, 2021 at 7:00 p.m. or shortly after and the budget work session(s) on Monday, May 10th at 2:00 p.m. and Tuesday, May 11th at 9:00 a.m.

**DURING PUBLIC COMMENTS, ONE SPOKE ABOUT GAP PHASE III
EXPANSION AND ONE SPOKE ABOUT FIRE SERVICES**

Betty Lou Davis, 4522 Hight Road, Oxford, NC, thanked the Board for seeing the Granville Athletic Park (GAP) Phase III project through to completion. She talked about children, bikers, skaters, volleyball, and tennis players enjoying the new additions there. She said the Community Tennis Association is growing and noted that the league called Quads has about 40 people signed up to play tennis at the GAP one night a week. She said that people are excited to be able to play at the GAP and noted that while you play tennis you can be serenaded by the musical chimes in the other section of the park. She thanked the Board for the citizens of Granville County from “the bottom of her heart” for their perseverance to complete the process for the new amenities.

Edward Gleason, 1973 Bowles Avenue, Creedmoor, NC, thanked the Granville-Vance Health Department for the fantastic job with COVID vaccine distribution. He then said he was present to advocate for fire services in Granville County and was not speaking on anyone’s behalf nor was he asked to speak by anyone. He said that the County Manager mentioned that the fire services will get a 4½ -5% increase in funding which will be about \$3,000 - \$3,500 for the Creedmoor Fire Department. The Creedmoor Fire Department may get a \$60,000 decrease in funding by the City of Creedmoor. He said he donates to his fire department, but he did not understand how the 12-14 fire departments in the county are funded when the City of Creedmoor makes up about 38% of the Creedmoor fire district. He said the Creedmoor taxes provided 200% more funding than the county and they agreed last year to purchase a \$500,000 ladder truck. He said the funding for Creedmoor’s Fire Department should be more than some of the other smaller fire departments in Granville County, yet they all get the same money unless they have first responders then they get a little more. He said the City of Creedmoor is going to “punish” the Creedmoor Fire Department because they believe they are not receiving proper funding by Granville County. He asked the Board to look at the funding for the fire services in Granville County. He noted that 65% of firemen in the United States are volunteers, down from 71% four years ago and that 50% of the firemen in the US are over 42 years old. He said if we run out of volunteers it could really increase the 28% of county funding for emergency services in Granville County.

AFTER PUBLIC HEARING, BOARD APPROVED LEASE OF OFFICE SPACE FOR DEPARTMENT OF SOCIAL SERVICES SATELLITE OFFICE

Chair Hinman said that the purpose of the public hearing was to take public comments concerning a proposed long-term lease of office space by the County.

County Manager Felts stated that all required notices for the public hearing have been made in a timely manner and noted that a copy of the notice was included in your agenda materials for your reference. He then gave the following background information.

The County proposes to lease approximately 9,600 square feet of office space located at 2531 East Lyon Station Road, Creedmoor. The lease will have an initial term of ten years, with two five-year options. The County plans to use the leased space as a satellite office for the County's Department of Social Services. County staff, working with the County Attorney, have negotiated the basic terms of the agreement with base rental rates as shown below starting at a rate of \$8.50 per square foot. Additional information showing the location of the proposed site with general demographic information was included for reference in the agenda along with a draft copy of the proposed lease. He asked the Board for consideration of the *Resolution Supporting an Application to the Local Government Commission for its Approval of a County Office Space Lease*.

He noted a correction in the resolution included in the agenda packet in section 1A on page 22. He said the address should be 2531 East Lyon Station Road, Creedmoor. Funding for upfit costs and the first year's annual triple net rental costs will be included in the fiscal year 2021-2022 operating budget. He stated the following recommendation: After holding the required public hearing and receiving comments from the public, the County Manager recommends approving the Resolution supporting an application to the Local Government Commission for its approval of a County office space lease.

At this point, Chair Hinman opened the public hearing. She asked if anyone would like to make public comments on the matter. No one came forward.

Chair Hinman asked if the Board had any questions and there were no questions.

Chair Hinman declared the public hearing closed. She then asked if the Board needed further clarification and no one needed further clarification.

Commissioner Tony W. Cozart made a motion to accept the County Manager's recommendation to approve the *Resolution Supporting an Application to the Local*

Government Commission for its Approval of a County Office Space Lease. Commissioner Jimmy Gooch seconded the motion.

When Chair Hinman called for a vote on the matter, it passed unanimously to approve the following resolution:

RESOLUTION SUPPORTING AN APPLICATION TO THE LOCAL GOVERNMENT COMMISSION FOR ITS APPROVAL OF A COUNTY OFFICE SPACE LEASE

WHEREAS --

The Board of Commissioners of Granville County has previously determined to lease approximately 9,600 square feet of office space located at 2531 East Lyon Station Road, Creedmoor. The County plans to use the leased space as a satellite office for the County's Department of Social Services.

North Carolina law requires that the lease be approved by the North Carolina Local Government Commission (the "LGC"), a division of the North Carolina State Treasurer's office. Under the LGC's guidelines, this governing body must make certain findings of fact to support the County's application for the LGC's approval of the lease.

1. THEREFORE, BE IT RESOLVED by the Granville County Board of Commissioners, as follows:

(a) The County makes a preliminary determination to lease approximately 9,600 square feet of office space located at 2531 East Lyon Station Road, Creedmoor. The County plans to use the leased space as a satellite office for the County's Department of Social Services. The County approves an initial base rent not to exceed \$105,000 per year. The final Lease may have reasonable provisions for future rent increases.

(b) The Board authorizes the Board's Chairman and the County Manager, or either of them, to execute and deliver the Lease in its final form. The final form Lease must be consistent with this resolution, but otherwise in such form as the signing officer believes to be in the County's best interest. The execution and delivery of the final Lease by an authorized County officer will be conclusive evidence of that officer's approval of any changes.

2. The Board makes the following findings of fact in support of the County's application to the LGC:

(a) The proposed project is necessary and appropriate for the County under all the circumstances.

(b) Under all the circumstances, the proposed lease is preferable to the reprogramming of other property under the County's control, and is preferable to constructing or purchasing alternate space.

(c) The estimated sums to fall due under the proposed lease are adequate and not excessive for the proposed purpose.

(d) As confirmed by the County's Finance Officer, (i) the County's debt management procedures and policies are sound and in compliance with law, and (ii) the County is not in default under any of its debt service obligations.

(e) Given the County's need for the project, the Board believes that the effect on the County's budget and the tax rate impact will be reasonable under all the circumstances.

(f) The County Attorney is of the opinion that the proposed project is authorized by law and is a purpose for which public funds of the County may be expended pursuant to the Constitution and laws of North Carolina.

3. Additionally, the Board resolves as follows:

(a) The Board directs the County Manager and the Finance Officer to take all appropriate steps toward the completion of the financing, including completing an application to the LGC for its approval of the proposed lease. The Board ratifies all prior actions of County representatives in this regard.

(b) This resolution takes effect immediately.

BOARD APPROVED CONTRACTING WITH APPLE ROCK FOR BOARD OF ELECTIONS

Chair Hinman said the next item was to consider contracting with Apple Rock to deliver, install, dismantle, pickup and return floor decals, stanchions, and acrylic barriers to storage. She then gave the background information.

Due to new requirements resulting from the impact of COVID-19, the Board of Elections contracted with Apple Rock during the November General Election in 2020 to purchase and install floor decals and custom acrylic barriers and cases, voting surround enclosures, and purchase stanchions. As of today, these same requirements will be in force with future elections. The Elections Office is preparing for the upcoming November municipal election and would like to contract with this vendor to deliver, install, dismantle, and pickup/return floor decals, stanchions, voting surround enclosures, and acrylic barriers to storage. The total estimate of this service is \$16,657.43 and a deposit is required now in the amount of \$9,994.46 with the final balance of approximately \$6,662.97 due prior to delivery so that the vendor can go ahead and schedule this on their books. If the municipal election is delayed due to the delay of Census data for redistricting, the deposit will receive credit less any services executed for that payment towards the election in 2022.

County Manager Felts noted that there is uncertainty if any additional grants will be received by counties to pay for this. If the municipal election is held in November of this year, the municipalities will share the cost of the setting up and tearing down of the polling sites. He then gave the recommendation of the Board of Elections, Board of Elections Director and County Manager.

Upon a motion by Commissioner David T. Smith, seconded by Commissioner Timothy Karan, and unanimously carried, the Board approved contracting with Apple Rock to purchase supplies, deliver, install, dismantle, and pickup/return floor decals, stanchions, voting surround enclosures, and acrylic barriers to storage for the next election.

BOARD APPROVED THE FINAL LAW ENFORCEMENT AND DETENTION CENTER CONSTRUCTION MANAGER AT RISK CONTINGENCY RECONCILIATION

Chair Hinman said the next item was a request to reconcile the Construction Manager at Risk Contingency with funds available from the Owner's Contingency.

Scott Phillips, Development Services Director, explained that Granville County's Construction Manager at Risk/Guarantee Maximum Price (GMP) contract with Bordeaux Construction Company includes a contingency fund to help reduce risks assumed by the Construction Manager at Risk (CMR) at the time of bidding. Under the provisions of the contract, the CMR Contingency may be applied to (1) scope gaps between trade contractors, (2) contract default by trade contractors, (3) unforeseen field conditions, and (4) design omissions that a prudent CMR could not have reasonably detected during the discharge of their pre-construction services. The Owner Contingency, approved within the project funding, is not included within the GMP or CMR Contingency.

This final change request (Contract Change Order #4) includes the following items:

- Change Order Request #57 totaling \$58,492.00 for modifications directed by Moseley Architect and the North Carolina Division of Health Service Regulation during the final Detention operational inspection, as well as several modifications requested by Moseley and Granville County.
- Change Order Request #59 totaling \$14,766.00 for the replacement of the manual main building circuit breaker with an electrically operated main circuit breaker that will provide a fully automatic reset of the breaker in the event of a main building power loss / re-energization process by the Automatic Transfer Switch. The existing breaker is designed for manual reset, which requires special operational training for maintenance staff and became problematic during weekends and nighttime outages.

He noted that this request reconciles the CMR Contingency from the Owner Contingency but does not affect the overall funding amount approved by the Board. The amount requested in this final Change Order reconciles the CMR Contingency for work performed that exceeded the adjusted balance. The current CMR Contingency balance is \$35,373.00 prior to COR #57 and #59. The Change Request needed to reconcile the CMR Contingency is \$37,855.00. He noted that there is adequate funding available within the Owner Contingency Fund/Building Construction Fund for this request.

Current Contingency Fund Level	\$1,377,379.77
Balance after Change Order #4	\$1,339,524.77

Mr. Phillips then recommended approving the final Contract Change Order #4 for \$37,855.00 and there is adequate funding available in the Owner Contingency Fund/Building Construction fund for the request.

Upon a motion by Commissioner Tony W. Cozart, seconded by Commissioner Russ May, and unanimously carried, the Board approved the final Contract Change Order #4 with Bordeaux Construction Company, Construction Manager at Risk (CMR) for the Law Enforcement and Detention Center, in the amount of \$37,855.

BOARD APPROVED TAR RIVER REGIONAL HAZARD MITIGATION PLAN BY RESOLUTION

Chair Hinman stated that the next item was to consider formal adoption of the Tar River Regional Hazard Mitigation Plan by resolution.

Robin Edwards, Emergency Management Coordinator, explained that in the past few months, Granville County and its municipalities have worked with the counties of Franklin, Vance, and Warren, to update the Tar River Regional Hazard Mitigation plan. The plan is available through a link on the Emergency Management page of the County's website and identifies local policies and actions for reducing risk and future losses from natural hazards such as severe storms, wildfires, and winter weather. She noted that public participation was encouraged in the plan update through a public survey, a virtual public meeting and opportunity to offer comments throughout the process. She stated that it is a Federal and State requirement to have a FEMA approved Hazard Mitigation Plan to remain eligible for Federal disaster grant funding, including Public Assistance for state-declared disasters. The plan has been reviewed by the State and is in review by FEMA. The final plan is not considered approved until FEMA receives documentation of adoption by participating jurisdictions.

She then requested that the Board approve the plan by resolution of adoption that was included in the agenda packet.

County Manager Felts noted that the Emergency Management Coordinator and Emergency Services Director recommend adoption of the Tar River Hazard Mitigation Plan in the form of a resolution.

Upon a motion by Commissioner Russ May, seconded by Commissioner Timothy Karan, and unanimously carried, the Board approved adopting the Tar River Hazard Mitigation Plan by resolution of adoption as follows:

RESOLUTION
ADOPTING TAR RIVER REGIONAL
HAZARD MITIGATION PLAN

WHEREAS, the citizens and property within Granville County are subject to the effects of natural hazards that pose threats to lives and cause damage to property, and with the knowledge and experience that certain areas of the county are particularly vulnerable to drought, extreme heat, hailstorm, hurricane and tropical storm, lightning, thunderstorm wind/high wind, tornado, winter storm and freeze, flood, hazardous material incident, and wildfire; and

WHEREAS, the County desires to seek ways to mitigate the impact of identified hazard risks; and

WHEREAS, the Legislature of the State of North Carolina has in Part 6, Article 21 of Chapter 143; Parts 3, 5, and 8 of Article 19 of Chapter 160A; and Article 8 of Chapter 160A of the North Carolina General Statutes, delegated to local governmental units the responsibility to adopt regulations designed to promote the public health, safety, and general welfare of its citizenry; and

WHEREAS, the Legislature of the State of North Carolina has enacted General Statute Section 166A-19.41 (*State emergency assistance funds*) which provides that for a state of emergency declared pursuant to G.S. 166A-19.20(a) after the deadline established by the Federal Emergency Management Agency pursuant to the Disaster Mitigation Act of 2002, P.L. 106-390, the eligible entity shall have a hazard mitigation plan approved pursuant to the Stafford Act; and.

WHEREAS, Section 322 of the Federal Disaster Mitigation Act of 2000 states that local governments must develop an All-Hazards Mitigation Plan in order to be eligible to receive future Hazard Mitigation Grant Program Funds and other disaster-related assistance funding and that said Plan must be updated and adopted within a five year cycle; and

WHEREAS, Granville County has performed a comprehensive review and evaluation of each section of the previously approved Hazard Mitigation Plan and has updated the said plan as required under regulations at 44 CFR Part 201 and according to guidance issued by the Federal Emergency Management Agency and the North Carolina Division of Emergency Management.

WHEREAS, it is the intent of the Board of Commissioners of Granville County to fulfill this obligation in order that the County will be eligible for federal and state assistance in the event that a state of disaster is declared for a hazard event affecting the County;

NOW, THEREFORE, be it resolved that the Board of Commissioners of Granville County hereby:

1. Adopts the Tar River Regional Hazard Mitigation Plan.
2. Vests Granville County Emergency Management with the responsibility, authority, and the means to:
 - (a) Inform all concerned parties of this action.
 - (b) Cooperate with Federal, State and local agencies and private firms which undertake to study, survey, map and identify floodplain areas, and cooperate with neighboring communities with respect to management of adjoining floodplain areas in order to prevent exacerbation of existing hazard impacts.
3. Appoints Granville County Emergency Management to assure that the Hazard Mitigation Plan is reviewed annually, and every five years as specified in the Plan to assure that the Plan is in compliance with all State and Federal regulations and that any needed revisions or amendments to the Plan are developed and presented to the Granville County Board of Commissioners for consideration.

4. Agrees to take such other official action as may be reasonably necessary to carry out the objectives of the Hazard Mitigation Plan.

BOARD APPROVED FISCAL YEAR 2021 AUDIT CONTRACT AND ENGAGEMENT LETTER WITH THOMPSON, PRICE, SCOTT, ADAMS & COMPANY, P.A.

County Manager Felts stated that during the regular meeting on April 20, 2020, the Granville County Board of Commissioners approved contracting with Thompson, Price, Scott, Adams (TPSA) and Co. to provide financial audit services for Granville County for fiscal years 2019-2020, 2020-2021 and 2021-2022. A copy of the audit contract for the fiscal year ended June 30, 2021 as well as the corresponding engagement letter were included in the agenda packet. The contract amount is in line with the price proposed during the RFP process, annual audit contracts are required by General Statutes, and annually funded in the budget. He noted that the Finance Director recommended approving the contract with Thompson, Price, Scott, Adams (TPSA) and Company, as well as the corresponding engagement letter, for the fiscal year ended June 30, 2021.

Upon a motion by Commissioner Jimmy Gooch, seconded by Commissioner David T. Smith, and unanimously carried, the Board approved the contract and engagement letter with Thompson, Price, Scott, Adams (TPSA) and Co. for the independent audit of fiscal year 2020-2021.

BOARD APPROVED COTT SYSTEMS ONLINE INDEX BOOKS 1746-1873

Chair Hinman said that the Register of Deeds currently uses the Cott Systems software and has for several years. The software is widely used by staff and the public to research digital records held by the Register of Deeds office. A copy of the renewal rate was included in the agenda and the Board approved a new Master Agreement with Cott Systems in January 2019. Competitive bids are not required by the County's purchasing policy since this is a renewal of an existing service and is an Information Technology related purchase.

County Manager Felts noted that funding is available in the existing budget for this renewal and that the Register of Deeds recommended the renewal contract.

Upon a motion by Commissioner Tony W. Cozart, seconded by Commissioner Jimmy Gooch, and unanimously carried, the Board the renewal contract for online index books 1746-1873 with Cott Systems in the amount of \$35,100 and authorized the County Manager and Register of Deeds to finalize the agreement.

BOARD REAPPOINTED DELORES LYONS, ALTERNATE (DISTRICT 4) TO THE GRANVILLE COUNTY BOARD OF ADJUSTMENT

Upon a motion by Commissioner Tony W. Cozart, seconded by Commissioner Zelodis Jay, and unanimously carried, the Board reappointed Delores Lyons, Alternate (District 4) to the Granville County Board of Adjustment.

GRANVILLE COUNTY JURY COMMISSION

At this point, the Board held this appointment and then made appointment at the end of the meeting.

REGARDING LEASE WITH CITY OF CREEDMOOR, BOARD AUTHORIZED COUNTY MANAGER AND COUNTY ATTORNEY TO MAKE MINOR EDITS AS NEEDED AND TO EXECUTE THE LEASE FOR THE SOUTH GRANVILLE SENIOR CENTER

County Manager Felts said the next item was to review the current draft of a lease with the City of Creedmoor for the Creedmoor Senior Center. He then gave background information and a brief timeline of events related to the renovation of the City of Creedmoor Gym and Senior Center Facility and spoke from two handouts.

- October 2, 2017 the City of Creedmoor Mayor and City Manager presented plans for the renovation of the Creedmoor gym and Senior Center facility.
- October 16, 2017 the Granville County Board of Commissioners approved the allocation of \$350,000 to be included in the 2018-2019 annual budget.
- June 2019, the County leased space at the South Granville Country Club to provide space for Senior Services during the facility renovation.
- September 2019, the City of Creedmoor requested the allocation with a letter showing the anticipated completion date of June 2020.
- April 27, 2021, the City of Creedmoor officially dedicated the Creedmoor Community Center.

The Granville County Attorney and County staff have been working with the City of Creedmoor Attorney and Staff for the past several months to develop a lease for the use of the Creedmoor Community Center for the County Senior Services operations. A copy of the most recent version of the draft lease was included in your agenda information for your reference. The following key changes, shown in the bullet section below, appear in red text throughout the agreement.

Selected information from email sent from City of Creedmoor representative on April 12th:

On April 6, the Creedmoor Board of Commissioners tentatively approved the terms of the last version I sent you, subject to the City Manager and City Attorney approving the final wording of the document. Gerald Smith has offered several minor changes, including the following:

- *Sec. 1: The lease now acknowledges the \$350,000 contribution made by the County toward the construction of the Creedmoor Community Center, but it clarifies that this contribution does not entitle the County to claim an ownership interest in the Community Center property.*
- *Sec. 3: The meaning of “exclusive” has been clarified.*
- *Sec. 7: The County will be responsible for its own phone and Internet service and phone and Internet equipment.*
- *Sec. 8: In addition to the existing maintenance language, the County will also be responsible for repairing damage to the Senior Center arising from the use of the Senior Center.*
- *Sec. 13: If the County holds over after the end of the lease term as a tenant at sufferance, the rental rate shall become the current market rate for a business office with square footage similar to the Senior Center.*

At this point, the County Manager reviewed the changes, made comments and answered questions from the Board. He then made a recommendation to the Board to review the proposed language and authorize the County Manager and County Attorney authority to execute the contract if an agreement is reached. After discussion the Board took action.

Upon a motion by Commissioner David T. Smith, seconded by Commissioner Russ May, and unanimously carried, the Board approved authorizing the County Attorney and County Administration to make minor edits as needed and execute the lease between the City of Creedmoor and Granville County for the South Granville Senior Center at 108 East Wilton Avenue, Creedmoor.

BOARD APPROVED CONTRACTING WITH FRIESENS FOR THE 275TH ANNIVERSARY BOOK PRINTING

County Manager Felts said the next item was to award a printing contract for the 275th Anniversary Book. He recognized Julie Allred with BW&A Books who was present with sample book covers. The County received a quote analysis on April 28, 2021, for the 275th Anniversary Book printing compiled by Julie Allred with BW&A Books who is the publisher the County selected. Printing quotes and schedules were requested from 3 printers. One (Versa Press) was not able to deliver books until July 23 at the earliest, so they declined to quote. A summary of the quotes and schedules from Sheridan Books and Friesens was included in your agenda information for your reference. He noted that based on the analysis of the quotes and schedules, Julie Allred recommends Friesens for the book printing contract as their quote was the lowest of the two, they offer the best schedule (estimated delivery June 18), and are a great quality printer. He said that the County needs to decide the choice of printer, number of copies, delivery address, delivery contact and any special instructions. He noted that the quote is in line with funding and that in looking at the covers tonight there is a quality book cover that is \$1,000 less.

When asked, County Manager Felts said that there are 237 preorders so far and that the order of 2500 books is in line with an order for counties our size. He noted that Granville County commemorative coins are also for sale.

Commissioner May asked if graduating seniors could be presented a book.

County Manager Felts and Chair Hinman said they would check into the matter and consult with the 275th Anniversary and get back to the Board.

Chair Hinman said that due to COVID there have not been as many opportunities to sell the books and coins as anticipated. She announced that there will be one picnic instead of the parade of picnics at municipalities as originally planned. She said she hopes that the books will sell on July 24th when the GAP Phase III Dedication and 275th Anniversary Celebration is held.

Upon a motion by Commissioner David T. Smith, seconded by Commissioner Tony W. Cozart, and unanimously carried, the Board approved ordering 2,500 books from Friesens and authorized the County Manager to determine the most appropriate delivery address and contact for the book order at the quoted price of \$20,295.

BOARD APPROVED REQUEST TO PURCHASE PROPERTY IN STOVALL FOR FUTURE SENIOR CENTER

County Attorney Wrenn explained that the next item was a request to purchase three (3) lots in Stovall to complete the buildout of the Senior Center project from Williford and Frazier. Granville County already has property under contract for this project.

Upon a motion by Commissioner Zelodis Jay, seconded by Commissioner David T. Smith, and unanimously carried, the Board approved purchasing three (3) lots located in Stovall identified as map #192819618680, map #192819710620 and map #192819712544 from Williford and Frazier in the amount of \$14,000 for future Senior Center project.

BOARD AUTHORIZED COUNTY MANAGER AND COUNTY ATTORNEY TO FINALIZE UPSET BID PROCESS FOR TAX FORECLOSURE OF PROPERTY IN STOVALL FOR FUTURE SENIOR CENTER

County Attorney Wrenn updated the Board on the upset bid process of property located on Oxford Street in Stovall. Granville County was the winning bidder on the Lewis heirs property and he asked for authorization to close purchase off \$4,430 bid plus \$26 deed recording fee.

Upon a motion by Commissioner David T. Smith, seconded by Commissioner Zelodis Jay, and unanimously carried, the Board approved the purchase of a lot identified as map

#192819619606 in Stovall in the amount of \$4,456 and authorized the County Manager and County Attorney to finalize the upset bid process for the tax foreclosure for future Senior Center project.

BOARD APPROVED ACTION REGARDING 122 PECAN STREET, CREEDMOOR PROPERTY

County Attorney Wrenn updated the Board on the 122 Pecan Street property in Creedmoor that Granville County and the City of Creedmoor purchased in tax foreclosure. There was an agreement that Creedmoor would clean up the property, market and sell it, and split any proceeds proportionate to the share of investment of the tax foreclosure. Creedmoor has cleaned up the property, but there is more clean-up needed and a neighbor would like to purchase the property and finish cleaning it up. The sale would have to go through the upset bid process, the purchase would be set at \$1,000, and there would be restrictions to the use of the property. The City of Creedmoor asked Granville County to coordinate the sale, but County Attorney Wrenn asked for authorization to deed the property to the City of Creedmoor to streamline the process as the funds from the sale will go back to the clean-up costs.

Upon a motion by Commissioner Timothy Karan, seconded by Commissioner Russ May, and unanimously carried, the Board approved deeding the County's interest of the 122 Pecan Street, Creedmoor property to the City of Creedmoor.

BOARD PRESENTATIONS

Commissioner Smith announced that the Department of Transportation will be installing a four-way stop later this year at the intersection Chewing Road and Huntsboro Road.

Commissioner Cozart thanked Johnny Coley at Cooperative Extension for his customer service in helping citizens, as well as himself, with getting more produce from their small gardens. He also thanked Jason Falls, Environmental Programs, with help with litter issues in his community.

Commissioner May talked about the comments made during public comments about volunteer fire departments (VFD). He said the Fire Services Subcommittee has been formed and they are reviewing this matter in detail to find solutions to better fund and equip the VFDs.

**DURING PRESENTATIONS, BOARD APPROVED PROCLAMATION FOR
POLICE WEEK AND PEACE OFFICERS MEMORIAL DAY**

Commissioner May then gave information about Police Week and Peace Officers Memorial Day and asked the Board to consider a proclamation in recognition of law enforcement officers and remembering those Peace Officers who have made the ultimate sacrifice.

Upon a motion by Commissioner Russ May, seconded by Commissioner David T. Smith, and unanimously carried, the Board approved a proclamation remembering and honoring those Peace Officers who have fallen in the line of duty and recognizing support for our Granville County Sheriff's Office and Deputies, Municipality Police Departments and Officers, the North Carolina State Highway Patrol and Troopers and our other state and federal partners.

The Board presented the following proclamation on May 11, 2021 at the Expo Center before the Budget Workshop to the Granville County Sheriff's Office, Creedmoor Police Department, Stem Police Department and Stovall Police Department. Butner Public Safety and the North Carolina Highway Patrol were unable to attend, but were presented proclamations at a later date.

Proclamation Designating May 15, 2021 as Peace Officers Memorial Day

WHEREAS, in 1962, President John F. Kennedy signed a proclamation which designated May 15 as Peace Officers Memorial Day. This date falls within National Police Week, May 9-15, 2021, and recognizes our law enforcement officers and remembers those Peace Officers who have made the ultimate sacrifice; and

WHEREAS, the Granville County Board of Commissioners supports and recognizes the vital role law enforcement officers have within our communities and county. These servants and their families make enormous personal sacrifices but have answered their community's call to serve; and

WHEREAS, those who pursue such a profession understand that it comes with inherit danger and at any given time they may have to place themselves in harm's way to secure the well-being of others.... often strangers. This year alone over 119 law enforcement officers across our nation have died in the line of duty; and

WHEREAS, most recently, two Sheriff's Deputies from Watauga County lost their lives while conducting a health and welfare check. Upon entry into a home, they were met by gunfire and were both fatally wounded. The loss of any innocent life is one too many and the loss of a law enforcement officer should cause all citizens to be sickened. They are our protectors and represent what is good within society. They go to a destination, knowing there is danger, but they go on our behalf and for this they are extraordinary servants.... for many of us would never tread where they must go; and

WHEREAS, being a law enforcement officer is a noble and honorable profession. It is a profession which many cannot do or will never attempt due to the rigors of the profession. Law enforcement officers must be highly trained and appropriately resourced to meet the challenges of today. This board has already taken a significant step on behalf of the citizens of Granville County by commissioning a new law enforcement center and will continue to appropriately resource the Sheriff's Office to meet the growing needs of our county; and

WHEREAS, as we state our support for our law enforcement officers, they know, and it is expected they daily build relationships and trust with the residents they serve, they must do so with honor and integrity. Daily protecting the innocent, aiding those in need with dignity and compassion, and performing their duties in a fair and impartial manner. They must perform their duties in keeping with the highest law enforcement standards and remain faithful to their solemn oath;

NOW, THEREFORE, BE IT PROCLAIMED, that the Granville County Board of Commissioners remember and honor those Peace Officers who have fallen in the line of duty and recognize our support for our Granville County Sheriff's Office and Deputies, Municipality Police Departments and Officers, the North Carolina State Highway Patrol and Troopers and our other state and federal partners.

DURING BOARD PRESENTATION, BOARD TOOK ACTION REGARDING THE NC OPIOID MEMORANDUM OF AGREEMENT

Commissioner Karan talked about the opioid litigation and noted that Attorney General Josh Stein announced cooperation of the North Carolina Association of County Commissioners (NCACC) and agreement of the framework in case any funding comes down. He asked the Board to consider joining the other 99 counties in North Carolina as requested by the NCACC in a memorandum of agreement in support of the litigation.

Upon a motion by Commissioner Timothy Karan, seconded by Commissioner Tony W. Cozart, and unanimously carried, the Board approved supporting North Carolina counties in the NC Opioid Settlement Memorandum of Agreement and authorized the County Manager and County Attorney to work on the matter.

PRESENTATIONS CONTINUE

Commissioner Gooch thanked the County Manager and staff, County Attorney and Board of Commissioners for the work on the satellite office for the Department of Social Services. He said he knew that previous Commissioner Edgar Smoak worked on this matter and that his family would be glad to see this happen.

Chair Hinman said she was glad to see so many in attendance, even with masks on. She thanked everyone for the condolences in the loss of her mother-in-law also. She also announced that May 14th is approaching and is the last day of open enrollment to sign-up for the Medicaid Managed Care and to pick your provider.

ANY OTHER MATTERS

Commissioner May thanked the County Manager and staff for putting together the budget and said he looks forward to discussions to improve services.

Chair Hinman announced that Julie Allred would be down front with the book covers for the 275th Anniversary book.

BOARD WENT INTO CLOSED SESSION

Upon a motion by Commissioner Zelodis Jay, seconded by Commissioner Timothy Karan, and unanimously carried, the Board went into closed session as allowed by G.S. 143-318.11(a)(3) to discuss an attorney-client matters.

Upon a motion by Commissioner Zelodis Jay, seconded by Commissioner Jimmy Gooch and unanimously carried, the Board returned to regular session.

BOARD APPOINTED WILLIAM "BILLY" GUPTON TO THE GRANVILLE COUNTY JURY COMMISSION

Upon a motion by Commissioner Jimmy Gooch, seconded by Commissioner Timothy Karan, and unanimously carried, the Board appointed William "Billy" Gupton to the Granville County Jury Commission.

COMMISSIONERS ADJOURN

Upon a motion by Commissioner Zelodis Jay, seconded by Commissioner Jimmy Gooch, and unanimously carried, the Board adjourned at 10:46 p.m.

Respectfully submitted,
Debra A. Weary, NCCCC, MMC
Clerk to the Board