

**MINUTES  
BURKE COUNTY BOARD OF COMMISSIONERS  
SPECIAL MEETING**

The Burke County Board of Commissioners held a special meeting on Tuesday, April 26, 2022, at 2:00 p.m. in the Commissioners' Meeting Room, Burke County Services Building, 110 N. Green Street, Entrance E, in Morganton, N.C. The meeting notice, executed by Chairman Mulwee, was published on April 21, 2022, and the purpose of the meeting was to (1) discuss the use of the remaining ARP (American Rescue Plan) funds; and (2) to adopt a resolution related to the ARP Rollins Avenue waterline replacement project. The agenda, in its entirety, was posted to the County's website, [www.burkenc.org](http://www.burkenc.org), several days prior to the meeting. Both Burke County and the state of North Carolina had previously declared a state of emergency which was ongoing as of this date due to the global COVID-19 pandemic. Those present were:

**COMMISSIONERS PRESENT:** Scott Mulwee, Chairman  
Johnnie W. Carswell, Vice Chairman  
Wayne F. Abele, Sr.  
Jeffrey C. Brittain  
Maynard M. Taylor

**STAFF PRESENT:** Bryan Steen, County Manager  
Margaret Pierce, Deputy County Manager/Finance Director  
J.R. Simpson, II, County Attorney  
Kay Honeycutt Draughn, Clerk to the Board

**CALL TO ORDER**

Chairman Mulwee called the meeting to order at 2:00 p.m. Vice Chairman Carswell and Commissioner Brittain were in the executive room when the meeting was called to order.

**APPROVAL OF THE AGENDA**

**Motion: To approve the agenda.**

|                |                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------|
| <b>RESULT:</b> | <b>APPROVED [UNANIMOUS]</b>                                                                       |
| <b>MOVER:</b>  | Maynard M. Taylor, Commissioner                                                                   |
| <b>AYES:</b>   | Scott Mulwee, Johnnie W. Carswell, Wayne F. Abele, Sr., Jeffrey C. Brittain and Maynard M. Taylor |

**DECISION ITEMS**

**GENERAL SERVICES - ROLLINS AVENUE WATERLINE REPLACEMENT PROJECT**

Mark Delehant, General Services Director, presented the following request:

Acceptance of American Rescue Plan Act funding directed for the Rollins Avenue Waterline Replacement Project (SRP-D-ARP-0071) in the amount of \$164,700 is requested. Late in 2021, Burke County was notified that we had been awarded \$300,000 from the State Fiscal Recovery Fund (S.L. 2021-180) earmarked for infrastructure. General Services identified the Rollins Avenue Waterline Replacement project as a great candidate for a portion of these funds. General

Services was provided with a rough cost estimate for the replacement of the line. The Rollins Avenue Waterline Replacement project includes the replacement of approximately 1,130 linear feet of existing, failing 2 inch / 4 inch PVC waterline currently serving twelve water customers. General Services staff presented this project to the Board of Commissioners at their budget retreat on February 4, 2022.

Budgetary Effect: Budget will increase revenues and expenses by \$164,700 in the Water/Sewer Capital Fund.

Mr. Delehant responded to questions from Commissioner Abele concerning whether this water project was a citizen-initiated request. Mr. Delehant responded in the negative and advised that the County, many years ago, connected the subdivision to the public water supply using the existing small supply lines from the community well which cannot withstand the high pressure / volume from the County's waterline. Commissioner Taylor suspected this connection was made prior to his and Commissioner Abele's tenure on the Board and noted that 6" lines have been the standard for many years. Mr. Delehant then commented on the type of waterline the community has and the estimated cost to replace the lines in response to questions from Commissioner Taylor. If the bids come in over budget, Mr. Delehant said he would come back to the Board for funding and estimated the construction project to take about three (3) months to complete. Commissioner Abele questioned the status of waterline installation projects for citizens that have wanted water for 20 years. Mr. Delehant said there are lots of areas where expansion could occur, but direction from the Board is needed.

**Motion: To adopt Resolution No. 2022-07. Further, authorize the County Manager or his successor to execute any other documentation related to the Rollins Avenue Waterline Replacement Project (SRP-D-ARP-0071) on behalf of the Board.**

|                |                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------|
| <b>RESULT:</b> | <b>ADOPTED [UNANIMOUS]</b>                                                                        |
| <b>MOVER:</b>  | Maynard M. Taylor, Commissioner                                                                   |
| <b>AYES:</b>   | Scott Mulwee, Johnnie W. Carswell, Wayne F. Abele, Sr., Jeffrey C. Brittain and Maynard M. Taylor |

Resolution No. 2022-07 reads as follows:

Burke County  
North Carolina

#### RESOLUTION BY GOVERNING BODY OF APPLICANT

WHEREAS, the Safe Drinking Water Act Amendments of 1996 and the North Carolina Water Infrastructure Fund have authorized the making of loans and/or grants, as applicable, to aid eligible, drinking water system owners in financing the cost of construction for eligible, drinking-water infrastructure; and

WHEREAS, the North Carolina Department of Environmental Quality has offered American Rescue Plan Act Funding in the amount of \$164,700 for the construction of Rollins Avenue Waterline Replacement hereafter referred to as the "Project"; and

WHEREAS, the County of Burke intends to construct said Project in accordance with engineering plans and specifications that have been or will have been approved by the North Carolina Public Water Supply Section.

NOW, THEREFORE, BE IT RESOLVED BY THE BURKE COUNTY BOARD OF COMMISSIONERS OF THE COUNTY OF BURKE:

That BURKE COUNTY does hereby accept the American Rescue Plan Act offer in the amount of \$164,700; and

That the County of Burke does hereby give assurance to the North Carolina Department of Environmental Quality that they will adhere to all applicable items specified in the standard "Conditions" and "Assurances" of the Department's funding offer, awarded in the form of grant.

That Kenneth B. Steen, County Manager, and successors so titled, is hereby authorized and directed to furnish such information, as the appropriate State agency may request, in connection with such application or the Project; to make the Assurances as contained above; and to execute such other documents as may be required in connection with the application; and

That the County of Burke has complied substantially or will comply substantially with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the Project, and to Federal and State grants and loans pertaining thereto.

Adopted this 26<sup>th</sup> day of April 2022.

/s/: Scott Mulwee  
Scott Mulwee, Chairman  
Burke Co. Board of Commissioners

Attest:

/s/: Kay Honeycutt Draughn  
Kay Honeycutt Draughn, CMC, NCMCC  
Clerk to the Board

## **DISCUSSION ITEMS**

### **FINANCE - ARP PROJECTS DISCUSSION**

Information from the agenda packet:

Burke County has been allotted \$17,575,650 from the ARPA (American Rescue Plan Act). The County has obligated approximately \$2,205,000 of those funds for purchasing EMS equipment, HVAC air quality improvement projects, Water/Sewer infrastructure projects, and a grant administrator position. Further direction is needed from the Board of Commissioners on what other projects the County wishes to pursue.

Margaret Pierce, Deputy County Manager / Finance Director, reported on some recent rule changes for the ARP funds: Highlights are as follows:

| Topic / Rule                      | Modification                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Revenue Replacement               | Formula revised. Now there is a standard deduction option, up to \$10 million, that can be claimed regardless of a revenue reduction.                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Radios                            | Are now eligible.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Ambulances                        | Are now eligible.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Premium Pay                       | Some restrictions were relaxed, some were tightened. Tracking requirements for utilization are still significant.                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Housing                           | Funding must be spent quickly so long-term assistance is not eligible. County must own the land and act as a housing authority, which must be created. There are stringent income requirements that occupants must meet. BDI's proposed project (Homes for Hope) would not be eligible and would not be completed within the required timeframe. However, the County can partner with an outside agency for rental assistance. The County must be able to review the outside agency's financial records and recipients must meet income eligibility requirements. |
| Human Resource Center Renovations | Options available. If the County takes the \$10 million standard allocation, that money could be used for any purpose that general government can do, including constructing a new facility or renovating existing facilities. However, salary replacement is not allowed. Because the Health Department occupies 20% of the HRC, an additional 20% of the ARP funds could be utilized for a new building or for renovations.                                                                                                                                     |
| Waterline Expansion               | If ARP funds are used and revenue is generated from the waterlines, then the County must repay the Feds for the revenue generated. "Profits" has not been defined to date.                                                                                                                                                                                                                                                                                                                                                                                        |

Commissioner Abele stated that citizens have waited years for public water, which is a travesty and that the Board spends money on everything else but doesn't take care of its citizens. Ms. Pierce responded that funding from the standard allocation could be used, however, the County must demonstrate that the recipients are low-income, or it is for new planned low-income housing for the area, or its verifiably unpotable water. Ms. Pierce then stated that the new grant writer, Jessica Whitesides, has been tasked with applying for CDBG, DENR, DEQ, and any other grants for waterline expansions. Commissioner Abele reiterated his displeasure with citizens having to wait 20+ years for public water. Potable water is a necessity and providing water should be a priority, he said. Ms. Pierce asked if there were other ideas that she could address and indicated more rule changes are forthcoming. After additional comments, she reported that the same restrictions for waterline expansions would also apply to broadband services even though the County would not collect any revenue on the service. Discussion continued. Commissioner Taylor commented on the benefits of having a form to identify, evaluate, and prioritize the use of the ARP funds for the maximum public benefit and referenced the proposed upfitting of the old jail for use as a drug treatment facility as an example. Ms. Pierce clarified that the funding for the proposed drug treatment facility is a state appropriation, not ARP funds. Further, she anticipated an agreement for that project being on the Board's May agenda for consideration. She reiterated that under the \$10 million allocation scenario, ARP funds can be used for anything that local governments are authorized to do now. Commissioner Abele reiterated that the County is not serving the citizens that really need the County's help.

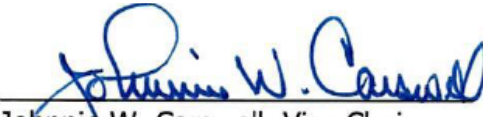
Discussion continued. Commissioner Brittain suggested that the General Services Director provide a list of recent requests for water services and rough estimates so that the Board can evaluate them. Secondly, he asked how the budget process works for the \$10 million ARP funds. Ms. Pierce advised that items could be budgeted and moved to the ARP account. Commissioner Brittain commented on the possibility of using ARP funds for certain expenditures in the upcoming budget. Commissioner Taylor commented on being able to track the funds. Ms. Pierce reminded the Board that the ARP funds must be encumbered or spent by December 31, 2024 and said that two and a half years is not a long time for large construction projects. Chairman Mulwee expressed concern for the staff having too many smaller projects to manage at one time and suggested the Board focus on one (1) or two (2) larger projects. Ms. Pierce commented on the condition of the HRC and advised that the architect has prepared some design concepts for a new building estimated at \$34 million and the summary of the space needs assessment will be presented at the May meeting. The County would have to borrow money to go with the ARP funds no matter which option is selected, she said. Commissioner Abele stated the need to take care of the citizens. Commissioner Taylor asked if \$2 million could be designated for a new EMS base. Ms. Pierce responded that building a new EMS base is an ARP eligible expense and that the County already has \$650,000 designated for it from a state appropriation. Commissioner Taylor reiterated the need to have a list of eligible items for prioritization. Ms. Pierce reported that the County, since it is self-insured, could reimburse itself for any COVID-19 related expenses identified by Blue Cross and Blue Shield, which is approximately \$1 million. However, because a list of eligible items would be so lengthy, she believed it would not be helpful in narrowing the scope. In response to additional questions, Ms. Pierce reported on what projects other counties are spending their ARP funds on. She then estimated the cost to replace radios for emergency service providers by 2025 for state compliance to be \$2.3 million and advised that the County did not receive a grant they had applied for. She then suggested using "revenue replacement" as a strategy to free up local General Fund dollars so the waterlines could be installed where the County needs them and avoid the restrictions of the ARP funds. Discussion continued. In response to questions on the timeline, she advised that December 31, 2026, is the spending deadline and projects must be under contract or spent by December 31, 2024. Commissioner Abele stated citizens have been waiting for clean water for 30 years while inmates at the jail have fresh water now. Chairman Mulwee commented on the helpfulness of having a list of water requests the County has received in the past three (3) to five (5) years and he asked the General Services Director to work on it. Commissioner Taylor commented on a free water service hook-up promotion, but Ms. Pierce said that was prohibited by state statutes. She asked if the Board wanted any agenda items for ARP projects for the May meeting. Chairman Mulwee responded in the negative. Vice Chairman Carswell commented on the State Water Infrastructure Authority's recent grant awards and said this is the fastest way to get waterlines installed. He encouraged the grant writer to apply as soon as possible with assistance from the General Services Director in identifying target areas. Jessica Whitesides, the new grant writer, briefly addressed the Board and advised that DEQ has an upcoming grant opportunity.

|                                 |
|---------------------------------|
| <b>RESULT: NO ACTION TAKEN.</b> |
|---------------------------------|

**ADJOURN****Motion: To adjourn at 3:01 p.m.**

|                |                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------|
| <b>RESULT:</b> | <b>APPROVED [UNANIMOUS]</b>                                                                       |
| <b>MOVER:</b>  | Wayne F. Abele, Sr., Commissioner                                                                 |
| <b>AYES:</b>   | Scott Mulwee, Johnnie W. Carswell, Wayne F. Abele, Sr., Jeffrey C. Brittain and Maynard M. Taylor |

Approved this 20<sup>th</sup> day of September 2022.

  
Johnnie W. Carswell, Vice Chairman  
Burke Co. Board of Commissioners

Attest:

  
Kay Honeycutt Draughn, CMC, NCMCC  
Clerk to the Board