

**THE BOARD OF COMMISSIONERS OF CRAVEN COUNTY RECONVENED ITS REGULAR SESSION OF TUESDAY, JANUARY 18, 2022 ON MONDAY, JANUARY 24, 2022 AT 1:30 PM IN THE COMMISSIONERS' ROOM OF THE CRAVEN COUNTY ADMINISTRATION BUILDING, 406 CRAVEN STREET, NEW BERN, NC. THE PURPOSE OF THE MEETING WAS TO RECEIVE INFORMATION REGARDING THE AMERICAN RESCUE PLAN (ARP) ACT.**

*The meeting time was changed from 8:30 am to 1:30 pm while the County was under a State of Emergency due to "Winter Storm Jasper".*

**MEMBERS PRESENT:**

Chairman Jason R. Jones  
Vice Chairman Denny Bucher  
Chairman George S. Liner  
Commissioner Theron L. McCabe  
Commissioner Thomas F. Mark  
Commissioner E. T. Mitchell  
Commissioner Beatrice R. Smith

**STAFF PRESENT:**

Jack B. Veit, III, County Manager  
Gene Hodges, Assistant County Manager  
Craig Warren, Finance Director  
Amber Parker, Human Resources Director  
Arey Grady, County Attorney  
Nan Holton, Clerk to the Board  
Lauren Wargo, Assistant to the County Manager

Chairman Jones opened the reconvened session with prayer.

County Manager, Jack Veit, informed the Board that the purpose of today's meeting was to learn about the guiding decisions for the funds associated with the American Rescue Plan Act of 2021. Finance Director, Craig Warren, provided the Board with presentation materials on the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF), part of the American Rescue Plan Act.

Mr. Warren overviewed the CSLFRF Program and the dates leading up to the Final Rule being released on January 6, 2022. He informed the Board that Craven County's allocation is \$19,839,303.00 and would be received in two tranches. Craven County received \$9,919,651.50 in May 2021 and would receive the same amount in May 2022.

Mr. Warren explained the eligible categories of uses under the Final Rule and provide examples of uses of funds in each category:

1. Replace Lost Public Sector Revenue
2. Support the COVID-19 Public Health and Economic Response
3. Premium Pay
4. Water, Sewer, and Broadband Infrastructure

He explained that all funds must be obligated by December 31, 2024 and fully expended by December 31, 2026.

Regarding category 1: Replace Lost Public Sector Revenue, the County may calculate revenue loss in two ways:

- 1) Up to \$10 million standard allowance or,
- 2) Calculate revenue loss with the Treasury formula.

Mr. Warren recommend electing the standard allowance of up to \$10 million for lost revenue and holding it in Capital Reserve until final use is approved by the BOC.

After some discussion, Commissioner Mitchell motioned to elect standard allowance up to \$10 million for lost revenue and to hold it in Capital Reserves until final use is approved. Her motion was seconded by Commissioner Smith and approved 7-0 in a roll call vote.

Regarding category 2: Support the COVID-19 Public Health and Economic Response, Mr. Warren presented the Board with the option to use \$161,000.00 of the funds to purchase a full body scanner for the jail. In addition to scanning inmates during intake for any hidden items, it would also measure their body temperature to determine if sick upon booking.

Mr. Veit explained this process is to categorize the money, and while this one is more specific, the Board could revisit this at budget.

Commissioner Liner motioned to approve \$161,000.00 to be categorized in support of the Covid-19 public health and economic response. His motion was seconded by Commissioner Mitchell and approved in a 7-0 roll call vote.

Regarding category 3: Premium Pay for Essential Workers, Mr. Warren explained that local government is identified as an eligible sector with essential workers in critical infrastructure. He highlighted a proposal to use funds to provide premium pay for all eligible full-time and part-time County employees, indicating the specific program parameters are to be determined. In the example he presented, full-time employees would receive a one-time lump sum of \$3,500.00 and part-time \$500.00 for an estimated cost of \$2,875,000.00. He further broke that down, illustrating \$2,178,303.00 from CSLFRF/ARP Funds and \$696,697.00 from CRF/CARES Funds. He remarked this would come back as part of the budgeting process once the program details were determined.

Mr. Veit interjected that if the Board wanted something at budget time that didn't go towards the bottom line, this is it and it is not recurring. He also reminded them they have until 2026 to spend this.

At 1:51 pm Commissioner Mitchell departed the meeting.

After some discussion, Commissioner Mark motioned to support the premium pay program for all eligible full-time and part-time County employees; his motion was seconded by Commissioner Smith and approved in a 6-0 roll call vote.

Regarding category 4: Water, Sewer, and Broadband Infrastructure, Mr. Warren presented information on the Water Telemetry/SCADA Project which was created in response to damages during Hurricane Florence. He explained the need to replace existing phone line communication network with fiber optic to connect all the County water assets. He remarked that a portion of this project includes the relocation of existing fiber optic lines due to the I-42 Expansion Project. Mr. Warren indicated that after dealing with FEMA, they were only going to commit \$62,800.00 to this project. The estimated cost of this project is \$8 million, and his proposal illustrated \$7,500,000.00 coming from CSLFRF/ARP Funds, and \$437,200.00 from the Water Reserve Fund.

Mr. Veit stated that this is the most critical part of today's meeting. He reported that a large portion of the western part of the County was without significant water pressure earlier today; and this project has to happen one way or another.

Assistant County, Manager Gene Hodges, presented the Board with the NC general statutes which prohibit counties from engaging in broadband infrastructure. To reiterate exactly what the telemetry project is all about, using maps, he highlighted where fiber lines cross the river in the northwest sector of the County and the lack of ability to communicate to the water tank on Piney Neck Road. He explained this occurs in multiple other areas of the County.

Mr. Hodges then reported on the fiber assets along Hwy. 101 in the eastern part of the County and the lack of fiber capacity along Hwy. 70 leading into Havelock.

There was much discussion about the broadband issues and I-42 expansion creating the need to relocate fiber lines by 2023. Information Technology Director, Steve Bennett, reported that because of a study being done, physical assets have been identified at the southern end of the County. Mr. Hodges emphasized that because this is ARP money, this is not a broadband project, but a water telemetry project which encompasses fiber connections for communication purposes between the various water components.

Commissioner Liner motioned to approve the use of CSLFRF/ARP funds for the Water Telemetry/SCADA Project. His motion was seconded by Commissioner McCabe and approved in a 6-0 roll call vote.

Mr. Warren concluded by reviewing the key dates associated with the SLFRF Program:

- March 3, 2021 – funds can only be used for costs incurred on or after
- January 31, 2022 – first project and expenditure report due
- December 31, 2024 – all funds must be obligated
- December 31, 2026 – all funds must be expended

Mr. Warren then sought the Boards approval of the Project Ordinance and Budget Amendment related to the SLFRF Program.

Commissioner Smith motioned to approve the Grant Project Fund 242 Ordinance and the Budget Amendment in the amount of \$19,839,303.00. Her motion was seconded by Commissioner McCabe and approved in a 6-0 roll call vote.

**Coronavirus State and Local Fiscal Recovery Funds  
American Rescue Plan Act  
Grant Project Fund 242**

BE IT ORDAINED by the Board of Commissioners Craven County, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted:

**Section 1:** This ordinance is to establish a budget for a project to be funded by the Coronavirus State and Local Fiscal Recovery Funds of H.R. 1319 American Rescue Plan Act of 2021 (CSLRF). Craven County's total allocation is \$19,839,303.00. These funds may be used for the following categories of expenditures, to the extent authorized by state law.

1. Support public health expenditures, by funding COVID-19 mitigation efforts, medical expenses, behavioral healthcare, and certain public health and safety staff;
2. Address negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector;
3. Replace lost public sector revenue, using this funding to provide government services to the extent of the reduction in revenue experienced due to the pandemic;
4. Provide premium pay for essential workers, offering additional support to those who have borne and will bear the greatest health risks because of their service in critical infrastructure sectors; and,
5. Invest in water, sewer, and broadband infrastructure, making necessary investments to improve access to clean drinking water, support vital wastewater and stormwater infrastructure, and to expand access to broadband internet.

**Section 2:** The following amounts are appropriated for the project and authorized for expenditure.

Lost Revenue: Standard Allowance	\$10,000,000.00
Public Health Response: Full Body Scanner	\$ 161,000.00
Premium Pay: Essential County Employees	\$ 2,178,303.00
Water Infrastructure: Water Telemetry/SCADA Project	\$ 7,500,000.00

**Section 3:** The following revenues are anticipated to be available to complete the project:

CSLRF Funds	\$19,839,303.00
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**Section 4:** The Finance Officer is hereby directed to maintain sufficient specific detailed accounting records to satisfy the requirements of the grantor agency and the grant agreements.

**Section 6:** Copies of this grant project ordinance shall be furnished to the Assistant Finance Director, the Finance Officer and to the Clerk to the Board of Commissioners.

**Section 7:** This grant project ordinance expires on December 31, 2026, or when all the CSLRF funds have been obligated and expended by the county, whichever occurs sooner.

Adopted this 24<sup>th</sup> day of January, 2022.

*Non – Departmental*

<b>REVENUES</b>	<b>AMOUNT</b>	<b>EXPENDITURES</b>	<b>AMOUNT</b>
2420000-33125 American Rescue Plan	\$19,839,303.00	2420000-47010 Program Expenditures	\$19,839,303.00
<b>TOTAL</b>	<b>\$19,839,303.00</b>	<b>TOTAL</b>	<b>\$19,839,303.00</b>

Mr. Warren reminded the Board that they would still need to approve the required SLFRF Program policies at a future date, as well as approve all bids, purchases, contracts and related budget amendments for each proposal as this plan is implemented over the next few years.

### COMMISSIONERS' REPORTS

*Commissioner Mark* reported at a recent precinct meeting, someone inquired about the vaccine mandate resolution that a citizen presented to the Board at an earlier meeting and inquired the status. It was determined that Staff would review existing resolutions and create a draft for the Board to review prior to their February 21, 2022, meeting.

Commissioner Mark also requested Staff to research and provide a cost estimate for IPADS as a substitute for paper agendas.

*Commissioner Smith* had nothing to report.

*Commissioner McCabe* inquired for funds to replace the flooring at the Harlowe Community Center, as their elections are held there, and the floors are unsafe.

Mr. Veit commented on having received quotes in June 2021 and indicated he would bring it back to the February 21<sup>st</sup> work session for further discussion. Mr. Veit also responded to an inquiry from Commissioner McCabe regarding broadband capacity in his District, explaining that the vendors could not make the numbers work based on the distances and the density.

*Commissioner Liner* had nothing to report.

*Commissioner Bucher* had nothing to report.

*Commissioner Jones* referenced meeting with Commissioner Bucher and Mr. Veit about appointments. He sought the Boards consensus to create an inactive list of Boards and Committees that have had vacancies for 6 months or longer. Any applications submitted would return that Board or Committee to the active list for review. Commissioner Mark motioned to adopt this practice, seconded by Commissioner Liner and approved unanimously.

In addition, he recommended pulling Craven County Clean Sweep as Mr. Veit is working with staff and will bring this back at budget time. All were in consensus.

At this time, topics to be discussed at the February 21<sup>st</sup> work session, following the Board of Commissioner's Regular Session were brought up. Commissioner Jones indicated the need to review their By-Laws and discuss changing the time of their evening meeting from 7:00 pm to 6:00 pm. Mr. Veit referenced new legislation that affects sitting on non-profit boards and voting on budget related items. There was discussion on inviting local legislators to meet on this topic. It was requested the Mr. Veit organize an opportunity to meeting with Congressman Murphy.

At 2:55 pm Commissioner Liner motioned to adjourn, seconded by Commissioner Smith and approved unanimously.

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Chairman Jason R. Jones  
Craven County Board of Commissioners

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Nan Holton  
Clerk to the Board