

Minutes
Western Piedmont Council of Governments
Bimonthly Policy Board Meeting
Tuesday, September 27, 2022
Town of Rutherford College Community Room

Members Present:

Jill Patton, Chair
George Holleman, Treasurer
Larry Chapman, Secretary
Larry Yoder, At-Large
Wayne Abele, At-Large
Marla Thompson, At-Large
Kelvin Gregory
Johnnie Carswell, Alternate
Dale Sherrill
Ramona Duncan
Joie Fulbright
Dennis Anthony
Barbara Pennell
Dr. Caryl Burns
Ben Honeycutt
Phyllis Pennington, Alternate
Jerry Hodge
Beverly Danner, Alternate
Yates Jensen, Alternate
Bobby Mosteller
Charlie Watts
Amparo R. Alfaro
Erisha Lipford
Jeanna Price
Randy Burns

Members Absent:

Joseph L. Gibbons, Vice-Chair
Bob Floyd, Past Chair
Kitty Barnes, At-Large
Mike Labrose
Robbie Wilkie, Alternate
Ronnie Setzer
Donald Robinson
Jim Green, Alternate
Sheila Perkins
Tracy Townsend, Alternate
David Williams, Alternate
Mike Smith, Alternate

Local Government/Agency:

Hickory
Taylorsville
Hudson
Alexander County
Burke County
Long View
Brookford
Burke County
Claremont
Connelly Springs
Conover
Drexel
Gamewell
Granite Falls
Hildebran
Long View
Newton
Newton
Rutherford College
Sawmills
Valdese
Appointed
Appointed
Appointed
Appointed

Lenoir
Town of Cedar Rock
Catawba County
Caldwell County
Caldwell County
Cajah's Mountain
Catawba
Conover
Glen Alpine
Granite Falls
Hickory
Hildebran

Members Absent (continued):

Danny Hipps	Maiden
Holly Crafton-Lay, Alternate	Maiden
Chris Jernigan	Morganton
Allen Spencer	Rhodhiss
Wayne Annas	Rutherford College
Helen Chestnut	Appointed
Malla Vue	Appointed
Tommy Luckadoo	Appointed

Guests/Others Present:

Bill McGregor	Brookford
Tamara Brooks	Connelly Springs
Tom Hart	Conover
Bonnie Caudle	Gamewell
Chase Winebarger	Sawmills

WPCOG Staff Present:

Anthony Starr, Executive Director
Sherry Long, Assistant Executive Director
Ashley Bolick, Director of Administrative Services and Human Resources
Andrea Roper, Director of Finance
Ben Willis, Director of Community and Economic Development
Alison Adams, Director of Community and Regional Planning
Stephanie Hanvey, Director of Regional Housing Authority
Charity Patterson Hamber, Director of Workforce Development
Jason Toney, Communications Manager
Taylor Dellinger, Senior Data Analyst/GIS Manager
Elizabeth Hilliard, Executive Administrative Assistant

Call to Order/Welcome

A regular meeting of the WPCOG Policy Board was called to order at 6:45 pm by Chair Patton. Chair Patton thanked the Town of Rutherford College for hosting. Town of Rutherford College Mayor, Yates Jensen, welcomed the Policy Board to Rutherford College.

Introductions

Introductions were made by everyone in attendance.

Minutes of Previous Meeting

Minutes of the previous meeting were considered. Mr. Joie Fulbright made a motion to approve the minutes from the July 26, 2022 meeting and Mr. Larry Yoder offered a second. The motion passed unanimously.

Unfinished Business/Reports

There was no unfinished business.

New Business

New Board Member Recognition

The Town of Sawmills council recently appointed Mr. Bobby Mosteller to their board. Mr. Mosteller has also been appointed by his council to serve as the Sawmills delegate to the Western Piedmont Council of Governments (WPCOG) Policy Board. Chair Patton presented Mr. Mosteller a WPCOG Policy Board Delegate plaque.

Nominating Committee Appointments

Chair Patton stated each year at the September Policy Board meeting, four Policy Board members are asked to serve on a nominating committee. Under the WPCOG Charter, the Policy Board Chair appoints the Nominating Committee. The Nominating Committee is responsible for presenting a slate of officers, Executive Committee members and appointed (non-elected) board members for the following year during the November meeting. The Nominating Committee includes a representative from all four counties. Traditionally, two county officials and two municipal officials compose the four-member committee.

The following board members have been appointed and have agreed to serve on this year's Nominating Committee:

- Kitty Barnes – Catawba County Commissioner
- Wayne Abele – Burke County Commissioner
- Larry Chapman – Town of Hudson, Commissioner
- George Holleman – Town of Taylorsville Mayor

WPCOG Past Board Chair Kitty Barnes will serve as the Nominating Committee Chair. Staff will assist with scheduling a committee meeting shortly after the November election.

Infrastructure Funding Agreement

Ms. Charity Patterson Hamber, Director of Workforce Development, stated the Infrastructure Funding Agreement (IFA) is entered between the North Carolina Department of Health and Human Services, the North Carolina Department of Commerce, Division of Workforce Solutions (DWS), and the Workforce Board Directors' Council for the purpose of setting out each parties' obligations and responsibilities related to infrastructure cost-sharing for one-stop career centers located throughout North Carolina.

- One-stop partners, including human service programs, must enter into an MOU with the local workforce board relating to the operation of the one-stop centers.
- The IFA sets forth (1) the infrastructure costs and other shared costs that contribute to support the career centers in the State from July 1, 2022 through June 30, 2023 (2) how funds will be allocated to local workforce development boards, and (3) the role DWS will play in the administration and distribution of funds.

Staff requested the Policy Board approve the Infrastructure Funding Agreement which details the operational and service costs and how the system will be funded.

Mr. George Holleman made a motion that the Policy Board approve the Infrastructure Funding Agreement and Mr. Larry Chapman offered a second. The motion passed unanimously.

RHA Family Self-Sufficiency (FSS) Action Plan Amendments

Ms. Stephanie Hanvey, Director of Regional Housing Authority, stated In September, 2020, Housing and Urban Development (HUD) published a proposed rule to implement the changes required by the Economic Growth Act and to streamline the FSS Program. Over the past 4 years, the Final Rule cleared HUD as the Proposed Rule, cleared the Office of Management and Budget (OMB) as a Proposed Rule, was published for public comment as a Proposed Rule, cleared HUD again as the Final Rule and cleared OMB again as a final Rule, thereby enacting the law through regulation. HUD is requiring all Public Housing Authorities (PHAs) to resubmit their revised Action Plans by September 30, 2022 for review and approval.

Staff requested that the Policy Board approve the HUD revisions to the 2022 RHA's Family Self-Sufficiency Action Plan Amendments for the fiscal year (July 1, 2022-June 30, 2023). These amendments will be sent to HUD by September 30, 2022 for review and approval.

Mr. Larry Chapman made a motion that the Policy Board approve the HUD revisions to the Family Self-Sufficiency Action Plan and Mr. Larry Yoder offered a second. The motion passed unanimously.

Adjustments in Applicable Payment Standards

Ms. Stephanie Hanvey, Director of Regional Housing Authority, stated during the pandemic in 2021, HUD published Fair Market Rents (FMRs) went down which created a burden on many families that were searching for housing. The FMRs determine the amount of rental housing assistance provided to clients. Although there was an increase in the 2022 FMRs, it was not enough to keep up with the rising rental costs and the affordable housing market. Many prospective tenants were unable to find affordable housing and HUD allowed the Regional Housing Authority (RHA), through a waiver process, to increase all payment standards to 120% temporarily. This waiver expires 12/31/2022.

In September 2022, HUD published the FY 23 FMRs and they are increasing by an average of approximately 10%. This will enable more households with housing vouchers to access more affordable, stable housing and will also enable the voucher program to keep up with rent increases in the private market. This 2023 FMR increase is also allowing our RHA to adjust our payment standards back down to 110% instead of 120% of the FMRs. This will bring our RHA back into normal HUD compliance to keep our payment standards between 90-110% prior to the 120% waiver expiring in December 2022 and will result in little reduction in benefits for housing clients.

The adjustments would increase the current payment standards by \$2-\$9 for 1-3 bedroom vouchers and would decrease the payment standard for the 4 bedroom voucher by \$6 and the 5 bedroom voucher by \$7.

Just hours prior to the Policy Board meeting, the PHAs were notified by HUD they could request to stay at the 120% FMRs but would need to apply no later than Friday, September 30, 2022.

Our goal is to help as many families as possible in our communities while maximizing the funding that HUD allows us to spend. The board has been provided the adjustments in the payment standards for approval.

Staff requested the Policy Board approve the adjustments in the applicable payment standards back to normal HUD compliance of 110% to become effective October 1, 2022. Staff also requested the ability to approve 120% of the new fair-market rents based on HUDs approval of the waiver to be submitted this week.

Mr. Larry Yoder made a motion that the Policy Board approve the adjustments in the applicable payment standards to 120% of fair-market rents based on HUDs approval of the waiver, or to 110% of fair-market rents should HUD deny the waiver and Mr. Larry Chapman offered a second. Motion passed unanimously.

2nd Amendment of FY 2022-2023 Budget

Ms. Andrea Roper, Director of Finance, stated a revised 2nd Amendment of the FY2022-23 budget was available at sign-in for the Policy Board meeting which reflects a total budget of \$24,800,156 and an operating budget of \$8,665,014 which represents an increase of the total budget from the July 26, 2022 budget adoption of \$1,449,641.

The following highlights of the 2nd Amendment of the 2022-2023 Budget were shared:

- An increase in Community and Economic Development of \$104,066 due to a new grant for the urgent repair program.
- Community and Economic Development increased due to the addition of a building reuse grant and an updated ARC technical assistance contract amount.
- Aging increased due to the addition of direct services for ARPA funding and a new grant funded by Duke Energy.
- Workforce Development increased \$68,920 due to the repayment of funds to the Division of Workforce Solutions. ROSS IES (WIOA contracted service provider) has provided funding for the repayment.
- Advertising/subscriptions increased due to software subscriptions in the IT department and outreach for aging programs.
- Capital Outlay increased \$24,000 for the anticipated purchase of a drone for planning projects.
- Transfer to Capital Reserve Fund increased due to the increase in indirect funds generated by chargeable salaries.
- Aging Special Revenue Fund decreased to reflect actual ARPA funding for the current fiscal year. Funds expended in FY22 were greater than anticipated.
- Capital Reserve Fund increased due to the increase in transfers from the general fund.
- Capital Project Fund – Building Expansion established for \$1 million.

Staff requested the Policy Board to review and approve the Second Amendment of the 2022-2023 Budget.

Mr. George Holleman made a motion that the Policy Board approve the Second Amendment of the 2022-2023 Budget as proposed and Mr. Jerry Hodge offered a second. The motion passed unanimously.

Capital Project Ordinance – WPCOG Building Expansion

Mr. Anthony Starr, Executive Director stated staff began planning for expansion of the WPCOG office to accommodate future growth of staff and to consolidate the regional NCWorks Career Centers to one location. The current offices of the WPCOG were constructed in 2011. At that time, the offices provided significant extra space for the staff. However, staff have increased by 42% since that time. Additionally, foot traffic at the career centers have continued to decrease since 2015. This reduces the justification for operating career centers in every county for job seekers.

Staff contracted with CBSA Architects to develop a conceptual plan and cost estimate to determine the feasibility of the project. The plans provide for about 7,400 square feet of space for WPCOG offices and 9,600 square feet for the regional career center. CBSA estimates the cost of construction for the entire project at \$4.98 million, including a contingency of 20%.

During the short session of the General Assembly, the WPCOG was able to secure \$1 million for the purpose of expanding the WPCOG office. The Executive Committee previously approved the Executive Director to execute the required documents with the State to designate the \$1 million in funds for the WPCOG building expansion. Additional financing options include obtaining a loan through USDA or conventional financing through private banks. The WPCOG could charge the NC Division of Workforce Solutions an annual lease cost to cover all the debt and operational costs of the career center portion of the expansion.

NC General Statute 159-13.2 authorizes the WPCOG Board or Executive Committee to adopt a capital project ordinance for projects that cross into multiple fiscal years. Attached is a draft capital project ordinance that totals \$1 million. A summary of the current project costs are as follows:

Item	Amount
Design/Engineering	\$ 497,440
<u>Construction/Renovation/Equipment</u>	<u>\$ 502,560</u>
Total	\$1,000.000

Staff requested the Policy Board approve the capital project ordinance for the WPCOG building expansion.

Mr. Jerry Hodge made a motion that the Policy Board approve the capital project ordinance for the WPCOG building expansion and Mr. Larry Yoder offered a second. Motion passed unanimously.

WPRTA Contract Amendment

Ms. Alison Adams, Director of Community and Regional Planning stated the original contract between the Western Piedmont Regional Transit Authority (WPRTA) and WPCOG to provide transit services in

Burke County began October 1, 2020 and expired in June 30, 2022. The amendment is to extend the timeframe of the contract by a year, to June 30, 2023. Due to the COVID-19 Pandemic, the monies related to the project have not been completely spent. The service for Burke County began as a fixed and flex route transit operation. However, there was a needed change of service to add micro-transit to right size the operation to meet the needs of the community post-COVID. As part of the micro-transit service, there is a need to establish a mobile application for operation. The application is slated to be purchased with the local funds after the contract amendment is approved. Poles and signs associated with fixed-flex route bus stop service are needing to be purchased and installed. The contract modification was included in the agenda packet for policy board review.

Staff requested the Policy Board approve the amended contract.

Mr. George Holleman made a motion that the Policy Board approve the WPRTA and WPCOG contract amendment as presented and Mr. Ben Honeycutt offered a second. Motion was passed unanimously.

2022 CEDS Adoption

Ms. Alison Adams, Director of Community and Regional Planning, presented the 2022 Comprehensive Economic Development Strategy (CEDS). The WPCOG was designated as the economic development district for our region in 2004 by the U.S. Economic Development Administration. The WPCOG is required to develop and maintain a regional CEDS every five years. The last CEDS was adopted in September 2017. In November 2021, the Policy Board appointed a total 13 members, representing key diversity characteristics - geographic representation, occupation/employment background, age cohort, race, ethnicity, and gender. In January, a modification was made to the committee due to the COG hiring Ben Willis as the Community and Economic Development Director, who was originally slated to serve on the committee. Due to Honey Estrada accepting employment outside the region the Policy Board appointed Yaidee Fox.

The CEDS Committee met six times working with staff to provide recommendation within six subject areas of focus – Economic Development, Workforce, Infrastructure, Housing, Marketing and Community Life. As part of the data collection process one on one interviews were administered, a 25-question survey was released, and a collection of sub-committee members' feedback were used to develop the document. The CEDS Committee also completed a SWOT analysis of strengths, weaknesses, opportunities and threats to the Western Piedmont (Alexander, Burke, Caldwell and Catawba Counties) learned about demographic and economic trends in the region.

Each of the areas of focus – includes a brief description of importance, applicable data points and survey results. Multiple strategies are included under each of the areas of focus and include action items, metrics and responsible parties. Metrics were also adopted to look at progress made toward each of the areas of focus.

The 2022 CEDS Committee and staff have worked hard to put together a document that will lead the region and WPCOG in a direction of robust and aggressive economic development, the construction of desirable and affordable housing, the successful marketing of regional assets, the development of an inclusive community, the retention and recruitment of a talented workforce, and the development of an

efficient and well-maintained infrastructure system – all of which will ensure an equitable and resilient future for the entire region. In August, the CEDS Committee recommended that the WPCOG Policy board approve the 2022 CEDS during their September meeting.

A resolution adopting the CEDS is necessary and was included in the agenda packet.

Staff requested the Policy Board move to approve the CEDS document as presented.

Mr. George Holleman made a motion that the Policy Board approve the 2022 Comprehensive Economic Development Strategy and resolution as presented and Mr. Larry Yoder offered a second. Motion passed unanimously.

Western Piedmont Industry Growth Analysis (IGA)

Mr. Taylor Dellinger, Senior Data Analyst/GIS Manager, presented the results of the Western Piedmont Industry Growth Analysis.

The Western Piedmont Industry Growth Analysis (IGA) is a way that the Western Piedmont Workforce Development Board and the Western Piedmont Council of Governments (WPCOG) assists the Western Piedmont North Carolina region (Alexander, Burke, Caldwell and Catawba Counties) to determine future economic development opportunities. This analysis is particularly important as the region continues to recover from the negative impacts caused by the COVID-19 Pandemic.

The IGA is accomplished by creating a series of industry employment and wage tables and charts. All industry sectors are plotted into one of four zones, based on average weekly wages and national growth projections over the next 10 years. The Industry Growth Analysis identifies the region's "most-favored" industries, which pay above the average regional wage and are expected to grow nationally over the next 10 years. The "most-favored" industries should become the focus of economic development efforts in the Western Piedmont Region. Conversely, industries that pay below the average regional wage and/or are expected to decline over the next decade are not considered economic development targets. Sources for IGA include the 2020 Census (demographic data), the 2015-2019 American Community Survey, the US Bureau of Labor Statistics (BLS) and the North Carolina Labor and Economic Analysis Division, NC Department of Commerce.

In addition, the IGA also reviews regional educational offerings to determine if training is available to prepare Western Piedmont residents for positions in the area's identified "most-favored" industries. Included in the examination are degree programs from the Western Piedmont's three community colleges (Caldwell Community College and Technical Institute, Catawba Valley Community College and Western Piedmont Community College). The report also includes bachelor's and master's programs from Lenoir-Rhyne University and Appalachian State University.

Funding for Industry Growth Analysis was provided by the EDA Cares Act Grant and the Western Piedmont Workforce Development Board. On August 25, the Western Piedmont Workforce Development Board received the results of the 2022 Western Piedmont Industry Growth Analysis (IGA). On August 30 and August 31, IGA results (as well as State of the Workforce Report) were presented

during community meetings held at the WPCOG offices. Feedback that was collected during the community meetings will be shared with the Workforce Development Board during their October 27 meeting.

The Industry Growth Analysis report can be found on Western Piedmont Workforce Development Board website <https://www.wpcog.org/workforce-development>.

Staff requested the Policy Board to provide feedback. No formal action by the Board is needed at this time.

Other Business

Executive Director's and Staff Reports

Mr. Anthony Starr, WPCOG Executive Director, reviewed the Executive Director's Report providing details about current operations of the WPCOG and issues that may be of interest to board members.

Administration

- Staff continue to work on the potential improvement of Caldwell rail line using the \$4.5 million appropriated by the General Assembly. The current rail operator and lease holder is unwilling to address provisions of the lease agreement that must be amended prior to beginning the project. It appears the only path forward involves buying out the rail operator/lease holder. The cost of the buyout could be \$3.5 million. The funds appropriated by the General Assembly cannot be used for the buyout. Passenger rail service is not an option due to the low population density along the corridor, making it ineligible for federal grant funding. A tourist type service could be possible along with the existing freight service. Staff is working with local governments to determine the next steps.
- The WPCOG begun the search process for the Long View town manager position and the Brookford police chief. Staff are also assisting Hildebran for the search for a new town attorney.
- WPCOG welcomes five new employees: Rachel Wooster, Community and Regional Planner; Haleigh Hopkins, Natural Resources Administrator; Katrina Pascht, GIS Technician, Makayla Pannell, Accounts Payable Technician; and Tasmin Mack, HR Specialist.

Aging

- Scam Jam 2022 took place on September 22nd at Hickory Metro Convention Center – Secretary of State was the main speaker. AAA secured 10 sponsors to help cover cost of event. Over 200 people attended.

Community and Economic Development

- Community and Economic Development staff are currently administering 85 grants for local governments.
- There are a number of projects that have been applied for and are ongoing.

Community and Regional Planning

- Finished up a number of comprehensive plans or are very near the end.

Finance

- The FY22 audit for WPCOG continues. Final fieldwork is scheduled for September 28-29. NC DHHS was delayed in sending required information for our audit and the OPEB consultant is still working to provide the valuation report for our financial statement. Both of these delays have impacted our auditing schedule but we do not anticipate a late submission to the Local Government Commission at this time. A January audit presentation to the Policy Board is planned.

Regional Housing Authority

- The RHA closed its regular housing choice voucher waiting list on Monday, August 15, 2022. As of that date, the RHA had received approximately 2,936 applications online for our waiting list. The RHA continues to accept vouchers for its Mainstream Program, which serves families with a disabled person between the ages of 18-61. Our Emergency Housing Program Vouchers and our VASH Program Vouchers will continue to accept referrals from specific agencies.

Workforce Development

- NCWorks Career Centers in Burke, Caldwell and Catawba received their center certification certificates at the NCWorks Commission meeting on August 10, 2022. This certification means that the Career Centers have satisfied the requirements and standards for quality customer service as established by the NCWorks Commission.
- State of the Workforce Community meetings were held on August 30th and 31st. The State of the Workforce report includes an examination of regional workforce data, including income, labor market, and population trends; a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis of workforce development in the region; a list of strategies and metrics to make improvements to the regional workforce development system; and a list of workforce development resources such as nccareers.org and westernpiedmontworks.org.
- Fraud case from 3 years ago, the person is in jail and serving a 2-year federal sentence. Funds in the amount of \$68,920 have been received from the contractor and a check will be mailed to the NC Department of Commerce. Mr. Anthony Starr thanked the Conover Police Department for leading this investigation. Case is fully closed.

Mr. Ben Willis, Director of Community and Economic Development, stated the fall round of Appalachian Regional Commission (ARC) funding will be available October 1st with pre-applications due on November 10th. The next round of Rural Transformation Grants opened September 1st and close on November 1st with award announcement on December 16th.

Next Meeting

The next Policy Board meeting is scheduled for November 22, 2022 and will be hosted by the Town of Long View at WPCOG.

Adjournment

Chair Patton adjourned the meeting at 7:58 pm.