

HERTFORD COUNTY BOARD OF COMMISSIONERS
REGULAR MEETING
COMMISSIONER'S CHAMBERS/MULTI-PURPOSE ROOM – JUDICIAL CENTER

Monday, November 2, 2020 - 9:00 AM

Present: Com. Ronald J. Gatling, Chairman, Com. Leroy Douglas,
Com. Andre` Lassiter, and Com. William F. Mitchell, Jr.

Absent: Com. John D. Horton, Vice-Chair

Also Present with the Board: Mr. David B. Cotton, County Manager, Dr.
Renee Fleetwood, Clerk to the Board, Attorney Charles L
Revelle, III, County Attorney

Attorney Maria R. Jones, Revelle & Lee, LLP

Chairman Ronald J. Gatling called the meeting to order at 9:01 AM and Dr. Renee Fleetwood, Clerk to the Board, provided the Invocation.

REQUEST APPROVAL OF SEPTEMBER 21, 2020 MINUTES

On a motion by Com. Andre` Lassiter and a second by Com. William F. Mitchell, Jr., the Board unanimously approved the October 5, 2020 and October 19, 2020 minutes.

PRESENTATION OF OCTOBER 2020 NEW HERTFORD COUNTY EMPLOYEES

Ms. Kimberly Turner, Human Resources/Risk Management Director, introduced the October 2020 New Hertford County Employees as follows:

Hertford County Personnel Report
October 2020

<u>Employees Hired</u>	<u>PT/FT</u>	<u>Department</u>	<u>County of Residence</u>
Leroy Harrell	PT	Solid Waste	HC
Jacqueline Gatling	FT	Detention Center	HC
Latonya Nixon	FT	Detention Center	BC
Carl Cross	FT	Public Works	HC
Lendora Majette	FT	Sheriff	HC

Chairman Gatling and the Board welcomed the new employees, thanked them for joining the Hertford County Local Government team.

Chairman Gatling announced that Vice-Chair Horton is improving and recuperating at home with his family.

**REQUEST APPROVAL OF AMENDMENT TO HERTFORD COUNTY BUDGET
ORDINANCE FY 2020-2021 AMENDMENT #11**

On a motion by Com. Lassiter and a second by Com. Mitchell, the Board unanimously approved the Hertford County Budget Ordinance FY 2020-2021 Amendment #11 to transfer \$507.00 from FY20 to FY21, \$100.00 National Night Out donation and \$200.00 donation for K-9 Unit for the Sheriff Office.

AMENDMENT TO HERTFORD COUNTY BUDGET ORDINANCE FISCAL YEAR 2020-2021

BE IT ORDAINED by the Governing Board of the County of Hertford, North Carolina, that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2021:

REVENUE:

Department	Account Number	Account Description	Amount Increase	Amount Decrease
Sheriff	100080-527000	Earmarked Revenue	\$ 807	
	Total Changes in Revenue		\$ 807	\$ -

Net Change in Revenue	\$807
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EXPENDITURE:

Department	Account Number	Account Description	Amount Increase	Amount Decrease
Sheriff	104180-527000	Earmarked Expense	\$ 807	
	Total Changes in Expenditures		\$ 807	\$ -

Net Change in Expenditures	\$807
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Explanation:

Transferring \$507.00 from FY20 to FY21, \$100.00 National Night Out donantion & \$200.00 donation for K-9 unit.

Amendment # 11

Approved: ✓

Posted:

Finance Director

Date

(CONVENING AS THE BOARD OF THE HERTFORD COUNTY NORTHERN SOUTHERN RURAL WATER DISTRICT) REQUEST APPROVAL OF HERTFORD COUNTY RURAL WATER UTILITY REPAYMENT PLAN PROCEDURE

On a motion by Com. Mitchell and a second by Com. Leroy Douglas, the Board agreed to leave Regular Session to convene as the Board of The Hertford County Northern Southern Rural Water District.

Mr. Stanley Lassiter, Public Works Manager, presented the Hertford County Rural Water Repayment Plan Procedure to the Board as follows: Executive Orders 124 and 142 placed a moratorium on residential customer disconnections from March 31, 2020 to July 29, 2020; some customers have not paid balances over this March 31-July 29 timeframe, or have paid partial balances; the executive orders require that these customers must be given the opportunity to pay the amount in arrears using a reasonable payment arrangement that spreads out repayment over at least six months; 102 customers are behind on water bills in the Southern district totaling \$25,295.00 and 44 customers are behind on water bills in the Northern district totaling \$9,858.00.

On a motion by Com. Mitchell and a second by Com. Lassiter, the Board approved the Hertford County Rural Water Utility Repayment Plan Procedure with the addition of the HOPE program information be provided to customers at the signing of the monthly repayment plan agreement.

On a motion by Com. Douglas and a second by Com. Lassiter, the Board agreed to adjourn as the Board of the Hertford County Northern Southern Rural Water District to return to Regular session.

COUNTY MANAGER'S COMMENTS

County Manager David B. Cotton made the following comments:

COVID-19 Relief Funds (CRF)

- second round CRF distribution balance - \$100,000.00
- Town of Ahoskie requested \$90,000.00 for the second round
- waiting on additional requests from municipalities
- December 31, 2020 is the deadline for spending CRF requests
- five Hertford County CRF Program applications have been received to date
- proposed a streamlined Hertford Small Business COVID-19 Relief Funding Program (as attached) to better assist small business owners overburdened by requirements in the previously approved program
- extending Hertford Small Business COVID-19 Relief Funding Program application deadline for two weeks (November 27, 2020)

Attorney Revelle advised the Board and Manager Cotton that tax returns received are not public information and should be returned to the applicants after applications are processed.

On a motion by Com. Douglas and second by Com. Lassiter, the Board approved to adopt the new Hartford Small Business COVID-19 Relief Funding Program with Friday, November 27, 2020 as the application completion deadline.



Hertford Small Business COVID-19 Relief Funding Program

While each of us has been affected by COVID-19, small and independently owned businesses have certainly experienced significant challenges.

Recognizing that small businesses are the backbone of our community, the Hertford County Board of Commissioners has launched the Hertford Small Business COVID-19 Relief Funding Program. This is a small business relief program that aims to provide grants to small business owners struggling financially due to COVID-19. The goal is to help them in the short-term, so that they can get back on their feet and remain viable for the long term.

Specifically, the purpose of the Hertford Small Business COVID-19 Relief Funding Program is to assist Hertford County-based small businesses that are experiencing financial difficulties such as mandated shutdowns, employee layoffs, and operating losses as a result of ongoing efforts of the Federal, State and local authorities to contain and minimize the spread of the COVID-19 pandemic.

The application will be available at noon on Monday, October 26th, 2020 and will remain open through 11:59 p.m. on Friday, November 27th, 2020. Applicants will be asked to submit supplemental materials with the application to Hertford County Administration 115 Justice Drive Suite 1 Winton, North Carolina 27986. These materials (constituting a completed application packet) must be received by 11:59 p.m. on Friday, November 13th, 2020 for the application to be considered for possible funding.

The application and program guidelines will be available on Hertford County's website, Facebook page and at Hertford County's Administration Office.

Businesses that have already received COVID-19 related financial assistance from either the State, Federal or local governments are eligible to apply for the Hertford Small Business COVID-19 Relief Funding Program.

For additional questions regarding the program and/or process, please see the Hertford Small Business COVID-19 Relief Funding Program Frequently Asked Questions (FAQ).

General Terms & Conditions

- Open to Hertford County, North Carolina based for-profit small businesses
- Minimum of one year in operation
- Ineligible businesses include, but not limited to, companies involved in real estate investment, multi-level marketing or adult entertainment. Companies with outstanding local tax liabilities or tax liens as of September 30, 2020, or currently in bankruptcy (Corporate or Personal) are not eligible. Companies that have a past due utility balance as of September 30, 2020 with Hertford County are also ineligible.

- Evidence indicating profitability prior to coronavirus pandemic
- Maximum grant of \$10,000 per small business with no repayment required. The amount of the grant will be twice the average monthly expenses from your most recently filed tax return or \$10,000, whichever is less.

Qualification Requirements

- Business is located in Hertford County, North Carolina
- Business with 100 employees or less
- Business is locally and independently owned
- For-profit businesses including, but not limited to sole proprietorships, home businesses, and independent contractors (This also includes food trucks who are able to show rent payments paid to a commercial space, hairstylists/barbers who rent booths from salon owners, and actual salon owners).
- Business has experienced a decline in revenues due to COVID-19 between January 1, 2020 and September 30, 2020.
- Business annual revenue of less than \$2.5 million as of latest completed Business Tax Returns
- Business has not filed for bankruptcy.
- Business does not have any open tax liens.
- Business does not have current open judgments.
- Businesses that have been operating for one year or less and have filed a 2019 tax return AND also meet all other eligibility criteria are eligible to apply.
- Businesses who have been operating for one year or less AND have not filed a 2019 tax return are ineligible to apply.

Required Documentation

- Statement describing how COVID-19 has adversely impacted your business
- Copy of lease or mortgage agreement for your small business
- Receipt/proof of paid City/County taxes or screenshot
- Business must provide a valid/unexpired driver's license or government-issued photo ID
- Certificate of "good standing" or screenshot from the Secretary of State North Carolina
- Most recently completed & filed business tax returns (2019 tax returns are mandatory, 2018 are optional)
- Your full social security number (SSN) and EIN/ITIN, which will be used to access your credit report and verify your business
- Your banking information including your routing and checking account number

Eligible Uses of Funds

Each of the eligible uses of funds below will be evaluated in the context of being necessary for businesses to provide services in a different manner due to “social distancing” requirements or mandated closures caused by the COVID-19 pandemic.

- Fund working capital or operational funds to retain employees during the COVID-19 pandemic
- Purchase equipment, commercial-use vehicles, or machinery for the business
- Improve owner-occupied commercial property; owner must occupy 50% or more of total space
- Sustain or expand business services or products
- Retain or expand workforce development and job creation
- Fund tenant up-fit and lease-hold improvements to the business

Frequently Asked Questions (FAQ)

Which businesses are eligible/ineligible to apply for funding through this program?

- Small business applicants must be located within Hertford County and in locations zoned appropriately for the intended business activity.
- Business applicants must be for-profit business entities.
- Business with 100 employees or less
- Business applicants must have no outstanding tax liens or legal judgments as of September 30, 2020.
- Ineligible businesses include, but not limited to, companies involved in real estate investment, multi-level marketing or adult entertainment. Companies with outstanding local tax liabilities or tax liens as of September 30, 2020 or currently in bankruptcy (Corporate or Personal) are not eligible. Companies that have a past due utility balance as of September 30, 2020 with Hertford County are also ineligible.
- Businesses that have already received COVID-19 related financial assistance from either the State, Federal or local governments are eligible to apply for the Hertford Small Business COVID-19 Relief Funding Program.

Who will review grant applications and determine the awards?

- The Hertford Board of County Commissioners will make final determinations for the grants. The Hertford Small Business COVID-19 Relief Funding Program will be staffed by the County’s Chief Finance Officer and County Manager.
- Hertford County staff will service the grants, to include marketing the program, receiving all applications for review, disbursing funds to award recipients, providing administrative reports, and processing all associated documentation.
- The Hertford Small Business COVID-19 Relief Funding Program is funded by the Hertford County Board of Commissioners, which retains the right to amend the grant procedures as necessary to assist the broadest cross-section of Hertford County’s small businesses.

What will the application and funding process look like?

- Interested businesses should complete and submit the application by 11:59 p.m. on Friday, November 13th, 2020 to start the process and meet the submission deadline. Once the application has been submitted, applicants will receive an email from Hertford County staff within two business

days acknowledging receipt of your application. All required documents must be received by 11:59 p.m. on Friday, November 13th, 2020.

- Hertford County staff from County Administration and the Finance Office will pre-screen the applications to make sure they include all required documentation and meet the published qualifications. Completed applications will be provided to the Commissioners for their review and funding determination.
- Applicants will then be contacted in writing to share the evaluation results and what the next steps in the process will include.
 - For grant applicants, a completed W-9 and Electronic Funds Transfer form will be required to process the funds.
- Each business receiving a grant must provide an accounting of how all funds were used by the business within 180 days of the receipt of the grant.

What criteria will be used to evaluate a small business applicant's economic need to receive a grant?

- Duties of the Commissioners shall include generally monitor the Program administration. These responsibilities will include:
 - Determining innovative measures to deploy grant funds to sustain small business development and job creation, leading to recovery.
 - Meeting with staff to review grant applications and determine, which applications will be recommended for approval to County leadership, including terms and conditions.
 - Applicants must submit certain financial and tax information of their small business to Hertford County's Finance & Administration Department including Federal Tax ID # and bank account information.

What are the eligible uses of the grant funds?

- Business expenses in the following categories as a result of a need to expanded a business model to accommodate social distancing:
 - Fund working capital or operational funds
 - Purchase equipment, commercial-use vehicles, or machinery for the business
 - Improve owner-occupied commercial property; owner must occupy 50% or more of total space
 - Sustain or expand business services or products
 - Retain or expand workforce development and job creation
 - Fund tenant up-fit and lease-hold improvements to the business

What are examples of unauthorized uses of grant funds?

- Businesses that are not based in Hertford County
- Refinancing existing bank debt or investor loans
- Purchase of equipment or improvement of real estate to be used for personal use
- Political activities or private membership clubs
- Owner salary and dividend payments beyond an agreed upon amount
- Speculative ventures such as drilling for gas, oil, and commodity futures
- Lending or speculative investment purchases
- Real property held for sale or investment
- Pyramid sales - distribution plan businesses

- Floor plan financing, which is defined as a revolving line of credit that allows the borrower to obtain financing for retail goods; these loans are secured on collateral including vehicles, recreational vehicles and manufactured homes
- Foreign controlled businesses
- Paying off existing debts, tax liens, judgments or collections

What is the amount of the grant program's potential award value to a small business applicant?

- The maximum amount of the grant will be twice the average monthly expenses from your most recently filed tax return or \$10,000, whichever is less.
- All grants are subject to availability of Hertford County's funds for this program and the level of eligible requests the program receives from small businesses.

What is the cost to a small business that receives a grant?

- The grant program has no application fee, no repayment provision and no other costs to the grant recipient.

What types of financial records and related documentation will be required as part of the grant application process?

The Commissioners shall review and consider the following in determining whether a grant should be made:

- Statement describing how COVID-19 has adversely impacted your business
- Copy of lease or mortgage agreement for your small business
- Receipt/proof of paid City/County taxes or screenshot
- Business must provide a valid/unexpired driver's license or government-issued photo ID
- Certificate of "good standing" or screenshot from the Secretary of State North Carolina
- Most recently completed & filed business tax returns (2019 tax returns are mandatory, 2018 are optional)
- Your full social security number (SSN) and EIN/ITIN, which will be used to access your credit report and verify your business
- Your banking information including your routing and checking account number

COMMISSIONERS' COMMENTS

The Board made the following comments:

Commissioners Lassiter, Douglas and Mitchell thanked everyone for attending the meeting.

Chairman Gatling announced that the Calvary Missionary Baptist Church and attendance from a few County departments went very well, the Drive-Thru Employee Appreciation Luncheon will be November 4, 2020 at 12 Noon, and thanked everyone for attending the meeting.

CLOSED SESSION

On a motion by Com. Mitchell and a second by Com. Lassiter, the Board unanimously approved to move to Closed Session as allowed under NCGS § 143-318.11(a)(3) to consult with the County Attorney.

Minutes of Closed Session are on file in the Office of the Clerk to the Board.

On a motion by Com. Lassiter and a second by Com. Mitchell, the Board unanimously approved to return to the Regular session.

ADJOURN MEETING

On a motion by Com. Mitchell and a second by Com. Lassiter, the Board unanimously approved to adjourn the meeting.

Approved: November 16, 2020

Com. Ronald J. Gatling, Chairman

Dr. Renee Fleetwood, Clerk to the Board