

MINUTES
LENOIR COUNTY BOARD OF COMMISSIONERS
October 3, 2011

Item No. 3

The Lenoir County Board of Commissioners met in open session at 9:00 a.m. on Monday, October 3, 2011 in the Board of Commissioners Main Meeting Room in the Lenoir County Courthouse at 130 S. Queen St., Kinston, NC.

Members present: Chairman George Graham, Vice-Chairman Reuben Davis and Commissioners, Jackie Brown, Mac Daughety, Linda Rouse Sutton, Tommy Pharo, and Eric Rouse

Also present were: Tommy Hollowell, Assistant County Manager, Martha Martin, Finance Officer, Robert Griffin, County Attorney, April L. Banks, Interim Clerk to the Board, and members of the general public and news media.

Absent: Michael W. Jarman, County Manager

Chairman Graham called the meeting to order at approximately 9:00 a.m. Ms. Brown offered the invocation and Mr. Graham led the audience in the pledge of allegiance.

PUBLIC INFORMATION

Ms. Brown presented Mr. Eric Cantu, of Vietnam Veterans Chapter 892 a Resolution of Appreciation on behalf of the Board for their efforts in bringing "The Wall That Heals" to Emma Web Park. The attendees of the Board meeting applauded Mr. Cantu with a standing ovation after the resolution was read aloud by Ms. Brown. Mr. Cantu thanked the Board on behalf of the members of Chapter 892 saying a lot of people were involved to make the event a success. He stated the community as a whole played a part in this accomplishment. Kinston-Lenoir Parks & Recreation prepared the grounds at the park for the display. Approximately 18,000 citizens visited the memorial representing nine (9) counties and sixty-two (62) cities in North Carolina. There were no incidents reported during the period of display from September 13 – 18, 2011. Mr. Cantu thanked the Board and stated he appreciates the acknowledgements and will convey the appreciation to his fellow members of Chapter 892.

Mr. Mark Pope, Economic Development Director addressed the Board regarding the current Economic Development process in use for Lenoir County. Also present were Mr. Jim Fain, President of Global Transpark (GTP), and also former Secretary of Commerce, and Ms. Donna Phillips, Senior Economic Developer/Manager for the Department of Commerce. Mr. Fain stated he appreciates the support received from Lenoir County and it has been a pleasure working with Mr. Jarman and Mr. Pope. Mr. Pope stated there is justification in the need for confidentiality while working on developing projects. Some of the larger companies are concerned about preserving the knowledge they are expanding or moving. If they are considering closing a facility at a different location, this can create concern among the employees if made publicly known. Mr. Pope thanked everyone for their long time support and appreciates the work everyone has invested to make these projects come to Lenoir County. Mr. Pharo stated he will sign a confidentiality agreement if necessary when Mr. Pope comes before the Board to obtain approval on incentive packages. Mr. Pope stated he does not want to send the image that there is an issue with everyone not being supportive of Economic Development. Leads regarding potential companies who might want to relocate or expand in Lenoir County are derived from conferences and conventions and they also obtain leads from the State. Most large projects come to Commerce first and some companies contact the County first. If the County is contacted first, we then contact the State. Sanderson Farms observed Kinston for close to a year before they made a decision to move forward and speak with Economic Development. They wanted

to ensure they had the support of the local farming community. The Spirit project spanned approximately 18-24 months from beginning to completion.

Ms. Phillips stated she supported both Mr. Fain and Mr. Pope regarding confidentiality. If any privileged information leaks to the public, then grant monies can be lost. Until the Governor makes the announcement, confidentiality must remain in place. She thanked Lenoir County and the City of Kinston stating it is a joy to work with the team. Mr. Pope outlined the Economic Development Process that follows:

- Economic Developer (ED) Director/Department of Commerce makes contact with clients
- Department of Commerce is always the lead on projects
- Department of Commerce / ED will qualify client and next steps
- ED to evaluate the company, investment and job creation
- Project name is assigned by ED / Department of Commerce
- Site/building selections presented by ED/Department of Commerce
- Only Allies/Partners required for information will be notified
- ED/Department of Commerce to meet with Allies/Partners to discuss project
- ED/Department of Commerce main contact with client for ease of numbers of persons contacting or communicating with client
- Incentives for project are calculated, (if One NC is part of incentive package, local incentives must be available as match)
- ED engages other grant agencies that may be needed for infrastructure or training
- Once validation of project and incentive packages are discussed and we know that Lenoir County is on short list, Project name, investment, and job creation given to commissioners in closed session. Confidentiality and agreements discussed and signed
- Once final decision and Lenoir County has been selected, announcement date set, advise commissioners of date and time of called open meeting to approve Performance based agreement incentives
- Day of announcement, Commissioner meeting in open session to advise of Company name and Incentives for approval and signature before the public announcement

Mr. Graham asked if the Committee of 100 has reviewed the process. Mr. Pope responded they have not, but he will take it before them if necessary. Mr. Daughety asked Mr. Fain to speak on the issue of information being released prematurely. Mr. Fain stated the situation has occurred a few times. This causes the community to have a negative reputation regarding integrity. When compared with other governing bodies, the County has an appropriate and typical process. Mr. Fain stated he worked on some projects himself without knowing specific information as to who the client may be. Mr. Pope stated incentives are part of Economic Development. Lenoir County is competing against other larger areas and states and he has to prepare competitive packages. Mr. Graham asked Mr. Bill Ellis, Interim City of Kinston Manager, about his views on the process. Mr. Ellis stated the City of Kinston is part of Economic Development due to the city being the provider of electricity and water. He also stated the process is fair. On some occasions, he has not known the identity of the client. Mr. Pope and the Department of Commerce do a good job with the Economic Development of Lenoir County. Mr. Rouse stated he requested more specific information, not necessarily the name of the company. He feels the commissioners need to be more involved with the Economic Development process. Mr. Pope stated in closed session, he can disclose information pertaining to the number of jobs and investments, but the information cannot be given to another committee outside of the commissioners. Mr. Rouse asked Mr. Ellis when he did not know the specific identity of the company, did he at least know the nature of the business. Mr. Ellis responded he would be

provided with the nature of the business, but sometimes the identity would still be kept confidential. Mr. Rouse stated he believes this process is a step in the right direction.

Mr. Fain stated when information is disclosed regarding the space needed and type of space, this can be a clue to the nature of the business. Mr. Rouse stated he is not receiving information such as this and it is a concern to him because he has a responsibility to the citizens. Mr. Pope stated he takes the lead from the Department of Commerce as to when certain information can be disclosed. Economic Development incentives are performance based on the creation of jobs and investments made. The company does not receive a payment until certain goals are met. These incentives are not from citizen tax dollars. Ms. Sutton stated all commissioners should have confidence in Mr. Pope as he has never done anything for them to question his ability as Director of Economic Development. She believes he makes the best decision with the interest of Lenoir County in mind. Mr. Pope stated if the commissioners agree with the process then it can be formally adopted. Mr. Graham stated the City, State, and Eastern Region have been very successful in economic development. The process seems fair and standard. Upon a motion by Ms. Brown and a second by Ms. Sutton, the Economic Development Process was adopted by unanimous approval. Mr. Pharo stated he is accountable to the citizens and this process is a step in the right direction. Mr. Fain commended the County for its willingness to offer incentives for economic development. He also thanked Mr. Graham for vetting the Economic Development process. The unanimity shown to accept the process speaks a lot for Lenoir County. Ms. Phillips thanked the Board and stated Lenoir County is extremely busy with activity. She will always do the right thing for the community. Mr. Pope thanked the Board, Mr. Fain and Ms. Phillips for their time. Ms. Sutton welcomed Mr. Fain as the new president of GTP and invited him back in the future to provide an update. Mr. Fain welcomed the invitation to return and provide the Board with an update on activities at GTP.

Mr. Daughety provided the Board with an update on the Transportation Committee and projects. The Transportation Committee's goal is to help the commissioners and citizens understand what is happening with transportation in the County and how it affects the region. There have been seven (7) road and rail projects that have the potential to transform the lives of the citizens. The County doesn't build or fund the roads. The decision comes from of team of the County, regional and governmental partners. The purpose of building roads is to move goods and services. Eastern Carolina lacks connectivity between the GTP, Ports at Morehead, Wilmington, the ECU Medical School, and the military bases. The three (3) major road projects are a potential new Highway 70 Bypass, an interstate loop for the GTP to and from I-95, and creating connectivity to and from the Port of Wilmington to the GTP. The following updates were provided:

Highway 70 Bypass - Mr. Daughety stated the Highway 70 Bypass had only one (1) option for 30 years and this was a Southern Route with right of way purchase in 2030. Durwood Stephenson, Director of the Highway 70 Corridor Commission in partnership with the Transportation Committee and others, has introduced 30 potential Northern Routes with locally preferred options for a Northern Route while reducing right of way acquisition ten (10) years. Tentative timeline:

- Scheduled Right of Way 2020
- Public Hearing to view 30 Northern and Southern Routes was held September 20 & 22, 2011 with over 200 attendees to comment
- Merger Committee meets in November to draw down to single digit number of routes
- Public Hearing approximately in May 2012 to review and comment
- Route selection anticipated early summer 2012
- Currently unfunded

Part C Harvey Parkway – Mr. Daughety stated this project will provide a direct route to I-95 via Southern Goldsboro Bypass to Highways 795 and 264. There will also be a direct route to I-95 via Hwy 11 North and Greenville Southwestern Hwy 264 Bypass. The route will connect the region and counties of Wayne, Greene, and Pitt directly to the GTP. A feasibility study is underway.

Highway 11/241 with Pink Hill Bypass – A feasibility study will start in about three (3) to six (6) months. This bypass will connect the Port at Wilmington to the GTP via four (4) lane expressway type road system.

Smithfield Way – This project will provide outlet and connectivity between the Industrial Park and Highway 258 North allowing for greater movement of goods and service manufactured in the Park while opening up greater opportunities for Economic Development and creation of jobs.

Carey Road Extension – A feasibility study is currently underway. The project is currently an unfunded \$12.5 million project. This will provide mobility from one side of Kinston to the other.

Rail Spur from GTP across Hull Road – This rail is not specifically designated for only Spirit Aerospace to utilize. This was part of the original master plan of the GTP 20 years ago with the intention of allowing goods and services manufactured at the GTP rail access to the Norfolk/Southern/NC Railroad line to the Port of Morehead City. When the rail track between Wallace and Castle Hayne is restored, the spur will provide rail service to the Port of Wilmington from the GTP.

Rail Completion from Elmers/Graingers to the GTP – This project is currently in the beginning stages of trying to determine how this rail can reduce the overall cost of shipping by rail in Lenoir County and Eastern NC while providing the GTP with connectivity to the Port of Norfolk.

Hull Road/Rail/Spur – This road was opened September 30, 2011. Traffic may be reduced to one (1) lane at a time while marking the highway is completed.

Queen Street Bridge Project – Bids will be let in April 2012. Construction will begin Spring 2013 with offsite detour. Estimated construction time for this project is approximately 18 months.

Ms. Brown inquired as to what is the purpose for the upcoming meeting at Northeast Elementary. Mr. Daughety stated a Public Hearing will be held Monday, October 3, 2011 from 5 p.m. to 7 p.m. at Northeast Elementary School regarding the Highway 11 Corridor Improvements. Mr. Alex Rickard, RPO Planner, stated the NC 11 Corridor study provided to the Board displays interchanges between Kinston and Greenville along Highway 11. There are approximately 11 – 12 miles of highway with no long term plans by the Department of Transportation. The purpose of the study was to identify where interchanges could be built and also secondary roads. The hearing will also allow comments to determine impact on residents and businesses in that area. Mr. Davis asked the time frame for completion of the Harvey Parkway Extension. Mr. Daughety stated Part C is three (3) miles long and Hwy 11/241 is eleven (11) miles long. The project is anticipated to start in the near future. Mr. Graham inquired if there are any plans for transportation by air. Mr. Daughety stated the committee is working on ground transportation first in order to get roads in position for economic development.

CONSENT AGENDA

Upon a motion by Ms. Brown and a second by Ms. Sutton, the Board approved the following Consent Agenda.

3. Approval of Minutes: Regular Board Meeting: September 19, 2011 Banks/Jarman
4. Resolution Approving the Releases and Refunds to the Individuals Listed Herein Parrish/Martin
5. Budget Ordinance Amendment: General Fund: Finance/Cooperative Extension: \$155. Increase Kelly/Martin
6. Budget Ordinance Amendment: General Fund: Process Funds: \$1,796.10. Increase Martin

RESOLUTIONS /BUDGET ORDINANCE AMENDMENTS

Item No. 7A was a Resolution Authorizing Payment to Atlantic Surveying, P.A. for Preparing an Erosion and Sediment Control Plan for the Kinston/Lenoir County Soccer Complex on Hwy 11/55 in the Amount of \$4,020.00. Last year Sanderson Farms donated 40,000 cubic yards of dirt, which was used to begin a berm around the Lenoir County Soccer Complex, but there was not enough dirt to complete the project. In August 2011, the Department of Transportation (DOT) needed a place to put dirt from their Railroad Spur Project on Hull Road. DOT paid for the hauling of the dirt, but the County was required to obtain an erosion control permit. Upon a motion by Ms. Sutton and a second by Ms. Brown, Item No. 7A was unanimously approved.

Item No. 7B was a Resolution to Accept a \$25,000 Donation from the Children of Dr. Charles B. Randall for a Memorial Garden for pets at the Rotary Dog Park. The Kinston Rotary Club and Lenoir County have constructed a 16 acre dog park located at Skinners Bypass. The memorial garden will be the center piece of the dog park and will allow pet owners to bury their pet's ashes and also purchase pavers in memory of their beloved pets. This donation will allow for the construction of a 65' by 35' brick and landscaped memorial garden. The garden will be dedicated to Dr. Charles B. Randall and Dr. Ray J. Randall for their love and care of their pets. Upon a motion by Ms. Sutton and a second by Ms. Brown, Item No. 7B was unanimously approved.

Item No. 8A was a Resolution Authorizing Lenoir County Health Department to Increase the 2011-2012 Budget with 767 Summer Food Service Program (SFSP) Inspections. This resolution authorizes the Lenoir County Health Department to utilize State Environmental Health funds allotted for the Summer Food Service Program. This program is federally funded and provides free meals to children during the summer months. Schools, government agencies, churches, and private non-profit organizations participate as sponsors. Inspections are required for each site. Upon a motion by Mr. Davis and a second by Ms. Sutton, Item No. 8A was unanimously approved.

Item No. 8B was a Budget Ordinance Amendment: General Fund: Health (Environmental Health Program) Increase: \$860.00. This amendment allocates funds received from the State for inspections for the SFSP. Upon a motion by Mr. Davis and a second by Ms. Sutton, Item No. 8B was unanimously approved.

Item No. 8C was a Resolution Authorizing Lenoir County Health Department to Execute a Purchase Order Contract to Garrison Enterprises, Inc.: \$7,500. This resolution allows the Lenoir County Health Department to utilize State Environmental Health funds allotted for non-transferable license for the Digital Health Department (DHD) Environmental Health (EH) Data Management System, including maintenance and technical support from October 1, 2011 to September 30, 2012. The money is to be used to purchase a DHD application to use in the field for performing required sanitation inspections. This is an internet based application to eliminate double entry. Upon a motion by Ms. Sutton and a second by Mr. Daughety, Item No. 8C was unanimously approved.

Item No. 8D was a Resolution Authorizing the Lenoir County Health Department to Execute a Purchase Order Contract to Danny Smith Landscaping & Drainage: \$8,859. The contractor will construct a 21' by 15' concrete pad; install dog kennels, and seal pens, cracks and pads to pass inspection with SPCA maintenance funds. The additional pens are needed for continued efficient operation of the shelter. Upon a motion by Mr. Daughety and a second by Ms. Brown, Item No. 8D was unanimously approved.

Item No. 8E was an add-on Resolution Authorizing Lenoir County Health Department to Impose Fees for Services Based on Approved Medicaid Rates Effective July 1, 2011 – June 30, 2012. The NC Medicaid Program revised rates for services effective July 1, 2011. The program requires local fees must match or exceed the approved Medicaid rates, therefore have to be adjusted to accommodate this requirement. Local fees are higher to absorb subsequent Medicaid rate increases that go into effect after July 1, 2011 and reflect actual costs of providing the services. The approval of revised fees for services will bring the department in line with the approved Medicaid rate and, therefore, maintain the department's compliance with Medicaid requirements. Upon a motion by Mr. Daughety and a second by Ms. Sutton, Item No. 8E was unanimously approved. Ms. Brown asked if the fees charged are in line with the Community Health Center. Mr. Huff stated the fees are comparable and some charges may be below what actual costs are due to the sliding fee scale which discounts the actual charge. Mr. Rouse stated the Lenoir County Board of Health is having difficulty satisfying the requirements of a quorum in order to vote and would like permission to adjust the definition of a quorum. Mr. Huff stated Veterinarian and Pharmacy positions required on the Board are difficult to fill. If no professional is willing to serve, the Commissioners have the option to seek a non-professional to fill the vacancy. Currently the definition of a quorum is more than 50% of the members must be present. The Lenoir County Board of Health has eleven (11) seats but only eight (8) are filled. Upon a motion by Mr. Rouse and a second by Mr. Pharo the Board unanimously agreed to allow the professional vacancies to be filled with non-professionals on the Lenoir County Board of Health and the quorum criteria be changed to more than 50% of the filled positions.

Item No. 9 was a Resolution Approving Proceeding with the Engineering Design, Contract Administration, and Project Management Services for the Re-roofing of the Lenoir County Health Department: RTD Associates, PA: \$13,371.02. Due to an aging and deteriorating roof of approximately 12,600 sq. ft. on the Lenoir County Health Department, roof replacement is strongly recommended to avoid further and future water damage to the interior of the building. Roof replacement encompasses not only the proper removal of the old roofing materials and the installation of a new roofing system, but also engineering, administration, and project management, including on-site inspections. The County has contracted with RTD on several occasions to oversee roof replacement projects. Upon a motion by Ms. Sutton and a second by Mr. Daughety, Item No. 9 was unanimously approved.

Item No. 10 was a Budget Ordinance Amendment: General Fund: DSS: \$380,838. Increase. This amendment was a Crisis Line Item adjustment to reflect actual State allocation received for FY 11-12. The allocation received is more than the State estimate approved in the FY 11-12 Department of Social Services Budget. These are 100% Federal and State funds. The Low Income Energy Assistance Program (LIEAP) Policy will change effective December 1, 2011. The County is now responsible for issuing LIEAP payments directly to energy vendors. The State issued the checks in previous fiscal years directly to the client. Upon a motion by Ms. Brown and a second by Ms. Sutton, Item No. 10 was unanimously approved.

APPOINTMENTS

Item No. 11 was a Resolution Appointing Citizens to Boards, Commissions, Etc. The following appointments were first appearance and no action was taken:

<u>BOARD/COMMITTEE/COMMISSION</u>	<u>APPLICANT/ CURRENT MEMBER</u>	<u>TERM EXPIRATION</u>
Lenoir County Transit Advisory Board 1st Appearance	Helen Wiggins	October 2014

CURRENT VACANCIES

- Lenoir County Economic Development Board – At-Large Member
- Lenoir County Health Board – (1) Veterinarian, (1) Optometrist, (2) Public Members
- Lenoir County Planning Board – Districts One (1) and Four (4)
- Grifton Planning Board – One (1) Vacancy
- CJPP – Three (3) Vacancies
- Kinston Board of Adjustment – Two (2) ETJ Members; (1) Primary – (1) Alternate

ADJOURN

Upon a motion by Mr. Graham and a second by Mr. Davis the Board adjourned at 11:21 a.m.

Respectfully submitted,

Reviewed By

April L. Banks
Interim Clerk to the Board

Michael W. Jarman
County Manager