

MONDAY, NOVEMBER 4, 2013

The Pender County Board of Commissioners met in regular session on Monday, November 4, 2013 at the Public Assembly Room, 805 S. Walker St., Burgaw, NC 28425.

MEMBERS PRESENT: Chairman George Brown, presiding; Vice Chairman Fred McCoy; and Commissioners Jimmy Tate, Chester Ward and David Williams.

MEMBERS ABSENT: None.

OTHERS PRESENT: Mickey Duvall, County Manager/Clerk to the Board; Trey Thurman, County Attorney; Butch Watson, Finance Officer/Assistant County Manager; Glenda Pridgen, Deputy Clerk to the Board; other staff and members of the Press and public.

CALL TO ORDER

Chairman Brown called the meeting to order at 4:00 p.m. and thanked and welcomed all.

INVOCATION

Commissioner Tate offered the Invocation.

PLEDGE OF ALLEGIANCE

Commissioner Williams led the Pledge of Allegiance.

PUBLIC HEARINGS

1. **Public Hearing and Resolution Approving Grant Application and Authorizing Local Share of Enhanced Mobility of Seniors and Individuals with Disabilities Program Operated by Pender Adult Services for FY 2014-2015: \$170,000.**

The Public Hearing opened at 4:02 p.m. and closed at 4:04 p.m. Pender Adult Services Director Wes Davis and Transportation Coordinator Valerie Sutton were in attendance. Mr. Davis explained: Pender Adult Services (PAS) acts as Transportation Coordinator for Pender County; they operate the MV Transit Bus which provides transportation around Pender and New Hanover Counties; patrons of this service pay \$3 each way for their transportation within the County and \$8 each way for transportation outside of Pender County; this year, PAS is requesting \$170,000 from NC Department of Transportation, requiring a local match of \$85,000; the local match will come from the Rural Operating Assistance Program and is in agreement with guidelines from NC Department of Transportation; this service is to be provided for the benefit of seniors age 65 and older and/or have a disability, for residents of Pender County. PAS will be subsidizing the cost of this program from their operating budget; fares will be charged to allow a reduced amount of subsidy; the increase of fuel costs has impacted Pender Adult Services directly; and funds for the local match are budgeted through NC Department of Transportation, which requires that a public hearing be held prior to authorizing this action. Mr. Tate made a motion to approve the resolution, Mr. Williams seconded the motion and it was unanimously approved. Mr. Davis reminded the Board of the Silent Auction and GALA PAS would be hosting on November 16th to benefit the "Meals on Wheels Program."

2. **Public Hearing and Resolution on Authorizing Approval for the County to Seek Funds from the North Carolina Department of Commerce's Small Cities Community Development Block Grant Program (CDBG).**

The Public Hearing opened at 4:04 p.m. and closed at 4:09 p.m. Skip Green, Grant Writer/Administrator, explained: Pender County is interested in seeking funds from the North Carolina Department of Commerce's

Small Cities Community Development Block Grant Program (CDBG); the CDBG is administered by the North Carolina Department of Commerce; the State of North Carolina's CDBG Program permits grant funds to be used toward infrastructure projects that address health/safety needs (public water and sewer projects) or support Economic Development (public infrastructure) projects; applications for Economic Development must show that in excess of 60% of CDBG funds will benefit low or moderate-income persons through job creation or retention; applications for other CDBG programs must show that funded activities will provide greater than a 50% benefit to low or moderate income persons, benefit identified special need populations; or address health and safety needs; this is the first of two required public hearings; the first public hearing describes the State's CDBG Program and requests citizen comments; the second public hearing describes a specific proposed CDBG application and requests citizen comments before the Board considers authorizing the application submittal to NC DOC; and if there are no major changes in the State's CDBG program, the first public hearing can be used for CDBG applications developed during the following twelve months.

PUBLIC INFORMATION

There were no items for Public Information.

PUBLIC COMMENT

No one wished to speak under Public Comment.

CONSENT AGENDA

Mr. Brown presented the three items on the Consent Agenda and asked for any discussion or questions. Mr. McCoy asked for discussion on Item No. 5, and Item No. 5 was pulled from the Consent Agenda. Mr. McCoy made a motion to approve the remainder of the Consent Agenda, Mr. Williams seconded the motion and the remainder of the Consent Agenda was unanimously approved as follows:

3. Approval of Minutes: Regular and Closed Session: October 21, 2013.
4. Resolution Authorizing Approval of Tax Releases and Refunds.
5. **Resolution Authorizing Approval of Purchase Order for Foster Care Vendor Payments: \$362,905.45; and approval of Purchase Order for Day Care Provider Payments: \$1,121,567.75.**

Item No. 5 was then discussed. Mr. McCoy said a lot of money is going to some of these requests and asked if we have information on A & R Investments, who is receiving \$250,000. Mr. Williams said he thinks that is one of the provider's business names. Ms. Moser and Dr. Shiver came forward. Ms. Moser said it is Southeastern Preschool Education Center, but they chose to be incorporated as A&R Investments. Dr. Shiver explained there are a lot of homes listed by certain names but they come under a conglomerate, and that is what this is. Mr. Brown said the question was asked because it looks like we are giving \$250,000 to an investment company. Dr. Shiver said it is not an investment company. Mr. Brown asked who A&R represents and Ms. Moser responded Southeastern Preschool Education Center. Mr. Williams asked if that is Spec and Ms. Moser responded affirmatively. Mr. McCoy asked if all the day care centers and foster homes are all investigated thoroughly to make sure the money is used properly. Dr. Shiver said yes, and the State sends down its own investigator. Mr. Williams made a motion to approve the resolution, Mr. Tate seconded the motion and it was unanimously approved.

RESOLUTIONS

6. **Resolution Authorizing Approval to Purchase Property for a Law Enforcement Center and to Authorize Moseley Architects to Proceed with Due Diligence/Engineering under their Current BOCC Approved Contract.**

Dr. Duvall explained: Approximately 33.826 +/- acres (pending a metes and bounds survey) has been identified; included in the total acreage will be an 80' access (extreme Northern boundary or extreme Southern

boundary of the subject property) directly off U.S. 117, approximately 2 miles South of Burgaw, to build a new Jail/Law Enforcement Center; the total purchase price will be determined by a selling price of \$20,000 per acre (pending a metes and bounds survey); the subject property can be referenced more specifically as Pender County Tax ID # 3228-88-1880-000, and being a portion of that property more particularly described in a deed recorded in Deed Book 764, Page 703, of the Pender County Registry, excepting a 10 acre +/- tract to be retained by the Seller directly fronting U.S. 117 South; the property is better known as the McLean property; authorization is requested to spend the FY 13/14 budgeted Jail/LEC Building Line Item Project 6093 amount of up to \$892,551 to purchase the above referenced property and perform necessary due diligence/engineering regarding the subject property prior to closing; it is also requested to authorize Moseley Architects to proceed with remaining due diligence/engineering activities under their prior approved contract regarding this project once the subject property Offer to Purchase and Contract is fully executed by all applicable parties; as part of this transaction, any approvals for financing (if needed) by the Local Government Commission, will be received prior to the final property closing date; latitude will be given to the County Manager, Assistant Manager/Finance Officer & County Attorney to negotiate acceptable financing terms (if needed) that is in compliance with the North Carolina Local Government Commission guidelines and Pender County Financial Policies; and the Board has previously passed on April 15, 2013 a Resolution to Provide for the Reimbursement of Initial Expenditures and Project Costs for a Law Enforcement Center/Jail Project. Mr. Brown asked at what point we will decide access and Mr. Tate asked how much of the land is usable. Dr. Duvall said we have to do our due diligence and if we see the property access will not meet NCDOT standards or is not feasible, and if the property is too wet, we don't buy it (referencing due diligence provisions in the Contract and Offer to Purchase Agreement. Following more discussion, Mr. Williams made a motion to approve the resolution, Mr. McCoy seconded the motion and it was unanimously approved.

7. Resolution Authorizing Approval to Move from Guardian Life Insurance Vendor to Sun Life Financial Vendor, Effective January 1, 2014.

Human Resources Director Denise Mulhollen explained: Pender County provides all active full-time employees with a \$10,000 life insurance policy at no cost to the employee; our broker and voluntary benefits vendor, Wells Insurance and Creative Worksite Solutions, has provided a quote with Sun Life Financial for Life Insurance coverage of \$10,000 per active full-time employee at a reduced rate of .17 PEPM (Per employee per month), down from our current vendor (Guardian Life's) .24 PEPM, at a savings of \$263.20 per month, or \$3,158.40 per year; this rate would be locked-in for a three-year period for a total potential savings to the County of \$9,475.20; and additional supplemental options will now be available to employees, as well as a "Line of Duty rider" at no cost to the County or the employee. She said this policy offers better coverage and more options at a lesser cost, and gives employees more opportunity to purchase life insurance for their spouses and dependents. Ms. Mulhollen distributed spreadsheets and explained various differences of the two companies, and what the savings would be with Sun Life.. Mr. Ward verified that Sun Life is out of Canada and asked can we look at finding a company in the United States. Ms. Mulhollen said if we shop around, it would delay it until July 1 and we may not get the same quote. She added the company is headquartered in Canada but have locations based out of the United States. Mr. Tate asked if there are other counties using the company and Ms. Mulhollen responded she doesn't know. Mr. Ward said as an employee, he would like to recuse himself from the vote. Mr. Williams made a motion to recuse Mr. Ward, Mr. Tate seconded the motion and it was unanimously approved by a 4-0 vote. Mr. Williams then made a motion to approve the resolution, Mr. McCoy seconded the motion and it was unanimously approved by a 4-0 vote.

APPOINTMENTS

8. Resolution Authorizing Approval of Appointment to the Pender County Tourism Development Authority (TDA) Board.

Mr. Brown explained that Donna Best-Klingel is applying for the District 4 position on the Tourism Development Authority Board, and she is the only applicant. Mr. McCoy commended Ms. Best-Klingel for

having served as a very qualified Burgaw Chamber Director and coordinator of the NC Blueberry Committee. He said Ms. Best-Klingel has already been out promoting Pender County. Mr. McCoy made a motion to approve the appointment of Ms. Best-Klingel to the Pender County Tourism Development Authority to serve a three-year term representing District 4, with term to expire August 31, 2016. Mr. Williams seconded the motion and it was unanimously approved.

ITEMS FROM THE COUNTY ATTORNEY

Mr. Thurman said there are items for closed Session and said he will be attending court in New Hanover on Wednesday, with respect to the Canady case appeal, in which a Health Department employee submitted a false timesheet.

ITEMS FROM THE COUNTY MANAGER

Dr. Duvall said he had no additional items.

ITEMS FROM THE COUNTY COMMISSIONERS

Mr. Tate spoke concerning the School Board meeting him and Mr. Brown attended and said the School Board didn't discuss the item Mr. Williams wanted them to discuss; their only topic was renovation of Penderlea School. He said he is glad they can renovate the School and not have to tear it down. Mr. Brown added they can bring the School up to ADA and DPI standards, and their only problem is with security. Mr. McCoy said someone approached him asking about the Schools consolidating and shutting down Penderlea School. Mr. Tate said he heard that also. Mr. Williams said the School Board does have to explore all options. Mr. Tate said community meetings should be held to inform the public, instead of just one or two going out saying something and things get all mixed up.

Mr. McCoy said an item in the *Pender Post* concerning the sale of beer bothered him. He said: The item indicated the Board would be approving beer joints and honky tonks all over the County; that is not what the Board is doing; the people of Pender County will decide this issue; and we will do all we can not to allow bars all over the County. Mr. Brown said anybody at anytime could have come to the podium and spoke concerning this issue when it was being discussed; there will be no changes at all; and reiterated that the Board is not making this decision, the voters will decide.

Mr. Williams said he will bring up the other School item later in November.

PUBLIC HEARING

9. Public Hearing and Resolution Authorizing Approval of Grant/Incentive Agreement, Property Lease Agreement and Vitamin Drive Office License to Occupy.

The Public Hearing opened at 4:40 p.m. and closed at 5:00 p.m. Mr. Thurman explained: The resolution was put together; we have to make specific findings; specifically, because we are transferring property, we have to find that consideration is being received by the County in terms of economic activities, etc.; will exceed the value of the property because it includes lease and license to occupy which we are providing and that is set forth in the performance based agreements. Mr. Thurman said one change that is not in the contract the Board has before them now, is the company (RC Creations) has a different entity to handle the construction than will handle the operations. He said his job is to make sure this doesn't affect the primary obligations that RC Creations has to the County.

Billy King of Wilmington Business Development (WBD) made comments, including: The Company, RC Creations, LLC, would have a \$350 million economic impact over a five-year period; the process of bringing the company to Pender County was very competitive with twelve sites originally under consideration; the final negotiations were between Pender and a site in Virginia; the North Carolina Department of Commerce was

instrumental in helping bring this company to Pender County; the State has committed more than \$1.2 million in grants and workforce training for this project; other agencies and allies have committed to a variety of private services and capital investments to make this project happen; the company is already talking of doubling the size of the facility from 100,000 to 200,000 square feet; doubling the number of employees from 120 in the next three years; and wages paid at the plant will exceed the median income in Pender County by \$5,000. Rick Benton of WBD and Richard Nordt, Vice President of RC Creations, were also in attendance. Other discussion included median income; average income; how this company compares to Del Labs and other local industries; full benefits beyond salaries; hiring permanent employees; investment and construction jobs; and other jobs. Mr. Thurman noted Mr. Nordt had offered to put a clause in the contract stating that they will hire locally, but NC Law won't let you do that. Mr. Williams made a motion to approve the resolution, Mr. McCoy seconded the motion and it was unanimously approved. Mr. Williams thanked Mr. King and WBD for their work. He said RC Creations had to take our word on a lot of things because we didn't have a finished product on the ground like the competition does. Mr. Tate commended WBD on doing a good job and said he hopes once we get the wastewater plant up and running we will be able to bring in more clients, thus bringing in more jobs. Mr. Brown thanked everyone who had a hand in this.

CLOSED SESSION

At 5:15 p.m., Mr. Williams made a motion to enter into Closed Session, pursuant to NCGS 143-318.11: 3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged. General policy matters may not be discussed in a closed session and nothing herein shall be construed to permit a public body to close a meeting that otherwise would be open merely because an attorney employed or retained by the public body is a participant. The public body may consider and give instructions to an attorney concerning the handling or settlement of a claim, judicial action, mediation, arbitration, or administrative procedure. If the public body has approved or considered a settlement, other than a malpractice settlement by or on behalf of a hospital, in closed session, the terms of that settlement shall be reported to the public body and entered into its minutes as soon as possible within a reasonable time after the settlement is concluded; and 5) to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease; or (ii) the amount of compensation and other material terms of an employment contract or proposed employment contract. The Board exited the Closed Session at 6:00 p.m. No announcements were made upon exiting the Closed Session.

ADJOURNMENT

There being no further business, the meeting adjourned at 6:00 p.m.

Respectfully Submitted,



Glenda Pridgen, Deputy Clerk to the Board

Reviewed By:



Mickey Duvall, Clerk to the Board/Ann Coombs, Administrative Assistant

November 4, 2013

Page 5 of 5