

LEE COUNTY

NORTH CAROLINA

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REGULAR MEETING
OF THE LEE COUNTY BOARD OF COMMISSIONERS
106 HILLCREST DRIVE
SANFORD, NORTH CAROLINA 27330

NOVEMBER 18, 2013

The regular meeting of the Board of Commissioners for the County of Lee, State of North Carolina, convened at 6 p.m., in the Commissioners' Room, First Floor, Lee County Government Center, 106 Hillcrest Drive, Sanford, North Carolina, on said date. Commissioners present were Amy M. Dalrymple, Dr. Ricky D. Frazier, Dr. Andre Knecht, Charles T. Parks, Robert T. Reives, Kirk D. Smith, and James K. Womack.

Chairman Parks called the meeting to order.

Commissioner Amy Dalrymple delivered the invocation.

The pledge of allegiance was recited.

The Board considered additions/changes to the Agenda. Chairman Parks asked the Board to add the following items to the Agenda: (1) report/update on the upset bid process for the Jonesboro Library building, (2) Resolution asking for legislative support of funding for additions at the Broadway Veterans Memorial, and (3) a request from the Sheriff's Office to purchase four vehicles for the School Resource Officer program. With no other changes made, Commissioner Womack moved to approve the Agenda as amended. Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Knecht, Parks, Reives, Smith, and Womack
Nay: None

The Chairman ruled the motion had been adopted unanimously.

Commissioner Frazier moved to approve the *Consent Agenda* which consisted of the following items:

- Minutes from the November 4, 2013 regular meeting,
- Tax Releases and Refunds for October 2013 (copy attached),
- Re-appointment of Ms. Taquita Reid to the Juvenile Crime Prevention Council,
- Approval for Emergency Services to submit 2014 Emergency Management Performance Grant (EMPG) Application,
- Annual Local Emergency Planning Committee (LEPC) Roster, and
- Appointment of Mr. Chad Spivey to the Parks & Recreation Commission.

Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Knecht, Parks, Reives, Smith, and Womack
Nay: None

The Chairman ruled the motion had been adopted unanimously.

Pursuant to N.C. General Statute 153A-52.1, Chairman Parks opened the floor for *Public Comments*. The following signed up to speak and were allowed 3 minutes for comments:

1. Ms. Karen Floryanzia, 110 Salamander Creek Drive, Sanford (referendum for fracking)

Finance Director Lisa Minter presented a power-point overview regarding the County's finances for the fiscal year ended June 30, 2012. Ms. Paula Hodges from Martin Starnes & Associates complemented Lee County on receiving an unmodified audit opinion which means there were no areas of concern found during the audit. Ms. Hodges thanked the Finance Department for their assistance during the audit. No action was taken.

The Board considered Guidelines (Policies) for late tax listing appeals. During the November 4, 2013 meeting of the Board, the Tax Administrator, County Manager and County Attorney were asked to develop a set of guidelines to be considered pertaining to appeals of late listing penalty imposed per North Carolina General Statute §105-312(H) and presented for compromise under North Carolina General Statute §105-312(K). County Attorney Neil Yarborough stated the guidelines presented pertain only to penalties imposed as a result of listing after the regular listing period has ended and do not pertain to property discovered for prior years or property discovered to be under-reported as a result of an audit. North Carolina General Statute §105-312(K) states that after a tax receipt has been charged to the tax collector, the Board of County Commissioners, upon petition of the taxpayer, may compromise, settle or adjust the county's claim for taxes. The statute does not allow the Board to delegate the authority to the Tax Collector or Assessor. It does however, allow the Board to delegate the authority to the Board of Equalization and Review. The statute allows any resident to file a civil action against any member of the Board if a tax is compromised in violation of the statute. Mr. Yarborough presented Guidelines for consideration to address the above referenced issue. Commissioner Womack stated he was not satisfied with the proposed Policy and would like to delegate late tax listing appeals to the Board of Equalization and Review. Commissioner Reives moved to approve the Resolution as presented by Attorney Yarborough. Commissioner Frazier stated he wanted everyone treated fairly. Commissioner Smith stated if the Policy were approved, Tax Administrator Mary Yow could share it with late listing individuals and maybe that would stop some of the late listings. After further discussion, Commissioner Reives withdrew his motion to approve the Guidelines and moved to defer action until the December 2nd meeting. Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Knecht, Parks, Reives, Smith, and Womack
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered the forgiveness of late list penalty for Quality Home Health Care, Inc., which had been deferred at the November 4th meeting until a Policy could be drafted for review and consideration. Tax Administrator Mary Yow stated that Quality Home Health Care has filed an appeal for abatement of penalty for a late filing of Business Personal Property for 2013. The Business Personal Property return was received by the Tax Office on February 20, 2013 (20 days past the filing deadline of January 31st), and the taxpayer did not file for an extension. Lee County grants extensions upon request until March 15th, however the request must be filed no later than January 31st. North

Carolina General Statute §105-312-(H) requires the assessor to add a penalty of 10% to property not listed during the regular listing period. The amount of county penalty for Quality Home Health Care is \$378.12. Ms. Yow also noted the taxpayer filed late in years 2002, 2004, 2005, 2006, and 2009. After discussion, Commissioner Womack moved to deny the late tax listing in the amount of \$378.12. Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Knecht, Parks, Reives, Smith, and Womack
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered the forgiveness of late list penalty for Magneti Marelli which had been deferred at the November 4th meeting until a Policy could be drafted for review and consideration. Tax Administrator Mary Yow stated that Magneti Marelli Powertrain USA LLC had filed an appeal for abatement of penalty for a late filing of Business Personal Property for 2013. The Business Personal Property return was received in the Tax Office on March 18, 2013 (41 days past the filing deadline of January 31st). The taxpayer requested an extension per North Carolina General Statute §105-307(C) however the request was made after the January 31st deadline. Lee County grants extensions upon request until March 15th, however the request must be filed no later than January 31st. North Carolina General Statute §105-312(H) requires the assessor to add a penalty of 10% to property not listed during the regular listing period. The amount of county penalty for Magneti Marelli is \$25,176.54. Ms. Yow stated the taxpayer had no previous late filings and historically have always asked for an extension in a timely manner. Commissioner Womack moved to approve the appeal and reduce the amount to \$2,500.00 and ask the company to provide to the Tax Office what changes they will make to correct this situation in the future. After further discussion, Commissioner Reives made a substitute motion to reduce the penalty to \$5,000.00. Commissioner Womack withdrew his motion. Upon a vote, the results were as follows:

Aye: Knecht, Parks, and Reives
Nay: Dalrymple, Frazier, Smith, and Womack

The Chairman ruled the motion failed with a 4 to 3 vote.

Commissioner Womack moved to reduce the late penalty to \$2,500.00 and request Magneti Marelli to file with the Tax Office their internal controls for correcting this matter in the future. Upon a vote, the results were as follows:

Aye: Parks, Reives, and Womack
Nay: Dalrymple, Frazier, Knecht, and Smith

The Chairman ruled the motion failed with a 4 to 3 vote.

Commissioner Frazier moved to deny the late list penalty for Magneti Marelli in the full amount of \$25,176.54. Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Parks, and Smith
Nay: Knecht, Reives, and Womack

The Chairman ruled the motion had passed with a 4 to 3 vote.

The Board considered the forgiveness of late list penalty for Lee H. Johnston, Inc. which had been deferred at the November 4th meeting until a Policy could be drafted for review and consideration. Tax Administrator Mary Yow stated that Lee H. Johnston, Inc. had filed an appeal for abatement of penalty for a late filing of Business Personal Property for 2013. The Business Personal Property was received in the Tax Office on February 27, 2013 (17 days past the filing deadline of January 31st), and the taxpayer did not file for an extension. Lee County grants extensions upon request until March 15th, however the request must be filed no later than January 31st. North Carolina General Statute §105-312(H) requires the assessor to add a penalty of 10% to property not listed during the regular listing period. The amount of county penalty is \$84.20. Ms. Yow stated this taxpayer also filed late in years 2002, 2005, 2006, and 2009. After discussion, Commissioner Dalrymple moved to deny the late listing penalty for Lee H. Johnston, Inc. in the amount of \$84.20. Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Knecht, Parks, Reives, Smith, and Womack
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered the forgiveness of late list penalty for RR Automotive Group which had been deferred at the November 4th meeting until a Policy could be drafted for review and consideration. Tax Administrator Mary Yow stated that RR Automotive Group had filed an appeal for abatement of penalty for a late filing of Business Personal Property for 2013. The Business Personal Property return was received by the Tax Office on February 20, 2013 (20 days past the filing deadline of January 31st). Ms. Yow stated the taxpayer did not file for an extension per North Carolina General Statute §105-307(C). Lee County grants extensions upon request until March 15th, however the request must be filed no later than January 31st. North Carolina General Statute §105-312(H) requires the assessor to add a penalty of 10% to property not listed during the regular listing period. The amount of county penalty for RR Automotive Group is \$82.29. Ms. Yow stated this is the first late filing for this taxpayer, however the taxpayer has been assessed penalties for under-reporting in the past. After discussion, Commissioner Frazier moved to deny the late list penalty for RR Automotive Group in the amount of \$82.29. Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Knecht, Parks, Reives, Smith, and Womack
Nay: None

The Chairman ruled the motion had been adopted unanimously.

Commissioner Jim Womack, who also serves as Chairman of the North Carolina Mining & Energy Commission, along with Mining and Commission members Dr. Ray Covington and Sanford City Councilman Charles Taylor provided a power-point presentation on the Mining & Energy Commission and industrial development leading up to oil and gas exploration in Lee County. No action was taken.

At this time the Board took a 5-minute recess. Upon returning from recess, with all members present, the meeting resumed.

The Board considered a Proclamation to proclaim the week of November 22-28, 2013 as *Farm-City Week*. 4-H member Ellisa Neal gave an overview of what 4-H means to her. 4-H Director Bill Stone outlined various activities that will be taking place during Farm-City Week. Commissioner Reives moved to approve the *Proclamation for Farm-City Week*, a copy of which is attached to these Minutes and by this reference made a part hereof. Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Knecht, Parks, Reives, Smith, and Womack
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered a Resolution regarding the North Carolina Veterans Memorial located in Broadway, North Carolina that had been added to the Agenda at the beginning of the meeting. Dr. Ted Sloan from Broadway gave an update on the Veterans Memorial, what it means to veterans, and the need for rest room facilities and other needed space on site. Chairman Parks read the Resolution and Commissioner Smith moved to approve the Resolution asking our local state legislators to enact legislation to assist the veterans with funding for needed restroom and other facility needs, a copy of which is attached to these Minutes and by this reference made a part hereof. Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Knecht, Parks, Reives, Smith, and Womack
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered a request from the Sheriff's Department to purchase four (4) used vehicles that had been added to the Agenda at the beginning of the meeting. Lt. David Prevatte stated the Sheriff's Office was requesting to use drug forfeiture funds in the amount of \$29,300.00 to purchase four (4) used vehicles from the NC Highway Patrol Surplus Property Division. It was stated the vehicles would be used to support the School Resource Officer (SRO) program. After discussion, Commissioner Smith moved to approve the purchase of four used vehicles as stated above and to also approve Budget Amendment # 11/18/13/05, a copy of which is attached to these Minutes and by this reference made a part hereof, to transfer \$29,300 from drug asset to the Sheriff's SRO capital budget. Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Knecht, Parks, Reives, Smith, and Womack
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered a Resolution to Authorize Economic Development Planning Organizational Activity. Commissioner Womack presented said Resolution to the Board for consideration based on meetings of the Task Force to reorganize the Economic Development Corporation and Chamber. The Resolution would empower the steering committee of the newly formed organization to act as its board of directors during the transition year. Commissioner Frazier moved to approve the *Resolution to Authorize Economic Development Planning Organizational Activity*, a copy of which is attached to these Minutes and by this reference made a part hereof. Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Knecht, Parks, Reives, Smith, and Womack
Nay: None

The Chairman ruled the motion had been adopted unanimously.

County Manager John Crumpton reported on the upset bid process for the old Jonesboro Library building located at 309 W. Main Street. Mr. Crumpton stated a third upset bid from the Jonesboro Heights Baptist Church had been received on November 12, 2013 in the amount of

\$75,650.00. If the Board accepts this third upset bid, the Clerk will advertise the bid in *The Sanford Herald* on Friday, November 22nd. Anyone wishing to make a fourth upset bid will have until Monday, December 2, 2013 to do so. A fourth upset bid must be no less than \$79,482.50 with a deposit of \$3,974.13 plus advertising costs of \$90.00. Commissioner Reives moved to approve a Resolution Approving Third Upset Bid for Property Located at 309 W. Main Street, a copy of which is attached to these Minutes and by this reference made a part hereof. Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Knecht, Parks, Reives, Smith, and Womack
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered the State of the County Health Report. Health Director Terrell Jones presented the report which is the annual health status update to the County's Community Health Assessment which is completed every four years. The report presents progress in addressing priority health issues that were identified during the most recent Community Health Assessment 2010 report. After discussion, Commissioner Smith moved to approve the *State of the County Health Report* as presented. Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Knecht, Parks, Reives, Smith, and Womack
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered a contract between the Lee County Health Department and Lee County Industries (LCI). Health Director Terrell Jones asked the Board to consider a contract between Lee County Industries and the Health Department for the original phase of the scanning document contract that will expire at the end of December 2013. Mr. Jones stated that due to a delay in getting the project started last year, a new contract has been drawn to complete this phase of the project. Funds for the project are included in the Health Department's budget for FY 2013-14. Mr. Jones further stated his department is very satisfied with the work performance from LCI on the project. After discussion, Commissioner Reives moved to approve the *Contract for Scanning Services* between the Lee County Health Department and Lee County Industries, a copy of which is attached to these Minutes and by this reference made a part hereof. Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Knecht, Parks, Reives, Smith, and Womack
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered repealing portions of the Lee County Parks and Recreation Ordinance concerning concealed firearms. Lee County Attorney Neil Yarborough stated the North Carolina General Assembly, Session Law 2013-369) recently changed the concealed carry law to allow concealed carry in parks. County governments can only restrict concealed carry at swimming pools, athletic fields and facilities used for athletic events. The amended law states that a local government "may adopt an ordinance to prohibit, by posting the carrying of a concealed handgun on municipal and county recreational facilities that are specifically identified by the unit of local government." Mr. Yarborough further stated the law defines "recreational facilities" to include only (1) athletic fields during organized athletic events scheduled by the county parks and recreation department, (2) swimming pools and appurtenant facilities; and (3) facilities used for athletic events. It further stated that greenways and open areas are not recreational facilities under the new definition. Mr. Yarborough

recommended the Board repeal the portions of the current Parks and Recreation Ordinance, specifically §§18-37(b) and 18-63(6), in that such provisions are unenforceable given the amendment to North Carolina General Statute §14-415.23. A new Ordinance can be drafted in conformity with the new law if the Board so directs. After discussion, Commissioner Womack moved to approve Attorney Yarborough's recommendation to repeal the portions of the current Parks and Recreation Ordinance and make sure wording on new signs are in agreement with the State Statute. Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Knecht, Parks, Reives, Smith, and Womack
Nay: None

The Chairman ruled the motion had been adopted unanimously.

Finance Director Lisa Minter presented Budget Amendment #11/18/13/04 to allocate \$150,000 for a loan to the Lee County Economic Development Corporation. Commissioner Smith moved to approve *Budget Amendment #11/18/13/04* as presented, a copy of which is attached to these Minutes and by this reference made a part hereof. Upon a vote, the results were as follows:

Aye: Dalrymple, Frazier, Knecht, Parks, Reives, Smith, and Womack
Nay: None

The Chairman ruled the motion had been adopted unanimously.

Finance Director Lisa Minter presented the *Monthly Financial Report* for month ending October 2013. No action was taken.

Commissioner Reives left the meeting at 9:33 p.m.

County Manager John Crumpton presented his *Monthly Report* for November 2013, a copy of which is attached to these Minutes and by this reference made a part hereof. No action was taken.

With no further business to come before the Board, Commissioner Dalrymple moved to adjourn the meeting. Upon a vote, the results were as follows:

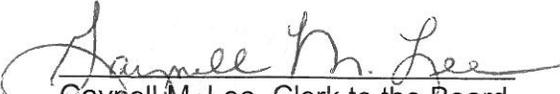
Aye: Dalrymple, Frazier, Knecht, Parks, Smith, and Womack
Nay: None
Absent: Reives

The Chairman ruled the motion had been adopted unanimously and the meeting adjourned at 9:45 p.m.



Charles T. Parks, Chairman
Lee County Board of Commissioners

ATTEST:



Gaynell M. Lee, Clerk to the Board