

LEE COUNTY

NORTH CAROLINA

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MINUTES OF THE REGULAR MEETING
OF THE
BOARD OF COMMISSIONERS
FOR THE
COUNTY OF LEE, STATE OF NORTH CAROLINA

MAY 21, 2007

The regular meeting of the Board of Commissioners for the County of Lee, State of North Carolina, convened at 3:00 p.m. in the Commissioners' Room, Lee County Government Center, 106 Hillcrest Drive, Sanford, North Carolina, on said date. Commissioners present were Robert H. Brown, James C. Kelly, Jerry M. Lemmond, Nathan E. Paschal, Robert T. Reives, and Linda A. Shook.

Chairman Brown presided and the following business was transacted:

Commissioner Kelly delivered the invocation.

The pledge of allegiance was recited.

The following new employees were introduced to the Board:

Eldica Graham, Health Department
Debora Murray, Health Department
Kelly McCanless, Jail
Angelina Penna, Social Services
Kenneth Creque, Social Services
Shane Seagroves, Fire Marshal

The Board considered additions/changes to the agenda. Chairman Brown asked the Board to amend the agenda as follows:

(1) Add resolution to adopt Capital Improvement Program (CIP) for FY 2007-2008 through 2011-2012;

(2) Add consideration of Lee County Schools Qualified Zone Academy Bond (QZAB) applications;

(3) Add vehicle maintenance report;

(4) Delete Closed Session listed as Item IX on the agenda; and

(5) Delete Item A from New Business – Report from Helping Hand Clinic.

Commissioner Kelly moved to approve the agenda as amended. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, and Shook
Nay: None

The Chairman ruled the motion had been adopted unanimously.

Commissioner Lemmond moved to approve the Consent Agenda as presented, which consisted of the following items:

- Minutes from the May 7, 2007 regular meeting;
- Minutes from the May 14, 2007 budget work session;
- April 2007 Tax Releases and Refunds (copy attached); and
- Budget Amendment # 05/21/07/#20 (copy attached)

Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, and Shook
Nay: None

The Chairman ruled the motion had been adopted unanimously.

Ms. Dorothy Bursey, 3067 Bourbon Street, Sanford, signed up to speak during the *Public Comments* section of the meeting. Ms. Bursey lives in District 2 (Carolina Trace) and voiced concerns to the fact there is currently no representation from that district on the Board of Commissioners. It was further stated she was in support of Mr. Kirk Smith filling the vacant seat of former Commissioner Amy Stevens.

At this time Chairman Brown opened public hearings as advertised for this date and time regarding industrial project and revenue bonds for System-Plast, LLC, and Challenge Printing Co. of the Carolinas. County Attorney K. R. Hoyle presented the first public hearing for System-Plast, LLC. Mr. Hoyle stated the Lee County Industrial Facilities and Pollution Control Financing Authority (the "Authority") is asking the Board of Commissioners to adopt a resolution approving in principle the System-Plast project concerning the issuance and sale of, by the Authority, Industrial Revenue Bonds (IRB's) in an amount of \$7,500,000.00, the proceeds of which will be loaned to System-Plast, LLC, to finance construction and equipping of a facility of approximately 218,000 square feet for the manufacture of conveyor systems and related products. The facility will be located at 2000 Boone Trail Road, Sanford, North Carolina, and is expected to create approximately 50 new jobs. Under the terms of the loan agreement the payment of the principal and purchase price of and interest on the bonds will be secured by an irrevocable, direct-pay letter of credit issued by a bank. The resolution approves the plan of financing and requests the Federal

Tax Reform Allocation Committee to allocate up to \$7,500,000.00 of the States 2007 "Private Activity Bond Limit" for the financing of this project. Mr. Hoyle stressed to the Board that Lee County does not assume any liability for this project and the full faith and credit of the county is not pledged.

Economic Development Director Bob Heuts spoke in favor of the project for System-Plast, LLC, stating it would be good for Lee County.

County Attorney K. R. Hoyle presented the second advertised public hearing regarding the industrial project and revenue bonds for Challenge Printing Co. of the Carolinas. Mr. Hoyle stated the Lee County Industrial Facilities and Pollution Control Financing Authority (the "Authority") is asking the Board of Commissioners to adopt a resolution approving in principle the Challenge Printing Co. of the Carolinas, Inc. project concerning the issuance and sale, by the Authority, of Industrial Revenue Bonds (IRB's) in an amount of \$6,000,000.00, the proceeds of which will be loaned to challenge Printing Co. of the Carolinas, Inc. to finance construction and equipping of a facility of approximately 44,000 square feet for the manufacture of labels. The facility will be located at Womack Road and Clyde Rhyne Drive in the Lee County Industrial Park, Sanford, North Carolina, and is expected to create approximately new 65 jobs. Under the terms of the Loan Agreement the payment of the principal and purchase price of and interest on the bonds will be secured by an irrevocable, direct-pay letter of credit issued by a bank. The resolution approves the plan of financing and requests the Federal Tax Reform Allocation Committee to allocate up to \$6,000,000.00 of the States 2007 "Private Activity Bond Limit" for the financing of this project. Mr. Hoyle once again stressed that Lee County does not assume any liability for this project and the full faith and credit of the county is not pledged.

Economic Development Director Bob Heuts spoke in favor of the project for Challenge Printing Co. of the Carolinas, stating it would be good for Lee County.

Chairman Brown closed the public hearing.

Commissioner Lemmond presented and introduced the resolution *Approving in Principle of Industrial Project for System-Plast LLC, and the Financing Thereof with Industrial Development Revenue Bonds in the Principal Amount of up to \$7,500,000* and seconded by Commissioner Reives, 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: Brown, Kelly, Lemmond, Paschal, Reives, and Shook
Nay: None

The Chairman ruled the motion had been adopted unanimously.

Commissioner Kelly presented and introduced the resolution *Approving In Principle of Industrial Project for Challenge Printing Co. of the Carolinas, Inc. and the Financing Thereof with Industrial Development Revenue Bonds in the Principal Amount of up to \$6,000,000* and seconded by Commissioner Paschal, 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: Brown, Kelly, Lemmond, Paschal, Reives, and Shook
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered a request from Kate Rumely, Executive Director of Brick Capital CDC to construct a building at the W. B. Wicker Business Campus on property owned by Lee County. In a letter addressed to Chairman Brown, Ms. Rumely stated "Since the opening of the W. B. Wicker Business Campus, Brick Capital CDC has found that we need a presence at the Campus. The management of the building and the needs of the tenants require our office and staff on site". The letter further stated a 3500 sq ft building with a multi-purpose room for gatherings of sixty to seventy people for all Lee County residents was planned. Ms. Rumely was asking the Commissioners to allow Brick Capital CDC to use the land to the left of the driveway and across the parking lot of the Wicker Gymnasium (806 S. Vance Street) to be approved for the above-referenced site. Parks and Recreation Director John Payne addressed the Board, stating concerns for parking if activities such as basketball, volleyball or group rentals were taking place at the gym when the multi-purpose room might be in use. Mr. Payne further stated he would like the matter presented to the Parks and Recreation Advisory Board before Commissioners vote on the issue. After some discussion, Commissioner Shook moved to table the matter until the Parks and Recreation Advisory Board met and made a recommendation. After further discussion, Commissioner Reives made a substitute motion to approve Brick Capital CDC's request to construct a building on County-owned property at the W. B. Wicker Business Campus, contingent upon approval of the Parks and Recreation Advisory Board. Upon a vote of the substitute motion, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, and Shook
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered a request from Brick Capital CDC to place signage at the W. B. Wicker Business Campus. In a letter to Chairman Brown from Executive Director Kate Rumely, Brick Capital CDC was asking permission to allow them to place a sign on County property, at the W. B. Wicker Business

Campus site, that included the following businesses currently located at the Business Campus:

Academic Childcare and Enrichment Center
Central Carolina Dental Center
Central Carolina Community College Dental Program
Community Computer Center
Excel Tutoring and Personal Development
Sanford Business Suites
W. B. Wicker Gymnasium

After some discussion, Commissioner Reives moved to approve the request from Brick Capital CDC to place signage at the W. B. Wicker Business Campus as requested. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, and Shook
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered a request from Health Director Mike Hanes to hire a new Dentist for the Children's Dental Clinic. Health Director Mike Hanes appeared before the Board and stated Dr. Chuanwen Sun had accepted the dental position and will report to work in late June 2007. Mr. Hanes asked the Board's permission to hire Dr. Sun at an annual salary of \$120,000. Mr. Hanes stated the Dental Clinic is now self-supporting. Commissioner Reives moved to hire Dr. Chuanwen Sun at an annual salary of \$120,000. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, and Shook
Nay: None

The Chairman ruled the motion had been adopted unanimously.

Interim County Manager Lisa Minter presented the Capital Improvement Program (CIP) for FY 2007-2008 through FY 2011-2012. Finance Committee Chairman Robert Reives discussed the CIP and stated the County was trying to obtain grants to assist with the San-Lee Park Dam restoration project but \$500,000 was recommended in order to show the County was making a good faith effort. After some discussion, Commissioner Lemmond moved to approve a *Resolution Adopting the Lee County Capital Improvements Program for FY 2007-2008 through 2011-2012*, 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: Brown, Kelly, Lemmond, Paschal, Reives, and Shook
Nay: None

The Chairman ruled the motion had been adopted unanimously.

The Board considered Qualified Zone Academy Bond Applications (QZAB) for the Lee County Schools. Interim County Manager Lisa Minter stated the Lee County Schools had approved fourteen (14) applications for Qualified Zone Academy Bond (QZAB) funding for the following school repairs:

1. Bragg Street Academy - \$10,580.65
2. J. Glenn Edwards Elementary School - \$10,580.65
3. Floyd L. Knight/The Children's Center - \$15,371.83
4. Deep River Elementary School- \$44,118.91
5. Bullock Elementary School - \$44,118.91
6. Lee County High School - \$63,283.63
7. Broadway Elementary School - \$44,118.91
8. J. R. Ingram Elementary School - \$48,910.09
9. West Lee Middle School - \$66,372.53
10. East Lee Middle School - \$66,372.53
11. Greenwood Elementary School - \$5,789.52
12. J. R. Ingram Elementary School - \$ 366,800.00
13. J. Glenn Edwards Elementary School - \$366,800.00
14. Greenwood Elementary School - \$468,800.00

Ms. Minter stated the QZAB program is a federally funded program that allows school systems to request financial assistance through government resources. This interest free loan requires the partnership of public schools with private business. The commitment that is mandated by state guidelines must show that at least 10 percent of the total loan must come from private business, which in Lee County's case is the Boys' and Girls' Club of Lee County. Ms. Minter further stated the bond may only be used to rehabilitate or repair the public school facility in which a qualified zone academy is located, which may include wiring and other infrastructure improvements related to providing technology. There is also a provision to provide equipment related to the rehabilitation or repair, but not personal computers or similar technology equipment. It was further stated that the Lee County Schools is seeking to secure the maximum bond funding of \$2 million to replace the roofs at three (3) elementary schools (J. R. Ingram, Greenwood, and J. Glenn Edwards). Remaining funds will be used to replace some of the electronic switches that control computer access at various school sites. Lee County Schools could receive an allocation between \$500,000 and \$2,000,000. If Lee County Schools receives bond funding, Lee County will be the party responsible for the debt issuance which is done by the County. The County would accept bids from banks to establish a sinking fund that earns interest over the 14-16 years before the bonds become due, meaning that ultimately the County ends up paying back less than the principal amount

borrowed. The County would have approximately two years to issue the debt after the schools are notified of their allocated amount. The Board of Commissioners was asked to support said funding, and authorize the Chairman and Clerk to execute the applications. School Superintendent Dr. James McCormick and Assistant Superintendent Dr. James Atkinson were present and participated in the discussion. After further discussion, Commissioner Reives moved to proceed with the application process and authorize the Chairman and Clerk to execute required applications in order to meet the May 30, 2007 deadline. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, and Shook

Nay: None

The Chairman ruled the motion had been adopted unanimously.

Strategic Initiatives Director Lesa Price gave the Board an update on BRAC activities. No action was taken.

Interim County Manager Lisa Minter presented the *Monthly Financial Report* for the month ending April 30, 2007. Commissioner Reives moved to accept the *Monthly Financial Report* as presented. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, and Shook

Nay: None

The Chairman ruled the motion had been adopted unanimously.

Assistant County Manager Kenny Cole presented a report on vehicle maintenance which compared rates in 2003-04 when the County and City had a contract to the current provider, Taylor Automotive, for 2005-06. Mr. Cole stated the current contract with Taylor Automotive will expire in June 2008. The report was presented for information only, with no action taken.

The Board considered a contract with Mr. John A. Crumpton who has been selected as the new Lee County Manager, effective July 1, 2007. Commissioner Kelly moved to approve the *Employment Contract* as presented between Lee County and Mr. John A. Crumpton. Upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, and Shook

Nay: None

The Chairman ruled the motion had been adopted unanimously.

Mr. Crumpton was introduced to the full Board and media at this time.

Chairman Brown informed Board members that a voting delegate would need to be appointed for the 2007 NACo Conference scheduled for July in Richmond, Virginia. Commissioner Reives nominated Commissioner Jerry Lemmond as Lee County's voting delegate for said conference. Commissioner Kelly moved approval of the motion, and upon a vote, the results were as follows:

Aye: Brown, Kelly, Lemmond, Paschal, Reives, and Shook
Nay: None

The Chairman ruled the motion had been adopted unanimously.

At this time, Chairman Brown recessed the meeting until 7:00 p.m.

Upon returning at 7:00 p.m., the meeting resumed in Courtroom #4 in the old Lee County Courthouse for a public hearing concerning the FY 2007-08 budget and joint public hearings with the Planning Board.

Chairman Brown called the meeting to order, with all members present.

Interim County Manager Lisa Minter presented high-lights of the proposed FY 2007-08 budget. Ms. Minter stated a proposed budget of \$62,644,866 was being considered which amounted to a 7.86% increase from last year. Eighteen (18) new positions were requested with six (6) being recommended. A tax rate of 75 cents/\$100 is also recommended, down from the current 79 cents/\$100.

Chairman Brown opened the public hearing to hear comments concerning the proposed FY 2007-08 budget.

The following individuals signed up to speak, each being allowed three (3) minutes to make their presentation:

1. Mr. Jimmy Fraley, 3576 Nicholson Road (in support of Sheriff's Department budget);
2. Ms. Susan Feindel, 622 W. Chisholm Street (representing Board of Elections);
3. Mr. Ed Angel, Old Place Lane (in support of Sheriff's Department budget);
4. Mr. Greg Cox, 1381 Henley Road (in support of Sheriff's Department budget);
5. Ms. Phyllis Lyons, 101 Wendy Lane (in support of Sheriff's Department budget and lower taxes)
6. Ms. Donna Kay Smith, Charlotte Avenue (asked for funding for HAVEN);
7. Ms. Tina McNeill, 526 Autumn Valley (asked for funding for HAVEN);

8. Ms. Kay Ring, Executive Director, HAVEN (asked for \$25,000 in funding for that organization);
9. Ms. Cynthia Smith, Hawkins Avenue (asked for funding for HAVEN);
10. Sheriff Tracy Carter, Chris Cole Road (asked for support of his requested budget); and
11. Mr. Jimmy Makepeace, 517 N. Currie Drive (asked that taxes be lowered)

Chairman Brown closed the budget public hearing at 7:35 p.m.

At this time Chairman Brown opened the joint public hearings advertised for this date and time with members of the Lee County Planning Board.

Planner Ms. Althea Thompson presented background information for the first rezoning petition submitted by White Dog Properties to rezone 2.34 acres of land located east of Old Jefferson Davis Highway from Residential Agricultural (RA) district to Highway Commercial (HC) district. Petitioner John Daniel was out of the country but presented information to Board members in reference to the above-referenced rezoning petition.

No one present spoke in favor of or in opposition to the request.

Chairman Brown closed this public hearing and opened the second public hearing advertised for this date and time.

Planner Ms. Althea Thompson presented background information for the second rezoning petition submitted by Simpson and Simpson to rezone 0.11 ± acres of land located south of Center Church Road, and being the rear portion of that parcel located at 2304 Jefferson Davis Highway and Center Church Road from Residential Restricted (RR) district to Highway Commercial (HC) district.

Mr. Perry Simpson, 1037 Graystone Circle spoke in favor of the rezoning petition.

No one present spoke in opposition to the request.

Chairman Brown closed the public hearing.

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

Aye: Brown, Kelly, Lemmond, Paschal, Reives, and Shook
Nay: None

The Chairman ruled the motion had been adopted unanimously and the meeting adjourned in keeping with the motion.

Robert H. Brown, Chairman
Chairman, Lee County Board of Commissioners

ATTEST:

Gaynell M. Lee, Clerk