

The Sampson County Board of Commissioners convened for their regular meeting at 7:00 p.m. on Monday, January 4, 2016 in the County Auditorium, 435 Rowan Road in Clinton, North Carolina. Members present: Chairman Billy C. Lockamy, Vice Chairperson Sue Lee, and Commissioners Albert D. Kirby Jr., Harry Parker, and Clark H. Wooten.

The Chairman convened the meeting and called upon Vice Chairperson Lee for the invocation. Commissioner Kirby then led the Pledge Allegiance.

Approval of Agenda

Upon a motion made by Vice Chairperson Lee and seconded by Commissioner Kirby, the Board voted unanimously to approve the agenda as presented.

Roads

There was no Department of Transportation representative present for the meeting.

Item 1: Reports and Presentations

Introduction of New Sampson County Cooperative Extension Staff
Cooperative Extension Director Eileen Coite introduced Daniel Collins (Extension Agent - 4-H Youth Development) and Sydney Johnson (Extension Agent - Family and Consumer Sciences). She also reported the addition of two additional staff who were not able to be present: Margaret Ross (Area Specialized Agent - Poultry) and Brad Hardison (Extension Agent - Agriculture Horticulture).

Introduction of New Convention and Visitors Bureau Executive Director
Expo Center Director Ray Jordan introduced the new CVB Executive Director Sheila Barefoot.

Recognition of Retiree Barbara Faison was presented with a plaque in recognition of her years of service with the County.

Item 2: Action Items

Public Hearing - Consideration of Appropriations and Expenditures for Economic Activities Related to NOVI Digester I, LLC The Chairman called to order the public hearing and recognized Economic Developer John Swope. Mr. Swope reviewed

a booklet of materials on both the NOVI Digester projects including a brief review of the County's incentive policy, confirmation of the hearing notice, the company's commitments, proposed locations, the incentives proposal and agreement. Mr. Swope noted that the two projects would result in a total of 36 new jobs at an average salary of \$38,000 (while each project separately had anticipated employment lower than the policy threshold). He explained that the company planned to develop and operate anaerobic digesters which digest organic agricultural waste into bio-methane which fuels the plant generators to produce 4-5 megawatts of electricity.

The Chairman opened the floor for public comment, and the following was received:

Barbara Faison: Would you build a house near this plant you are proposing?

Mr. Swope noted that he would if that was his chosen location. County Manager Ed Causey also noted that he lived in the rural Basstown area, where there was farmland across from his home. He stated that he liked farmland, but if he had to choose between this development and a subdivision, he would be perfectly fine with this development. He noted that in the rural area, he would expect there to be trucks going by, but did not see the distinction between the trucks and the cars from a large population.

Barbara Faison: I would be concerned about the odor, that's why I asked the question that way.

Mr. Swope discussed his experiences visiting the company's plant in Fremont, Michigan, noting that there were no smells outside the plant and only a slight ammonia smell inside the plant offices and production area. He noted there was no irritating noise outside either.

Commissioner Kirby stated his desire to support his constituency. He stated that his trip with others to visit the plant was pleasant, and he also did not smell any odors out of the ordinary. He stated his only issue was that approximately 6-8 months or a year prior there had been an uproar about this plant being placed in the industrial park; nobody wanted it. What he heard then was that there were people who were saying it does smell. He noted that the location proposed now was in his district. While people were not packing the auditorium in opposition, it is not a densely populated area, which should be a more ideal place for this digester plant. To that extent, the move is better, he stated, but there were some houses there. He noted that the plant's dealing with hog lagoon waste could be a benefit to the state if it worked, but noted his only concern was the location. He did note that the location of the second plant - in Commissioner Parker's district - was perfect in that it was in an area with no population.

Mr. Swope noted that after the two plants are up and running, the company envisions building other plants where the large hog populations are, but the company also uses agricultural waste, such as that generated in Sampson County by the former Allen Canning (now Sager Creek) canning facility. He noted that the NOVI Digester I site was a 41 acre site, but that the planned development footprint was only about 10 acres on the back half of the site.

Commissioner Kirby noted that in response to Ms. Faison's question, at the visit to Fremont, he stood next to the steel trucks that had waste in them, and because they were air-sealed, he could not smell anything. He noted that there were multi-million dollar homes on a lake less than a football field away from the plant.

Commissioner Parker stated that the proposed site in his district would be in compliance, not near any subdivisions or houses, and that he welcomed this type of industry in that area.

There being no further comments, the hearing was closed. Upon a motion made by Chairman Lockamy and seconded by Commissioner Parker, the Board voted 4-1 (with Commissioner Kirby casting the dissenting vote) to adopt the resolution approving the incentives agreement prepared by the County Attorney. (Copy filed in Inc. Minute Book _____, Page _____.)

Public Hearing – Consideration of Appropriations and Expenditures for Economic Activities Related to NOVI Digester II, LLC The Chairman opened the hearing and called upon Economic Developer John Swope. Mr. Swope explained that the information for this hearing was the same as for the NOVI Digester I hearing, except for the location. He reviewed the site location maps. The Chairman opened the floor for comments, and none were received. Upon a motion made by Vice Chairman Lee and seconded by Commissioner Parker, the Board voted 4-1 (with Commissioner Kirby casting the dissenting vote) to adopt the resolution approving the incentives agreement prepared by the County Attorney. (Copy filed in Inc. Minute Book _____, Page _____.)

Public Hearing – Consideration of Appropriations and Expenditures for Economic Activities Related to Prestage AgEnergy of NC, LLC The Chairman opened the hearing and called upon Economic Developer John Swope. Mr. Swope reviewed a booklet of information on the project including a brief review of the County's incentive policy, confirmation of the hearing notice, the company's commitments, proposed locations, the incentives proposal and agreement. Mr. Swope noted that the project itself would not generate jobs, but was ancillary to another project (for which no incentives were requested) that would create 15 jobs. Mr. Swope explained that the power plant being developed by Prestage Farms would require support services such as a poultry litter storage building, ash warehouse, ash pellet operation and a truck wash, and the taxable investment of these operations was \$10 million; the incentives were requested to encourage these facilities to be located at the power plant in the

Moltonville area rather than in Duplin and Wayne counties. Mr. Swope reviewed the incentive alternatives.

Commissioner Kirby asked what the response would be to a citizen who questioned if the County were providing monetary benefit to Prestage Farms because of who they were, and what was the actual benefit or return to the County.

Mr. Swope noted the jobs generated by the power plant (which the company was not requesting any incentives for), the fact that the support operations could go to other locations, and the taxable investment of \$10 million.

Commissioner Kirby asked if the County would have the ability to back out if the jobs didn't come, and County Attorney Joel Starling noted that there were no employment requirements as part of the incentive agreement, that it was about the taxable investment.

Vice Chairperson Lee noted that Prestage industries had been very good to Sampson County historically and noted that it was just a fair to give something to local industries as those the Board was trying to bring into the County.

Commissioner Kirby noted that there was no question that Prestage Farms had been good to the County and expressed his admiration for the Prestage family, but stated that he was discussing the proposal in comparison to what had been done by the Board before.

Commissioner Wooten clarified the taxable investment of the power plant at \$18 million, which would generate \$1.2 million in taxes over ten years, and noted the facilities supporting that plant would generate approximately \$716,000 in tax revenues over ten years. He stated that supporting existing industry was a high priority for him.

Commissioner Kirby expressed concerns of a client of his, noting the culture of a county where the "haves" have an easier time getting things. He reiterated his support for the Prestage family, but voiced that his concern was for a proposal that was different from what the Board had approved in the past.

The Chairman opened the floor for comments, and the following were received:

Deborah Kornegay: I want to preface my remarks by saying that Prestage may say that what they are putting there is not an incinerator - I've talked about incinerators over many years with this Board and the health hazards associated with those - if they call it gasification, if they call it waste to energy, whatever they call it, still, the bottom line is that it is an incinerator. I traveled to Benson, Minnesota in 2008 at the request of the Town of Faison to tour the poultry litter incinerator there at the time Sampson County was considering putting a poultry litter incinerator Fibrowatt at the site Enviva plant is being erected at this point in time. My opposition on biomass incineration has taken me

to the North Carolina legislature, the Attorney General's Office, the State Medical Society, the State Health Director, and the Sampson County Courthouse. So, I'm not going to go over all the things I have discussed before about the health hazards associated by biomass incineration. But, in an email that I received from an acquaintance of mine in Benson, Minnesota, where Fibrowatt is currently located, just this weekend, she stated that one of our "green" state senators was all for the FibroMinn plant. He is a liberal, who when asked now by one on the other side of the issue about the Benson plant, simply said it was a mistake. Commissioners, I respectfully request that you not spend hundreds of thousands of dollars of taxpayers' monies for incentives for a facility that will produce air pollutants that can adversely affect citizens and can end up being a big mistake for the people who live in that part of Sampson County. However, if you decide to give incentives for this project, I would request that you require continuous emissions monitoring, and that monitoring not only include the usual compounds like nitrous oxide and carbon monoxide and sulfur dioxide, but also other pollutants like particulate matter, dioxins, arsenic, toxic metals, and other such pollutants. And, that this continuous emissions data be made available to the public in real time on a website so that they can see what pollutants they are breathing in.

The Chairman closed the hearing. Commissioner Lee moved that the resolution approving incentives under Alternative I be adopted. Commissioner Wooten asked if she would be comfortable amending the motion to increase the incentives to the 56% level, and she amended her motion to that effect, including directions to the County Attorney to amend the draft incentives agreement to remove alternatives 2 and 3 also. The motion was seconded by Commissioner Wooten, and passed 4-1 (with Commissioner Kirby casting the dissenting vote).

Public Hearing – Naming of Private Road The Chairman opened the hearing and called upon Deputy Clerk LeAnn Honeycutt who reviewed the recommendations for naming certain private roads. The floor was opened for public comments, and none were received. The hearing was closed. Upon a motion made by Chairman Lockamy and seconded by Commissioner Wooten, the Board voted unanimously to name the private road as follows:

PVT 1920 731 Prestage Mill Lane

Budget Reduction Proposals County Manager Ed Causey reviewed proposed budget reduction proposals for Public Works (PWK 001), the Tax Office (TAX 001), and the Exposition Center (EXP 001), noting that these proposals resulted in total additional reductions to date of \$145,554, exceeding the year's goal by \$83,204.42. Mr. Causey discussed a proposal to use such funds to hire a Human Resources Director to begin the establishment of a Human Resources Department, as previously discussed with the pay plan implementation. He added that the final plan for the job grade, position structure and salary would be brought back to the Board for approval. Mr. Causey noted that with these approvals, the pledged reductions for FY 2016-17 and FY 2017-18 will have

been accomplished, and he then noted that the remaining reductions for FY 2018-19 (\$318,904.15) would be more difficult and may require eliminating 7-9 positions (which would probably not occur until 2018). Commissioner Kirby discussed that with this Human Resources Director position, it would be an ideal time to pursue human services consolidation. Mr. Causey stated that staff anticipated being able to get the Human Resources Director in place by July 2016 and could simultaneously assemble information for the Board on the consolidation processes by meeting with other counties who have accomplished such to determine potential cost-savings and the pros and cons of consolidation. Mr. Causey discussed a desire to find someone initially with a great deal of experience to start the department, then train and develop other employees. Commissioner Kirby moved to approve the budget reduction proposals, including the addition of the Human Resources Director, as presented (EXP 001 at a savings of \$720; PWK 001 at a savings of \$104,330.25; and TAX 001 at a savings of \$40,503.75). Commissioner Parker seconded the motion, and it passed unanimously.

Scheduling of Annual Planning Session The Board selected the dates of February 16 and February 18, beginning at 8 am daily, for their annual work session.

Appointments - Board of Health Upon a motion by Vice Chairperson Lee and a second by Commissioner Kirby, the Board voted unanimously to reappoint Dr. Elizabeth Bryan and to appoint Dr. Jeffrey Bell and Linda Heath to the Board of Health.

Appointments - 2015 NC Rural Fire District Board of Trustees Upon a motion by Vice Chairperson Lee and a second by Commissioner Parker, the Board voted unanimously to appoint the NC Rural Fire District Board of Trustees as recommended:

Garland FD:	A. J. Johnson, Coleman Norris
Salemburg FD:	Joe Warren, Scott Owen
Herring FD:	Norman Wayne Naylor, Ricky E. Naylor
Piney Grove FD:	John Deaver, Jarman Sullivan
Halls FD:	Rufus Honeycutt, Brian Royal
Plain View FD:	Steve Elmore, Johnny Strickland
Vann Crossroads FD:	Bernard Jones, Karen Tyler
Spivey's Corner FD:	Ray Honeycutt, W. C. Martin
Turkey FD:	Dural Wilson, Brandon Kimbro
Newton Grove FD:	Harold Holland, Clifford Brown
Harrells FD:	Robert M. Burley, Jr., George McGill
Autryville FD:	Andrew Hawkins, Alsa Faircloth
Taylor's Bridge FD:	Jerry Pope, Mark Munoz
Clement FD:	Ryan Lockamy, Gregory Tyndall

Item 3: Consent Agenda

Upon a motion made by Vice Chairperson Lee and seconded by Commissioner Parker, the Board unanimously to approve the Consent Agenda items as follows:

- a. Approved the minutes of the November 23, 2015; and December 7, 2015 meetings
- b. Approved the Department of Aging's submission of an application for 2016 Urgent Repair Program funds from the North Carolina Finance Agency (Copy filed in Inc. Minute Book _____, Page _____.)
- c. Certified the receipt of Sampson County School's 2015-16 DPI Facility Needs Survey based upon projected enrollments through the 2020-21 school year (Copy filed in Inc. Minute Book _____, Page _____.)
- d. Approved tax refunds as submitted

#7163	CitiFinancial Servicing LLC	\$ 887.75
#7216	Willie Lee Murphy	\$ 126.17
#7222	Jacqueline Wilcox & Linwood Ray Boykin	\$ 125.15
#7213	James Luther & Lily Thomas	\$ 122.51
#7218	Prestage Farms, Inc.	\$ 395.73
#7231	Sylvia Wrench Jackson	\$ 115.85
#7220	Spencer Smith Norris	\$ 499.32

- e. Approved budget amendments as submitted:

<u>EXPENDITURE</u>		<u>Aging</u>		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
02558810	526200	Departmental Supplies	2,000.00	
02558810	544005	Contract Supplies	2,200.00	
<u>REVENUE</u>				
<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
02035881	408401	FCG - Donations	4,200.00	

Consideration of Tax Appeals

The Board heard the following appeals (copies of written appeals filed in the Tax Office):

Patrick Dudley Neal (Tax 491.11; Late List Penalty \$140.54 = \$631.65) Mr. Neal asked for relief of the late list penalty. He is retired, and a part-time farmer who makes very little from farming. Mr. Causey noted that Mr. Neal had tried prior to the compliance program to come in and get his listing correct; his bill was therefore due to a discovery from such, not a compliance audit. Upon a motion made by Commissioner Wooten and seconded by Vice Chairperson Lee, the Board voted unanimously to grant a release of 50% of the penalties due.

Sherwood Fryar (Tax \$4,446.58; Late List Penalty \$1,404.21) = \$15,067.24) This appeal was considered based upon written request from taxpayer only. Upon a motion made by Commissioner Kirby and seconded by Commissioner Parker, the Board voted unanimously to grant a release of 50% of the penalties due.

County Manager Reports

County Manager Ed Causey reported that Assistant County Manager Susan Holder was absent due to out-patient surgery. He reminded the Board of the information session on business personal property listing to be held on the following evening from 6 pm – 8 pm.

Public Comments

There were no public comments offered.

Adjournment

Upon a motion made by Chairman Lockamy and seconded by Commissioner Parker, the Board voted unanimously to adjourn.