

PERSON COUNTY BOARD OF COMMISSIONERS
MEMBERS PRESENT

February 19, 2007
OTHERS PRESENT

Johnny Myrl Lunsford, Chairman
Jimmy B. Clayton, Vice-Chairman
Kyle W. Puryear
Larry H. Bowes
Larry E. Yarborough, Jr. - **ABSENT**

Steve Carpenter, County Manager
C. Ronald Aycock, County Attorney
Faye T. Fuller, Clerk to the Board

The Board of Commissioners for the County of Person, North Carolina, met in regular session on Monday, February 19, 2007 at 9:00 a.m. in the Commissioners' Room of the Person County Office Building.

Chairman Lunsford called the meeting to order. Commissioner Clayton led in prayer and Commissioner Bowes led the Pledge of Allegiance. Commissioner Yarborough was absent.

DISCUSSION/ADJUSTMENT/APPROVAL OF AGENDA:

County Manager requested that the agenda be adjusted to include the following items of business:

Resolution in Support of Local Fees for Food and Lodging
Consideration of Variance to Subdivision Ordinance for a Flag Lot
PCC –Person County Impact Statement, January 2007

A **motion** was made by Commissioner Clayton, **seconded** by Commissioner Puryear and **carried** to add the above items to the agenda.

A **motion** was made by Commissioner Bowes, **seconded** by Commissioner Puryear and carried to approve the adjusted agenda.

INFORMAL COMMENTS:

*PRESENTATION TO THE BOARD OF COMMISSIONERS
FEBRUARY 19, 2007 MEETING
BY JAMES AND SUZY POSIG*

We present the Road Re-Naming Petition for Branscome Road to be renamed Old Farm Road in accordance with the Road Naming Ordinance for the County of Person, North Carolina, and the Amendment to Road Naming Ordinance For the County of Person, North Carolina Amended as of June 2, 2003.

You have been given packets containing some of the background documents with exhibits detailing this road renaming to date. We are here today to point out why this petition should be accepted and the road renamed.

In your packet, Exhibit A is correspondence from James A. Long, former County Attorney, naming the five property owners adjoining Branscome Road.

Exhibit F, the Petition we are submitting, has been signed by four of those five property owners.

The Amendment to Road Naming Ordinance stipulates that the signatures of 80% of the property owners must be obtained. Our petition has been signed by 80% of those property owners.

The issue concerning how many votes one property owner may cast has previously arisen. However, according to Steve Carpenter, County Manager, the only ordinance used for road renaming in Person County is the document previously mentioned,

the Road Naming Ordinance, along with the Amendment to Road Naming Ordinance Amended as of June 2, 2003. The Ordinance as amended specifically states that the petition is to be signed by 80% of the property owners adjacent to the road and does not specify that the petition is to be signed by the owners of 80% of the parcels of land adjacent to the road. Such a requirement would be inconsistent with the apparent intent to name roads according to the preference of the overwhelming majority of the people owning property served by the roadway.

Therefore, our petition is a valid petition in conformance with the Amendment dated June 2, 2003, satisfying the requirements to rename a road in Person County.

We respectfully ask that the Board of Commissioners accept our Petition and allow Branscome Road to be renamed Old Farm Road (pvt). In fact, because the road was not renamed Old Farm Road with the effective date of June 2, 2003, Person County has been legally non-compliant with the Road Naming Ordinance for the County of Person, North Carolina and the Amendment to Road Naming Ordinance for the County of Person, North Carolina Amended as of June 2, 2003. We are confident this situation occurred as a result of an oversight and we pray this action will be rectified immediately.

Chairman Lunsford stated the Board will take matter under consideration.

A **motion** was made by Commissioner Clayton, **seconded** by Commissioner Puryear and **carried** to refer the matter to the County Attorney for his study and that he report back to the Board when all members of the Board are present.

APPROVAL OF MINUTES:

A **motion** was made by Commissioner Puryear **seconded** by Commissioner Bowes and **carried** to approve the minutes of February 5, 2007.

ADMINISTRATIVE REPORTS:

The following Administrative Reports were received and accepted by the Board: Detention Center, Emergency Medical Services, Inspections, Public Library.

REQUEST FOR MATCHING FUNDS FOR HEAD START GRANT:

Gordon Powell, Chairman, Person County Board of Education, appeared before the Board to present a request in the amount of \$66,473 for matching funds to add to the Head Start grant of \$130,864 to complete the rubber surfacing of the playground areas at Earl Bradsher to pave/re-pave certain driveway and parking areas at Earl Bradsher. The grant money must be spent and/or encumbered by August 31, 2007. All funds must be expended ninety days after the August date.

Carla Oakley, Director of programs at EBPS spoke to the safety requirements. She said with rubber surfacing the playground areas, the question of safety should be resolved. She also addressed the paving needs.

A **motion** was made by Commissioner Puryear, **seconded** by Commissioner Clayton and **carried** to approve the request for \$66,473 with the funds to from Contingency or Fund Balance.

UPDATE OF ACTIVE EDC INDUSTRIAL PROJECTS:

EDC Executive Director Glen Newsome appeared before the Board to bring an update of active EDC Industrial Projects to the Board.

We are working a number of Business and Industry projects, some of which I have made reference to in previous reports to the Board. I will give you an update on those as well our new projects.

- 1. On P&A Industrial Fabrications, one of our new industry locations, the company is doing quite well. To date they have hired over 42 of a projected 65 full time employees. P&A was founded by Claude Pruitt and Jack Adams, both former C&A Managers. The company has already secured a significant amount of business in the 4 short months they have been in operation. Sales are at about 75% of the level they were when the former owner was operating in full swing. They have already qualified for 50% of the One NC fund, again in 4 months. We are working with the Department of Commerce now to get that incentive. The projected investment for the project was \$2.8 Million. All of that has been expended. The average wage at P&A is \$670 per week or \$34,840. Our County average was \$560 per week or \$29,120 a year when the project was located. All of the P&A employees are former C&A workers.*
- 2. The Cavel Plant was recently purchased by Chip Lofton, President of Strutmasters. Plans are to expand operations into that area from the present location. Some other options are being considered for the remaining floor space which would create additional jobs for the community.*
- 3. The C&A Elm Plant is generating lots of interest from a clients, prospects and potential buyers. As I have said to you before, if we are successful in our efforts, the County will end up with 3 new owners. Two of those, Strutmasters and P&A Industrial Fabrications are already in place. With the level of interest and we have in the Elm Plant, its fair to say that we will likely have a 3rd new company, at least at a commitment level, sometime in 07.*
- 4. Lowe's officially opened for business last month which culminated a 5 year site location process. The company has already employed 130 people with a new capital investment of \$12 Million. This benefits both the City and County. This was a good business location for our community.*
- 5. Mark Line Industries, the Indiana based firm which was announced this past June is now producing modular home units. The company took possession of the former Fleetwood Homes facility in July. It has been totally renovated and fitted up. Current employment is approaching 30 persons with a projection of 100-125 full time employees by next summer. New investment associated with this project is approximately \$3 Million. The company conducted a southwest as well as a southeast site location search before settling on our area. With Mark Line, Lowe's and P&A, we have had 3 significant new employers to **locate and open for business** within the past 7 months. **Some other projects:***
- 6. Business continues to grow at Spuntech, our Israeli firm, and the company is increasing its production accordingly. Total headcount at the facility is 72 full time persons. The company also retained 2 of the summer interns on its payroll. They are now producing the non woven fabric, as opposed to test runs, and operating 24/7. The company committed to hire 62 employees and invest \$23.5 Million within a 3 year time frame. They have exceeded both the hiring and investment goals with the 72 full time employees and a \$40 Million investment to date. And they did so in 2 years, including the renovation of the facility. The average annual wage at Spuntech is \$37,000 per year. The issues the company is dealing with now are growth related and good ones to have.*
- 7. Business is also growing at the Tobacco Co-op, at a steady pace. The company is manufacturing over 100 brands of tobacco products, all on a contractual basis. The tobacco processing season, which is their busiest time, has ended and the company has about 120 employees on its payroll. Total investment associated with this project is now nearing \$28 Million with the additional machinery and equipment brought in by the Co-Op.*
- 8. Carolina Sunrock, the Granville County based construction firm is grading for its new facilities. At build out, this would be a 50 employee, \$10 Million investment entailing the construction of 3 facilities. The company expects to be processing stone this summer. Also, with respect to that project, we recently secured a commitment of about \$1/2 Million to construct an industrial access road for the company.*
- 9. Piedmont Electric is also grading for its new facility to be located on US 158 East. This project would entail the construction of over 20,000 square feet of office and warehouse space with an investment slightly exceeding \$3 Million.*
- 10. Infrastructure improvements, primarily, the upgrading of existing secondary roads are either scheduled, ongoing or being designed for the BPB project. A number of intersections are also slated to be upgraded to accommodate*

industrial traffic as is at least one bridge. Design work is pending before the state on some of the improvements. The project numbers are still in the range of 200-225 new jobs and a projected capital investment of \$125 Million.

11. Our two automotive expansion projects, Eaton and GKN, are both essentially complete at \$27 Million and \$5 Million respectively. These two industry expansions created over 85 new jobs in the automotive sector.
12. Another of our companies recently completed a 100+ employee expansion. We are working with them now on a new project which would create an additional 50 new jobs for the community.
13. We have a 150 employee, \$3 Million expansion pending with another firm. The Department of Commerce is assisting with that project and we are awaiting some specific internal data from the company.
14. The former Bromma property has been purchased since my last report to you. The railroad finally acquiesced on the right of way issue which had caused a delay of several months. This would be a mixed use, Industrial and Commercial project.

New Projects

15. We are also working with a company on 90,000 square foot construction project. This would entail either an addition to the company's existing building or the construction of a new free standing facility. This would be utilized for a new distribution center. We expect this project to create a minimum of 30 new jobs, very likely more than that number.
16. And last but not least, we are working with an existing company on an expansion project which would create 90-100 new jobs at \$18 per hour or an average annual wage of \$37,440. New capital investment associated with this project would exceed \$8 Million. This would entail new machinery and equipment, a building expansion and a new product line for the community. The company has multiple locations in the US. We are now competing with 2 other states for this expansion. The Department of Commerce is assisting with this as well. We should get a better indicator of where stand later this quarter.

Excluding all of the potential projects and looking at the done deals only, we have had over **\$285 Million in new capital investment** committed to our community within the last 3 years, **all in new and expanding business and industry projects**. When these new locations and expansions come to full fruition, over **1040 permanent new jobs will have been created**.

We closed out the 2006 calendar year with an annual unemployment rate of 5.98%. This is the **lowest unemployment rate for Person County in 6 years, even with the bankruptcy of Collins and Aikman and all of the subsequent layoffs**.

Consistent with that, the 2007 private sector wage standard increased to \$609 a week or \$31,668 per year. This represents an 8.75% increase over the prior year and jump of 13% as compared to the 05 wage of \$539 a week, or \$28,028 on an annual basis.

The tier rankings for the new tax credits (Article 3J) were recently released. All counties now fall into 3 tiers as opposed to 5 under the old law. **The 40** most distressed were assigned a Tier 1 status, the middle 40 counties a Tier 2 status and the top 20 Counties, mostly urban, were assigned a Tier 3 status. We fall in the middle 40 and hence a Tier 2 ranking, keeping in mind that we now have only 3 Tiers instead of the previous 5.

We have a new animated feature on the EDC website which promotes the location, workforce, economy, education and livability of our area. Go to the EDC Homepage, www.personcountvedc.com, hit the go button and it takes less than 3 minutes to view the entirety of the new feature.

Also, you have before you a copy of the 2007 Edition of Corporate Relocation. All 13 Counties of RTRP are featured therein. I am particularly pleased with the growth we have shown in median family income (\$50,900) as well as the other economic indicators as compared to the other communities within our 13 County region.

UPDATE FROM PIEDMONT COMMUNITY COLLEGE:

Dr. James Owen appeared before the Board to present Piedmont Community College's Person County Impact Statement – January 2007. He highlighted the curriculum programs with an enrollment for the current fall, 2006 semester of 2,652 students for Person and Caswell counties and the continuing education program with an enrollment of 2,229 students for Person and Caswell counties for fall 2006. He stated that the Business Development Center delivered 38 small business seminars during 2006, in addition to a variety of financial management, home ownership, notary and computer training classes. He said the College is working with P & A Industrial Fabrications, Mark Line Industries, Spuntech Industries and U. S. Flue-Cured Tobacco to offer new and expanding industry training.

REQUEST FOR ACQUISITION OF REAL PROPERTY FOR USE BY THE PERSON COUNTY SCHOOL SYSTEM:

School Superintendent Ronnie Bugnar appeared before the Board to present a Resolution adopted by the Board of Education at its February 13, 2007 meeting relative to the purchase of the former fair grounds property on NC 49 North. The Board of Education requested that the Board of Commissioners purchase this property for the construction of a school bus garage. The purchase price of the property would be \$400,000.

It was noted that a Public Hearing with proper advertisement must be held prior to a motion to purchase the property.

Commissioner Puryear stated it was his belief that there was far more need in the county than a bus garage.

Commissioner Clayton said the need is imminent and it is the responsibility of the Board of Commissioners to provide facilities for the school system.

Commissioner Bowes stated that the Board of Education has searched for two years for a suitable location for the bus garage and they feel the old fairground site meets their needs.

Chairman Lunsford added that he is a strong supporter of education in Person County. Children must be transported safely and the buses must be properly maintained in an adequate facility.

Commissioner Puryear asked about the estimated cost of the new facility. Superintendent Bugnar responded that all estimates are now old, but the Board of Commissioners set a cap of \$2.8M.

A **motion** was made by Commissioner Clayton, **seconded** by Chairman Lunsford to accept the resolution as presented by the Person County Board of Education and to advertise a Public Hearing on whether the County of Person should acquire certain property for use by the Person County School System. The motion **carried** by a 3/1 vote. Commissioner Puryear cast the dissenting vote.

RESOLUTION IN SUPPORT OF LOCAL FEES FOR FOOD AND LODGING:

Janet Clayton, Health Director, appeared before the Board to request approval of the following Resolution.

**RESOLUTION IN SUPPORT OF LOCAL FEES FOR
FOOD AND LODGING**

WHEREAS, the State of North Carolina mandates that local government provide Food and Lodging support and inspections; and

WHEREAS, the State provides less than \$4,000 per year in support of providing Food and Lodging support and inspections; and

WHEREAS, it costs the local taxpayers of Person County upwards of \$60,000 to meet the State mandated requirements of the Food and Lodging Program, and

WHEREAS, the Person County Food and Lodging Program has maintained at least a 98.6 percent compliance rate with the State mandate for the past five years, and

WHEREAS, Local Health Departments fully support holding the State Environmental Health Division harmless for the funding to develop and maintain the environmental health data system; and

WHEREAS, the Person County Board of Health believes fee for service funding for Food and Lodging support and inspections would be a more equitable than asking county residents to bare the cost of this State mandated service through the use of ad valorem taxes; and

WHEREAS, other State mandated services such as the On-Site Sewage Program are funded using a fee for service approach; and

WHEREAS, Food and Lodging facility owners and operators are the ones who draw financial benefit from such facilities;

THEREFORE, the Person County Board of Commissioners, meeting in regular session, hereby requests the General Assembly to enact legislation empowering local governments to enact and collect fees for providing Food and Lodging support and inspections from such enterprises operating within their boundaries.

Adopted this 19th day of February 2007.

(Signed) **Johnny M. Lunsford, Chairman**
Person County Board of County Commissioners

(Attest) **Faye T. Fuller**
Clerk to the Board

A **motion** was made by Commissioner Clayton, **seconded** by Commissioner Bowes and **carried** to approve the Resolution.

CONSIDERATION OF VARIANCE TO SUBDIVISION ORDINANCE FOR A FLAG LOT:

County Manager Carpenter told the Board he received a request to add this item to the agenda following several telephone conversations on Friday. Due to the re-scheduling of the Board of Commissioners' meeting until March 12, 2007 the applicant did not wish to wait an extra week for consideration of the matter.

Paula Murphy, Planning Director explained to the Board that the Planning Board considered a variance for a flag lot on Thursday night and recommended approval. She said the issue was complicated and she would like to research fully prior to the Board of Commissioners consideration.

It was the consensus of the Board to consider the item at the March 12, 2007 meeting.

APPOINTMENT TO REGION K WORKFORCE DEVELOPMENT BOARD:

A **motion** was made by Commissioner Clayton, **seconded** by Commissioner Bowes and **carried** to appoint Kimberly Fox to a "Private Sector Position" on the Region K Workforce Development Board.

CHAIRMAN'S REPORT:

None

MANAGER'S REPORT:

Met with CIGNA – County will receive an 8% reduction in rates for FY07-08

Will meet on Wednesday with workers' compensation representative; General Liability carrier will accept a smaller amount after appeal on (PI) Person Industries.

Progress Report on Inspections/P&Z building sent out. Other building – will have to add insulation –

Thanked Board for attending Retreat – operational budgets being submitted now.

COMMISSIONER REPORTS/COMMENTS:

Commissioner Puryear asked for an update on the Strategic Plan Report. County Manager Carpenter responded that Dr. Johnson had not returned his phone call.

CLOSED SESSION: None Required

ADJOURNMENT:

A **motion** was made by Commissioner Bowes, **seconded** by Commissioner Clayton and **carried** to adjourn the meeting at 10:15 a.m. until March 12, 2007 at 7:00 p.m.

Faye T. Fuller, CMC
Clerk to the Board

Johnny Myrl Lunsford
Chairman