

February 2, 2015

The Board of Commissioners of Franklin County, North Carolina, met for its Regular Meeting at 7:00 P.M. in the Commissioner's Conference Room located in the County Administration Building with the following Commissioners present: Chairman Sidney E. Dunston, Vice-Chairman E. Shane Mitchell, Commissioners John M. May, Don Lancaster, Cedric K. Jones, Harry L. Foy, Jr. and David T. Bunn.

Chairman Dunston called the meeting to order and asked the Board to consider approval of the consent agenda.

Commissioner Bunn made a motion to approve the consent agenda, seconded by Commissioner Foy. The motion duly carried with all present voting "AYE."

The following items were approved.

1. CONSENT AGENDA

A. Annual report of unpaid taxes that are liens on real property

2. COMMENTS FROM THE PUBLIC

This was the time set aside by the Board of Commissioners to allow individuals five minutes to address the Board on issues concerning the county. No comments were shared.

3. OTHER BUSINESS

No additional items of business were discussed.

4. BOARD, MANAGER AND CLERK'S COMMENTS

This was the time set aside for the Board of County Commissioners, the County Manager, and the Clerk to the Board to report on various activities. The Board may also discuss other items of interest.

County Clerk Kristen G. King: Mrs. King reminded the Board of its budget retreat scheduled for February 16, 2015 from 1-5pm at Owen's Park.

Commissioner Foy: No comments were offered.

Commissioner Bunn: No comments were offered.

Commissioner May: No comments were offered.

Commissioner Jones: No comments were offered.

Commissioner Mitchell: No comments were offered.

Commissioner Dunston: No comments were offered.

Commissioner Lancaster: No comments were offered.

County Manager Angela L. Harris: Mrs. Harris noted the following:

- County Manager Angela L. Harris asked Emergency Management Director Jeff Lewis to provide an update on the repositioning of ambulances and response times. Mr. Lewis advised the Board response times are now below eight minutes except for the White

Level Rescue district. He said response times are elevated in White Level due to the large size of the response district. The department is in the process of relocating a unit stationed in Bunn to Justice Fire Department. It is also in the process of relocating a unit out of Louisburg to Triangle North Executive Airport.

5. CLOSED SESSION

The Board was asked to enter into closed session pursuant to the following North Carolina General Statutes:

- A. NCGS 143-318.11(a)(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.

Commissioner May made a motion to enter into closed session pursuant to NCGS 143-318.11(a)(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. The motion was seconded by Commissioner Jones and carried 6 to 1, with Commissioner Foy voting "NO."

- B. NCGS 143-318.11(a)(4) to discuss matters relating to the location and/or expansion of industries or other businesses in the area served by the County, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations.

Commissioner Mitchell made a motion to enter in closed session pursuant to NCGS 143-318.11(a)(4) to discuss matters relating to the location and/or expansion of industries or other businesses in the area served by the County, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations. The motion was seconded by Commissioner Jones and carried 6 to 1, with Commissioner Foy voting "NO."

- C. NCGS 143-318.11(a)(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 the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease.

Commissioner May made a motion to enter into closed session pursuant to NCGS 143-318.11(a)(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 the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease. The motion was seconded by Commissioner Jones and carried 6 to 1, with Commissioner Foy voting "NO."

At approximately 7:14 P.M., the Board entered closed session.

Following closed session at approximately 8:25 P.M., Commissioner May made a motion to enter back into open session, seconded by Commissioner Jones. The motion duly carried with all present voting "AYE."

Chairman Dunston asked the Board to call for a public hearing on February 16, 2015 in order to discuss a building reuse grant application for Palziv North America. Palziv is applying for a \$500,000 building reuse grant through the NC Department of Commerce-Rural Division to expand their current facility by 60,000 square feet. The cost of the project is \$2.2 million and projected to create 50 new jobs. Franklin County is required to provide a 5% match to receive the grant. This will equal \$25,000 and falls within the County's incentive guidelines. The estimated tax valuation on the expansion based on current information is \$2.8 million.

Commissioner May made the motion to call for the public hearing on February 16, 2015, seconded by Commissioner Lancaster. The motion duly carried approval with all present voting "AYE."

Chairman Dunston then acknowledged Attorney David Guin.

Attorney Guin asked the Board to approve a mediated settlement with Carlina, Inc., the former Fixed Base Operator of the Franklin County Airport. The County would retain improvements constructed by Carlina at the airport that are currently valued at approximately \$3.9 million dollars. The County has already received \$657,000 in rental income from those improvements and stands to earn more than an additional \$1.5 million in further revenues over the period of time in which Carlina's lease would have extended. In addition to dismissal of its lawsuit against Franklin County, Carlina agrees to dismiss a complaint it filed against the County with the Federal Aviation Administration. If approved, the County would pay Carlina, Inc. \$1.5 million dollars in full and final settlement of all claims.

Commissioner Lancaster made a motion to approve the settlement of \$1.5 million seconded by Commissioner Mitchell. The motion was approved with a 5 to 2 vote. Commissioners Foy and Bunn voted "NO."

Commissioner Mitchell noted his decision to vote in favor of the settlement was based upon poor decisions made by previous leadership. He felt the potential loss of going to trial could be much more expensive and said he was not willing to take the risk.

Commissioner Foy said it has been the history of the Board to settle lawsuits rather than to fight against them. Attorney Guin disagreed with Commissioner Foy and noted several suits in which the County prevailed.

At 8:33 P.M., Commissioner May made a motion to recess the meeting until 1pm on Monday, February 16, 2015, seconded by Commissioner Jones. The motion duly carried with all present voting "AYE."

Sidney E. Dunston, Chair

Kristen G. King, Clerk to the Board