

September 18, 2017

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 Cedric K. Jones, Vice-Chairman Sidney E. Dunston Commissioners Michael S. Schriver, David T. Bunn, Mark Speed, Harry L. Foy, Jr. and Shelley L. Dickerson.

Chairman Jones called the meeting to order and asked the Board to consider approval of the consent agenda. Commissioner Dunston made a motion to approve the consent agenda, seconded by Commissioner Bunn. The motion duly carried approval with all present voting "AYE."

1. CONSENT AGENDA

- A. September 5, 2017 Minutes
- B. Releases, Adjustments, Refunds, and Tax Collection Report
- C. 2018 Board of Commissioner Meeting Schedule
- D. Petition for Acceptance of Late Application

2. COMMENTS FROM THE PUBLIC

Steve Trubilla, 1707 Sid Mitchell Road, Youngsville, NC

- Mr. Trubilla asked for an update regarding Owens Park at Bull Creek. He was informed an update was planned later in the meeting.

3. PUBLIC HEARINGS

A. Resolution Approving the Lease and Asset Purchase Agreement for Franklin Medical Center

The Board was asked to consider approving by resolution the lease and asset purchase agreement ("Agreement") of Franklin Medical Center to DLP Maria Parham Medical Center, LLC, a Duke LifePoint Hospital. In accordance with NCGS § 131E-13, copies of the proposed Agreement were made available to the public online and at the Franklin County Administration Building at least 10 days prior to the hearing.

Chairman Jones opened the public hearing at 7:05 P.M.

Steve Trubilla, 1707 Sid Mitchell Road, Youngsville, NC

- Mr. Trubilla inquired if due diligence work had been done regarding the business practices of Duke LifePoint. He stated his awareness of in excess of 15 pending lawsuits against Duke LifePoint. He encouraged the Board to investigate prior to entering into an agreement.

Chairman Jones closed the public hearing at 7:13 P.M.

Commissioner Dunston made a motion to approve the resolution approving the Lease and Asset Purchase Agreement for Franklin Medical Center. The motion was seconded by Commissioner Dickerson and duly carried approval with all present voting "AYE."

Chairman Jones offered thanks on behalf of the Board to everyone involved in reaching the agreement for the hospital including staff, hospital officials and local and state officials.

**RESOLUTION OF THE FRANKLIN COUNTY, NORTH CAROLINA BOARD OF
COUNTY COMMISSIONERS TO APPROVE AND EXECUTE A LEASE AGREEMENT
FRANKLIN MEDICAL CENTER**

WHEREAS, Franklin Medical Center (“FMC” or the “Hospital”) consists of a hospital building and related buildings located on land owned by the County of Franklin, North Carolina (“Franklin County” or “County”) at 100 Hospital Drive, Louisburg, North Carolina;

WHEREAS, citing declining patient volumes, Louisburg/Novant, LLC decided to cease operations at FMC on October 16, 2015, and FMC has been non-operational since that date;

WHEREAS, pursuant to N.C. Gen. Stat. § 131E-13(a), all ownership and other rights in the FMC hospital facility, including the building, land and equipment associated with the hospital, have reverted to Franklin County;

WHEREAS, the Franklin County Board of Commissioners (the “Board of Commissioners”) solicited and received multiple proposals for the lease or sale of the Hospital and has complied with the applicable procedures set out in N.C. Gen. Stat. § 131E-13(d) (the “Statute”);

WHEREAS, the Board of Commissioners gave careful consideration to these proposals, which included input from the public during a public hearing held on October 6, 2016;

WHEREAS, on October 24, 2016, the Board of Commissioners selected the proposal submitted by Duke LifePoint and DLP Maria Parham Medical Center, LLC, and subsequently engaged in negotiations to develop a definitive agreement to sell or lease all or part of the Hospital;

WHEREAS, Franklin County’s negotiations with Duke LifePoint have resulted in a definitive Lease Agreement, including an option to purchase the Hospital pursuant to an Asset Purchase Agreement (collectively, the “Agreement”), which documents have been available to the public for at least 10 days in compliance with the Statute and which documents the Board of Commissioners has carefully considered; and

WHEREAS, the County desires to consummate the transactions contemplated by the Agreement in order to ensure Franklin County citizens have access to local healthcare facilities.

NOW, THEREFORE, THE FRANKLIN COUNTY BOARD OF COMMISSIONERS RESOLVES AS FOLLOWS:

(1). After careful and thorough consideration, the Board of Commissioners has determined that the proposed Agreement between the County and DLP Maria Parham Medical Center, LLC, a Duke LifePoint Hospital, will meet the health-related needs of medically underserved groups, such as low income persons, racial and ethnic minorities, and handicapped persons.

(2). The Board of Commissioners finds, after careful and thorough consideration, that the citizens of Franklin County are best served by entering into the Agreement and it is therefore in the public interest.

(3). The Board of Commissioners hereby approves the form and content of the Agreement and hereby authorizes the Chairman of the Board of Commissioners to execute the Agreement, and to execute such other documents as are necessary for the County to bind itself with respect to the Agreement and to carry out the County’s duties thereunder.

B. Rezoning Request – Lawrence Homes, Inc (17-REZ-06)

The Board was asked to conduct a public hearing and consider approval of a rezoning request by Lawrence Homes, Inc. to rezone 49.2 acres located at 6018/6040 NC 96 Hwy in Youngsville Township from Mixed Use (MU) to Residential-8 (R-8).

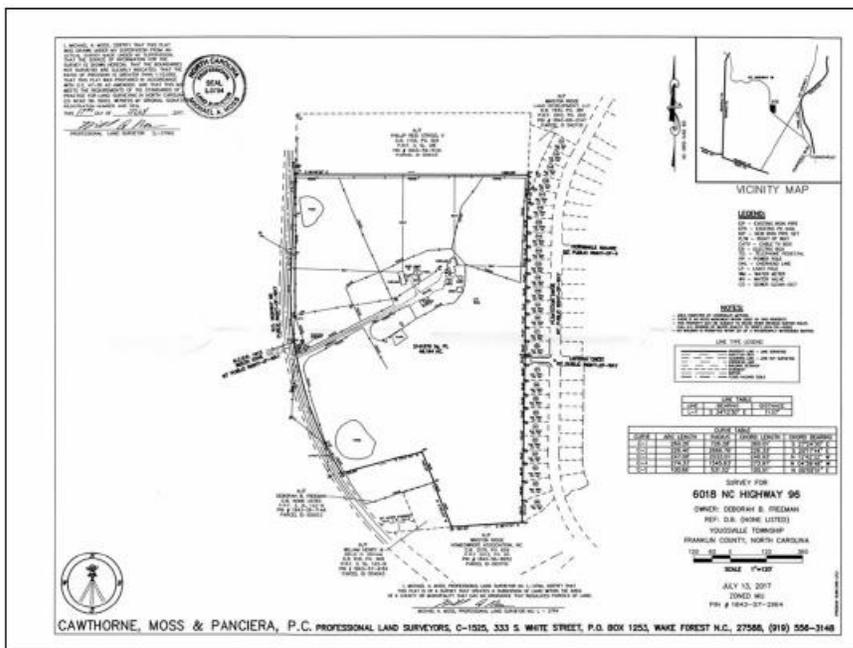
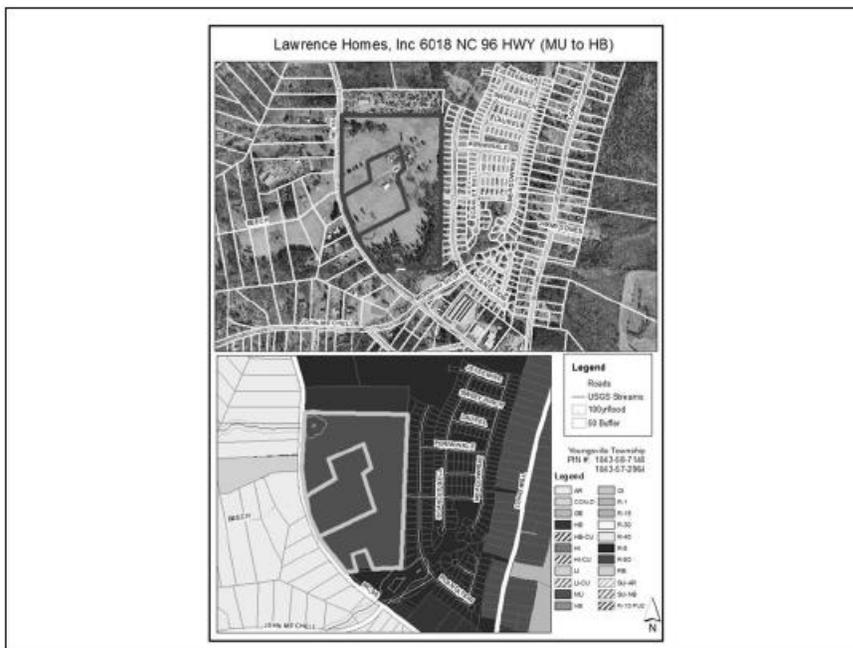
Following the public hearing, it was recommended the Board use the rezoning guide/checklist provided to assist in its decision.

Planning & Inspections Director Scott Hammerbacher offered the following presentation.

Franklin County Board of Commissioners



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Zoning Consistency Statement:

The requested zoning map amendment is in general conformity with the land use plan. The Future Land Use plan indicates that this property is intended for Commercial uses however, the current residential development patterns adjacent to this property support this request. Public water and sewer is adjacent to this site. The request is reasonable with adjacent development patterns and in the public interest.

Planning Board Recommendation:

The Planning Board unanimously recommended approval of the proposed rezoning at their August 8, 2017 meeting.

Chairman Jones opened the public hearing at 7:25 P.M.

Paul Sedlak, 208 Plantation Drive, Youngsville, NC

- Mr. Sedlak expressed his concern there may not be adequate water and sewer allocation to accommodate the project and asked staff when construction was scheduled to begin. Mr. Hammerbacher stated the county does in fact have water and sewer allocation on a limited basis.

John Frazier, 8218 Creedmoor Road, Raleigh, NC

- Mr. Frazier is an engineer for the project. He stated any current activity on the property is being done by the current property owner. He said the property is under contract at this time.

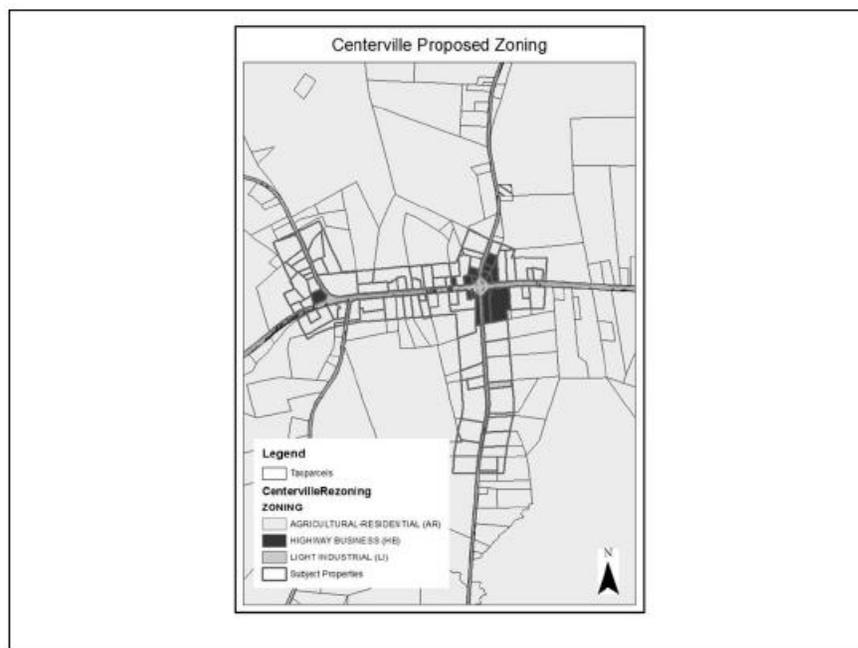
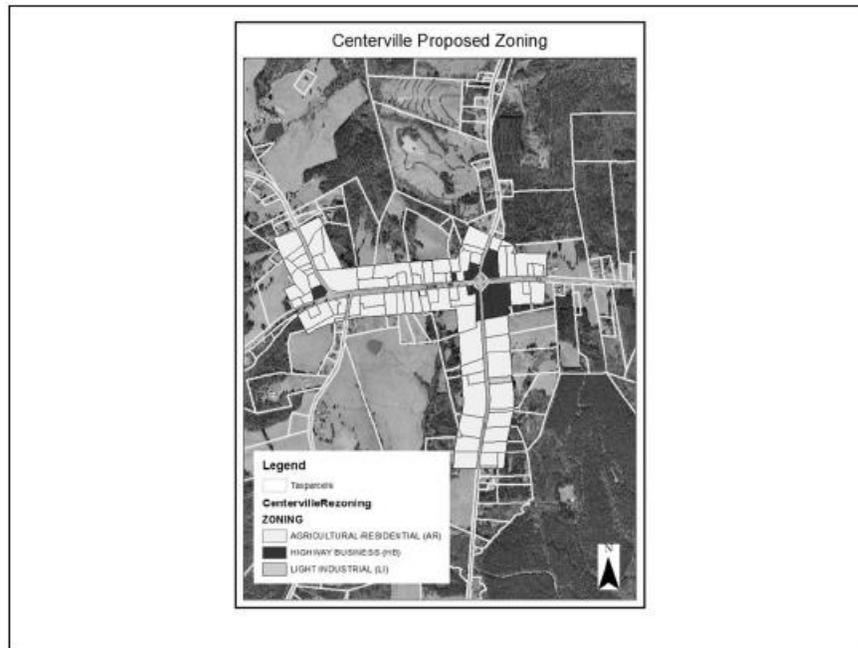
Without further comments, Chairman Jones closed the hearing at 7:27 P.M.

Commissioner Foy made a motion to approve the rezoning request, seconded by Commissioner Speed. The motion duly carried approval with all present voting "AYE."

C. Rezoning Request – Centerville (17-REZ-07)

The Board was asked to conduct a public hearing and consider approval of a rezoning request by Franklin County Planning staff to incorporate the previous jurisdiction of the Town of Centerville into Franklin County's zoning jurisdiction. Following the public hearing, it was recommended the Board use the rezoning guide/checklist provided to assist in its decision.

Planning & Inspections Director Scott Hammerbacher offered the following presentation.

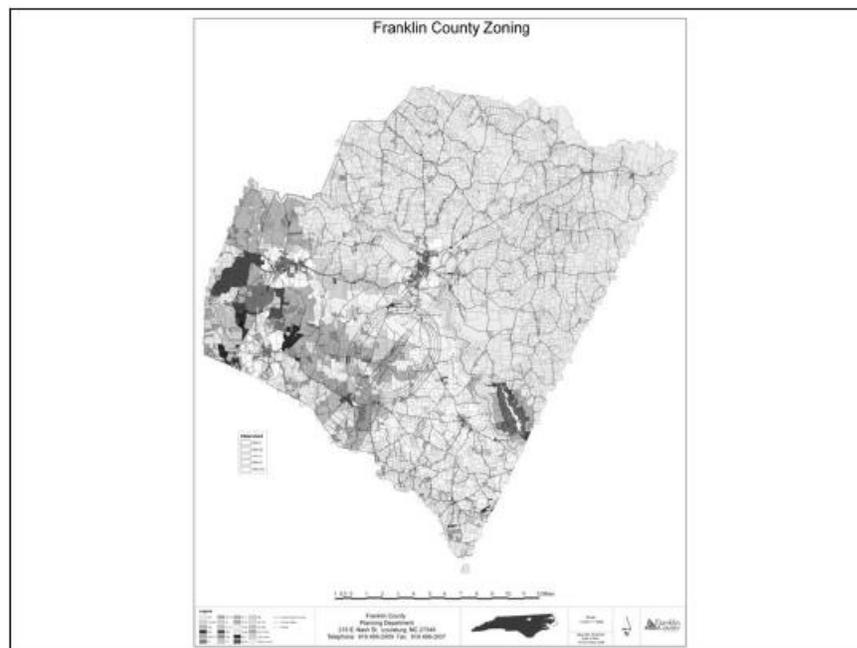


Zoning Consistency Statement:

The requested map amendment is in general conformity with the land use plan. The Future Land Use plan indicates that surrounding properties are intended for Agricultural Residential Uses. Public water and sewer are not available to this area. The current development patterns and existing uses at the intersection of NC 561 and NC 58 are Commercial. Commercial land use designations are typically located at intersections of thoroughfares. The request is reasonable with adjacent and existing development patterns and in the public interest.

Planning Board Recommendation:

The Planning Board unanimously recommended approval of the proposed rezoning at their August 8, 2017 meeting.



Chairman Jones opened and closed the public hearing at 7:31 P.M. with no comments offered.

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

4. **ADOPTION OF 2018 SCHEDULE OF VALUES**

Pursuant to NCGS 105-317 (c)(3), when the Board approves the final Schedule of Values, it shall issue an order to adopt. All statutory requirements have been met. If no further information or questions regarding the submitted 2018 Schedule of Values is required, the tax office requests the schedule be adopted for the 2018 year.

Tax Administrator Dan Williams made a brief presentation and asked the Board to consider adopting the 2018 Schedule of Values.

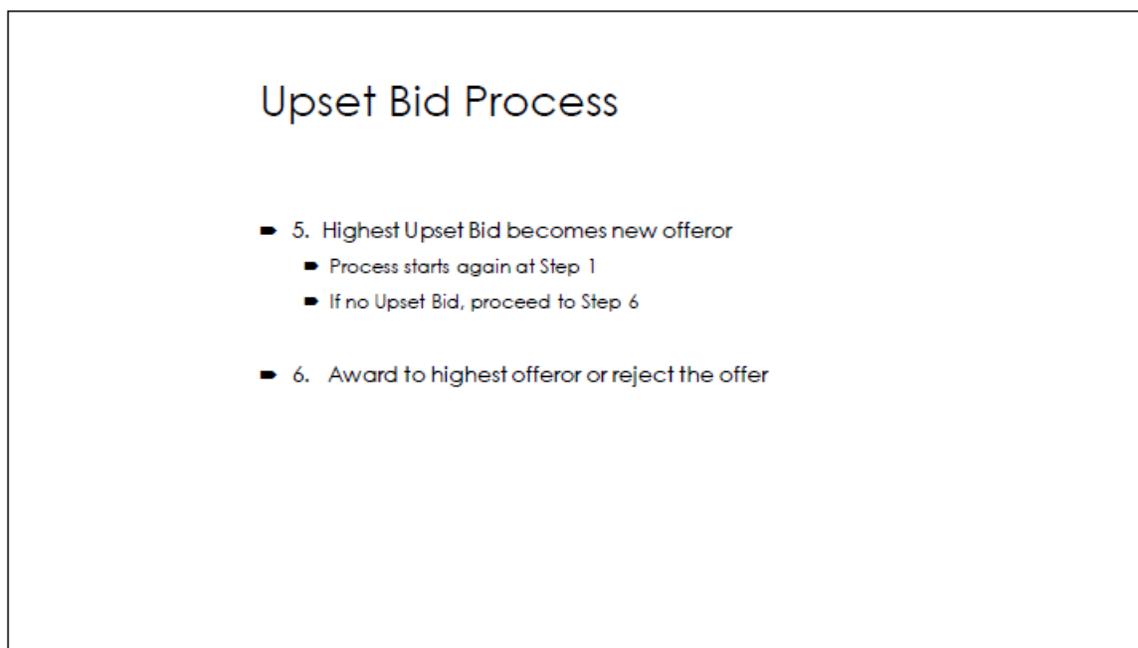
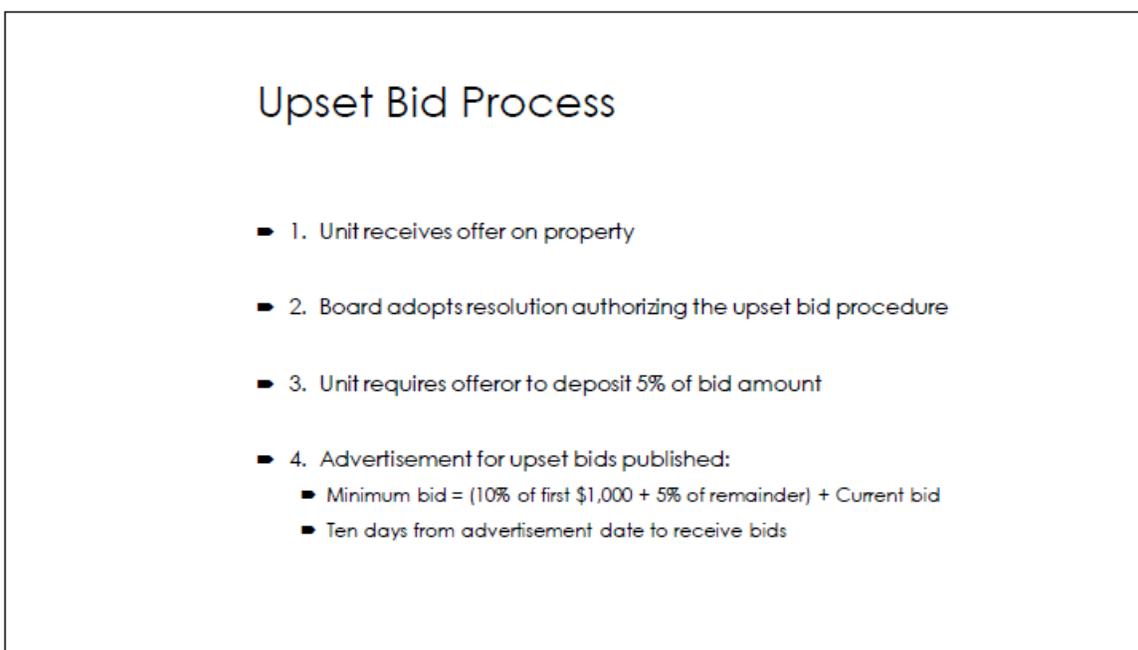
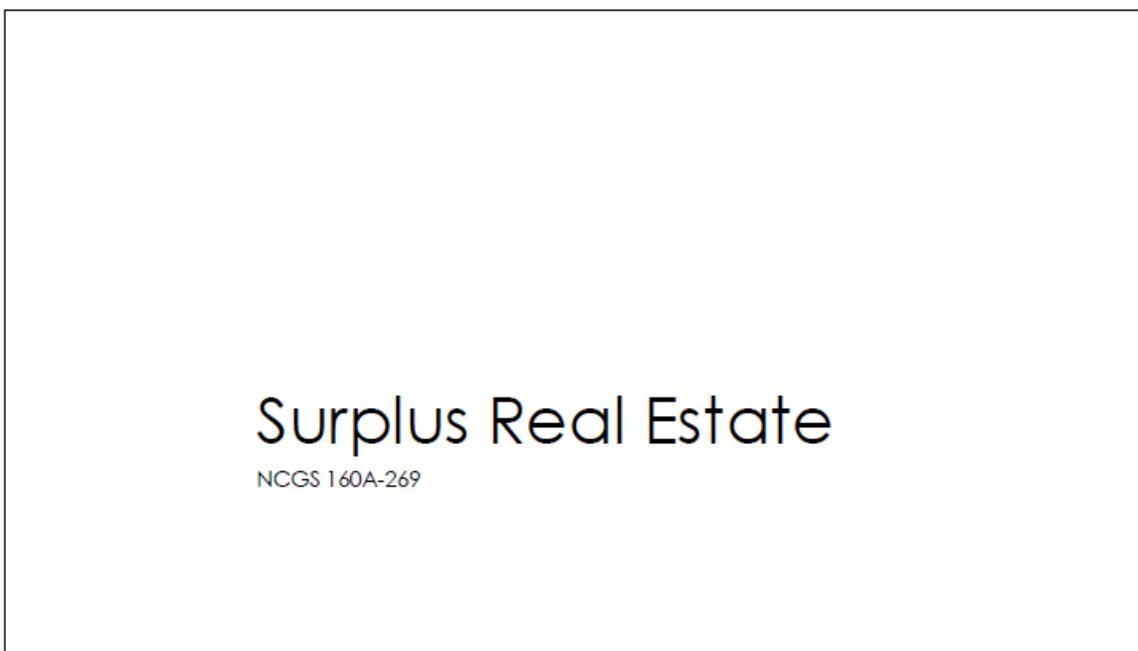
Commissioner Dunston made a motion to adopt the 2018 Schedule of Values. The motion was seconded by Commissioner Bunn and duly carried approval with all present voting "AYE."

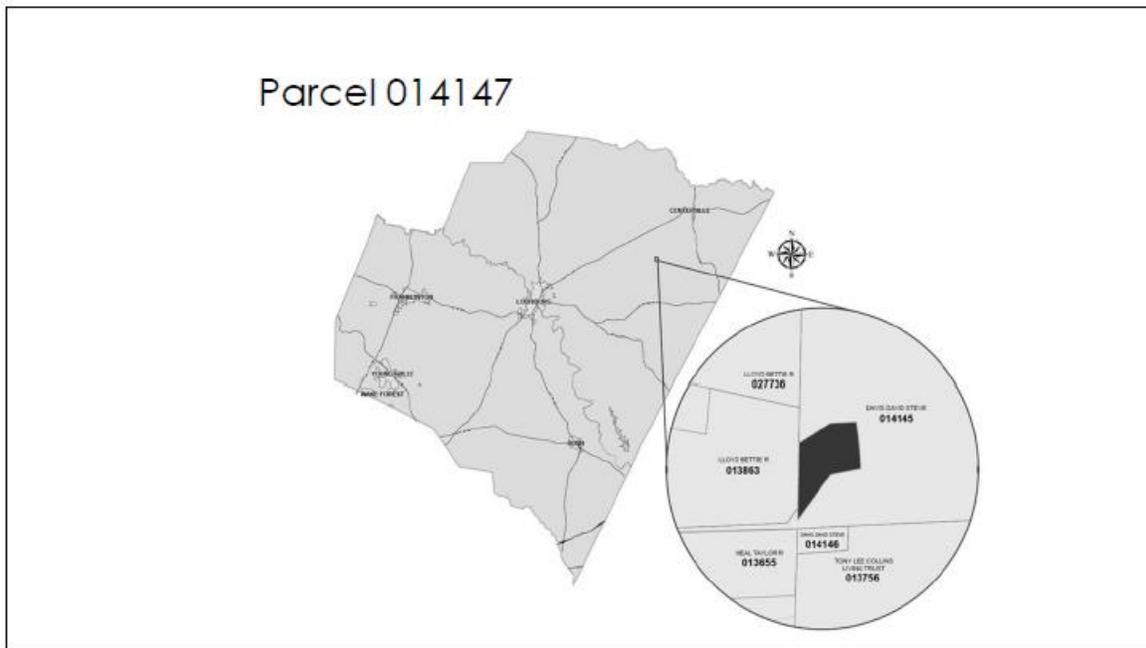
5. **CITIZEN BID ON PARCEL 014147**

Steve Davis (416 Swanson Road, Louisburg) submitted a bid of \$2,000 on the county owned parcel 014147. This county-owned parcel is a 1.31 acre tract of land, located at 83 Ronald Hill

Way with a 2017 tax value of \$5,790. There is an uninhabitable building located on the property. The Franklin County Tax Office, in conjunction with the County Manager, will be the responsible unit for developing and refining the real estate disposal process as outlined in NCGS 160A-269.

Tax Administrator Dan Williams offered the following PowerPoint presentation.





Parcel 014147

- ▶ 83 Ronald Hill Way
 - ▶ 1.31 acres w/ uninhabitable building
 - ▶ 2017 Assessed Value = \$5,790
- ▶ \$2,000 Current Bid (S. Davis)
- ▶ Minimum Upset Bid is \$2,150

Requested Actions

- ▶ Initiate the Upset Bid Process pursuant to NCGS 160A-269
- ▶ Adopt the Resolution included with the package

Following the presentation, Commissioner Dunston made a motion to adopt a resolution authorizing staff to initiate the upset bid process for parcel 014147, pursuant to NCGS 160A-269. The motion was seconded by Commissioner Foy and duly carried approval with all present voting “AYE.”

Resolution Authorizing Upset Bid Process

WHEREAS, the Franklin County owns certain property described as Parcel #014147, located at 83 Ronald Hill Way, Louisburg, and

WHEREAS, North Carolina General Statute § 160A-269 permits the county to sell property by upset bid, after receipt of an offer for the property; and

WHEREAS, the County has received an offer to purchase the property described above, in the amount of \$2,000, submitted by Steve Davis of 416 Swanson Rd, Louisburg; and

WHEREAS, Steve Davis has paid the required five percent (5%) deposit on his offer;

THEREFORE, THE FRANKLIN COUNTY BOARD OF COMMISSIONERS RESOLVES THAT:

1. The Board hereby authorizes sale of the property described above through the upset bid procedure of North Carolina General Statute § 160A-269.

2. The assessor's office shall cause a notice of the proposed sale to be published. The notice shall describe the property and the amount of the offer, and shall state the terms under which the offer may be upset.

3. Any person may submit an upset bid to the assessor's office within 10 days after the notice of sale is published. Once a qualifying higher bid has been received, that bid will become the new offer.

4. If a qualifying higher bid is received, the assessor shall cause a new notice of upset bid to be published, and shall continue to do so until a 10-day period has passed without any qualifying upset bid having been received. At that time, the amount of the final high bid shall be reported to the Board of Commissioners.

5. A qualifying higher bid is one that raises the existing offer by not less than ten percent (10%) of the first \$1,000.00 of that offer and five percent (5%) of the remainder of that offer.

6. A qualifying higher bid must also be accompanied by a deposit in the amount of five percent (5%) of the bid; the deposit may be made in cash, cashier's check, or certified check. The county will return the deposit on any bid not accepted, and will return the deposit on an offer subject to upset if a qualifying higher bid is received. The county will return the deposit of the final high bidder at closing.

7. The terms of the final sale are that

- the Board of Commissioners must approve the final high offer before the sale is closed, which it will do within 30 days after the final upset bid period has passed, and
- the buyer must pay with cash at the time of closing.

8. The county reserves the right to withdraw the property from sale at any time before the final high bid is accepted and the right to reject at any time all bids.

9. If no qualifying upset bid is received after the initial public notice, the offer set forth above is hereby accepted. The appropriate county officials are authorized to execute the instruments necessary to convey the property to Steve Davis.

6. WHEEL LOADER LEASES

The Solid Waste Department has a need to replace one loader and wishes to purchase or lease another. Solid Waste Director John Faulkner has identified a new 2017 Caterpillar 930 M Wheel Loader (\$190,933) and a new 2017 Kawasaki 67Z7 Wheel Loader (\$144,920). The department plans to trade-in an old loader that has extensive motor repair work in excess of \$50,000. Caterpillar has valued the trade-in at \$25,500. Both pieces of equipment are eligible for State Contract Pricing and priced accordingly. The department has \$60,000 currently budgeted and has funds available for financing the equipment. The request is for the County to consider purchasing the equipment outright or through financing over a period of 5 years. The county could save an estimated \$22,900 in interest over the five-year period if purchased directly. The Solid Waste Fund has sufficient fund balance available for the purchase, however this appropriation will delete most of the fund balance available in this fund.

Interim Finance Director Chuck Murray presented the item to the Board and recommended the equipment be purchased instead of leased in order to realize a cost savings.

Solid Waste Director John Faulkner was present and endorsed the recommendation to purchase the equipment rather than lease it in order save money.

Commissioner Dunston made a motion to approve purchasing two new wheel loaders. The motion was seconded by Commissioner Schriver and duly carried approval with all present voting "AYE."

7. USED TIRE DISPOSAL CONTRACT

Central Carolina Holdings, LLC will provide two trailers to haul off and dispose/recycle of used tires based on a three-year contract at \$81.50 per ton plus a fuel surcharge (based on miles per trip). The County is currently using Central Carolina Holdings, LLC at a rate of \$95.00 per ton plus the fuel surcharge. According to Interim Finance Director Chuck Murray, the county would realize a savings simply by committing to the contract.

Solid Waste Director John Faulkner was present and endorsed the recommendation to award the contract.

Commissioner Schriver made a motion to award a three-year contract to Central Carolina Holdings, LLC to handle the scrap tire program. The motion was seconded by Commissioner Speed and duly carried approval with all present voting "AYE."

8. APPOINTMENTS

A. Economic Development Commission

The Board was asked to appoint Chris Doherty, Public Utilities Director, to the Economic Development Commission.

Commissioner Schriver made a motion to appoint Chris Doherty to the Economic Development Commission. The motion was seconded by Commissioner Bunn and duly carried approval with all present voting "AYE."

B. Public Utilities Advisory Committee

The Board was asked to appoint Chris Doherty, Public Utilities Director, to the Public Utilities Advisory Committee.

Commissioner Bunn made a motion to appoint Chris Doherty to the Public Utilities Advisory Committee. The motion was seconded by Commissioner Speed and duly carried approval with all present voting "AYE."

C. Tourism Development Authority

The Board was asked to appoint Chuck Murray, Interim Finance Director, to the Tourism Development Authority.

Commissioner Speed made a motion to appoint Chuck Murray to the Tourism Development Authority. The motion was seconded by Commissioner Bunn and duly carried approval with all present voting "AYE."

9. OTHER BUSINESS

Jeff Lewis, Emergency Medical Services Director, stated Franklin County Emergency Medical Services had recently been voted "Best of the Best" by the Wake Weekly. He also stated September 11 had now been officially designated as First Responder holiday.

Chairman Jones acknowledged Franklin County Schools Superintendent Dr. Paschal Mubenga. Within two years of leadership, the system has seen remarkable improvement in school grades.

The district went from seven low performing schools in 2014-2015 to just one during the 2016-2017 school year, positioning it to be a competitive district in the state. During Dr. Mubenga's tenure, the system increased its composite score by 11 percentage points.

10. 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: No comments were offered.

Commissioner Foy: Commissioner Foy attended the recent 9/11 Remembrance Ceremony held at the Franklin County Courthouse. He also invited the public to attend the annual Senior Citizen's Fun Day in the Park scheduled for September 26, 2017.

Commissioner Bunn: No comments were offered.

Commissioner Jones: No comments were offered.

Commissioner Schriver: Commissioner Schriver congratulated Dr. Paschal Mubenga and the school system on its recent accomplishment of improving school grades. He also commented on his interest in creating a strategic plan for the county as compiled by leaders and staff.

Commissioner Dunston: No comments were offered.

Commissioner Dickerson: Commissioner Dickerson thanked citizens for their patience regarding the hospital and thanked the public for placing its trust in the county's leadership throughout the process.

Commissioner Speed: No comments were offered.

County Manager Angela L. Harris: Mrs. Harris reported on the following:

- Mrs. Harris commented on the accountability results of Franklin County Schools.
- Mrs. Harris commented on the sale of the shell building (Triangle North Franklin Business Park). Cedar Peaks Enterprises hopes to occupy the space by mid-2018.
- Mrs. Harris asked Planning and Inspections Director Scott Hammerbacher for a brief update on progress regarding Owens Park at Bull Creek. Mr. Hammerbacher stated in the last two months staff has finalized the \$250,000 matching grant, held follow-up meetings with state representatives and engineers. Work continues on construction and bid documents. Staff is moving forward with Phase 1 of the project at this time with construction expected to begin in the summer of 2018. Mrs. Harris stated due to liability, citizens are not yet permitted to hunt or fish on the property.
- Mrs. Harris plans to schedule a work session with the Board in the near future in order to share the work product created through the bond rating process.

11. CLOSED SESSION

The Board was asked to enter into closed session pursuant to North Carolina General Statute 143-318.11(a)(3) – Attorney-Client Privileged Communication.

At approximately 8:16 P.M., Commissioner Bunn made a motion to enter into closed session pursuant to North Carolina General Statute 143-318.11(a)(3) – Attorney-Client Privileged Communication. The motion was seconded by Commissioner Speed and was approved 6 to 1 with Commissioner Foy voting "NO."

At approximately 8:56 P.M., Commissioner Bunn made a motion to enter back into open session. The motion was seconded by Commissioner Dunston and duly carried approval with all present voting "AYE."

No action was taken.

At approximately 8:56 P.M., Commissioner Bunn made a motion to adjourn, seconded by Commissioner Schriver. The motion duly carried approval with all present voting "AYE."

Cedric Jones, Chair

Kristen G. King, Clerk to the Board