

FRANKLIN COUNTY BOARD OF COMMISSIONERS
MINUTES OF A CLOSED SESSION

DATE: February 6, 2012 (A)

STATUTORY REFERENCE/PURPOSE: North Carolina General Statute 143-318.11 (a)(4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations. The action approving the signing of an economic development contract or commitment, or the action authorizing the payment of economic development expenditures, shall be taken in an open session.

MEMBERS OF BOARD OF COMMISSIONER PRESENT: Chair E. Shane Mitchell, Vice-Chair Robert L. Swanson, Sidney E. Dunston, Donald C. Lancaster, David T. Bunn and Harry L. Foy, Jr. Commissioner Penny McGhee was absent.

STAFF PRESENT: County Manager Angela L. Harris, County Clerk Kristen G. King, County Attorney Pete Tomlinson, Economic Development Director Ronnie Goswick, Existing Industry Coordinator Richie Duncan and Finance Director Chuck Murray.

SUMMARY: Mr. Goswick and Mrs. Duncan provided information to the Board regarding incentive requests for Custom Dynamics and K-Flex USA.

Custom Dynamics is moving from Wake Forest to Franklin County and is requesting a three-percent incentive (\$29,100) based on a total investment of \$970,000. The incentive would be paid over four years at \$7,275 per year if awarded. It was noted the business is bringing 15 jobs from Wake County with the addition of two to three jobs per year in the future. The Board directed staff to move forward in preparing for a public hearing at its March 19, 2012 meeting and directed that the addition of jobs be tied to the incentive.

K-Flex USA is currently located at 100 Nomaco Drive in Youngsville, NC (Franklin County). The business is considering a move out of Franklin County altogether. In order to remain competitive and in an effort to retain the business, staff recommended a three-percent incentive (\$232,998) based on tax valuation of \$7,766,600. The incentive would be paid over four years at \$58,249.50 per year if awarded. It was noted K-Flex employs 145 individuals along with 65 seasonal employees. Mr. Goswick noted the incentive request is based on job retention rather than the addition of jobs and said he felt the incentive would persuade K-Flex to remain in Franklin. The Board directed staff to move forward in preparing for a public hearing at its February 20, 2012 meeting and directed that retention of jobs be tied to the incentive.

Date Approved by the Board: 5/21/12

Staff advised the Board that O2 Energies is considering locating a solar farm in Bunn adjacent to the Bunn Correctional Facility on Highway 39 South.

Kristen G. King
Kristen G. King, Clerk to the Board

E. Shane Mitchell
E. Shane Mitchell, Chairman



Date Approved by the Board: 5/21/12

**CLOSED SESSION MINUTES
FRANKLIN COUNTY BOARD OF COMMISSIONERS**

MEETING DATE: February 6, 2012 (A)

PUBLIC INSPECTION STATUS

A. Must Remain Confidential Permanently:

Authorized By:
Pete Tomlinson
Franklin County Attorney

Date

B. Released for Public Inspection:



Authorized By:
Pete Tomlinson
Franklin County Attorney

5/21/12

Date

C. Pending Further Review:

Authorized By:
Pete Tomlinson
Franklin County Attorney

Date

The Franklin County Board of Commissioners met for a Closed Session in the Commissioner's Meeting Room of the Franklin County Administration Building, 113 Market Street, Louisburg, NC, on the date indicated above.

The purpose of the meeting was to discuss matters relating to:

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|-------------------------------------|-------------------------|--|
| <input type="checkbox"/> | G.S. 143-318.11 (a) (1) | Not a Public Record |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (2) | Scholarship/Academic |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (3) | Attorney-Client Privileged Communication |
| <input checked="" type="checkbox"/> | G.S. 143-318.11 (a) (4) | Industry/Economic Development |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (5) | Real Property Purchase/Contracts/Leases |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (6) | Personnel |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (7) | Criminal Investigation |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (8) | Board of Education Emergency Response |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (9) | Public Safety (Act of Terrorism) |