

The Sampson County Board of Commissioners convened for their regular meeting at 7:00 p.m. on Monday, September 9, 2013 in the County Auditorium, 435 Rowan Road in Clinton, North Carolina. Members present: Chairman Billy Lockamy, Vice Chairman Jarvis McLamb and Commissioners Albert D. Kirby, Jr., Harry Parker, and Jefferson Strickland.

The Chairman convened the meeting and called upon Commissioner Parker for the invocation. Commissioner Strickland then led the Pledge Allegiance.

### **Approval of Agenda**

Upon a motion made by Commissioner Strickland and seconded by Commissioner Kirby, the Board voted unanimously to approve the agenda with the addition of a budget amendment regarding Community College roofs.

### **Item 1: Roads**

Monthly Report - NCDOT Keith Eason, NCDOT Assistant District Engineer, was present to answer questions and concerns of the Board and citizens in attendance. Mr. Eason reported that paving on Ballance, Jasper and Darden Roads was completed, with Fleet Naylor Road to be completed in the next week or two. This will complete the paving of secondary roads as planned, he added. Mr. Eason announced that the Fall Litter Sweep campaign would take place from September 25 - November 1. He noted that supplies were available at the NCDOT office for participating volunteers. DOT Maintenance crews will designate one week to trash pickup; Adopt a Highway groups would be participating at the same time, and other volunteer groups are needed.

Request for Addition of Oak Hill Drive and South Oak Lane to Secondary Roads System Mr. Eason explained that the roads of the subdivision met the standards for inclusion in the state system, and a resolution from the Board was required for the Department to proceed to accept the road. Upon a motion made by Commissioner Kirby and seconded by Commissioner Parker, the Board voted unanimously to adopt a resolution requesting the addition of Oak Hill Drive and South Oak Lane to the State secondary roads system. (Copy filed in Inc. Minute Book \_\_\_\_\_, Page \_\_\_\_\_.)

### **Item 2: Planning and Zoning Items**

RZ-8-13-1 Planning Director Mary Rose reported that the applicant had withdrawn their rezoning application.

TA-8-13-1 The Chairman opened the public hearing with regard to the request to amend Section 9.3 of the Sampson County Zoning Ordinance in regard to signs not requiring a permit. Ms. Rose explained that currently the zoning ordinance allows for one bulletin board for each school or other public building and for each church, synagogue or place of worship, provided that it be located on the same premises and shall not exceed fifty (50) square feet. She noted, however, that many county churches are located off the road and do not own road frontage; therefore the Planning Board had reviewed the amendment request to remove the language that the sign must be on the same premises, thus allowing churches to obtain easements for one sign. Commissioner Kirby asked how often this had occurred, and Ms. Rose stated that it had occurred on at least two other occasions, but that many churches do not pursue it further once they know the regulations. The floor was opened for comments, and none were received, so the hearing was closed. Upon a motion made by Commissioner Kirby and seconded by Commissioner Parker, the Board voted unanimously to amend section 9.3 of the Sampson County Zoning Ordinance to read as follows:

9.3 E. Bulletin Board. One bulletin board for each school or other public building and for each church, synagogue or place of worship, provided that it shall not exceed fifty (50) square feet, such bulletin board may be free standing or attached. In residential districts, illumination of bulletin boards shall be white, non-flashing lights.

### **Item 3: Reports and Presentations**

Presentation of Regional Transportation Locally Coordinated Transportation Plan Joel Strickland, Mid Carolina RPO Transportation Coordinator, reviewed the Locally Coordinated Human Service Transportation Plan, which NCDOT requires to be in place and updated every five years. He explained that local community meetings had been held in four counties, with Sampson County's meeting held on April 29<sup>th</sup>. At these meetings, participants developed a list of needs and areas where they believed services could be improved. Upon a motion made by Commissioner Strickland and seconded by Commissioner Kirby, the Board voted unanimously to endorse the plan as presented. (Copy filed in Inc. Minute Book \_\_\_\_\_, Page \_\_\_\_\_.)

### **Item 4: Action Items**

Public Hearing – Rural Operating Assistance Program Grant Funds Staff requested that this hearing be rescheduled to October to allow for the publication of notice in a Spanish language newspaper, as required by NCDOT regulations. Upon a motion made by Commissioner Kirby and seconded by Commissioner Parker, the Board voted unanimously to reschedule the hearing for the October regular meeting.

Public Hearing – Community Development Block Grant for Economic Development Projects The Chairman opened the public hearing and called upon John

Swope who explained that Sampson County was seeking funding for infrastructure improvements related to economic development opportunities at properties located on Highway 24 in Clinton (Chemtex rail spur, \$780,000) and Interstate 40, Exit 355 (\$292,425 to extend water line and a 500,000 gallon water tank). He noted that an initial public hearing was required before engineers and staff submitted a pre-application to determine the viability of the application for CDBG funding. The floor was opened for comments, and the following were received:

Frances Parks: Since I was here the last meeting, I can tell you I have visited another Enviva industry. I'd like to share with you what we found in Garrisburg. First of all, it was located right in the middle of an African American community. We were told by the citizens that there were probably over 400 people in this community. One lady that drove us around and showed us different aspects said that there was one Caucasian that lived in that community, and even showed us the house where that Caucasian lived. They're in the process of building a new road to their plant. We sat down and talked with a lady that had to be well over 80 years of age. They've taken part of her front yard for the road. There's not much front road to her house. She said my big complaint is I cannot sleep at night. Now I want to remind you that every five minutes, or approximately every five minutes, there are trucks on that road 24 hours a day. Suppose that was in your backyard. How much sleep could you get? I want to raise some questions with you. If you compare Mr. Kirby and myself, the only difference about him, besides our sex, is the color of our skin. I would challenge you to get on the Internet and find out who has been dumped on in North Carolina, and truly it's our African Americans. I'd even challenge you to look at Sampson County. Where's that fantastic landfill? Have any of you been out there to talk to those people? I have. Their lives will never be back where we were before we built that landfill. I wonder what chance you'd have to go out in the Clinton Country Club and put an Enviva plant across from there. I think I can tell you the answer. It would never fly. Those people would raise enough sand that you wouldn't put it there. The only difference between Mr. Kirby and myself is the color of our skin. I would encourage you to stop dumping on our African Americans. Their lives are just as important as our life as a Caucasian. I hope you will think long. I hope you will think good thoughts, and I hope you will say no to Enviva.

Doug Duncan, Director of the North Carolina Association of Professional Loggers: We represent over 620 businesses in the state who make a living out of harvesting and transporting forest products. We also serve the private landowner. Ninety-five percent of the timber in the state is owned by private landowners and being able to provide good, solid markets for them is very important. Chemtex is a world class company in my opinion. I've met with their corporate management three times. They're showing extreme diligence in coming to this community. I wanted to have Mr. Bobby Goodson come after me. Bobby Goodson and Mr. Sherwood Padgett - we actually had Chemtex management come out to their logging jobs. They were very interested in how the

whole process operated, the safe logging and trucking practices, the sustainability and replanting. That really pleased me that we were able to take them to the jobs. Our Association is here in support.

There being no further comments, the hearing was closed. Upon a motion made by Commissioner Kirby and seconded by Commissioner Strickland, the Board voted unanimously to authorize the submission of a pre-application for economic development grant funding.

Public Hearing – Proposed Appropriations and Expenditures for Economic Development Activities Related to Enviva Pellets Sampson, LLC The Chairman opened the hearing and called upon Economic Developer John Swope, who provided an overview of the proposed project. He explained that the project met the minimum thresholds of the County's incentive policy and that the hearing met the notice requirements of the policy. Mr. Swope presented the company's 5/14/2013 letter of commitment to investment and job creation, noting that the investment amount could be slightly different, and incentive numbers would be adjusted accordingly. He discussed the potential incentives from the State, including NCDOC job investment grants, community college system grants, NC Rural Center, Golden Leaf and NCDOC CDBG economic development grants. Mr. Swope reviewed the performance based incentive proposals. (Presentation materials filed with Clerk to the Board.) Following Mr. Swope's presentation, the floor was opened for comments first from the company, followed by public comments:

Glenn Gray: I work for Enviva, involved in project development and construction management. The three sites that we have, two in North Carolina and one in Southampton County. I have been responsible for the construction of those facilities. Mr. Corey Glenn, who you've been working with, we weren't sure of his schedule this evening, so I'm filling in for him. He did make it back, but he's been in Richmond County attending a public hearing there which we're pleased to say that they unanimously approved the incentive package there. We're excited about this project. I know you've read a lot of information and seen a lot of information about our company. We're proposing to build a project here in eastern North Carolina, and as you know one of the sites we're investigating is here in Sampson County. I need to be clear. This is just the first hurdle that we have to go through and get over in our due diligence process. We still have issues with the State Economic Commission we have to deal with, and we also have some issues that have to get approved with the Port Authority. So we're moving forward with those simultaneously with coming to ya'll and requesting your assistance with this incentive package. John has gone through quite a few things. I'm not going to attempt to go through the entire package, but I do want to emphasize some key points that I think deserve some extra attention. We are looking to build a facility that's going to cost between \$95 million - \$117 million. The reason there is a range is every time we build a facility, once we complete that, we go back and do a

value engineering study. How can we do it better? How can we make it perform better? How can we reduce our costs? We do this on every one of our projects, and we've been able to accomplish all the above. We make them more efficient. We get a little more tonnage out of them for the same amount of dollars, and we're able to reduce the tonnage, reduce the dollars because of this process that we go through. That's why there is a range in there. A lot of it would have to do also with the requirements we get from DENR in terms of pollution control equipment we might have to install. That can have a big impact on the cost. If they say you don't have to put in an RTO for example - a regenerative thermal oxidizer - that could reduce the costs. This facility will have 79 full time positions. There's another 140 jobs that are indirectly related to the plant. Most of that would be in the logging and trucking industry - a significant number, almost double what we would have at the plant. Every one of those jobs at the plant, the average hourly wage would be in the excess of \$35,000 per year. In addition to that, Enviva also has a 401K program for all its employees. In addition, we have a very good healthcare program for our employees at a very minimal cost, substantial benefits in addition to the salaries. During the construction, and I know that's a short term benefit, at Southampton, we're pushing 350 on site. An analysis of those dollars, with that number of people, puts \$125 million into Sampson County during the course of the construction period, not an insignificant amount. The studies you have in front of you go through a lot of this information. We do want to talk a little bit about the process. The layout of the site as being proposed, the intent is to leave a large buffer all the way around the site. We've positioned the facility as far away from the road as we could to leave this vegetative buffer all way around. Those trees would not be harvested to construct the plant. We would have our wood trucks coming in getting unloaded. We will be using round wood and chips. It will be predominately pine, some hardwood, pulpwood, predominately pine thinnings, things that are just typically left in the woods. That material would then get chipped up and resized and go through a drying process. We take the moisture from the 40-50% moisture that it comes in and dry it down to 10, 12, and 15%. From there the material gets resized again. Nowhere in this process are we using any chemicals. We don't have any waste. The amount of water we use is minimal. That's why we won't be requiring the sewage system. So, there are no pollutants coming out. All of our drying systems and all of our air handling systems will have filtration systems on them. We'll meet all the federal and state regulations for environmental constraint. That's not an option for us. That's just the way we do business. After the material comes out of the dryer and gets resized, it goes into a storage facility. From there it will go through a series of pelletizers. Have you seen samples of the material? It looks like little rabbit food. Really, the only reason we turn it into a pellet is to be able to ship it. It increases the bulk density. We can get more weight on a truck. It makes it easier to ship. Of course, all our material is going overseas. The product out of this facility is already sold out. They are waiting for us to make the first pellet, and they'll take it all. It comes out of a pelletizer into storage, into a bulk loading system, deposited into a truck. We'll be sending out about three trucks an hour, 75 tons an hour. We don't build a facility until the capacity of that plant is already sold. That's

why our scheduling is so critical, because we enter into long-term contracts with companies – 8 or 10 years in many cases. The downside of that is we have to start producing by a certain date contractually or we enter into liquidated damages. Our schedule is very critical. We have to identify a site, get that site permitted. We have to get equipment ordered. Some of the equipment is a year's delivery. Our schedule becomes very compact very quickly.

Corey Glenn: Typically our contracts do consist of 7-10 years. Most of those contracts also have two renewal periods attached to those, so typically the plants are designed and built for 20+ years.

Glenn Gray: We're looking at the life expectancy of a plant like this in excess of 30 years. This not unlike – my background is in the composite panel business – not uncommon to see OSP plants running 30+ years.

Chairman Lockamy asked if the drying process used natural gas.

Glenn Gray: We won't be using any natural gas for drying. All of our fuel will come from the bark that we take off of the round wood. We might have to supplement it with some purchase fuel, no gas. The gas, if we need gas, will be used in an RTO – a regenerative thermal oxidizer. If DENR requires us to have one, that is fueled off natural gas.

Commissioner Kirby asked what percentage of the workforce was actually from the county the industry was located in.

Glenn Gray: The last numbers I saw for Northampton County, it was like 81%. We don't always have a lot of control over that.

Commissioner Kirby asked what he would say to citizens concerned about pollution or negative environmental issues with the process.

Glenn Gray: I'd like to emphasize that we do comply with every state and federal regulation. In most cases, we exceed those regulations. Each one of the plants we have built through our value engineering, we've made each one of them better. When we started up in Ahsokie, we had some issues. We were still in compliance, but there were some issues we weren't pleased with. We've addressed some of them. We're continuing to address the others. Those processes there got carried over to Northampton, so we've made all those better. There's still some things we're working on. Southampton will be better than Northampton. With the next cluster of plants, we'll continue to get better as we move forward. We learn with each one.

Commissioner Kirby asked him to speak specifically about the Ahsokie concerns.

Glenn Gray: The issue we had was an imbalance in our air system coming off our pellet coolers. What we've had to do is increase the size of the collectors, increase the size of some rotary valves, to accommodate the greater volume that's coming off those coolers from what we anticipated in our engineering studies. There's two things to keep in mind there. One, we addressed the problem, and we're going to fix the problem. Secondly, the Ahoskie site is 39 acres; it's very small. One of the things we learned from Ahoskie is we need a bigger site. We need to be better able to control. If there is a condition we need to be able to have a larger buffer around our sites to accommodate if something like that should happen.

Corey Glenn: We also had some surface dust conditions in Ahoskie. Since then Glenn has been able to address that by adding asphalt or concrete, trying to make it as sterile as possible.

Commissioner Kirby asked that with respect to the process by which pellets are produced and the equipment used to produce them, was anything added in the Northampton plant that was not in Ahoskie to control the dust.

Glenn Gray: Yes, we increased the number of collection systems so that the grain velocity coming into those systems is now much smaller. We reduced the air. We've made the systems larger and more efficient. Both the systems have wet ESPs on the dryers systems. They're worked really well. We've put more covers over our conveyors, so we're not getting fugitive dust coming off the conveyors. We're going to a better collection system on our pellet screens and material handling screens. We've made them larger and put a better system with hoods over them, so we've cut down on the fugitive dust around the equipment.

Commissioner Kirby questioned if dust were coming from the smoke stack, and Mr. Gray stated no.

Corey Glenn: We haven't forgotten Ahoskie. We've gone back with lessons learned and continued to improve the system there.

Commissioner Strickland asked how the proposed buffers for the Sampson County site compared to other sites.

Glenn Gray: Much larger, 122 acres. At the Northampton facility, we don't have near the vegetative buffer you see here. Even though we don't use the entire site, the footprint is about the same, but the area around it is clear. The site is much larger [in Sampson]. In Northampton, we are in the process of planting trees, putting berms up to help out with any noise.

Commissioner Kirby stated that he had been told that the substance from the smoke stack was nothing more than steam.

Glenn Gray: That's correct. The drying processes for wood will have a smokestack, about 90 feet high, steady plume of steam coming out. Basically moisture coming off the wood, in the drying process. Going into dryer at 250 - 260 degrees, the outlet temperature is at 140 degrees. The wood is in a big rotating drum, about twenty minutes.

Commissioner Kirby asked for clarification was something burning and what was producing the steam.

Glenn Gray: The furnace that's generating hot air. We're heating hot air, blowing the hot air through the dryer, so not unlike hot water radiator. You've got hot air coming across it, and it dehydrates the wood.

Commissioner Kirby asked if there were wood products in the water.

Glenn Gray: The air stream that comes out of the dryer goes through a wet electrostatic precipitator that will take any of the fine dust that would happen to be coming through with that air out.

Commissioner Kirby asked Mr. Gray what exactly was biomass.

Glenn Gray: Fuel that we burn for heat. Our pellet clients are buying it to burn in lieu of coal, trying to reduce greenhouse emissions. We are required by the state to run stack tests, and there's very stringent limits on the state and federal level as to the amount of particulate which can come out that stack. There is some particulate (dust), but it's a very small amount.

The Board took a ten minute recess before entertaining comments from the floor. When they reconvened, the following were received:

Bobby Goodson: I didn't come to ask for money or borrow money, came to have a different market we could sell our wood to. One thing North Carolina needs is jobs, and we need jobs desperately. This is what we need in this country. We've got to start producing something again. We're a consuming nation, and we're not making anything, and this is a start back in the right direction - making something we can sell to the outside people. That's what made us great to start with. I notice on your symbol back there, it's got trees on the side of it. This is as green as it gets. Trees grow just like a crop does. You can cut and 10-15 years, they'll grow again.

Doug Duncan, Association of Professional Loggers: For every one person inside of a plant such as Enviva's, there's five people at other jobs. Some people would say indirectly; I would say directly. The loggers, the truckers, the landowners, people who supply fuel, the part stores, everybody involved. So, it's a tremendous boon to the economy to have a plant come like this. [Asked for a show of hands in the audience who were family logging companies, truckers or forest landowners.] I think everyone here to a person would say they would benefit from this type of economic situation. Our Association saw a problem several years ago in that as our industry expanded we did not have trained, skilled operators. So, I am pleased to tell you that we have resources in our organization. We're training young people now to operate new logging equipment. With the help of Gregory Poole and Caterpillar, we're training these folks, and 100% of the log jobs coming out of that program are getting jobs. We're doing this to respond to the industry. We invite you to come as complimentary to the largest logging show in the East Coast - Logging and Biomass Expo. You can see some real biomass being made with the chippers. In Smithfield on the 20<sup>th</sup> and 21<sup>st</sup>, hosted by our organization, the NC Forestry Association, Hatton-Brown Publishing. There will be a substantial amount of wood purchased through this facility, a lot of it between 80-100 miles, which is actually going to benefit this region directly.

Tommy Norris: I'm a registered forester here in the State of North Carolina. I've had the opportunity over the last forty years to practice forestry primarily in Eastern North Carolina. I've had that opportunity for two reasons. The products of our forest are renewable resources. And two, we have had markets for it. Markets are important. If you hear one thing I say tonight, the most important thing that we can do to ensure healthy forests, fully stocked stands of timber that are not only producing product, but also producing oxygen for us to breathe - the most important thing that we can do is have markets for the products that come out of the forest. Over the course of those 40 years that I've been here, markets have changed. Some of the markets have gone away, but new ones have come. I would hazard to guess into the future that that will happen. To have healthy forests, we need good markets. The better the markets are, the more the landowners will do to grow the product. If they can sell the products for more. What a tremendous opportunity you have in this county. These folks didn't have to locate here. They can move left or right a little bit or up and down a little bit. It's about jobs. This national needs jobs, non-government jobs. People that are producing something.

Grover Ezzell, Ezzell Trucking: Enviva requested me to share with you experiences our company has experienced with them since they've arrived in North Carolina. Ezzell Trucking was founded in 1951 by my father, and 62 years later, we're a thriving business. We're located right here in Sampson County. We have 158 employees. We're growing thanks to the forest industry. Our company transports wood residuals consisting of wood chips, bark shavings and wood pellets. We move 300 loads daily. Our customer clientele includes companies that you will recognize: International Paper, Weyerhaeuser, Georgia Pacific, and here locally, Turlington Lumber Company, and also

Enviva. In 2011, Enviva chose Ezzell Trucking as their dedicated carrier to transport wood pellets from their product plant in Ahoskie, North Carolina to the Port of Chesapeake. In 2012, Enviva chose Ezzell Trucking again to transport their wood pellets from Roanoke Rapids to the Port of Chesapeake. I can tell you from my personal experience that they have been a great partner. The main reason Enviva chose our company as a dedicated carrier is because of our reputation in the industry, and our commitment to safety. Enviva makes safety and sustainability non-negotiable. They continually strive to improve environmental conditions in the communities in which they operate. They live with integrity. They are honest and candid. They do what they say. In other words, they practice what they preach. From my perspective, they are demanding, but fair. From personal conversations I've had with foresters, and many are here tonight, Enviva strives for environmental leadership, not just compliance. Compliance is just the minimum, and they far exceed that. They believe in giving back to the community. When I learned that Enviva was negotiating with the Port of Wilmington, I was an advocate for Sampson County. I talked at length about our community with Chris Wardrail, Director of Logistics for Enviva. I told him we had the perfect location. In my opinion, we are fortunate that Enviva wants to make a home in Sampson County. They'll be locating somewhere in this part of the state. Our community, Sampson County, is where they need to be. It's estimated this operation will provide over 300 good paying jobs. We need more industries to provide good jobs for the unemployed. This would help the sluggish economy by adding income and tax revenue. This is a stable organization. It's going to be here a long time. I urge you to please accept them as a part of our community.

AK: Do you know, if the plant located here if Ezzell or other local companies would be utilized to transport the products.

Mr. Ezzell: I can tell you that Ezzell Trucking would be trying to get some business from them. I am sure that we would have competition, just like our County has competition just like other counties trying to recruit businesses like Enviva. Being from Sampson County, I certainly hope they will give preferential treatment to loggers and employees who want jobs for Enviva.

Travis Hughes, Resource Management Service: Our company manages about 240,000 acres of forest land in North Carolina. One of the things that I have seen over the last 4-5 years is that you see our industry losing mills, mills closing, people going out of business. This is a very good opportunity to turn that around, and it's a good opportunity for Sampson County. There's not been many counties to get this bracket, putting that many jobs back into play. It's definitely something we need in this industry.

Mike Goodson: When we're talking about markets and jobs, I come from a family - my nephew Justin back there is fifth generation; I'm 4<sup>th</sup> generation logger - I am from a

family we had eleven separate logging companies and over the last few years we're down to three companies. That's all that's left in our family. We need these markets. I'm envious that it's in Sampson County. I'm from Onslow County, and I wish it was our county. I wish we had something like this going. I wish they had come to us. Y'all have got a really good opportunity to create jobs. I hope it goes because we need different markets. The real deal is that there are loggers and logging families that have completely gone bankrupt, and we need jobs.

Jean Bryson: I was asked how the sawdust gets out of the building. So we had some pictures we took at Ahoskie. You can see. A few minutes ago someone said they had heard there were people that maybe were having problems with filters from their swimming pool. You've heard it again, because this is the filter. This was a white filter. It was one half mile from the Ahoskie plant. It was used for 24 hours. If the filter looks like this, aren't you going to breathe the same thing? The people there have a problem with dust. They have a problem with noise. On the fourth page, that gentleman is retired. That plant is next to his house. When the plant came everything he owned was worth less. That's going to be the same thing that is going to happen to some people here in Sampson County. Everything they own will be worth less. They have noise. This Ahoskie plant, as you heard, was opened in 2011, so it can't be very old. We were told you need to look at Northampton. We've solved all the problems. It's a newer plant. So, we did. They've still got sawdust. They've still got noise, and they had a buffer. That buffer did have some trees on it, but it doesn't now. The tallest thing was dog fennel, about 3-4 feet high. Is that the kind of buffer you had in mind for us? They're told that they will plant it back and then that will be the buffer. It takes a long time before a tree can be tall enough that it's going to be any kind of buffer to help with the noise and sawdust. The gentleman in Ahoskie says the noise is greater at night because they have more activity at night. You can get cheaper electric rates at night. You can't blame people who don't want to be disturbed in their sleep. He says it's like an old commercial for Excedrin. It just keeps on making this noise. That's what you can expect there. Are you aware they told us that the air conditioning and the heating systems has this dust get in them and that creates problems. Within .6 mil of this there are three commercial heating and air conditioning systems. Within another mile from that, still in Sampson County (these people are paying taxes), there are 20 more. You can't believe the new food safety laws. This is an area that grows a lot of food. If you have a strawberry field or a blueberry field and the sawdust is coming down on it, how can you clean off that much out of strawberries enough that it would be alright to put that in the market? When we were there we asked the people around Northampton - I talked to five different people, we knocked on people's doors at random - we wanted to know what difference it has made for you. The first statement I remember, the gentleman said it has destroyed our neighborhood. Another lady - she was not at home, she was at work - but a lady who lives 1/2 mile further than she does from the plant said that she can see her pictures vibrating on her wall. Is this what we want for Sampson County? You get all these figures and you get finished figuring what they're

going to pay back and what they're going to pay – County folks like me are going to say well we'll talk about this property, are they going to get it for \$100 for an option? Then Mr. Jimmy Thornton's going to tell you he's got to have another deputy, and that deputy's got to have a car because the traffic is already bad at this intersection. Then when you put all these log trucks out there, about one every five minutes. There are already people going through there. Forget about putting a yellow light. There's a yellow light at Calypso. There's a yellow light at Highway 50, and the people coming from 795 are going through both of those intersections at 70 mph. They're going through this intersection; some time they can't even slow down enough to see where the U-turn is. Get that and just hope the Sheriff can get by with just one deputy. This is a wet area. If there's going to be a fog around, that's the last place the fog lifts, but now we're going to have the steam that comes out of the stack. We're going to have some sawdust in that steam. We're going to have all these people that are from out of state that are out there. By the time they know what lane they're supposed to be in, we've got lots of tire marks out there. We've already had two trucks turned over trying to get on I-40 toward Raleigh because they were going so fast they couldn't make it going down the ramp. Add this to the situation we already have, and just tell Mr. Thornton he's doing a good job if he's only asking for one deputy.

Charles McCarty: From N.N. Ellis Road, 1 ½ mile from proposed site. We're not against logging. We have concerns because of my granddaughter McKinley. The filter is from Ahoskie in June. She was born in June, so they don't quite have their problem fixed.

Steve Youst: From NC Southeast Regional Economic Development Partnership, a regional organization of 13 counties for economic development, including Sampson County and Richmond County. Our mission with our organization is to market this region for new business and industry locations that would create new jobs and net new economic growth for the region. We are especially focused on assisting our rural counties in the region. We strongly support this industry project for Sampson County and southeastern region primarily because of its positive economic impact that it will have. Part of our strategic planning, and what we do in economic development is building on our key regional assets, and three of those assets in our region include the Port of Wilmington 60 miles down the road, the strong agriculture and natural resources base that is really second to none, and third, our excellent roadway system, primarily I-40. That combination of assets enables a project, a company like Enviva, to consider Sampson County for a \$100 million investment. There's a lot of counties in my region and elsewhere across the state that would love to have this opportunity for this sort of economic investment. I don't think there's any doubt that everyone in this room wants more quality job opportunities in Sampson County, and especially in our rural areas. This company and this industry sector that this company is in would create manufacturing jobs that would pay higher than county average. The wood products section is already a very established industry sector in Southeastern North Carolina. So this project would fit very nicely within that cluster. We have some of the types of

skilled employees who could fill those jobs very well. Concerning Enviva's impact on the region's forest and wood availability, we very much like the fact that the company is certified with the Forest Stewardship Council, the Sustainable Forest Initiative and other forestry organizations. All of those organizations are held in high regard nationally and globally. We believe any company in their sector would be acceptable for their use of wood materials so that we have sustainability to sustain those jobs and those industries and companies of the future. We at North Carolina Southeast strongly support this project and encourage you to support its implementation here in Sampson County.

Greg Pate, State Forester for North Carolina Forest Service: The Division of Agriculture, which the Forest Service is a part of, we strongly support Enviva and your consideration of their project. We work not only closely with landowners in Sampson County, but in the surrounding region from the 80-100 mile area from where the wood products would come for this project. What we need in the forest sector is markets. This will create a market for landowners for a product that they directly need to have a market for. An interesting statistic is – and we do forest inventory across the state every five years – there is 50% more available wood in this state now than we had 50 years ago, with less timberland. We're learning how to grow timber better, more sustainable through some of these initiatives such as the Sustainable Forest Initiative, and the initiatives that Enviva is a part of. Through Ranger Jones and his assistants and rangers throughout the state, we work closely with the logging industry to ensure that logging is done in an environmentally safe and sound way, meeting the water quality guidelines that we help them to enforce. We would speak very highly and recommend that you adopt this project on behalf of Commissioner Troxler and the Department of Agriculture and the North Carolina Forestry Service.

Jack Swanner, North Carolina Forestry Association: We represent 3900 people in this state, mostly landowners and loggers and traditional industries such as pulp paper and solid wood markets, and emerging new markets such as Enviva. I extend an invitation to this Board, we would be happy to work with you on the resource side, visit places, see places, talk about forest resources.

Charlie Marshburn: In response to the lady about Ahoskie. On that very site prior to that was a saw mill. I can't help to think that in time past that there wasn't some noise and might have been some dust – not just something that has been beginning. The company I am with is a wood supplier to Enviva. They are topnotch.

Deborah Kornegay: There are several important reasons why I oppose the Enviva plant at Exit 355. The last time I addressed this Board I spoke about my trip to Ahoskie and all the dust that inundated the citizens living near the Enviva plant there. I also advise you that a complaint had been filed with DENR and an investigation by DENR has substantiated that complaint. I spoke to you about particulate matter and its

detrimental effect on human health. Tonight I have a handout from Region Seven Programming of the EPA entitled "Health Effects of Particulate Matter." This handout makes it pretty clear that particulate matter in the air is just plain bad for you. In addition, I have with me a list from the International Agency for Research on Cancer which lists wood dust as a Group 1 carcinogen and also a national toxicology program 12<sup>th</sup> Report on carcinogens which lists wood dust as a known human carcinogen. My second concern about the Enviva plant is the deforestation. We all learn early on that trees are important to air quality, that they basically breathe in carbon dioxide and breathe out oxygen. A logger can cut a tree in a matter of minutes with a chainsaw, but it can take decades for a tree to grow to full maturity. Our trees would be used by Enviva to produce wood pellets, which would be then be shipped to Europe and incinerated to produce electricity. A front page article from the Wall Street Journal states that Europe doesn't have enough forests to cut for fuel and in those that it does have many restrictions apply. So Europe's power plants are devouring wood from the United States. The United Kingdom requires loggers to get permits for any large scale tree cutting. They must leave buffers of standing trees along water lines, and they generally can't clear cut wetlands unless the purpose is to restore habitat altered by tree planting. Switzerland and Slovenia completely prohibit clear cutting. The articles goes on to say that the pelletizing community appears to be growing faster than rules to guide it. Principles that the European Union has told members to follow say wood for energy can't come from forests that aren't reforested after cutting. Also trees from sensitive areas like wetlands, old great forests or areas of wide bio-diversity aren't supposed to be burned for power. Doing so would violate sustainability criteria the European community has outlined. However, in North Carolina, wood from forests with trees more than 100 years old, including some from wetlands, does wind up in pellet plants, according to loggers. In recent months, foresters have clear cut portions of two such in the Roanoke Rapids area and have delivered some of the wood to Enviva's mill in Ahoskie, loggers said. Logger George Henderson said earlier this year he sold Enviva several hundred tons of hardwood that his crew clear cut from a swamp that hadn't been logging in about a hundred years. Stanley Riggs, a geologist at East Carolina University, says that besides the animal and plant habitat that mature wetlands provide, they help prevent flooding. He said that clear cutting them is destroying our whole ecosystem. General deforestation is a bad thing. Allowing tons and tons of wood from our forests to be indiscriminately cut, made into pellets and shipped abroad is tantamount to opening Pandora's Box. We have less trees to clean up our air. We're opening up areas to increasing flooding, and we disturb plant and animal habitats. And we're doing all that to produce energy for foreign countries that tightly regulate their own logging industry and for out of state investors to make a lot of money at our expense. My third reason is the nearest neighborhood to this facility is the Martin Luther King subdivision, a predominantly minority neighborhood, and as a County commissioner you shouldn't be willing to vote for any industry that you wouldn't be willing to locate across from your own home. If it's too polluting or too noisy for your neighborhood or the Country Club, then you shouldn't be voting in good

conscience to put it in someone else's neighborhood. My fourth reason is all the trucks coming in. My final reason for opposing this facility is the fact that the property at Exit 355 is an excellent location for a commercial site. If you bring an industry there that is going to dust everyone and everybody with particulate matter, clean industry or commercial enterprise will be hesitant to invest in such an area. Lastly, I would like for you to find out why the Ahoskie plant needs a Title V air permit if all that is coming out of the smokestack is steam.

Anthony Sessoms: I am a CPA, managing partner of a practice in Clinton, the managing partner of a retail business in Clinton, and I serve as the Chairman of the Sampson County Economic Development Commission. My perspective is both as an advisor and as a retailer. I'm in favor of Enviva based upon the commitments made by them to this project and the opportunities that this company will bring to Sampson County. I think the company has a good reputation and will provide a good opportunity for the County. As Mr. Swope noted, they expect 79 direct hire jobs, 100 indirect and 30 trucking jobs. The total labor force would be over 200 when the company is operational. Also noted is that 300 construction jobs would be in force during the construction phase. But you could also add to that the expanding opportunities to those who are involved in the timber activities - which many have mentioned here tonight - by giving them more markets for the timber and the industry they work in. In the past Saturday's Fayetteville Observer, a headline article was entitled "*North Carolina's Jobless Rate Lags Behind Nation's As Economy Struggles to Recover.*" In that article, Paul Woolverton, the reporter, writes: *Hundreds of thousands of people in North Carolina remain out of work. Many who have jobs see their pay eaten away by inflation. In much of the state, good-paying manufacturing jobs have gone away, replaced by lower-paying jobs in the private sector.* I am sure many of you may have read that article. Ironically, in that article it was noted that elected officials have little power to help the economy. However, tonight, the purpose of this meeting is to discuss the power that you do have, that you do possess to improve Sampson County's economy. You have the opportunity to approve the incentive package to bring Enviva to Sampson County. You have the opportunity to bring good paying manufacturing jobs to Sampson County citizens. I would like for you to also think of this as an investment. Sometimes, you've heard it said, you have to spend money to make money. You have to do that in government as well as in private practice. You have already purchased the land which was zoned for this type of industry. It was purchased for this very purpose - for commercial development and growth. You're being asked to offer a very good incentive package to Enviva. As you know, this is already an acceptable and expected practice in order to be competitive. The return on this investment is having a company that will employ many of us and will increase the tax base for the County. Yes, it is an investment, and like any investment, you are required to make some expenditures and give up some assets. But, you're also doing so to get a return on that investment. The returns are the jobs that have been mentioned. A real benefit will be the grant proceeds to extend water to that interchange. It was just recently noted that that is a great commercial site, but it is

lacking infrastructure. This helps us move that infrastructure into place with a grant of \$1.5 million. Mr. Swope has already shared with you the return on the investment with respect to the property taxes, but I want to share with you some advisory board comments that were made at recent meetings over this project. The net cash flow to the County from the collected taxes is higher in the first several years. By 2018, which will be year three in terms of tax collection, over one third of the purchase price of the land and site development costs will be recouped. From a risk perspective, this lowers the risk on that investment, since much of that will be returned early on in the project. I think it was mentioned that these are long-term contracts that will be entered into, so this lowers the risk of the project. I would also like to remind you that as more people will be employed in Sampson County, many of them will be spending money in Sampson County. I can say as a retailer and as a service provider, I'm looking forward to the opportunity to see more jobs and more disposable income being spent in Sampson County. So I please ask you to consider this as a positive development for Sampson County.

Larry Sutton: Let me begin by saying I want to applaud these ladies that are giving us the possibly harmful effects from having this plant locate here. Oftentimes, those voices aren't heard. Oftentimes those voices aren't recognized. I think it's important that we assess the complete picture of bringing in this new facility. NIMBY means "not in my backyard." We don't know the effects of the pollutants that appear to be causing some areas some harmful effects. They mention Ahoskie. They have been to these places. They have talked to people who live in these places. I suggest that before we decide on this - either for or against - that we have a clear picture of the pollution effects in Ahoskie. Let's not ignore this because they do have a point of view that should be listened to. That's part of comment. The other part of my comment - the County is offering incentives to this new company to come here. That's fine; that's good. But at the same time, are we aware of the company's employment history and practices when it comes to being fair, when it comes to employing all our citizens. I would hope that the County has in place or would have some influence on ensuring that there is a minority percent considered when it comes to employment. Tax dollars are being spent here, and those tax dollars are from across the board taxpayers. We have a high percent of employment, but normally it's twice as high as non-minorities and blacks in the County. Is there a guarantee of some sort that will make sure we consider who's being employed, based on what criteria? Is it being done fairly and across the board? That's important to me also because these are tax dollars. I pay taxes. I would love to have that money spent fairly and used fairly. In closing, we know we need jobs. The economy is rebounding, and this will help us to rebound even more. In the meantime, let's make sure we are doing this fairly, considering all the variables that play into the big picture and do what is right for everyone that is involved.

Glenn Gray: Mr. Kirby had asked Mr. Ezzell about companies having opportunities other than Ezzell Trucking. Ezzell Trucking is handling the shipments of pellets out of

two of our facilities, and they've done just a wonderful job of servicing our plants. All of our services are put out for competitive bids, and typically if it comes down to there's no difference between two bids - they are virtually the same - we'll always give preference to a local bidder.

There being no further comments, the Chairman closed the hearing. It was noted that the Board would consider certain matters relating to the project in Closed Session at the end of the agenda, and that any action taken would occur after that Closed Session.

Amendment to Medicaid Transportation Contract with Enroute Transportation  
County Attorney Annette Chancy Starling reported that Ricky Moore of Enroute Transportation had submitted a request to amend his contract to reduce his rate to \$1.54 per mile with the same fuel surcharge currently in place. Noting there had been a lot of previous discussion on Medicaid Transportation policy, Ms. Starling stated that she would just point out that the policy did require the County to use the least expensive means to provide Medicaid Transportation. She stated that if the County is found to be in violation of Medicaid policy, there was a risk that charge-backs could be assessed against the County. Therefore, she noted, the Board should consider whether or not to adopt the amendment. Commissioner Kirby asked if either contracting party - Enroute or Van Go - would have a claim for breach of contract based upon the Board's motion that said one of the contracts was in effect only if the previous contractor could not fulfill their obligation. Ms. Starling stated that she did not believe so because the contract governed as signed by both parties and the terms of the contract controlled. The contract, she noted, prepared by the State, was a federal document; the local office simply fills in the form. It does not obligate the County; it just obligates the providers to perform. It states that no more than a certain amount will be paid; it does not guarantee a certain amount. Commissioner Kirby asked if Van Go would have a claim based upon their contract not being fulfilled, and Ms. Starling stated no, because it was a form contract that says the County will not pay above a certain amount. In fact, Ms. Starling noted, the contract says it can be terminated at any time with thirty-day notice for no reason at all.

Commissioner Kirby stated that it was amazing the Board was still discussing this issue. He stated that it was unfair to Van Go; they bid and won twice. He stated that Ms. Bradshaw, who was related by marriage to the owner of Enroute, never brought anything up about two contracts before this year. He noted that Mr. Moore has made nearly \$6 million, and this year Van Go underbids and all of a sudden there is an effort to get rid of this contract. He stated that at first Mr. Moore wanted to go up nearly a \$1 higher than Van Go, and Ms. Bradshaw said it was okay to give it to the higher bidder because he needs to pay his folks more money and buy better equipment. He recalled that when he and Commissioner Parker received the memo regarding the proposed bid, he called the County Manager and told him it was ridiculous and that there would be a

big fuss. Then, on Monday, Ms. Bradshaw comes in and says the County can have two contracts, when we had never said that before. He stated that he and Mr. Parker had said that was not fair, and it was said that Van Go cannot do it. Commissioner Kirby recounted that with tied votes, the Board agreed to rebid, and Van Go won again. Then Mr. Moore, who said he could not do it for \$2.10 has now come down to \$1.95. Commissioner Kirby stated that Van Go has done it, that he had heard nothing but positive things from the community about Van Go. He stated that Mr. Moore, during a meeting in the presence of Van Go, told the County Manager and County Attorney that he wanted to talk with them privately because he didn't want to reveal his strategy. Commissioner Kirby stated that Mr. Causey and Ms. Starling do not represent Mr. Moore, that everybody knows what is going on – they just don't want Enroute to lose the contract; that is what it looks like. Commissioner Kirby stated that he would ask that the Board table the request and examine it further. He did want to save the taxpayers money, and Van Go may even want to come down in price, but before the Board proceeded, it needs to look at the legal ramifications.

Commissioner Parker stated that he had done some research on the situation. He recalled that he had mentioned to the Board about the language in the contract – Ms. Bradshaw was asked about it, and she had said it was a state contract and could not be altered. Commissioner Parker stated that he had called the State Transportation Coordinator in Raleigh who had informed him that as long as the federal and state rules were abided by and the two parties agree, the local government board could change anything in the contract. He stated that this was why he had asked about the statement that Commissioner Kirby had proposed that Van Go would be the primary and Enroute the secondary, meaning that if Van Go could not fulfill its obligations that Enroute would come in. He stated Ms. Bradshaw was working on the assumption that there were two contracts, and that was not understood.

Commissioner Kirby noted that the Board's motion was that the primary contract would be operable and the secondary contract would be operable only if Van Go was unable to fulfill its obligations. He asked if Ms. Bradshaw has to listen to the Board or if she were an agency unto herself. He stated what he said specifically was that Van Go would have the primary contract; Enroute would have the secondary contract, and the secondary contract would be effective only if the primary contractor Van Go was unable to fulfill their obligations. He asked if Van Go were fulfilling their obligations, why was Enroute getting any referrals.

Mr. Causey clarified that the earlier direction of the Board was that he monitor the contract on behalf of the Board, and he had endeavored to do such. Mr. Moore sent in his request for the contract amendment, and given the previous confusion and discussion with regard to the contract, the first thing on his mind was that we needed to be careful and make sure everyone was on the same page. Therefore, he stated, it was his call to arrange to have a meeting with all parties, including Van Go since they were

the primary contractor, so that they would know what was being proposed. He noted that he had also called the Board so they would know in advance what had been received and that he was dealing with it as best he could. He confirmed that Mr. Moore did ask to speak to him and Ms. Starling privately because he had some questions he didn't feel were appropriate for the group; as it turned out he did not recall these being anything of any significance. Mr. Causey pointed out that he had also had some very cordial conversations with Van Go representatives. Anyone who has wanted to talk with him independently, he would not prevent, although he would not encourage it. Mr. Causey stated that he did not want the Board to think he was off on targets as opposed to being an honest broker who was bringing information forward for everyone's consideration.

Commissioner Kirby stated that overall he thought things were going well, but then he hears that Ms. Bradshaw had basically said she didn't care what the commissioners said, she considered both contracts equal, and that she could do with them. Ms. Starling confirmed that in her conversations with Ms. Bradshaw, that was not her understanding.

Commissioner Strickland recommended that the State Attorney General's office, or the appropriate person, be contacted. Ms. Starling noted she thought it should be the Division of Medicaid Assistance, and it was noted that it should be left to the Attorney to determine the appropriate entity to rule on the question. Upon a motion made by Commissioner Strickland and seconded by Commissioner Parker, the Board voted unanimously to table consideration of the contract amendment until further research could be done by appropriate parties, as determined by the County Attorney, and until such time transportation services continue to operate as the Board previously mandated. Mr. Causey asked that it also be determined how any such future requests be handled to protect the interests of the County.

Sheriff's Department - Request to Utilize Seized Asset Funds and Substance Abuse Tax Funds Chairman Lockamy opened the discussion by recognizing Sheriff Jimmy Thornton and his Department for their efforts in a 2011 multi-agency investigation which resulted in the Sheriff's Department receiving \$280,000 in its share of federally confiscated monies, and earning respect and admiration for the Department and the County. Sheriff Thornton discussed the allocation of the investigation's receipts, noting that Sampson County received the third highest amount in recognition of their level of involvement in the operation. County Manager Ed Causey explained that the request was to utilize unanticipated seized asset funds and substance abuse tax funds for purchase of equipment to meet current needs and avoid future budget expenditures. He and County Attorney Annette Chancy explained that the funds could be used only for those items benefitting the Sheriff's Office, not to offset normally budgeted expenses or in lieu of budgeted funds. Commissioner Kirby asked what legal authority said the funds could not be used for the General Fund, and Ms. Starling stated that it was an

opinion from the North Carolina Department of Justice. Sheriff Thornton noted that it was a federal statute. Upon a motion made by Commissioner Strickland and seconded by Commissioner Lockamy, the Board voted unanimously to approve the request to budget the funds as requested:

<u>EXPENDITURE</u>		<u>Sheriff</u>		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
11243100	555000	Capital Outlay Other Equipment	106,970.00	
11243100	554000	Capital Outlay Vehicles	65,500.00	
11243100	535300	Maint Repair Vehicles	14,000.00	
11243100	521300	Uniforms	2,200.00	

<u>REVENUE</u>				
<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
11034310	402603	Federal Asset Funds	188,670.00	

<u>EXPENDITURE</u>		<u>Sheriff</u>		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
11243100	555000	Capital Outlay Other Equipment	39,700.00	
11243100	526279	Dept Supplies Narcotics	1,805.00	

<u>REVENUE</u>				
<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
11034310	402603	Federal Asset Funds	41,505.00	

Renewal of Leases for Solid Waste Container Sites at Ingold, Spivey's Corner, Mt. Gilead and Harrells County Manager Ed Causey explained that the leases were pulled from the Consent Agenda of the last meeting, with staff directed to determine if the landowners would consider lowering their lease rates. Mr. Causey reported that the Ingold site lease remained the same at \$1200 per year, but that the landowners for the Harrells site had requested an increase from \$1800 per year to \$2,000 per year, and the landowners for the Spivey's Corner site had requested an increase from \$1,800 per year to \$1,825. Mr. Causey noted that the landowners for the Mt. Gilead site had stated that they would request an increase as well, but had not yet responded with a proposed lease amount; therefore, these leases should not be considered at this time. Board members questioned what would happen if the leases were not renewed, and Mr. Causey stated that the landowners could ask the County to remove the solid waste collection equipment. Upon a motion made by Commissioner Strickland and seconded by Commissioner Lockamy, the Board voted unanimously to approve the lease renewals for the Ingold, Harrells and Spivey's Corner sites. (Copies filed in Inc. Minute Book \_\_\_\_\_, Page \_\_\_\_\_.)

Appointment - Social Services Board Upon a motion made by Commissioner McLamb and seconded by Commissioner Kirby, the Board voted 3-2 to appoint Franklin Brown to the Social Services Board. Commissioner Strickland noted that the current appointee had been willing to be reappointed.

Appointment - Jury Commission Upon a motion made by Commissioner McLamb and seconded by Commissioner Strickland, the Board voted unanimously to appoint Vickie Bass to the Jury Commission.

Appointment - Workforce Development Commission This item was tabled.

Appointment - Parks and Recreation Board Upon a motion made by Commissioner McLamb and seconded by Commissioner Strickland, the Board voted unanimously to appoint the members of the Parks and Recreation Board as recommended:

Neil Baggett (N) 2012-2014

Tara Williams McPhail (N) 2013-2015

Doug Burley (S) 2012-2014

Allen Cannon (S) 2013-2015

JD Suggs (E) 2013-2015

Amanda Bradshaw (E) 2013-2015

Steve Honrine (W) 2012-2014

Clark Honeycutt (W) 2013-2015

Appointment - Economic Development Commission Upon a motion made by Commissioner Kirby and seconded by Commissioner Parker, the Board voted 3-2 to appoint Tim Butler to replace Lamont Parker on the Economic Development Commission, that Anthony Sessoms, Chuck Spell and Dewayne West be reappointed, and that a non-voting position representing the Transportation Advocacy Group be added to the EDC. Commissioner Strickland again voiced concern about arbitrarily taking people off appointed boards without cause; Commissioner Kirby noted that a capable businessman had been added and a new perspective was needed.

#### **Item No. 5: Consent Agenda**

Upon a motion made by Commissioner McLamb and seconded by Commissioner Strickland, the Board voted 4-1 to approve the Consent Agenda.

- a. Adopted a resolution proclaiming September as Alcohol and Drug Recovery Month (Copy filed in Inc. Minute Book \_\_\_\_, Page \_\_\_\_.)
- b. Approved a request from the Health Department for an increase in laboratory fees as follows:  
  
Pap test only: \$14.41  
Pap test plus HPV if ASC-US (reflex HPV): \$44.68  
Pap plus HPV (co-testing): \$14.41 + \$44.68= \$59.09  
These new fees retroactive to July 1st, 2013
- c. Approved the DSS Contract #3 Medical Transportation Services contract with Sampson Area Transportation (Specialized Contract) for dialysis patients

(Copy filed in Inc. Minute Book \_\_\_\_\_, Page \_\_\_\_\_.)

- d. Approved requested revisions to the Sampson-Clinton Library Registration and Lending Policy as requested. (Copy filed in Inc. Minute Book \_\_\_\_\_, Page \_\_\_\_\_.)
- e. Approved the contract between Sampson County Health Department and Sampson County Schools for School Nursing Services (Copy filed in Inc. Minute Book \_\_\_\_\_, Page \_\_\_\_\_.)
- f. Approved an Expo Center request to destroy rental contracts/lease agreements for 2006-2007 and 2007-2008; to destroy paid invoice files 2006-2007, 2007-2008; to destroy Centerstage invoices and document files 2006-2007 and 2007-2008
- g. Approved disabled veterans tax exclusion applications from Thomas George Hayes, Sheryl Ann Jackson, and Paul M. Thurston

h. Approved the following tax refunds:

# 5810	Marshall Falatovich	\$ 1,278.04
# 5801	William Nelson	\$ 1,240.34
# 5782	D. Luther Brown Jr. and Others	\$ 897.92
# 5802	Cathy McGee Honrine	\$ 2,183.00
# 5794	James Richard Starling	\$ 107.12
# 5800	Tara Strickland Williamson	\$ 113.83
# 5783	Clay Pope/ Anita Pope	\$ 137.82
# 5789	Godwin Twins Inc.	\$ 104.60

i. Approved the following budget amendments:

<u>EXPENDITURE</u>	<u>Health</u>		<u>Increase</u>	<u>Decrease</u>
<u>Code Number</u>	<u>Description (Object of Expenditure)</u>			
12551100	512100 Salaries			40,287.00
12551100	512700 Longevity		507.00	
12551100	518100 FICA			1,212.00
12551100	518120 Medicare FICA			283.00
12551100	518200 Retirement			763.00
12551100	518300 Group Insurance			6,403.00
12551100	518300 Group Insurance		4,468.00	
12551130	512100 Salaries			14,540.00
12551130	518100 FICA			901.00
12551130	518120 Medicare FICA			211.00
12551130	518200 Retirement			979.00

12551130	518300	Group Insurance		4,324.00
12551130	518400	Dental Insurance		15.00
12551130	518901	401K		368.00
12551130	526200	Department Supplies		1,731.00
12551130	531100	Travel	100.00	
12551130	532100	Telephone and Postage	678.00	
12551130	533000	Utilities	700.00	
12551130	543000	Rental Equipment	1,000.00	
12551130	544000	Contracted Services	9,876.00	
12551200	518300	Group Insurance	1,077.00	
12551250	512100	Salaries		17,528.00
12551250	518100	FICA		1,080.00
12551250	518120	Medicare FICA		252.00
12551250	518200	Retirement		301.00
12551250	518300	Group Insurance		1,119.00
12551210	512100	Salaries		2,317.00
12551210	518100	FICA		143.00
12551210	518120	Medicare FICA		28.00
12551210	518200	Retirement		550.00
12551210	518300	Group Insurance	14.00	
12551550	512100	Salaries		4,860.00
12551550	518100	FICA		300.00
12551550	518120	Medicare FICA		71.00
12551550	518200	Retirement		71.00
12551550	518300	Group Insurance		741.00
12551560	518300	Group Insurance	175.00	
12551600	518300	Group Insurance	291.00	
12551630	512100	Salaries		702.00
12551630	518100	FICA		44.00
12551630	518120	Medicare FICA		10.00
12551630	518200	Retirement	2,459.00	
12551630	518300	Group Insurance	14,206.00	
12551640	518300	Group Insurance	31,230.00	
12551650	518300	Group Insurance	4,255.00	
12551670	518300	Group Insurance	6,175.00	
12551680	518300	Group Insurance		345.00
12551690	518300	Group Insurance	5,222.00	
12551810	518300	Group Insurance	26,486.00	
12551810	518400	Dental Insurance		662.00
12551810	518901	401K		1,141.00
12551920	518300	Group Insurance	3,171.00	
<b><u>REVENUE</u></b>				
<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
12535113	404000	State Assistance		10,715.00
12535110	404098	County Contribution		48,096.00

12535111	404098	County Contribution	4,468.00	
12535120	404098	County Contribution	1,077.00	
12535125	404098	County Contribution		20,180.00
12535151	404098	County Contribution		1,999.00
12535155	404098	County Contribution		6,043.00
12535156	404098	County Contribution	175.00	
12535160	404098	County Contribution		291.00
12535163	404098	County Contribution		15,909.00
12535164	404098	County Contribution		31,230.00
12535165	404098	County Contribution	4,255.00	
12535167	404098	County Contribution	6,175.00	
12535168	404083	TXIX-Fees		1,645.00
12535169	404098	County Contribution	5,132.00	
12535181	404098	County Contribution	34,546.00	
12535192	404098	County Contribution	3,171.00	
12551020	512100	Salaries		80,128.00
12551020	512700	Longevity	514.00	
12551020	518100	FICA		11,887.00
12551020	518120	Medicare FICA		890.00
12551020	518200	Retirement	1,103.00	
12551020	518300	Group Insurance	83,754.00	
12551020	518400	Dental Insurance		670.00
12551020	518901	401K		1,532.00

**EXPENDITURE**

<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
02558670	524100	HR – Materials	700.00	

**REVENUE**

<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
02035867	408401	HR – Donations	700.00	

**EXPENDITURE**

<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
82558750	524100	URP-Materials	20,000.00	
82558750	529901	URP-Soft Costs	10,300.00	
82558750	544000	URP-Contracted Services	44,700.00	

**REVENUE**

<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
82035875	403605	Urgent Repair Program – NCHFA	75,000.00	

**EXPENDITURE**

<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
02558670	524100	Home Repairs – Materials	6,000.00	
02558670	525100	Home Repairs – Gas, Oil, Tires	2,500.00	
02558670	526200	Home Repairs – Departmental Supplies	500.00	

02558670	526201	Home Repairs – Dept Supplies – Equip	1,000.00	
02558670	531100	Home Repairs – Travel	100.00	
02558670	539500	Home Repairs – Training	200.00	
<b><u>REVENUE</u></b>				
<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
02035867	408900	Home Repairs – Misc Repairs	10,300.00	
<b><u>EXPENDITURE</u></b>				
		<u>Sheriff</u>		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
11243100	554000	Capital Outlay Vehicles	23,539.62	
11243100	555000	Capital Outlay – Other Equipment	6,038.33	
<b><u>REVENUE</u></b>				
<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
11034310	408900	Misc Revenue Insurance Settlement	29,577.95	
<b><u>EXPENDITURE</u></b>				
		<u>CES – Senior Health Ins Prog SHIIP</u>		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
04549580	512600	Part Time Salaries		2,330.00
04549580	518100	FICA		145.00
04549580	518120	Medicare FICA		34.00
04549580	526200	Departmental Supplies		2,500.00
04549580	529900	Miscellaneous		489.00
04549580	531100	Travel		280.00
04549580	532100	Telephone and Postage		100.00
<b><u>REVENUE</u></b>				
<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
04034958	404088	SHIIP Revenue (State of NC-Dept of Ins)		5,878.00
<b><u>EXPENDITURE</u></b>				
		<u>CES – Senior Health Ins Prog SHIIP</u>		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
04549580	512600	Part Time Salaries	1,400.00	
04549580	518100	FICA	87.00	
04549580	518120	Medicare FICA	21.00	
04549580	526200	Departmental Supplies	1,100.00	
04549580	529900	Miscellaneous	100.00	
04549580	531100	Travel	100.00	
04549580	532100	Telephone and Postage	82.00	
<b><u>REVENUE</u></b>				
<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
04034958	404088	SHIIP Revenue (State of NC-Dept of Ins)	2,890.00	
<b><u>EXPENDITURE</u></b>				
		<u>Various Departments</u>		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
11243300	555000	Capital Outlay Other	41,269.00	
1243300	539500	Employee Training	40,609.00	

1243300	526201	Department Supplies – Equipment	5,281.00
11449200	519100	Professional Services	7,984.00
11449200	531101	Existing Industry Project	1,945.00
11141340	538100	Data Processing Programs	2,650.00

**REVENUE**

<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
11034330	403674	Homeland Security Grant Equipment	41,266.00	
11034330	403676	Homeland Security Grant Training	40,609.00	
11034330	403675	Homeland Security Grant Exercise	5,281.00	
11039999	409800	Fund Balance Appropriated Encumbrances	12,579.00	

**EXPENDITURE**

		<u>Schools Capital Outlay</u>		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
11659140	555030	Capital Outlay Category 1	114,335.00	
11659140	555031	Capital Outlay Category 2	2,757.00	
11659140	555032	Capital Outlay Category 3	3,936.00	
11659110	555031	Capital Outlay Category 2	80,561.00	
11659110	555030	Capital Outlay Category 1	150,000.00	
19959140	582096	Transfer to General Fund	351,589.00	

**REVENUE**

<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
19932320	409900	Fund Balance Appropriated	351,589.00	
11035914	409612	Transf from Capital Reserve	121,028.00	
11035911	409612	Transf from Capital Reserve	230,561.00	

**EXPENDITURE**

		<u>Community College Capital Outlay</u>		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
116959220	558000	Roofs and Improvements	336,716.00	
11659220	550000	Unallocated Capital Outlay		200,000.00
11999000	509700	Contingency		136,716.00

- Approved the Sampson County Schools 2013/2014 Carry Over Projects Capital budget amendment.

**Item 6: Board Information**

The following was provided as a required annual report:

- 2012 Child Fatality Prevention Team Report

The following items were provided in draft form for Board review and will be presented at the October regular meeting for consideration:

- Draft Animal Control Ordinance

- c. Draft Ordinance to Prohibit Smoking and Use of Tobacco Products in County Buildings and Vehicles

### **County Manager Reports**

County Manager Ed Causey called the Board's attention to the draft Animal Control Ordinance and the Smoking Ordinance in the Board Information section. These were provided so that the Board would have plenty of time to review both before they were formally presented in October. It was noted that the Animal Control Ordinance would require a public hearing before adoption. Mr. Causey also pointed out that staff had listened to recordings of previous meetings for clarification of the Board's previous actions with regard to the Smoking Ordinance. While there was some discussion on the ordinance, action was delayed due to concerns with regard to enforcement penalties. Mr. Causey recapped the dates for the next budget session and the need for input from the Board with regard to future budget session topics. Mr. Causey also stated that the hospital had requested to schedule the annual joint meeting to discuss their budget, and he suggested that the Board recess this meeting to reconvene for the joint meeting on September 23<sup>rd</sup> at 6:00 p.m.

### **Public Comments**

There were no public comments offered.

### **Closed Session**

Upon a motion made by Commissioner Kirby and seconded by Commissioner Parker, the Board voted unanimously to go into Closed Session pursuant to GS 143-318.11(a)(4) to consider matters related to the location of an industry at Exit 355 project. (Minutes maintained separately.) The Board returned to the Auditorium and exited Closed Session by unanimous vote, upon a motion by Commissioner McLamb and second by Commissioner Parker. The Chairman announced that the Board had discussed matters related to the Enviva project at Exit 355 and had provided direction with regarding to an offer to be made to the industry.

### **Recess to Reconvene**

Upon a motion made by Commissioner McLamb and seconded by Commissioner Parker, the Board voted unanimously to recess to reconvene on September 17, 2013 at 3:30 p.m., prior to the budget work session.