

*Scotland County Board of Commissioners regular meeting
February 2, 2105, A.B. Gibson Center, 322 South main Street, Laurinburg, NC*

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Commissioners present: Chairman Guy McCook, Vice Chair Carol McCall and Commissioners John Alford, Bob Davis, Betty Blue Gholston, Whit Gibson and Clarence McPhatter. Staff in attendance: County Manager Kevin Patterson, County Attorney Ed Johnston and Clerk to the Board Ann Kurtzman.

At 7 p.m. Chairman McCook called the meeting to order. Retired Army Captain John Cottingham delivered the invocation. The pledge of allegiance was recited.

Motion was made by Commissioner Alford and duly seconded by Vice Chair McCall to approve the February 2, 2015 agenda as presented. Vote: Motion unanimously approved.

Public Forum

No one spoke, and Public Forum was closed.

Public Hearing Conditional Use Application 479-14 by MLE, Inc.

Attorney Johnston said the purpose of the quasi-judicial hearing is to receive evidence about the application and not public opinion. Mr. Johnston said the decision by the Board is based on the evidence received and the evidence is all the Board is allowed to consider although it may impose reasonable conditions on the conditional use pursuant to the Zoning Ordinance. Chairman McCook then opened the Public Hearing.

Planning and Zoning Board Chairman Daniel Dockery, having been duly sworn in, presented the specifics of the conditional use application: **Conditional Use Application Number 479-14 – MLE, Inc.** - Request for Conditional Use Permit defense training for military, law enforcement and other government agencies. The property is located at the intersection of Airbase Road and Skyway Church Road of Scotland County; better known as Scotland County Tax Map Number 252, Parcel 01, Block 005. The property is owned by MLE Incorporated, Pembroke, North Carolina.

Mr. Dockery said after review of the application the County Planning and Zoning Board recommended that Conditional Use Application Number 479-14 – MLE, Inc. be approved.

Chairman McCook asked if anyone wished to testify or present evidence to the Board.

Ms. Lisa Blalock, attorney and local counsel for Gryphon Group located at Laurinburg-Maxton Air Base, having been duly sworn in, presented testimony with respect to the application. Ms. Blalock said she attended a recent meeting at LMA where airport and MLE officials were present. Ms. Blalock said concerns by Gryphon Group regarding the application might have been based on misinformation or misunderstanding as to the actual use in the application, which seemed to be asking for the same conditional use as that of Gryphon Group. Ms. Blalock said Gryphon Group has an exclusive contract with LMA for the use of its facilities and the leasing of the facilities for military training. That information was shared with MLE officials at the meeting.

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Ms. Blalock said Mr. Trevor Kräcker, who attended the meeting, delivered a presentation on MLE's portable indoor firing house, which would be used as an elaborate sales office and there would not be military training conducted there. The property would be used as a transfer of its manufacturing business in Lumberton to the property directly across from Laurinburg Maxton Airport for the purpose of manufacturing, sales meetings and bringing in military, non-military and law enforcement clients to view the product. Ms. Blalock said the purpose of the live fire use was to conduct sales meetings and she was assured busloads of training groups would not be moved through MLE, rather it would be a manufacturing site that creates jobs and conducts sales meetings. Ms. Blalock said the discussion at the meeting alleviated concerns for safety and other issues. The only concern LMA had at the time was contacting the FAA with respect to possible zone where there can be no live fire, and that has been done and they are in the clear. Ms. Blalock said with respect to the conditional use, Gryphon Group was not in opposition but wanted to make sure that the same sense of security, transparency and proven track record were followed as were demanded of Gryphon Group when they came. Ms. Blalock said the conditions of use once the meeting was concluded was live fire for sales purposes only and no military training.

No one else came forward to provide testimony, and the Public Hearing was closed.

Chairman McCook asked Mr. Kräcker to be sworn in so he could respond to some questions posed by Commissioners. Mr. Kräcker, having been duly sworn in, said the Lumberton facility would be closed as a cost effective measure, and MLE would locate on the 53 acres in Maxton since it would provide the space the company needs to conduct business.

Mr. Kräcker said there are currently 12 full-time employees and 30 contract positions. Mr. Kräcker said MLE received approval for some new defense patents and the company picked up new contracts so it will pick up 75 to 100 new people in the first 24 months. He expects MLE to grow rapidly.

Mr. Kräcker explained the MLE business is the on-site manufacture a special wrap material similar to advertising on a city bus but more durable for the soldier and for military use. MLE builds training facilities for the military with the core wrap.

Mr. Johnston asked if the parameters from the previous testimony would be sufficient for the use intended. Mr. Kräcker said MLE builds a one-of-a-kind training range in a box, which will be set up on the property. He said you might have five or six people who want to buy this that want to try it. He said there also would be laser simulation but no live fire other than in the building. Mr. Kräcker described the site as a giant sales center.

Mr. Kräcker said anyone who uses the live fire building would have a minimal experience of 20 years. There are also safety mechanisms in place so MLE took the worst case scenario and built it backwards in case that were to happen. Mr. Kräcker said there would be a roof for the live fire building that is not all the way sealed that would allow for a certain amount of air flow. He said only experienced people would try out the live-fire building because safety is a main concern of the company. Mr. Kräcker said Gryphon Group takes safety measures just like MLE does and everybody takes that into consideration when dealing with live fire.

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Mr. Kräcker said MLE is a different niche from Gryphon Group, and the clientele is different from that of Gryphon Group. Mr. Kräcker said if MLE does have people who want to shoot 1,200 or 800 meters, there is a possibility MLE can work with Gryphon Group on using their range and probably looking at our stuff with using our lasers shop, so there is some synergy there that could be used.

Motion was made by Commissioner Alford and duly seconded by Commissioner Gibson to approve Conditional Use Application Number 479-14 – MLE, Inc.

Discussion: Commissioner Gibson suggested approval be conditioned upon the testimony that was given and that the operation proceed under those circumstances.

The Board of Commissioners, by consensus, agreed with that.

Vote: Motion unanimously approved.

FY 2013-2014 Audit

Mr. Carl Head of Gustaf C. Lundin & Company Lundin presented the FY 2014 audit as unmodified, which is the same as last year. Mr. Head said net change in fund balance increased as did revenues over expenditures. He said Fund Balance as a percentage of General Fund is 21.71 percent compared to 13.4 percent the previous year.

Mr. Head said the enterprise funds are negative in Public Works and Water Districts I and II. Although the Water Districts had a positive operating income, bond payments and operational expenses result in the net loss.

Mr. Head said there are two findings this year. A correction of an error to the financial statements from receivables that should have been on the books from prior years is considered a deficiency. The other finding is the same as last year, which is a deficit in Public Works. The County should look for new revenues and cost saving measures in Public Works fund.

Mr. Head said it would be wise for the County to remain diligent on cash collection points in County departments.

Liaison Committee report/Schools capacity study discussion

Vice Chair Carol McCall provided a Liaison Committee update from the December 20 meeting, which included a proposal from County to schools and a counter proposal from the schools. Vice Chair McCall said there is conversation of continuing the committee as part of goodwill effort between both boards beyond the March 2015 deadline.

Commissioner Davis said that because there might be major changes in facilities at the schools it would be better to not develop a funding proposal out as far to 2020.

Tax liens and request to advertise

Tax Administrator Mary Helen Norton said as of February 2 outstanding taxes that are liens on real property amount to \$2,390,923.88. Ms. Norton requested that the advertising occur the week of March 16.

Motion was made by Commissioner Gibson and duly seconded by Commissioner Gholston to order and set the date for the advertising of liens for the week of March 16, 2015. Vote: Motion unanimously approved.

Before continuing to the next item, Chairman McCook recognized Sheriff Ralph Kersey and his wife and staff, who were in attendance.

Consent Agenda

- a) Approve minutes of the January 5, 2015, Water Districts meeting, the January 5, 2015 regular meeting and the January 26, 2015 special meeting.
- b) Approve request by Public Buildings and Grounds to surplus two E-Z Riders used for dragging softball and baseball fields.
- c) Approve request by the City of Laurinburg to hold Independence Day fireworks on July 4, 2015.
- d) Approve Tax Department request to release funds in the amount of \$31.45 and \$690.60 and discoveries in the amount of \$11,129.55.
- e) Approve request by the Sheriff for the reduction of the assigned Grade/Step of the Sheriff's position from 78-12 \$73,260 to 78-10 \$69,720, which is an annual savings of \$3,540.
- f) Approve request by the Sheriff for the reclassification of Position #31-3, Captain, from Grade/Step 70-6 \$44,076 to Major at 74-8 \$55,440, which is an annual difference of (\$11,364).
- g) Budget amendments
 - 1) Sheriff: Approve increase in Drug Fund in the amount of \$11,838, and were drug monies obtained from the outgoing Sheriff, and authorize the Finance Officer to expend the monies as requested by the Sheriff's Department.

Motion was made by Commissioner Alford and duly seconded by Commissioner Gholston to approve the Consent Agenda. Vote: Motion unanimously approved.

Update on sales tax and property tax collections/Overview of the purchase order process

Deputy Finance Officer Beth Hobbs discussed real property tax collections as of December of each fiscal year. Ms. Hobbs said collections are almost at 100 percent of what the County budgeted. Ms. Hobbs discussed prior year property tax collections as of December. She said cumulative sales tax revenues collected as of November are at 61.3 percent of what the County budgeted. Ms. Hobbs said sales tax revenues are expected to be above budget. Ms. Hobbs gave an overview of purchase order procedures.

Appointments to Boards and Committees

According to a clarification from Southeastern Family & Community Services, there is no requirement that a Commissioner serve on its board. Commissioner Alford said with that in mind, he would step down so the application from Ms. Joy Ellison could be considered.

Motion was made by Vice Chair McCall and duly seconded by Commissioner Alford to appoint Ms. Joy Ellison to an unexpired term on the Southeastern Family & Community Services Board. Vote: Motion unanimously approved.

Update from the County Manager

Mr. Patterson said Sanderson Farms is considering locating a processing plant in the region surrounding Cumberland County and at least 12 counties have indicated interest in the project. Sanderson Farms is looking to recruit 1,000 jobs, a number of which are low skill jobs that would pay an acceptable wage. Mr. Patterson said Sanderson Farms would like a letter of interest from the County in order to be considered. He recommended a letter of interest be extended.

Motion was made by Commissioner Alford and duly seconded by Commissioner Gholston to extend a letter of invitation to Sanderson Farms to consider Scotland County as a potential site for its processing plant. Vote: Motion unanimously approved.

The County Manager said the Chamber of Commerce sent a letter to the State in response to reports cards on public schools in North Carolina and the grading where 80 percent is based on performance by standardized testing and 20 percent is based on student growth, which puts rural communities at a disadvantage. Mr. Patterson said the Chamber recommends that 50 percent be based on performance while 50 percent is based on growth. Mr. Patterson said the Scotland County Economic Development Corporation and the Schools support the letter.

Motion was made by Commissioner Gholston and duly seconded by Commissioner Alford to send a letter to State legislators asking that the grading system be changed. Vote: Motion unanimously approved.

The Commissioners agreed to February 27 as a Planning Retreat. Mr. Patterson said it is time for the annual evaluation of the County Manager. Mr. Patterson asked the Commissioners to review the document he sent out and to determine a schedule for that process.

Mr. Patterson said Rogers Realty and Iron Horse Auctions provided additional information on the sale of foreclosed property. Mr. Patterson said Rogers Realty would be less with a flat 10 percent fee. The County Manager said Iron Horse provided a more detailed response on the people who would be on location. Both companies would be primarily electronic but Iron Horse would have people on site to facilitate bids the day of the sale. Mr. Patterson recommended that Iron Horse conduct the auction of foreclosed property.

Motion was made by Vice Chair McCall and duly seconded by Commissioner Davis to contract with Iron Horse for the auction of foreclosed property. Vote: Motion unanimously approved.

Mr. Patterson said Followers of Christ Church in Maxton is interested in Scotland Cemetery. The Church asks that the County become part of change of title due to legal requirements of the perpetual care fund. Mr. Patterson said if the title passes through the County the perpetual care fund would follow church rules, which are more favorable. Mr. Patterson asked if the Board would be willing to become part of the chain of title where the property would be donated to the County and the County would transfer it to The Followers of Christ Church.

Chairman McCook said the County Attorney should review the proposed transaction to ensure there are no other liens on the property and to make sure the property is free and clear of everything except tax liens. Mr. Patterson said he would ask the Cemetery Commission for clarification on what happens to those who already purchased plots in the cemetery. The Commissioners directed staff and the County Attorney to return with details including research on the title.

Closed Session

Motion was made by Commissioner Alford and duly seconded by Commissioner Gibson to go into Closed Session in accordance with N.C. General Statute §143-318.11(a)(6) to consider the qualifications, competence, performance, condition of appointment of a public officer or employee or prospective public officer or employee. Vote: Motion unanimously approved.

OPEN SESSION RESUMED

Motion was made by Commissioner Gholston and duly seconded by Commissioner Davis to appoint Ms. Beth Hobbs as Finance Officer. Vote: Motion unanimously approved.

The Commissioners discussed the Liaison Committee and its ongoing task of developing a school funding formula. The Commissioners offered suggestions to those Commissioners who serve on the Liaison Committee. Chairman McCook said with the possible closing of at least two schools, the two boards by mutual agreement might commit to a reduction in funding next year.

Commissioner Gholston was excused at 8:55 p.m.

The Commissioners discussed a possible two percent funding reduction in the second and third year.

Motion was made by Commissioner Davis and duly seconded by Commissioner Alford to adjourn. Vote: Motion unanimously approved. Meeting adjourned at 9 p.m.

Ann W. Kurtzman
Clerk to the Board

Guy McCook
Chairman