

**MINUTES
LINCOLN COUNTY BOARD OF COMMISSIONERS
MONDAY, FEBRUARY 21, 2011**

The Lincoln County Board of County Commissioners met on February 21, 2011 at the Citizens Center, Commissioners Room, 115 West Main Street, Lincolnton, North Carolina, the regular place of meeting at 6:30 PM.

Commissioners Present:

Alex Patton – Chairman
George Arena – Vice Chairman
James A. Klein
Carrol D. Mitchem
Carl E. Robinson, Jr.

Others Present:

George A. Wood, County Manager
Martha W. Lide, Assistant County Manager
Jeffrey A. Taylor, County Attorney
Amy S. Atkins, Clerk to the Board
Randy Hawkins, Zoning Administrator
Burns Whittaker, Public Works Director
Ron Rombs, Emergency Medical Services Director
Leon Harmon, Finance Director

Call to Order: Chairman Patton called the February 21, 2011 meeting of the Lincoln County Board of Commissioners to order.

Chairman Patton gave the invocation and led in the Pledge of Allegiance.

Adoption of Agenda: Chairman Patton presented the agenda for the Board’s approval.

AGENDA

LINCOLN COUNTY BOARD OF COMMISSIONERS

FEBRUARY 21, 2011

6:30 PM Call to Order
Invocation – Rev. J.V. Allen, Boger City Wesleyan Church
Pledge of Allegiance

1. 6:32 PM Adoption of Agenda

2. 6:33 PM Consent Agenda
 - Sponsored Group Status
 - Chamber of Commerce
 - Tax Requests for Refunds - More than \$100
 - January 17 - 30, 2011
 - Resolution #2011-7: Resolution Adopting the Record Retention and Disposition Schedules Issued by the North Carolina Department of Cultural Resources
 - Resolution #2011-8: Resolution to Sell Lincoln County Life Saving Crew a Surplus County Vehicle for \$1.00
 - Resolution #2011-9: Resolution to Sell Alexis Volunteer Fire Department a Surplus County Vehicle for \$1.00
 - FY 2012 Designation of Lead Agency for Home and Community Care Block Grant
 - Ordinance #2011-5: An Ordinance Amending the FY 2011 Budget for the County of Lincoln, North Carolina
3. 6:35 PM Public Comments
4. 6:50 PM Planning Board Recommendations – Randy Hawkins
5. 7:00 PM Nursing and Adult Care Home Community Advisory Committee Annual Report - Cindy Kincaid
6. 7:15 PM Naming of the Lincoln County Farmer's Market Shelter - Kevin Starr
7. 7:25 PM Approval of One NC Fund Grant - Project No. 0-2010-5988 Local Governemnt Grant Agreement and Company Performance Agreement Between Lincoln County/Hydac Technology Corp - George Wood
8. 7:35 PM Discussion and Possible Motion on Conducting Town Hall Meetings
9. 7:45 PM Resolution #2011-10: Resolution Requesting the Closing of a Portion of Ernest Houser Road (SR #1191)
10. 7:50 PM Public Hearing - Proposed Industrial Economic Incentive Grant for Existing Industry and Approval of Resolution #2011-11: Resolution to Adopt Economic Incentive Grant - Kara Brown
11. 7:50 PM Discussion of Possible Decision on the Republic Waste "BFI" Grant Program - George Wood
12. 8:00 PM Motion to Approve Changes to Medical Insurance Plans as Recommended by County Manager - George Wood
13. 8:10 PM Finance Officers Report - Leon Harmon
14. 8:15 PM County Manager's Report - George Wood
15. 8:20 PM County Commissioners' Report
16. 8:25 PM County Attorney's Report - Jeff Taylor
17. 8:30 PM Vacancies/Appointments
18. 8:35 PM Calendar
19. 8:40 PM Other Business

- Register of Deeds Report

- 20. 8:45 PM Closed Session - Motion to enter closed session pursuant to NCGS 143-318.11(a)(3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged

Adjourn

UPON MOTION by Commissioner Mitchem, the Board voted unanimously to adopt the agenda adding Item 11a – Discussion of Governor’s budget proposal and approval of Resolution.

Consent Agenda: **UPON MOTION** by Commissioner Robinson, the Board voted unanimously to approve the Consent Agenda.

- Sponsored Group Status
 - Chamber of Commerce
- Tax Requests for Refunds
 - More than \$100 – January 17 – 30, 2011
- Resolution #2011-7: Resolution Adopting the Record Retention & Disposition
 - Schedules Issued by the NC Department of Cultural Resources
- Resolution #2011-8: Resolution to Sell Lincoln County Life Saving Crew a Surplus County Vehicle for \$1.00
- Resolution #2011-9: Resolution to Sell Alexis Volunteer Fire Department a Surplus County Vehicle for \$1.00
- FY 2012 Designation of Lead Agency for Home & Community Care Block Grant
- Ordinance #2011-5: An Ordinance Amending the FY 2011 Budget for the County of Lincoln, North Carolina

LINCOLN COUNTY TAX DEPARTMENT
MOTOR VEHICLES

REQUEST FOR REFUNDS

PERIOD COVERED (JANUARY 17, 2011-JANUARY 30, 2011)

G.S.#105-381(B) ALL REFUNDS MORE THAN \$100.00
(and) #105-325 including (A) (6)

NAME	YEAR	DIST	A/C#	AMOUNT	REASON
Sigler, Barbara A.	2010	PCFD	0182949	104.07	Pro-Rated Bill

TOTAL \$104.07

RESOLUTION #2011-7:

RESOLUTION ADOPTING THE RECORD RETENTION AND DISPOSITION SCHEDULES ISSUED BY THE NORTH CAROLINA DEPARTMENT OF CULTURAL RESOURCES

WHEREAS, G.S. 121-5 and G.S. 132-3 require that public records may only be destroyed with the consent of the North Carolina Department of Cultural Resources,

WHEREAS, the North Carolina Department of Cultural Resources, Division of Historical Resources, Archives and Records Section, Government Records publishes records retentions and disposition schedules for all County and Municipal functions,

WHEREAS, unless the County adopts the schedules published by North Carolina Department of Cultural Resources, we are obligated to obtain the Department's permission to destroy any record;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED, that the Lincoln County Board of County Commissioners:

1. Approves the Record Retention and Disposition Schedules for Counties as currently issued by the North Carolina Department of Cultural Resources as the official Record Retention and Disposition Schedule for Lincoln County.
2. Approves any future published updated versions of these schedules that may be issued to become the official Record Retention and Disposition Schedule for Lincoln County
3. The specific schedules that apply to Lincoln County records include:
 - County and Municipal Boards of Elections
 - County Department of Social services
 - County Health Department
 - County Management Schedule
 - County Register of Deeds
 - County Sheriff's Office
 - County Veterans Services
 - Public transportation Systems and Authorities
 - Tax Administration
 - Water and Sewer Authorities and Sanitary Districts
 - Public Libraries

That this amendment shall become effective on February 21, 2011.

Adopted this 21nd day of February 2011.

LINCOLN COUNTY

By: _____
Alex Patton, Chairman
Board of Commissioners

ATTEST:

Amy S. Atkins, Clerk to the Board of Commissioners

RESOLUTION #2011-8:

**RESOLUTION TO SELL LINCOLN LIFE SAVING CREW
A SURPLUS COUNTY VEHICLE FOR \$1.00**

WHEREAS, the County Commission is authorized to sell any real or personal property owned or held by the County, which is not needed for governmental or other public purposes (GS 160A, Article 12 and G.S.153A-176),

WHEREAS, Lincoln County's process for disposal of surplus property was approved in March 2010 as part of the Purchasing Policy,

WHEREAS, on a regular basis, lists are submitted to the Board of County Commissioners for approval to dispose of surplus property, and these lists often include vehicles,

WHEREAS, the Lincoln Life Saving Crew, a non profit 501 (c) 3 organization, provides a valuable service to the residents of our County,

WHEREAS, the Lincoln Life Saving Crew has requested to purchase a surplus vehicle from the County which would be used for day to day operations, training and class events, and use by the officers and Chaplin;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED,

That Lincoln County agrees to sell the Lincoln Life Saving Crew a vehicle that has been deemed surplus by the Board of County Commissioners for the price of \$1.00. The County Manager, will work with the Lincoln Life Saving Crew to identify a suitable vehicle.

That this amendment shall become effective on February 21, 2011.

Adopted this 21nd day of February 2011.

LINCOLN COUNTY

By: _____
Alex Patton, Chairman
Board of Commissioners

ATTEST:

Amy S. Atkins, Clerk to the
Board of Commissioners

RESOLUTION #2011-9:

**RESOLUTION TO SELL LINCOLN ALEXIS VOLUNTEER FIRE DEPARTMENT
A SURPLUS COUNTY VEHICLE FOR \$1.00**

WHEREAS, the County Commission is authorized to sell any real or personal property owned or held by the County, which is not needed for governmental or other public purposes (GS 160A, Article 12 and G.S.153A-176),

WHEREAS, Lincoln County's process for disposal of surplus property was approved in March 2010 as part of the Purchasing Policy,

WHEREAS, on a regular basis, lists are submitted to the Board of County Commissioners for approval to dispose of surplus property, and these lists often include vehicles,

WHEREAS, the Alexis Volunteer Fire Department, a non profit 501 (c) 3 organization, provides a valuable service to the residents of our County,

WHEREAS, the Alexis Volunteer Fire Department has requested two purchase a surplus vehicle from the County which would be used for day to day operations;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED,

That Lincoln County agrees to sell the Alexis Volunteer Fire Department a vehicle that has been deemed surplus by the Board of County Commissioners for the price of \$1.00. The County Manager, will work with the Alexis Fire Department to identify a suitable vehicle.

That this amendment shall become effective on February 21, 2011.

Adopted this 21nd day of February 2011.

LINCOLN COUNTY

By: _____

Alex Patton, Chairman
Board of Commissioners

ATTEST:

Amy S. Atkins, Clerk to the
Board of Commissioners

**ORDINANCE #2011-4: AN ORDINANCE AMENDING THE FY 2011 BUDGET
FOR THE COUNTY OF LINCOLN, NORTH CAROLINA**

THAT WHEREAS, the Lincoln County Board of Commissioners adopted the FY 2011 Budget by approving Ordinance #2010-05 on June 21, 2010; and

WHEREAS, the Finance Director and County Manager are recommending further amendments as shown on the attachments herein; and

WHEREAS, the Lincoln County Board of Commissioners wishes to approve these proposed budget amendments;

NOW THEREFORE BE IT ORDAINED AND ESTABLISHED by the Board of Commissioners of Lincoln County, North Carolina, that the FY 2011 Budget previously adopted is hereby amended as follows:

Section 1. That the budget adjustments attached hereto, and incorporated herein by reference as Exhibit A to Ordinance #2011-4, are hereby approved and adopted as amendments to the FY 2011 Budget.

Section 2. That this amendment to the budget shall become effective immediately upon its adoption by the Board of Commissioners.

Passed and adopted this 21st day of February, 2011.

BY: _____
Alex E. Patton, Chairman
Lincoln County Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board

EXHIBIT A to Ordinance #2011-4

Budget Adjustment numbered 83.

Public Comments: Chairman Patton advised that this was the time the Board of Commissioners would receive comments from the citizens regarding any matter they desired to address.

Joe Kiser stated that with the revaluation fairness should be done. He said no Board members could tell him of property that would sell for more now than the last valuation. He said there are probably not very many in North Carolina or the United States whose property values have increased. He said they did a very good job in east Lincoln, Ironton, Catawba Springs, and Lincolnton. He said even there, you cannot sell property for more than they could have during the last evaluation. He said they missed the boat when they crossed the South Fork River. He said that in West Lincoln, Howard's Creek, and North Brook, the values have increased. He said most he has seen have been a flat \$500 per acre. He asked the Board to do what is right.

Robert Avery stated that the Tax Department has let the county down on the new Revaluation. He said property is not selling for that and we are better off adopting schedule of values from Catawba County, this would have saved money and been more fair.

Being no additional speakers, Chairman Patton declared the public comments section closed.

Planning Board Recommendations – Randy Hawkins: Randy Hawkins presented the following information:

CUP #300 Precision Performance Coatings, applicant (Parcel ID# 58403, 01602, 53228 and 75921) A request for a conditional use permit to manufacture sealants, adhesives and polyurethane prepolymers in the I-G (General Industrial) district. The proposed 2.8-acre site is located at 1480 South Industrial Park Road, at the corner of Country Club Road, Salem Church Road and South Industrial Park Road, in Ironton Township.

The Planning Board voted 7-0 to recommend approval with the following conditions:

- 1) That a spill containment facility for the storage of chemicals be approved by the county.*
- 2) That the business be inspected annually by the fire marshal and comply with EPA and state regulations.*

Commissioner Robinson said he is interested in why the Board would put a condition around being inspected annually by the Fire Marshal, when they have a criteria on how

they will inspect based on what is there, the occupancy and the flammability of the liquid. He said he would like to see this condition taken out since it will occur anyway.

UPON MOTION by Commissioner Robinson, the Board voted unanimously to delete condition number 2.

Chairman Patton asked about Condition 1, if the Fire Marshals' Office would require this if it was not a condition. Mr. Hawkins stated that the Fire Marshal's Office has informed him that their regulations would require a spill containment area.

UPON MOTION by Commissioner Klein, the Board voted unanimously to delete condition number 1.

UPON MOTION by Commissioner Mitchem, the Board voted unanimously to approve CUP No. 300 with no conditions.

Nursing and Adult Care Home Community Advisory Committee Annual Report – Cindy Kinkaid: Cindy Kinkaid presented the annual report. She asked for more volunteers for this Committee and said they currently have five vacancies.

Naming of the Lincoln County Farmers' Market Shelter – Kevin Starr: Kevin Starr presented the following information:

For the past five years, the Lincoln County Farmers Market in downtown Lincolnton has benefitted from the dedicated service of Giles L. Martin, Sr. as its volunteer coordinator. Initially, Giles began serving in this capacity as a Master Gardener volunteer. His duties now include collecting fees, explaining market guidelines to vendors and oversight of the shelter while the market is open. He also operates the card scanner which enables customers to use debit, credit, and EBT cards to purchase products.

Giles is currently chair of the Lincoln County Extension Advisory Council, a member of the State Extension Advisory Council, a member of the Apple Festival board of directors, and an Extension Master Gardener. He also serves on the Lincoln County Historic Properties Commission, Crime Stoppers Board, and the Board of Adjustments.

Because of Giles' donation of hundreds of hours to the market and his passionate support of it, I am asking that the Board approve the naming of the shelter at 225 West Water Street in Lincolnton as the "Giles L. Martin, Sr. Shelter."

UPON MOTION by Commissioner Mitchem, the Board voted unanimously to approve the naming of the Lincoln County Farmers' Market Shelter.

Approval of One NC Fund Grant – Project No. 0-2010-5988 Local Government Grant Agreement and Company Performance Agreement Between Lincoln County/Hydac Technology Corp: Martha Lide presented the following information:

It is recommended that the Board approve the Local Government Grant Agreement and Company Performance Agreement between Lincoln County and Hydac Technology Corp. The agreements are required for a \$75,000 One NC Fund Grant through the Department of Commerce that is being given to Hydac Technology Corp. This NC One Grant is in addition to the grants the County has received from the Rural Economic Center and the Industrial Development Funds for water and sewer improvements related to the project.

Lincoln Economic Development Association (LEDA) submitted a One NC Fund Grant for these funds in October 2010. The One NC Grants are given to secure commitments for businesses coming to or expanding in North Carolina. These funds will come through Lincoln County but go directly to Hydac to be used for equipment; machinery, and other facility related costs. The County is considered the applicant for these funds, and the performance agreement is required with the company to ensure repayment of funds to the State if commitments are not met. The County was required to commit a match for these grant funds and have done so by providing an Economic Incentive Grant that was approved June 21, 2010.

The Performance Agreement, which has been signed by Hydac, requires them to meet criteria listed below. If they do not meet these criteria, the Secretary of Commerce may require the reimbursement of the grant funds.

- The Company will build and operate a facility as described in their application
- The Company will retain existing operations at its facilities in North Carolina, including 7 existing permanent full time jobs.
- The Company will create and maintain as part of the Project 54 new permanent full time jobs within three years from the date the grant is awarded.
- The average weekly wage of all permanent full time jobs at the facility, including new jobs, will equal or exceed \$692.
- The Company will provide health insurance for all permanent full-time new and existing jobs in at least in at least the minimum amount required for eligibility for tax credits under Article 3J in GS 105-129.83 (d).
- The Company will make a privately funded investment that will amount to at least \$9.6 million within three years from the date the grant was awarded.
- The proceeds of the grant may be used only to offset those specific expenses listed in the statute that appropriates the funds to the Department of Commerce.
- Release of grant funds is contingent on the Company providing verification that the project has received all the environmental permits.

The repayment provisions are as follows:

- If at any time before the close out of the Grant, the Company fails to retain 100% of existing permanent full time jobs or fails to provide health insurance to employees in all permanent full time jobs, the Secretary of Commerce may require the Company to reimburse all or part of the funds.
- If at the closeout of the grant, the average weekly wage is less than \$692, if the Company has failed to provide the required health insurance, or if the existing

- jobs have not been retained, the Company must reimburse all grant funds previously disbursed.
- If the Company fails to make 90% of the required investment, create 905 of the new jobs, or the expenses made were not allowable under the Statute, the amount of the grant will be reduced on a pro rata basis.

UPON MOTION by Commissioner Arena, the Board voted unanimously to approve the One NC Fund Grant as presented for Hydac.

Discussion and Possible Motion on Conducting Town Hall Meetings: Chairman Patton said the Board has discussed holding town hall meetings throughout the county concerning revaluation.

Commissioner Klein stated that he would like to have a meeting in west Lincoln and a meeting in east Lincoln.

The Board set the dates of March 2 at West Lincoln and March 3 at East Lincoln, locations to be announced. Both meetings will be held at 7:00 p.m.

Resolution #2011-10: Resolution Requesting the Closing of a Portion of Ernest Houser Road (SR #1191):

Resolution #2011-10: Resolution Requesting the Closing of a Portion of Ernest Houser Road (SR #1191)

Whereas, the property owners have petitioned the North Carolina Department of Transportation to abandon a portion of Secondary Road #1191, known locally as Ernest Houser Road, from the state maintenance system. The portion being described as the last 0.06 miles of SR 1991 as shown on the maps. Thus reducing the state maintained portion of SR 1991 from 0.50 miles total to 0.44 miles total: and

Whereas, NCDOT has submitted to the Lincoln County Commissioners a request for a review and recommendation for the road abandonment; and

Whereas, staff has reviewed the request and has determined that no property owners would be deprived or ingress or egress and no US mail route(s) or bus route(s) would be affected.

Therefore bit it resolved that the Lincoln County Board of Commissioners have reviewed this request and recommends to the North Carolina Department of Transportation for the abandonment of 0.06 miles of SR 1191 as described above, known locally as Ernest Houser Road.

UPON MOTION made by Commissioner Klein, the above order was unanimously adopted by the Lincoln County Board of Commissioners on the 21st day of February, 2011.

Public Hearing – Proposed Industrial Economic Incentive Grant for Existing Industry and Approval of Resolution #2011-11: Kara Brown, Existing Business Manager, with Lincoln Economic Development Association, stated that Blum has committed that on or before March 23, 2011, Blum shall begin construction of a new expansion to their facility and installing new equipment in Lincoln County, North Carolina. Within two years of the date of this agreement, Blum shall make an investment upon such site in machinery, equipment and facility of \$18,519,500, of which \$13,177,550 will qualify for incentives under the Lincoln County Industrial Incentive Grant Policy. Within two years of the date of this agreement, Blum shall provide at such site at least 8 new jobs paying average weekly wages of \$473.00. In consideration of the performance of the aforesaid obligations by Blum, the County will provide cash grants to Blum of \$56,334.03 per year for a five-year period. Lincoln County will pay such grants beginning in the tax year after the project’s completion. Grants will be paid to Blum within 30 days after Blum has made its tax payment for the then-current year and has notified Lincoln Economic Development Association of the payment. This amount represents a Level II grant under the Lincoln County Industrial Development Incentive Grant Policy for New and Existing Industries.

**RESOLUTION TO ADOPT ECONOMIC INCENTIVE
GRANT AGREEMENT WITH BLUM INCORPORATED**

WHEREAS, the Lincoln County Board of Commissioners verily believes that it is in the best interests of the citizens of Lincoln County to encourage and support economic development within Lincoln County through the recruitment of new industries to the County and the expansion of existing industries in the County; and

WHEREAS, Blum, Incorporated has developed plans for a new manufacturing facility in Lincoln County; and

WHEREAS, the Board of Commissioners wishes to encourage such development by means of offering incentives to aid in such efforts;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED AS FOLLOWS:

1. The Lincoln County Board of Commissioners hereby approves the Lincoln County Incentive Grant Agreement (attached hereto as Exhibit A and incorporated herein by reference) among Lincoln County and Blum, Incorporated.
2. The Chairman of the Board of Commissioners and the Clerk to the Board are hereby authorized to sign all necessary documents on behalf of Lincoln County in order to effectuate this transaction.
3. This resolution shall become effective upon adoption.

This 21st day of February, 2011.

Alex Patton, Chairman
Lincoln County Board of Commissioners

ATTEST:

Amy S. Atkins, Clerk to the Board

LINCOLN COUNTY INCENTIVE GRANT AGREEMENT

NORTH CAROLINA

LINCOLN COUNTY

THIS AGREEMENT is made and entered into as of the 21st day of February 2011, by and between LINCOLN COUNTY, a body corporate and politic (hereinafter referred to as “the County”), and Blum, Inc., a North Carolina corporation (hereinafter referred to as “Blum”).

WITNESSETH:

WHEREAS, Blum has developed plans for the construction of an expansion of facility and install manufacturing equipment in Lincoln County, North Carolina; and

WHEREAS, the Board of Commissioners of Lincoln County verily believes that the location of new industries and the expansion of existing industries is vital to the economic health of Lincoln County and to the welfare of its citizens; and

WHEREAS, the Board of Commissioners wishes to encourage such development by means of offering incentives to recruit new industries and to aid in expansion of existing industries; and

WHEREAS, such incentives are predicated on the notion of expanding Lincoln County’s tax base and providing additional jobs for Lincoln County’s citizens that pay wages higher than the current prevailing average hourly wage in the particular industry; and

WHEREAS, the Board of Commissioners has determined that it is appropriate and in the best interests of Lincoln County and its citizens to offer incentives in the form of both cash grants and assistance with making public services available; and

WHEREAS, the Board of Commissioners believes that it is appropriate and reasonable to expect Blum to bind itself to the County to produce certain results in conjunction with the project described herein as conditions of the incentives being offered by the County;

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein set forth, the parties hereby agree as follows:

1. On or before March 23, 2011, Blum shall begin construction of a new expansion to their facility and installing new equipment in Lincoln County, North Carolina.
2. Within two years of the date of this agreement, Blum shall make an investment upon such site in machinery, equipment and facility of \$18,519,500, of which \$13,177,550 will qualify for incentives under the Lincoln County Industrial Incentive Grant Policy.
3. Within two years of the date of this agreement, Blum shall provide at such site at least 8 new jobs paying average weekly wages of \$473.00.
4. In consideration of the performance of the aforesaid obligations by Blum, the County will provide cash grants to Blum of \$56,334.03 per year for a five-year period. Lincoln County will pay such grants beginning in the tax year after the project's completion. Grants will be paid to Blum within 30 days after Blum has made its tax payment for the then-current year and has notified Lincoln Economic Development Association of the payment. This amount represents a Level II grant under the Lincoln County Industrial Development Incentive Grant Policy for New and Existing Industries.
5. In the event that the value of the investment actually made by Blum pursuant to this agreement is greater or less than the aforementioned contract amount, the incentive grants to be provided hereunder will be adjusted upward or downward on a pro-rata basis.
6. Blum specifically agrees that in the event that all or any portion of this agreement or any incentive grant or payment to be made hereunder is declared to be unconstitutional, illegal, or otherwise enjoined by a court of competent jurisdiction, Blum shall indemnify and hold harmless Lincoln County and its Board of Commissioners, individually and collectively, from any loss or liability and shall reimburse Lincoln County by the amount of any such grant or payment.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the day and year first above written.

BLUM, INC.

By: _____
President

ATTEST:

Secretary

LINCOLN COUNTY

By: _____
Alex E. Patton, Chairman
Board of Commissioners

ATTEST:

Amy S. Atkins
Clerk to the Board of Commissioners

NORTH CAROLINA

LINCOLN COUNTY

This the ____ day of _____, 2011, personally came before me _____ and acknowledged that he/she is Secretary of Blum Incorporated, a North Carolina corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by him/her as its Secretary.

Witness my hand and official stamp or seal, this ____ day of _____, 2011.

My Commission Expires: _____
Notary Public

NORTH CAROLINA

LINCOLN COUNTY

This the ____ day of _____, 2011, personally came before me Amy S. Atkins, Clerk to the Board of Commissioners of Lincoln County, North Carolina, who being by me duly sworn says that she knows the common seal of the County of Lincoln, North Carolina and is acquainted with Alex E. Patton, who is the Chairman of the Board of Commissioners of Lincoln County, North Carolina, and that she, the said Amy S. Atkins, is the Clerk to the Board of Commissioners of Lincoln County, North Carolina, and saw the Chairman of the Board of Commissioners of Lincoln County, North Carolina, sign the foregoing instrument and affix said seal to said instrument and that she, the said Amy S. Atkins, signed her name in attestation of said instrument in the presence of said Chairman of the Board of Commissioners of Lincoln County, North Carolina.

My Commission Expires: _____
Notary Public

Chairman Patton opened the public hearing.

Being no speakers, Chairman Patton declared the public hearing closed.

UPON MOTION by Commissioner Mitchem, the Board voted unanimously to approve the Proposed Industrial Economic Incentive Grant for Existing Industry and Approve Resolution #2011-11.

Discussion of Possible Decision on the Republic Waste “BFI” Grant Program – George Wood: George Wood presented the following information:

At the December, 2010 the Board discussed Budget Planning Retreat the need to increase revenues in the Landfill Fund. This is a result of the deadline in building construction. It was noted by the Director of the Fiscal Management Section of the State Treasurer’s Office following a review of the FY 2010 Audit.

As part of the discussion on this need for revenue, the Republic Waste (BFI) Grant Program was discussed. We are guaranteed a minimum of \$35,000 per year under the revised franchise agreement signed last fall with Republic Waste on the Lake Norman C&D Landfill in east Lincoln County. That money in the recent past has gone to a grant program for non-profits in Lincoln County using a competitive review process.

The issue that needs to be decided is whether to continue giving this money to non-profits which you have no legal or financial responsibility to fund; or, to place this franchise money in the Landfill Fund each year to offset some of our solid waste disposal expenses. To the extent that you use the \$35,000 in the landfill Fund, we can reduce the proposed increase in either the availability charge or tipping fees that we will face in the coming fiscal year to meet the State Treasurer’s concerns about this fund.

Mr. Wood recommended that given the revenue shortfall, the Board discontinue this program immediately, and amend the current year’s budget to allocate the franchise money to the Landfill Fund; and that this be the policy followed in succeeding budgets beginning with FY 2012.

The Board discussed the grant awards and the shortfall in the Landfill Fund.

UPON MOTION by Commissioner Klein, the Board voted unanimously that given this revenue shortfall, to discontinue this grant program immediately, and amend the current year’s budget to allocate the franchise money to the Landfill Fund; and that this be the policy followed in fiscal year 2011 and 2012.

Governor’s Budget Discussion: Commissioner Robinson asked Mr. Wood to pull together what the Governor’s budget means to Lincoln County. He said he would like a strong statement that the Governor cannot balance the State’s budget on the County’s back by passing it onto the taxpayers is not the way to do it. He asked Mr. Wood to draft a resolution to the Governor and Legislators to let them know how the County feels.

Motion to Approve Changes to Medical Insurance Plans as Recommended by County Manager – George Wood: Mr. Wood stated that this discussion was tabled at

the last meeting to see what the cost would be to take the emergency room cost to what it is currently in the plan. He said this will be about 1% more in premium costs.

UPON MOTION by Commissioner Robinson, the Board voted 4-1 (Mitchem against) to approve the Motion to Approve Changes to Medical Insurance Plans as Recommended by County Manager.

Finance Officer's Report - Leon Harmon: Leon Harmon presented the Finance Officer's Report.

County Manager's Report: Erma Deen Hoyle presented information concerning the Tracy Jenkins Memorial Garden at Gaston College.

George Wood stated that he met with Elaine Jenkins and Steve Zickefoose. The cuts on the schools from the state are worse than the ones to the county, somewhere in the neighborhood of \$7 million.

County Commissioners' Report:

County Attorney's Report: Jeff Taylor updated on the Burton Creek. He said their work progresses on the site. He said their attorney sent pictures of the work done.

Jeff Taylor stated that this will be his last report as County Attorney, since he has decided to step down as County Attorney to pursue some opportunities that have arisen in his private practice. He said it has been an honor to serve since 1998 and six years prior to that as Assistant County Attorney. He thanked the Board for the opportunity to serve.

Chairman Patton stated that he wishes Jeff Taylor well and appreciates his service to Lincoln County.

Vacancies/Appointments: Commissioner Robinson did not have any appointments to present, but said the notification of vacancies and appointments has been advertised in the local newspapers and sent to churches.

Calendar: Chairman Patton presented the March 2011 calendar.

Closed Session: **UPON MOTION** by Commissioner Robinson, the Board voted unanimously to enter into closed session pursuant to NCGS 143-318.11(a)(3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged.

The Board returned to open session and Chairman Patton announced that no action was taken in closed session.

UPON MOTION by Arena, the Board voted unanimously to appoint Wesley Deaton as Interim County Attorney.

Adjourn: **UPON MOTION** by Commissioner Mitchem, the Board voted unanimously to adjourn.

Amy S. Atkins, Clerk
Board of Commissioners

Alex E. Patton, Chairman
Board of Commissioners