

TOWN OF SILER CITY

The Siler City Town Board of Commissioners met in regular session on **Tuesday, January 20, 2015** at 7:00 p.m. in the City Hall Courtroom with Mayor John Grimes presiding. Mayor Grimes gave the invocation with the recitation of the Pledge of Allegiance following.

COMMISSIONERS PRESENT: Cindy Bray, Larry Cheek, John Grimes, Bill Haiges, Thomas Price, and Tony Siler

COMMISSIONERS ABSENT: Michael Constantino and Lewis Fadely

TOWN STAFF PRESENT: Town Manager Bryan Thompson, Town Attorney William Morgan, Finance Director Tammy Speicher, Police Chief Gary Tyson, Town Planner Jack Meadows, Building Inspector Charlie McLaurin and Town Clerk Jenifer Everage.

AGENDA ADJUSTMENTS/APPROVAL OF AGENDA

Manager Thompson requested the addition of rescheduling the January 29, 2015 UDO Review Meeting under New Business.

A motion to approve the addition to the agenda as presented was made by Commissioner Siler, seconded by Commissioner Price and unanimously approved.

A motion to approve the agenda with the addition was made by Commissioner Siler, seconded by Commissioner Haiges and unanimously approved.

CONSENT AGENDA

A motion to approve the consent agenda which included the December 30, 2014 Special Meeting Minutes (Incorporated by reference as if fully set forth herein Schedule A), January 10, 2015 Strategic Planning Retreat Minutes (Incorporated by reference as if fully set forth herein Schedule B), and advertisement for Planning Board/Board of Adjustment Vacancy (Incorporated by reference as if fully set forth herein Schedule C), was made by Commissioner Haiges, seconded by Mayor Pro Tem Cheek and unanimously approved.

PUBLIC COMMENT

Mayor Grimes stated each speaker is asked to limit comments to 3 minutes, and the requested total comment period will be 15 minutes or less. Mayor Grimes further stated to provide the clerk with copies of any handouts you have for the Board of Commissioners. Mayor Grimes then stated although the Board is interested in hearing concerns, speakers should not expect Board action or deliberation on subject matter brought up during the Public Comment segment. (Incorporated by reference as if fully set forth herein Schedule D)

No One Signed Up to Speak

PUBLIC HEARING

Public Hearing for Community Development Block Grant - Carolina Premium Foods

Mayor Grimes opened the Public Hearing for the Proposed Community Development Block Grant for Carolina Premium Foods at 7:05 PM. (Incorporated by reference as if fully set forth herein Schedule D)

Signed up to speak were the following:

Mia Richard, Municipal Engineering Services Co., P.A.

PO Box 97, Garner, NC 27529

Brian Thomsen, Chief Executive Officer and President for Carolina Premium Foods

108 Hammerstone Circle Whispering Pines, NC 28327

Manager Thompson introduced Mia Richard with Municipal Engineering Services. Richard presented the proposed Community Development Block Grant for Carolina Premium Foods, Inc. Richard stated in accordance with application prerequisites for Community Development Block Grant-Building Reuse funding with the North Carolina Department of Commerce, the Town of Siler City Board of Commissioners is holding a duly advertised public hearing for the purpose of discussing and consideration of the authorization to submit a formal application to the NC Department of Commerce for approval of a Community Development Block Grant for Economic Development to benefit Carolina Premium Foods (CPF). Richard shared a proposed resolution to be considered by the Board of Commissioners for adoption, which will authorize Town Staff to submit the subject application on behalf of CPF. Richard stated in addition to the noted resolution, the Board of Commissioners are asked to consider the approval several other documents that are required for the subject grant submittal which include a Section 3 Plan and Reuse Loan Agreement. Richard stated the grant would be the amount of \$750,000, with a total cost for the proposed renovation project of \$1,900,000. Richard stated the CPF has committed to create 38 new jobs and at least 60% of the jobs will benefit persons whose previous household incomes are within the low to moderate income limits for Chatham County. Richard asked if the Board of Commissioners had any questions. The Board of Commissioners asked the following questions:

Commissioner Bray: Who is held responsible for the grant if the business closes?

Richard: The Town is inevitable responsible, because the Town is the applicant. The Town and the company would have a 5 year agreement if the company creates the jobs and stays in business for 5 years, the loan would be forgiven.

Commissioner Bray: What if the company is reimbursed some of the monies and then closes?

Richard: I really don't know, but if some of the jobs are created, then the amount would be prorated.

Commissioner Haiges: How does the money have to be spent?

Richard: The money can only be spent on items related to the building, such as electric, plumbing, heating and air, and roofing.

Commissioner Bray: Is all the money coming out of renovations or does it go to salaries?

Richard: It is all renovation, Commerce would not allow salaries.

Mayor Grimes: Where do the invoices go to, for the reimbursement?

Richard: The Company would pay an invoice then submit the invoice and cleared check to the Town for reimbursement, then the Town would submit the invoice to Commerce for reimbursement for materials and labor.

Commissioner Haiges: Is there a scale in which the company if all the money is spent in the first year that if the company closes after 4 years, then what would be owed by the Town?

Richard: There is a 20% every year and is also based on the job creation.

Commissioner Siler: Do we know what needs to upgrade in the building?

Brian Thomsen: Refrigeration units, holding tanks, and wastewater treatment, electric, plumbing.

Commissioner Bray: Are you currently operating a business now in Siler City?

Thomsen: No, we are not in production.

Commissioner Bray: Were you operating somewhere at one time?

Thomsen: Yes, we were producing at the location owed by Abdul Chaudhry, at his chicken processing plant.

Commissioner Bray: Did you put any money into that operation?

Thomsen: We put in some equipment to upgrade to some of the requirements that we had. But instead of upgrading that facility further we decided to focus on the new facility.

Commissioner Haiges: When will you begin production at this facility?

Thomsen: That will depend on the general contractor.

Commissioner Haiges: Has the USDA signed off on it?

Thomsen: No the USDA will be there at the end of the process.

Commissioner Bray: You said you had investors, can your investors put up the \$750,000, and then after we see this is going to take place, then you would get the money back, so the Town wouldn't be at risk?

Thomsen: As a corporation, we could issue a bond to insurance the \$750,000.

Thompson stated that Staff has discuss a performance bond. Thompson stated that staff is not aware of the status of property ownership of the subject project site with respect to CPF, that property ownership/site control is an important factor in the grant eligibility. Thompson stated that staff recommends that prior to submitting the grant application to Department of Commerce for consideration, the Town verify CPF's ownership of the proposed project site and should the company fail, that the Town is not held liable. Thompson stated Town Attorney William Morgan is in the process of finalizing the proposed loan agreement to be considered by the Board of Commissioners, which will then be reviewed by CPF prior to authorization of execution.

Commissioner Bray: Would that not have to be in place before we vote to move forward with the grant?

Thompson: If the Board of Commissioners would like to do that, it would need to be included in the loan agreement.

Commissioner Bray stated she would feel more comfortable before voting on the grant. Mayor Pro Tem stated if we apply for any other grants, he would like to see that we are very careful.

Commissioner Haiges: Are the salaries for the jobs around \$9 per hour?

Thomsen: There is a minimum, but I don't know what that is.

Commissioner Price: When you used the other facility, were you producing some product?

Thomsen: We were not producing our own product, we were providing a service for independent farmers.

Commissioner Price stated that he agreed with Commissioner Bray, he would like to see something active and the Town's interest needs to be taken care of. Thompson stated the Board of Commissioners may adopt the proposed resolution, Section 3 Plan, and the Reuse Loan Agreement or it may be table to another meeting. Mayor Grimes stated perhaps the item should be table until more information is available.

A motion to table the decision on submitting the application to NC Department for Carolina Premium Foods until the Board of Commissioners has more information was made by Commissioner Haiges, seconded by Commissioner Siler and unanimously approved.

OLD BUSINESS

Retail Recruitment Presentation – Christina Coffey – CB Richard Ellis

(Incorporated by reference as if fully set forth herein Schedule F)

Meadows introduced Christina Coffey and Tiffany Barrier with CBRE. Coffey and Barrier shared retail recruitment information with the Board of Commissioners.

Safe Route to School – Letter of Interest – Construction, Engineering, and Inspection

Meadows shared an update on the Safe Route to School project (Incorporated by reference as if fully set forth herein Schedule G). Meadows shared a proposed Letter of Interest and stated the next step will be to move forward with submitting the Letter of Interest (LOI) for construction, engineering, and inspection services (CEI) for the Safe Routes to School- Chatham Middle School Project.

A motion to authorize Staff to move forward with submitting the Letter of Interest (LOI) for construction, engineering, and inspection services (CEI) for the Safe Route to School- Chatham Middle School Project was made by Commissioner Price, seconded by Commissioner Haiges and unanimously approved.

NEW BUSINESS

2013-2014 Audit Presentation – Lance Craig – Dixon, Hughes, Goodman

Manager Thompson introduced the Lance Craig with Dixon, Hughes, Goodman. Craig shared the 2013-2014 Audit, including an executive summary and the financial statements with the Board of Commissioners (Incorporated by reference as if fully set forth herein Schedule H).

National Night Out Presentation

Mayor Grimes presented a plaque to Police Chief Gary Tyson (Incorporated by reference as if fully set forth herein Schedule I) recognizing the Town as one of the top ranked events. Tyson introduced the community coordinators and partners to those present.

Request Attorney Action for 311 North Chatham Avenue Building

Thompson shared a memo with the Board of Commissioners (Incorporated by reference as if fully set forth herein Schedule J). Thompson stated the building located at 311 North Chatham Avenue has been neglected and part of the roof has collapsed. The Board of Commissioners discussed the building.

A motion to authorize the Town Attorney to take legal action with the owner of 311 North Chatham Avenue was made by Commissioner Price, seconded by Commissioner Haiges and unanimously approved.

Consideration Adoption of Proposed Mission and Vision Statements

Thompson shared a memo with the Board of Commissioners concerning the proposed Vision and Mission Statement for the Town of Siler City (Incorporated by reference as if fully set forth herein Schedule K). The Board of Commissioners discussed the process over the past few month.

A motion to approve the resolution adopting the Mission and Vision Statements for the Town of Siler City was made by Commissioner Haiges, seconded by Commissioner Price and unanimously approved.

UDO Review Meeting

Thompson stated that Staff would like to cancel the schedule UDO Review meeting on January 29, 2015, due to a conflict with the Economic Development Joint Elected Boards meeting. A motion to cancel the UDO Review meeting on January 29, 2015 was made by Commissioner Price, seconded by Commissioner Siler and unanimously approved.

MANAGER'S REPORT

Manager's Report

Thompson updated the Board of Commissioners on the following items (Incorporated by reference as if fully set forth herein Schedule L): Appearance Committee, Fire Chief Selection Process, Budget Retreat, Boling Lane Park Neighborhood Water Project, UDO Review Workshop, February Calendar, and Megasite Name Change.

DEPARTMENT REPORTS


The following Department Reports were presented to the Board of Commissioners: Building Inspection (Incorporated by reference as if fully set forth herein Schedule M), Finance (Incorporated by reference as if fully set forth herein Schedule N), Fire (Incorporated by reference as if fully set forth herein Schedule O), Parks and Recreation (Incorporated by reference as if fully set forth herein Schedule P), Planning and Community Development (Incorporated by reference as if fully set forth herein Schedule Q), Police (Incorporated by reference as if fully set forth herein Schedule R), Public Works (Incorporated by reference as if fully set forth herein Schedule S).

GOVERNING BODY COMMENTS

Mayor Pro Tem Cheek stated he visited the recreation sites with Puckett and would recommends the other Commissioners visit before budget time. Mayor Grimes asked Puckett to send them some dates.

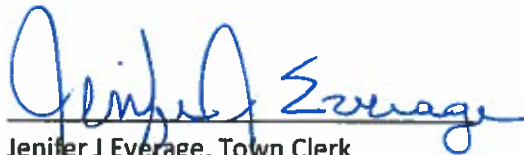
ADJOURNMENT

The meeting adjourned at 8:25 PM



John F Grimes, Mayor

ATTEST:



Jenifer J Everage, Town Clerk

