

**TOWN OF HUNTERSVILLE
REGULAR TOWN BOARD MEETING
MINUTES**

**October 5, 2015
6:30 p.m. – Town Hall**

The Regular Meeting of the Huntersville Board of Commissioners was held at the Huntersville Town Hall at 6:30 p.m. on October 5, 2015.

GOVERNING BODY MEMBERS PRESENT: Mayor Jill Swain; Commissioners Melinda Bales, Ron Julian, Rob Kidwell, Sarah McAulay, Jeff Neely and Danny Phillips.

Mayor Swain called for a moment of silence.

Mayor Swain led the Pledge of Allegiance.

MAYOR AND COMMISSIONER REPORTS/STAFF QUESTIONS

Mayor Swain

- Commended Police Department on their efforts in coordinating rescue of 23 dogs from potential dog fighting ring.
- Commended emergency service workers and staff for their work during the weekend rains.

Commissioner Bales

- The next Lake Norman Transportation Commission meeting is October 14 in Davidson.

Commissioner Julian

- Noted there is a lot of new construction near the light rail in Charlotte. Eventually I-77 will only go so wide, so there's got to be other avenues to transport people back and forth. It would be nice to see some of that development coming north. Economic development will keep our taxes balanced.

Commissioner Kidwell

- The next Olde Huntersville Historic Society meeting is October 7.
- Helping Others Help Themselves (H.O.H.T.) will have a networking luncheon tomorrow.

Commissioner McAulay

- The next meeting of the Charlotte Regional Transportation Planning Organization is October 21. At our last meeting we did start working on prioritizing what's called the P4.0 project. Those will not be finalized until Fall/Winter 2016.
- The next meeting of the Centralina Council of Governments Delegates is October 14. The Steering Committee for the COG's Freight Study met on September 23. This is a 9-county region study on freight and this document will be the first to be completed in the state of North Carolina. This will document how freight should be moved around in our region.

Commissioner Neely

- Announced upcoming Visit Lake Norman events.
- Announced upcoming Lake Norman Chamber events.
- Attended the swearing in of Huntersville's new police officers and recognition of those that had been promoted within the past year.

Commissioner Phillips

- The next meeting of the Arts & Science Council is October 21.
- Commended Lucky Cats and other rescue organizations for their work.
- Commended emergency service workers and staff for their work during the weekend rains.
- Encouraged everyone to shop local.

Mayor Swain said the Town Manager and I had the opportunity to attend the 40th anniversary of Daetwyler being in the United States. Members from the Department of Labor and representatives from the Swiss Consulate were present. Daetwyler is recognized internationally for their apprenticeship program and that is why the Department of Labor was here. They also have been the location for incubators and we have several businesses that started at a desk at Daetwyler and have grown.

PUBLIC COMMENTS, REQUESTS, OR PRESENTATIONS

Mayor Swain proclaimed October 23-31, 2015 as Red Ribbon Week.

TOWN OF HUNTERSVILLE
PROCLAMATION

WHEREAS, communities across America have been plagued by the numerous problems associated with illicit drug use and those that traffic in them; and

WHEREAS, there is hope in winning the war on drugs, and that hope lies in education and drug demand reduction, coupled with the hard work and determination of organizations such as the Mecklenburg County Young Marines of the Marine Corps League to foster a healthy, drug-free lifestyle; and

WHEREAS, governments and community leaders know that citizen support is one of the most effective tools in the effort to reduce the use of illicit drugs in our communities; and

WHEREAS, the red ribbon has been chosen as a symbol commemorating the work of Enrique "Kiki" Camarena, a Drug Enforcement Administration Special Agent who was murdered in the line of duty, and represents the belief that one person can make a difference; and

WHEREAS, the Red Ribbon Campaign was established by Congress in 1988 to encourage a drug-free lifestyle and involvement in drug prevention and reduction efforts; and

WHEREAS, October 23-31 has been designated National Red Ribbon Week, which encourages Americans to wear a red ribbon to show their support for a drug-free environment.

NOW, THEREFORE, I, Jill Swain, Mayor of the Town of Huntersville, do hereby proclaim October 23-31, 2015 as **"RED RIBBON WEEK"** in the Town of Huntersville.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the Town of Huntersville to be affixed this the 5th day of October, 2015.

Catherine Dailey, Stumptown Road, announced the Huntersville United Methodist Church will have their 15th Fall Community Extravaganza on October 17.

AGENDA CHANGES

Commissioner Kidwell made a motion to remove Item J from the Consent Agenda – Award bid for Dectron units at HFFA and add Item J to the Consent Agenda – Authorize acquisition of 405 Gilead Road, Tax Parcel 017-105-02.

Commissioner Julian seconded motion.

Commissioner McAulay said I need to acknowledge that the property is located at 405 Gilead Road. I reside at 300 Gilead Road. I do not have a financial interest in this property and it does not adjoin me. It is across the road from me.

Motion carried unanimously.

Commissioner McAulay made a motion to adopt the agenda as revised.

Commissioner Kidwell seconded motion.

Motion carried unanimously.

PUBLIC HEARINGS

Mayor Swain recognized Planning Board Members present: Bill Walsh, Hal Bankirer, Janice Lewis and Dan Boone.

Economic Development Incentives – Nutec. Mayor Swain called to order public hearing to receive comments on proposed economic development incentives to Nutec, Inc.

Greg Ferguson, Town Manager, said Nutec is constructing a facility on Mt. Holly-Huntersville Road. This project has applied for our economic development business investment grant program. You will see on the screen the funding that is proposed over Phase I and Phase II of the project. Phase I is \$86,391.25 and Phase II is about \$37,515. The grants are based as you know on performance by the company and the program is set up so that only upon creation of new investment in the community and the payment of taxes is the company able to apply for a grant back based on the amount of investment made in the community. This truly is a performance based grant and if the company does not perform then the grant will never be paid. You will see the first phase looked at a minimum of 33 new jobs. We are anticipating many more than that based on the company's discussions. The project has changed quite a bit as it has moved through the process. It's still changing in that their construction numbers are coming in higher than what they anticipated so they are adjusting the footprint of the building to make sure they can still do the project but that they can deliver the first phase at that investment level. There's nothing really being taken away from the project, they are just downsizing the initial footprint. They will have the ability in Phase II if they want to to come back and add on the existing building.

The initial property that they purchased was 11 acres. They have purchased additional property that's adjacent to the facility and they are working hard to move their project through the permitting process right now. You will notice that the average salary has moved around a little bit. That has to do with which phase we are talking about because you could have a management person whose salary was in Phase I moving over into Phase II or back and forth, so the current average is right at \$40,000 per year which is consistent with what you have seen so far. This is again based on their performance and these

are approximate numbers based on what they actually invest. This will be the first facility in the US for this company. They have a North American headquarters in Monterey, Mexico. They have facilities in Brazil, Spain and they sell internationally.

Commissioner Julian said economic development, this is another way where we can balance our residential and commercial tax base. It is a rebate is what it is. They pay the taxes and they get 50 percent of it back for 5 years. We keep the other 50 percent. When businesses or large manufacturing move to Huntersville they don't use my parks, they don't use my police in general, they don't use many of the services, garbage and so forth that we provide, so this is a great strategy to help keep our taxes low. I would ask the Board to support it.

Commissioner Phillips said I was going to ask Greg to explain the \$86,391.25 in grant funding, because you're saying it's accelerated.

Mr. Ferguson said it's not really accelerated. It's based on what they will build in Phase I and what they will build in Phase II. You could in theory have lumped all Phase I and Phase II together, but they are showing this broken out separately because it's going to take about 3 years probably to get to the full build-out of Phase I and then they are looking at a Phase II being possible at that time. What we are proposing and what we have talked to the company about is that we go ahead and acknowledge up front there is a Phase I, there is a Phase II, the timing though could be several years down the road before Phase II kicks in. This is structured so that the approval is there, they just have to perform.

Commissioner Phillips said what I was wanting to do was explain it so the taxpayer understands how much of this is our money, how much is sewer.

Mr. Ferguson said what we are showing today is simply the Town component of the development. If the state has contributed for roadway improvements or if CMUD is making sewer improvements, the public hearing that we are conducting does not cover that because they are not costs that are borne by the Huntersville taxpayer, actually by the company because the company is the taxpayer.

Commissioner Kidwell said I would like to tag on to Commissioner Julian's statement about economic development. In the packet it actually starts off at 33 jobs, it ends at nearly 114 jobs and when you talk about how that ties in with infrastructure.....114 jobs, if a large portion of those folks are living here in Huntersville already and now are employed by Nutec, that's less traffic we have locally hitting our highways, less traffic we have hitting around the area when we are trying to make it home depending on their shift schedule, so that's also a positive thing to think about.

Commissioner Julian said Commissioner Phillips in one of your statements said \$123,000. I don't want the audience to misunderstand that. The company pays approximately double that and we issue 50 percent of it back, so it was never Huntersville money as far as.....it's new money I guess is what I'm trying to say. It's their property taxes on the \$18 million. Now their total investment, I just happened to be glancing and saw for the Phase II or it looks like it can go up to \$34.5 million. That's a hefty investment so I hope we all welcome this new company and again these are taxes we never would have got in the first place and it's a way to help Huntersville continue its progress.

Commissioner Neely said I would just like to add that this is a perfect example of the new or modern manufacturing and what this company is doing is bringing in the newest equipment, the newest technology, hiring locally with the exception maybe of some of their supervisors when they are first out of the box, it's located in an area where we want to see this kind of manufacturing which is very helpful

and the fact that what was done in this incentive is simply to say we'll split the taxes with you for 5 years, you are still on the hook to pay taxes but we are going to split it with you for the first 5 years and your payment for that in addition to paying half the taxes as you are going to invest \$18.5 million to build it and you are going to provide this level of jobs for us. This is a win-win for Huntersville in my eye and win-win for this company and I think the plus to it will be this will attract other companies to our communities.

Mayor Swain said you, our Planning staff and the EDC worked their buns off on this and Leslie, correct me if I'm wrong, over 3,000 e-mails that we were tallying. This was a lot of effort to get here. The company also worked really hard with us to make this work so this everyone wins.

Mr. Ferguson said I was going to recognize the EDC and the work that they did. Also I would like to just point out one thing, there's a line here that says additional funding for site work of greenfield land and the Town Board stepped forward to help prepare a site that is not in a business park, it was not actively being sought to sell. It had a For Sale sign up but it was not being promoted very well and a lot of challenges to get to a closing with this company and so the Town Board did some additional funding for site work to get the property ready to go so it could compete with other sites. The company came to town and I believe they were convinced that this was the right location although we were competing with South Carolina. They actually pretty much rejected the first five sites that they were shown in town because they didn't think that they could get them built quick enough and this site was probably Site #6 and so the Town Board is to be commended because that additional funding actually helped to get that site ready to go and it got the property closed and the company is here versus South Carolina. So that's something I just wanted to note – it's up on the screen. The total amount there was \$22,000. That only gets paid after they invest and perform so it's tacked on to the end of the first year. So it's actually more like a reimbursement. The work has been done, they've paid for it but it would be reimbursed in the future.

Commissioner Neely said I, like some of my fellow commissioners and yourself, had the opportunity to sit down with this company at a luncheon and I was enormously impressed by their desire to be good citizens, their desire to get here and be a part of this community and their desire to make sure they help within the community to fund some of the kind of things that go on within a community that make them the kind of good citizens they want to be as part of our community. That was just like the icing on the cake.

There being no further comments, Mayor Swain closed the public hearing.

OTHER BUSINESS

Economic Development Incentives – Nutec. Commissioner Julian made a motion to approve proposed economic development incentives for Nutec, Inc.

Commissioner Bales seconded motion.

Motion carried unanimously.

CONSENT AGENDA

Approval of Minutes – September 21 Pre-meeting. Commissioner McAulay made a motion to approve the minutes of the September 21, 2015 Town Board Pre-meeting. Commissioner Kidwell seconded motion. Motion carried unanimously.

Approval of Minutes – September 21 Regular Meeting. Commissioner McAulay made a motion to approve the minutes of the September 21, 2015 Regular Town Board Meeting. Commissioner Kidwell seconded motion. Motion carried unanimously.

Budget Amendment – Police. Commissioner McAulay made a motion to approve budget amendment recognizing insurance revenue in the amount of \$1,784.80 and appropriate to the Police Department's insurance account. Commissioner Kidwell seconded motion. Motion carried unanimously.

Budget Amendment – Police. Commissioner McAulay made a motion to approve budget amendment recognizing insurance revenue in the amount of \$173.98 and appropriate to the Police Department's insurance account. Commissioner Kidwell seconded motion. Motion carried unanimously.

Budget Amendment – Old Jail. Commissioner McAulay made a motion to approve budget amendment appropriating funds in the amount of \$7,000 received from Olde Huntersville Historic Society to Repairs & Maintenance – Building to provide for roofing of the Old Jail. Commissioner Kidwell seconded motion. Motion carried unanimously.

Budget Amendment – Rental Revenue. Commissioner McAulay made a motion to approve budget amendment appropriating estimated rental revenue in the amount of \$16,000 for Caroleen Properties to be used for utilities and maintenance of these properties. Commissioner Kidwell seconded motion. Motion carried unanimously.

SL362 Property Tax Refund. Commissioner McAulay made a motion to approve SL362 Property Tax Refund Report No. 44. Commissioner Kidwell seconded motion. Motion carried unanimously.

Property Tax Refund Report No. 44 attached hereto as Attachment No. 1.

SL362 Property Tax Refund. Commissioner McAulay made a motion to approve SL362 Property Tax Refund Report No. 45. Commissioner Kidwell seconded motion. Motion carried unanimously.

Property Tax Refund Report No. 45 attached hereto as Attachment No. 2.

Acquisition of Property. Commissioner McAulay made a motion to authorize acquisition of 307 N. Main Street and 109 Church Street and appropriate fund balance in the amount of \$245,000 to cover purchase of land and associated closing costs. Commissioner Kidwell seconded motion. Motion carried unanimously.

Acquisition of Property. Commissioner McAulay made a motion to authorize acquisition of 405 Gilead Road (Tax Parcel 017-105-02). Commissioner Kidwell seconded motion. Motion carried unanimously.

CLOSING COMMENTS

None

There being no further comments, the meeting was adjourned.

Approved this the _____ day of _____, 2015.

DRAFT