

Draft

BOARD OF COMMISSIONERS
REGULAR MEETING June 20, 2005

ALEXANDER COUNTY
STATE OF NORTH CAROLINA

PRESENT: William L. Hammer, Chairman
 W. Darrell Robertson, Vice-Chairman
 Wesley E. Bolick
 W. Norris Keever
 Larry Yoder

STAFF: Rick French, County Manager
 Jamie Starnes, Clerk to the Board

MEDIA: Gary Herman, The Taylorsville Times
 Heather Howard, The Charlotte Observer – Catawba Valley Neighbors

The Alexander County Board of Commissioners held a regular meeting on Monday, June 20, 2005 in the Catawba Valley Community College / Alexander Center Multipurpose room, Taylorsville, North Carolina.

CALL TO ORDER

Chairman Hammer called the meeting to order at 6:00 PM.

INVOCATION & PLEDGE OF ALLEGIANCE

Commissioner Bolick's grandson, Jacob Morris, gave the invocation and his granddaughter, Carolyn Kistler, led the Pledge of Allegiance to the Flag.

COMMISSIONER'S REPORT

Commissioner Keever stated that the NCACC Board of Directors, on which he serves, met this past Friday and Saturday and heard a proposal made by 2 senators in the General Assembly to take away 2 of the half-cent sales taxes from the counties. He explained that it would take Alexander County approximately 10 years to recover from just one of those sales taxes, even though the proposal also would allow counties the option to enact another half cent. Commissioner Keever was happy to announce that the NCACC Board of Directors rejected the offer; however, he noted that the General Assembly still had the authority to pass the proposal.

Commissioner Keever informed the Board that the General Assembly transferred all food taxes onto the local one-cent sales tax so that it was no longer allocated to the school system. He stated that the NCACC Board of Directors voted to have the food taxes transferred back as previously allocated so that schools would get construction funds directly.

Commissioner Keever stated that the combined motor vehicle registration renewal and property tax collections were moving ahead. He also pointed out that the NCACC Board of Directors had approved a higher surcharge for citizens that did not pay their taxes within an allotted time frame which was a 10% penalty for the first month and a 2% monthly penalty afterwards. Commissioner Keever stated that the money collected with the surcharge would be placed into a special fund that would be used for equipment and computers for the new combined system.

Commissioner Keever stated that the General Assembly wanted to double the local deed stamp tax and distribute all the money to the state for allocation to the Rural Center and DENR. He stated that the NCACC Board of Directors suggested that 50% of the money be given to the counties as it currently operates.

Commissioner Keever explained that the federal government had approved \$54 million for North Carolina for the Help America Vote Act. However, he noted that because of additional requirements placed on the program by the state, there was an additional \$26 million in costs that was not covered in the state or federal budgets. Commissioner Keever felt that the counties could eventually get stuck with paying that cost.

Chairman Hammer thanked Commissioner Keever for serving on the Board of Directors. He stated that Commissioner Keever did a great job and kept the commissioners informed for which he was grateful.

ADOPTION OF AGENDA

Commissioner Robertson made a motion to adopt the agenda as presented. Commissioner Keever seconded the motion. The Board voted unanimously in favor of the motion.

SALES TAX RESOLUTION

Commissioner Robertson presented a Resolution for Continued Support of a One-Cent Local Option Sales Tax for Infrastructure and Capital Needs in Alexander County. He thanked Rick French, County Manager, and Jamie Starnes, Clerk to the Board, for preparing this resolution at such short notice.

Commissioner Robertson explained that the county needed a revenue source other than property taxes to offset the increased costs of Medicaid and other state mandates. He felt that it was unfair for property owners to carry the burden for these things and he explained that the Board had asked the General Assembly to consider giving the County the authority to enact an additional one-cent sales tax that would be paid by everyone; however, the request was not

considered. Commissioner Robertson stated that it was his intent for this resolution to be brought to the attention of every member of the General Assembly as well as every county.

Commissioner Robertson asked that copies of this resolution be sent to all members of the General Assembly, the NCACC, and every county in North Carolina.

Commissioner Keever stated that the General Assembly had passed 160 bills since 1970 that impacted local property taxes. He also stated that 20 of those had passed during the last 3 years and had cost N.C. counties \$530 million from their revenue stream each year. He encouraged everyone who knew someone in the General Assembly to contact them regarding these bills.

Commissioner Robertson made a motion to approve the Resolution for Continued Support of a One-Cent Local Option Sales Tax for Infrastructure and Capital Needs in Alexander County. Commissioner Bolick seconded the motion. The Board voted unanimously in favor of the motion.

BOARD APPOINTMENTS & REAPPOINTMENTS

Chairman Hammer requested the Board reappoint John Watts to the CVCC Board of Trustees for a 4-year term.

Chairman Hammer made a motion to approve the reappointment of John Watts to the CVCC Board of Trustees. Commissioner Yoder seconded the motion. The Board voted unanimously in favor of the motion.

NEW INDUSTRY ANNOUNCEMENT

Ron Leitch, N.C. Department of Commerce, stated that it had been a pleasure to be a part of this project. He felt that Alexander County was obtaining a quality company in the Industrial Park and he thanked David Icenhour, Economic Development Director, for his work with the project.

David Icenhour announced that Paragon Films, Inc. of Broken Arrow, Oklahoma, would establish a manufacturing facility in Alexander County creating new and stable job opportunities for citizens. He stated that the company, the 6th largest manufacturer of stretch film in the United States, would invest \$10 million and would create a minimum of 25 jobs over the next 2 years. The company currently has production capacity of 100 million pounds of stretch film annually and will be able to produce 15 million pounds the first year in the Alexander County site. Mr. Icenhour stated that future plans included a 60,000 square foot expansion and the creation of additional jobs. He informed the Board that the company offered quality jobs with a pay scale 10% to 20% higher than the average county wage with an excellent benefits package. Mr. Icenhour stated that Paragon Films, Inc. would provide some diversification in the industrial base in the county and give citizens a work option in addition to furniture.

Mr. Icenhour introduced Mike Baab, President and CEO of Paragon Films, Inc. and Brian Stock, Executive Vice-President of Paragon Films, Inc.

Mike Baab stated that Paragon Films, Inc. was not a typical company because the leadership team focused primarily on their employees instead of money and growth. He spoke briefly about the company and discussed the Paragon for Christ Trust that was used for people in need who were unassociated with Paragon's employees. He mentioned that he planned to begin shipping out of the new facility by September 1, 2005 and manufacturing by October 1, 2005. He thanked G.L. Wilson and Ben Zachary for their contribution to this project.

Sandy Jordon, Industrial Development Director, N.C. Department of Commerce, discussed the loss of jobs in N.C. over the last few years. He stated that N.C. workers were very productive and had a strong work ethic that he felt Mr. Baab would be pleased with as his company began to operate. He congratulated all individuals involved in this project and wished Mr. Baab and Paragon Films, Inc. lots of success. On behalf of the N.C. Department of Commerce, Mr. Jordon presented Mr. Baab with a N.C. State flag.

Guy Barriger, Town of Taylorsville Mayor, stated that the Town was very proud to have Paragon Films, Inc. coming to Alexander County. He also stated that Alexander County citizens were hard working people and he felt that the company would enjoy having them as employees. He presented Mr. Baab with a June Bug clock on behalf of the Town Board of Commissioners and urged Mr. Baab to contact them if they could help in any way.

Commissioner Yoder thanked Mr. Icenhour for working closely with Alexander Railroad, G.L. Wilson, and EnergyUnited for this project. Commissioner Yoder felt that it was great to have a new company that would help diversify the industry in the county. He stated that Alexander County was a great place to live and work and he welcomed Paragon Films, Inc.

Commissioner Bolick stated that he appreciated Mr. Baab's thoughts about family and taking care of his employees. He thanked Alexander Railroad and G.L. Wilson as well as Rick French, County Manager, and Mr. Icenhour for their work on this project. He also welcomed Mr. Baab and his staff to Alexander County.

Commissioner Robertson asked several individuals to stand including Ben Zachary and Sam Zachary from Alexander Railroad; Tom Wilson, Bob Palmes, and Jeff Kerley from G.L. Wilson, and R.B. Sloan, CEO of EnergyUnited. He discussed the acquiring of the land at the Industrial Park and the construction of the spec building which occurred in 1997 and pointed out that Bob Palms had commented several years ago that the first customer in the industrial park needed to be the right customer. Commissioner Robertson felt that Paragon Films, Inc. was the right customer and he presented Mr. Baab with 2 Alexander County flags.

Commissioner Keever stated that he appreciated Mr. Baab's philosophy towards his employees and he thanked Paragon Films, Inc. for coming to Alexander County. He noted that he looked forward to working with the company.

Chairman Hammer felt that Mr. Baab would soon discover that the entire county was one big family that always volunteered to help others in need. He also stated that the Board made a commitment 2 years ago to make economic development a main priority for which he was pleased. He presented Mr. Baab with a Key to the County in recognition of a commitment to enhance economic development and diversify the industry base in Alexander County.

Mr. Icenhour stated that there were many other people involved in this project and he mentioned the following individuals who were present at the meeting:

Alexander Railroad

Ben Zachary, President and General Manager
Claude Abernethy, Director
Thomas Warlick, Director
Lillian Brookshire, Director
Sam Zachary, Retired President and Director
Angela Geddings, Office Manager

G.L. Wilson

Tom Wilson, President
Bob Palmes, Vice-President of Business Development
Jeff Kerley, Senior Project Manager

EnergyUnited

R.B. Sloan Jr., CEO
Tim Holder, Economic Development
Rod Watts, EnergyUnited Water Corp. General Manager
Jerry Durmire, EnergyUnited Water Corp. Board Chairman

Jim Cole, PSNC Energy Economic Development; Jim Bowman, Norfolk Southern Economic Development; Cuyler Dunbar, CVCC President; Crystal Glenn, CVCC Industrial Training Director; Marlene Little, NC Community College System Charlotte Region Customized Training Director; Jack Hoke, Alexander School System Superintendent; and Denise Elder, Chamber of Commerce Executive Director.

Mr. Icenhour also thanked several organizations for awarding Alexander County with grant funding specifically for this project including the N.C. Department of Transportation, Norfolk Southern, the Golden Leaf Foundation, and the N.C. Department of Commerce.

Mr. Icenhour announced there would be one more presentation. He stated that Mr. Baab's employees at the Oklahoma facility had suggested this out of respect for Mr. Baab and his father, W.E. Baab. Mr. Icenhour stated that Industrial Park Drive had been renamed W.E. Baab Industrial Drive and he presented Mr. Baab with the actual road name sign.

Mr. Baab conveyed his appreciation for the recognition of his father. He also thanked Brian Stock who represented Paragon Films, Inc. during negotiations.

ADJOURNMENT

There being no further business, Commissioner Robertson made a motion to adjourn at 7:02 PM to reconvene in a reception in honor of Paragon Films, Inc.. Commissioner Bolick seconded the motion. The Board voted unanimously in favor of the motion.

William L. Hammer, Chairman

Jamie M. Starnes, Clerk to the Board