

**NORTHAMPTON COUNTY
REGULAR SESSION
February 2, 2015**

Be It Remembered that the Board of Commissioners of Northampton County met on February 2, 2015 with the following present: Robert Carter, Fannie Greene, Chester Deloatch, and Joseph Barrett

Others Present: Kimberly Turner, Scott McKellar, and Michelle Nelson

Absent: Virginia Spruill

Agenda Work Session:

A 10-minute work session was held to discuss today's agenda items. Chairwoman Greene called upon County Manager Kimberly Turner for input. Ms. Turner noted that there are no changes to the agenda. However, she had a comment concerning the procedure for putting a statue at the Cultural and Wellness Center.

Commissioner Carter stated that the Board needs to be more consistent in what they say and do. He was referring to the closed session minutes from the last meeting. He wants to make sure the Board is consistent in the decisions that they make. He feels that decisions can come back and cause hardship. He also noted that the police protection in the meeting was questioned by a citizen who wanted to know why it was needed. He said this issue never came before the Board. He wants to bring it back up when the full Board is present about whether they all want police protection at Commissioner Meetings. Commissioner Carter made a final point asking the Board to be careful with materials that come forth to the Board.

Regular Session:

Chairwoman Greene called the meeting to order, welcomed everyone, and announced when citizens could make comments.

Vice-Chairman Barrett delivered the Invocation, and the Pledge of Allegiance was recited.

Approval of Regular Session Minutes for January 21, 2015:

A motion was made by Chester Deloatch and seconded by Joseph Barrett to approve the Regular Session Minutes for January 21, 2015. **Question Called: All present voting yes. Motion carried.**

Vice-Chairman Barrett wanted to add a comment. He mentioned that he will not be here for the next Commissioners' meeting but he knows a decision will be made concerning the Bertie County non-emergency franchise. He wants the Board to know that he is opposed to that franchise being offered.

Approval of Closed Session Minutes for January 21, 2015:

A motion was made by Joseph Barrett and seconded by Robert Carter to approve the Closed Session Minutes for January 21, 2015. **Question Called:** *All present voting yes.* **Motion carried.**

Approval of Agenda for February 2, 2015:

A motion was made by Robert Carter and seconded by Joseph Barrett that the agenda as printed be approved for today's meeting. **Question Called:** *All present voting yes.* **Motion carried.**

Ad Valorem Tax Appeals, Veteran Tax Appeal, Secured and Unsecured Delinquent Tax 2014, Appeal Rollback Taxbills, and Present Use Applications- Approvals:

Mrs. Cathy Allen, Tax Administrator, appeared before the Board to obtain approval to release or refund Ad Valorem taxes assessed in the amount of \$2,073.70 on 11 appeals.

A motion was made by Robert Carter and seconded by Joseph Barrett that the Ad Valorem tax appeal on the 11 appeals in the amount of \$2,073.70 be approved for release or refund for the reasons stated. **Question Called:** *All present voting yes.* **Motion carried.**

Mrs. Allen also appeared before the Board to obtain a decision on a Veteran Exclusion to see if the appellant has good cause for the filing of a late application. The applicant failed to meet the June 1st deadline for submitting an application for the Veteran Exclusion.

Mr. Frederick Hux was present to discuss his case. He stated that the only reason he was late is because when he went to the Veterans Office to fill out the paper work, he thought that was the end of it. He didn't know that he had to go to the Tax Department to do more paperwork. He said if he had known, he would have done it at the time.

Mrs. Allen stated that the paperwork that Mr. Hux submitted was done in December. At that time, when he filed with the Veteran's Office, he was also late. Everything was filed in December.

A motion was made by Robert Carter that Mr. Hux be denied. **Question Called:** *All present voting yes.* **Motion carried.**

Vice-Chairman Barrett asked if Mr. Hux could reapply. Mrs. Allen confirmed that he can, and that he has to make a different application.

Mrs. Allen also appeared before the Board to obtain action concerning roll back bills on parcel 02-02150 owned by James H. Sheffield. Mrs. Allen asked if Mr. Avery Davis, Chief Appraiser, could take over the presentation.

Mr. Davis stated that the only avenue for appeal on the rollback bills was covered in the second 60-day notice. If you don't do it in the second 60 days, you can't appeal for the removal of the present use value for a property. Mr. Sheffield is also appealing late present use application for 2014.

Mr. Sheffield was present to speak to the Board. He mentioned that he didn't receive the September 2013 notice.

He received an audit in 2013, which he signed. It showed all the properties being leased that are not farming property. He didn't have the information to fill out one of the pages. His cousin Larry Vaughan arranged for this lease. Mr. Vaughan was unreachable during this time, and Mr. Sheffield couldn't reach Sandra Flythe. He sent this back in to Mr. Davis and advised that when he heard from Mrs. Flythe he will have her come in to give the information he didn't have to Mr. Davis. There was a letter to Mr. Sheffield dated September 3, 2013 that was sent to an address that Mr. Sheffield no longer lived at.

Mr. Sheffield turned in the 2014 Application, since they had the 2013, this was a continuation. Mrs. Flythe came in and gave the information for 2013. She sent Mr. Sheffield correspondence that this had been done. He admits he was late, but is not sure how late because he was relying on the farmer/tenant to supply the information that he did not have.

Commissioner Carter made a note that the Tax Department included in their position paper that the Board ruled for previous land owners that "ignorance of the law was not good cause for failure to make a timely application for Present Use Assessment. When making a decision about taxation, the decision must be consistent." He mentioned that the Board set a precedence. Therefore a decision to approve a late Present Use application would be a disservice to the previous taxpayers.

A motion was made by Robert Carter and seconded by Joseph Barrett that the Board deny the appeal to release the roll back bills on parcel 02-02150, and deny the late Present Use Application. **Question Called: All present voting yes. Motion carried.**

Vice-Chairman Barrett made the comment that these issues keep coming up, and he thinks they need to do everything they can to make sure that the citizens are guided in a proper manner about things that they are not familiar with. He feels they need to re-look at some policies and procedures to see if there is something else that they could do to ensure this.

Mr. Davis also appeared before the Board to obtain approval of the attached list of late Present Use Applications submitted due to a transfer of property, when the application meets all requirements of General Statute 105-277 on parcels owned by Robert and Elladeane Bowers Trust, Trustee Heath Bowers Cox.

A motion was made by Robert Carter and seconded by Joseph Barrett that the Health Bowers Cox Present Use application be approved. **Question Called: All present voting yes. Motion carried.**

Mr. Davis also appeared before the Board to obtain approval of the attached list of late Present Use Applications submitted due to a transfer of property, when the application meets all requirements of General Statute 105-277 on parcels owned by SM Lassiter Estate LLC.

A motion was made by Joseph Barrett and seconded by Chester Deloatch that the Board approve the Present Use application on parcels 07-00719, 09-01730, 03-05042, and 03-01835 for the Lassiter Estate LLC. **Question Called: All present voting yes. Motion carried.**

Mr. Davis also appeared before the Board to obtain approval of the attached list of late Present Use Applications submitted due to a transfer of property, when the application meets all requirements of General Statute 105-277 on parcels owned by William J. Beale, III and Albert W. Overby.

A motion was made by Robert Carter and seconded by Joseph Barrett that the Board approve the late Present Use applications for the following parcels and individuals identified in the decision paper. **Question Called: All present voting yes. Motion carried.**

Finally, Mrs. Allen appeared before the Board to report the amount of delinquent tax and fees to the Board, and request their order to advertise secured 2014 tax bills during the second or third week of April 2015.

Mrs. Allen presented the schedule summarizing the tax amount, the types, the total by tax codes for secured and unsecured tax bills 2014 which became delinquent on January 6, 2015. There was also a summary of the tax amount totals by tax codes for all delinquent secured and unsecured tax bills as of January 27, 2015. There is a total amount due of \$2,980,033.37 for 2014. Also, for the second schedule that summarizes all tax bills, the total is \$6,063,619.78. The \$6,063,619.78 is a combination of all the delinquent taxes, fees, and fire district tax to be collected.

The collection rate at this time is 82 percent.

A motion was made by Joseph Barrett and seconded by Robert Carter that the Board adopt an order to the tax collector, directing that the secured 2014 tax liens be advertised pursuant to G.S. 105-369. **Question Called: All present voting yes. Motion carried.**

Appointment to the Economic Development Commission, Request Public Hearing Date- Amendments to the Northampton County Revolving Loan Program, and Request Public Hearing Date- Amendments to Clements Mechanical Agreement:

Mr. Gary Brown, EDC Director, appeared before the Board to secure a decision for the appointment of three members for the Northampton County Economic Development Commission.

A motion was made by Robert Carter and seconded by Chester Deloatch that the Board of Commissioners reappoint the following three individuals so identified in the decision paper. **Question Called: All present voting yes. Motion carried.**

Mr. Brown also appeared before the Board to request a date and time for a public hearing to consider proposed amendments to the Northampton County Revolving Loan program.

Chairwoman Greene asked the Clerk for a date and time. Ms. Nelson gave the date of February 16, 2015 at 1:45 p.m.

A motion was made by Robert Carter and seconded by Chester Deloatch that the Board set February 16th at 1:45 p.m. for a public hearing for the EDC Commission. **Question Called: All present voting yes. Motion carried.**

Vice-Chairman Barrett asked if funds dispersed through that program have to go through this Board prior. Mr. Brown confirmed that this was correct.

Finally, Mr. Brown appeared before the Board to secure a date and time for a public hearing for a proposed amendment to the Economic Development Agreement between Northampton County and Clement's Mechanical Inc., revising Article IV for consistency with the Community Development Block Grant Program (CDBG) as related to the CDBG-SBEA award made to Clements Mechanical.

Chairwoman Greene asked the Clerk for a date and time. Ms. Nelson gave the date of March 2, 2015 at 10:20 a.m.

A motion was made by Robert Carter and seconded by Chester Deloatch that a public hearing for Clements Mechanical be established for March 2nd at 10:20 a.m. **Question Called: All present voting yes. Motion carried.**

Vice-Chairman Barrett asked about the estimated completion date of mid-January 2015 which was included in the materials that Mr. Brown provided to the Commissioners. Mr. Brown stated that the building has been completed. The electrical and plumbing work has yet to be completed, but the project is not finished.

Vice-Chairman Barrett stated that he is alluding to the deferment and completion, and all of the funds and expected funds with this project have been forthcoming and will be forthcoming. Mr. Brown said yes. Vice-Chairman Barrett wanted to clarify that being in non-compliance on the completion date is not going to hold that up. Mr. Brown said that is correct.

Vice-Chairman Barrett asked when the entire project would be concluded. Mr. Brown felt that they are anticipating mid-March.

**PLEASE SEE SCANNED DOCUMENTS WHICH ARE
HEREBY MADE A PART OF THESE MINUTES:**

Decision Paper

To: Northampton County Board of Commissioners
From: Gary Brown, Northampton Economic Development Commission
Date: January 26, 2015
Subject: Appointment of Members, Northampton County Economic Development Commission.

PURPOSE:

To secure a decision of the Northampton County Board of Commissioners for the appointment of three (3) members of the Northampton County Economic Development Commission.

FACTS:

1. The members of the Northampton County Economic Development Commission (NCEDC) are appointed by the Northampton County Board of Commissioners pursuant to the NCEDC By-Laws.
2. The NCEDC By-Laws establish a three (3) year staggered term of office for members who may serve not more than three (3) consecutive terms, except for the county commission member who may serve without term limitations.
3. The appointment terms of three (3) current members of the NCEDC, Mrs. Virginia Spruill (Board of Commissioners), Mr. Elbert Long, District 1, and Rev. Richard Powell, District 3, have expired. Mr. Long completed his third term in office and is not eligible for reappointment.
4. In consultation with Commissioner Barrett, the NCEDC recommends the appointment of Mr. David Helms as the District 1 representative for a term of appointment expiring January 31, 2017. Mr. Helms is a resident of the Town of Severn; is a forty-two year industrial management veteran; and is employed as the special projects manager for Severn Peanut Company.
5. In consultation with Commissioner Chester Deloatch, staff recommends the reappointment of Rev. Richard Powell as the District 3 representative, for a full term of appointment ending January 31, 2018.
6. Both Mr. Helms and Rev. Powell have indicated their agreement to serve if so appointed by the Northampton County Board of Commissioners, and express their appreciation for that consideration.
7. Mrs. Spruill serves as the representative of the Northampton County Board of Commissioners with a current term of appointment which expired January 31, 2015. Representatives of the Board serve without term limitations. Mrs. Spruill has expressed her willingness to serve another term of appointment at the pleasure of the Board.

Decision Paper:
Appointment of Members, Northampton County Economic Development Commission
January 26, 2015
Page 2

RECOMMENDATION:

The NCEDC recommends the Northampton County Board of Commissioners appoint to the Northampton County Economic Development Commission Mr. David Helms, District 1, for a term of appointment expiring January 31, 2017; and Rev. Richard Powell, District 3, for a term of appointment expiring January 31, 2018. At the pleasure of the Board of Commissioners, the Economic Development Commission requests the appointment of a member of the Board to the Economic Development Commission for a term of appointment expiring January 31, 2018.


ACTION BY THE DECISION MAKER:

APPROVED _____ DISAPPROVED _____
OTHER (SPECIFY) _____

SIGNATURE & DATE _____

Decision Paper

To: Northampton County Board of Commissioners

From: Gary Brown, Northampton County Economic Development Commission 

Date: January 27, 2015

Subject: Establishment of a Date for a Public Hearing Related to Proposed Amendments to the Northampton County Revolving Loan Program

PURPOSE:

The NCEDC requests the Northampton County Board of Commissioners establish a date and time for a public hearing to consider proposed amendments to the Northampton County Revolving Loan Program.

FACTS:

1. The Northampton County Revolving Loan Program (hereinafter the Program) was established to assist the development of new and expanding business and industry in Northampton County.
2. The Northampton County Manager and staff of the NCEDC have determined that amendment of the Program guidelines are appropriate to strengthen the administration and effectiveness of the Program, and to strengthen the fiduciary position of the County.
3. Proposed amendments to the Program guidelines are being finalized in consultation with the Northampton County Attorney and Northampton County Manager.
4. Amendment of the Program guidelines requires action of the Northampton County Board of Commissioners subsequent to a public hearing.

RECOMMENDATIONS:

The NCEDC requests the Northampton County Board of Commissioners establish a public hearing date at the earliest date convenient for further consideration of the proposed Program amendments.

Information Paper
Request for Public Hearing Related to Proposed Amendments to the Northampton County
Revolving Loan Program
January 27, 2015
Page 2

ROUTED FOR CONCURRENCE/COMMENT TO:

Ms. Kimberly Turner, Northampton County Manager

Concur: Kimberly L. Turner 1/28/15 Non-Concur: _____

Comment: _____

Decision Paper

To: Northampton County Board of Commissioners

From: Gary Brown, Northampton County Economic Development Commission 

Date: January 27, 2015

Subject: Request for Date and Time for a Public Hearing for a Proposed Amendment of the Economic Development Agreement Between Northampton County and Clement's Mechanical Inc.

PURPOSE:

To secure the establishment of a date and time for a public hearing for a proposed amendment to the Economic Development Agreement between Northampton County and Clement's Mechanical Inc., revising Article IV for consistency with the Community Development Block Grant Program (CDBG) as related to the CDBG-SBEA award made to Clements Mechanical.

FACTS:

1. On August 5, 2013, Northampton County (the County) and Clement's Mechanical Inc. (the Company) entered into an economic development agreement (the Agreement, copy attached) providing for the construction of the Company's headquarters and operations center (the Facility) on a forty (40) acre site in the Northampton Commerce Park.
2. Article IV of the Agreement provides for the Company to "create and maintain a minimum of twenty-six (26) full-time permanent jobs...." and further provides that those "twenty-six (26) full-time permanent jobs created during this period shall be maintained for a term of five (5) years."
3. Based on this job retention commitment, the Company applied for and received an award of CDBG-SBEA funds for the Clements Mechanical Project. The prevailing document was the Legally Binding Commitment (copy attached) signed by Clements and Northampton County that stated these jobs would be retained for a period of 24-months from the date of the Grant Agreement from the Division of Community Assistance (DCA). The date of the Grant Agreement was July 7, 2011.
4. Northampton County's CDBG-SBEA project was monitored by DCA on July 14, 2014 and this included documenting the job retention by the County. As noted in the follow-up letter dated September 26, 2014 (copy attached) from Charlie Thompson, Chief, Grants Management Section at DCA, "The County accomplished this retention goal."
5. Therefore, there are no further CDBG requirements regarding current or future job retention on the part of Northampton County or Clements Mechanical.
6. Accordingly, the five (5) year provision extant in the Agreement is inconsistent with the provisions of the CDBG program; unnecessarily clouds or encumbers the deed; and should be revised for consistency with requirements of the CDBG program.

Decision Paper: Revision to Clement's Mechanical Economic Development Agreement
January 27, 2015
Page 2

RECOMMENDATION:

In consultation with and with the concurrence of Northampton County Manager Kimberly Turner, the Northampton County Economic Development Commission recommends:

The Northampton County Board of Commissioners:

Establish a date and time for consideration of the proposed amendment of Article IV of the Economic Development Agreement between Northampton County and Clements Mechanical Inc., revising the Company's job creation and retention performance period to be twenty-four (24) months consistent with CDBG program guidelines and the Legally Binding Commitment of Northampton County and the Company

ROUTED FOR CONCURRENCE/COMMENT TO:

Ms. Kimberly Turner, Northampton County Manager

Concur: Kimberly B. Turner 1/28/15 Non-Concur: _____

Comment: _____

ACTION BY THE DECISION MAKER:

APPROVED _____ DISAPPROVED _____

OTHER (SPECIFY) _____

SIGNATURE & DATE _____

LEGALLY BINDING COMMITMENT

STATE OF NORTH CAROLINA

NORTHAMPTON COUNTY (APPLICANT)

CLEMENTS MECHANICAL, INC. (COMPANY)

PUBLIC FACILITIES AGREEMENT

THIS AGREEMENT (the "Agreement") is entered into as of the 30TH day of November 2010, by and between Clements Mechanical, Inc., a corporation authorized to transact business within the State of North Carolina (hereinafter referred to as the "Corporation") and Northampton County, North Carolina (hereinafter referred to as the "Applicant"). This Agreement will not become effective until all conditions placed upon the Applicant's funding approval are satisfied and funds are released by the Department of Commerce (hereinafter "DOC") pursuant to a Community Development Block Grant (hereinafter "CDBG") with the Applicant.

WITNESSETH

WHEREAS, the Applicant anticipates receiving a Community Development Block Grant from the Department of Commerce in the amount of \$250,000 to be used primarily to benefit low to moderate-income persons by financing the economic development project to be undertaken by the Applicant and the Corporation (the "Project").

NOW, THEREFORE, in consideration of the promised and the mutual covenants and promises set forth herein, the Corporation and the Applicant hereby agree as follows:

I. AGREED ACTIONS

A. The Corporation shall execute its responsibilities as identified in Corporation's narrative exhibits and the employment profiles contained in the Applicant's CDBG application to DOC. Those exhibits and commitments are incorporated herein by reference, as if set out in full. The Corporation agrees to build and operate the Project in a timely manner. Briefly, those documents describe the construction of a 30,000 square foot industrial fabrication facility (the "Facility") on a forty-acre site located in the Northampton County Commerce Park. The Corporation currently has continuing operations in the County that employ 26 people and commits to these 26 positions for a 24-month period from the date of the Grant Agreement for this project. The Corporation

commits to retain persons whose household income is within low to moderate-income limits in seventy percent (70%) of all jobs stated above at the Corporation's Facility. The Corporation agrees that if it fails to retain 26 jobs prior by the end of the 24-month period referenced above it will reimburse Northampton County at the rate of \$9,615 for each job not retained.

The Corporation also agrees that if at the end of the grant agreement the number of prior low to moderate-income people employed at the Facility falls below fifty one percent (51%) of the total employment at the Facility, the entire grant amount will be due and payable to Northampton County by the Corporation. The Corporation's liability under this Agreement shall not exceed the dollar amount of the grant made by the Department of Commerce. If unforeseen calamity, an Act of God or financial disaster is the cause of action under this section of the Agreement, the Corporation and the Applicant may appeal to DOC for an extraordinary modification of this responsibility. Such modification shall be at the discretion of the Secretary of the Department of Commerce. The requirement that persons of low to moderate income must hold a minimum of fifty-one percent (51%) of all jobs created cannot be waived.

B. Each party shall keep and maintain books, records, and other documents relating directly to the receipt and disbursement of grant funds and fulfillment of this Agreement.

C. Each party agrees that any duly authorized representative of the Applicant, DOC, the United States Department of Housing and Urban Development, and the Comptroller General of the United States shall, at all reasonable times, have access to and the right to inspect, copy, audit, and examine all of the books, records, and other documents relating to the grant and the fulfillment of the Agreement for a period of five (5) years following the completion of all close-out procedures respecting the CDBG funds, and the final settlement and conclusion of all issues arising out of the CDBG funds.

D. Notwithstanding anything herein to the contrary, the parties hereto acknowledge the due execution of the CDBG Grant Agreement between the Applicant and DOC and agree that any conflict between the provisions, requirements, duties, or obligations of this Agreement and the CDBG Grant Agreement shall be resolved in favor of the CDBG Grant Agreement.

II. ENFORCEMENT

A. If at the end of the approved project period the Corporation has failed to retain the full number of job positions and low to moderate-income job positions presented in Agreed Actions Section I of this Agreement, or to incur the full level of private investment committed to in its grant application, as provided above, then the Corporation will pay to the Applicant an amount calculated in the manner set out in Section I-A of this Agreement.

B. This Agreement constitutes a legally enforceable contract and shall be governed and construed in accordance with the laws of the State of North Carolina.

III. PUBLIC RECORDS LAW

The Corporation acknowledges that it has read and understands North Carolina's laws regarding the treatment of public records and confidential information, and their application to economic development projects, including without limitation, those provisions set forth in Exhibit A.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under Seal as of the date first above written.

NORTHAMPTON COUNTY (Applicant)

CLEMENTS
MECHANICAL, INC. (Corporation)

Fannie P. Greene (SEAL)
Chairwoman

Stephen S. Clements (SEAL)
President

Kimberly L. Lee (SEAL)
Clerk

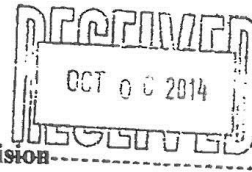
James V. Light (SEAL)
Secretary

12/2/10
Date

12/2/2010
Date



North Carolina
Department of Commerce
Community Assistance
Community Development & Planning Division



Pat McCrory, Governor
Dr. Pat Mitchell, CEC, Assistant Secretary

Sharon Allred Decker, Secretary
Melody Adams, Acting Director

September 26, 2014

The Honorable Robert V. Carter, Chair
Northampton County Board of Commissioners
Post Office Box 808
Jackson, North Carolina 27845

RE: Monitoring Visit Report
CDBG Number: 10-C-2198 (SBEA)

Dear Chair Carter:

On July 30, 2014, Ms. Valerie D. Moore, Grants Management Representative visited and monitored the County of Northampton's Small Business and Entrepreneurial Assistance (SBEA) Community Development Block Grant (CDBG) project.

Procedures and documentation were reviewed in the areas of Conformity with the Application, General Administration, Job Creation/Retention, Financial Management, Procurement, Compliance, and Fair Housing. Mr. Gary Brown, Director of Economic Development; Ms. Mary Bradley, Finance Director; and Mr. J. Michael Scott of Progressive Resources and Opportunities (PRO), participated in the review. Each also accompanied Ms. Moore on the site visit.

Please note that a review of this nature would not necessarily disclose all instances of non-compliance with Community Development Block Grant (CDBG) regulations. As briefly discussed with Mr. Brown at the conclusion of the monitoring visit, the areas reviewed appear to be generally in compliance with the applicable CDBG regulatory requirements. Attached is a monitoring summary of the areas reviewed during and following the visit. **No further action is required by the County.**

Thank you for the time and courtesies extended by the staff. If you have questions regarding

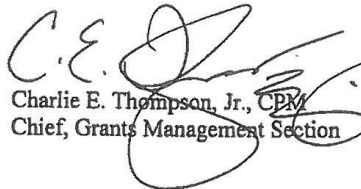
Thrive NC

100 East Six Forks Road, Suite 200-4313 Mail Service Center-Raleigh, North Carolina 27699-4313
Tel: (919) 571-4900-Fax: (919) 571-4951
www.nccommerce.com

The Honorable Robert V. Carter, Chair
September 26, 2014
Page 2

your CDBG program, please contact Valerie D. Moore by telephone at (919) 571-4900, extension 234,
or e-mail at vmoore@nccommerce.com.

Sincerely,



Charlie E. Thompson, Jr., CPA
Chief, Grants Management Section

Enclosure

cc: Ms. Kimberly Turner, County Manager
Mr. Gary Brown, Director of Economic Development
Mr. J. Michael Scott, PRO, Grant Administrator

Monitoring Summary
County of Northampton
Small Business and Entrepreneurial Assistance (SBEA)
CDBG Number: 10-C-2198
Date of Visit: July 30, 2014
Date Additional Information Received: September 16, 2014

The following areas were reviewed for County of Northampton's Small Business and Entrepreneurial (SBEA) grant: Conformity, Benefit, Schedule, General Administration, Financial Management, Job Creation/Retention, Labor, Compliance, and Fair Housing:

CONFORMITY/JOB CREATION AND BENEFIT/SCHEDULE

Conformity: Your grant's activities were reviewed for conformity with the approved application. The approved activities consist of:

| C-1 | Proposed | Accomplishments |
|----------------------------|---------------------------------------------------------|-----------------------------------------|
| Planning | Application Preparation and Entrepreneurial Environment | Completed |
| Rehabilitation, Commercial | 1 business | Materials Purchased; Site Prep Underway |
| Job Retention/Creation | Retain 26 Jobs with 18 LMI | Retained 26 Jobs with 18 LMI |

A review was made of the activities in Northampton County's SBEA project and it was noted that all activities occurred in the approved project area and carried out as described in the approved application. The noted activities are eligible in accordance with the **Code of Federal Regulations (CFR) 570.482 and 570.483**. Also, the noted eligible activities comply with the **North Carolina Community Development Block Grant (CDBG) Program's Regulations, 4NCAC 19L, Section .0301 Eligible Activities**.

Job Creation and Benefit: A review was completed on the County's cumulative beneficiary information to determine if the documentation is consistent with **CFR 570.483 (Criteria for National Objectives)** and in compliance with the **North Carolina CDBG Program Regulations 4 NCAC 19L Section .0502 A (1), Eligibility Requirements**. In the approved application, the County committed to assisting one project company, Clements Mechanical, to retain 26 jobs of which 18 would be for low-to-moderate-income (LMI) persons. The County accomplished this retention goal.

Schedule: Project progress was reviewed. The project was **100%** expended and behind schedule. The grant's activities were scheduled to be completed by **January 7, 2014** and closeout documents to Community Assistance (CA) by **April 7, 2014**. The County has purchased all the construction materials; however, the building was not completed at the time of monitoring. The estimated completion date is mid-January 2015.

GENERAL ADMINISTRATION

Mr. Mike Scott of Progressive Resources & Opportunities (PRO) administers the grant. Ms. Kimberly Turner, County Manager and Mr. Gary Brown, of the Economic Development Commission, provide day-to-day oversight of the grant. Based upon our review, the County's administrative requirements are consistent with **CFR 570.487 (Other applicable laws and related program requirements)**, and the **North Carolina CDBG Regulation 4 NCAC 19L, Sections .0900, .0911, .0102, and .0103**, were reviewed. Progress reports with expenditures are provided for the County Board. No complaints concerning the CDBG project have been received.

FINANCIAL MANAGEMENT

Northampton's financial management of the grant was reviewed for compliance. Based on the review, the County's financial management system complies with Office of Management and Budget (OMB) Circular A-87 and with the North Carolina CDBG Program Regulations 4 NCAC 19L, Section .0906, Financial Management Systems. Requests for payments were approved by a minimum of two persons prior to payment by the finance office. The County uses the reimbursement payment method of requisitioning CDBG funds. Spot checks on back-up documentation for Requisitions #1 and #3 were conducted during the visit and revealed no issues.

PROCUREMENT

The County followed the procedures as described in 24 CFR 85.36, Procurement, and the North Carolina CDBG Program Regulations 4 NCAC 19L, Section .0908, Procurement Standards, in procuring PRO.

COMPLIANCE

The County's equal opportunity activities were reviewed. The County has a total of 276 employees, of which 35 are minority males and 91 are minority females. The County advertises as an Equal Opportunity employer. Overall, the County's equal opportunity procedures appear to be adequate. The County's equal opportunity practices foster the Civil Rights Act of 1964 (P.L. 88-352) and Title II of the Americans with Disabilities Act of 1990 (P.L. 101-36). The County's Equal Opportunity requirements are in compliance with the North Carolina CDBG Program Regulations 4 NCAC 19L, Section .1001, Equal Opportunity and Nondiscrimination.

FAIR HOUSING

A review of the County's fair housing activity was conducted for compliance with Title VIII of the Civil Rights Act of 1968 and the North Carolina CDBG Program Regulation 4 NCAC 19L, Section .1001, Equal Opportunity and Non-discrimination. The County has complied with its approved fair housing plan and implemented the scheduled quarterly activities.

PROJECT COMPANY

The County assisted one project company, Clements Mechanical, LLC. A visit was made to the company to review the improvements as outlined in the scope of work. The work was underway. Construction workers were observed preparing the site for construction. The building materials were also seen stored at the site. The project is scheduled to be completed and occupied by mid-January 2015.

LABOR STANDARDS

Labor Standards were not reviewed during the visit. The project construction had just begun. The project is subject to Davis-Bacon requirements. The County must submit the wage decisions, pre-construction minutes, and other required documents to CA. The grant must remain open until the construction is completed and the building is occupied by Clements Mechanical.

END OF SUMMARY

Management Matters:

Ms. Turner wanted to discuss some comments that were made by the Board during the Tax Department discussion. She said we are trying to do what we can in letting the citizens know about our policies and procedures. Ms. Turner discussed this project with Department Heads at a meeting last week, about a community outreach program where a Department will be featured possibly every other month to give a brief presentation on some issues or services within our County. We are going to start with the Tax Department. Presentations will be from 6:00 to 7:00 p.m. to give the citizens time after work to attend.

Citizens/Board Comments:

Chairwoman Greene called for Citizens Comments.

None were heard.

Chairwoman Greene called for Board Comments.

Vice-Chairman Barrett mentioned that he is pleased that the County Manager is going to engage in certain activities in informing the public. He said this is going to have to be consistent and ongoing because everyone is not going to get the word the first time.

Chairwoman Greene stated that a couple of the Commissioners will be going to a Commissioners' training in New Bern, February 18th and 19th, and they were able to get a scholarship to pay for the registration. She will be going to the NACo Legislative Conference February 22nd in Washington, DC. She asked Ms. Turner if there is anything else planned for this month. Ms. Turner said no, but she would like to plan a work session after the February 16th meeting.

Commissioner Carter asked Ms. Turner if she said she was going to give the Board a report on their budget line item. Ms. Turner said if they would like to see the Governing Body's budget, she can provide that. Commissioner Carter confirmed that he would like to see it.

A motion was made by Joseph Barrett and seconded by Robert Carter to recess regular session.

Question Called: All present voting yes. Motion carried.

A motion was made by Robert Carter and seconded by Joseph Barrett to enter into a closed session for the purpose of G.S. 143-318.11(a)(4). **Question Called: All present voting yes.**

Motion carried.

A motion was made by Chester Deloatch and seconded by Robert Carter to adjourn closed session. **Question Called: All present voting yes. Motion carried.**

A motion was made by Joseph Barrett and seconded by Robert Carter to enter into regular session. **Question Called: All present voting yes. Motion carried.**

Mr. Gary Brown wanted to add one additional item. Relative to the conditional use permit for Clements Mechanical, he would like to move forward to effect the administration of the project and move it toward close-out.

A motion was made by Chester Deloach and seconded by Joseph Barrett to adjourn. **Question Called: All present voting yes. Motion carried.**

Michelle Nelson, Clerk to the Board
“r.m. 2-02-15”