

**MINUTES OF CLOSED SESSION  
CITY COUNCIL – CITY OF SANFORD  
NOVEMBER 6, 2001**

Upon a motion duly made, seconded, and carried in the November 6, 2001, open session of the City Council Meeting, the Council went into closed session in accordance with N.C.G.S. 143-318.11 (a) (4) to discuss matters relating to the location or expansion of industries or other businesses in the areas served by the public body.

The following people were present in the closed session:

Mayor Winston C. Hester	Mayor Pro Tem Joseph E. Martin
Council Member Clawson Ellis	Council Member Philip Dusenbury
Council Member J. T. Kirkman	Council Member Linwood Mann Sr.
Council Member James G. Williams	Council Member Walter McNeil, Jr

City Manager Leonard Barefoot  
City Attorney Susan C. Patterson  
City Clerk Bonnie D. White

Public Works Director Larry Thomas  
Community Development Director Ron Satterfield  
Lee County Economic Development Director Bob Heuts  
Atlantic and Western Vice-President Barry Waters

Mayor Hester called the meeting to order.

City Manager Leonard Barefoot advised Council that at the time closed session was held last Wednesday, he was not aware of the fact that Barry Waters, Vice-President of Atlantic and Western would be in town today. After meeting with Bob Heuts and Mr. Waters on Monday, Mr. Barefoot felt it would be best for Mr. Waters to speak to Council to clear up any misinformation or for clarification purposes of last week's meeting.

Mr. Heuts commented that he started working with the 3-M Company when they first decided to open a quarry in Pittsboro. The quarry will mine blue or green stone that is pulverized which is used on roofing shingles. The colorization plant is located in Chatham County. The 3M Company needs Atlantic and Western because it can transport the railcars to interchange with Norfolk and Southern located in Cumnock and CSX Railroad. Mr. Heuts commented that after working with Mr. Waters in trying to locate a site for a transloading facility, the Byrd property on U. S. Highway 421 was the best and only site suitable for the facility. Mr. Heuts added that the property is already zoned Light Industrial which allows railroad freightyards on that site. Mr. Heuts stated that it may not be the best of situations but in the long-term it will help A & W to remain a viable.

Mr. Waters gave a brief summary about A&W. He explained that it is a 10-mile shortline that runs from the Coty plant to the Cumnock area. They send out approximately 100 cars a month now, and A&W is not a viable railroad. With the construction of the proposed facility, A&W will increase its loads to about 3,000 loads a year, which is about 15 to 20 additional cars per day from 3M. With the increase in business, it will help A&W to become a profitable and healthy shortline. Mr. Waters stated that they are applying for a \$200,000 grant from the state. They will be spending \$2 million for the construction of the transloading facility and additional rail tracks. The maximum railcars per day would be 30 with four trucks per railcar, resulting in about 70 to 80 trucks a day. The resolution or letter of support is needed for the grant application.

In reply to Council concerning the trucking route used, Mr. Waters did not know what trucking company would be used. He said that A&W does not have a signed contract with 3-M yet. Council members expressed concern about the traffic on McNeil Road and U. S. Highway 421. Mr. Heuts stated that U. S. Highway #1 and 15-501 should not have a problem with the increase in traffic and U. S. Highway #421 will not have a problem once the bypass is constructed.

Mr. Kirkman inquired as to the hours of the operation. Mr. Waters stated they would be loading six days per week, 7 a.m. to 7 p.m., and on Saturday, they would work 4 hours to do switching. However, they could work 24 hours a day depending on the situation. Mr. Kirkman asked if they would be changing railcars at night. Mr. Waters replied that he does not handle the transloading. Mr. Kirkman stated that it is unfair to the residents in Forest Hills and Glenwood Village with the noise it would produce. He added that half of the people are retired in Forest Hills. Mr. Waters stated that the noise level should be low with electric conveyors.

Mr. McNeil expressed that there are a lot of uncertainties. Mr. Mann added that there would be problems with the trucks coming and going, the noise that would be created and tying up traffic through the main part of Sanford. Mr. Waters commented that most of the cars would be going to Cumnock to Norfolk Southern. Mr. Heuts stated that the movement is not increased, but it would be a longer line of railcars. Mr. Waters added that when they cross McIver Street, they have to call and get permission before they can cross that line.

Mr. Waters told Council that CSX Railroad removed eight miles of line in Chatham County and when that happens, the property is reverted back to the property owner.

Mr. Barefoot stated that it was his understanding, that A&W will build the facility with or without the resolution. The resolution would only help A&W get a \$200,000 grant from the State. Mr. Waters stated that was correct.

Council Members expressed much concern regarding the noise it would create in addition to the increased truck traffic. Mr. Martin stated that A&W will come out good

with the construction of the facility; however, it is not beneficial to Sanford as the trucking company will not be located here, no more equipment will be bought, and the City is not benefitting by property taxes. The 3M plant in Chatham County will be a 100-year quarry. Mr. Waters commented that they plan to spend \$4 to \$5 million; several employees will be hired, and crews will be coming into Sanford to construct the tracks. Mr. Martin replied it would be a short impact.

Mr. Williams told Mr. Waters that with the construction of the transloading facility, there would be 120 trucks in 12 hours, resulting in a truck every 6 minutes. Mr. Waters stated that 120 trucks would be the maximum and that would be several years away. Mayor Hester asked Mr. Waters if he had spoken with Bill Rosser with the Department of Transportation. Mr. Waters replied that he had and that Mr. Rosser wrote a letter stating the roads anticipated to be involved were adequate.

Mr. Ellis asked about the dust factor. Mr. Waters said there would be none as the granules are painted and coated. He said Mr. Byrd asked him about this before he would sell the property, and Mr. Waters informed him there would be no dust or odors from the facility. Mr. Waters stated that the trucks would be covered carrying the granules.

After much discussion, Mr. Heuts will contact 3M Company to see if they will agree to get the trucking company to use a specific route in Sanford in order to eliminate the traffic on McNeil Road. Mr. Heuts will also find out what kind of conveying system will be used and the noise produced.

Council Member Kirkman told Mr. Waters that he would vote no.

Mr. Barefoot stated that staff would report back on next Wednesday at Law and Finance on November 14.

Council Member James Williams made the motion to return to regular session. Seconded by Council Member Clawson Ellis, it carried unanimously.

Respectfully submitted,

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Mayor Winston C. Hester

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Bonnie D. White, City Clerk