

**MINUTES OF CLOSED SESSION
CITY COUNCIL – CITY OF SANFORD
December 14, 2005**

Upon a motion duly made, seconded, and carried in the December 14, 2005, open session of the Law and Finance Committee 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 area served by the public body; N.C.G.S. 143-318.11(a)(3) to consult with the attorney retained by the public body in order to preserve the attorney-client privilege; and N.C.G.S. 143-318.11(a) (6) to consider the qualifications, competence, performance, character, fitness, conditions of appointment of a public officer or employee.

The following people were present in the closed session:

Mayor Cornelia P. Olive	Mayor Pro Tem Walter McNeil, Jr
Council Member Joseph Martin	Council Member Linwood Mann Sr.
Council Member Steve Brewer	Council Member James G. Williams
City Manager Leonard Barefoot	City Attorney Susan C. Patterson
City Clerk Bonnie D. White	
Also attending:	Lee County Economic Development Director Bob Heuts
	Newly Appointed Uninstalled Council Member Dan Harrington

Absent:
Council Member Philip Dusenbury

Mayor Olive called the meeting to order.

Item #1

Lee County Economic Development Director Bob Heuts explained that he is working closely with an engineering group called System Plast USA. The company has been here for five years and have plants in California and Pennsylvania. They would like to bring a company called Solis (which they have purchased) to Sanford and expand into a larger building which could be the shell building on Wilson Road with 60,000 square feet. The company would like to enter into an agreement for grant incentives from the City and the County. Mr. Heuts explained the policy to receive grant incentives. The company plans to pay in excess of \$12 per hour. The grant would enable the company to be paid back 50 percent of what the company would pay in taxes over a five-year period through the Economic Development Corporation. The City's portion would be approximately \$42,000. City Manager Leonard Barefoot explained that if they do not meet the requirements, then they do not get the incentives. The Lee County Board of Commissioners have already held public hearings on this matter.

System Plast will make major renovations to the existing building and add \$4 million worth of machinery. It will be a new investment. Fifty jobs will be created. This is an Italian-owned business. A public hearing will have to be held before public dollars are invested

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in a private company. It was the consensus of Council to hold a public hearing on this economic development incentive package.

The second project Mr. Heuts discussed was regarding Pentair Pools. He stated that Pentair Pools has a project where they will be bringing in more plastic molding machinery. They are talking about hiring 100 people in addition to what they have now. Some of the machinery will be new from Wisconsin. The buildings they are looking at are the Eagle Building which is 100,000 square feet and the American Molding building off of Broadway Road which consists of 80,000 square feet. They will be purchasing \$3 million worth of machinery. They are also asking for grant incentives to be paid back over a five-year period. The City's portion would be \$28,728. It was the consensus of Council to hold a public hearing on this economic development incentive package.

Lee County Economic Development Director Bob Heuts left the meeting.

Respectfully submitted,

Cornelia P. Olive, Mayor

Bonnie D. White, City Clerk