

MINUTES OF A JOINT MEETING
BETWEEN LEE COUNTY BOARD OF COMMISSIONERS
AND THE
SANFORD CITY COUNCIL

The McSwain Extension Education and Agriculture Center
2420 Tramway Road
Sanford, North Carolina
Tuesday, January 29, 2013
6:00 P.M.

The City Council met jointly with the Lee County Board of Commissioners on Tuesday, January 29, 2013, at 6:00 P.M., at the McSwain Extension Education and Agriculture Center located at 2420 Tramway Road, Sanford, North Carolina. The following people were present from the Sanford City Council:

Mayor Cornelia P. Olive	Council Member L. I. (Poly) Cohen
Mayor Pro Tem Sam Gaskins	Council Member Rebecca Wyhof
Council Member Walter McNeil, Jr.	Council Member Charles Taylor
Council Member James Williams	City Attorney Susan Patterson
Council Member Jimmy Haire	City Clerk Bonnie D. White
City Manager Hal Hegwer	

Lee County Commissioner Chairman Charlie Parks called the meeting of the Lee County Board of Commissioners to order. Mayor Olive called the meeting of the Sanford City Council to order.

Lee County Commissioner Ricky Frazier gave the invocation. The pledge of allegiance was recited.

Chairman Parks opened the meeting by stating that the joint meeting is to discuss several issues concerning interlocal agreements. He asked that everyone be respectful in their comments and advised that the meeting is not open to public comment.

Mayor Olive stated that the Council comes to the meeting with a spirit of cooperation.

Mr. Parks stated that the interlocal agreements are all outdated and we need to open up communication and get some of these issues resolved.

Mayor Pro Tem Sam Gaskins made the motion to move the Item III. Sales Tax Impact to Item Number I for discussion before the Discussion on Interlocal Agreements. Mr. Parks stated that we could not do that tonight because the county commissioners are not ready to make that determination. Mayor Olive added that she made the same request to discuss the sales tax impact first and it was Chairman Parks' decision to abide by this decision.

Commissioner Amy Dalrymple stated that she has been reviewing the fifteen agreements and it would be a lengthy meeting to discuss them all tonight. She felt that a committee should

be formed by three Lee County Commissioners and three City Council members, along with the city manager and county manager, to discuss the interlocal agreements and bring recommendations back to the two governing bodies.

Council Member Rebecca Wyhof expressed that the merger of the planning and inspections departments was to provide a one-stop shop for all the residents; it makes all the communications appealing; benefits everybody with growth inside and outside the city limits; improves the tax base for each entity and it is important to try to keep those departments together.

Commissioner Jim Womack stated that he is concerned about the future and said the reason for separating the planning department was because of the anticipated needs in the near future with water and sewer and infrastructure improvements. He did not see this being anticipated by the current planning department. Mr. Womack said that we need to collaborate with the surrounding counties, Harnett, Chatham and Moore Counties and with the Department of Commerce, to bring shale gas into Lee County. He said we are not ready to embrace the shale gas and that we will be behind two years when drilling begins. Mr. Womack felt the planning department would be a lot more agile working under the County.

Mayor Pro Tem Gaskins stated that it is a duplication of efforts. He said we need a comprehensive planning area. Development occurs inside the City of Sanford, which is in Lee County. The County pays 45% of the planning services but 100 percent of development is in Lee County. Mr. Gaskins stated that 80 percent of the sales tax is generated within the City limits and 66 percent of the sales taxes go to the county. If businesses generate taxes in the city, the expenditures should work the same way.

The meeting was recessed at 7:15 P.M. and reconvened at 7:25 P.M. for a short break.

Chairman Parks suggested getting a group of three from each board to meet and discuss their concerns; set a time to start and end then get back together with a recommendation.

Charles Taylor made the motion for three members of the City Council and three members of Lee County get together and meet to discuss the concerns and come back with a recommendation. Mayor Pro Tem Sam Gaskins seconded the motion and it carried unanimously. The Lee County Board of Commissioners made a similar motion.

Lee County John Crumpton presented a powerpoint presentation (Exhibit A) regarding revaluation and revenue neutral and sales tax distribution. He said that if the method of sales tax distribution changes from per capita to the ad valorem method, Lee County will see an increase of \$1,490,853.28; the City of Sanford will see a decrease of \$1,347,818.10; and the Town of Broadway will see a decrease of \$104,740.84. Mr. Crumpton said that Onslow County's method of sales tax distribution is 60 percent per capita and 40 percent on ad valorem.

Mr. Hegwer referred to page 16 of the handout regarding sales tax distribution. He said that when you are looking at per capita versus ad valorem, it is critical at that point for the city; it is more important that the property be in the city to increase our sales tax distribution. Mr.

Gaskins added that the fire protection and insurance make a big difference when you are located in the city.

Chairman Parks indicated that the County is going to lower the tax rate by two cents. The Commissioners voted unanimously to adjourn the meeting.

Council Member L. I. "Poly" Cohen made the motion to adjourn the City Council meeting. Seconded by Council Member James William, the motion carried unanimously.

ALL EXHIBITS CONTAINED HEREIN ARE HEREBY INCORPORATED BY REFERENCE AND MADE A PART OF THESE MINUTES.

Respectfully submitted,

CORNELIA P. OLIVE, MAYOR

ATTEST:

BONNIE D. WHITE, CITY CLERK