

The Sampson County Board of Commissioners convened for their regular meeting at 6:00 p.m. on Monday, March 6, 2023, in the County Auditorium, 435 Rowan Road in Clinton, North Carolina. Members present: Chairman Jerol Kivett, Vice Chairperson Sue Lee, and Commissioners Thaddeus Godwin and Allen McLamb. Members absent: Commissioner Lethia Lee.

Chairman Jerol Kivett called the meeting to order and turned the meeting over to Vice Chairperson Sue Lee. Vice Chairperson Sue Lee provided the invocation and then led the Pledge of Allegiance.

Approval of Agenda

Upon a motion by Commissioner Godwin and seconded by Commissioner McLamb, the Board voted unanimously to approve the agenda as published.

Item 1: Public Hearings

Naming of Private Roads Chairman Kivett opened a public hearing and called upon Clerk to the Board Stephanie Shannon who informed the Board that the County has duly advertised a public hearing to receive comments on the recommendations of the Road Naming Committee with regard to the names of certain private roads. The Road Naming Committee recommends that PVT 1834-609 be named Landmark Drive. Chairman Kivett opened the floor for comments and hearing none closed the public hearing. Upon a motion by Vice Chairperson Lee and seconded by Commissioner Godwin, the Board voted unanimously to name the road as recommended.

Amendments to the FY 22-23 Economic Development Budget Chairman Kivett opened a public hearing and called upon Assistant Economic Development Director Ray Jordan who discussed adding funds in the amount of \$120,000 from a NC Commerce Building Reuse grant to the Economic Development Budget. He explained that these funds will support the renovation of a 400,000 square foot building located in Roseboro. Chairman Kivett opened the floor for comments and hearing none closed the public hearing. Upon a motion by Chairman Kivett and seconded by Vice Chairperson Sue Lee, the Board voted unanimously to approve the amendments to the Economic Development budget as requested.

Item 2: Action Items

Annexation of Property Chairman Kivett called upon Assistant Economic Development Director Ray Jordan who recommended that the Board request that the City of Clinton annex 120-acres ± purchased by the County in the fall of 2020. Mr. Jordan explained that this annexation will allow new industry locating to Sampson Southeast Business Center to receive the same services provided by the City of Clinton as those currently within the park. Upon a motion by Vice Chairperson Lee and seconded by Commissioner Godwin, the Board voted unanimously to adopt a resolution authorizing the Board Chair to execute on behalf of Sampson County a Petition for Voluntary Annexation. (Copy filed in Inc. Minute Book _____, Page _____.)

“Wave Two” Opioid Settlements Chairman Kivett called upon County Attorney Joel Starling who stated that in June 2019, the Board of Commissioners declared the opioid epidemic in Sampson County a public nuisance and hired outside counsel to initiate litigation against certain opioid manufacturers, distributors, and pharmacies. In December 2021, the Board of Commissioners approved settlements with four companies, distributors McKesson, Cardinal Health, and AmerisourceBergen and manufacturer Janssen Pharmaceuticals. These “First Wave” Settlements provide for payments totaling \$26 billion over 18 years, approximately \$750 million of which will flow to state and local governments in North Carolina. First Wave Settlement payments have already begun, with Sampson County receiving its first settlement payment installment last year. Mr. Starling went on to explain that Sampson County’s outside counsel and the North Carolina Department of Justice recently notified the County of a “second wave” of tentative settlements with the following defendants: Walmart, Inc., Teva Pharmaceutical Industries, Ltd., Allergan Finance, LLC, Allergan Limited, CVS Health Corporation, CVS Pharmacy, Inc., and Walgreens Co. These settlements will involve the payment of \$21 billion in additional settlement funds, with more than \$600 million in additional settlement funds to be paid to North Carolina state and local governments. Sampson County’s outside counsel as well as the North Carolina Association of County Commissioners and the North Carolina Attorney General have recommended that eligible North Carolina local governments, including Sampson County, participate in the Wave Two Settlements. In order to participate in the settlements, local governments must execute the Supplemental Agreement for Additional Funds and Wave Two Settlements on or before April 18, 2023. Upon a motion by Chairman Kivett and seconded by Commissioner McLamb, the Board voted unanimously to adopt a resolution authorizing the execution of Opioid Settlements and approving the Supplemental Agreement for Additional Funds between the State of North Carolina and Local Governments on proceeds relating to the settlement of Opioid Litigation (Copy filed in Inc. Minute Book _____, Page _____.) Upon a motion by Vice Chairperson Lee and seconded by Commissioner McLamb, the Board voted unanimously to authorize the County Manager to execute the Supplemental Agreement for Additional Funds from additional settlements of Opioid Litigation and any other necessary documents.

Award of Bid for Rehabilitation of Four Homes in the ESFRLP20 Program Chairman Kivett called upon Finance Officer David Clack who explained that the County advertised for bids for the rehabilitation of four homes in the Essential Single Family Home Loan Pool 2020 Program on February 11, 2023. Those bids were opened and read aloud on February 28, 2023. The Adams Company reviewed the bids and found Thomas J. Holland to be the lowest responsive bidder for all four homes. Upon a motion by Commissioner Godwin and seconded by Vice Chairperson Lee, the Board voted unanimously to award the bids for rehabilitation of four homes [Shirlene Peacock (Contingent upon a change order to reduce the overall bid price to below budget), Alice Boykin, Lillie Kirby, and Ester Draughan (Contingent upon North Carolina Housing Finance Agency providing additional funding)] in the ESFRLP20 Program to Thomas J. Holland as recommended by The Adams Company.

Award of Bid for Reconstruction/Rehabilitation of Two Homes in the CDBG-NR Program Chairman Kivett called again upon David Clack who informed the Board that the County advertised for bids for the reconstruction/rehabilitation of two homes in the Community Development Block Grant – Neighborhood Revitalization Program on February 18, 2023. These bids were opened and read aloud on March 6, 2023. The Adams Company found Finesse Builders, Inc. to be the lowest responsive bidder for Contract Suzie Cooper. Upon a

motion by Chairman Kivett and seconded by Commissioner Godwin, the Board voted unanimously to award the bid for Contract Suzie Cooper to Finesse Builders, Inc. (Owner Ginger Carter) at the bid price of \$164,960. There were no bids submitted for Contract James Fryar. The Board agreed to re-advertise for bidding using different methods with the goal of acquiring a minimum of two bids as recommended by The Adams Company.

Award of Bid for Roseboro Water Main Extension Project Chairman Kivett called upon David Ross with Dewberry Engineers who provided the Board with information on the Roseboro Water Main Extension Project. Mr. Ross explained that bids were opened and read aloud on March 2, 2023, and that one bidder (Herring-Rivenbark) came in under budget. Mr. Ross added that this project is entirely funded by SCIF funds. Upon a motion by Vice Chairperson Lee and seconded by Commissioner Godwin, the Board voted unanimously to adopt a resolution awarding the bid for the Roseboro Water Main Extension Project to the lowest responsive, responsible bidder, Herring-Rivenbark, and authorizing the County Manager to execute a contract for the construction of the water main extensions at a total price of \$986,538.76. (Copy filed in Inc. Minute Book ____, Page ____.) Following this bid award, Mr. Causey took a moment to introduce the Board to Interim Public Works Director Mark Turlington. Mr. Turlington has been with Sampson County for almost ten years and has assumed the role of Interim Director of the Public Works Department following the departure of the previous director, Lin Reynolds.

Item 3: Consent Agenda

Upon a motion made by Commissioner Godwin and seconded by Commissioner McLamb, the Board voted unanimously to approve the Consent Agenda as follows:

- a. Approved the minutes of the February 6, 2023 Board meeting (Copy filed in Inc. Minute Book ____, Page ____.)
- b. Authorized the execution of the EMS Clinical Internship Agreement between the County and Sampson Community College
- c. Approved the new rate schedule for Sampson County Expo Center
- d. Authorized a surplus vehicle transfer to Autryville Volunteer Fire Department
- e. Approved the budget amendments as submitted

<u>EXPENDITURE</u>		Aging		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
02558710	526200	Adult Day Center Department Supplies	\$285.	

<u>REVENUE</u>				
<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
02035871	408401	Adult Day Center Donations	\$285.	

<u>EXPENDITURE</u>		Emergency Management		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
11243300	554000	Capital Outlay – Vehicles	\$35,330.	

REVENUE

<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
11034330	408402	Donations	\$35,330.	
<u>EXPENDITURE</u>		Expo Center		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
62998610	544008	Contracted Services – Other	\$6,000.	
<u>REVENUE</u>				
<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
62939861	408903	Services Other - Revenue	\$6,000.	
<u>EXPENDITURE</u>		Animal Shelter		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
11243800	523900	Medical Supplies	\$1,500.	
11243800	526200	Departmental Supplies	\$1,895.	
<u>REVENUE</u>				
<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
11034380	408401	Donations	\$3,395.	
<u>EXPENDITURE</u>		Health Department – Communicable Disease		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
12551250	519900	Other Professional Services	\$2035.	
<u>REVENUE</u>				
<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
12535125	404000	State Assistance	\$2035.	
<u>EXPENDITURE</u>		Health Department - WIC		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
12551670	544000	Contract Services	\$23,406.	
<u>REVENUE</u>				
<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
12535167	404000	State Assistance	\$23,406.	
<u>EXPENDITURE</u>		Soil and Water		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
28349610	526201	Department Supplies and Equipment	\$1,500.	
<u>REVENUE</u>				
<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
28334961	403609	State-District Matching Funds	\$1,500.	
<u>EXPENDITURE</u>		Emergency Management		
<u>Code Number</u>		<u>Description (Object of Expenditure)</u>	<u>Increase</u>	<u>Decrease</u>
11243700	526201	Department Supplies and Equipment	\$4,444.	
<u>REVENUE</u>				
<u>Code Number</u>		<u>Source of Revenue</u>	<u>Increase</u>	<u>Decrease</u>
11034330	408402	Donations	\$4,444.	

f. Approved the tax refunds and releases as submitted

#10123	Jimmie Sanders	\$416.25
#10097	Frederick Lynn Jewell	\$409.50
#10124	Arthur Wayne Cannady	\$325.68
#10120	David Mark Calcutt	\$205.51
#10118	Michael Gilmore	\$187.21
#10117	Tony Woo	\$225.68
#10112	James Player	\$790.42
#10114	Natalie Oliver	\$493.46
#10106	Mary Balance	\$204.92
Tax Release	Jonathan Peterson	\$241.85
Tax Release	Roxana Galarza	\$319.68
Tax Release	Brandon Keith Reams	\$174.51
Tax Release	John Lee	\$218.03
Tax Release	Shelby Jean Guy	\$205.83
Tax Release	Bryan Kimbro	\$823.72

Item 4: Consideration of Tax Appeal (Workout Anytime)

Chairman Kivett stated that assessments and billings have been issued as a result of business personal property compliance reviews. Workout Anytime requested an adjustment of the penalties applied to its account, pursuant to North Carolina General Statutes, for failure to timely list their business personal property. The total penalty on the account amounted to \$6,079.42. Upon a motion by Chairman Kivett and seconded by Commissioner McLamb the Board voted unanimously to waive ½ of the penalty on this appeal.

Item 5: County Manager's Report

County Manager Ed Causey informed the Board that there are a lot of contracts and a lot of work being done in the County that would not be possible without the funding help of our legislators. He stated that there is close to \$30 million currently being used for projects relating to water and infrastructure. He also reminded the Board that rather than adjourning this meeting, the Board should recess to reconvene on April 3, 2023, at 4:00 pm at the Sampson County Cooperative Extension office for their annual presentation and dinner prior to the regularly scheduled monthly meeting.

Item 7: Public Comment Period

Following a brief overview of Public Comment Policies and Procedures by Clerk to the Board Stephanie Shannon, Chairman Kivett opened the floor for public comments. The following were received:

Elaine F. Hunt, 7171 Old Warsaw Road, Turkey, NC – “First, I want to applaud you all for what you did for the people in Ivanhoe. I know you have a long ways to go on that project, but still, I thank God for what you’ve done thus far, and I know there’s a proverb that says “out of sight, out of mind,” and so I’m sure none of you all have thought about me and my coming since I

came last. But our problem still exists. We still have rusty water, and we're still seeking help from you all regarding our rusty water on Old Warsaw Road, in the vicinity of 7171 Old Warsaw Road. You have County water at a certain point, but where I stay, along with others, we do not have the County water and we need County water. We can't drink our water like I'm sure you all can and we're requesting that you all look into the matter that we've brought before you this evening and in days gone past. I realize that we don't have the number of houses that you stated we needed to have, but we can't help that we don't have the houses and there are exceptions made each and every day and we're asking you all to make some exceptions when it comes to the requirement of the number of houses and to help us out because we need help. We need quality water to drink like everybody else and I think we deserve it. I know the policy you all have that I read was outdated, and revisions I asked that you look at your policy that was given to me I think by Mr. Reynolds. And just help the people on Old Warsaw Road out with our water. I thank you for your consideration in this matter, and I thank you for listening to me at this time. Thank you."

Almond F. Butler, 1265 Nathan Dudley Road, Clinton, NC - "My problem is the same as hers. I signed up for water whenever the project was first started. We've been living at Dudley Road since 1979. We decided to sell some land, we got a contractor, he told us that once he built the houses he was going to run water down. He come back and said he can't afford to and put wells down. I have about six neighbors and their water is the same as mine: so much iron in it you can't drink it. That's why we're here. To see what the County can do to help us. He ran a temporary line and it's only about 1,200 feet from where we are, but it's going to take at least 1,500 feet to cover everybody. We just hope and pray that in a short time we can have some County water. I have the list here with everybody's name on it that signed it. I don't know who wants it to who I turn it in to, but this is all I have."

Chairman's Budget Comments

Following the public comment period, Chairman Kivett made the following statement regarding budget preparation and misinformation:

"As we begin March, we are now in the budget process. It is important for everyone to understand our strengths as well as concerns as we move forward. There are two positives that come to mind. First, we received a very positive audit that indicates sound fiscal policy and a reasonable fund balance. However, the audit does not specifically address future cash flows. Second, the county has and is making an investment in economic development. This may cause questions in the short term. However, the Board has a responsibility to plan as much as possible for the long term while considering our many short-term needs.

By State law the County is required to develop, enact, and adhere to a budget every year. As we start our budget deliberations, we need to be mindful of our circumstances to ensure that our short-term decisions are consistent with both the short and long term needs of the county. First, our tax rate is one of the highest in the State. Without question, we will need additional revenue. To the extent possible, we need to look for alternative ways to increase revenue without significantly affecting the tax rate. This thought assumes that we will minimize increases in operating expenses.

Today, we are living in unprecedented times. COVID has changed our lives in more ways than we ever imagined. The medical side was extreme enough, but I fear that the economical impact is going to affect every aspect of our lives for many years to come. Inflation is at a forty-year high and at a magnitude never seen in our lifetime. Our federal government's concept of free spending and operating without a balanced budget is not a sound concept to govern. This is also not an option for local county governments, by law.

Last year, our projected tax base increased by approximately \$10,000,000. This increase was not enough to sustain our increased cost of operations. This Board reduced the recommended budget by approximately \$2,500,000. Over \$1,000,000 was cut by deferring deposits into a variety of reserve accounts that are needed for the long-term maintenance of our facilities. We cannot defer these types of deposits on a regular basis. On the positive side, we have projected increases in sales taxes over the last several years. As the amount of Federal money injected into the system declines, we are concerned that we may not be able to project continued significant increases in sales tax.

We are also concerned about inflation and other supply chain issues. On a monthly basis, our county expenditures on electricity, gas and other utilities are concerning. These costs are increasing for county government in the same manner that individual homeowners and businesses are facing. Like private business and residential homeowners, we have the same level of revenue shortages that must be resolved. Medicaid Transformation is underway. It is also quite possible that our revenues for transportation will not increase significantly and quite possibly show some decline.

Medicaid Expansion is currently being considered by the NC Legislature and will most likely pass. Even though the federal government is projected to cover the costs, we know from experience that eventually the State will have to share in the burden which always trickles down in the end to the County. Our feasibility study predicts that our county will have considerable costs on top of our current annual budget of \$6 million for this department alone. My fear is that this expense will require tax increases.

Our employees are our most valuable resource. Much has been said about the financial challenges faced by our employees during the pandemic and during this period of high inflation. We are quite proud of what has been accomplished. In the last eighteen months all county employees have received approximately fifteen percent increases in their salaries (12.5% increase plus a 2.1% bonus) with Detention Officers receiving twenty percent (17.5% plus 2.1% bonus). At the same time, we recognize that many of our departments are facing significant vacancies, however, the available workforce is almost non-existent. The shortage of employees is not unique to Sampson County but is prevalent nationwide. Many of the vacancy challenges can be attributed to our inability to keep up with market conditions for salaries. This is why the Board has voted to complete the market study. The market study also demonstrates the Board's commitment to all employees. There will be a cost associated with the implementation of the market study. We are committed to meeting these needs and it has always been considered a top priority contrary to social media's constant barrage of misinformation.

We want to commend our County Manager, Ed Causey, and staff, for their tireless efforts in accommodating the wishes of the Board of Commissioners. In the six plus years that I have

served on the Board, I have found county management to be professional, open minded, and receptive to any and all of our recommendations. Another misconception is that this is the County Manager's budget, it is not...it is the budget that this Board scrutinized, adjusted, and approved after hours of deliberation.

Everyone on this Board is a product of Sampson County of which we are all proud. We serve as Commissioners not for financial gain but to offer our services to the County in which we grew up and love. We believe the long-term future for Sampson County will be quite positive if we work together to accomplish these goals. It will behoove us to move forward in a thoughtful and deliberate fashion."

Recess to Reconvene

Upon a motion made by Vice Chairperson Lee and seconded by Chairman Kivett, the Board voted unanimously to Recess to Reconvene at 4:00 pm on Monday, April 3, 2023, at the Sampson County Cooperative Extension Office, 55 Agriculture Place, Clinton, NC.

/signed copy on file in Clerk's Office

R. Jerol Kivett, Chairman

/signed copy on file in Clerk's Office

Stephanie P. Shannon, Clerk to the Board