

## MINUTES

April 27, 2007

The Davidson County Board of Commissioners met on Friday, April 27, 2007, at 11:15 A.M., in Room 226, Mendenhall Building, Davidson County Community College, 297 DCCC Road, Lexington, North Carolina for a joint public hearing for an economic development incentive grant contract.

### PRESENT

Commissioners: Chairman Fred McClure, Vice Chairman Don Truell, Larry Allen, Billy Joe Kepley, Dr. Max Walser, Sam Watford.

County Manager Robert Hyatt, Assistant County Manager Zeb Hanner, County Attorney Robert Hedrick, Paralegal Debbie Harris, Economic Development Director Steve Googe.

Also in attendance were Barney W. Hill, Tommy Hedrick, Nancy Borrell, Davidson County JTEC Director, Mayor Joe Bennett from Thomasville, Ed Jordan, Mayor Scotty Morris from Denton, Michael Hewlett from *The Winston-Salem Journal*, Archie Hicks and Glenn Bailey from *The Dispatch*.

### A. CALL TO ORDER AND WELCOME

Chairman Fred McClure called the meeting to order and welcomed guests to the first joint meeting of the Davidson County Board of Commissioners and the Lexington City Council.

### B. INVOCATION

Commissioner Don Truell gave the invocation.

### C. PLEDGE OF ALLEGIANCE

### D. ADOPTION OF AGENDA

On a motion by Commissioner Allen and a second by Commissioner Kepley the Board voted unanimously 6-0 to adopt the agenda. (Exhibit 1)

### E. PUBLIC HEARING

#### 1. Economic Development Incentive Grant to Project K

On a motion by Commissioner Walser and a second by Commissioner Truell the Board voted unanimously 6-0 to open the public hearing to receive public comments and information on the proposed

appropriation and expenditure of County funds by entering into an economic development incentive grant contract for an economic development project, called Project K.

Steve Googe made his presentation regarding the economic development incentive grant contract for Project K. He noted that due to the sensitive nature of the negotiations no company name will be discussed at this time; the name will be provided as required by law as soon as the negotiations are complete.

Barney W. Hill spoke during the public address portion of the public hearing.

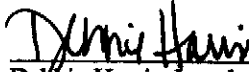
There were no questions or comments by the Board of Commissioners.

On a motion by Vice-Chair Truell and a second by Commissioner Watford the Board voted unanimously 6-0 to close the public hearing.

On a motion by Commissioner Walser and a second by Commissioner Allen the Board voted unanimously 6-0 to enter into an economic development incentive grant Contract with Project K in which (a) Davidson County will purchase up to 38 acres of the tract known as the Hargrave-Holland site on Hargrave Road, Lexington, North Carolina, for a sum not to exceed \$950,000 with the source of funds for the purchase from the General Fund of Davidson County and lease the purchased property to Project K for one-twelfth of the expended county funds for the site each year for 12 years, (b) with Project K being entitled to a grant each year for twelve years provided the Company meets the requirements of the Contract as to investment, jobs and wages, and the calculation for payment off the grant will be one-twelfth of the amount expended by the County for the land the County will lease to the Company; and (c) Project K will be entitled to a grant each year for four years to be paid by Davidson County , provided the Company meets the requirements of the Contract as to investment, jobs, and wages with the grant beginning on January of the first full year of operation following the granting of a Certificate of Occupancy for the new plant and the calculation for payment of the grant at .00135 times the total new investment in plant, machinery and equipment and the grant not to exceed \$27,000.00 per year, with the company investing \$20,000,000 and providing 181 jobs with an average hourly wage in excess of 110% of the County average. (Exhibit 2)

F. ADJOURNMENT

On a motion by Commissioner Watford and a second by Vice-Chair Truell the Board voted unanimously 6-0 to adjourn.

  
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Debbie Harris, Legal Assistant  
Davidson County Board of Commissioners

  
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Fred D. McClure, Chairman  
Davidson County Board of Commissioners