

January 11<sup>th</sup>, 2016

The Town of Warsaw Board of Commissioners met in regular session on January 11<sup>th</sup>, 2016 at 7:30pm in the conference room of the Town Hall.

**Present:**

Mayor Russell Eason  
Commissioner Scotty Smith  
Commissioner Al Searles  
Commissioner Joal Smith  
Commissioner Dr. Owen Martin  
Commissioner Peggy Doran

**Also Present:**

Town Manager, Shawn Condon  
Town Clerk, Lea Futrell  
Code Enforcement Officer, Ed Collins  
Public Works Director, Ivey Knowles  
Police Chief, Eric Southerland  
Town Attorney, Jene Thompson

Mayor Russell Eason opened the meeting with the Pledge of Allegiance.

**Public Hearing:**

Mayor Russell Eason advised that the public hearing was to discuss proposed economic incentives to Project Frosty and a \$50,000 revolving loan to Villari Foods for company expansion.

There was a motion by Commissioner Joal Smith and seconded by Commissioner Scotty Smith to open the public hearing. With a unanimous vote the public hearing was opened by the Mayor.

Manager Shawn Condon explained the total economic development incentive over a 10 year period to Project Frosty is \$652,799. This economic development incentive would be applied to the expansion at their facility. The expansion would create a \$21.6 million tax base investment and 45 new jobs and retain 35 jobs in the Town of Warsaw. The incentive would be processed in the following manner:

For the first eight (8) full tax years following completion of the Phase 3 improvements on the property, pay to the company an economic development reimbursement payment in an amount equal to eighty five percent (85%) of the amount paid by the company for real and personal property taxes attributable to the Phase 3 improvements for the current tax year;

In the ninth tax year following completion of the Phase 3 improvements, the reimbursement payment shall be an amount equal to seventy seven point five percent (77.5 %) of the amount paid by the company for real and personal property taxes attributable to the Phase 3 improvements for the then-current tax year; and

In the tenth tax year following completion of the Phase 3 improvements, the reimbursement payment shall be an amount equal to seventy four point four percent (74.4%) of the amount paid by the company for real and personal property taxes attributable to the Phase 3 improvements for the then-current tax year.

Manager Condon explained that Villari Foods is proceeding with an expansion at their facility on US 117 and have applied for a \$50,000 revolving loan fund from the town to assist in this expansion. As part of this expansion, Villari Brothers Foods has committed to create up to fifty new jobs at the facility in three years. This company requests a 5 year term on the loan with interest only due during the first year. The interest rate on the loan would be 4.25%. The loan would come from the Town's revolving loan fund and principal and interest payments paid back to the Town would go back to the revolving loan fund.

The board received comments in relation to the new jobs. Questions were raised in reference to employment being kept in Warsaw. There were also questions as to whether the newly created jobs would be made available to seniors.

Commissioner Joal Smith made the motion to close the public hearing. Commissioner Scotty Smith seconded the motion. The vote was unanimous to close the public hearing.

**Approval of Minutes:**

Mayor Eason asked for a motion to approve the minutes for the December 7<sup>th</sup>, 2015 meeting.

Commissioner Joal Smith made the motion to approve the minutes. Commissioner Al Searles seconded the motion. The vote was unanimous to approve the minutes.

**Public Comments:**

Mayor Eason asked for a motion to open public comments.

Commissioner Al Searles made the motion to open for public comments. Commissioner Scotty Smith seconded the motion. The vote was unanimous to open for public comment.

Ms. Marzella Morrisey advised that she had visited some of the schools in the area and shared her concerns of the condition of the school facilities. Ms. Morrisey also spoke about who the Concerned Citizens of Duplin County are and that they are still waiting to hear more about their Title 6 Complaint in regards to the School Facilities Plan.

Ms. Morrissey also spoke on behalf of Thomasina Williams who was absent due to death in the family. Ms. Morrissey read comments that Ms. Williams had made at the Board of Education meetings and County Board meetings in regards to the School Facilities Plan.

Commissioner Joal Smith made the motion to close public comments. Commissioner Dr. Owen Martin seconded the motion. The vote was unanimous to close public comment.

**Presentation from Darlene Layseth regarding Cornerstone, CDC, and Disabled American Veterans:**

Ms. Darlene Layseth advised that she was coming before the board just to inform them of what her establishment does. Ms. Layseth had several of her volunteers stand up and speak on what they are available to assist with. Ms. Baldwin has offered her home for rent for disabled veterans who may be homeless. Mr. Adams offers assistance with the transition of veterans back to civilian lifestyle. Mr. Reed spoke about his work with Health and Human Services and how he can use this experience to help disabled veterans to get the needed services.

**Consideration of Approval of Economic Development Incentive to Project Frosty and Revolving Loan to Villari Foods:**

Manager Shawn Condon explained the total economic development incentive over a 10 year period to Project Frosty is \$652,799. This economic development incentive would be applied to the expansion at their facility. The expansion would create a \$21.6 million tax base investment and 45 new jobs and retain 35 jobs in the Town of Warsaw. The incentive would be processed in the following manner:

For the first eight (8) full tax years following completion of the Phase 3 improvements on the Property, pay to the Company an economic development reimbursement payment in an amount equal to eighty five percent (85%) of the amount paid by the Company for real and personal property taxes attributable to the Phase 3 improvements for the current tax year;

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In the tenth tax year following completion of the Phase 3 improvements, the reimbursement payment shall be an amount equal to seventy four point four percent (74.4%) of the amount paid by the Company for real and personal property taxes attributable to the Phase 3 improvements for the then-current tax year.

Manager Condon explained that Villari Foods is proceeding with an expansion at their facility on US 117 and have applied for a \$50,000 revolving loan fund from the town to assist in this expansion. As part of this expansion, Villari Brothers Foods has committed to create up to fifty new jobs at the facility in three years. This company requests a 5 year term on the loan with interest only due during the first year. The interest rate on the loan would be 4.25%. The loan would come from the Town's revolving loan fund and principal and interest payments paid back to the Town would go back to the revolving loan fund.

Commissioner Joal Smith made a motion to approve both incentive plans. Commissioner Owen Martin seconded the motion. The vote was unanimous to approve the Economic Development Incentive for Project Frosty and the revolving loan to Villari Foods.

**Discussion of Recommended Changes to Utility Policy:**

Manager Shawn Condon advised that he was recommending a change to the current utility policy. Under the current policy the bills are sent out at the beginning of the month with a due date of the 10<sup>th</sup>. If the bill is not paid by the 15<sup>th</sup> then a \$15 late fee is added. If the bill is not paid by 10am on the 26<sup>th</sup> then the water is disconnected with a \$50 disconnect/reconnect fee being added. Under the proposed policy the bills would still be mailed at the beginning of the month being due the 15<sup>th</sup> of that month. If the balance is not paid by the 15<sup>th</sup> of the following month then water would be disconnected with a \$50 disconnect/reconnect fee being added. This proposal also eliminates the \$15 late fee.

After discussion, Commissioner Joal Smith made a motion to draft a policy for consideration by the board. Commissioner Owen Martin seconded the motion. The vote was unanimous for Manager Condon to draft a policy reflecting the proposed changes.

**Discussion of Recommended Vehicle Use Policy and Take Home Vehicles:**

Manager Shawn Condon advised that he had a proposed vehicle use policy for a starting point for discussion. Under this policy only law enforcement and on call employees would be allowed to take home vehicles. The major discussion is what distance limit to impose on take home vehicles. After discussion from the board this item was tabled for further review.

**Consideration of Approval of Tax Releases:**

Commissioner Al Searles made the motion to accept the tax releases. Commissioner Joal Smith seconded the motion. The vote was unanimous to accept the tax releases.

**Consideration of Scheduling Workshop Meeting:**

Manager Shawn Condon proposed a budget workshop meeting for Monday, January 25<sup>th</sup> at 6:30pm to begin planning and discussing the FY 2016-2017 budget. All commissioners were in agreement on this date.

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**Mayor's Update:**

Mayor Eason had no update.

**Manager's Report:**

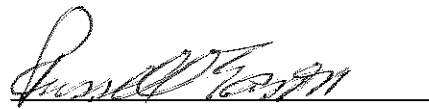
Manager Shawn Condon advised that with the heavy rains the Public Works staff as well as some other staff members had worked to clear up some of the drainage issues around town. Manager Condon also advised that he and Public Works Director, Ivey Knowles, had created a priority list with Center St being at the top of the priorities. Manager Condon advised that work would be done over the next few weeks to improve this area.

**Board Comments:**

Commissioner Al Searles thanked everyone for the work they did to help in the repairs both during and after the rains.

**Adjournment:**

Commissioner Joal Smith made the motion to adjourn the meeting. Commissioner Owen Martin seconded the motion. The vote was unanimous to adjourn the meeting.



Mayor

Attest



Town Clerk