

Regular Meeting November 19, 2018

A regular meeting of the Nash County Board of Commissioners was held at 2:30 PM, November 19, 2018 in the Frederick B. Cooper, Jr. Commissioners' Room at the Claude Mayo, Jr. Administration Building in Nashville, NC.

Present were Chairman Robbie B. Davis and Commissioners Lisa Barnes, Fred Belfield, Jr., Dan Cone, J. Wayne Outlaw, and Mary P. Wells.

Commissioner Lou M. Richardson was absent due to medical reasons.

Others present were Stacie Shatzer, Donna Wood, Nancy Nixon, Lindell Kay, Janice Evans, Zee B. Lamb, Vince Durham, Battle, Winslow, Scott and Wiley, PA., and other staff members and members of the public.

Chairman Davis called the meeting to order and provided a brief explanation regarding prayer and the Pledge of Allegiance in Nash County. He stated it is customary that Nash County starts each meeting with a prayer and Pledge of Allegiance and that anyone wishing to participate in the prayer, moment of silence, or a prayer of their own choice was welcomed.

Chairman Davis called on Ms. Lisa Barnes for the invocation and Mr. J. Wayne Outlaw to lead the Pledge of Allegiance.

Mr. Zee B. Lamb, County Manager and United Way Tar River Region Co-Chair VP/Community Campaign, and Stacie Shatzer, Assistant County Manager provided employee recognition to Nash County employees for 2018 United Way Care Share Contributions.

Mr. Rick McMahon, United Way Tar River Region Co-Chair VP/Community Campaign, Ms. Ginny Mohrbutter, United Way Tar River Region Executive Director, and Mr. Mike Smith, United Way Tar River Region VP/Resource Development made a presentation and recognized the 2018 United Way Landmark Leadership Givers.

Vice-Chairman Outlaw introduced Mr. Jesse Lewis, Peacemakers Executive Director.

Mr. Lewis made a presentation to the Board on Peacemakers, Christian Community Development Organization primarily serving the under-resourced area of south Rocky Mount.

Ms. Donna Wood, Finance Officer presented for the Board's consideration Middlesex Corporate Centre Water & Sewer & Road Project Ordinance.

On motion of Dan Cone seconded by Lisa Barnes and duly passed that the following grant project ordinance be approved.

**NASH COUNTY
MIDDLESEX CORPORATE CENTRE
WATER & SEWER & ROAD
PROJECT ORDINANCE**

BE IT ORDAINED BY THE Nash County Board of Commissioners that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following Grant Project Ordinance is hereby adopted:

Section 1. The project authorized is the Middlesex Corporate Center Phase 1 Water & Sewer & Road Project and the Tank and Water Loop Project for the purpose of constructing water and sewer infrastructure, a road and a 250 gallon tank and water loop at the Middlesex Corporate Centre.

Section 2. The officers of this unit are hereby directed to proceed with the grant project within the terms of this ordinance and all rules and regulations within North Carolina General Statutes as it pertains to capital projects, grant projects, and the budget contained herein.

Section 3. The following revenues shall be received to complete this project:

	Current	Amended
0670617-488038 Golden LEAF	1,250,000.00	1,250,000.00
0670617-498100 Transfer from General Fund	124,000.00	124,000.00
0670617-498150 Transfer from Hwy 97 project	500,000.00	500,000.00
0670617-498122 Transfer from Economic Development funds	<u>187,200.00</u>	<u>187,200.00</u>
Water & Sewer & Road Project Total	<u>\$2,061,200.00</u>	<u>\$2,061,200.00</u>
0670618-488036 NC Commerce Rural Ready Grant		<u>\$1,514,600.00</u>
Total Project	<u>\$2,061,200.00</u>	<u>\$3,575,800.00</u>

Section 4. The following amounts shall be expended for the project:

0674928-594001 Construction	1,561,900.00	1,561,900.00
0674928-519200 Legal/Admin	81,000.00	81,000.00
0674928-519400 Engineering Services	262,000.00	262,000.00
0674928-599100 Contingency	<u>156,300.00</u>	<u>156,300.00</u>
Water & Sewer & Road Project Total	<u>\$2,061,200.00</u>	<u>2,061,200.00</u>
0674929-594001 Construction		1,175,800.00
0674929 -519200 Legal/Admin		30,000.00
0674929 -519400 Engineering and Design		188,200.00
0674929 -519440 Easements		3,000.00
0674929-599100 Contingency		<u>117,600.00</u>
Tank and Water Loop Project Total		<u>\$1,514,600.00</u>
Total	<u>\$2,061,200.00</u>	<u>\$3,575,800.00</u>

Section 5. The Finance Officer shall report quarterly on the financial status of each project element in Section 4 and total revenues received or claimed.

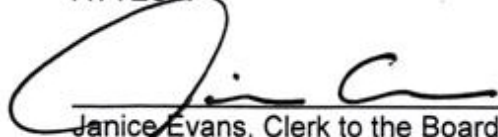
Section 6. Copies of this Grant Project Ordinance shall be made available to the Budget Officer and the Finance Officer for direction in carrying out this project.

Adopted this 19th day of November 2018.



Robbie B. Davis, Chairman

ATTEST:


Janice Evans, Clerk to the Board

Ms. Wood requested approval of two (2) budget amendments.

On motion of Mary P. Wells seconded by Fred Belfield, Jr. and duly passed that the following budget amendments be approved.

Nash Community College

This budget amendment is to budget capital funding to Nash Community College to install an exhaust fan and damper on the Welding Shop Roof at Southern Nash High School.

Revenue:
0100991-499100 Fund Balance \$44,166 Incr

Expenditure:
0105910-563024 Additional Capital \$44,166 Incr

Register of Deeds

This budget amendment is to budget funds from the Register of Deeds Automation Account to fund services to electronically capture and catalog images of records of birth certificate records on file from 1988-2017. No additional County funds are needed.

Revenue:
0100300-421001 ROD: Automation Funding \$21,055 Incr

Expenditure:
0104180-549411 ROD Automation \$21,055 Incr

Mr. Jim Wrenn, Tax Administrator presented for the Board's consideration the following Tax Penalty Waiver Request by Pfizer Inc. (Formerly Hospira Inc.).

October 4, 2018

REQUEST FOR PENALTY ABATEMENT

Company Name: Hospira Inc.
Account Number: P16530
Return Period: 2013-2017
Tax Type: Property Tax

Dear Sir or Madam:

We respectfully request abatement of penalty associated with the audit period 2013 through 2017 for Nash County North Carolina. We offer the following as consideration for penalty waiver as it relates to the tax liability:

1. Pfizer purchased Hospira Inc. in February 2015; therefore, Pfizer's first property tax filing for Hospira in Nash County was in 2016. The filing was based on the prior year asset history, which was the best information available following the acquisition. Pfizer will ensure that the errors from the audit results will be corrected for subsequent property tax filings.
2. It was never our intent to defraud the county of any monies due; there was no willful neglect on our part associated with any underpayment of tax.
3. We exhibited reasonable effort and prudence in our property tax compliance and made every attempt to timely and properly remit tax due to the county.

If you have any additional questions or require additional documentation, please contact me at (908) 901-7162.

Regards,



Pfizer Inc.
Lisa Pascal
Tax Manager

Pfizer Inc. (Formerly Hospira Inc.) Outline of Request for Penalty Abatement

As you know Tax Management Audits of Business properties have been ongoing for a number of years now and this appeal is the result of a recent audit of Pfizer Inc. (formerly known as Hospira Inc).

Your materials include the following items or attached information:

- 1- Discovery tax bill for tax years 2013-2017 indicating the total amount owed as **\$312,122.73** – this breaks down as follows:
\$247,254.04 Taxes owed / is the amount of Machinery, Equipment and Tooling that had been, in previous years, under reported or omitted from the company's annual property tax listing.
\$64,868.69 Penalties assessed / is the amount of Penalties that were calculated and applied as per NCGS 105-312 (h) (Computation of Penalties)
\$312,122.73 = Grand Total of Taxes and Penalties
- 2- Request for Penalty Abatement (appeal letter)
- 3- Copy of NCGS105-312 (with section "k" Power to Compromise highlighted)

The taxpayer is not contesting or questioning the amount of taxes owed (\$247,254.04)

The taxpayer is requesting release or abatement of the penalty amount of (\$64,868.69)

Note: NCGS105-312 (k) is the only provision in the Machinery Act that grants a local governing board the discretion to waive, negotiate, or compromise a validly levied tax. This permits the board in this case to waive some or all of a discovery bill, which includes the tax amounts and/or the penalty amount.

While I am not aware of a precedent since I have been here, (almost 10 years) where a penalty has been released or compromised, I feel I should point out that this appeal is somewhat unique, as the taxpayer's letter indicates, in that Pfizer purchased Hospira in 2015 and consequently Pfizer's first property tax filing would have been for the January 2016 tax year which would have been based on the prior year asset history provided to them by the seller.

The action requested would be to either deny the appeal or to compromise the amount.

PROPERTY : 70834

LOCATION:

OWNER:

HOSPIRA INC
C/O DUCHARME, MCMILLEN & ASSOC
PO BOX 80615
PROPERTY TAX COMPLIANCE
INDIANAPOLIS IN 46280

STATUS:

TAXABLE VALUATION:
INTEREST PER DIEM .00

INTEREST DATE: 10/22/2018

YEAR	TYPE	BILL	BILLED	PRIN DUE	INT DUE	TOTAL DUE
2018	PP-D	1000149				
1	NASHPP		61,545.48	61,545.48	.00	61,545.48
	NASHPP		56,359.17	56,359.17	.00	56,359.17
	NASHPP		56,878.62	56,878.62	.00	56,878.62
	NASHPP		51,558.98	51,558.98	.00	51,558.98
	NASHPP		20,911.79	20,911.79	.00	20,911.79
10	NCOL 2017		5,453.79	5,453.79	.00	5,453.79
20	NCOL 16		11,271.83	11,271.83	.00	11,271.83
30	NCOL 15		17,063.59	17,063.59	.00	17,063.59
40	NCOL 14		20,623.59	20,623.59	.00	20,623.59
50	NCOL 13		10,455.89	10,455.89	.00	10,455.89
			312,122.73	312,122.73	.00	312,122.73
			312,122.73	312,122.73	.00	312,122.73
GRAND TOTALS			312,122.73	312,122.73	.00	312,122.73

It was the consensus of the Board that staff researches what affect the Tax Penalty Waiver would have on the Inducement Agreement with Pfizer and bring this item back to the Board with a recommendation at the December 3, 2018 meeting.

Chairman Davis called on Vice Chairman Outlaw.

Vice Chairman Outlaw called on Board Members for reports on the following boards and committees.

- Commissioner Fred Belfield, Jr. (District 2)
 - Farmers Market Advisory Board
 - Juvenile Crime Prevention Council (Lou Richardson)
 - Upper Coastal Plain COG (Mary Wells)
 - Tar River Transit
- Commissioner Dan Cone (District 3)
 - Human Services Board
 - Agricultural Advisory Board
- Commissioner Lisa Barnes (District 4)
 - Nash UNC Health Care Board of Directors
 - Trillium Health Resources – Central Regional Advisory Board

- Commissioner J. Wayne Outlaw (District 5)
 - Nash Community College Board of Trustees (Mary Wells)
 - Upper Coastal Plain RPO
 - Broadband Committee (Dan Cone, Lisa Barnes)

- Commissioner Mary Wells (District 6)
 - Turning Point Work Force Development Board
 - STEP

- Commissioner Robbie B. Davis (District 7)
 - Tourism Development Authority
 - Rocky Mount MPO
 - MCC Shell Building (Dan Cone)
 - Gold Rock Improvements (Lou M. Richardson)
 - Joint School Board Committee (J. Wayne Outlaw & Fred Belfield, Jr.)

On motion of Dan Cone seconded by Fred Belfield, Jr. and duly passed that the Board go into closed session as permitted by NCGS 143-318.11(a)(3) to consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege, NCGS 143-318.11(a)(4) to discuss matters relating to the location or expansion of industries or other businesses, and NCGS 143-318.11 (6) to consider qualifications, competence, or conditions of appointment of an individual public officer or employee.

During closed session, the Board consulted with the attorney to discuss matters that are subject to the attorney-client privilege between the attorney and Board, and discussed personnel matters.

On motion of Mary P. Wells seconded by Fred Belfield, Jr. and duly passed that the closed session adjourn.

On motion of J. Wayne Outlaw seconded by Dan Cone and duly passed that the meeting adjourn.

Janice Evans, Clerk
Nash County Board of Commissioners