

CLEVELAND COUNTY BOARD OF COMMISSIONERS

March 11, 2004

The Cleveland County Board of Commissioners met in a ***Special Called Meeting for the purpose of hearing a presentation regarding the defense technology industry*** on this date at the hour of 10:30 a.m. in the Commission Chamber of the Cleveland County Administrative Offices.

PRESENT: Mary S. Accor, Chairwoman
Ronald J. Hawkins, Vice-Chair
Tom Bridges, Commissioner
Willie B. McIntosh, Commissioner
Jerry L. Self, Commissioner
R. L. Alexander, County Manager
David Dear, Assistant County Manager/Finance Director
Bob Yelton, County Attorney
Wanda Crotts, CMC, County Clerk
Hal Weatherman, Sue Myrick's Office
Kevin Monroe, John Edward's Office
Representative Tim Moore
Representative Debbie Clary
Raymond Hamrick, Sheriff
Stuart Gilbert, Cleveland County Chamber
Misti Humphries, Cleveland County Chamber
Joy Scott, The Star
Donna Huie-Brooks, Cleveland Headline News
Other individual names on file in the Clerk's Office

CALL TO ORDER

Chairwoman Accor called the meeting to order and led the audience in the "Pledge of Allegiance" to the flag of the United States of America. Vice-Chairman Hawkins provided the invocation for the meeting.

PRESENTATION REGARDING RECRUITMENT OF DEFENSE TECHNOLOGY INDUSTRY

Hal Weatherman, representing Sue Myrick's office, provided an overview, "To tell you how we got involved in defense contracting: About two years ago, because of the down turn in the economy, because of the decline of manufacturing, because of the decline primarily in textiles and back then we had Cleveland County in our congressional district. It was primarily Cleveland and Gaston that we were concerned with. . . . Sue gave the directive, both to herself and to her staff, from here on out we were going to do something a little unconventional, we were going to get directly involved in the economic development. . . . we wanted to serve as a better resource for economic development directors and our rationale was that when you're a member of Congress, you have literally over a two-year period of your term, hundreds if not several thousands of people come through your office, from the janitor to the CEO of companies. Traditionally, helping people with whatever their request or concern or the service they need provided and they go on about their way. Sue said, you know, we should really take advantage of the fact that sometimes we have CEO's of companies coming into our office asking for our help. We should be a tool to steer them to try to locate to counties in our district. . . . now because of redistricting, Cleveland County is no longer in our district. As much as we love Cleveland County and hated to loose it, our focus now is on the 9th Congressional District, which includes Union, Mecklenburg and Gaston counties, and where we see the greatest need in terms of economic development is Gaston County."

Mr. Weatherman said he works closely with Donnie Hicks, the Economic Development Director of Gaston County. He said, "Sometimes we play more of a support role to him, sometimes we're actually taking the lead. We have taken several companies who have come to us asking for federal funding, we flush them out to find out if they are a good fit, if they are legitimate companies, and

then we work with the EDC director to make sure that Gaston County, in this instance, has the opportunity to do their dog and pony show so this company has an opportunity to see Gaston County as a viable place to relocate their company. We've had some success and we've had some failures. Our biggest success to date is DTI, which is Defense Technologies Inc., which is a three-man firm and has a sister company GTS located in Virginia Beach, Virginia." He advised the principal owners are Scott and Bill Carlton and described the process through which the Carltons contacted Myrick's office, leading to Myrick's office requesting a \$4.5 million appropriation from the federal government for that company. He said, "The House passed the bill that had \$4.5 million in it, and it then went over to the Senate, and they cut it to about \$2.4 million, and then after it came out of the Senate and was reported to the Conference Committee . . . they decided to keep the \$2.4 million in there."

He explained that DTI has not yet officially taken possession of the money, "It has to go through a process with several checks and balances with the government, but they are slated to receive that money the first quarter of this year." He said the company has leased an old Carolina Mills plant that has been up fitted and a ribbon cutting is planned for March 19, 2004. The company plans to hire 20-30 people initially, with future plans to hire "upwards of 200 people" over a three-year period.

Mr. Weatherman said that Sue Myrick's "vision" is to have a "defense cluster" or "pool cell" in this area, becoming a "sort of Research Triangle Park or hot bed" for this technology. There was discussion regarding the different areas of defense technology contracts and the various marketing possibilities, such as clothing and aircraft.

Chairwoman Accor and Commissioner McIntosh stated they have spoken with DTI representatives who have expressed an interest in Cleveland County. Representatives Clary and Moore commented that one of the best things about this "is there is very little state and local funding involved, as it is mostly federal dollars."

Other points of discussion were: Location of companies of this type are usually "money driven"; the recent CEDS study; most federal appropriations go to municipalities or other entities, but the one that "mostly goes to private is the Department of Defense"; the fact that DTI would like to develop a "corridor" from Virginia to this area; the funding cycle for this year; the Appalachian Region Commission (ARC) and Cleveland County possibly being a part of that; improving infrastructure is in best interest of the county. Representative Clary suggested Commissioners contact Ballinger, Dole and Edwards to request support and alert them of this plan.

CONSENSUS: It was the unanimous consensus of the Board to ***direct the County Manager to develop a meeting with Senator Dole.*** Commissioners Self and McIntosh volunteered to serve on a "team" to meet with members of the local legislative delegation, specifically Senator Dole.

MISCELLANEOUS

STAR TEACHERS BANQUET

Vice-Chairman Hawkins reminded Commissioners of the Star Teachers Banquet tonight at 6:30 p.m. at Gardner-Webb University.

ADJOURN

There being no further business to come before the Board at this time (11:45 p.m.), Ronnie Hawkins made the motion, seconded by Willie McIntosh, and unanimously adopted by the Board, to adjourn the meeting.

Mary S. Accor, Chairwoman
CLEVELAND COUNTY BOARD OF COMMISSIONERS

Wanda Crotts, CMC, Clerk
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