CLEVELAND COUNTY BOARD OF COMMISSIONERS

March 3, 2006

The Cleveland County Board of Commissioners met in an Emergency Called Session on

this date, at the hour of 6:30 p.m., in the Commission Chamber of the Cleveland County Administrative

Offices, for the stated purpose of "discussing the immediate needs of economic development in

Cleveland County."

PRESENT:Ronald J. Hawkins, Chairman
Jerry L. Self, Vice-Chairman
Mary S. Accor, Commissioner
Johnny Hutchins, Commissioner
Willie B. McIntosh, Commissioner
David C. Dear, County Manager
Sam Craig, Deputy County Attorney
Wanda Crotts, County Clerk
Eddie Bailes, Assistant County Manager
Pete DeLea, *The Star*
Alex Caban, *Cleveland Headline News*
M. A. Andrews, *The Shelby Shopper*
Robert Williams, *Citizens for Good Government*
Other individual names on file in the Clerk's Office

CALL TO ORDER

Chairman Ronald J. Hawkins called the meeting to order.

<u>ECONOMIC DEVELOPMENT – RECENT DISMISSAL OF SCOTT DARNELL, VICE-</u> <u>PRESIDENT OF THE CHAMBER IN CHARGE OF ECONOMIC DEVELOPMENT</u>

Chairman Hawkins stated, "I think that just a little bit of explanation probably due to everyone here before we get started. Due to recent events in the paper and other media, the Commissioners find that we need to make sure that the public confidence is still supported by, not only the Commissioners, and that each one will have a chance to say what they need to say in just a minute, but we think that the trust in economic development is very much a part of what we do and what we're supposed to be doing and we would like to kind of bring you up-to-date on some of the things that's taking place as we know them."

He said, "Due to the recent events, we had a meeting yesterday with Mayors Murphry (Kings

Mountain) and Alexander (Shelby), Commissioner McIntosh and myself, Councilmen Bob Still and

Dean Spears, Shelby City Manager Rick Howell . . . and David Dear, County Manager, at the meeting.

The first meeting we had we basically discussed a little bit of the breaking news and we also discussed

that we would go to the news media and tell them that we still support the 20/20 effort. Again today we

met, and we also included today Mr. Bill Plowden, who is the Chair of the Chamber, and Mr. Stuart

Gilbert, who is the President of the Chamber. At that particular time, Mr. Gilbert gave us some

background information and we also called the news media today to tell them that they did that, and we

also decided that we need to do tonight is for our board to meet, and what we would like to do is make sure the public can still continue to trust us and our economic development effort."

Each Commissioner was given the opportunity to address their concerns over the dismissal of Mr. Darnell.

Commissioner Accor advised she felt this situation was "unfortunate" and that her concern was how this would "impact the growth of the county" and that the county continue to move forward. She said citizens come to Commissioners for answers and there was a period of time during this situation that she did not know the answers. She stated that while she understands "these things happen" it is a "tough place to be in when taken by surprise" and that there needed to have been a "unified statement" regarding this issue.

Commissioner Hutchins expressed his concern regarding the fact that Commissioners were not better informed of the facts surrounding this matter and he had hoped this meeting would provide that explanation. He noted it was "last year when we had the same problems" when the contract with the Chamber was discussed and adopted. He said he felt Commissioners should have "more control" and that the Chamber should be "put on notice" that the contract will be re-negotiated when it is up for renewal. He said, "In the real business world, this would not have been accepted." He also questioned if the Chamber has a "qualified and certified" individual dedicated to moving forward with current economic development projects.

Commissioner McIntosh expressed concern for the county and for Mr. Darnell. He said, "Scott has been nothing but an excellent employee." He also said Mr. Darnell has put "passion into his work" and that he is "personally very disappointed in how this situation was handled." He said "anytime anybody puts that much into their work it should not be handled so abruptly" because it "hurts the person's creditability." He noted that while the public deserves answers, this is a personnel issue, but wanted to say that he would personally give Mr. Darnell a "glowing recommendation" for future employment.

Commissioner McIntosh said he has been "assured that current projects" will not be negatively

impacted and that Mr. Gilbert is certified and capable of moving forward with the projects. He said he agrees with Commissioner Hutchins that Commissioners should have more control and the next contract with the Chamber should have "more safeguards to protect people."

Vice-Chairman Self stated he too was "caught by surprise" and from a public official viewpoint that is never good. He said he felt one of the major problems with this was "communication." He said, "If you look at economic development, I think there are about three models you can look at, one is have a purely public economic development model, where it is a county agency. We tried that and I don't think that worked well. That was the reason, I think, that it was suggested that we go into a public/private partnership, which I think is the preferred approach. Then we have both private investors and public investors jointly trying to do the best we can to serve the community. Basically we've got a contract, when you have a contract with somebody, which we have a contract with the Chamber for economic development . . . if they have their own personnel policy, they have their own people work for them, Scott Darnell does not work for us, I'm not his supervisor. All of my contact with him has been very positive, but I'm not his supervisor . . . and if you contract with anybody, you don't control their personnel policies . . . what we're interested in is can the Chamber, under the new set-up, can they deliver the products they've contracted to do and I think that's what we have to find out, can we get the product delivered."

Vice-Chairman Self stated, "The other model is that we totally get out of economic development and just let the marketplace handle it, which I'd be perfectly willing to do that. I think there are a lot of things in terms of recruitment and incentives, I'm not sure that's really a major decision maker for companies to come, I think they're looking at the infrastructure you have, along with other things. A reasonable approach would be the do nothing, let the marketplace settle out who comes. We may be over-rating our importance if we say that we're making a tremendous difference in this area. I think right now the best model to work with the present situation is what we're working with now, the public/private partnership with the contract. I think we have to work together to make it work, try to avoid personalities and egos that can be a problem . . . we all have to work together and make the sacrifices . . . to make it work. Atmosphere and the communications is almost as important as actuality, so we need to work on the communications aspect. I think at some point we need to ask that question and again feel comfortable, can we get the service we contracted for."

Chairman Hawkins reiterated that Mr. Darnell was an employee of the Chamber, stating "Under the Chamber it is their responsibility for supervision of their employees and to determine whether or not they remain employed for whatever reason. I think that the Chamber, whether we like it or not . . . the

Chamber Executive Board and the President of the Chamber have had problems and apparently they

dealt with them in the manner that they chose to deal with it. Unfortunately, the fallout goes beyond the

borders of just the Chamber and that's why we're here." He noted Mr. Darnell was an "advisor of

20/20." He stated that Mr. Gilbert has the credentials and expertise to pick up the current projects and

that he has "tutored" Mr. Darnell during his tenure with the Chamber.

He stated, "This time that 20/20 has been formed, which has only been six months, and in that six-

months period, my designee, and that's Commissioner McIntosh, can tell you that they have only worked

through a budget, they have not really put the whole structure together, so what we're saying now is,

what I've heard, is that someone wants to do away with something that hasn't even had a chance to work. We knew what we had was not working, so that's why Commissioner Harry asked us to look at this new model and why we were trying to put it in place and why we've spent almost a year trying to get it in place. So, what I would say to you, is it's not in place yet, so how can you expect it to be performing at its peak until you see all the parts of the pieces are together and they're out there working. At the same time I would say that, apparently, economic development has been ongoing because Mr. Darnell has been working with many clients whether 20/20 structure has been put together or not, the industrial clients have been talked with by both Mr. Gilbert and Mr. Darnell, I've talked to individuals who have praised both for their efforts." Chairman Hawkins also reiterated that "we control our staff and we will deal with them as we need to and with our documentation, how can we second guess these people who we have a contract with about their documentation ... we have to respect their decision."

He said, "I think what we need to work toward now is to complete the structure of 20/20, to encourage the investors in 20/20 and let them know that we are still here and that economic development in Cleveland County is in good hands and that we support that effort."

There was additional discussion regarding the issues surrounding the dismissal of Mr. Darnell and the lack of communication about that decision. Commissioner McIntosh said he "may have to accept the decision, but I don't have to respect or like it." Commissioner Accor emphasized she was not "talking about respecting" the decision of the Chamber regarding their employee, her question is "can they deliver services and will our projects be impacted" and "I do believe partners should have courtesy and communication." Commissioner Hutchins said we should have "a partnership in dollars and a partnership in control." Vice-Chairman Self added that he saw no reason to change "the focus and the process at this time" but did see a need for "areas of fine tuning, such as communication." Chairman Hawkins stated he felt if the "structure had been in place, the communication would have worked better."

Willie McIntosh said he felt the Commission should "continue what we have with 20/20 because

we have some of the best private investors and private people . . . on that board, as well as public people,

and we make this work and give us the opportunity to complete what we've started which is in it's

infancy right now and try to make that work and if it doesn't then of course we can go back to the

drawing board, but I do agree with Commissioner Hutchins that before the next contract is done, as far as

the county is concerned, we do need to revisit our contract and look at it and make it stronger so that we

can have better safeguards for the public that we represent."

ACTION: Commissioner Hutchins said, "I would support in a motion that we keep things intact,

we try to salvage what we can, make sure that we don't lose any investors either way, now until the time

that the contract comes due, but put the Chamber on notice that we would like to review it and we will review it."

(There was no second to this motion.)

<u>ACTION:</u> Willie McIntosh made the motion, seconded by Johnny Hutchins, and *unanimously* adopted by the Board, (motion was restated by the Chair as follows) "that we all support 20/20 and we want to make sure that in the new contract we are regarded as partners in the communications piece." <u>ADJOURN</u>

There being no further business to come before the Board at this time, Willie McIntosh made the motion, seconded by Jerry Self, and unanimously adopted by the Board, to adjourn the meeting (*at* 7:15 p.m.).

Ronald J. Hawkins, Chairman Cleveland County Board of Commissioners

Wanda Crotts, CMC, Clerk Cleveland County Board of Commissioners