

CLEVELAND COUNTY BOARD OF COMMISSIONERS

January 6, 2009

The Cleveland County Board of Commissioners reconvened their meeting of December 22nd on this date, at the hour of 1:00 p.m., in the County Managers Conference Room of the Cleveland County Administrative Offices.

PRESENT: Jo Boggs, Chairwoman
Johnny Hutchins, Vice-Chairman
Mary Accor, Commissioner
Ronald J. Hawkins, Commissioner
Eddie Holbrook, Commissioner
David C. Dear, County Manager
Kerri Melton, County Clerk
Eddie Bailes, Assistant County Manager
Chris Green, Tax Administrator
Chris Crepps, Finance Director
David Allen, *The Star*
Emily Killian, *Kings Mountain Herald*
Kathryn Larson, *Cleveland Headline News*
Other individual names on file in the Clerk's Office

TALLY & SMITH ARCHITECTURE

Bob Smith of Tally & Smith Architecture made a presentation about his firm asking that Commissioners consider them for future County projects.

OCCUPANCY TAX PENALTIES

Chandan, LLC, DBA Best Western has submitted a request for release of late-file penalties associated with room occupancy tax levied by the county. Chris Green, Tax Administrator explained that the Board of Commissioners may, for good cause shown, compromise or forgive penalties imposed under Chapter 173 House Bill 509.

Section 1(d) states in part: A person, firm, corporation, or association who fails or refuses to file the return required by this section shall pay a penalty of ten dollars (\$10.00) for each day's omission. In case of failure or refusal to file the return or pay the tax for a period of 30 days after the time required for filing the return or for paying the tax, there shall be an additional tax, as a penalty, of (5%) of the tax due in addition to any other penalty, with an additional tax of five percent (5%) for each additional month or fraction thereof until the tax is paid. The Board of Commissioners may, for good cause shown, compromise or forgive the penalties imposed by this subsection.

In June 08, Chandan, LLC submitted room occupancy tax listings for September 07 through June 08 inclusive. Chandan, LLC owes approximately \$10,000 with the majority being penalties & interest. Since June 08, they have paid their occupancy tax in a timely fashion. However, when a payment is made, it is first applied to the penalties & interest, leaving a balance of taxes owed.

Harsha Desai and Jack Shaf were in attendance representing Chandan, LLC. Ms. Desai, owner of Chandan, LLC explained that she was unaware that the manager was not filing the occupancy taxes. She has had many difficulties with the past two managers causing her to also lose the Best Western franchise. Since Ms. Desai has begun managing the facility, all taxes have been filed and paid on-time.

Mr. Green estimated the entire penalties and interest at \$9,500.

ACTION: Ronnie Hawkins made the motion, seconded by Mary Accor, and unanimously adopted by the Board to, *forgive Chandan, LLC of the entire amount of late filing penalties.*

PROPOSED LEGISLATIVE GOALS

Commissioner Accor explained that the North Carolina Association of County Commissioners (NCACC) Board of Directors met and unanimously approved thirty seven goals for 2009. These goals will be presented to Commissioners in Raleigh at the NCACC Legislative Goals Conference then sent to the General Assembly for consideration. Chairwoman Boggs asked Commissioners if there were any other legislative goals that the Board would like to be brought before the NCACC Board of Directors. As the Cleveland County voting delegate, Commissioner Hutchins will present the following goals from Cleveland County:

ACTION: Ronnie Hawkins made the motion, seconded by Johnny Hutchins, and unanimously adopted by the Board to, *approve bringing the following goals to the NCACC Legislative Goals Conference for consideration.*

- Cities shall be required to enforce the Minimum Housing Standards authorized by NCGS 160A, Article 19, Part 6 within the ETJ, if these standards have been adopted within the corporate limits.
- Lobby for a representative from the NCACC Board of Directors to be placed on the North Carolina Transportation Board.
- Require all newly constructed nursing homes to have back-up generators.
- Increase funding for Community Colleges and Career Technical Education in High Schools.
- Oppose the annual mileage road tax.

COMMISSIONERS GOALS

Chairwoman Boggs began by asking each Commissioner to state their goals. Goals were presented by each Commissioner one at a time and then grouped into categories.

Continue Efforts in Economic Development:

- Push for timely completion of a Strategic Plan
- Assist small businesses
- Make retail more attractive
- Find ways to keep sales tax dollars in Cleveland County
- Support ongoing economic development projects such as Duke Energy Cliffside and Southern Company
- Support the Cleveland Community College Career Development Center

Support...

- Construction of a Conference Center
- Continued offering of rabies clinics and research of one shot euthanasia
- Upper Cleveland Sports Complex
- Upper Cleveland Reservoir
- Community efforts such as Destination Cleveland County
- Increase in Cleveland Community College FTE funding
- Development of a Cleveland County Youth Commission

Other...

- No tax increase for 2009
- Lobby for acceleration of Hwy 74 bypass
- Lobby for Western representation on State Boards.
- Increase efforts to encourage more citizen interest in county boards and committees
- Explore grant writing opportunities

ACTION: Ronnie Hawkins made the motion, seconded by Johnny Hutchins, and unanimously adopted by the Board to, *approve the 2009 Commissioner Goals (see above).*

STATE PRISON PROJECT

County Manager David Dear and Chairwoman Boggs were approached by Eddie Ross, State Warden at the prison in Cleveland County, about the possibility of recruiting a new state prison to Cleveland County. Mr. Dear distributed information given to him by Mr. Ross giving examples of what a new prison would mean for Cleveland County (*copy found on Page ____ of Minute Book 31.*) Chair Boggs explained that the prior board chose not to pursue the recruitment of a new prison due to the cost and the little payback that it provides to the community. However, she felt it important for this seated board to have the opportunity to look at this possibility.

Former Commissioners Jerry Self and Willie McIntosh were in attendance in opposition of the recruitment of a prison to Cleveland County.

Commissioners discussed the pros and cons of this facility including the fact that it is a large investment that offers no tax revenue. Commissioner Holbrook asked about expanding the existing facility. Mr. Dear thought it would be a positive thing because the inmates in the minimum security prison help with road-cleanup and work helping the Volunteer Fire Department. Mr. Dear suggested that Commissioners lobby for expansion of the existing facility.

ACTION: It was the consensus of all Commissioners that, *County Manager David Dear send a letter to Eddie Ross with a statement that Commissioners are not interested in recruiting a state prison at this time.*

ECONOMIC DEVELOPMENT PROPERTY ACQUISITION

County Manager David Dear presented Commissioners with contract for purchase and sale of a fifty- four (54) acre property located at Hwy 29 & I85. Said property is located between Eaton Corporation and EDC Corporation and is currently owned by Douglas & Madeleine Harper Family

Limited Partnership. Preliminary environmental assessments and soil borings have been completed on the property. Mr. Dear explained that this property could be developed into one large thirty (30) acre parcel or two twenty-four acre parcels. Preliminary plans show there could be two entrances off of Hwy 29. County engineering consultants and several commercial developers have examined the property and believe this property could be developed as a good industrial site.

ACTION: Ronnie Hawkins made the motion, seconded by Mary Accor, and unanimously adopted by the Board to, *approve the purchase of fifty-four acres from Douglas & Madeleine Harper Family Limited Partnership. Property will be purchased for \$11,000 per acre.*

GDS CURBSIDE PICK-UP PROPOSAL

County Manager David Dear presented Commissioners with a request from GDS Republic Services of NC LLC (Solid Waste Provider), to increase their residential rate by \$2.00. In turn, GDS will provide each customer with a 95 gallon GDS roll out cart to help institute automation for their residential service. Some of the benefits include replacing up to (3) 32 gallon containers, easy to roll to the curb, neater and cleaner look throughout the county and efficiency of collection routes reducing time spent at each stop. Currently, there is a \$3.00 fee for those customers who volunteer to use the roll out cart (1,260 customers). This \$3.00 fee will no longer be charged to these customers causing them a net decrease of \$1.00 to their monthly bill. Those customers who were not using the roll out cart (856 customers) will be required to do so resulting in a net increase of \$2.00 to their monthly bill.

ACTION: Mary Accor made the motion, seconded by Ronnie Hawkins, and unanimously adopted by the Board to, *approve an increase of \$2.00 in the GDS residential rate. Rate increase requires all customers to use 95 gallon GDS roll out carts.*

AMERICAN LEGION WORLD SERIES

At the regular meeting of December 16, 2008, Commissioner Holbrook discussed the possibility of supporting submittal of an application to the American Legion for a contract to host four World Series tournaments. These tournaments would be held in 2011-2015. Upon submittal of application, sixteen cities will be considered. Sixteen will then be narrowed down to six. The six qualifying cities would be required to go to Indianapolis to make a presentation before the American Legion World Series Board. Commissioner Holbrook explained that many renovations had been made to the stadium in 2008, however some additional improvements would need to be made to get the contract. He expected the cost to host the tournament would be \$400K to \$500K including renovations to the stadium. The expected return on the project would be \$3.5M to \$5M depending on the success of the tournament. A pro-forma would have to be built starting at the end of 2009. Commissioner Holbrook shared that, the Steering Committee for the past tournament is overwhelmingly in support of this project. A request has also

been sent to the City of Shelby. It is very important to also receive the support of the City of Shelby. Commissioner Holbrook stated, "If Cleveland County and the City of Shelby were to win this contract, it would give them a national identity that doesn't come our way real often."

ACTION: Mary Accor made the motion, seconded by Ronnie Hawkins, and unanimously adopted by the Board to, *pursue hosting the 2011-2015 American Legion World Series and have County Manager David Dear look into what, fiscally, the county could do to support this project.*

AUDIT PRESENTATION

County Finance Director Chris Crepps presented each Commissioner with a copy of the Annual Financial and Compliance Report for the Year Ended June 30, 2008. Mr. Crepps explained that the auditors found no findings of non-compliance with county or grantor rules. Cleveland County, has approximately sixty days worth of cash and is in fine fiscal standing.

Commissioners congratulated the Finance Department for their fine work.

ACCEPTANCE OF PARCEL ID 73675

County Manager David Dear explained to Commissioners that a piece of property (Parcel ID #73675) has been deeded to Cleveland County without any discussions with county officials (*copy of deed found on Page ____ of Minute Book ____*). Said property is located in Washington Subdivision and is a small strip of land that lies between two houses. This property is of no use or value to Cleveland County.

ACTION: Ronnie Hawkins made the motion, seconded by Eddie Holbrook, and unanimously adopted by the Board to, *accept the property contingent on the evaluation by the County Tax Assessor's office. Upon evaluation, the County Clerk has the authority to contact one of the adjoining property owners and sell it following the guidelines for disposal of real property.*

WORKERS COMP: BUDGET AMENDMENTS (BNA #046)

ACTION: Mary Accor made the motion, seconded by Ronnie Hawkins, and unanimously adopted by the Board to, *to approve the following budget amendment:*

<u>Account Number</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
060.650.4.991.00	Workers Comp/ Fund Balance Approp	\$200,000.	
060.650.5.586.00	Workers Comp/Uninsured Settlement	200,000.	

Explanation of Revisions: *Budget anticipated reimbursement from insurance company for unforeseen claim expenditures.*

CLOSED SESSION

ACTION: Johnny Hutchins made the motion, which was seconded by Eddie Holbrook, and unanimously adopted by the Board, to conduct a closed session regarding a personnel matter, as allowed under North Carolina General Statute 143-318.11(a)(1)(3)(6).

RECONVENE IN REGULAR SESSION

ACTION: Mary Accor made the motion, which was seconded by Johnny Hutchins, and unanimously adopted by the Board, to reconvene in regular session.

Each Commissioner commended Mr. Dear for his outstanding performance.

ACTION: Mary Accor made the motion, which was seconded by Ronnie Hawkins and unanimously adopted by the board to, ***approve the revised contract for County Manager David Dear*** (copy of contract found on Page ____ of Minute Book 31).

MISCELLANEOUS DISCUSSION

Commissioner Hawkins currently serves as a member of the Cleveland County Board of Health. At their last board meeting, the retirement of Denese Stallings, Health Director, was discussed. Ms. Stallings has been employed as a public servant for over thirty-one years. Commissioner Hawkins informed Commissioners that Ms. Stallings would like to take more time off, with the supervision of the County Manager. Ms. Stallings would also like to give the supervisors under her some additional responsibilities.

Commissioner Hawkins also serves on the City of Shelby Airport Commission. He updated Commissioners on the progress of the taxi-way and the terminal projects. The taxi-way is currently under construction. Funding has been released for the terminal project. County Manager Dear is working with the City of Shelby on a joint fuel farm on Grover Street. The City and County will each be billed for fuel used.

Commissioner Hutchins discussed reviewing salary ranges for the Health Director, Social Services Director and the Sheriff. Although Commissioners do not hire these positions, they are responsible for setting the salary. Mr. Dear explained that, the filing fee for the Sheriff is based on a percentage of the Step 1 salary not the salary of the Sheriff leaving office. Commissioners could increase the starting salary based on experience of the candidate.

County Manager David Dear expressed the City of Shelby's interest in a meeting to discuss a joint industrial park project.

County Manager David Dear received a letter from the Cleveland County Fair Board requesting a three year extension. Commissioners directed County Manager David Dear to meet with the Fair Board representative to discuss possible lease negotiations.

Bids for the Jail Annex will be received at the end of January. Construction is scheduled to begin at the beginning of March and will last between ten and twelve months. Mr. Dear is tentatively scheduled to meet with the Local Government Commission for approval at their March meeting. Currently, the jail census is 220 inmates. The jail locations are licensed to serve 180 inmates.

On January 14th, the Cleveland Community College Foundation Committee will meet and hear presentations from architects on the multi-purpose facility (*see minutes of October 15, 2008*) to be housed at Cleveland Community College. By the end of January, the Committee will call a special meeting of the board to make a recommendation on an architect.

Commissioner Hawkins asked for Mr. Dear's recommendation on the 2009/2010 budget. Mr. Dear has scheduled individual meetings with each Department Head to discuss the budget. His goal is to get as close to county revenue neutral as possible.

Commissioner Hawkins expressed an interest in a County Morgue facility. Mr. Dear has explored the option. There are two walk-in coolers located in the Law Enforcement Center that could be outfitted for housing of bodies. Mr. Dear discussed this with Joe Lord, EMS Director. Mr. Lord advised Mr. Dear to hold off on outfitting the coolers as long as possible.

ADJOURN

There being no further business to come before the Board at this time, Mary Accor made the motion, seconded by Johnny Hutchins, and unanimously adopted by the Board, *to adjourn the meeting*.

*Rebecca Jo Powell Boggs, Chairwoman
Cleveland County Board of Commissioners*

*Kerri Melton, Clerk
Cleveland County Board of Commissioners*