

CLEVELAND COUNTY BOARD OF COMMISSIONERS

October 1, 2013

The Cleveland County Board of Commissioners met in a regular session on this date, at the hour of 6:00 p.m., in the Commission Chamber of the Cleveland County Administrative Offices.

PRESENT: Ronnie Hawkins, Chairman
Susan Allen, Commissioner
Johnny Hutchins, Commissioner
Eddie Holbrook, Commissioner
Jeff Richardson, County Manager
Andrea Leslie-Fite, County Attorney
Kerri Melton, County Clerk
April Crotts, Deputy Clerk
Chris Green, Tax Administrator
Jessica Pickens, *The Shelby Star*
Other individual names on file in the Clerk's Office

ABSENT: Jason Falls, Vice-Chairman

CALL TO ORDER

Chairman Ronnie Hawkins called the meeting to order. Tax Administrator Chris Green led the audience in the "Pledge of Allegiance" to the flag of the United States of America and provided the invocation for the meeting.

Commissioners took a moment to thank David Dear for stepping in and serving as Interim County Manager and welcomed Jeff Richardson to Cleveland County. Chairman Hawkins described the day as a "historic day" as this was the first time in forty years that a County Manager has not been chosen from within the organization.

AGENDA ADOPTION

ACTION: Johnny Hutchins made the motion, seconded by Susan Allen, and unanimously adopted by the Board, *to adopt the agenda as presented by the County Clerk with the following addition:*

6. NCACC VIDEO PRESENTATION

CITIZEN RECOGNITION

Robert Williams, 814 E. Stagecoach Trail Lawndale voiced his concern with the consent agenda item dealing with Coast to Coast Rx asking Commissioners if this is the kind of business the County needs to be in. He also suggested that Commissioners possibly hold a Town Hall meeting.

CONSENT AGENDA

APPROVAL OF MINUTES

There being no corrections, additions, or deletions to the minutes of the *September 3, 2013 regular meeting*, motion was made by Susan Allen, seconded by Eddie Holbrook, and unanimously adopted by the Board, *to approve the minutes as written.*

HEALTH DEPARTMENT: WRITE-OFF OF ACCOUNTS RECEIVABLE

ACTION: Susan Allen made the motion, seconded by Eddie Holbrook, and unanimously adopted by the Board, *to allow the Health Department to write-off a total of \$27,705.93 in uncollectible fees through June 30, 2010.*

In the event that an inactive patient returns for services, policy is to reinstate the charges that have been written off and apply payments to the oldest amount owed.

2013 COUNTY MANAGEMENT RECORDS RETENTION & DISPOSITION SCHEDULE AMENDMENTS

ACTION: Susan Allen made the motion, seconded by Eddie Holbrook, and unanimously adopted by the Board, *to adopt the amendments to the 2013 County Management Records Retention & Disposition Schedule (complete copy found in County Managers Office).*

COAST2COAST Rx CARD

Commissioners received a request from the Boys and Girls Club of Cleveland County asking for support of the Coast2Coast Rx program. Coast2Coast markets a discount prescription card to local governments. The program would provide discounts on prescription drugs to individuals and families in Cleveland County. The company will pay a royalty of \$1.25 to Cleveland County for each prescription filled. The card also offers discounts on dental, vision, hearing and other programs. This program will be at no cost to the county.

The Boys and Girls Club asked the county to endorse the program and allow all the funds to pass through the county and go directly to the Boys and Girls Club. The funds will be used to help build a teen Center for the youth of Cleveland County. The Club is in the process of raising funds for a teen center which will give 120 middle and high school youth a place to go after school. The program provided will include homework assistance, career guidance, character and moral development, health and wellness programs, teen programs and other activities.

ACTION: Susan Allen made the motion, seconded by Eddie Holbrook, and unanimously adopted by the Board, *to approve the agreement between Cleveland County and Coast2Coast Rx and allow funds to go directly to the Boys and Girls Club of Cleveland County to be used towards a Teen Center.*

Coast2Coast Rx Card County Marketing Agreement

THIS MARKETING AGREEMENT dated this _____ day of _____, 2013, by and between **Financial Marketing Concepts, Inc.**, hereinafter "FMC" a Florida corporation, with its principal place

of business at: 1102 North A1A, Suite 202, Ponte Vedra Beach, Florida 32082, and **Cleveland County**, a political subdivision in the State of North Carolina, hereinafter "COUNTY" with its principal place of business at County Administration Building, 311 East Marion Street, second floor, Shelby, NC 28151.

WITNESSETH:

WHEREAS, FMC has created a discount prescription card, to-wit: the *Coast2Coast Rx* Card, which provides discounts on prescription drugs to individuals and families, and

WHEREAS, FMC can provide COUNTY the opportunity to offer its *Coast2Coast Rx* discount prescription card to its residents at no cost to the COUNTY, and

WHEREAS, COUNTY is desirous of providing the *Coast2Coast Rx* discount prescription card to its residents at no cost to the COUNTY:

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions herein contained, it is agreed as follows:

1. **Benefits.** FMC will provide its *Coast2Coast Rx* discount prescription card at no cost to COUNTY and its residents, and will pay COUNTY a Royalty for each prescription filled that results in a paid claim as listed on Schedule "A" hereof. In addition to the discounts on prescriptions, the card will also offer discounts on dental; vision; hearing; Diabetes Savings Program; imaging and lab tests and discounted veterinary services and other complimentary discounted services that might be added in the future.

2. **Term.** This Agreement will automatically renew every year for another one (1) year term unless COUNTY gives FMC thirty days (30) written notice to terminate, or unless earlier terminated by default. Royalty to COUNTY will continue to be paid as long as COUNTY's residents continue to fill prescriptions under this program, as long as FMC receives its compensation for those prescriptions, and as long as this Agreement is not terminated by COUNTY. In the event COUNTY terminates this Agreement or endorses another discount Rx card, then Royalty will be paid as listed in paragraph 2 of Schedule "A." In any event COUNTY may cancel this Agreement with thirty days (30) written notice to terminate.

3. **FMC's Obligations.**

a. FMC will provide to COUNTY and its residents the *Coast2Coast Rx* discount prescription card at no cost to its residents or COUNTY, and will pay a Royalty to COUNTY based on the use thereof. The Royalty will be paid at its full rate as listed on Schedule "A" so long as COUNTY has not endorsed another discount prescription card after the execution of this Agreement. In the event COUNTY does execute an agreement with another discount prescription card after the execution of this Agreement, the Royalty will be paid as set forth in paragraph 3 of Schedule "A."

b. FMC will print and distribute the prescription cards for the COUNTY at FMC's cost. COUNTY will approve the card design prior to FMC's printing of the card.

c. FMC will handle all administration of the card including the providing of monthly usage reports to COUNTY. FMC will assign a unique Group Code to COUNTY for cards printed by FMC so that COUNTY's usage can be tracked when the card is used at participating pharmacies.

d. FMC will distribute its *Coast2Coast Rx* Cards to participating pharmacies in the COUNTY and to other such governmental offices (such as libraries, health departments, etc.) designated by the COUNTY.

e. FMC will create a private label website for the COUNTY to link to from its website that will describe the *Coast2Coast Rx* Card program. Using the website, COUNTY residents will have the opportunity to print a card, search for participating pharmacies, and search for the price of their specific medication(s).

f. FMC, with COUNTY's approval, will promote the Rx card in all appropriate media formats, including newspaper, radio, television and internet.

g. FMC and its Pharmacy Benefit Manager will not use any resident's information except as necessary to process prescriptions, and for no other purpose whatsoever. Neither FMC nor its Pharmacy Benefit Manager will contact, transfer or sell resident information to any third party, and both FMC and its Pharmacy Benefit Manager are HIPAA compliant. FMC nor its Pharmacy Benefit Manager will solicit cardholders to use Pharmacy Benefit Manager's mail order unless directed to do so by COUNTY.

4. **Indemnification.** FMC shall indemnify COUNTY and hold the COUNTY harmless from any loss,

claim, liability or expense resulting from **FMC's** negligence.

5. **COUNTY's Obligations:** COUNTY will provide the opportunity for its residents to receive FMC's *Coast2Coast Rx* discount prescription card, and COUNTY shall receive a Royalty as specifically set forth on Schedule "A" hereof.

6. **Governing Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina and venue for any proceedings shall be Cleveland County.

7. **Use of County Seal.** For the consideration to be paid by **FMC** under this Agreement, **COUNTY** grants to **FMC**, and **FMC** accepts, a nonexclusive, nontransferable, limited and revocable license to use the **County Seal** in connection with the *Coast2Coast Rx* Discount card program as described in this agreement, and specifically, but not by way of limitation, that **FMC** has the right to use the **County Seal** on the discount card, on the private label county website and in **FMC's** letter provided to participating pharmacies that educates pharmacies about the program.

8. **Notice.** Any notice required by this Agreement shall be in writing, by certified mail, to the address of each party first set forth above, or at such other address as may hereafter be designated by either party in writing.

9. **Entire Agreement.** This Agreement contains all the rights, duties and obligations of each party, and this Agreement may not be modified or amended except in writing, signed by both parties.

SPECIAL RECOGNITION

MINORITY ENTERPRISE DEVELOPMENT WEEK

ACTION: Johnny Hutchins made the motion, seconded by Susan Allen, and unanimously

adopted by the Board, *to adopt the following proclamation as presented by Richard Hooker:*

Number 03-2013

MINORITY ENTERPRISE DEVELOPMENT WEEK OCTOBER 13-19, 2013

WHEREAS, Minority Enterprise Development Week, is an annual observance that has been proclaimed by the President of the United States since 1983 to highlight the important role and contributions minority business enterprises bring to our local, national and global economy; and

WHEREAS, this year's theme, "**Energizing the Economy with Minority Business Enterprises**" reflects the value that makes our nation strong and economically viable through a history of noteworthy contributions, past achievements and transformative leadership within our free enterprise system; and

WHEREAS, the Cleveland County Business Development Center has led the way to partner with local stakeholders to promote business and network opportunities, encourage civic participation, and support educational and leadership programs, including the Women -in-Business Series, Youth Forums, Emerging Leaders Lecture Series, and annual Awards celebrations to improve the overall business climate; and

WHEREAS, the State of North Carolina will highlight Minority Enterprise Development Month by Proclamation by the Governor in support of programs across the state to encourage participation of historically underutilized businesses and promote awareness, risks, opportunities and rewards of business ownership in North Carolina; and

WHEREAS, this year's Annual MED Week Awards Celebration in Cleveland County will bring together small business owners, and community stakeholders to honor and commemorate the accomplishments of small business owners, local citizens and community partners who give of their time, expertise and humanitarian efforts to make a difference in our community and beyond;

NOW THEREFORE, the Cleveland County Board of Commissioners, do hereby proclaim October 13-19, 2013 as "Minority Enterprise Development Week" in Cleveland County in recognition of the cooperative efforts of the above sponsoring organizations and individuals to enhance, promote and support the success of minority owned businesses and other community partners.

ADOPTED THIS THE 1st DAY OF OCTOBER 2013.

PUBLIC HEARINGS

ECONOMIC DEVELOPMENT ~ INCENTIVES FOR PROJECT LAKEWOOD

Kristin Fletcher thanked Commissioners for their continued support of Economic Development in Cleveland County. Project Lakewood plans to construct and equip a 100,000 square foot facility in Phase I of this project. The project will be located in the Foothills Commerce Center in Shelby, North Carolina. The company will create \$26 Million in new investment and 177 jobs during the first five years of the agreement.

She briefly described the incentives as follows:

1. A one-time grant of \$50,000 for site preparation. Grant shall be made to the Company within fifteen days of commencement of grading at the Project site.
2. Each year of the seven year grant term, the county shall make an incentive grant payment to the company in an annual amount equal to sixty five percent (65%) of the County ad valorem taxes (with the current rate being \$0.72 per \$100.00 valuation).

Commissioner Hutchins asked Ms. Fletcher if the average wage for the company exceeded the average wage for the county to which Ms. Fletcher replied, "Yes".

Chairman Hawkins opened the public hearing. (*Public notice of this hearing was accomplished in accordance with the mandates of North Carolina General Statutes, with a legal advertisement published in The Star on September 20, 2013.*)

David Dear, Cleveland County Economic Development Partnership commended Commissioners for their vision to create a business park. If there were no business park, this project would not be locating to Cleveland County. He described Project Lakewood as an "ideal tenant" and explained this is just Phase I of a planned two phase development that will be built over the next 3-5 years.

Robert Williams, 814 E. Stagecoach Trail Lawndale, after hearing the average wage for the company, spoke in support of the project.

Hearing no other comments, Chairman Hawkins closed the public hearing.

ACTION: Johnny Hutchins made the motion, seconded by Susan Allen and unanimously adopted by the board, ***to approve the incentive agreement as presented (copy found on Page ____ of Minute Book ____).***

Commissioner Allen asked Kristin Fletcher to explain the recruitment process to show how tax incentives are not the only incentives that brings new industries to Cleveland County.

Ms. Fletcher shared several other things that come into play when a company makes the decision to locate to Cleveland County including the following:

1. The programs that Cleveland Community College designs specifically for these industries.
2. Ease of doing business and regulatory process.
3. Overall cost of doing business- after the incentives, will this community be affordable?
4. Land- Ms. Fletcher specially thanked Commissioners for developing product.
5. Transportation infrastructure- Proximity to I-85 and Charlotte International Airport.
6. Access to higher education and tuition credits from Gardner-Webb.

Commissioner Holbrook, as the Economic Development Liaison, also added that the water and energy rates and supply are big factors when it comes to recruitment.

NCACC VIDEO

Commissioners watch a brief video from the NCACC regarding how to get involved in the State Organizations and detailing several events coming up in the near future.

COMMISSIONER REPORTS

Commissioner Holbrook reminded everyone of the announcement of Project Lakewood on October 4th. The Governor is expected to attend.

Commissioner Hutchins attended an MPO meeting last week. The group adopted a resolution in support of widening I-85 from Mt. Holly to the South Carolina State line.

ADJOURN

There being no further business to come before the Board at this time, Johnny Hutchins made the motion, seconded by Eddie Holbrook, and unanimously adopted by the Board, to adjourn. The next regular scheduled meeting will be held ***Tuesday, October 15, 2013 in the Commissioners Chamber.***

*Ronald J. Hawkins, Chairman
Cleveland County Board of Commissioners*

*Kerri Melton, Clerk
Cleveland County Board of Commissioners*