

Cleveland County Board of Commissioners
November 21, 2017

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: Eddie Holbrook, Chairman
Susan Allen, Vice-Chair
Johnny Hutchins, Commissioner
Ronnie Whetstine, Commissioner
Doug Bridges, Commissioner
Jason Falls, Interim County Manager
Tim Moore, County Attorney
Phyllis Nowlen, Clerk to the Board
Brian Epley, Finance Director
Chris Green, Tax Administration
Betsy Harnage, Register of Deeds

CALL TO ORDER

Chairman Eddie Holbrook called the meeting to order and led the audience in the Pledge of Allegiance and provided the invocation for the meeting.

AGENDA ADOPTION

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Whetstine and unanimously approved by the Board to, ***approve the agenda.***

CITIZEN RECOGNITION

No citizens registered to speak.

CONSENT AGENDA

APPROVAL OF MINUTES

The Clerk to the Board included the Minutes of the ***November 7, 2017 regular meeting***, in Board Members packets.

ACTION: Commissioner Allen made a motion, seconded by Commissioner Whetstine, and passed unanimously by the Board to, ***approve the minutes as written.***

TAX ABATEMENTS AND SUPPLEMENTS

The Tax Assessor provided Commissioners with a detailed written report regarding tax abatements and supplements during ***October 2017***. The monthly grand total of tax abatements was listed as (\$336.84). Monthly grand total for tax supplements was listed as \$4,779,695.93.

PENDING REFUNDS / RELEASES (RECOMMENDED FOR APPROVAL)										
November 21, 2017										
The following requests have been reviewed by the County Assessor and found to be in order. They are hereby submitted for approval by the Cleveland County Board of Commissioners per G.S. 105-381. Supporting documentation is on file in the County Assessor's Office. Staff Recommendation: Approve Requests.										
NAME	YEAR	RECEIPT	NOTE	REQUESTED		RATE	TAX, FEES & INTEREST	PAID	REQUEST	
				VALUE CHANGE	DISTRICT				RELEASE	REFUND
WALTER BRYSIK	2017	4253080	Boat registered in TN for 2017.	(44,730)	4	1.1500	\$14.40	0.00	\$14.40	
JONATHAN HUMPHRIES	2013	3874473	Vehicle sold in 2012	(2,300)	51	0.7900	27.29	5.68	21.61	5.68
JONATHAN HUMPHRIES	2014	3994471	Boat sold in 2013	(5,833)	51	0.7900	56.19	40.09	16.10	40.09
JONATHAN HUMPHRIES	2014	3994472	Vehicle sold in 2012	(2,185)	51	0.7900	19.94	19.94	0.00	19.94
JONATHAN HUMPHRIES	2015	4094458	Boat sold in 2013	(5,526)	51	0.7900	53.89	53.89	0.00	53.89
JONATHAN HUMPHRIES	2015	4094459	Vehicle sold in 2012	(2,075)	51	0.7900	20.43	20.43	0.00	20.43
JONATHAN HUMPHRIES	2016	4178901	Boat sold in 2013	(5,219)	51	0.7900	49.66	0.00	49.66	0.00
JONATHAN HUMPHRIES	2016	4178902	Vehicle sold in 2012	(1,971)	51	0.7900	18.76	0.00	18.76	0.00
JONATHAN HUMPHRIES	2017	4264355	Boat sold in 2013	(4,912)	51	0.8275	44.72	0.00	44.72	0.00
JONATHAN HUMPHRIES	2017	4264356	Vehicle sold in 2012	(1,872)	51	0.8275	17.04	0.00	17.04	0.00
GEORGIA ANN SIPE	2017	4288320	Clerical error in assessed acreage	(3,155)	61	0.8275	26.11	26.11	0.00	26.11
GEORGIA ANN SIPE	2016	4203913	Clerical error in assessed acreage	(3,155)	61	0.7900	24.92	24.92	0.00	24.92
GEORGIA ANN SIPE	2015	4120755	Clerical error in assessed acreage	(3,470)	61	0.7900	27.41	27.41	0.00	27.41
GEORGIA ANN SIPE	2014	4052012	Clerical error in assessed acreage	(3,470)	61	0.7900	27.41	27.41	0.00	27.41
GEORGIA ANN SIPE	2013	3904112	Clerical error in assessed acreage	(3,470)	61	0.7900	27.41	27.41	0.00	27.41
								TOTAL	682.29	273.29
PENDING REFUNDS / RELEASES (RECOMMENDED FOR NON-APPROVAL)										
November 21, 2017										
The following requests have been reviewed by the County Assessor and Assistant County Attorney. It is their opinion that the stated request does not constitute a valid defense to the tax imposed or any part thereof, as provided in G.S. 105-381. Supporting documentation is on file in the County Assessor's Office. Staff Recommendation: Deny requests.										
NAME	YEAR	RECEIPT	NOTE	REQUESTED		RATE	TAX, FEES & INTEREST	PAID	REQUEST	
				VALUE CHANGE	DISTRICT				RELEASE	REFUND
(NONE CURRENTLY)										
								TOTAL	0.00	0.00

TAX COLLECTOR'S MONTHLY REPORT

The Tax Collector provided Commissioners with the following detailed written report regarding taxes

collected during **October 2017**.

TOTAL TAXES COLLECTED OCTOBER 2017			
YEAR	AMOUNT-REAL	AMOUNT-VEH	
DEF REV	\$0.00	\$0.00	\$0.00
2017	\$1,912,990.30	\$0.00	\$1,912,990.30
2016	\$67,490.16	\$0.00	\$67,490.16
2015	\$19,028.28	\$0.00	\$19,028.28
2014	\$7,900.42	\$0.00	\$7,900.42
2013	\$2,822.72	\$290.74	\$3,113.46
2012	\$3,180.07	\$438.44	\$3,618.51
2011	\$988.30	\$207.58	\$1,195.88
2010	\$440.81	\$69.24	\$510.05
2009	\$117.32	\$80.85	\$198.17
2008	\$0.00	\$119.62	\$119.62
2007	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
TOTALS	\$2,014,958.38	\$1,206.47	\$2,016,164.85
DISCOUNT	(\$0.03)		
INTEREST	\$14,812.21	\$511.26	\$0.00
TOLERANCE	(\$20.15)	(\$2.43)	
ADVERTISING	\$426.00	\$468.87	
SARNISHMEN	\$2,061.04		
JSF/ATTY	\$25.00		
LEGAL FEES	\$2,803.41		
TOTALS	\$2,035,065.86	\$2,184.17	
MISC FEE	\$0.00	\$0.00	
TAXES COLL	\$2,035,065.86	\$2,184.17	\$2,037,250.03
	\$2,035,065.86	\$2,184.17	\$2,037,250.03
TOTAL UNCOLLECTED TAXES OCTOBER 2017			
YEAR	AMOUNT-REAL	AMOUNT-VEH	COMBINED AMT
2017	\$33,257,361.77	\$0.00	\$33,257,361.77
2016	\$884,793.31	\$0.00	\$884,793.31
2015	\$435,190.92	\$0.00	\$435,190.92
2014	\$337,645.85	\$0.00	\$337,645.85
2013	\$186,115.89	\$73,023.86	\$259,139.55
2012	\$128,513.25	\$83,256.87	\$211,770.12
2011	\$90,380.70	\$61,552.17	\$151,932.87
2010	\$80,125.98	\$56,109.18	\$136,235.16
2009	\$77,524.50	\$52,915.66	\$130,440.16
2008	\$57,031.11	\$63,342.15	\$120,373.26
2007	(\$0.00)	\$0.00	(\$0.00)
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
	\$35,534,683.27	\$390,199.69	\$35,924,882.96

SOCIAL SERVICES: BUDGET AMENDMENT (BNA #022)

ACTION: Commissioner Allen made a motion, seconded by Commissioner Whetstine, and unanimously

adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
011.507.4.410.00		Outside Poor/Local & Other Grants	\$5,000.00	
011.507.5.700.00		Outside Poor/Grants	\$5,000.00	

Explanation of Revisions: Budget funds to accept the yearly United Way federal grant in the amount of \$5,000 for Fiscal Year 2017/2018. This grant will assist with emergency shelter for adults.

PLANNING DEPARTMENT: BUDGET AMENDMENT (BNA #023)

ACTION: Commissioner Allen made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
010.491.4.800.00		Planning-Zoning/Miscellaneous Revenue	\$2,000.00	
010.491.5.310.00		Planning-Zoning/Travel-Training	\$2,000.00	

Explanation of Revisions: Budget Amendment for rebate received Vendor for Trade Show Promotion on new Hewitt Packard (HP) Large Format Printer/Scanner purchased. Funds be used for training in the Planning Department.

COOPERATIVE EXTENSION: BUDGET AMENDMENT (BNA #024)

ACTION: Commissioner Allen made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
010.495.4.991.00		Cooperative Extension/Fund Bal Appropriated	\$500.00	
010.495.5.790.00		Cooperative Extension/Donations Contn	\$500.00	

Explanation of Revisions: Budget Amendment to budget donations received but not budgeted yet to help offset expenses for volunteer appreciation day.

HUMAN RESOURCES: COUNTY ENGINEER POSITION

The Clerk to the Board included the County Engineer Job description in Board Members packets.

ACTION: Commissioner Allen made a motion, seconded by Commissioner Whetstine, and passed unanimously by the Board to, ***approve the County Engineer position.***

REGULAR AGENDA

LeGRAND MEMORANDUM OF UNDERSTANDING

Chairman Holbrook called Brian Epley, Finance Director, to the podium to present the LeGrand Memorandum of Understanding.

The LeGrand Center



LeGrand Center Shared Partnership

- ▶ 2009 - Cleveland County, Cleveland Community College Foundation and Cleveland County Board of Education enter into a three way partnership for the construction of The LeGrand Center.
- ▶ Cleveland Community College Foundation makes in-kind contributions of \$2,000,000
- ▶ Operational and Capital Agreements:
 - ▶ 1.) Memorandum of Understanding:
 - \$1 million initial capital investment per Partner
 - \$1.5 million annual debt payment-15 year debt (2010 - 2025)
 - Annual debt- 1/3 split, \$500,000 each
 - ▶ 2.) Agency Agreement
 - Facility Management Agreement
 - Facility Utilization

Objectives

- ▶ Recognize Community College Foundations original contribution
- ▶ Consolidation of Memorandum of Understanding and Agency Agreement
- ▶ Ensure long-term facility utilization following debt pay-off

Cleveland Community College Foundation Financial Leadership: LeGrand Center

12.2 Acres	\$500,000
Additional Property	\$381,000
Signage	\$435,000
Furniture & Decor	\$387,000
Landscape	\$280,000
AV Upgrades	<u>\$ 21,000</u>
TOTAL	\$ 2,004,000



Recognition of Community College Foundations Contributions

- **Recoupment of Foundations Investment:**
 - Community College Remaining Debt Service: \$4 million
 - Proposing Cost Shift to County of \$2 million
 - Ownership to remain with Cleveland County at debt pay-off
 - Cleveland County Board of Education: Held Harmless

Consolidation of Operating Agreements

2012 Agency Agreement

- Cleveland County and CCC Foundation
- Foundation designated as County Agent to carry out management and operations of Convention Center
- Third Party Management Agreement (Wilderman Group)

Consolidation of Operating Agreements

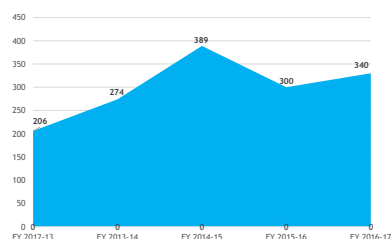
2013-14 Amended Agency Agreement:

- In-Sourced Facility Management - Contract Termination
- Cleveland County retains contracted personnel
- County assumes day to day oversight of the LeGrand Center
 - Acquires ABC permit
 - Facilitates other required business listings
 - Assumes all vendor relations, event planning and operational overhead/subsidy

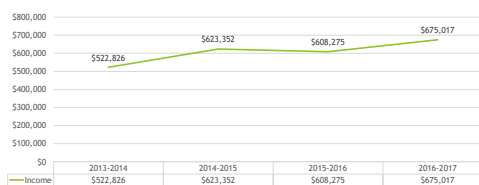
Facility Utilization

- Cleveland County Board Of Education - Early College High School
- Cleveland Community College - Business & Continuing Education
- Cleveland County Government - LeGrand Conference Center

LeGrand Center Event Performance



Annual Gross Revenue



Public Events/ Convention Center Operations

Facility	Operational Subsidy	Ownership
Greensboro Coliseum	\$2.5 million	City of Greensboro
Hickory Metro Convention Center	\$1.8 million	Hickory-Conover Tourism Development Authority
Greenville Convention Center	\$2.4 million	Pitt-Greenville Authority
US Cellular Center	\$700,000	City of Asheville
Gastonia Convention Center	\$100,000	City of Gastonia
LeGrand Center	\$450,000	Cleveland County

LeGrand Center: Next Steps

1. Update Memorandum of Understanding ✓
2. Board of Education Action ✓
3. College Board of Trustees Board Action
4. County Commissioners Action

Mr. Epley advised the Memorandum of Understanding has been presented to the Board of Education and the Community College Board of Trustees. Dr. Fisher and the attorneys with the Board of Education have reviewed the agreement and they have no recommended changes. Mr. Epley has set up a preferred time frame of December fourth to hear back any changes the Board of Trustees would like to see or recommend. It was his understanding the Board of Trustees will meet in January and they will act at that time.

Chairman Holbrook opened the floor to the Board for comments or questions. Commissioner Hutchins and Commissioner Allen spoke of restrictions some events would have if the LeGrand Center was still classified as school grounds/campus. Chairman Holbrook stated, for clarification, the Community College has not paid anything for the LeGrand Center; it has all been paid by the Community College Foundation on behalf of the Community College. He continued by stating the County's Finance Department has done an excellent job of planning out the Memorandum of Understanding.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Bridges, and passed unanimously by the Board to, *approve the LeGrand Memorandum of Understanding and give the Board Chair, County Manager and Legal the authority to make any adjustments that may need to be made.*

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING is dated as of the 21st day of November, 2017, and is entered into by and between CLEVELAND COUNTY, NORTH CAROLINA, CLEVELAND COMMUNITY COLLEGE, and THE CLEVELAND COUNTY BOARD OF EDUCATION.

WITNESSETH:

WHEREAS, the County, the College, and the Schools have agreed upon a plan for the continued operation and ownership for the facility located at 1800 E Marion St in Shelby (the "LeGrand").

WHEREAS, the parties wish to set forth their agreements in this Memorandum of Understanding;

WHEREAS, the parties wish for this agreement to void the following previously agreed documents: a Memorandum of Understanding dated February 2009 and a First Amendment to said Memorandum of Understanding dated January of 2012 between Cleveland County, the Cleveland County Board of Education, and the Cleveland Community College Foundation, as well as two agency agreements between Cleveland County and the Cleveland Community College Foundation dated March 2009 and January 2012, respectively. This document supersedes and renders void all documents listed above.

NOW, THEREFORE, for and in consideration of the mutual promises herein contained and for other valuable consideration, the parties agree as follows:

I. CONVEYANCE OF PROPERTY.

The County is the owner of the property described herein. When the indebtedness incurred by the County for the construction of the project is paid in full, the County will retain ownership of the property and land, and continue to lease portions described in Section 2 to the College and the Schools at no cost, and will consult with both the College and the Schools prior to reprogramming any space in the facility. In the case of County relinquishment of the property or the County ceasing to utilize the building for public purpose, the property and building ownership will revert to the College to ensure contiguous operation and use for the current purposes.

and day of week consideration, event complexity and other related operational consideration. The Director shall make every attempt to accommodate the requesting entity and provide a market competitive cost; however, recognizing that center events and times of the week and year shall be more competitive and costly to serve the entity accordingly.

6. FINANCING OF PROJECT

Each party will be responsible for their portion of the remaining debt service. The College Foundation will be responsible for 17% of the remaining debt service. The Schools will be responsible for 33% of the remaining debt service. The county will pay the remaining 50% of the annual required debt payments until payment is completed in full.

7. LIABILITY

The county shall retain all fire and property liability insurance during the terms of this agreement. Each individual member of this Memorandum will be responsible for the liability resulting from actions taken by their respective agents or affiliates. Furthermore, each member will be responsible for the oversight and liability of personnel and artifacts affiliated with their respective organizations, and all liabilities resulting from their typical operations.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Agreement to be executed in their corporate names by their duly authorized officers, all as of the date first above written.

ATTEST:

By: Phyllis Nowlen
Phyllis Nowlen,
Cleveland County Clerk

By: Eddie Holbrook
Eddie Holbrook,
Chairman, Board of Commissioners

ATTEST:

By: Wes Westmoreland

By: Wes Westmoreland
Wes Westmoreland
Chairman, Cleveland Community College

ATTEST:

By: Bryan Gragg

By: Bryan Gragg
Bryan Gragg
Chairman, Cleveland Community College Foundation

ATTEST:

By: Shearra Miller

By: Shearra Miller
Shearra Miller
Chairperson, Cleveland County School Board

2. USE OF SPACE IN THE PROJECT.

The Project shall provide the following:

- (a) **Cleveland County Public Schools:** Adequate classroom space of approximately 22,644 square feet shall be made available on the first floor of the building to accommodate at least two hundred and fifty (250) students and office space for the staff of the Schools' Cleveland Early College High School Program. As long as the Early College High School or similar program exists this space shall be made available to the Schools.
- (b) **Cleveland County Government:** The top floor of the building shall be designated as space for a convention/conference center; as well as space for Economic Development offices and shall be made available to the County.
- (c) **Cleveland Community College:** Adequate space of approximately 21,264 square feet shall be made available on the first floor of the building for meeting rooms, classrooms, general administration space, and offices.

All space provisions are negotiable based on need; Building utilization changes require Board approval from all three equity organizations.

3. MANAGEMENT AND OPERATION OF THE FACILITY.

The County accepts all phases of operation and management of the LeGrand Center. All conference center staffing and resource needs will be facilitated and provided for by the county, including salaries, benefits, and training expenses. The County shall retain the current employees as county employees, and perform all administrative decisions including the hiring, firing, and discipline for LeGrand center employees and the Director.

4. BUILDING AND GROUNDS

The County will be responsible for the upkeep of the building and grounds, notwithstanding equipment within the part of the building operated by the aforementioned parties. The Schools and the College will be responsible for the upkeep of their currently operated proprietary information technology infrastructure. The County will be responsible for maintaining wiring and network infrastructure shared by the three parties, and must receive prior permission by the Schools and the College before altering or updating said components, should such changes effect the operations of the College or Schools. The County shall further be responsible for payment of all reasonable utilities within the building.

5. USER FEES AND CHARGES.

- (a) Due to the support provided by the entities as described in the Memorandum of Understanding, the College, the Schools and the County shall receive a "preferred partner" rate for the access, use and necessary services and support for events at the LeGrand Conference Center.
- (b) The Director or the Director's designee shall determine the preferred partner rate on an ongoing basis for the partner entities and may use a combination of cost overhead methodology to determine user rate to include: size and scope of event and cost, support components, time of day

COMMISSIONER REPORTS

Commissioner Bridges – attended the Farm City Breakfast. He spoke of crops grown locally in Cleveland County are used in the production of Lance Crackers and are used in the area's restaurants.

Commissioner Whetstine – stated he, Commissioner Hutchins and Commissioner Allen attended several Veterans Day Parades. Commissioner Whetstine also attended the IPDC Meeting in Saluda. He stated the meeting

was very informative. Presentations were done on the Health of the Region and Worker's Wellness. These two programs will be gaining a lot of attention and implementation with companies across the County. He also attended the DARE graduation at Burns Middle School.

Commissioner Hutchins – echoed Commissioner Bridges and Commissioner Whetstine event attendance. He also stated the holiday season has begun with Thanksgiving this week and upcoming Christmas events and parades.

Commissioner Allen – expanded on the events she and the other Commissioners have attended. Commissioner Allen also attended the Partners Board meeting. Cleveland County's Community Prosperity program was discussed during that Board meeting. A few items mentioned were the support and success of the program. She also attended the County Wide Adoption Ceremony held at the Courthouse.

Chairman Holbrook – elaborated on a few events already mentioned such as the Farm City Breakfast. He spoke about the meeting held with Clearwater National Executives. The meeting went very well, and he invited the public to go by and see the new construction and land clearing for the Clearwater Paper Expansion project. Chairman Holbrook talked about Kristin Reece, Economic Development Director, newest project "*Charlotte's Backyard.*" It talks about what Cleveland County has to offer. This was made to help people who live locally and across the region see what is available in the county. He spoke of modern manufacturing in the county and ways to educate youth in the opportunities that are available. Chairman Holbrook concluded by thanking the Board and Staff for all the hard work they continue to do.

Interim County Manager Jason Falls shared a video and letter received from the Best Friends Animal Association thanking the County for all they do with the spay/neuter clinic.

ADJOURN

There being no further business to come before the Board at this time, Commissioner Whetstine made the motion, seconded by Commissioner Bridges, and unanimously adopted by the Board, *to adjourn the meeting.* The next meeting of the Commission is scheduled for *Tuesday, December 5, 2017 at 6:00 p.m. in the Commissioners Chamber.*

*Eddie Holbrook, Chairman
Cleveland County Board of Commissioners*

*Phyllis Nowlen, Clerk to the Board
Cleveland County Board of Commissioners*