

Cleveland County Board of Commissioners
August 6, 2019

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: Susan Allen, Chairman
Ronnie Whetstine, Vice-Chair
Johnny Hutchins, Commissioner
Doug Bridges, Commissioner
Deb Hardin, Commissioner
Brian Epley, County Manager
Tim Moore, County Attorney
Phyllis Nowlen, Clerk to the Board
Kerri Melton, Assistant County Manager
Chris Green, Tax Administrator
Elliot Engstrom, Senior Staff Attorney
Lucas Jackson, Finance Director
Allison Mauney, Human Resources Director
Perry Davis, Emergency Management Director/Fire Marshal
Lorie Poston, E-911 Communications Director
Ryan Wilmoth, Emergency Medical Services Director
Marty Gold, Information Technology Director
Katie Swanson, Social Services Director
Scott Bowman, Maintenance Director
Jason Falls, LeGrand Center Director
Clifton Philbeck, Elections Director
Sandra Orvig, Range Director
Paul Ezell, Building Codes Administrator
Betsy Harnage, Register of Deeds

CALL TO ORDER

Chairman Allen called the meeting to order and Commissioner Hutchins provided the invocation and led the audience in the Pledge of Allegiance.

AGENDA ADOPTION

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Bridges and unanimously approved by the Board to, *approve the agenda as presented.*

CITIZEN RECOGNITION

Debra Blanton, Commission for Women – recognized Chairman Allen as a recipient of the 2019 Distinguished Women’s Award. Ms. Blanton outlined several accomplishments of Chairman Allen and gave her congratulations for achieving the award.

Stan Shaw, 908 Spring Garden Dr., Shelby –spoke about his concerns regarding possible conditions at the Cleveland County Animal Shelter (CCAS). He attended the July 2019 CCAS Citizen Advisory meeting and reviewed information that was shared during that meeting.

Charlie Colemar, 405 Ferris Dr., Shelby – commented on the volunteers and staff at CCAS and echoed Mr. Shaw’s comments surrounding conditions at the CCAS.

Renee Brittan, 1716 Troy Road, Shelby – is a volunteer at CCAS and advised the shelter has some good staff but is in need of additional employees. She has seen the positive growth of the shelter and stated there is more work to be done and accomplished if everyone works together to achieve the same goals.

Melissa Marino, 1928 Kingston Road, Kingstown – is a past president of an animal rescue in Cleveland County and a concerned citizen involving CCAS. She echoed Ms. Brittan’s comments about everyone working together to achieve a positive common goal for the animals in Cleveland County.

Julie Waseman, 122 Mountainside Drive, Shelby – spoke about the road improvement project for Mountainside Drive. She advised the required petition has been signed by the twenty-five residents who live on this road and hopes the project will be approved soon so the school bus and mail service can start again for the neighborhood.

Benjamin West, 140 Mountainside Drive, Shelby – echoed Mrs. Waseman’s concerns and statements regarding Mountainside Drive.

Lois Smith, 202 W. Zion Church Road, Shelby – is an active volunteer at the Cleveland County Animal Services (CCAS) and spoke of the positive changes that have occurred and the professionalism of all the staff who work at the shelter. Ms. Smith updated the Board on several upcoming events and fundraisers that will benefit CCAS.

CONSENT AGENDA

TAX COLLECTOR’S MONTHLY REPORT

The Tax Collector provided Commissioners with the following detailed written report regarding taxes collected during *June and July 2019*.

TOTAL TAXES COLLECTED JUNE 2019				TOTAL TAXES COLLECTED JULY 2019			
YEAR	AMOUNT-REAL	AMOUNT-VEH		YEAR	AMOUNT-REAL	AMOUNT-VEHI.	
DEF REV	\$0.00	\$0.00		DEF REV	\$80,607.88	\$0.00	\$80,607.88
2018	\$254,402.95	\$0.00	\$254,402.95	2019	\$1,417,581.62	\$0.00	\$1,417,581.62
2017	\$49,114.01	\$0.00	\$49,114.01	2018	\$61,959.65	\$0.00	\$61,959.65
2016	\$27,913.12	\$0.00	\$27,913.12	2017	\$22,331.35	\$0.00	\$22,331.35
2015	\$48,238.53	\$0.00	\$48,238.53	2016	\$6,600.04	\$0.00	\$6,600.04
2014	\$26,611.02	\$0.00	\$26,611.02	2015	\$4,825.83	\$0.00	\$4,825.83
2013	\$904.31	\$49.24	\$953.55	2014	\$2,893.32	\$0.00	\$2,893.32
2012	\$616.63	\$301.35	\$917.98	2013	\$1,731.59	\$92.53	\$1,824.12
2011	\$560.11	\$93.09	\$653.20	2012	\$1,079.90	\$144.26	\$1,224.16
2010	\$157.36	\$117.07	\$274.43	2011	\$898.19	\$149.11	\$1,047.30
2009	\$29.62	\$0.00	\$29.62	2010	\$1,130.05	\$0.00	\$1,130.05
2008	\$0.00	\$0.00	\$0.00	2009	\$1,037.44	\$0.00	\$1,037.44
TOTALS	\$408,547.66	\$560.75	\$409,108.41	TOTALS	\$1,602,676.86	\$385.90	\$1,603,062.76
DISCOUNT	\$0.00			DISCOUNT	(\$6,819.08)		
INTEREST	\$43,370.29	\$384.33	\$0.00	INTEREST	\$18,198.45	\$290.60	\$0.00
TOLERANCE	(\$4.31)	(\$0.42)		TOLERANCE	\$2.49	\$0.00	\$0.00
ADVERTISING	\$811.56	\$368.10		ADVERTISING	\$508.44	\$369.87	
GARNISHMENT	\$8,944.36			GARNISHMENT	\$3,092.69		
NSF/ATTY	\$48.96			NSF/ATTY	\$51.18		
LEGAL FEES	\$0.00			LEGAL FEES	\$507.40		
TOTALS	\$461,718.52	\$1,312.76	\$463,031.28	TOTALS	\$1,618,218.43	\$1,046.37	\$1,619,264.80
MISC FEE	\$0.00	\$0.00		MISC FEE	\$81.01	\$0.00	\$84,785.27
TAXES COLL	\$461,718.52	\$1,312.76	\$463,031.28	TAXES COLL	\$1,618,299.44	\$1,046.37	\$1,619,345.81
DEF	\$4,915.04	\$5,245.82	\$0.00		\$80,607.88	\$0.00	
DISC	(\$14.08)	\$466,964.34	\$1,312.76		\$1,537,691.56	\$1,046.37	\$1,538,737.93
TOL	(\$0.08)						
INT	\$344.94						
TOTAL TAXES UNCOLLECTED JUNE 2019				TOTAL UNCOLLECTED TAXES JULY 2019			
	AMOUNT-REAL	AMOUNT-VEH	COMBINED AMT		AMOUNT-REAL	AMOUNT-VEHI.	COMBINED AMT
2018	\$1,386,005.31	\$0.00	\$1,386,005.31	2019	\$79,478,340.08	\$0.00	\$79,478,340.08
2017	\$569,757.09	\$0.00	\$569,757.09	2018	\$1,271,323.81	\$0.00	\$1,271,323.81
2016	\$319,180.72	\$0.00	\$319,180.72	2017	\$547,425.74	\$0.00	\$547,425.74
2015	\$218,721.24	\$0.00	\$218,721.24	2016	\$312,580.68	\$0.00	\$312,580.68
2014	\$192,582.50	\$0.00	\$192,582.50	2015	\$213,895.41	\$0.00	\$213,895.41
2013	\$133,464.64	\$64,033.98	\$197,498.62	2014	\$189,689.18	\$0.00	\$189,689.18
2012	\$101,908.92	\$72,873.16	\$174,782.08	2013	\$131,733.05	\$63,941.45	\$195,674.50
2011	\$76,623.62	\$55,666.39	\$132,290.01	2012	\$100,829.02	\$72,728.90	\$173,557.92
2010	\$69,667.17	\$53,008.33	\$122,675.50	2011	\$75,725.43	\$55,517.28	\$131,242.71
2009	\$69,844.16	\$49,916.65	\$119,760.81	2010	\$68,537.12	\$53,008.33	\$121,545.45
2008	(\$0.00)	\$0.00	(\$0.00)	2009	\$68,806.72	\$49,916.65	\$118,723.37
	\$3,137,755.37	\$295,498.51	\$3,433,253.88		\$0.00	\$0.00	\$0.00
DEF REV	\$759,342.43	\$0.00	\$759,342.43		\$82,458,886.24	\$295,112.61	\$82,753,998.85
TOTAL UNCOLLECTED	\$3,897,097.80	\$295,498.51	\$4,192,596.31				

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board, *to approve the Tax Collector’s Settlement as submitted by the Tax Assessor.*

DETENTION CENTER: BUDGET AMENDMENT (BNA #002)

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

<i>Account Number</i>	<i>Project Code</i>	<i>Department/Account Name</i>	<i>Increase</i>	<i>Decrease</i>
010.444.4.762.00		Detention Center/Vending Commission	\$60,000.00	
010.444.5.910.00		Detention Center/Capital Equipment	\$60,000.00	

Explanation of Revisions: Budget allocation of \$60,000 of “Commissary Profit” During the FY2018-2019, the Sheriff transitioned the contract for commissary at the jail. The contract change included a positive variance for the County’s portion of revenue – which increased “commissary profit” over the previous years. The amount collected during the FY 2018-2019 was approximately \$106,000 which was up from \$76,000 during FY 2017-2018. The Sheriff would like to use the profit for Detention Center Capital purchases.

SHERIFF’S OFFICE: BUDGET AMENDMENT (BNA #003)

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

<i>Account Number</i>	<i>Project Code</i>	<i>Department/Account Name</i>	<i>Increase</i>	<i>Decrease</i>
010.443.4.991.00		State Forfeited Prop/Fund Balance Approp	\$150,000.00	
010.443.5.910.00		State Forfeited Prop/Capital Equipment	\$150,000.00	

Explanation of Revisions: Budget allocation of \$171,454.00 in state forfeiture funds for the purchase of a Lenco Armored Vehicle. The Ballistic Engineered Armored Response Counter Attack Truck (BearCat) has seating for ten and will assist in the protection of law enforcement officers when responding to emergency situations.

VOLUNTEER FIRE DEPARTMENTS: BUDGET AMENDMENT (BNA #004)

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

<i>Account Number</i>	<i>Project Code</i>	<i>Department/Account Name</i>	<i>Increase</i>	<i>Decrease</i>
028.452.5.500.00		Volunteer Fire Dept/Miscellaneous Exp	\$1,120,804.00	
028.452.4.991.00		Emergency Management/Fund Balance Approp	\$1,120,804.00	

Explanation of Revisions: Budget allocation of \$1,120,804.00 for ending balance in capital outlay bank account that was being managed in a trust account at Bank of Ozarks effective July 1, 2019. The county brought this account in house and funds will be kept in separate trust account at Hometruster Bank.

SHERIFF’S DEPARTMENT: BUDGET AMENDMENT (BNA #005)

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

<i>Account Number</i>	<i>Project Code</i>	<i>Department/Account Name</i>	<i>Increase</i>	<i>Decrease</i>
010.438.4.310.00	16738-P438	Sheriff’s Office/Federal Govt Grants	\$2,825.00	
010.438.5.210.00	16738-P438	Sheriff’s Office/Departmental Supply	\$2,825.00	

Explanation of Revisions: Budget allocation of \$2,825.00 in funds received from the 2018 Edward Byrne Memorial Justice Assistance Grant (JAG) for the purchase of ammunition.

BOARD OF ELECTIONS: MEMORANDUM OF UNDERSTANDING

The Memorandum of Understanding (MOU) is an updated renewal that allows the County to perform Human Resources functions for the Board of Elections. There was an MOU in place from 1997 to 2017 and staff has been working on updating the MOU to include the County’s Pay and Study Classification as well as references to the revised Personnel Ordinance.

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Whetstine and unanimously approved by the Board to, ***approve the Board of Elections Memorandum of Understanding.***

MEMORANDUM OF UNDERSTANDING BETWEEN
THE CLEVELAND COUNTY BOARD OF ELECTIONS
AND CLEVELAND COUNTY

WHEREAS, Cleveland County (hereinafter "the County") is a body politic and corporate; and

WHEREAS, the County has a personnel ordinance and a system of personnel management and administration for County employees as authorized by North Carolina General Statutes Chapter 153A; and

WHEREAS, the County's personnel ordinance and personnel system apply automatically only to employees of Cleveland County government, its agencies and departments; and

WHEREAS, the Cleveland County Board of Elections (hereinafter the "Board") is an independent governmental unit established pursuant to Article 4 of North Carolina General Statutes Chapter 163A; and

WHEREAS, the Board recommends the appointment and removal of the Elections Director (hereinafter "the Director") and directly appoints and removes staff employees who are supervised by the Elections Director; and

WHEREAS, the Board has neither a personnel office nor a formal system of personnel administration; and

WHEREAS, the County may provide personnel administration services to employees of governmental agencies who are not County employees upon written agreement with the County, except to the extent that such agreement conflicts with law;

The Board and the County mutually agree as follows:

Section 1. The County will, by and through its Human Resources department and other resources, provide assistance to the Director of Elections in administering a uniform system of leave, compensation, and benefits under the procedures that apply to County employees. It is understood that employee leave scheduling and all other matters concerning supervision or management of employees within the Board are within the supervisory authority of the Director.

Section 2. Upon request of the Board, the Cleveland County Human Resources Department will provide assistance in the position classification plan for the Board.

Section 3. The Board and the Director will observe the County's policies and procedures concerning employee personnel review, general employment rules and employee selection and separations in a manner consistent with the Board's enabling legislation. This agreement does not affect the Board's statutory authority to appoint and remove employees.

Section 4. The County's policies and procedures concerning disciplinary actions against employees and employee grievances will govern this aspect of personnel administration; however,

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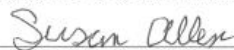
any appeals from employment decisions made by the Director will be heard and disposed of only by the Board.

Section 5. Cleveland County Ordinance Articles II, Position Classification Plan and Article III, Compensation Plan will be observed by the Cleveland County Board of Elections. The Deputy Director and Elections specialist will be eligible to receive an additional increase of 2% of base salary following the initial completion of the Certified NC Elections Administrator state certification. These positions will also be eligible to receive an additional increase of 2% of base salary following the completion of the National Certification provided through Election Center. The Election Director will be eligible to receive a one-time increase of 4% to base salary following the completion of both of the state and national certifications. These increases will not be retroactive.

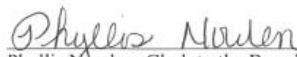
Section 6. Implementation of the provisions of this Memorandum of Understanding shall be in accordance with Chapter 163A of the North Carolina General Statutes, and said Chapter shall control any implementation and interpretation of this Memorandum.

Section 7. This Memorandum of Understanding will be effective when signed by both parties involved. It will continue in force from year to year until modified or terminated by written mutual agreement of the parties hereto, or upon ninety (90) days written notice by either party.


COUNTY OF CLEVELAND, NORTH CAROLINA


Susan Allen, Chairman
Cleveland County Board of Commissioners

The signing of this Memorandum of Understanding was authorized by the Cleveland County Board of Commissioners at a meeting held on August 6, 2019.

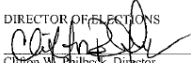

Phyllis Nowlen, Clerk to the Board
Cleveland County

Date: 08/06/19

BOARD OF ELECTIONS
CHAIRMAN

8/12/19
DATE

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The signing of this Memorandum of Understanding was authorized by a resolution of the Board of Elections at a meeting held on August 12, 2019.

DIRECTOR OF ELECTIONS

Clifton W. Phillips, Director
08/12/19
DATE

LEGAL: REPORT OF TAX SETTLEMENT

The Board of Commissioners has approved, and Wal-Mart Stores, Inc. ("Wal-Mart") and the Property Tax Commission have accepted, a settlement ending Wal-Mart's appeal of the tax value of Parcel # 28316. Per the order from the Property Tax Commission, the parcel's value for taxation purposes was reduced from \$44,240,624 to \$39,999,615. The adjusted valuation applies from January 1, 2018 until the date of the next county-wide revaluation, unless there are changes to the property that warrant a change in value under N.C.G.S. § 105-287.

ORDER

The following property is under appeal to the Property Tax Commission from a decision of the Cleveland County Board of Equalization and Review for 2018.

The County taxing officials and the property owner reached an agreement satisfactory to both concerning the value of the subject property, and notified the Commission of the terms of the agreement.

This Order closes our file relative to the appeal.

Name: Wal-Mart Stores East, LP / Walmart Stores, Inc. 18 PTC 0308

Description	Present Value	New Value
28316	\$44,240,624	\$39,999,615

IT IS THEREFORE ORDERED AND DECREED that the Cleveland County taxing officials adjust the valuation of the subject property as herein provided and enter said adjusted valuation in the tax records of Cleveland County as of January 1, 2018.



NORTH CAROLINA PROPERTY TAX COMMISSION

Robert C. Hunter
Robert C. Hunter, Chairman

ENTERED: 6.28.19

ATTEST: *Stephen Peltrey*
Stephen Peltrey, Commission Secretary

Copies of this Order provided to:

Mr. Gilbert C. Laite, III
Williams Mullen
PO Box 1000
Raleigh, NC 27602

Mr. Chris Green - Cleveland County
Assessor

Mr. Tim Moore - Cleveland County
Attorney

LEGAL: TACC LEASE AGREEMENT

The County owns property located at 952 Airport Road in Shelby that it has, in the past, leased to TACC. Due to the fact TACC is a nonprofit corporation that provides transportation services to citizens of Cleveland County, the County has leased the property to TACC for one dollar (\$1.00) per year for ten years. The lease would continue this arrangement. Per N.C.G.S. § 160A-272(a1), the County may only lease property pursuant to a resolution of the Board of Commissioners authorizing the execution of the lease agreement adopted at a regular meeting upon 30 days' public notice. The required notice was published in The Shelby Star on July 3, 2019.

STATE OF NORTH CAROLINA

COUNTY OF CLEVELAND

LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into as of the 6th day of August, 2019, by and between Cleveland County, North Carolina, a governmental subdivision of the State of North Carolina, hereinafter referred to as "Lessor;" and Transportation Administration of Cleveland County, Inc., a North Carolina nonprofit corporation (SOSID # 0226562), hereinafter referred to as "Lessee."

WITNESSETH

1. Lessor hereby grants, leases, and demises unto the Lessee, and the Lessee agrees to take from the Lessor, all of the following property (hereinafter the "Premises") located in Number 6 Township, Cleveland County, North Carolina, and described as follows:

Being located on the South side of Airport Road (State Road No. 1926); being a 4.00 acre tract identified as of this writing as Cleveland County Parcel No. 48674, and further described according to survey for David S. Banks Jr. by Clifford C. Johnson, RLS, dated April 27, 1995, as follows:

"BEGINNING at railroad spike set in the centerline of the pavement for Airport Road; and runs thence with the West line of Fasco Industries, Inc. property (as described in deed of record in Book 14-B, Page 5), South 05-10-16 West 550.64 feet to an iron pin; thence with the Enloe Mortuary, Inc. line with the following two calls: North 65-33-55 West 430.30 feet to an iron pin in the East Edge of the right-of-way for a proposed 60 foot street; thence with the East edge of said right-of-way, North 25-23-52 East 519.89 feet to a railroad spike set in the centerline of Airport Road; thence with the centerline of said road, South 65-33-55 East 240 feet to the place of BEGINNING.

For title reference, see Deed of Record in Book 1247, Page 2436 of the Cleveland County Registry."

For current title reference, see Deed of Record in Book 1537, Page 0030 of the Cleveland County Registry (Document # 134053500).

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located in the demised premises, along with all business liability insurance on the premises.

12. During the Term of this lease, the Lessee shall provide and pay for all lights, water, heat, and all other utilities used upon the Premises.
13. The Lessee shall indemnify and hold harmless the Lessor, its successors and assigns, of and from any and all liability or claim for loss, damage, or injury to persons or property caused or occasioned by the use of the Premises by the Lessee or the Lessee's employees, agents, or customers.
14. It is expressly agreed that if at any time during the Term of this lease, the Lessee should be adjudged bankrupt or insolvent by any federal or state court of competent jurisdiction, such adjudication shall terminate and cancel the rights of the Lessee so affected without any further action on the part of the Lessor, and the Lessor may at once re-enter and take possession of the Premises or the right of the Lessee.
15. It is understood and agreed that the Lessor shall have no part, liability, or responsibility for the operation of the Lessee's business upon the Premises. It is the duty of the Lessee as herein stated to keep the buildings in a good state of repair. The Lessee shall in no event whatsoever be liable for damage or injury to personal property or individuals in connection with the Premises during the Term of this lease.
16. This lease is made upon the express condition that if the Lessee shall neglect to make any payment of rent when due or neglect to keep and fulfill any of the covenants and agreements herein provided on its part to be kept and fulfilled and shall remain in default thereof for a period of thirty (30) days after written notice from the Lessor of any such default, then, in that event, the Lessor, its successors and assigns, may thereupon enter upon the premises and expel the Lessee therefrom without prejudice to any other remedies which the Lessor, its successors or assigns, may have on account of such default.
17. The Lessor does hereby covenant and agree with the Lessee that subject to the terms and conditions herein set forth, the Lessee shall have and enjoy the Premises during the Term of this lease free from adverse claims of any and all persons whomsoever.
18. The terms and provisions herein contained constitute the entire agreement between the parties and shall supersede all previous communications, representations, or agreements, either verbal or written, between the parties hereto with respect to the subject matter hereof.

[SIGNATURE PAGE TO FOLLOW]

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2. This lease shall become effective on the sixth day of August, 2019, and is to remain in full force and effect for a period of ten (10) years (the "Term").
3. It is agreed by and between the parties that the Lessee shall have the right to conduct a transportation business on the demised premises.
4. It is stipulated and agreed that the Lessee shall pay to the Lessor as rental for the premises herein described and for the terms herein specified an annual rental of One Dollar (\$1.00), the same to be paid for the current year on or before the final day of August of each year of the Term herein set forth.
5. It is stipulated and agreed that this lease shall not automatically renew. However, nothing shall preclude the parties from executing a new and separate lease to begin at the conclusion of the Term. It is the specific intent of this Section 5 to avoid this lease being treated as a sale of property under N.C.G.S. § 160A-272(b1).
6. It is understood and agreed that the Lessor, at the termination of this lease, shall own all of the buildings and improvements located upon the land herein described; that the Lessee accepts the Premises in the physical condition in which the same now are and that the Lessor shall be under no obligation whatsoever to make any repairs or replacement to the Premises during the Term of this lease, except that any sums received for insurance loss or losses on buildings located on the demised premises shall be used to restore or replace such building as herein stated. The Lessee hereby agrees to keep all buildings and improvements upon said land in a good state of repair (ordinary wear and tear excepted) and at the termination of this lease to return the same to the Lessor in good condition (ordinary wear and tear excepted), excepting damage by fire or acts of God.
7. It is hereby agreed by and between the Parties that the Lessee shall not have the right to remove from the demised premises any building placed upon the demised premises and paid for exclusively by the Lessee at any time.
8. The Lessor assumes no obligation whatsoever to repair or replace any buildings on the demised premises which are damaged or destroyed by fire or other casualty, but the Lessee shall use any funds received from insurance on the demised premises to repair or replace the same.
9. The Lessee shall pay any and all license fees, occupation taxes, and/or privilege taxes imposed upon the business conducted on the demised premises.
10. The Lessee shall have the right to subrent or sublease said demised premises only with the written consent of the Lessor first had and obtained. Permission to subrent or sublease may be withheld for any reason by the Lessor.
11. The Lessee shall keep in effect all fire and other casualty insurance on the buildings and structures located on the demised premises along with the personal property of the Lessee

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CLEVELAND COUNTY, NORTH CAROLINA (LESSOR)

By: Susan K. Allen
Susan K. Allen, Chairwoman
Cleveland County Board of Commissioners

Attest: Phyllis Nowlen
Phyllis Nowlen
Clerk to the Cleveland County Board of Commissioners

TRANSPORTATION ADMINISTRATION OF CLEVELAND COUNTY, INC. (LESSEE)

By: Bob Davis
Signature

Bob Davis
Printed Name

Executive Director
Title

NORTH CAROLINA

CLEVELAND COUNTY

I, the undersigned Notary Public for the said County and State, do certify that before me personally appeared Bob Davis, representing Transportation Administration of Cleveland County, Inc., and that by the authority duty given and as the act of such entity, he or she signed the foregoing instrument in its name on its behalf as its act and deed.

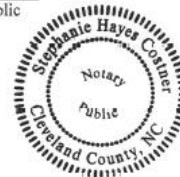
WITNESS my hand and Notarial stamp or seal, this the 30th day of August, 2019.

Stephanie Hayes Costner
Signature of Notary Public

Stephanie Hayes Costner
Printed Name of Notary Public

My commission expires: 4/10/23

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



Resolution

Number 15-2019

Resolution Leasing Property (G.S. 160A-272)

WHEREAS, Cleveland County owns property located at 952 Airport Road in Shelby, Parcel No. 48674; and

WHEREAS, the County and Transportation Administration of Cleveland County ("TACC") have agreed upon a lease, under which TACC will lease the County's lot for a term of ten years, beginning August 6, 2019; and

WHEREAS, in consideration of leasing the County's property, TACC has agreed to pay an annual rent of one dollar (\$1.00) per year; and

WHEREAS, N.C.G.S. § 160A-272 authorizes the County to enter into leases of up to ten (10) years upon resolution of the Board of Commissioners adopted at a regular meeting after 30 days' public notice; and

WHEREAS, the required notice has been published and the Board of Commissioners is convened in a regular meeting;

NOW THEREFORE, BE IT HEREBY PROCLAIMED, the Board of Commissioners of Cleveland County, North Carolina, resolves to hereby approve lease of the County property described above to TACC for ten years, and directs the appropriate County employees to execute any instruments necessary to the lease.

Adopted this the 6th day of August, 2019.

By: 
Susan Allen, Chairman
Board of Commissioners of Cleveland County

ATTEST:


Phyllis Nowlen, Clerk
Cleveland County Board of Commissioners



FOOTHILLS PUBLIC SHOOTING COMPLEX: SHOOTING RANGE BY-LAWS & POLICIES AND

PROCEDURES

The By-Laws have been recommended to be changed by the Shooting Range Advisory Board. Included in Board member packets were the Updated Policies and Procedures, changes marked in yellow for the Board's review. These policies were updated by Kevin West, a consultant with the Range, as well as review by the Shooting Range Director Sandra Orvig, Senior Staff Attorney Elliot Engstrom, Commissioner Hutchins, Brian Epley and recommended by the Shooting Range Advisory Board.

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Whetstine and unanimously approved by the Board to, ***approve the Shooting Range Advisory Board's By-Laws and Policies and Procedures.*** (copy of the By-Laws and Policies and Procedures are filed in the Clerk's office).

CLEVELAND COUNTY SCHOOLS: SURPLUS PROPERTY – 1205 NORTHSIDE DRIVE

The old North Shelby School is located at 1205 Northside Drive. The property is currently owned by Cleveland County Schools and is not being used in the school district. Per N.C.G.S 115C-518, if the County has no interest in the property, the Board of Education would like to move forward with the potential sale of property as the property has been declared surplus.

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Whetstine and unanimously approved by the Board to, ***allow the Board of Education to move forward with the potential sale of surplus property located at 1205 Northside Drive, Shelby.***

**PLANNING DEPARTMENT: CASE 19-09; REQUEST TO REZONE PROPERTY FROM
RESIDENTIAL (R) TO GENERAL BUSINESS CONDITIONAL DISTRICT (GB-CD) AT 735 WINN ROAD
(Schedule Public Hearing for September 3, 2019)**

Jay and Deborah Carpenter are requesting to rezone property at 735 Winn Road from Residential (R) to General Business Conditional District (GB-CD). The property is one acre located on Winn Road, south of Mooresboro near the County line. The Carpenter's have acquired the property and wish to construct a building to operate a sign business at this location. They have submitted an application and site plan showing how the property will be used. This area is comprised mostly of rural residential uses, with a home-based auto sales business along the same road. The surrounding zoning districts include Residential, with the auto sales parcel zoned Rural Agriculture Conditional District. The Land Use Plan designates this area as future Residential. The Planning Board will review the case on August 22, 2019.

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Whetstine and unanimously approved by the Board to, *approve scheduling the public hearing as requested.*

**COMMISSIONERS: NORTH CAROLINA ASSOCIATION OF COUNTY COMMISSIONERS (NCACC)
VOTING DELEGATE**

An appointment is needed for the 2019 NCACC Annual Conference which will be held in August. It is recommended Commissioner Johnny Hutchins serve as the voting delegate as he is already on the NCACC Board of Directors and Commissioner Bridges serve as the secondary voting delegate.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Bridges, and unanimously adopted by the Board to, *appoint Commissioner Hutchins to serve as the primary voting delegate and Commissioner Bridges serve as secondary voting delegate during the 2019 Annual NCACC Conference.*



**Designation of Voting Delegate
to NCACC Annual Conference**

I, Johnny Hutchins, hereby certify that I am the duly designated voting delegate for Cleveland County at the 112th Annual Conference of the North Carolina Association of County Commissioners to be held in Guilford County, N.C., on August 22-24, 2019.

Signed: Jay Hutchins
Title: Commissioner

Article VI, Section 2 of our Constitution provides:

"On all questions, including the election of officers, each county represented shall be entitled to one vote, which shall be the majority expression of the delegates of that county. The vote of any county in good standing may be cast by any one of its county commissioners who is present at the time the vote is taken; provided, if no commissioner be present, such vote may be cast by another county official, elected or appointed, who holds elective office or an appointed position in the county whose vote is being cast and who is formally designated by the board of county commissioners. These provisions shall likewise govern district meetings of the Association. A county in good standing is defined as one which has paid the current year's dues."

Please return this form to Alisa Cobb by: **12 Noon on Friday, August 16, 2019:**

NCACC
323 W. Jones Street, Suite 500
Raleigh, NC 27603
Fax: (919) 733-1065
Email: alisa.cobb@ncacc.org
Phone: (919) 715-2685

REGULAR AGENDA

MOUNTAINSIDE DRIVE PRELIMINARY ASSESSMENT RESOLUTION

Chairman Allen recognized Chris Martin, Senior Planner, to present the Mountainside Drive Preliminary Assessment Resolution. Planning staff has received an application from the residents of Mountainside Drive to participate in the Road Paving Assessment Program. Each of the twenty-five properties on Mountainside Drive will be assessed at an “equal rate per lot” to pave this street in accordance with North Carolina Department of Transportation (NCDOT) standards. The submitted petition represents eighty percent of the lots and eighty-seven percent of the road frontage, satisfying the minimum required by North Carolina General Statute (N.C.G.S.) 153A-205. Cleveland County may finance the costs of improvements made under the supervision of NCDOT to streets in the unincorporated areas of the county, which are not a part of the state-maintained system. These streets which were approved and plat recorded with the Register of Deeds after September 30, 1975, shall be improved to meet the standards of the Secondary Roads Council and therefore be accepted for state maintenance. No project may commence under N.C.G.S. 153A-205 prior to approval by NCDOT.

Property owners abutting a private street may petition the county to assess property owners for 100% of the costs of improvements. The petition must be signed by seventy-five percent of the property owners and these petitioners must also represent seventy-five percent of the lineal feet of road frontage. In addition, \$1.00 per linear foot is charged to the project to cover administrative costs. If the petition is withdrawn by the property owners at any time during the process, the Board of Commissioners may assess each property owner for all costs incurred by the County, such as but not limited to: surveying fees, engineering fees, permits, legal fees, and advertising. Assessments are collected in the same manner as property taxes, and payable within five years at an annual interest rate of eight percent.

Participation in a public or private street assessment program by the Cleveland County Board of Commissioners shall be conditional on the availability of adequate funds set aside in the Street Assessment Fund not to exceed one project per fiscal year.

Area contractors on the NCDOT Contractor Directory, were sent a Request for Proposal (RFP) to solicit bids on this project in July 2019. The RFP was also advertised on the County website. Bids are to be received by August 9, 2019. A public hearing is scheduled for Tuesday, September 3rd. After hearing comments from the property owners, the Board may then award the contract and adopt the Final Assessment Resolution which will set the amount charged to each lot.

Chairman Allen opened the floor to the Board for questions and discussion. Commissioner Hutchins inquired about the assessed interest rate. Mr. Martin explained the interest rate was set when the policy was adopted. County Manager Brian Epley added the interest rate can be changed at the September 3rd Public Hearing upon approval from the Board. The resolution to be voted on at this meeting does not lock in the interest rate or the repayment time frame.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Bridges, and unanimously adopted by the Board to, ***approve the Mountainside Drive Preliminary Resolution.***


Resolution
Number 17-2019

Paving of Mountainside Drive Preliminary Assessment Resolution

WHEREAS, the Cleveland County Board of Commissioners have the authority to make special assessments for the purpose of paving streets as set forth and described in NCGS 153A-185; and

WHEREAS, property owners abutting Mountain Side Drive have presented a petition requesting the County of Cleveland, North Carolina, to assess said property owners for the purpose of paving; and

WHEREAS, the County of Cleveland shall assess each lot abutting said street, at an equal rate per lot, plus an administrative fee of one dollar (\$1.00) per linear foot, one hundred percent (100%) of the total project costs shall be assessed against each lot, and assessments may be financed at an annual interest rate of eight percent (8%) payable in annual installments and collected in the same manner as property taxes; and

WHEREAS, the following Tax Parcels shall be assessed; 11561, 11563, 11570, 11587, 11583, 70407, 11580, 11579, 11578, 11577, 11576, 60605, 11575, 70803, 11573, 11572, 11571, 71871, 41650, 41048, 41651, 11569, 11585, 11568, 11526, also shown on the attached map.

NOW THEREFORE BE IT RESOLVED, that the Cleveland County Board of Commissioners hereby intend to assess said project as described in this resolution and hereby orders that a Public Hearing on this matter be held at 6:00pm on Tuesday, September 3rd, 2019, in the Cleveland County Administrative Building, 311 East Marion Street, Shelby, North Carolina. Notice of this Public Hearing will be conducted in accordance with the mandates of N.C.G.S 153-191.

Adopted this the 6th day of August, 2019.

By:

Susan Allen, Chairman
Cleveland County Board of Commissioners

ATTEST:


Phyllis Nowlen, Clerk
Cleveland County Board of Commissioners



END OF YEAR FINANCIAL UPDATE

Chairman Allen called Lucas Jackson, Finance Director, to the podium to present the End of Year Financial Update. The County is concluding a very successful 2018 – 2019 fiscal year. The auditors will be here in October to finish the final notation of the fiscal year for their Finding of facts report. Mr. Jackson reviewed the following PowerPoint to the Board.

**End of Year Financial Update
FY 18-19**



Cleveland County
NORTH CAROLINA

Goals & Objectives


Cleveland County
NORTH CAROLINA

- Review Multi-Year Strategic Momentum and Outcomes
- Comprehensive Update on County's Financial Operations
- Forecast End of Year Close Outs

5-Year Re-Engineering Budget Impact



Federal / State Funding Utilization	\$ 2,099,630
Process Re-Design	455,000
Cross Departmental Collaboration	340,000
Average Annual Impact	\$ 2,894,630
5 Year Operational Savings	\$ 14,473,150

2018-2019 Financial Highlights



Re-Engineering Strategies:

Pharmacy Tier Redesign	\$ 125,000
Central Collections	\$ 400,000*
Position Justification	\$ 850,000
Investment Income	\$ 250,000

* Revenues increased by \$1.3MM since FY 16-17 (first year of in house)

Board Priorities:

Pay and Classification Adjustment & COLA	\$ 2,500,000
Software Upgrade & Implementation	\$ 750,000
Doran Mill Cleanup	\$ 1,000,000

2018-2019 Revenue Summary



Total County Revenue \$ 113.8 MM

Key Indicators

Property Tax.....	\$ 63.3M (98.43%)
Sales Tax.....	\$ 12M
Investment Income.....	\$ 882K
Occupancy Tax.....	\$ 485K

2018-2019 Expense Summary



Total County Expense \$113.2 MM

Key Indicators


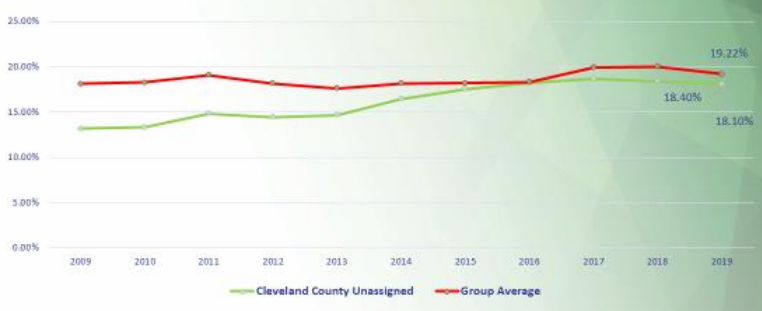
- Human Services.....\$ 34.4 M
- Public Safety\$ 25.1 M
- Education.....\$ 30.6 M

Fund Balance





Year	Fund Balance
2015	\$44,286,066
2016	\$38,510,687
2017	\$39,620,247
2018	\$40,870,432
2019	\$41,470,422

Peer Comparison- Unassigned Fund Balance

Year	Cleveland County Unassigned	Group Average
2019	18.10%	19.22%
2018	18.40%	



QUESTIONS??

9

The Board thanked Mr. Jackson and the finance staff for their continued hard work and the dedication they put in to ensure the County continues to be effective and successful.

PLANNING DEPARTMENT: CASE 19-07; CODE TEXT AMENDMENT

Chairman Allen recognized Chris Martin, Senior Planner, to present Case 19-07; Code Text Amendment.

Mr. Martin reminded the Board at their June 18, 2019 regular meeting, a public hearing was held to hear a request to amend the County’s code to allow accessory structures on parcels without a residence. The petitioners, Jay and Deborah Carpenter were present at the public hearing. During that meeting, there were questions regarding interpretations of the Code and the petitioner’s options. The Board tabled their decision until the August 6, 2019 regular meeting to give staff and the Planning Board time to review possible avenues for the petitioner’s request.

Staff has further reviewed the applicable sections of the Code and have met with the petitioners to explain the Code and their options. Mr. and Mrs. Carpenter have requested to add language to Sections 12-21 and 12-138 that will allow accessory structures on lots without a primary structure if they meet the following criteria:

- Residential zoning districts only
- Accessory building lot is no more than 660 feet (1/8 mile) from landowner’s house lot
- Accessory building lot must be on the same road as the house lot
- Both accessory building lot and the house lot must have the same owner

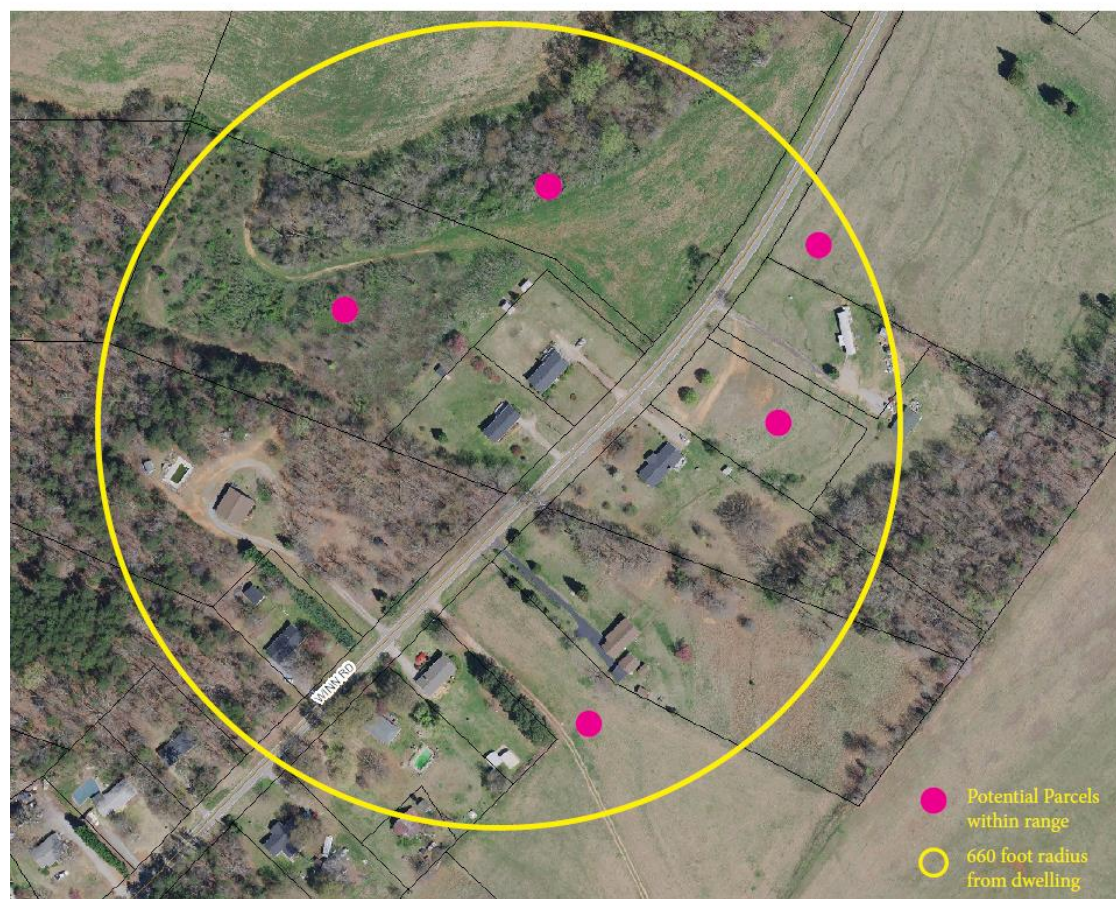
The Planning Board voted unanimously to recommend denying code amendment request 19-07 as written.

The Board expressed concern about allowing an amendment that lessened the established Residential zoning restrictions across the entirety of Cleveland County. There was also concern about the potential creation of nonconforming lots and of businesses being established in accessory buildings placed on vacant residential lots. Planning staff sent this case to Isothermal Planning and Development Commission (IPDC) for a recommendation. IPDC’s determination was the Planning Board was correct to recommend denying the proposed text amendment. They believe the cons of approving the text amendment greatly outweigh the pros. The primary reason they recommended denying this text amendment is, by allowing it may create non-conforming structures when one of the associated lots is sold individually. Additionally, allowing accessory structures to occupy lots without primary structures may pose a great risk to surrounding residential property values and may encourage unpermitted non-residential uses in residential districts. Staff also reached out to counties in the region to inquire if they allow accessory type buildings on vacant lots. Below are the responses received:

County and City Allowances for accessory buildings on vacant residential lots
(per NC listserv)

	County/Municipality	Allowance
1	Person County	None
2	Charlotte	None
3	Eden	None
4	Forest City	Yes less than 1000sqft and more than 5ac
5	Chapel Hill	None
6	Summerfield	None
7	Vass	None
8	Gaston County	None
9	Polk County	None
10	McDowell County	None
11	Rutherford County	No County wide zoning
12	Whispering Pines	Allowed in RA, less than 1000 square feet, maximum height of 20 feet, must be enclosed
13	Rockingham County	None
14	Gibsonville	No
15	Albemarle	Yes on adjacent parcel
16	Camden County	No
17	Unionville	No
18	Hickory	No
19	Granville	Yes without power
20	Catawba County	No
21	Black Mountain	No
22	Belmont	No
23	Eden	No
24	Lincolnton	No
25	Garner	No

Winn Road - Carpenter Property



Chairman Allen opened the floor to the Board for discussion and questions. Commissioner Whetstine stated the Planning Department has worked extremely hard to review all the possible options that may be available to the petitioners. He added approving the request would affect over 30,000 other parcels in the county.

ACTION: Commissioner Whetstine made a motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board to, *deny the petition to amend Section 12-138 and 12-21 of the Cleveland County Unified Development Ordinance to allow accessory structures on lots without a residence.*

SALES TAX REFERENDUM RESOLUTION

The North Carolina General Assembly has enacted Article 46 of Chapter 105 of the North Carolina General Statutes, the “One-Quarter Cent County Sales and Use Tax Act”, authorizing counties to levy a one-quarter (0.25%) percent sales and use tax. To enact this local sale and use tax, Cleveland County must conduct an advisory referendum in accordance with the provisions of North Carolina General Statute 163-287. An advisory referendum will be placed on the November 2019 election ballot. Chairman Allen asked the Clerk, Phyllis Nowlen, to read the following resolution:



Resolution

Resolution 14-2019

Resolution Supporting One Quarter Cent (1/4 cent) Local Sales and Use Tax Referendum

WHEREAS, "Identify strategies to make Cleveland County a desirable place to live, work, learn and play with a strategic focus on enhancing the quality of life for our residents" is a top priority of Cleveland County Commissioners; and,

WHEREAS, Commissioners are committed to the vision of improving the quality of life for all our citizens by strengthening our partnerships with schools and municipalities throughout the county. We are strongly committed to this shared vision and to the teamwork that's required to make it a reality; and,

WHEREAS, the North Carolina General Assembly has enacted Article 46 of Chapter 105 of the North Carolina General Statutes, the "One-Quarter Cent County Sales and Use Tax Act", authorizing counties to levy a one-quarter percent (0.25%) sales and use tax; and,

WHEREAS, to enact this local sales and use tax, Cleveland County must conduct an advisory referendum in accordance with the provisions of North Carolina General Statute 163-287; and,

WHEREAS, an advisory referendum will be placed on the November 2019 election ballot;

NOW THEREFORE BE IT RESOLVED:

Section 1: The Cleveland County Board of Commissioners hereby states its intent to use the revenues from Article 46 One Quarter Cent (1/4 cent) Local Sales and Use Tax, if approved by the voters of Cleveland County, for school capital and community development in Cleveland County.

Section 2: The Cleveland County Board of Commissioners believe the amount of additional sales tax generated to be approximately \$2,000,000.

Section 3: It is the intention of the Cleveland County Commissioners to invest additional sales tax proceeds, up to \$1,000,000, proportionately to Cleveland Community College and public schools in Cleveland County for the purpose of funding educational capital projects.

Section 4: It is the intention of the Cleveland County Commissioners to invest additional sales tax proceeds up to \$1,000,000 to be used for Community Development projects through a competitive Municipal Grant Program of which all Cleveland County municipalities are eligible to apply.

Section 5: A referendum is hereby called during the times the polls are open for the November election, at which there shall be submitted to voters of Cleveland County the question stated in Section 6 of this resolution.

Section 6: The Board of Commissioners is requesting Cleveland County Board of Elections hold said referendum and take all necessary steps required under North Carolina General Statutes 163-287.

Section 7: The form of the question to appear on the ballot and in the instruction to voters shall appear as follows:

Local sales and use tax at the rate of one quarter percent (0.25%) in addition to all other State and local sales and use taxes.

[] FOR [] AGAINST

Section 8: This resolution shall take effect upon its passage.

Adopted this the 6th day of August, 2019.

Susan Allen, Chairman

Ronnie Whetstone, Vice-Chairman

Johnny Hutchins, Commissioner

Doug Bridges, Commissioner

Deb Hardin, Commissioner



Chairman Allen opened the floor to the Board for questions and discussion. Commissioner Hutchins stated this sales tax will benefit the residents of Cleveland County. Commissioner Bridges advised he is not in favor of raising taxes but agrees with Commissioner Hutchins about the advantages the community will receive with the quarter-cent sales tax stating, "it will be the citizens who vote in November who decide if the Sales Tax Referendum passes."

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Bridges and unanimously adopted by the Board to, ***approve the Sales Tax Referendum Resolution.***

PUBLIC HEARING

INSTALLMENT FINANCING

Chairman Allen called County Manager Brian Epley to the podium to present information regarding the Installment Financing for 315 East Graham Street, Shelby. The chosen financing method will be presented tonight that will take the County one step farther in a strategy to purchase the building in which the Shelby Star is currently operating in. In 2016, the county completed a comprehensive and master facility plan. Engineers came in and reviewed every square foot of county property, giving their assessment in growth, population, compression areas, etc. The study helped advise the county by developing a comprehensive long-term capital improvement plan that addressed areas where there is capacity that can be better utilized. Staff has been operating off of that assessment tool to be intentional in making capital improvement decisions.

The courthouse is one of the areas the consultants recommended staff devote attention to due to the compression of the departments in that building such as Information Technology, E-911 Communications, Emergency Management and the Sheriff's Office all operated at that building. Since that time, departments have been moved to help alleviate the limited amount of space. Mr. Epley reviewed the following PowerPoint to the Board.



Installment Financing

Shelby Star Building

August 6, 2019

PUBLIC SAFETY CAMPUS DEVELOPMENT



PROPERTY
315 E. GRAHAM ST
2.07 ACRES
96 PAVED PARKING SPACES
FRONT AND REAR ACCESS
DRIVE THRU CANOPY
DIRECTLY NEXT TO COURTHOUSE



BUILDING
30,000 (+) SF TOTAL
87% OFFICE
13% WAREHOUSE
BRICK AND BLOCK CONSTRUCTION
CONCRETE SLAB FLOORS (UPPER & LOWER)

LEASE AGREEMENT INFO



Landlord: 315 East Graham (Shelby), LLC
Tenant: Halifax Gaston/Shelby LLC

- Commencement Date: May 1, 2013 - May 1, 2033
- Rent: Approximately \$100,000 per year
- Insurance & Maintenance: Tenant has to maintain insurance for fire, property damages, and extended risk, specifically including flood damage. Tenant also has to maintain liability insurance. Landlord has no obligation to make any improvements to the leased premises.
- Terms & Lease Agreement would transfer with acquisition of property by County.
- Lease term- Shall remain the same. County may request the Lessee to vacate property given a 120-day formal notice.


Finance Recommendations



YEAR	LEASE RENT	(DEBT PYMT)	NET COST
2020	\$100,000	\$ -0-	\$ 100,000
2021	\$100,000	\$ (160,000)	\$ (58,000)
2022	\$100,000	\$ (160,000)	\$ (58,000)
2023	\$100,000	\$ (160,000)	\$ (58,000)

Net Cost per square ft..... \$42

Finance Recommendations



Recommended Lender - Zion Bank

- Amount Financed \$1,500,000
- 15 year Term
- No Bank Closing Cost Fees
- No penalty/premium for prepayment

• Closing Date - 9/26/19
• First Debt Payment - 9/1/20 FY 20-21
• Final Maturity - 9/1/34

Annual Debt Service Requirements	
Debt Service Payment	- \$158,000
Less -Current Lease Action	- (100,000)
Approx. Annual County Cost	- \$58,000

Financing Schedule



- May - Staff Property Evaluation
- June - RFP submission
- Mid July - Phase 1 Environmental Analysis
- July 30th - Review RFP responses and compare proposals
- August 6th - Public Hearing/ Consideration of winning bidder
- August 29th - Agenda deadline for September 3rd County Board meeting.
- September 3rd - County Board considers adopting Final Resolution
- September 10th -LGC considers approving financing
- September 26th - Close on financing

Preliminary Finding Resolution & Installment Financing Contract Package Resolution



- Preliminary Finding Resolution, August 6, 2019

Approved Action Item	Pre-Approved by LGC
Public Purpose Need - Hold Public Hearing	✓
Affordability Analysis	✓
Preliminary Approval of Zion Public Finance	✓

- Installment Financing Contract Package Resolution - For Consideration September 3, 2019

Recommended Approval Items
Approve Financing Documents
Approve Transactional Documents
Authorize County Staff to complete closing



Questions?

Chairman Allen opened the Public Hearing at 7:18 pm for anyone wanting to speak for or against the Installment Financing. (*Legal Notice was published in the Gaston Gazette on Friday, July 19, 2019 by Robinson Bradshaw Law Firm*).

Hearing no comments, Chairman Allen closed the Public Hearing at 7:19 pm.

Chairman Allen opened the floor to the board for questions and discussion. Board members echoed Mr. Epley's statements concerning the lack of space at the courthouse and stated this was a good opportunity for the county.

ACTION: Commissioner Whetstine made a motion, seconded by Commissioner Hutchins, and passed unanimously by the Board to, ***approve the Installment Financing Preliminary Finding Resolution.***

DECLARATION OF OFFICIAL INTENT TO REIMBURSE EXPENDITURES

1. This declaration of official intent is made pursuant to Treasury Regulations Section 1.150-2, or any successor or substitute Regulations which may be promulgated hereafter, to expressly declare the County's intention to reimburse itself (or an entity on behalf of which it incurs debt) for certain expenditures heretofore paid or to be paid by the County (or an entity on behalf of which it incurs debt), such reimbursement to be made with the proceeds of debt to be incurred by the County.

2. The County (or an entity on behalf of which it incurs debt) has advanced and/or will advance its own funds to pay certain capital costs (the "Original Expenditures") relating to the building that previously housed the American Red Cross and currently houses the County Emergency Medical Services (the "Project").

3. The funds heretofore advanced or to be advanced by the County (or an entity on behalf of which it incurs debt) to pay the Original Expenditures are or will be available only on a temporary basis, and do not consist of funds that were otherwise earmarked or intended to be used by the County (or an entity on behalf of which it incurs debt) to permanently finance the Original Expenditures.

4. As of the date hereof, the County reasonably expects that it will reimburse itself (or an entity on behalf of which it incurs debt) for such Original Expenditures with the proceeds of debt to be incurred by the County, and the maximum principal amount of debt to be issued with respect to the Project is expected to be \$2,000,000.

Dated: 5-16-2019


Chief Financial Officer

BOARD APPOINTMENTS

SHOOTING RANGE ADVISORY BOARD

ACTION: Commissioner Bridges made the motion, seconded by Commissioner Hardin, and unanimously adopted by the Board, ***to appoint Donald Costner, Tessie Ferguson, Robert Cabaniss Jr., Charles Lowe and Major Rudy Parnell Jr. to serve as members of this board***, for a period of three-years, scheduled to conclude June 30, 2022.

FIREFIGHTERS RELIEF FUND BOARD

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, ***to appoint Sandy Stroup to serve on the Firefighters Relief Fund Board***, to fill the unexpired term of Debbie Clary.

CLOSED SESSION

ACTION: Commissioner Whetstine made the motion, seconded by Commissioner Bridges, and unanimously adopted by the Board, *to go into closed session per N.C.G.S. 143-318.11(a)(3) and (a)(6) to consult with an attorney in order to preserve the attorney-client privilege and to consider a personnel matter. (Copy of closed session minutes are sealed and found in Closed Session Minute Book).*

RECONVENE IN REGULAR SESSION

ACTION: Commissioner Whetstine made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board to, *reconvene in open session.*

Chairman Allen announced the Board took action on a personnel matter while in close session.

ADJOURN

There being no further business to come before the Board at this time, Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board, *to adjourn the meeting.* The next meeting of the Commission is scheduled for *Tuesday, September 3, 2019 at 6:00 p.m. in the Commissioners Chambers located at 311 E. Marion St., Shelby.*

*Susan Allen, Chairman
Cleveland County Board of Commissioners*

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