

Cleveland County Board of Commissioners
June 18, 2024

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

PRESENT: Kevin Gordon, Chairman
Deb Hardin, Vice-Chair
Johnny Hutchins, Commissioner
Ronnie Whetstine, Commissioner
Doug Bridges, Commissioner
Tim Moore, County Attorney – *via teleconference*
Martha Thompson, Chief Deputy County Attorney
David Cotton, County Manager
Phyllis Nowlen, Clerk to the Board
Kerri Melton, Assistant County Manager
Rebecca Johnson, Social Services Director
Courtney Ashley, Economic Development Director
Clifton Philbeck, Board of Elections Director

CALL TO ORDER

Chairman Gordon called the meeting to order, and Economic Development Director Courtney Ashley led the audience in the Pledge of Allegiance and provided the invocation.

AGENDA ADOPTION

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

CONSENT AGENDA

APPROVAL OF MINUTES

The Clerk to the Board included Minutes from the ***June 4, 2024***, regular Commissioners' meetings in Board members' packets.

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Hutchins, and passed unanimously by the Board to, ***approve the Minutes as written.***

TAX COLLECTOR'S MONTHLY REPORT

Pursuant to North Carolina General Statute §105-350.7, the Tax Collector shall submit to the governing body, at each of its regular meetings, a report to include the amount collected on each year's taxes with which she is charged, the amount remaining uncollected, and the steps being taking to encourage payment of uncollected taxes. The Tax Collector provided Commissioners with a detailed written report regarding taxes collected during ***May 2024.***

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Hutchins, and passed unanimously by the Board to, ***approve the May 2024 monthly tax report submitted by the Tax Collector.***

TOTAL TAXES COLLECTED MAY 2024			
YEAR	AMOUNT-REAL	AMOUNT-GAP	COMBINED AMT
DEF REV	\$0.00	\$0.00	\$0.00
2023	\$350,828.24	\$6,280.73	\$357,108.97
2022	\$40,173.68	\$2,378.58	\$42,552.26
2021	\$17,682.95	\$1,762.01	\$19,444.96
2020	\$8,174.98	\$609.78	\$8,784.76
2019	\$3,323.69	\$0.00	\$3,323.69
2018	\$2,444.17	\$0.00	\$2,444.17
2017	\$1,368.24	\$0.00	\$1,368.24
2016	\$479.57	\$0.00	\$479.57
2015	\$481.01	\$0.00	\$481.01
2014	\$188.65	\$0.00	\$188.65
2013	\$0.00	\$0.00	\$0.00
			\$436,176.28
TOTALS	\$425,145.18	\$11,031.10	\$436,176.28
DISCOUNT	\$0.01		\$0.01
INTEREST	\$33,613.26	\$1,669.39	\$35,282.65
TOLERANCE	(\$6.72)	(\$12.97)	(\$19.69)
ADVERTISING	\$1,179.34		
GARNISHMENT	\$8,694.62	GAP BILL FEES	DEFERRED GAI
NSF	\$0.01	\$4,060.34	\$3,807.49
LEGAL FEES	\$2,714.06		\$0.00
TOTALS	\$471,339.76	\$16,747.86	
MISC FEE	\$0.00		GRAND TOTAL
TAXES COLL	\$471,339.76		\$488,087.62
DEF	\$12,183.40		\$12,465.42
DISC	(\$49.08)		\$3,807.49
TOL	\$0.00		\$504,360.53
INT	\$331.10		
TOTAL TAXES UNCOLLECTED MAY 2024			
	AMOUNT-REAL	AMOUNT-GAP	COMBINED AMT
2023	\$2,054,831.07	\$132,164.87	\$2,186,995.94
2022	\$1,038,517.66	\$94,749.79	\$1,133,267.45
2021	\$370,669.21	\$62,048.62	\$432,717.83
2020	\$299,763.46	\$32,484.47	\$332,247.93
2019	\$473,399.40	\$0.00	\$473,399.40
2018	\$234,818.97	\$0.00	\$234,818.97
2017	\$133,608.57	\$0.00	\$133,608.57
2016	\$93,749.23	\$0.00	\$93,749.23
2015	\$90,926.26	\$0.00	\$90,926.26
2014	\$104,372.33	\$0.00	\$104,372.33
2013	\$0.00	\$0.00	\$0.00
	\$4,894,656.16	\$321,447.75	\$5,216,103.91
DEF REV	\$52,056.89	\$159,191.64	\$211,248.53
TOTAL UNCOLLECTED	\$4,946,713.05	\$480,639.39	\$5,427,352.44

TAX ADMINISTRATION: ABATEMENTS AND SUPPLEMENTS

The Tax Assessor provided Commissioners with a detailed written report regarding tax abatements and supplements during *May 2024*. The monthly grand total for tax abatements was listed as (\$1,512.02), and the monthly grand total for tax supplements was listed as \$18,381.45.

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Hutchins, and passed unanimously by the Board to, *approve the May 2024 tax abatements and supplements submitted by the Tax Assessor.*

FINANCE DEPARTMENT: BUDGET TRANSFER SUMMARY

As required by North Carolina General Statute §159-15, all internal transfers shall be submitted to the Board of Commissioners. The budget transfer summary from May 24 through June 10, 2024, is included in Commissioner packets.

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Hutchins, and passed unanimously by the Board to, *approve the budget transfer summary as presented.*

BUDGET TRANSFERS LEGEND: D = DEPARTMENTAL; L = LATERAL

BUD #	BUDGET TYPE	DATE SUBMITTED BY DEPT	DEPT #	DEPT TO NAME	DEPT #	DEPT FROM NAME	EXPLANATION	BUDGET AMOUNT
1988	D	5/24/2024	010.470	Shooting Range			Move funds to cover repairs on eq and contracted labor	\$ 1,671.00
1989	D	5/24/2024	010.441	Sheriff's Office			Move funds to cover ballistic vests	\$ 1,435.00
1990	D	5/24/2024	065.981	Health Plan			Move funds to cover accounts thru EOY	\$ 35,911.00
1991	L	5/24/2024	010.450/010.451	Building Inspections / Medical Examiner	010.998	Contingency	Transfer funds to cover contracted services and hospital/dr fees	\$ 30,000.00
1992	D	5/29/2024	054.473	SW Landfill			Move funds to cover capital equipment	\$ 116,134.00
1993	D	5/29/2024	010.542	Animal Services			Move funds to cover accounts thru EOY	\$ 50,000.00
1994	D	5/29/2024	010.441	Sheriff's Office			Move funds to cover controlled equipment/contracted services	\$ 10,539.00
1995	D	5/29/2024	010.443	State Forfeiture Fds			Move funds to cover automotive supplies	\$ 246.00
1996	D	5/29/2024	010.444	Detention Center			Move funds to cover uniforms/clothing	\$ 2,500.00
1997	D	5/30/2024	010.421	Information Technology			Move funds to cover dept supplies, equipment purchs	\$ 120,019.00
1998	D	5/31/2024	012.530	Health Admin			Move funds to cover controlled equipment purchase	\$ 1,820.00
1999	D	5/31/2024	012.540	WIC			Move funds to cover travel/training and equip repairs	\$ 16,000.00
2000	D	6/3/2024	014.417	Courts	010.998	Contingency	Move funds to cover Juvenile Detention Fees	\$ 68,000.00
2001	D	6/5/2024	010.411	Commissioners			Move funds to cover automotive supplies	\$ 200.00
2002	D	6/7/2024	010.440	School Resource Officer			Move funds to cover controlled property exp	\$ 2,000.00
2003	D	6/7/2024	010.441	Sheriff's Office			Move funds to cover controlled property exp	\$ 5,500.00
2004	D	6/7/2024	010.444	Detention Center			Move funds to cover accounts for year end	\$ 12,300.00
2005	D	6/6/2024	012.541	Env Health			Move funds to cover motor fuels/penalty exp	\$ 3,054.00
2006	D	6/7/2024	055.480	LeGrand Center			Move funds to cover accounts for year end	\$ 1,550.00
2007	D	6/10/2024	010.426	Maintenance			Move funds to cover motor fuels	\$ 5,064.00
2008	D	6/10/2024	010.492	Economic Development			Move funds to cover travel/training	\$ 1,500.00
2009	D	6/10/2024	010.450	Building Inspections			Move funds to cover motor fuels/part time wages	\$ 35,542.00
2010	D	6/10/2024	014.417	Court Facilities			Move funds to cover dues/subscriptions	\$ 190.00

SHERIFF'S OFFICE: BUDGET AMENDMENT (BNA #075)

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Hutchins, and unanimously

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

Account Number	Project Code	Department/Account Name	Increase	Decrease
010.410.4.991.00		General Revenues/Fund Balance Approp	\$300,000	
010.444.5.513.00		Detention Center/Hospital-Dr. Fees	\$300,000	

Explanation of Revisions: Budget allocation of \$300,000 in the fund balance to cover Southern Health Partners – cost pool limitation bills for inmate medical care.

CLEVELAND COUNTY FAIRGROUNDS: BUDGET AMENDMENT (BNA #076)

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Hutchins, and unanimously

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

Account Number	Project Code	Department/Account Name	Increase	Decrease
486.245.4.980.41		Cap Proj-CC Fairgrounds/Transfers fm Cap Reserve	\$510,000	
486.245.4.980.10		Cap Proj-CC Fairgrounds/Transfers fm General Fd	\$507,987	
486.245.5.991.00		Cap Proj-CC Fairgrounds/Const in Progress	\$1,017,987	
041.209.4.991.00		Capital Reserves/Fund Balance Appropriated	\$510,000	
041.209.5.890.00		Capital Reserves/Interfund Transfers	\$510,000	
010.410.4.991.00		General Revenues/Fund Balance Appropriated	\$507,987	
010.981.5.890.00		Fund Transfers/Interfund Transfer		

Explanation of Revisions: Budget allocation of \$1,017,987 in remaining funds for the fair project Commissioners approved at their March 19, 2024, regular meeting.

FOOTHILLS PUBLIC SHOOTING RANGE: BUDGET AMENDMENT (BNA #077)

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Hutchins, and unanimously

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

Account Number	Project Code	Department/Account Name	Increase	Decrease
010.470.4.810.00		Shooting Range/Contributions-Donations	\$500	
010.470.5.790.00		Shooting Range/Contributions-Donations	\$500	

Explanation of Revisions: Budget allocation of \$500 in donated funds from the North Carolina Wildlife Commission for T-shirts for the scheduled May 2024 Glock event.

CLEVELAND COUNTY SCHOOLS: BUDGET AMENDMENT (BNA #078)

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Hutchins, 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>
010.600.5.800.00		Clev Co Schools/Other Operating Expense	\$148,381	
010.410.4.980.42		General Revenues/Transfer from Sch Res	\$148,381	

Explanation of Revisions: Budget allocation of \$148,381 in school reserve funds to cover the second teacher supplements payment.

PLANNING DEPARTMENT: REQUEST TO SET A PUBLIC HEARING ON TUESDAY, JULY 9, 2024, FOR PLANNING CASE 23-08; TEXT AMENDMENT TO SECTIONS 12-21 AND 12-124 PRIVATE STORAGE BUILDINGS

At the March 19, 2024, Board of Commissioners meeting, staff presented a draft ordinance permitting storage buildings as a principal use for lots of three acres or greater in the Rural Agricultural (RA) and Rural Residential (RU) zoning districts. Staff believes the larger lot sizes will help to preserve the area for future residents and help to maintain a community's residential character. Staff also presented to the Board of Commissioners the planning board's recommendation of permitting the use of lots of one acre while suggesting standards addressing building size limitations for various lot sizes. The Board of Commissioners tabled the item and requested staff re-evaluate the proposed storage building amendments and seek options that may assist in preserving lots for future residences and prevent potential misuse of buildings.

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

SOCIAL SERVICES: NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES MEMORANDUM OF UNDERSTANDING

In 2017, the North Carolina General Assembly passed the Family/Child Accountability and Protection Act/Rylan's Law: Session Law 2017-41. The law requires the NC Department of Health and Human Services (NC DHHS) to enter into an annual written agreement with all counties for all social service programs, excluding medical assistance (NC Medicaid). The measures for the SFY 2024-2026 MOU and other supporting documents are included in Commissioners' packets. These are the only measures that will be evaluated and are subject to performance improvement actions. There is currently a pause in issuing corrective actions or development plans related to MOU performance. NCDHHS will work collaboratively with counties to meet measures and provide support. *(a full copy of the MOU and supporting documents are on file in the Clerk's Office and Social Services Department).*

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board to, *authorize the signature of the Memorandum of Understanding by the County Manager and Social Services Director.*

PUBLIC HEARINGS

PROJECT CRYSTAL

Chairman Gordon recognized Economic Development Director Courtney Ashley to present Project Crystal. Project Crystal, a major manufacturing employer in Cleveland County, is considering expanding to the City of Shelby. Logistics and the overall cost of doing business are big drivers for the expansion. This project will create

13 new jobs with an average wage of \$60,769 and a \$22,500,000 real property investment over three years. New tax revenue for the county and jobs would be created at substantially higher wages than the county average of \$48,000. The proposed grant incentive would be for three years at 20% of the \$0.5475 tax rate for three years for a total grant of \$51,465. In addition, the Cleveland County Economic Development Partnership recommends support for Project Crystal through the following:

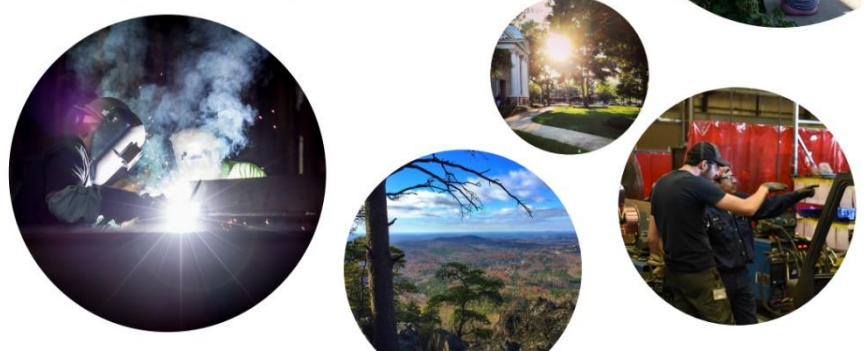
- Cleveland County serves as the local government applicant for the Department of Commerce’s Rural Division Building Reuse Grant
- The Rural Division has approved Project Crystal for up to \$100,000
- The grant requires a 5% match, which will be satisfied by grant management services provided by the County

The following information and PowerPoint were presented to the Commissioners.



Project Scope

- Project Crystal is a major manufacturing employer in Cleveland County who is considering expansion in Shelby, North Carolina and is competitive with locations in two other states.
- Logistics and the overall cost of doing business are drivers for the expansion.
- 13 new jobs with \$60,769 average wage
- \$22,500,000 real property investment over 3 years



Proposed Support — Local Incentive Grant

CCEDP recommends supporting Project Crystal through the following:

- Local incentive grant for three (3) years at 20% of the \$0.5475 tax rate

YEARS	NEW INVESTMENT	CUMMULATIVE INVESTMENT	COUNTY TAX (\$0.5475)	CLEVELAND COUNTY GRANT (20% of the \$0.5475 tax rate for 3 years)
1	\$7,000,000.00	\$7,000,000.00	\$38,325.00	\$7,665.00
2	\$10,500,000.00	\$17,500,000.00	\$95,812.50	\$19,162.50
3	\$5,000,000.00	\$22,500,000.0	\$123,187.50	\$24,637.50
TOTAL	\$22,500,000.00	\$22,500,000.00	\$257,325.00	\$51,465.00

* Based upon current County tax rate of \$0.5475 per \$100 of assessed valuation. Hypothetical projection; does not factor in depreciation.

Proposed Support — Building Reuse Grant

CCEDP recommends supporting Project Crystal through the following:

- Serve as the local government applicant for the North Carolina Department of Commerce’s Rural Economic Development Division’s Building Reuse Grant.
- The Rural Division has approved Project Crystal for up to \$100,000.
- The grant requires a 5% match, which will be satisfied by grant management services provided by the County.



Requested Board Action

After Public Hearing:

- Adopt or Deny Resolution Authorizing Economic Development Incentive
- Adopt or Deny Resolution in Support of the Project Crystal Building Reuse Grant



Chairman Gordon opened the Public Hearing at 6:06 pm for anyone wanting to speak for or against Project Crystal. (*Legal Notice was published in the Shelby Star on Friday, June 7, 2024, and Friday, June 14, 2024.*)

Hearing no comments, Chairman Gordon closed the Public Hearing at 6:07 pm.

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Whetstine, and unanimously approved by the Board to, ***adopt the resolution authorizing the Economic Development Incentive.***

ACTION: Commissioner Bridges made a motion, seconded by Commissioner Hardin, and unanimously approved by the Board to, ***adopt the resolution in support of the Project Crystal Building Reuse Grant.***



Resolution

11-2024

Resolution Authorizing Economic Development Incentive for Project Crystal

WHEREAS, North Carolina General Statute 158-7.1 authorizes a county to undertake an economic development project by extending assistance to a company in order to cause the company to locate or expand its operations within the county; and

WHEREAS, the Board of Commissioners has held a public hearing to consider whether to offer a cash grant to Project Crystal (the "Company") to reimburse the Company a total sum not to exceed 20% of ad valorem tax revenues generated by expenditures the Company, an affiliate, or a lessor to the Company or an affiliate makes for real and personal property the Company or an affiliate purchases or leases and installs at, or relocates to, the Company's facility in the County which is subject to tax in the County over a period not to exceed three years; and

WHEREAS, the Project is estimated to have a taxable value of approximately \$22,500,000 and is estimated to create 13 new jobs in the County at an average salary of \$60,769; and

WHEREAS, this economic development project will stimulate, diversify, and stabilize the local economy, promote business in the County, and result in the creation of a substantial number of jobs in the County.

The Board of Commissioners of Cleveland County therefore resolves that:

1. The county is authorized to reimburse the Company a total sum not to exceed 20% of ad valorem tax revenues generated by expenditures the Company, an affiliate, or a lessor to the Company or an affiliate makes for real and personal property the Company or an affiliate purchases or leases and installs at, or relocates to, the Company's facility in the County which is subject to tax in the County over a period not to exceed three years.



Resolution

12-2024

Resolution in Support of the Project Crystal Building Reuse Grant

WHEREAS, it has been determined by the Board that **PROJECT CRYSTAL** intends to create over the next three (3) years, approximately thirteen (13) new, permanent full-time jobs with an annual average wage of Sixty Thousand Seven Hundred Sixty-Nine Dollars (\$60,769);

WHEREAS, **PROJECT CRYSTAL** anticipates creating approximately Twenty-Two Million Five Hundred Thousand Dollars (\$22,500,000) in net new investment, which will increase the population, taxable property base, and business prospects for the County;

WHEREAS, with the aforementioned expansions, Cleveland County qualifies for the North Carolina Department of Commerce, Rural Economic Development Division, Building Reuse Grant Program in which **PROJECT CRYSTAL** is eligible to receive a grant in an amount determined by the North Carolina Department of Commerce not to exceed Five Hundred Thousand Dollars (\$500,000) upon approval of a five percent (5%) grant match;

WHEREAS, the project in the grant application includes real and tangible personal property totaling Twenty-Two Million Five Hundred Thousand Dollars (\$22,500,000);

WHEREAS, it is in the public interest to provide assistance as authorized by North Carolina General Statute 158-7.1;

NOW, THEREFORE BE IT RESOLVED, for the reasons recited above that the Cleveland County Board of Commissioners hereby authorizes the County Manager to submit a Building Reuse Program grant application and provide a five percent (5%) grant match to qualify for the Project for the North Carolina Department of Commerce, Rural Economic Development Division, Building Reuse Grant Program.

Adopted this the 18th day of June, 2024

By: 
Kevin Gordon, Chairman
Board of Commissioners of Cleveland County

ATTEST:


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

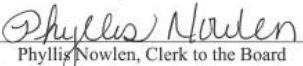


2. The County Manager and County Attorney shall finalize an incentive agreement consistent with the terms of this resolution and substantially in the form attached hereto for execution by the Chairman of the Board of Commissioners on behalf of the Cleveland County Board of Commissioners.

Adopted this the 18th day of June 2024.


Kevin Gordon, Chairman
Cleveland County Board of Commissioners

ATTEST:


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



BOARD APPOINTMENTS

CHILD FATALITY PREVENTION TEAM

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, ***to reappoint Jessica Crawford, Peter Bagley, and Katie Baker and appoint Tamara Hardy,***

Hunter Freeman, DeeAnn Newton, and Derek Toney to serve as members of this board, for a three-year term, scheduled to conclude on June 30, 2027.

JUVENILE CRIME PREVENTION COUNCIL

ACTION: Commissioner Bridges made the motion, seconded by Commissioner Hardin, and unanimously adopted by the Board, *to reappoint Sandy Hamrick, Stacey Spicer, Joel Shores, and Jeanne Patterson to serve as members of this board*, for a two-year term, scheduled to conclude on June 30, 2026.

NO. 3 VOLUNTEER FIRE DEPARTMENT FIRE DISTRICT COMMISSION

ACTION: Commissioner Whetstine made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, *to reappoint David Austin, James Gibson, and Neal Stroup to serve as members of this board*, for a two-year term, scheduled to conclude on June 30, 2026.

PARTNERS BEHAVIORAL HEALTH

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, *to reappoint Ronnie Whetstine to serve as a member of this board*, for a five-month term, scheduled to conclude on November 30, 2024, and appoint *Patty Schaffer to serve on the Consumer and Family Advisory Committee for Partners Behavioral Health* for a two-year term, scheduled to conclude on June 30, 2026.

SOCIAL SERVICES ADVISORY BOARD

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, *to reappoint Allison Gragg and Lendra Phillips and appoint Paula Canipe to serve as members of this board*, for a four-year term, scheduled to conclude on June 30, 2028.

ADJOURN

There being no further business to come before the Board at this time, Commissioner Hardin made a motion, seconded by Commissioner Whetstine and unanimously adopted by the Board, *to adjourn*. The next meeting of the Commission is scheduled for *Tuesday, July 9, 2024, at 6:00 pm* in the Commissioners' Chambers.

*Kevin Gordon, Chairman
Cleveland County Board of Commissioners*

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