

CLEVELAND COUNTY BOARD OF COMMISSIONERS

March 15, 2011

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: Johnny Hutchins, Chairman
Ronnie Hawkins, Vice-Chairman
Mary Accor, Commissioner
Jason Falls, Commissioner
Eddie Holbrook, Commissioner
David C. Dear, County Manager
Bob Yelton, County Attorney
Kerri Melton, County Clerk
April Crotts, Deputy Clerk
Eddie Bailes, Assistant County Manager
Chris Green, Tax Administrator
Bill McCarter, Planning Director
Chris Crepps, Finance Director
Alexis Pearson, Human Resources Director
Rebecca Clark, *The Star*
Other individual names on file in the Clerk's Office

CALL TO ORDER

Chairman Hutchins called the meeting to order and led the audience in the "Pledge of Allegiance" to the flag of the United States of America. Alexis Pearson, Human Resources Director provided the invocation for the meeting.

AGENDA ADOPTION

ACTION: Jason Falls made the motion, seconded by Eddie Holbrook, and unanimously adopted by the Board, *to adopt the agenda as presented by the County Clerk.*

CITIZEN RECOGNITION

Ann Pennington, 119 Stamey Road Fallston "Stamey Road in Fallston is a dead end road. It used to be a quiet place.

Now, I would like to request the various Cleveland County agencies protect my neighbors, myself and others from the various nuisances, environmental hazards, noncompliance to building codes, vandalism, arson attempts and vicious dog attacks that are associated with the residence at 116 Stamey Road in Fallston. In the past three years, Cleveland County Sheriff's Department Deputies have been called out over 100 times. Environmental Health Department one time, Animal Control six or more times and DSS report of child neglect numerous times. Nobody has stopped the goings on at 116 Stamey Road.

In the past 10 days, I have been chased into my home on three occasions by vicious pit bull dogs that were recently brought into 116 Stamey Road. A neighbor was also attacked by the vicious dogs. The Mayor of Fallston called Animal Control but the dogs remain.

There are seven people that reside at 116 Stamey Road. That number swells to around fifteen approximately four days a week during party nights that last mostly all night long. None of those that reside at 116 Stamey Road work or have any visible means of support. People often reside in outbuildings at 116 Stamey Road that are not suitable for human habitation. Residents and visitors at 116 Stamey Road litter and taunt passer-bys.

At least one Fallston resident was stopped by the crowd at 116 Stamey Road and assaulted. My home, car and property have been vandalized at night or when I am gone. My home has been the target or arson. Dewey Cook was called out but there was no proof on who tried to set my house on fire. My crepe myrtle bush was rammed by a vehicle and pushed out of the ground, replanted and rammed again on other occasions.

A previous call last year to the County Manager brought Bill McCarter, Sheriff Raymond Hamrick and a few deputies out with the promise of a community watch. Nothing ever came of it. Since my call to the County Manager last week, requesting to speak with the Commissioners, several Deputy patrols have driven by my house. It appears that the only way to get any action from County agencies is to come to speak to the County Commissioners. It would be nice if my next trip down here was to report that peace and quiet had returned to Stamey Road in Fallston.”

Guy Smith, 115 Stoney Point Road, Kings Mountain “I understand, as directed in North Carolina General Statute 136-66.2 ,that Cleveland County is required to design and maintain a Comprehensive Transportation Plan. So I can understand your compulsion to vote to approve the current plan.

I understand that the Rural Planning Organizations were mandated under North Carolina Session Law 2000-123, Senate Bill 1195, of the 2000 short session. There is one point of language in this bill that calls a question- Statute 136-213 Section 3.

This brings the question, is this legal and proper or just another un-funded mandate forced on the counties of the state? I intend to address this question to the State Attorney General’s office.

This whole process also calls in to question something else that is even more troubling “Is it legal or proper for our elected officials to abdicate their responsibility to their voters to be proper stewards of the County’s affairs and turn that responsibility over to an un-elected group of bureaucrats, based outside of the County?” I must question whether this group truly has the best interest of Cleveland County as their motivation.

Seeing that the first major project undertaken and published on the Lake Norman RPO web-site is the “Lake Norman Bicycle Route” makes this question very apparent.

Were Cleveland County funds used to subsidize this project, which has no connection to Cleveland County?

I believe that this is another question that should be and that I plan to address in writing to the State Attorney General and the members of the Cleveland County legislative delegation.

This whole type of government/private combine, being managed by another, I believe, questionable bureaucratic entity, the Centralina Council of Governments, raises a whole lot of questions, but provides very few answers.

In closing, We The People have slept through this whole inbred series of bureaucratic actions and should be ashamed and embarrassed that this has happened on our watch. But the bureaucrats, and our government officials should know we are wide awake now and don't plan to rest until these three card monty shell games, played with our tax money are exposed for the waste of valuable resources that they are. WE are broke and its high time that our governmental entities acted as such."

Neal Thomas, 1105 West Elm Street Shelby spoke in opposition of the CTP. He described 2010 as a historic election where Republicans now control both the NC House and Senate which has not happened in many years. Mr. Thomas believes this is due in large part to the Tea Party Movement.

He believes a big part of the problems we face today as a state and a country is making government bigger and fiscal irresponsibility. "When politicians refuse to listen, consequences will be felt at the ballot box."

He believes that the CTP is based on fiscally irresponsible principles. "Most RPO representatives have failed the county by not attending meetings." He also feels as though the RPO is not doing their job of educating citizens.

"Members of the Tea Party are offended by any plan that takes more power away from the citizens. We expect radical changes in thinking from Commissioners moving forward in their relationships with the RPO, Centralina COG and SEQL."

Tom Crider, 1801 Arbor Way Shelby spent 52 years in the transportation industry with 15 of those years working for Transportation Authority of Cleveland County (TACC). Mr. Crider explained that in addition to the public hearings held by municipalities regarding the CTP, TACC conducted focus groups and got opinions of what the citizens wanted. These were given to the Lake Norman RPO for development of the CTP. "If the county does not have a plan in place, there are several grants for public transportation that cannot be applied for."

David Forms, (Clerks Note: Could not understand name or address), asked the questions, What are we going to benefit? and What will it cost the taxpayers? He said, "Grants are not free, taxpayers pay for them." In his words, Tea (referring to the Tea Party) stands for Taxed Enough Already. "We

can't allow what the Federal Government is doing to come down locally." Mr. Forms added, "I don't want grants of any kind."

CONSENT AGENDA

TAX COLLECTOR'S MONTHLY REPORT

The Tax Collector provided Commissioners with the following detailed written report regarding taxes collected during *February 2011* (copy found on Page _____ of Minute Book ____).

TAX ABATEMENTS AND SUPPLEMENTS

The Tax Assessor provided Commissioners with a detailed written report regarding tax abatements and supplements during *February 2011*. The monthly grand total of tax abatements was listed as (\$10,704.19); and, the monthly grand total for tax supplements was listed as \$16,324.47.

ECONOMIC DEVELOPMENT: BUDGET AMENDMENT (BNA #055)

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

<u>Account Number</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
010.492.4.410.00/OLEAF-1055	Economic Dev/Local Grants	\$65,000.	
010.492.5.700.00/OLEAF-1055	Economic Dev/ Grants	65,000.	
040.220.4.410.00/OLEAF-1055	KMGMT/Cap Proj/Local Grants	10,000.	
040.220.5.700.00/OLEAF-1055	KMGMT/Cap Proj / Grants	10,000.	

Explanation of Revisions: To budget grant award from Golden Leaf Foundation for signage for KM Gateway Trails (\$10,000) and long term tourism plan for Cleveland County Tourism for Economic Development (\$65,000).

HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #056)

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

<u>Account Number</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
012.533.4.350.00/93283-261X	Adult Health/State Gov't Grants	\$80,000.	
012.533.5.210.00	Adult Health/Dept Supplies	656.	
012.533.5.211.00	Adult Health/Controlled Property	6,014.	
012.533.5.310.00	Adult Health/Travel	922.	
012.533.5.910.00	Adult Health/C.O. Equipment	72,408.	

Explanation of Revisions: Budget H1N1 funds for purchase of badge system, supplies, 2 laptops and software and projector system for CCHD Annex.

SOLID WASTE: BUDGET AMENDMENT (BNA #057)

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

<u>Account Number</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
054.474.4.350.00/05510-EWST	Solid Waste/State Grants	\$ 7,181.	
054.474.5.211.00/05510-EWST	Solid Waste/Controlled Equip	7,181.	

Explanation of Revisions: To budget E-Waste program funds to purchase additional trailers needed for the program.

PLANNING DEPARTMENT: ZONING MAP AMENDMENT – BECKY MARTIN JONES 3.28 ACRES ON THE CORNER OF BEAMAN ST. AND DANA PL. (Case 11-01)(Schedule public hearing for April 5, 2011)

ACTION: Mary Accor made the motion, seconded by Ronnie Hawkins, and unanimously adopted by the Board to ***approve scheduling the public hearing as requested.***

SPECIAL RECOGNITION

CAMERON BLACK ~ SUPERHERO

Commissioner Mary Accor introduced Cameron Black, a kindergarten student at Fallston Elementary School. Ms. Black was presented with the following Certificate of Recognition.

***CERTIFICATE OF RECOGNITION
FROM THE
CLEVELAND COUNTY BOARD OF COMMISSIONERS***

***PRESENTED TO
CAMERON BLACK
FOR***

HER ACT OF KINDESS ~ USING HER EYES TO BE A LIFESAVER, AND BELIEVING IN HER HEART THAT THE "GLOWING BRIGHT RED IN THE SKY" WAS DANGEROUS FOR SOMEONE ELSE~ AND TELLING HER MOM AND DAD THAT SOMETHING WAS WRONG~ THE CLEVELAND COUNTY BOARD OF COMMISSIONERS IS PROUD TO RECOGNIZE MS. CAMERON BLACK AS CLEVELAND COUNTY'S SUPERHERO ~ WE COMMEND YOU "FIRE EYES"!

Presented this the 15th day of March 2011.

REGULAR AGENDA

CLEVELAND COUNTY HEALTHCARE SYSTEM REVENUE BOND REFINANCING

Rose Coyne, Vice-President and CFO of Cleveland County Healthcare System (CCHS) came before Commissioners requesting permission for Cleveland County Healthcare System to purchase debt. Ms. Coyne delivered a brief presentation outlining the financials of CCHS (*copy of presentation found on Page _____ of Minute Book _____*).

In September, 2011, CCHS Line of Credit with Bank of America will expire. They have been studying their debt for well over a year to determine various options for refinancing of this debt. There was no right or wrong decision among the various options considered, however, it is prudent to lock in fixed interest rates when such rates are low and use variable interest rates when fixed rates are high. The CCHS Finance Committee concluded it was best for CCHS to refund the variable rate debt and issue fixed rate debt (\$27M) and at the same time take advantage of the opportunity to seek additional capital for eligible routine capital needs (\$15M) for a total borrowing of up to \$42M. As part of the current lease between CCHS and Cleveland County, issuance of debt must be approved the Board of Commissioners. Applications are also required to be submitted to the Medical Care Commission and the Local Government Commission for approval. These applications have already been submitted.

Ms. Coyne also asked Commissioners to clarify in the minutes, a point of the original lease as it pertains to Cleveland Pines Nursing Center. Section 7.1(iii) states, "Failure of CMH in its operation of the Hospital, to maintain accreditation by the JACHO within a reasonable period of time;" (shall constitute an event of default). It is the understanding of CCHS that, Section 7.1 (iii) does not apply to Cleveland Pines Nursing Center meaning Cleveland Pines is not required to have joint commission accreditation. County Attorney Bob Yelton and County Manager David Dear agreed with CCHS understanding that Cleveland Pines is not required to have joint commission accreditation.

Commissioner Falls asked Ms. Coyne what the total assets of CCHS were. Ms. Coyne explained, in terms of leverage debt/equity ratio, CCHS is at 28%. This additional debt will put it in the low 30%.

ACTION: Mary Accor made the motion, seconded by Ronnie Hawkins, and unanimously adopted by the Board to *adopt the following resolution and clarify that under Section 7.1 (iii), Cleveland Pines Nursing Center is not required to have accreditation by the JACHO.*

NUMBER 04-2011

A RESOLUTION APPROVING THE INCURRENCE OF INDEBTEDNESS
RELATING TO BONDS ISSUED FOR THE BENEFIT OF
CLEVELAND COUNTY HEALTHCARE SYSTEM

WHEREAS, Cleveland County (the "County"), Cleveland Memorial Hospital, Inc., now known as Cleveland County HealthCare System, a North Carolina nonprofit corporation ("CCHS"), and The Charlotte-Mecklenburg Hospital Authority ("CMHA") have entered into an Amended and Restated Lease Agreement, dated November 14, 2000, as amended by a Lease Agreement Addendum dated November 5, 2002, a Lease Agreement Addendum dated March 18, 2003 and a Lease Agreement Addendum dated April 6, 2004 (as amended, the "Lease Agreement"), concerning the lease and operation by CCHS of certain County-owned hospital facilities for a term ending on January 1, 2036; and

WHEREAS, the North Carolina Medical Care Commission (the "Medical Care Commission") has previously issued its Variable Rate Demand Health Care Facilities Revenue Bonds (Cleveland Regional Medical Center Project) Series 2001 (the "2001 Bonds") for the benefit of CCHS, currently outstanding in the aggregate principal amount of \$27,000,000; and

WHEREAS, CCHS desires to incur Indebtedness (as defined in the Lease Agreement) relating to bond issues to (1) refund the 2001 Bonds and (2) provide permanent financing for routine capital expenditures and various improvements made and to be made to the facilities subject to the Lease Agreement; and

WHEREAS, CCHS has determined that it is in the best interests of the community for CCHS to refund the 2001 Bonds and obtain financing for said capital expenditures and improvements through the issuance by the Medical Care Commission of its Health Care Facilities Revenue and Refunding Revenue Bonds (Cleveland County HealthCare System) Series 2011 (the "2011 Bonds") so as to enable the provision of services as well as to secure the continued financial stability of CCHS; and

WHEREAS, pursuant to the terms of the Lease Agreement, CCHS may not incur Indebtedness relating to the 2011 Bonds without obtaining the prior approval of the County; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners for the County as follows:

Section 1. Pursuant to Section 4.8 of the Lease Agreement, the County hereby approves the incurrence by CCHS of Indebtedness relating to the 2011 Bonds to refund the 2001 Bonds and provide permanent financing for routine capital expenditures and improvements made and to be made to the facilities subject to the Lease Agreement, including obligations of CCHS to pay amounts equal to the principal of, redemption premium, if any, and interest on the 2011 Bonds, and any other obligations of CCHS under one or more loan agreements with the Medical Care Commission relating to the 2011 Bonds.

Section 2. The aggregate principal amount of the 2011 Bonds shall not exceed \$42,000,000, and the final maturity of the 2011 Bonds and any related Indebtedness shall not be later than July 1, 2035. The 2011 Bonds may have such additional terms and provisions as are acceptable to CCHS in its discretion and approved by the Medical Care Commission and the Local Government Commission. The 2011 Bonds may be issued as one or more series, and as part of a single transaction or multiple transactions, as determined by CCHS in its discretion and approved by the Medical Care Commission and the Local Government Commission.

Section 3. This resolution shall become effective immediately upon its adoption.

Adopted this the 15th day of March, 2011.

CLEVELAND COUNTY COMPREHENSIVE TRANSPORTATION PLAN

At their February 24, 2011 Work Session, Commissioners delayed action regarding adoption of the Cleveland County Comprehensive Transportation Plan (CTP) until their March 15, 2011 regular meeting. Bill McCarter, Planning Director, asked Commissioners if they had any questions and recommended adoption of the CTP by resolution. Mr. McCarter made note that all municipalities in Cleveland County with the exception of Mooresboro have held public hearings and adopted the CTP. The Town of Mooresboro is scheduled to take action on March 17, 2011.

Commissioner Jason Falls asked several questions of Mr. McCarter including: Are we locked into the plan and will this plan cost us any money? Mr. McCarter explained, like any other planning document, this is a fluid plan and it will not cost the county any money.

Commissioner Accor suggested that municipalities be contacted and encouraged to become more active in the Lake Norman RPO.

Commissioner Holbrook stressed the importance of approving this plan. "A master transportation plan is an integral part in Economic Development. One of the first things businesses look at when they visit Cleveland County is the transportation. If we are going to recruit jobs, we need a plan in place. If you drive up Highway 321 and see the industries there, you can see the value of a good plan."

Commissioner Falls understood the concerns of the citizens but did not feel as though setting up committees and developing a new plan would be a wise use of taxpayer money.

ACTION: Ronnie Hawkins made the motion, seconded by Eddie Holbrook, and unanimously adopted by the Board, to ***adopt the following resolution:***

NUMBER 02-2011

ADOPTING THE CLEVELAND COUNTY
COMPREHENSIVE TRANSPORTATION PLAN
FOR CLEVELAND COUNTY, NORTH CAROLINA

WHEREAS, Cleveland County and the Transportation Planning Branch, North Carolina Department of Transportation actively worked to develop a transportation plan for Cleveland County; and

WHEREAS, the County and the Department of Transportation are directed by North Carolina General Statutes 136-66.2 to reach agreement for a highway system that will serve present and anticipated volumes of vehicular traffic in and around the County; and

WHEREAS, it is recognized that the proper movement of traffic within and through Cleveland County is a highly desirable element of the comprehensive plan for the orderly growth and development of the County; and

WHEREAS, after full study of the plan, the Commissioners of Cleveland County feel it to be in the best interests of Cleveland County to adopt a plan pursuant to General Statutes 136-66.2;

NOW THEREFORE, BE IT RESOLVED that the Cleveland County Comprehensive Transportation Plan be approved and adopted as a guide in the development of the highway system in Cleveland County and the same is hereby recommended to the North Carolina Department of Transportation for its subsequent adoption:

Adopted this the 15th day of March, 2011.

ELECTRONIC BID ADVERTISING

At their February 24, 2011 Work Session, Commissioners delayed action regarding adoption of a resolution authorizing electronic advertising of bids. Within the past year, Cleveland County has spent approximately \$955 on advertising of bids. The Clerk explained, "Although this is not a large amount of money, in these economic times, any little bit helps."

ACTION: Ronnie Hawkins made the motion, seconded by Eddie Holbrook, and unanimously adopted by the Board, to ***adopt the following resolution:***

NUMBER 03-2011

AUTHORIZING ELECTRONIC ADVERTISING OF BIDS

WHEREAS, Chapter 328 of the 2001 Session Laws authorizes to approve the established method of electronic advertisement of bid proposals; and

WHEREAS, the method of electronic advertising would save tax dollars in advertising costs and would reach more potential bidders; and

WHEREAS, the method of electronic advertising may be used instead of, or in addition to, advertising bid proposals in a local newspaper.

NOW, THEREFORE, BE IT RESOLVED by Cleveland County that the Commissioners authorize the method of electronic advertising of bid proposals via the internet in lieu of advertising in a local newspaper. Advertisement for bid proposals may take either the form of an electronic advertisement or the form of a local newspaper advertisement when all other provisions of G.S. 143-129 regarding the advertising of bid proposals are met.

Adopted this the 15th day of March, 2011.

ARTICLES OF INCORPORATION ~ FOOTHILLS ECONOMIC DEVELOPMENT CORPORATION

County Attorney Bob Yelton began by clarifying that the purpose of this agenda item is to approve the Bylaws for Foothills Economic Development Corporation. Foothills Economic Development Corporation was set up in conjunction with the City of Shelby with the intent to, at some point, deed the Foothills Commerce Center to this corporation. The North Carolina Department of Commerce is requiring these bylaws be approved prior to financing of the Center. The purpose of the Corporation is to encourage, solicit, advertise for, and promote the establishment, location or relocation, or operation of any industry, business, or trade to a location within the Foothills Industrial Park.

Having Foothills Commerce Center owned by Foothills Economic Development Corporation will allow them to offer additional incentives to prospective clients. Attorney Yelton reviewed the bylaws. Foothills Economic Development Center will be governed by a five-member Board of Directors to

include: The Chairman of the Cleveland County Commissioners, County Manager, Mayor of the City of Shelby, City Manager and Chairman of the Cleveland County Economic Development Partnership.

Members of the board will serve contiguous with their position.

Shelby City Council is scheduled to approve these Bylaws at their March 21, 2011 regular meeting.

ACTION: Ronnie Hawkins made the motion, seconded by Mary Accor, and unanimously adopted by the Board, to *adopt Foothills Economic Development Corporation Bylaws as presented by County Attorney Bob Yelton.*

**BYLAWS
OF THE
FOOTHILLS ECONOMIC DEVELOPMENT CORP.**

NAME AND LOCATION

Name. The name of this corporation shall be **Foothills Economic Development Corp.** (hereinafter the "Corporation").

Registered Office. The Registered and Principal Office of the Corporation shall be located in the City of Shelby, Cleveland County, North Carolina, at such location as the Board of Directors may from time to time determine.

CORPORATE MISSION, PURPOSE, AND OBJECTIVES

Mission. To encourage and assist economic development in, and for the benefit of, the City of Shelby and Cleveland County.

Purpose. The purposes of the Corporation are as follows:

To encourage, solicit, advertise for, and promote the establishment, location or relocation, or operation of any industry, business, or trade to a location within the Foothills Industrial Park.

To render financial or other assistance to any industry, business, or trade located in or moving to the Foothills Industrial Park.

To purchase, lease, option, or otherwise acquire real or personal property to actually or potentially encourage or assist a business, industry, or trade moving, or that may in the future move, to locations within the Foothills Industrial Park; and to sell, convey, lease, mortgage, or otherwise pledge or hypothecate, real or personal property for said purposes.

To make contracts and incur liabilities, borrow money, issue notes, bonds, or other obligations, and to secure any of its obligations by mortgage or pledge of all or any of its property, franchises, and income.

To act in conjunction with other organizations to promote or develop, or potentially promote or develop, the economic business welfare, and betterment of, the City of Shelby and Cleveland County.

Limitations of Activities.

The Corporation shall take no action or participate in any activities that are partisan, sectional, or sectarian, and shall not take part in or lend influence to the election or appointment of any candidate for federal, state, county, or city office.

Notwithstanding any powers granted to this Corporation by its Articles of Incorporation, these Bylaws, or by the laws of the State of North Carolina, no part of the net earnings of the Corporation shall inure to the benefit of any Director or officer of the Corporation, or any private individual. No Director or officer of the Corporation, nor any private individual, shall be entitled to share in the distribution of any of the corporate assets upon dissolution of the Corporation.

MEMBERSHIP.

Members. The Corporation shall have no members.

BOARD OF DIRECTORS.

General Powers.

The business and affairs of the Corporation shall be managed by its Board of Directors.

Unless otherwise expressly provided by law, the Articles of Incorporation of the Corporation, or these Bylaws, all power of the Corporation shall vest in the Board of Directors.

The Board of Directors shall have the power to do all things authorized by the Articles of Incorporation of the Corporation and all things which may be done by Directors of the Corporation under the laws of the State of North Carolina.

Number and Qualification.

The Board shall consist of five voting members, whose positions are as follows:

The Chairman of the Cleveland County Board of Commissioners.
The Mayor of the City of Shelby.
The County Manager of Cleveland County.
The City Manager of the City of Shelby.
The Chairperson of the 20-20 Economic Development Partnership.

Term. Each Director elected shall hold office for a term that runs concurrently with the position set forth above.

Officers. Directors shall elect from the Board members a Chairman, a Vice-Chairman, a Secretary and a Treasurer.

Compensation. No member of the Board of Directors shall receive any compensation as a result of being a Director of the Corporation.

MEETINGS OF DIRECTORS

Meetings.

Regular Meetings. The Board of Directors shall meet not less than annually.

Special Meetings. A special meeting of the Board of Directors may be called at any time by the Chairman, or in his absence, by the Vice Chairman, or in a written request signed by any two (2) Directors.

Notice. Due notice of any meeting shall be issued to each Board of Directors member at least forty eight (48) hours prior to the meeting. Said notice shall state the date, time, and place of the meeting.

Quorum. A majority of the Board members must be present to constitute a quorum.

Parliamentary Procedure. At all meetings, a question of parliamentary procedure shall be settled according to the latest edition of Roberts' Manual of Parliamentary Rules whenever they are not inconsistent with the Articles of Incorporation and By-laws of this Corporation.

Manner of Acting. Unless otherwise stated herein, to constitute Board action a vote must meet the following criteria:

To adopt, amend, or repeal a Bylaw, or to dissolve the Corporation: A quorum of the entire Board of Directors then holding office, and a vote of the majority of the entire Board of Directors then holding office.

Other actions: A quorum of the Board members present at a meeting, and a vote of the majority of the Board members then present.

Presumption of Assent. A Board member of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his contrary vote is recorded; or his dissent is otherwise entered in the minutes of the meeting; or unless he shall file his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Informal Action by Directors. Action taken by a majority of the Directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all the Directors and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

GENERAL PROVISIONS

Corporate Seal. The corporate seal of this nonprofit corporation shall consist of two concentric circles between which is the name of the Corporation and in the center of which is inscribed "Corporate Seal"; and such seal, as impressed on the margin hereof, is hereby adopted as the corporate seal of the Corporation.

Waiver of Notice. Whenever any notice is required to be given to any Director by law, by the Articles of Incorporation, or by these By-Laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Fiscal Year. The fiscal year of the corporation shall be fixed by the Board of Directors.

Contracts. Except as otherwise provided in these By-Laws, the Board of Directors may authorize any officer or officers, if any, or agent or agents, to enter into any contract or execute and deliver any instrument in the name of the Corporation and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Checks and Drafts. All checks, drafts or other orders for the payment of money issued in the name of the Corporation shall be signed by the Board Chairman or Secretary, or by such officer or officers, if any, agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such depositories as the Board of Directors may select.

Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purpose or for any special purpose of the Corporation.

Gender. As used in these Bylaws, the masculine pronoun shall include the feminine, and the singular shall include the plural.

Conflict of Interest. Directors, and any staff or agent, if any, of the Corporation, shall avoid conflicts of interest, and any conduct that may suggest the appearance of conflict or impropriety, when exercising their responsibility with regard to the expenditure of funds of the Corporation.

No Director, or staff or agent, if any, of the Corporation, or their business or a related person, may receive direct or indirect benefit from the disbursement of funds of the Corporation, or any other benefit not received

generally by the citizens or business community of the City of Shelby and Cleveland County, except in the following circumstances:

Said person is an employee of the Corporation;

Said person, or their company, or a related person, provides services or products, but only upon Board approval of such provision in an informed vote in which the person benefiting does not participate; or

Any benefit not received generally by the citizens or business community of the City of Shelby and Cleveland County is disclosed to, and its receipt approved by, the Board of Directors.

Dissolution. Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purpose of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under sections 501(c)(3) of the Internal Revenue Code of 1986 (or corresponding provision of any future United States Internal Revenue Code), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Superior Court of Cleveland County, exclusively for such purposes or to such organization or organizations, as such court shall determine, that are organized and operated exclusively for such purpose.

CLEVELAND COUNTY COMMISSIONERS HEALTH INSURANCE

At their February 24, 2011 Work session, Commissioners asked Assistant County Manager Eddie Bailes to provide guidelines for Health Insurance currently provided to County Commissioners after completion of their term of office. He presented the following:

CLEVELAND COUNTY COMMISSIONERS HEALTH INSURANCE CONINUATION POLICY

The County will continue to provide paid individual health insurance if the County Commissioner meets the following qualifications:

- *The County Commissioner must have served as an elected Commissioner for a minimum of 10 years.*
- *The County Commissioner must be currently enrolled in the County's health insurance program at the end of his/her term in office.*
- *The County Commissioner must elect coverage continuation at the end of his/her term in office.*

Participation in the County's Health Insurance Program will continue until age 65 or until the County Commissioner becomes eligible for Medicare under the Social Security Act. Any dependents covered under the Commissioner's county health insurance may continue coverage in accordance with federal COBRA regulations.

ACTION: Jason Falls made a motion which failed due to the lack of a second, to ***amend the proposed guidelines regarding a minimum of 10 years in office to a minimum of 20 years in office.***

ACTION: Jason Falls made a motion which failed due to the lack of a second, to ***amend the proposed guidelines to require Commissioners to pay 100% of Health Insurance if they meet all of the qualifications.***

Since no action was taken, the minutes of October 28, 2009 stand as the only guidelines regarding Commissioners Health Insurance at the end of his/her term in office.

COMMISSIONER REPORTS

Mary Accor met in Raleigh with Representative Tillis and Senator Berger. Both Speakers voiced their concern with shifting road construction and maintenance responsibilities to counties. Commissioner Accor felt overall it was a good meeting.

Eddie Holbrook thanked those citizens in attendance. He said, "I certainly agree with lots of your points. I believe the Federal and State government are too big and we are overtaxed." He asked that citizens always come before the Commissioners with their concerns. "Although we can't always agree, I take every vote I make seriously."

Jason Falls also met with Speaker Tillis who said he is committed to helping Cleveland County. The Detox Center is waiting on their Certificate of Occupancy and the managers of the facility should be in the building by the end of the month. Commissioner Falls met with several members of the Tea Party and said he also understands that there are things that Commissioners need to look at further.

Johnny Hutchins attended the Council on Aging meeting noting that there is still a huge need for Meals on Wheels. "We have a CTP now we need to work on building on it. I appreciate all of the comments from the citizens."

Chairman Hutchins asked County Manager David Dear for a status update on the 2011/2012 budget. Mr. Dear explained the main problem at this point is not knowing whether funding that has already been committed to pay debt for schools already built will be taken by the state. "All things considered, the County is in very good shape." Jail construction is a little behind. The county is expecting to be in the new jail facility by the end of June. Magistrates offices will be housed in the new jail. This will avoid transports to and from the courthouse and the new jail and will cause increased safety among the officers transporting inmates.

RECESS TO RECONVENE

There being no further business to come before the Board at this time, Johnny Hutchins made the motion, seconded by Mary Accor, and unanimously adopted by the Board, ***to recess to reconvene until Tuesday, March 22, 2011 at 5:00 pm in room 1139 located in Cleveland Community College at 137 S. Post Road Shelby, North Carolina.***

*Johnny Hutchins, Chairwoman
Cleveland County Board of Commissioners*

*Kerri Melton, Clerk
Cleveland County Board of Commissioners*