

**Cleveland County Board of Commissioners**  
**December 13, 2016**

The Cleveland County Board of Commissioners met in a regular session on Tuesday, December 13<sup>th</sup>, 2016, at 6:00 p.m. in the Commission Chamber of the Cleveland County Administrative Office.

**PRESENT:** Eddie Holbrook, Chairman  
Susan Allen, Vice-Chair  
Johnny Hutchins, Commissioner  
Jason Falls, Commissioner  
Jeff Richardson, County Manager  
Andrea Leslie-Fite, Assistant County Attorney  
Henry Earle, Clerk to the Board  
Kerri Melton, Community Services Director  
Brian Epley, Finance Director  
Chris Green, Tax Administrator  
Bill McCarter, Planning Director  
Paul Ezell, Building Inspections Director  
Millie Holbrook, Legrand Center Director  
Scott Bowman, Maintenance Director  
Mark Dellinger, Electronic Maintenance Director

**CALL TO ORDER**

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

**AGENDA ADOPTION**

**ACTION:** Commissioner Hutchins moved to adopt the agenda, adding as Item Nine (prior to the Closed Session) a discussion on the Doran Mill Property. The motion was seconded by Commissioner Falls and unanimously approved by the Board.

**SPECIAL RECOGNITION**

**RESOLUTION HONORING RETIRING PLANNING DIRECTOR BILL MCCARTER:** Chairman Holbrook asked Bill McCarter to come forward to the front and then he asked the Clerk to read the following resolution.

**A RESOLUTION IN RECOGNITION OF PLANNING DIRECTOR BILL MCCARTER**

**WHEREAS**, William E. “Bill” McCarter will retire from Cleveland County on December 31, 2016; and

**WHEREAS**, Bill has been a full-time employee of Cleveland County since November 28, 1988 as the County’s first and only Planning Director; and

**WHEREAS**, in 1990 Bill implemented the Geographic Information System in Cleveland County, allowing citizens greater access to spatial and geographical data; and

**WHEREAS**, in the year 2000, Bill was instrumental in creating zoning county wide for the first time in Cleveland County; ensuring strong land use guidance would be in place for years to come, ultimately making Cleveland County a more desirable place to work, live and play; and

**WHEREAS**, Bill has been a key player in both the Broad River Greenway and the Kings Mountain Gateway Trail, administering grants on behalf of both entities and spending countless hours working on the trail saving the county hundreds of thousands of dollars in construction costs and solidifying both trails as premiere recreational destinations in Cleveland County; and

**WHEREAS**, Bill is always willing to give of his time, serving on numerous boards and committees, from the Cleveland County Chapter of the Red Cross to the Historic Shelby Foundation, as well as organizing annual fundraising events like the Broad River Trail Run 5K; and

**WHEREAS**, throughout his years of service, Bill has earned the admiration, respect, and friendship of those with whom he has worked and come into contact.

**THEREFORE, BE IT RESOLVED** the Cleveland County Board of Commissioners commends Bill McCarter for his years of service to the County and they extend to Bill best wishes for many years of good health and happiness during his retirement and future endeavors.

**Adopted this the 13th day of December 2016.**

\_\_\_\_\_  
Eddie Holbrook, Chairman

\_\_\_\_\_  
Susan Allen, Vice-Chair

\_\_\_\_\_  
Jason Falls, Commissioner

\_\_\_\_\_  
Johnny Hutchins, Commissioner

After the resolution was read Chairman Holbrook invited the Commissioners down front. Commissioners took turns each congratulating Mr. McCarter for the work that he has done and the many hours he has put in as well as the volunteer work and expertise he brought to the community. Commissioners also invited Rita Stafford, Planning Administrative Assistant, who is retiring on December 31<sup>st</sup>, 2016 as well and thanked her for her years of service too.

**SPECIAL PRESENTATION**

**CERTIFIED ENTREPRENEURIAL COMMUNITY DESIGNATION:** Chairman Holbrook invited Steve Padgett, Director of the Small Business Center, to the podium. Mr. Padgett showed Commissioners the Certified Entrepreneurial Community Designation and thanked the Board for its time and backing on the entire process. Mr. Padgett stated that the word is definitely getting out that Cleveland County is entrepreneurial friendly and that the process is just getting started. Chairman Holbrook thanked Mr. Padgett for his dedication to the project and all of his work ensuring that Cleveland County became Entrepreneurial Friendly.

**CITIZEN RECOGNITION**

- No one registered to speak.

**CONSENT AGENDA**

**MINUTES:** There being no corrections, additions or deletions, the minutes of the November 15<sup>th</sup>, 2016 Regular Meeting and the December 5<sup>th</sup>, 2016 Organizational Meeting were presented.

**ACTION:** Commissioner Falls moved to adopt the Minutes as presented. It was seconded by Commissioner Allen and unanimously adopted by the Board.

**FINANCE:** The November 2016 Manager's Report was presented. Highlights included the completion of the end of the year audit, which will be presented at the 1/3/17 regular agenda meeting, and that the County has just signed a contract with Revize software systems to begin updating the County's website in early 2017.

**ACTION:** Commissioner Falls moved to accept the Manager's Report. It was seconded by Commissioner Allen and unanimously approved by the Board.

**TAX ADMINISTRATION:** For the month of October 2016 Supplements were \$10,493.53 and Abatements were \$2,589.80.

**ACTION:** Commissioner Falls moved to accept the Abatements and Supplements report as presented. It was seconded by Commissioner Allen and unanimously approved by the Board.

**TAX ADMINISTRATION:** As of November 30<sup>th</sup>, 2016, 58.0% of taxes had been collected for fiscal year 2016-2017.

**ACTION:** Commissioner Hutchins moved to accept the Collection Report for September 2016. It was seconded by Commissioner Allen and unanimously approved by the Board.

**PUBLIC HEALTH CENTER:** Updates to the Fee Collection Policy at the Public Health Center were presented. This policy is updated annually, first being approved by the Board of Health before coming before the Commissioners. Updates were mainly wording changes and definition updates, recommended by the State Administrative Consultant, to meet best practices, new Medicaid requirements and state accreditation standards.

**ACTION:** Commissioner Falls moved to approve the Fee Collection Policy update as presented. It was seconded by Commissioner Allen and unanimously approved by the Board.

**SHERIFF'S OFFICE:** BNA #019

<u>Account Number</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
010.438.4.310.00	Fed. Gov't Grants	\$2,800.00	
010.438.5.210.00	Departmental Supply	\$2,800.00	

**Explanation of Revisions:** Budget money from Justice Assistance Grant to purchase ammunition.

**ACTION:** Commissioner Falls moved to approve the budget amendment. It was seconded by Commissioner Allen and unanimously approved by the Board.

## REGULAR AGENDA

**FACILITY MASTER PLAN AND ENERGY USE AUDIT:** Chairman Holbrook called Finance Director Brian Epley to the podium. Mr. Epley stated that under the Commissioner's Strategic Goal of Fiscal Sustainability was the creation of a Facilities Master Plan that would ensure the County was maximizing the space it had and utilizing it the best that it could be used. Mr. Epley stated that doing this was not a one-time event but that it would be a continuous cycle of understanding where the County is, analyzing the possibilities, planning and assessing resources, executing and evaluating. Mr. Epley stated that the project would need to be thought of in two facets; the first being a space needs analysis and the second would be an infrastructure investment and that the two pieces put together would cumulatively be a Facilities Master Plan. Staff believes the best way to accomplish this is to analyze space needs for short, mid and long term, and building life and infrastructure conditions for short, mid and long term.

In July 2015 the Finance/Budget Department noticed that the utility budget had been increasing by roughly 10% over a three year cycle. The finance department contacted the City of Shelby and Duke Power, the County's energy providers, and discovered that the rise in utility prices over the three year period in question was all based in consumption, not rate increases. Finance spoke with Maintenance and determined that there were issues in several older buildings that Maintenance was trying to offset but that there were definite concerns. After contacting the State a formal Request for Proposal (RFP) was issued in December 2015 for a qualified Energy Service Company. The County received several submissions and their recommended company is Johnston Controls. Mr. Epley stated that Johnston Controls has already done a preliminary walk-through and believes that savings possibilities due to the antiquated infrastructure in many county buildings can be between 25-40% annually. With a \$1.1 million utilities budget the savings could be substantial. Johnston Controls has identified up to \$6.8 million in infrastructure investment possibilities. To get a more accurate picture though, the company will need to do the Investment Grade Audit. This audit will give the County an exact amount to invest, and how much the County will save in utility costs per year.

Mr. Epley introduced Kim Smith (lead), Robert Lawson (lead engineer), and Maureen Blaze (Vice President for Solutions) from Johnston Controls. Ms. Smith thanked the Board for allowing them to come and present to them. Ms. Smith stated that Johnston Controls has been around since 1985 and are a Fortune 67 company. She stated that although the company is national, they work as much as possible with local contractors to get their work done. Mrs. Smith stated that there is a lot of work that can be done in each of the County's buildings, specifically the Law Enforcement Center and the Department of Social Services. Ms. Smith stated that Johnston Controls was very excited about the possibilities before the County. If the County approves Johnston Controls as the vendor for the Investment Grade Audit then they will begin work

on it and present the Board with a definite amount of investment and a guaranteed annual amount of savings. If the County does everything listed in the Investment Grade Audit and the savings are less per year than the Company has guaranteed then Johnston Controls will be obligated to pay the difference to the County. If the County agrees to the Investment Grade Audit but then decides not to do the work detailed in the Audit then the County will have to reimburse Johnston Controls \$150,000.00 for their work.

Mr. Epley then transitioned to the Space Needs Plan. Mr. Epley stated that the space needs side has to be the lead of the entire project. The County issued a Request for Qualifications in August for the analysis.

Several highly qualified companies submitted qualifications and the Finance Department ultimately believed that Chinn Planning and Boomerang Design were the top companies to use. Ms. Chinn came forward and stated that she has done space planning for 32 years and her philosophy is that good planning is cost effective in the long run. She stated often counties started in the courthouse and have had to branch out over time and are often in piecemeal set ups across the county so she wants to help local governments remedy that situation. Ms. Chinn stated that her plan is to meet with Commissioners and Department Heads to talk to them about access, needs, equipment uses and needs and record retention practices. She will take this information and create space standards and projections in five year increments over the next 25 years. Mr. Anthony from Boomerang Design spoke and said that Boomerang will be doing the Brick and Mortar part of the Space Needs Analysis and Chinn Planning will be doing the Planning and that both companies will be working hand in glove with Johnston Controls to ensure that both pieces of the Facility Master Plan work together.

Chairman Holbrook stated that, for the benefit of the public, he wanted to ensure that everyone knew this had been worked on for quite some time and not something that the Board, or staff, was trying to spring on anyone. This was something that the Board has wanted to do to ensure that the process was starting early and that there was not an unnecessary burden placed on future Boards. Commissioner Falls stated that the need for this is obvious and can be seen in the Court House. Recently the District Attorney and Juvenile Justice have been moved from there to new buildings because the space needs have changed since the building's construction. Chairman Holbrook asked what the cost was for the Space Needs Analysis was with Chinn Planning and Mr. Epley stated that it would be \$150,000.00 broken up into two parts.

\$75,000.00 would be due in this fiscal year and \$75,000.00 in the next fiscal year.

Mr. Epley then introduced Kathleen Stall from the State of North Carolina. Ms. Stall works on these projects with local governments and has done so since 2003. Ms. Stall said that the program that is being proposed tonight comes with it guarantees for savings and has been approved by both the State Department of Energy and the Local Government Commission. Ms. Smith from Johnston Controls stood up and stated that, even

though this program was from the State that the guarantees in savings were from Johnston Controls and that if the County did not save as much as the Investment Grade Audit as Johnston Controls guaranteed then it would be Johnston Controls who would pay the difference annually and the County would be held harmless.

**ACTION:** Commissioner Hutchins moved to approve Chinn Planning and Boomerang Design to create the Facilities Master Plan. It was seconded by Commissioner Falls and unanimously approved by the Board.

**ACTION:** Commissioner Falls moved to approve the Energy Savings Audit. It was seconded by Vice-Chair Allen and approved by the Board 3-1, with Commissioner Hutchins voting no.

**ACTION:** Commissioner Falls moved to approve Johnston Controls as Cleveland County's Energy Service Company. It was seconded by Chairman Holbrook and approved by the Board 3-1, with Commissioner Hutchins voting no.

**ACTION:** Commissioner Falls moved to approve the Investment Grade Audit. It was seconded by Vice-Chair Allen and approved by the Board 3-1, with Commissioner Hutchins voting no.

**FINANCIAL ELECTRONIC EXECUTION POLICIES:** Chairman Holbrook asked Brian Epley to come back to the podium. Mr. Epley stated that Cleveland County was on the cutting edge when it first began using Procurement Cards in 2014. The North Carolina State Treasurer's Office, due to changes in North Carolina General Statute 159-28, has now begun passing down guidance on the process of using procurement cards and ensuring that controls and pre-audit measures are being used effectively and will meet the standards set by the Local Government Commission. Going along with this, the Finance Department was requesting changes to the purchase order and competing bid thresholds. Currently if an employee wishes to buy something over \$200 it triggers the requirement to get a purchase order from Finance and it is requested to move that amount from \$200 to \$750 and the competitive bid threshold from \$500 to \$1000. Mr. Epley stated that the Electronic Procurement System has been a very good system for Cleveland County and this year a \$77,000.00 rebate was issued by the County's Procurement Card provider.

**ACTION:** Commissioner Hutchins moved to approve the update to the Electronic Procurement Policy. It was seconded by Commissioner Falls and unanimously approved by the Board.

#### **CONSIDERATION OF BID FOR CITIZEN PURCHASE OF COUNTY OWNED PROPERTY**

**PARCEL #765 ON JAMES LOVELACE ROAD:** Chairman Holbrook called on Clerk to the Board Henry Earle. Mr. Earle stated that a citizen placed a bid on a piece of property on November 1<sup>st</sup>, 2016, that was currently owned by Cleveland County, since 1992, because of a tax foreclosure. The property is a 0.17 acre track on James Lovelace Road in the Boiling Springs ETJ. As per County policy, an ad was placed in the paper and given one month for upset bids to be placed. There were no upset bids placed and the original

bid was being brought before the Board for its consideration. The bid from Marva Southall was for \$1,700.00. The County had put approximately \$1,300.00 into the property and it was the staff's recommendation to sell the property.

**ACTION:** Commissioner Falls moved to approve the sale of parcel #765 to Marva Southall. The motion was seconded by Vice-Chair Allen and unanimously approved by the Board.

**DISCUSSION OF DORAN MILL PROPERTY:** Commissioner Hutchins stated that now that the Doran Mill property was back in County hands he would like to ask the County Manager to contact contractors and find out what it would cost to level the property and make it site ready since the harmful materials have been removed. Commissioner Hutchins stated he would like to have a report brought back to the Board in March. Chairman Holbrook asked Mr. Richardson if that time frame was comfortable for him. Mr. Richardson said that he believed the time would be adequate and that he would come back with a report. *\*No action required.*

**CLOSED SESSION:**

**ACTION:** Commissioner Hutchins moved to go into closed session per North Carolina General Statute 143-318.11(a)(3) to consult with an attorney to preserve attorney client privilege at 7:34 p.m. It was seconded by Commissioner Falls and unanimously approved by the Board.

During the closed session Commissioners heard from the Assistant County Attorney and Tax Administrator regarding a proposed tax settlement for an appeal that was presently before the Property Tax Commission in Raleigh.

**ACTION:** Commissioner Hutchins moved to come out of closed session and back into open session at 7:46 p.m. It was seconded by Commissioner Falls and unanimously approved by the Board.

**ACTION:** Commissioner Falls moved to accept the 2015 Property Tax Settlement with Lowes Home Center, LLC now under appeal at the Property Tax Commission for a value of \$10,663,262.00. It was seconded by Commissioner Allen and unanimously approved by the Board.

**COMMISSIONER REPORTS**

- Commissioner Falls: Commissioner Falls thanked everyone for the kind things that were said about Commissioner Hawkins
- Commissioner Hutchins: Commissioner Hutchins said it has been a busy few weeks with the MPO and with the NCACC Board of Directors meeting upcoming.
- Vice-Chair Allen: Vice-Chair Allen wished everyone a Happy holiday season.

**ADJOURN**

Chairman Holbrook entertained a motion to adjourn. The motion was made by Commissioner Hutchins, seconded by Commissioner Falls and unanimously approved by the Board. The next regularly scheduled meeting of the Cleveland County Board of Commissioners will be Tuesday, January 3<sup>rd</sup>, 2017, at 6:00 p.m. in the Commissioner's Chamber for an Organizational Meeting.