

**Cleveland County Board of Commissioners**  
**May 15, 2018**

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

**PRESENT:** Eddie Holbrook, Chairman  
Susan Allen, Vice-Chair  
Johnny Hutchins, Commissioner  
Ronnie Whetstine, Commissioner  
Doug Bridges, Commissioner  
Brian Epley, County Manager  
Chuck Wilson, County DSS Staff Attorney  
April Crotts, Deputy Clerk to the Board  
Kerri Melton, Assistant County Manager  
Allison Mauney, Human Resources Director  
Shane Fox, Chief Financial Officer  
Alan Norman, Sheriff  
Chris Green, Tax Administrator  
Perry Davis, Emergency Management Director/Fire Marshall  
Clifton Philbeck, Board of Elections Director  
Betsy Harnage, Register of Deeds  
Jason Falls, LeGrand Director  
Carol Wilson, Library Director  
Marty Gold, IT Director  
Joe Lord, EMS Director  
Mark Dellinger, Electronic Maintenance Director  
Stephen Bishop, Soil and Water Conservation Director

**CALL TO ORDER**

Chairman Holbrook called the meeting to order. Tax Administrator Chris Green led the audience in the Pledge of Allegiance and provided the invocation for the meeting.

**AGENDA ADOPTION**

**ACTION:** Commissioner Hutchins made the motion, seconded by Commissioner Bridges and unanimously approved by the Board to, *approve the agenda with the addition of item 2b, Law Enforcement Week 2018.*

**SPECIAL RECOGNITION**

**Emergency Medical Services Week 2018:** Chairman Holbrook recognized Joe Lord, Emergency Medical Services Director. Mr. Lord thanked the Commissioners for this proclamation and their support of EMS. He reminded Commissioners of EMS Week Breakfast at Carolinas Health Care-Cleveland May 21-23, from 7 am-10am. Commissioners commended the work Mr. Lord and all of his staff do for the citizens of Cleveland County. Deputy Clerk April Crotts read the following proclamation:

"Cleveland County  
Grows Greater"



## Proclamation

03-2018

### Proclamation for Emergency Medical Services Week 2018

**Whereas**, Emergency Medical Services are a vital public service with the members of emergency medical services teams ready to provide lifesaving care to those in need 24 hours a day, seven days a week; and

**Whereas**, access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and

**Whereas**, the Emergency Medical Services system consists of physicians, nurses, medical technicians, paramedics, firefighters, first responders, educators, administrators and others; and

**Whereas**, the members of emergency medical services teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and

**Whereas**, it is appropriate to recognize the value and the accomplishments of emergency medical services providers by designating Emergency Medical Services Week;

**Now, Therefore Be It Resolved That** the Cleveland County Board of Commissioners proclaim the week of May 20 - 26, 2018 as **Emergency Medical Services Week**, and with the theme, **EMS Strong: "Stronger Together"** ask the community to observe this week with appropriate programs, ceremonies and activities.

**Adopted this, the 15<sup>th</sup> day of May, 2018.**

  
Eddie Holbrook, Chairman

  
Susan Allen, Vice-Chairman

  
Johnny Hutchins, Commissioner

  
J. Ronnie Whetstine, Commissioner

  
Douglas Bridges, Commissioner



**Law Enforcement Week 2018:** Chairman Holbrook recognized Sheriff Alan Norman and asked that he come to the front to accept the proclamation for Law Enforcement Week, May 20-26, 2018. Commissioners all thanked the Sheriff and his employees for everything they do to keep the citizens of Cleveland County safe. Sheriff Norman thanked his staff and commended them for a job well done. Deputy Clerk April Crotts read the following proclamation:



## Proclamation

05-2018

### Proclamation for Law Enforcement Week 2018

**Whereas**, the Congress and President of the United States have designated May 15 as Peace Officers Memorial Day, and the week in which it falls as Police Week; and

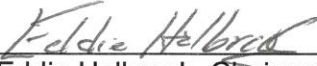
**Whereas**, the members of the law enforcement agency of Cleveland County Sheriff's Office play an essential role in safeguarding the rights and freedoms of the citizens of Cleveland County; and

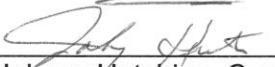
**Whereas**, it is important that all citizens know and understand the challenges, duties and responsibilities of the Sheriff's Office, and that members of our Sheriff's Office recognize their duty to serve the people by safeguarding life and property, by protecting them against violence or disorder, and by protecting the innocent against deception and the weak against oppression or intimidation; and

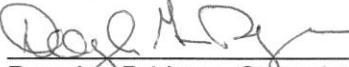
**Whereas**, the Cleveland County Sheriff's Office has grown to be a modern and scientific law enforcement agency which constantly provides a vital public service;

**NOW, Therefore Be it Resolved That** the Cleveland County Board of Commissioners call upon all citizens of Cleveland County and upon all patriotic, civil and educational organizations to observe the week of May 13 through May 19, as Law Enforcement Week with appropriate ceremonies in which all of our citizens may join in commemorating Sheriff Officers, past and present, who by their faithful and loyal devotion to their responsibilities have rendered a dedicated service to their communities and, in doing so, have established for themselves a desirable and enduring reputation for preserving the rights and security of all citizens.


**Adopted this the 15<sup>th</sup> day of May, 2018.**

  
Eddie Holbrook, Chairman

  
Johnny Hutchins, Commissioner

  
Douglas Bridges, Commissioner

  
Susan Allen, Vice-Chairman

  
J. Ronnie Whetstine, Commissioner



### CITIZEN RECOGNITION

No citizens registered to speak.

### CONSENT AGENDA

#### APPROVAL OF MINUTES

The Clerk to the Board included the Minutes of the *May 1, 2018 regular meeting*, in Board Members packets.

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

**TAX COLLECTOR'S MONTHLY REPORT**

The Tax Collector provided Commissioners with the following detailed written report regarding taxes collected during *April 2018*.

<b>TOTAL TAXES COLLECTED APRIL 2018</b>				
YEAR	AMOUNT-REAL	AMOUNT-VEH		
DEF REV	\$0.00	\$0.00		\$0.00
2017	\$434,822.89	\$0.00		\$434,822.89
2016	\$43,468.72	\$0.00		\$43,468.72
2015	\$14,235.41	\$0.00		\$14,235.41
2014	\$6,732.98	\$0.00		\$6,732.98
2013	\$1,345.25	\$1,571.79		\$2,917.04
2012	\$937.20	\$1,845.64		\$2,782.84
2011	\$345.43	\$1,024.35		\$1,369.78
2010	\$454.81	\$536.63		\$991.44
2009	\$137.83	\$314.70		\$452.53
2008	\$12.53	\$291.49		\$304.02
2007	\$0.00	\$0.00		\$0.00
	\$0.00			\$0.00
<b>TOTALS</b>	<b>\$502,493.05</b>	<b>\$5,584.60</b>		<b>\$508,077.65</b>
DISCOUNT	\$0.00			
INTEREST	\$29,310.91	\$3,541.54		\$0.00
TOLERANCE	(\$17.38)	(\$3.83)		
ADVERTISING	\$2,016.87	\$6,835.20		
GARNISHMEN	\$16,135.77			
NSF/ATTY	\$112.95			
LEGAL FEES	\$4.95			
<b>TOTALS</b>	<b>\$550,057.12</b>	<b>\$15,957.51</b>		<b>\$566,014.63</b>
MISC FEE	\$0.00	\$0.00		\$0.00
TAXES COLL	\$550,057.12	\$15,957.51		\$566,014.63
DEF	\$7,971.21	\$8,704.84	\$0.00	\$8,704.84
DISC	(\$19.53)	\$558,761.96	\$0.00	\$558,761.96
TOL	\$0.00		\$0.00	
INT	\$753.16		\$0.00	
			\$15,957.51	
<b>TOTAL UNCOLLECTED TAXES APRIL 2018</b>				
	AMOUNT-REAL	AMOUNT-VEH		COMBINED AMT
2017	\$1,924,891.73	\$0.00		\$1,924,891.73
2016	\$588,567.75	\$0.00		\$588,567.75
2015	\$350,235.39	\$0.00		\$350,235.39
2014	\$297,750.01	\$0.00		\$297,750.01
2013	\$167,855.48	\$69,532.01		\$237,387.49
2012	\$117,364.40	\$79,842.30		\$197,206.70
2011	\$85,325.04	\$59,732.53		\$145,057.57
2010	\$76,104.88	\$55,002.33		\$131,107.21
2009	\$74,564.35	\$51,761.07		\$126,325.42
2008	\$54,999.61	\$62,717.73		\$117,717.34
2007	(\$0.00)	\$0.00		(\$0.00)
	\$3,737,658.63	\$378,587.97		\$4,116,246.60
DEF REV	\$59,313.47	\$0.00		\$59,313.47
<b>TOTAL UNCOLLECTED</b>	<b>\$3,796,972.10</b>	<b>\$378,587.97</b>		<b>\$4,175,560.07</b>

**TAX ABATEMENTS AND SUPPLEMENTS**

The Tax Assessor provided Commissioners with a detailed written report regarding tax abatements and supplements during *April 2018*. The monthly grand total of tax abatements was listed as \$4,087.89 and monthly grand total for tax supplements was listed as \$46,959.57.

**EMERGENCY MEDICAL SERVICES: BUDGET AMENDMENT (BNA #048)**

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

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
010.437.4.310.00	93889-3SMT	Public Safety Grants/Fd. Gov. Grants	\$2,000.00	
010.437.5.210.00	93889-3SMT	Public Safety Grants /Departmental Supply	\$1,755.00	
010.437.5.240.00	93889-3SMT	Public Safety Grants /Automotive Supplies	\$245.00	

*Explanation of Revisions:* Budget reimbursement based grants funds from NCOEMS and Metrolina Healthcare Preparedness Coalition (MHPC) for the purchase of Mobile Shelving carts, Husky HB 4500 Jacks, Heavy duty tote and vinyl door hanging.



**SHERIFF'S OFFICE: BUDGET AMENDMENT (BNA #049)**

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

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
010.444.4.991.00		Detention Center/Fd. Balance Approp	\$5,000.00	
010.444.5.357.02		Detention Center /H/Inmate-SSA	\$5,000.00	

**Explanation of Revisions:** Request to budget funds received for purchase of materials and novelty items for special projects not covered in general budget.

**LIBRARY: BUDGET AMENDMENT (BNA #050)**

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

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
010.611.5.810.00		Library/Donations/Contributions	\$35,418.00	
010.611.5.790.00		Library/Donations/Contributions	\$35,418.00	

**Explanation of Revisions:** budget donation received over the budgeted amount for FY 18 in order to purchase needed furniture, equipment and other needs for the library.

**PUBLIC SAFETY: BUDGET AMENDMENT (BNA #051)**

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

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
010.437.4.310.00	97067-HSGP	Public Safety Grants/Fed Govt. Grants	\$7,600.00	
010.437.5.700.00	97067-HSGP	Public Safety Grants/ Grants	\$7,600.00	

**Explanation of Revisions:** To budget additional grant funds from NC Department of Public Safety for trailer supplies. This is supplemental funds on top of \$54K grant from FY17 that was for the trailers to be purchased for Cabarrus, Rowan and Catawba Counties.

**COMMISSIONERS**

**ACTION:** Commissioner Allen made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following Proclamation for Salvation Army Week 2018.***



Proclamation

04-2018

Proclamation for National Salvation Army Week 2018

Whereas, a love for God and a desire to help others is the motivation behind the men and women of The Salvation Army; and

Whereas, The Salvation Army in Shelby/Cleveland County, North Carolina, provides much more than spiritual counseling and basic human necessities to the needy and hurting on a daily basis; and

Whereas, The Salvation Army serves as a symbol of compassion, bur more so an active participant in the provision of services to thousands of Shelby/Cleveland County, North Carolina, men, women and children; and

Whereas, The Salvation Army has been providing these programs to residents for more than half a century and provides its services to people in need without discrimination;

Now, Therefore Be It Resolved That the Cleveland County Board of Commissioners proclaim the week of May 14 - 20, 2018, as National Salvation Army Week and ask all of our citizens to join in honoring the dedicated people who work or volunteer for this fine organization and touch the lives of so many.

Adopted this, the 15th day of May, 2018.

Eddie Holbrook, Chairman

Susan Allen, Vice-Chairman

Johnny Hutchins, Commissioner

J. Ronnie Whetstine, Commissioner

Douglas Bridges, Commissioner



LEGAL

ACTION: Commissioner Allen made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, approve the following Plato Lee 100 kV Transmission Easement:

PREPARED BY: Karol P. Mack, Deputy General Counsel, Duke Energy Corporation
Mail To: Duke Energy Carolinas, LLC
Data & Document Management
550 S. Tryon St., DEC22A
Charlotte, N.C. 28202
Site: 114827
Land Unit: 1694936
Project No: 114827-458244

STATE OF NORTH CAROLINA

EASEMENT

COUNTY OF CLEVELAND

THIS EASEMENT is granted this \_\_\_ day of \_\_\_, 20 \_\_, by CLEVELAND COUNTY, a political subdivision of the State of North Carolina, having a mailing address of Post Office Box 1210, Shelby, North Carolina 28151-1210 ("Grantor"), and DUKE ENERGY CAROLINAS, LLC, a North Carolina limited liability company, having a mailing address of Data & Document Management, 550 S. Tryon St. DEC22A, Charlotte, North Carolina 28202 ("DEC");

WITNESSETH:

That Grantor, in consideration of Ten Dollars (\$10.00) and other valuable considerations paid by DEC, the receipt and legal sufficiency of which is hereby acknowledged, does grant and convey unto DEC, its successors and assigns, the perpetual easements and rights of way set forth herein, for the purposes and subject to the terms and conditions set forth herein, over and across the land of Grantor (the "Premises") lying in the State and County aforesaid and being more particularly described in the instrument recorded in Book 1442, Page 548, Cleveland County Registry.

As used herein, the term "Right of Way Strip" shall mean those areas or parcels of land containing 0.338 ± acres, all as shown on a plat of survey entitled "Right-of-Way Acquired from Cleveland County," dated September 27, 2017, marked Map: 104074-001770-B1, said plat being attached hereto as Exhibit A and incorporated herein by reference.

The easement and right of way herein granted by Grantor to DEC, its successors and assigns, over the Premises is subject to the following terms and conditions:

- (a) DEC's Use of Right of Way Strip. Grantor grants to DEC, its successors and assigns, a perpetual easement to enter upon the Premises within the Right of Way Strip (as defined herein) to construct, reconstruct, replace, rebuild, enlarge, modify, remove, inspect, repair, maintain, operate, and use within the Right of Way Strip multiple lines for transporting electrical energy

and for telecommunications and/or data uses of DEC, its successors and assigns, which lines may consist of single or multiple rows of poles, towers, or other structures (at appropriate intervals and without limitation as to number) and related footings and foundations; crossarms; insulators; aboveground and/or underground conductors, static wires, grounds, cables, conduits, electronic equipment, and other appurtenant apparatus, fixtures, hardware, and appliances; and guy wires and anchors inside and/or outside the Right of Way Strip to support DEC's overhead facilities at angle points. DEC shall have the right to: (i) clear and keep the Right of Way Strip free of all trees and other vegetation (except as provided in subsection (b) below), structures, and other objects of any nature including, without limitation, satellite signal receiver systems, billboards, signs, buildings, manufactured homes, mobile homes and trailers, graves, wells, retaining walls, racking, dumpsters, sheds, fire pits or barbecues, swimming pools and any associated decking, septic systems or storage tanks and systems (whether aboveground or belowground), flammable materials, building materials, wrecked or disabled vehicles or equipment, refuse of any type, and all other objects (whether aboveground or belowground); and (ii) install and maintain roads within the Right of Way Strip and install gates in any fences located within the Right of Way Strip, to afford DEC access to the Right of Way Strip.

- (b) Grantor's Reserved Use. Grantor shall be entitled to use the Right of Way Strip for all purposes not inconsistent with the rights and easements herein granted to DEC, including the right to: (i) cultivate and harvest annual seasonal crops (not including orchards or timber); (ii) pave, improve and use the Right of Way Strip for vehicular parking, provided that such vehicles are operable and readily moveable under their own power and further provided that Grantor installs protective barriers satisfactory to DEC for the protection of DEC's facilities; (iii) use the Right of Way Strip for recreation, provided no structures or objects (aboveground or belowground) are erected or placed therein without the prior written approval of DEC (which DEC may withhold in its sole discretion); (iv) use and maintain existing roads and drives and sewer, water, and other utility lines within the Right of Way Strip at their existing locations as of the date of this instrument; (v) construct, use, and maintain new paved or unpaved roads, streets, and driveways and new water, sewer, drainage, and other utility lines or pipes crossing the Right of Way Strip, provided such facilities conform to the following requirements: (A) such facilities cross the Right of Way Strip from one side of the Right of Way Strip to the other side at an angle of not less than thirty (30) degrees between the center line of said facilities and the center line of the Right of Way Strip, (B) no road, street, or driveway shall intersect with any other road, street, or driveway, in whole or in part, within the Right of Way Strip, (C) no portion of such facilities and their associated easement area, if any, is located within twenty-five (25) feet of any of DEC's poles, towers, structures, guy wires, or guy anchors, (D) such facilities are constructed in such a manner as to withstand the weight of DEC's heavy equipment, and (E) such facilities are constructed in strict compliance with all clearance requirements of DEC and all other regulations and ordinances then applicable to electrical facilities; (vi) maintain existing fences, provided that DEC may add gates to allow it access as set forth in subsection (a)(ii) above; (vii) build new fences on the Right of Way Strip with the prior written approval of DEC (which DEC may withhold in its sole discretion), provided any such new fences conform to the following requirements: (A) such fences shall not be attached to DEC's poles, towers or structures, (B) such fences shall be installed at least twenty-five (25) feet from DEC's poles, towers, structures, guy wires, and guy anchors, (C) such fences shall not exceed 10 feet in height, (D) such fences shall cross the Right of Way Strip from one side of the Right of Way Strip to the other side at an angle of not less than

New 10.6.2016

2

30 degrees between the centerline of the fence and the center line of the Right of Way Strip, and (E) if a fence crosses the Right of Way Strip or makes part of it inaccessible to DEC, Grantor shall install a gate pursuant to DEC's specifications to allow free access required by DEC's vehicles and equipment; and (viii) excavate, grade, and fill, provided Grantor receives DEC's prior written approval (which DEC may withhold in its sole discretion), which approval may contain conditions including, without limitation, the allowable grade and distances from DEC's facilities that cannot be excavated.

- (c) DEC's Use of Premises Outside of the Right of Way Strip. Grantor further grants to DEC, its successors and assigns, the right to enter upon the Premises outside of the Right of Way Strip for the following purposes and uses:
- (1) to cut, fell and remove any and all trees on the Premises that are or may become tall enough, in DEC's opinion, to fall on or otherwise endanger a line or other facility or structure within the Right of Way Strip ("**Danger Trees**").
  - (2) to gain access to the Right of Way Strip and Danger Trees at any time and from time to time by vehicles, equipment, and pedestrians, provided that DEC's use of the Premises outside of the Right of Way Strip shall be confined to then-existing streets, roads, and driveways to the extent they provide sufficient access to the Right of Way Strip and/or Danger Trees by vehicles, equipment, and pedestrians. If then-existing streets, roads, and driveways do not provide sufficient access, then DEC shall be entitled to use a reasonably convenient and feasible access route or routes over the Premises to access the Right of Way Strip and/or Danger Trees and shall be entitled to construct and maintain a roadway or driveway for such purposes.
- (d) Antennas and Related Equipment. Grantor further grants to DEC, its successors and assigns, the following rights:
- (1) to attach antenna or other equipment or devices for wireless or other telecommunications or data transmission ("**Communications Equipment**") to poles, towers, or other support structures within the Right of Way Strip, including the right to add, modify, enlarge, and/or extend any poles, towers, or other support structures for such purposes.
  - (2) to use one or more portions of the Right of Way Strip, having dimensions not exceeding twenty-five (25) feet by twenty-five (25) feet and located adjacent to or at the base of each such pole, tower, or other support structure to which Communications Equipment is attached (each a "**Communications Area**") to construct, reconstruct, replace, rebuild, enlarge, modify, remove, inspect, maintain, and use electronic equipment and other equipment necessary or desirable in connection with wireless or other communications from and to the Communications Equipment installed upon such pole, tower, or other support structure. DEC shall be entitled to designate the location of the Communications Areas and may relocate such Communications Areas within the Right of Way Strip if such pole, tower, or other support structure to which Communications Equipment is attached is relocated.

New 10.6.2016

3



(3) to enter upon the Premises outside of the Right of Way Strip to gain access to the Communications Areas and Communications Equipment by vehicles, equipment, and pedestrians, provided that DEC's use of the Premises outside of the Right of Way Strip shall be confined to then-existing streets, roads, and driveways to the extent they provide sufficient access to the Communications Areas and/or Communications Equipment by vehicles, equipment, and pedestrians. If then-existing streets, roads, and driveways do not provide sufficient access, then DEC shall be entitled to use a reasonably convenient and feasible access route or routes over the Premises to access the Communications Areas and/or Communications Equipment and shall be entitled to construct and maintain a roadway or driveway for such purposes, provided that Grantor shall be entitled to relocate any such roadway or driveway constructed by DEC for such purposes, at Grantor's sole cost and expense and after obtaining DEC's prior written approval, elsewhere on the Premises, but in such case, Grantor also must construct and install a comparable replacement roadway or driveway, at Grantor's sole cost and expense and without interrupting access to the Communications Areas and/or Communications Equipment. DEC shall not unreasonably withhold written approval of Grantor's request to relocate such roadway or driveway hereunder; provided, however, that DEC's failure to approve shall be deemed reasonable if reasonably convenient and feasible access to and from the Communications Areas and/or Communications Equipment is not afforded by the proposed replacement access route or routes.

(4) to construct, reconstruct, replace, rebuild, inspect, maintain, and use underground telephone and electrical lines to serve the Communications Equipment and Communications Areas, which underground lines may be installed along and generally parallel to the access route or routes established pursuant to subpart (d)(3) above. Provided, however, that if Grantor relocates a roadway or driveway pursuant to subpart (d)(3) above and within which DEC has installed underground lines pursuant to this subpart (d)(4), then Grantor also must relocate such underground lines, at Grantor's sole cost and expense and without interrupting service to the Communications Areas and/or Communications Equipment along or in the vicinity of the access route or routes as relocated by Grantor.

(e) DEC's Repair Obligation. DEC shall repair damage to the Premises, including roads, driveways, and fences, resulting directly from DEC's exercise of its rights granted herein. Provided, however, for purposes of the initial clearing of all trees which DEC is entitled to cut and remove from the Premises pursuant to Paragraphs (a) and (c) herein, said trees shall, upon such cutting, become the property of DEC. Nothing in this Easement shall impose upon DEC any duty to repair or warn of any condition or any type of injury or damage to the Premises existing prior to the date of this Easement nor shall DEC have any duty to repair or warn of any condition or any type of injury or damage upon the Premises caused by the Grantor, any third party, any Act of God, or any natural process, including, without limitation, erosion or conditions caused by vegetation.

The failure of DEC to exercise or continue to exercise any of the rights herein granted shall not be construed as a waiver or abandonment of the right thereafter at any time or from time to time to exercise any and all of such rights.

New 10.6.2016

**TO HAVE AND TO HOLD** the aforesaid rights, privileges and easements unto DEC, its successors and assigns forever.

And Grantor, for the Grantor and for the Grantor's successors and assigns, covenants to and with DEC, its successors and assigns, that Grantor is lawfully seized of the above described land in fee and has the right to convey the said rights and easements, that the same is free and clear from any and all encumbrances, and that Grantor will forever warrant and defend the title to the said rights and easements against the lawful claims of all persons whomsoever.

**IN WITNESS WHEREOF**, this instrument is executed on the date first above written.

**GRANTOR:**  
**Cleveland County**  
a political subdivision of the State of North Carolina

By: Eddie Holbrook  
Print Name: Eddie Holbrook  
Title: Chair - Board of Commissioners

STATE OF NORTH CAROLINA

COUNTY OF Cleveland

I certify that Eddie Holbrook personally appeared before me this day, acknowledging to me that he or she signed the foregoing Easement.

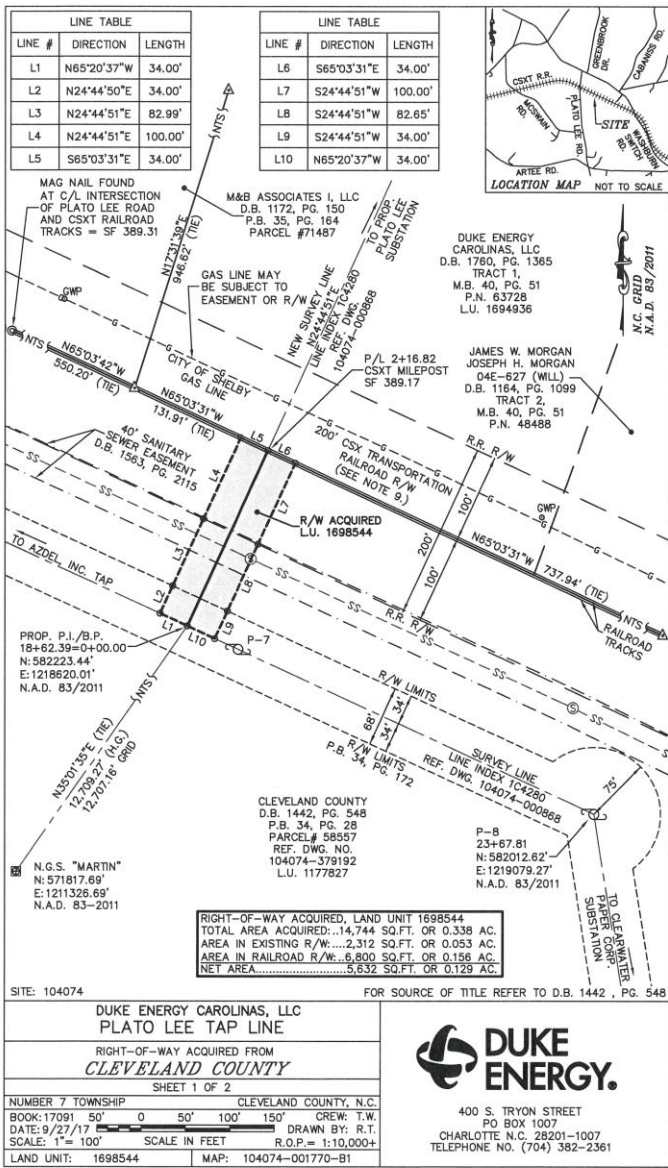
Date: 5-15-18

April N. Curtis  
Notary Public

My Commission Expires: 5-7-2020

(Notary Seal)





**REGULAR AGENDA**

**FY 2018-2019 COUNTY MANAGER'S RECOMMENDED BUDGET**

Chairman Holbrook requested County Manager Brian Epley come to the podium to present the 2018-19 Manager's Recommended Budget.

Mr. Epley thanked the board for the opportunity to present his recommended budget. This year's budget is centered on sustaining a balanced and priority based budget, improve and maintain service levels and operational efficiencies and enhance transparency. Multiple Commissioners meetings have led to the budget presentation, including the October 3, 2017 Capital Work Session and the February 8, 2018 Budget Work Session.

The Manager's Budget is balanced on .57 cent property tax rate, the public-schools will remain at a .15 cent tax rate and the Fire Service District will remain at 8.75 cents. The .57 tax rate is distributed by:

- 36.3 cents in annual payroll
- 15.7 cents to schools and the community college
- 4.5 cents to the capital improvement plan
- .5 cents to community and municipal grants

The tax rate has remained un-changed since 2007 and has decreased three times since 1997, while the unemployment rate has gone from approximately 14.5% in 2009 to 4.4% in 2018.

Since 2016 the change in assessed value has grown from \$8.105 Billion to \$8.759 Billion. Projected tax base growth for 2018 includes NTE effect of 3.10%, Natural Base Growth of 1.10% and Duke Energy Effect of -1.00% totaling 3.20% growth. Mr. Epley stated that Duke Energy is assessed by the state and the state lowered the taxable value due to less utilization of plant equipment but he is hopeful with the natural gas line that has been installed this will return to full utilization in future years. Mr. Epley stated the Public School Funding for FY 18-19 would be \$1,975 per pupil and total funding for public school equals \$29,751,053.

Budgeted Revenue for 18-19 comes from Ad Valorem Taxes (54%), Sales Taxes (12%), Restricted Governmental (23%), Permits and fees (4%), Sales and Services (6%) and Other Miscellaneous (1%). Mr. Epley commended the board and the staff for having diverse budgeted revenue. Included in the budgeted available dollars for 2018-19 are new tax base growth at 3.2%, sales tax growth of 2%, Health and Human Services Cost Share Reduction and Reengineering all totaling \$3,207,000 budget flexibility.

Expenses are broken down by function and are reflective with other counties in North Carolina, the top three being Human Services, Education and Public Safety.

The total 2018-19 budget is \$114,667,935. In the past 5 years the net-change in the budget has been a little over 1%. That is possible due to reengineering including Federal/ State funding utilization, process re-design and cross departmental collaboration with an annual impact of \$2,894,630 and an average 5 year savings of \$14,473,150. In the Health and Human Services Department which makes up about 50% of our FTE, budget trends

are lowering. From 2015, the Social Services Budget went from 7,948,055 to 7,732,622 in 2019 and the Public Health Center Budget went from 4,014,273 in 2015 to 3,511,276 in 2019.

Mr. Epley presented about the Boards Strategic Goals first being Fiscal Sustainability. Implementation of Phase I of the Pay and Class Study was completed in January of 2018 and will continue in the 2019 budget with an amount of approximately \$2 Million. Also included in the budget is Phase II which includes the Policy and Administration. Mr. Epley will present those recommendations to the board in the 1<sup>st</sup> quarter of 2018-19. Staff is continuing to work on the Software Upgrade, has completed and is working through the Facility Master Plan, is strategically growing Fund Balance and developing re-engineering and cost saving strategies. Our current fund balance is 18.5% which is close to our peer counties. The Manager has three recommendations for Re-engineering cost savings that include Employee Pharmacy Modifications, Medical Billing & Collections and Process/I.T. Redesign. Currently the pharmacy has a 3-tier system and would like to move to a 4-tier system. This could result in a cost saving of approximately \$130,000. Mr. Epley stated he had 28 personnel requests for this year's budget and would like to recommend 5 in the Detention Center in the amount of \$180,000. This recommendation for additional FTE at the Detention Center comes from a consultant who works for the State Detention Board and writes jail standards. His analysis gave the Manager the recommendation of 5 additional detention officers, one for each shift and 1 floater in case of vacation or sick. Compensation recommended in the budget is a 1% inflation Adjustment. With the implementation of Phase I of the Pay and Class Study in January of this current year, a 1% inflation adjustment will keep the county competitive and in line with the market. Mr. Epley pointed out that in 2007, the average pay of a county employee was 13% below the average pay of a Cleveland County citizen, now the average pay of a county employee is 3% higher than the average pay of a Cleveland County citizen. Mr. Epley recommended this year a Health Plan Investment increase of 9% to the employer only, approximately \$567,000. This is less than the double digits other counties are seeing. Mr. Epley is not recommending any additional spousal or dependent increases.

The second focus area the manager concentrated on is Public Safety including Jail Construction, Animal Services, refresh of 800mhz Motorola Trunking System and VFD Strategic Plan. The total budget for public safety for 2018-19 is \$22,759,494. Animal Services has dramatically reduced the number of euthanized animals from 4540 in 2013 to 313 so far this 2017-18 budget year. Currently animals are fully vaccinated on intake as well as spay/neuter and micro-chipping before adoption. We have free adoption clinics, a full time Vet Tech and have a contract with a Veterinarian. Recommended in the budget is a 5 year refresh for the 800mhz trunking system. This system is used by public safety agencies all over Cleveland County.

The third focus area is Economic Development. Included in this focus are is workforce development, Dover Mill demolition/ highest & best use plan, analyze county owned property and assist the agriculture community to promote agriculture as Economic Development. Over the past 11 years over 17% of the state's taxable economic development capital investment has been in Cleveland County. Currently the county is promoting Charlotte's



Backyard through the Cleveland County Economic Development Partnership. We are working in partnership with Cleveland Community College and Cleveland County Schools on the Dual-Tract High School Program and two new promotions called Edge Factor and Taste of Industry. Recently 75 high school students went to an open house at Clearwater to see what our local manufacturing company has to offer. Cleveland County has 6 major business whose net revenue equates to 6.5 cents of the .57 cent tax rate and their revenue is equal to \$4.1 Million. If these industries had not be recruited, taxes would have had to increase or services cut.

The fourth focus area is Community Education and Customer Service Outreach. Under this focus are the County Manager concentrated on 4 items including the Municipal Grant Program, Organizational Rebranding, Educating to encourage a cleaner community and Increased veteran services. The manager recommends to continue to allocate \$60,000 to Municipalities through a competitive application process to be used for Parks and Recreational projects. This year they will be allocated to Casar and Belwood. A litter task force has been created and Cleveland County is working with CVI for hands on reactive trash pickup on county roads, and working with Cleveland County Schools on a poster contest.

The last and newest focus area is Community Wellness consisting of community health with a focus on lowering the health ranking, the fight against the opioid epidemic, providing public access to recreation and increase county-wide recycling. The Manager recommends continuing the Telemedicine and West End Reach Programs in the Graham School area. The Board has adopted a resolution to join the fight against the Opioid Epidemic. Also included in the budget is to continue to have Medicine drop boxes, distribute medication disposal kits, providing training to health care professionals about prescribing opioids for acute and chronic pain management and distribution of Narcan. The recommended budget includes a \$15,000 allocation to the Rail to Trail project which will extend from Shelby towards Patterson Springs and Grover.

As a reminder, the current flexibility and available funding for 2018-19 is \$3,207,000 aligned to the Board's Strategic Plan. Those additional funds are allocated to Pay & Class- \$2,000,000, 1% COLA-\$400,000, Employee Wellness-\$567,000, Five FTE in Detention- \$180,000 and Municipal Grant Program-\$60,000.

Mr. Epley took a minute to talk about capital projects. Multi-year Capital Planning includes the Doran Mill site cleanup, a County-wide Software System Upgrade, IT Fiber Infrastructure, Energy Savings and Conservation Initiative and Consolidation of the Detention Facilities. The Doran Mill cleanup contractor plans to be on site starting June 4. Currently, Keystone is working with staff to implement the software upgrade during the 18-19 budget. The rewiring of IT Fiber in the older buildings is included in this budget as well as continuing with Phase II of the Energy Saving initiative. The Manager is waiting to get the study back for the consolidation of the Detention Facilities.

Mr. Epley recommended no fee changes within the Solid Waste budget. The balanced budget for Solid Waste is \$7,519,425. Improvements such as lighting, safety features and parking lots will be made to convenience sites during FY 18-19.

Mr. Epley thanked the Board for allowing him to present his recommended budget and asked the board if they had any questions.

Commissioner Whetstine thanked Mr. Epley for all his hard work on this budget. One question Commissioner Whetstine asked was if the Duke Energy Coal project trend of going backwards is going to continue? Mr. Epley had spoken with Carl Debrew on this subject. Fuel cost for powering the plant have been challenging. There has been a natural gas option added that may fire that station 9 months out of the year. Mr. Epley believes there is some level of stability moving forward.

Commissioner Allen thanked Mr. Epley as well. She asked if the closing of Schletter would affect our tax rate? Mr. Epley explained, last year Schletter contributed about \$345,000 to the tax base, we have known of their challenges and have planned for that loss in revenue during budget discussions.

Chairman Holbrook asked to speak on a couple of those subjects. The Duke Energy Coal project has several old furnaces that were shut down due to pollution, what's left in operation are fairly new furnaces. It's hard to imagine Duke investing in new furnaces and not having a plan to have them in operation. Chairman Holbrook believes the new gas line will keep those furnaces in operation. The building that Schletter has occupied is very marketable, that size of building is very popular and the particular product they are marketing is luring other businesses to look into the building. Our hope is for both of those companies is Cliffside stabilizes and that there is little negative impact from Schletter because a sale to another company for a different use or to a company that has a comparable product line. Chairman Holbrook commended all the staff for the give and take they have endured to cooperate and make sure all departments in the County organization get what is needed to move in the right direction. The success of the organization does not depend on the Board it depends on departments and how well they do their job, and staff has a tendency to make the Board look good.

Commissioner Hutchins thanked Mr. Epley and his staff as well. One question he had was does the 1% inflation adjustment keep our people in the market place. Mr. Epley stated "Yes, with the pay and class study implemented January 2018 in which everyone was moved up to minimum in their job title, we also added a multiplier for years of service, we believe the 1% does keep us at market".

Commissioner Bridges thanked the staff for all their hard work. His question was how does our budget of approximately \$115 Million rank with other counties of our size and population? Mr. Epley explained, Cleveland County is in the top 30% in the state that have a budget that size. What the board accomplishes with that budget, with our management philosophy of doing more with less, and if you compare your strategic plan with our deliverables we are very competitive.

Chairman Holbrook noted that one of the challenges going forward is without these companies coming to Cleveland County we would have to increase taxes 6.5 cents or we would have dramatic cuts in the workforce. The County, Cleveland County Schools and Cleveland Community College must keep recruiting our youth population to stay in Cleveland County and providing them with opportunities. If we do not keep our population here we could

potentially eliminate ourselves from new economic development. The Public Hearing for the FY 18-19 Recommended Budget will be held during the next Commissioners meeting on Tuesday, June 5<sup>th</sup>. At that time the board will approve or deny the budget.

### Managers Recommended Budget FY 2018-2019

Cleveland County, North Carolina

1

### BUDGET OBJECTIVES

- Structurally Balanced & Priority Based Budget
- Maintain or Improve Service Levels
- Evaluate and Improve operational efficiencies
- Enhance Transparency and Communication

2

### BUDGET CALENDAR

- 10/03/2017 – Capital Work Session
- 02/08/18 – Budget Work Session
- 05/15/2018 – Budget Presentation
- 08/02/2018 – Budget Adoption

3

### LOCAL TAX RATES

- Cleveland County / 57 cents
- County Schools / 15 cents
- Fire Service District / 8.75 cents

4

### WHAT MAKES UP THE \$0.57 TAX RATE

Organizational Annual Payroll	36.3 cents
Public School Operating/Capital Allotment	13.7 cents
Internal Capital Improvement Plan	4.5 cents
Community College Allotment	2 cents
Community/Municipal Grants	.5 cents
<b>Tax Rate</b>	<b>57 cents</b>

5

### UNEMPLOYMENT RATE AND TAX RATE

#### Tax Rate History

#### Unemployment Rate

6

### SEVEN YEAR TAX BASE GROWTH

Tax Year	Change in Assessed Value
2012	4.58%
2013	6.58%
2014	6.16%
2015	2.10%
2016	3.67%
2017	1.54%
<b>Projected 2018</b>	<b>3.10%</b>
NTE Effect	1.10%
Natural Base Growth	1.10%
Duke Energy Effect	-1.00%
<b>Total 2018</b>	<b>3.20%</b>

7

### VALUE OF A PENNY

	2012	2013	2014	2015
Total County Tax Base	\$6,325,880,000	\$7,974,880,000	\$8,281,880,000	\$8,719,880,000
Tax Rate	\$7 cents	\$7 cents	\$7 cents	\$7 cents*
Value of Penny	\$820 k	\$795 k	\$829 k	\$840 k

\* Recommended Rate

8

### PUBLIC SCHOOL FUNDING

Property Tax Revenue	\$ 13,001,053
Sales Tax Revenue	\$ 3,700,000
Local Operational Appropriation	\$ 10,200,000
Local Capital Appropriation	\$ 1,400,000
Sales Tax Capital Appropriation	\$ 1,450,000
<b>Total</b>	<b>\$ 29,751,053</b>

Public School System	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Per Pupil Funding	\$1,822	\$1,904	\$1,923	\$1,975**

\*\*Projected local funding would be approximately top third (1/3) of all LEAs in NC

9

### GENERAL FUND

Managers Recommended Budget FY 2018-2019

10

### FY 18/19 BUDGETED REVENUE

11

### FY 18/19 AVAILABLE DOLLARS

Category	Value
<b>Tax Base Growth</b>	
NTE Effect	3.1%
Natural Base Growth	1.1%
Duke Energy Effect	1.0%
<b>Sales Tax Growth (2.0%)</b>	<b>\$ 185,000</b>
Incentive Roll Offs	\$ 50,000
Increase in Investment Earnings	\$ 75,000
<b>Health &amp; Human Services Cost Share Reduction</b>	<b>\$ 294,000</b>
Capital Spending Optimization	\$ 317,300
Debt Service Reduction	\$ 214,700
<b>Re-Engineering / Indirect Cost Management</b>	<b>\$ 430,000</b>
<b>Total Budget Flexibility</b>	<b>\$ 3,207,000</b>

1) Planning Service  
2) Central Collection Billing  
3) Historic Redesign (P/R Management)

12

### FY 18/19 EXPENSE ALLOCATION

Human Services	21%
Cultural and Recreation	2%
Education	20%
Public Safety	25%
General Governmental	2%
Economic and Physical Development	6%

13

### GENERAL FUND BUDGET TREND

14

### 5-YEAR RE-ENGINEERING BUDGET IMPACT

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

15

### 5-YEAR HEALTH AND HUMAN SERVICES BUDGET TREND

16

### STRATEGIC GOAL FOCUS AREAS

Managers Recommended Budget FY 2018-2019

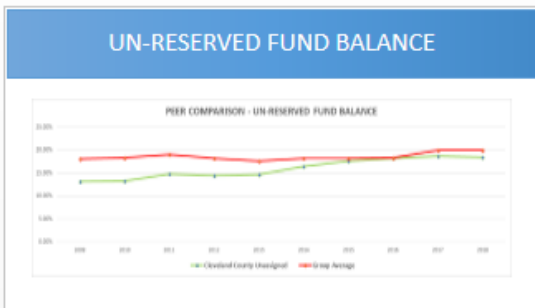
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### FISCAL SUSTAINABILITY

- Phase I & II of Pay and Classification Study
- Complete Software Upgrade to improve business intelligence and customer service
- Facility Master Plan Process
- Fund Balance Growth
- Re-engineering Innovation & Implementation

18





19

- ### FISCAL SUSTAINABILITY
- Re-Engineering
  - Personnel Requests
  - Employee Compensation
  - Employee Wellness

20

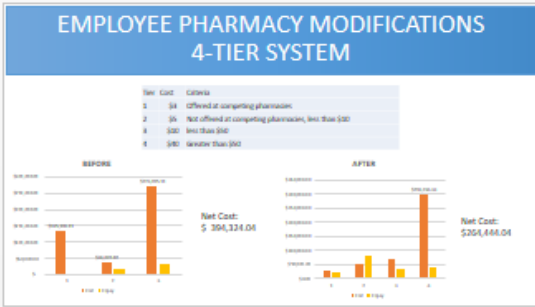
### FY 18/19 RE-ENGINEERING PROJECTED SAVINGS

1. Employee Pharmacy Modifications.....	\$ 130,000
2. Medical Billings & Collections.....	\$ 225,000
3. Process / I.T. Redesign .....	\$ 75,000
<b>Total</b>	<b>\$ 430,000</b>

21



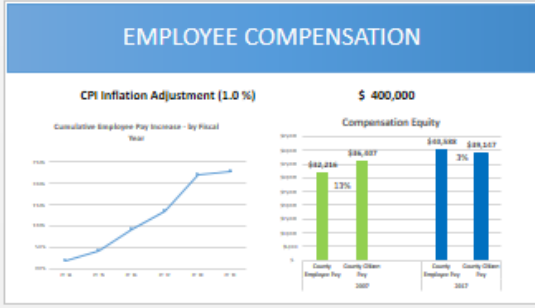
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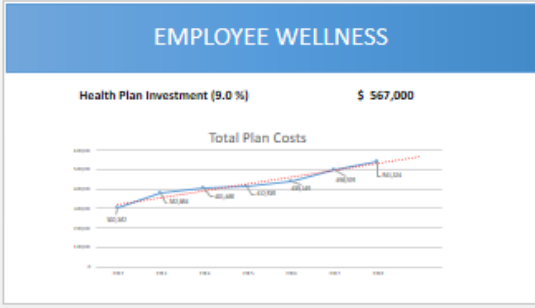
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26

### PUBLIC SAFETY

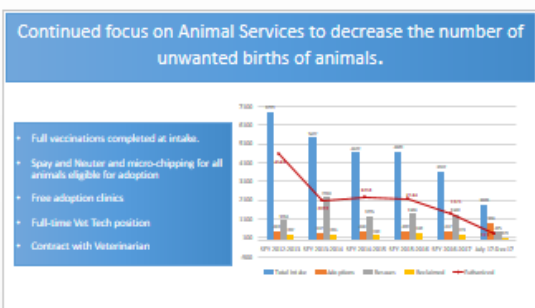
- Construction of jail to improve efficiencies by co location and increasing capacity
- Continued focus on Animal Services to decrease the number of unwanted births of animals.
- Cleveland County 800mhz Motorola trunking system management plan – 5 Year Refresh
- Continuation of goals from VFD Strategic Plan.

27

### CLEVELAND COUNTY PUBLIC SAFETY DEPARTMENT FUNDING

Department	FY 14-15	FY 18-19	% Change
Detention Center	\$4,333,156	\$5,719,472	32%
Sheriff's Department	\$7,011,636	\$8,557,054	22%
Emergency Medical Services	\$6,462,508	\$6,874,064	6%
Emergency Management	\$ 400,341	\$ 376,631	-6%
E-911/Communications	\$1,400,409	\$1,232,273	-12%
<b>Total Public Safety Budget</b>	<b>\$19,608,050</b>	<b>\$22,759,494</b>	

28



29

### Cleveland County 800mhz Motorola Trunking System Management Plan – 5 Year Refresh

- Upgrade 800mhz trunking system from Version 7.14 to Version 7.20
- Refresh all servers and routers and all radio equipment
- Upgrade to all Cleveland County Public Safety Agencies

30

### ECONOMIC DEVELOPMENT

- Partner with Cleveland Community College and Cleveland County Schools to promote dual-tract and workforce development.
- Dover Mill - Demolition / Highest & Best Use Project
- Analyze current property, prepare site due diligence and product development
- Determine ways to assist the Agriculture community in their efforts to promote Agriculture as an economic development opportunity

31

### Partner with Cleveland Community College and Cleveland County Schools to promote dual-tract and workforce development

- Charlotte's Backyard
- Dual-Tract High School program
- Edge Factor/Taste of Industry

32

### Cleveland County Incentive Program

Existing Incentivized Clients :

- Net Revenue equates to 6.5 cents of 57 cent tax rate
- Net Revenue approximately \$4.1M

33

### COMMUNITY EDUCATION AND CUSTOMER SERVICE OUTREACH

- Municipal Grant Program
- Organizational Rebranding & Marketing
- Educational campaign to encourage a cleaner community
- Explore opportunities to increase Veteran's Support Services

34

### Municipal Grants

Program will allocate \$60,000 on an annual basis, disseminated to Cleveland County Municipalities through a competitive application to be used for Parks and Recreation projects.

35

### Cleveland County Litter Initiative

- Litter Task Force created
- Partnership with Cleveland Vocational Industries for litter clean-up
- Marketing campaign engaging local school system including poster contest

36

**COMMUNITY WELLNESS**



- Focus on community health by engaging community partners aimed at lowering health rankings.
- Intentional focus on actively engaging in the fight against the opioid epidemic.
- Provide public access to recreation and physical activity
- Take steps to increase county-wide recycling to reduce landfill waste stream

37

**Focus on community health rankings**

GRAHAM SCHOOL  
TELEMEDICINE




WEST END REACH TRANSIT

38

**Intentional Focus on Opioid Epidemic**

- County adopted resolution joining fight against Opioid Epidemic
- Minimum of 3 Operation Medicine Drop events annually
- Distribution of home medication disposal kits – Hospice, EMS, home health
- Healthcare Provider Training – best practices for prescribing opioids for acute and chronic pain management
- Narcan Distribution Program



39

**Provide public access to recreation and activity**



Cleveland  
County, North  
Carolina  
Rail Trail  
Master Plan

40

**BUDGET SUMMARY**

Managers Recommended Budget FY 2018-2019



41

**FY 18/19 AVAILABLE DOLLARS**

Tax Base Growth		
NTC Effect	3.10 %	\$ 1,596,000
Natural Base Growth	1.1 %	\$ 501,000
State Energy Effect	1.0 %	\$ 416,000
Sales Tax Growth (2.0%)		\$ 185,000
Incentive Red. Off.		\$ 50,000
Increase in Investment Earnings		\$ 75,000
State Public Services Cost Share		\$ 294,000
Capital Spending Optimization		\$ 312,298
Debt Service Reduction		\$ 214,702
Re-Engineering / Indirect Cost Management		\$ 430,000
<small>1) Housing Storage 2) Central Collection Billing 3) Account Billing (HR Management)</small>		
<b>Total Budget Flexibility</b>		<b>\$ 3,207,000</b>

42

**FY 18/19 BUDGET SUMMARY**

Additional Available Dollars	\$ 3,207,000
Pay & Class	\$ 2,000,000
Employee Compensation 1.0 % COLA	\$ 400,000
Employee Wellness	\$ 567,000
5 New FTE – Detention	\$ 180,000
Municipal Grant Program	\$ 60,000
<b>Total Strategic Plan Considerations</b>	<b>\$ 3,207,000</b>

43

**MULTI-YEAR CAPITAL PLANNING**

Managers Recommended Budget FY 2018-2019



44

**CAPITAL PLANNING**

- Doran Mill Site Cleanup
- County-wide Software System Upgrade
- IT Fiber Infrastructure
- Energy Savings and Conservation Initiative
- Consolidation of Detention Facilities

45

**SOLID WASTE FUND**

Managers Recommended Budget FY 2018-2019



46


**SOLID WASTE BUDGET SUMMARY**

- No Fee Changes
- Total Revenue - \$ 7,519,425
- Total Expense - \$ 7,519,425
- Convenience Center Site Improvements
  - Lighting
  - Safety Features
  - Parking Lots

47

**QUESTIONS**

Managers Recommended Budget FY 2018-2019



48

## COMMISSIONER REPORTS

**Commissioner Whetstine** – attended several prayer events over the past two weeks. . He stated he is very grateful for all the volunteers that Cleveland County has. He attend the Council on Aging meeting last Friday and also had an IPDC meeting.

**Commissioner Bridges** – asked Register of Deeds Betsy Harnage to stand and give an update on her office. Starting next Tuesday the Register of Deeds office will start accepting applications for Passports. Commissioners thanked her for getting this service in her office.

**Commissioner Hutchins** – stated the Senior Center in Shelby lost power for several hours and is reaching out to the community if they can help in anyway it would be much appreciated. They lost a lot of food for their meals on wheels program.

**Commissioner Allen** – spoke about the “don’t be a litter bug” poster contest. They received 245 posters. The winners will have their posters on a billboard in Cleveland County.

## ADJOURN

There being no further business to come before the Board at this time, Commissioner Hutchins made the motion, seconded by Commissioner Allen, and unanimously adopted by the Board, *to adjourn the meeting*. The

next meeting of the Commission is scheduled for *Tuesday, June 5, 2018 at 6:00 p.m. in the Commissioners Chamber.*

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*Eddie Holbrook, Chairman  
Cleveland County Board of Commissioners*

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*April Crotts, Deputy Clerk to the Board  
Cleveland County Board of Commissioners*