

Cleveland County Board of Commissioners
May 29, 2018

The Cleveland County Board of Commissioners and the City of Shelby Council met in a special called session on this date, at the hour of 4:30 p.m. at the LeGrand Center located at 1800 E. Marion Street in Shelby.

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
Phyllis Nowlen, Clerk to the Board
Kerri Melton, Assistant County Manager
Shane Fox, CFO
Chris Green, Tax Administrator

CITY OF SHELBY PRESENT:

Stan Anthony, Mayor
David White, Ward 2 Councilman
David Causby, Ward 3 Councilman
Violet Dukes, Ward 4 Councilman
Dicky Amaya, Ward 6 Councilman
Rick Howell, City Manager
Robert Yelton, City Attorney
Bernadette Parduski, City Clerk

CALL TO ORDER

Chairman Eddie Holbrook called the meeting to order and led the audience in the Pledge of Allegiance. The City of Shelby Mayor, Stan Anthony, provided the invocation for the meeting.



Cleveland County Board of Commissioners

Special Meeting Notice

In compliance with North Carolina General Statutes 153A-40 and 143-318.12, NOTICE IS HEREBY GIVEN that a Special Meeting of the Cleveland County Board of Commissioners will be held on Tuesday, May 29, 2018 at 4:30PM at the LeGrand Center, 1800 E. Marion Street, Shelby, NC 28150.

The general purpose of this meeting is to hold a joint meeting between the Board of County Commissioners and the Shelby City Council pursuant to North Carolina General Statutes 153A-353 and 160A-360(g).

Agenda

1. Presentation by ALTA Design on the Rail Trail Master Plan
2. Shelby Cleveland County Regional Airport – Project Update
3. Doran Mill Abatement and Demolition Project and Highest and Best Use Study
4. Resolution authorizing an agreement between the City of Shelby and Cleveland County for the funding, design and construction of Job Ready Shell Building No. 3 at the Foothills Commerce Center
5. Cleveland County Commissioners Only – ARC Lease Discussion


Eddie Holbrook, Chairman

Posted: May 25, 2018

(Notice was posted on the Commissioner Chamber doors, the County Administration Building entrance doors, the Cleveland County webpage and e-mailed to the Sunshine List on Friday, May 25, 2018).

REGULAR AGENDA

PRESENTATION BY ALTA DESIGN – RAIL TRAIL MASTER PLAN

Shelby Mayor Anthony called John Cox with ALTA Design to the podium to present the Rail Trail Master Plan. Mr. Cox stated the purpose of his presentation is to present to the City Council and Board of County

Commissioners, the Rail Trail's big picture plan and its potential effects on the community such as travel/tourism, economic growth and future costs.



RAIL TRAIL IMPLEMENTATION MASTER PLAN
CLEVELAND COUNTY, NORTH CAROLINA
PRESENTATION TO CITY & COUNTY BOARDS 05.29.18

PROJECT GOALS

- Leverage the rail trail to **improve public health and quality of life** in Cleveland County
- Utilize the rail trail as a **platform for economic development**, with a special focus in Uptown Shelby and the core areas of Patterson Springs and Earl.
- Provide opportunities for **active recreation and an alternative transportation** corridor for Cleveland County residents



WORKSHOP SUMMARY

- September 19-21, 2017
- Two Venues: #3 VFD + Don Gibson Center
- 80+ attendees + 46 completed surveys
- Hundreds of comments



PUBLIC INPUT SUMMARY

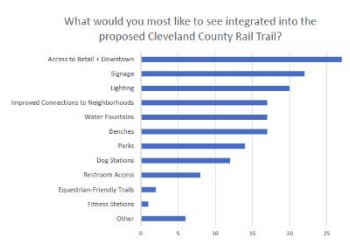


Three words that describe the proposed Cleveland County Rail Trail?

Access to Retail + Downtown	15
Signage	12
Lighting	10
Water Fountains	8
Benches	7
Parks	6
Dog Stations	5
Business Access	4
Equestrian-Friendly Trails	3
Fitness Stations	2
Other	1

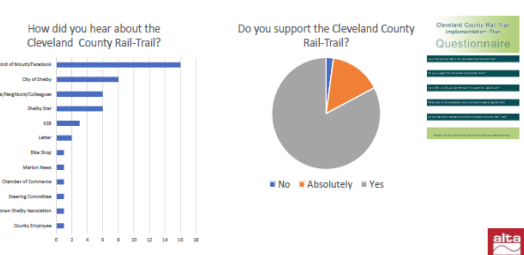
THREE WORDS...

PUBLIC INPUT SUMMARY

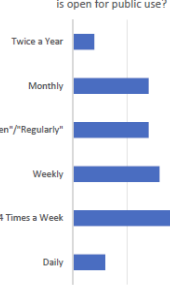


PREFERRED AMENITIES

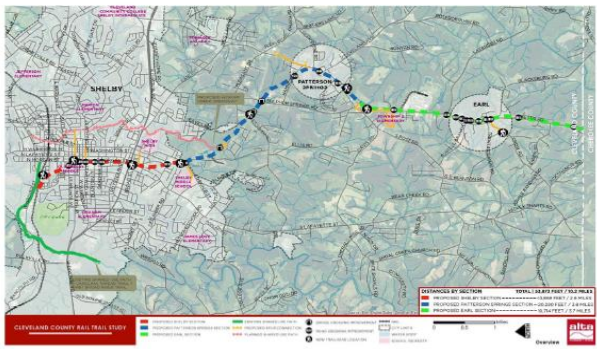
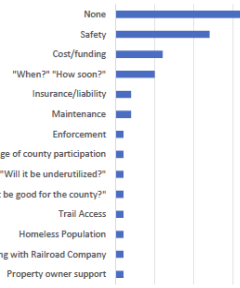
PUBLIC INPUT SUMMARY



How often would you use the trail once it is open for public use?



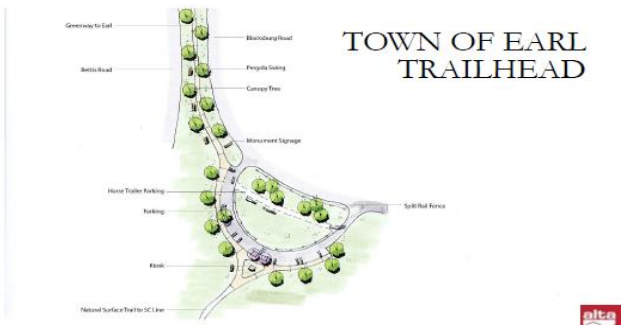
Do you have any concerns about the rail-trail?



PROJECT SEGMENTS (10.2 miles total)

- 1: SHELBY SECTION
 - 2.6 MILES
 - 9 ROAD CROSSINGS
- 2: PATTERSON SPRINGS SECTION
 - 3.8 MILES
 - 5 ROAD CROSSINGS
 - 3 TRESTLE BRIDGES
- 3: EARL SECTION
 - 3.7 MILES
 - 12 ROAD CROSSINGS
- 3.A: EARL TRAILHEAD TO STATE LINE
 - 1.48 MILES (potential shared equestrian)
 - 2 ROAD CROSSING





DESIGN GUIDELINES

DESIGN CONSIDERATIONS FOR URBAN TRAILS IN SCENIC CORRIDORS

DESIGN GOALS

- 1. Provide a safe, accessible, and scenic trail experience.
- 2. Integrate trail design with existing infrastructure and landscape.
- 3. Enhance the visual quality and scenic value of the corridor.
- 4. Provide a high-quality, user-friendly trail experience.
- 5. Integrate trail design with existing infrastructure and landscape.

DESIGN PRINCIPLES

- 1. Trail design should be sensitive to the surrounding environment and landscape.
- 2. Trail design should be user-friendly and accessible to all users.
- 3. Trail design should be scenic and visually appealing.
- 4. Trail design should be safe and secure.
- 5. Trail design should be integrated with existing infrastructure and landscape.

DESIGN GUIDELINES

Suggested Widths and Clearance For A Standard, Single Track Horse Trail

Trail Element	Low Development	Medium Development	High Development
Trail Width	15 - 20'	8 - 10'	8 - 10'
Clearing Width (with stumps)	5.5 - 8'	9 - 12'	14 - 18'
Vertical Clearance	10'	10 - 12'	10 - 12'

Source: USDA Forest Service Design Guidebook for Trails, Pathways, and Campgrounds

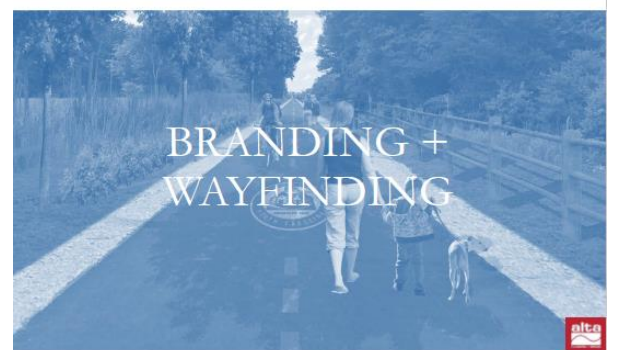
DESIGN GUIDELINES

BRIDGE

BRIDGING & BARBIC

BRIDGING & BARBIC

BRIDGING & BARBIC



BRANDING

BRAND **IDENTITY** **LOGO**

GREENVILLE HEALTH SYSTEM Swamp Rabbit Trail

CAROLINA THREAD TRAIL

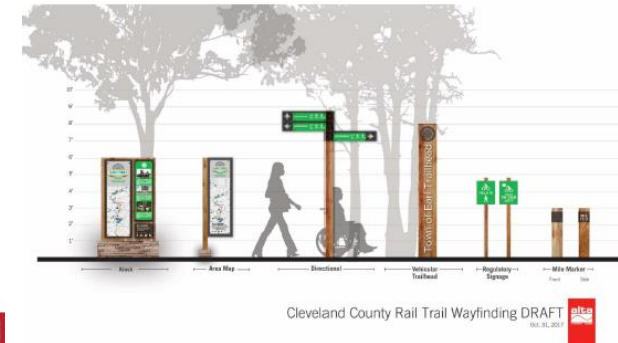
East Coast Greenway

BRANDING CONCEPTS

SILVER STRINGS Trail

TRIPLE C Trail

SILVER STRINGS Trail



SILVER STRINGS Trail

Healthy living has never been so much fun!



COST ESTIMATES

- SECTION 1: UPTOWN SHELBY TO DEKALB \$1.75M
- SECTION 2: DEKALB ST TO CELANESE \$5.5M
- SECTION 3: CELANESE TO STATE LINE \$1.9M
- PHASE 1-3 TOTAL \$9.15M



Demand & Benefits

- Estimated Demand:**
 - 5,000 trips/day
 - 1,070,000 trips/year
 - 514,000 non-local trail users
 - 1,028,000 annual person-days of trail visitors
- \$17M in annual trail-related spending** from non-local users
- \$21,000,000 in annual benefits:** health, environmental and transportation

	Estimated Values
Annual Transportation Benefits	\$10,000,000
Annual Health Benefits	\$7,000,000
Annual Environmental Benefits	\$4,000,000
Total Annual Benefits	\$21,000,000

30% INCREASE IN PHYSICAL ACTIVITY

176k INCREASED WORKERS PRODUCTIVITY

7.6 mil INCREASED TRAVEL TIME

\$2.8 mil INCREASED REVENUE

32% INCREASED INCOME

\$600k INCREASED REVENUE

150k INCREASED TRAVEL TIME

\$21 mil INCREASED REVENUE

USE + BENEFIT ANALYSIS

- Furman University - Impact Study (Dr. Julian Reed)
- 502,000 annual users in year 3 study
 - 60% male/40% female
 - 14% children (under 17)
 - 10% used trail for transportation
- Neighboring businesses reported revenue or sales increases of 30 to 85 percent
- Up to 30% of new bike users purchasing bikes for the trail
- Annual Revenue from trail users ranged from \$50,000 to \$400,000 (avg = \$111,250)

John Cock, VP SE Region

johncock@altaplanning.com

Charlotte, Durham, Greenville
www.altaplanning.com

Chairman Holbrook opened the floor to the Board for any questions or discussion. Commissioner Hutchins inquired about obtaining the old rail site. Shelby Manager Rick Howell replied he has received direction from the Council and the City is in negotiations with Norfolk Southern. The railroad is a very large institution and the

proposed agreement is not at the very top of their priority list even though this is very important to the local community. Mr. Howell continued by stating the City has also been working with a national organization called the Conservation Fund who has a program designed to preserve areas such as urban spaces and rail corridors. This organization is extremely experienced and has been assisting the City of Shelby with this project. Mr. Howell feels the dialogue between the City and Norfolk Southern appears to be going in a positive direction. Commissioner Allen inquired about the amount of property that is being discussed. Mr. Howell stated it is an all or nothing deal with Norfolk Southern. They are going through a rail banking system under federal law which means it would transfer the rails and easements from Norfolk Southern to our local community. Chairman Holbrook concluded by stating one of the top strategic goals of the Board has been the health of the County and its citizens and feels this project could be a step in the right direction and have a positive effect on this goal.

Mayor Anthony opened the floor to any comments or questions from the City Council. Councilman White stated the completion of the bypass along with the development of this project would have a large economic and tourism impact to the surrounding communities.

SHELBY CLEVELAND COUNTY REGIONAL AIRPORT – PROJECT UPDATE

Mayor Anthony called upon Shelby City Manager Rick Howell to give a project update for the Shelby/Cleveland County Regional Airport. City Manager Howell stated the airport has been in operation since the late 1950s. Previously, the maintenance and upkeep was not done and it did not benefit the community from an economic development stand point. In 2005 the City Council meet and took over the responsibilities of running and care of the airport. Since that time the City of Shelby and the County have established and maintained an excellent working partnership to enhance the quality and functionality of the airport.

Mr. Howell explained the current 5,002' runway exhibits significant cracking along joints within the asphalt and has extremely faded pavement markings. Based on these field observations and recent asphalt evaluations by the NC Division of Aviation, it was determined by the NC Division of Aviation and our engineering consultant, W.K. Dickson, that an asphalt overlay project on the existing asphalt runway was the best solution to address the issues with the runway. In February 2016, the City was notified of a grant award for the design and construction of the runway overlay project. After completing the grant acceptance process, the construction plans were designed and a public bid opening was conducted in March 2018. Following this bid opening, a negotiation process occurred with the low bidder, Harrison Construction Company, Division of APAC-Atlantic, Inc. to reach a final construction cost of \$2,428,713.75. Funding for this final construction cost is available in the state grant that was previously awarded. The total grant amount including the related professional services is \$2,520,715.75 with a 10% local match of \$252,071.75.

Runway facts and recent history:

- 5,002' x 100' asphalt surface (current)
- Extended from 4,500' to 5,002' in 2000
- Widened from 75' to 100' and overlaid with 3" asphalt in 2004

Runway Overlay Project Scope:

- Repairing existing cracks in asphalt via routing, filling, etc.
- Completing a 2" asphalt overlay on the runway and connectors between the runway and parallel taxiway.
- Reflective pavement markings will be installed in accordance with current FAA standards. This increased visibility directly improves the safety of all approaching aircraft.
- Increasing the weight rating of the runway in an effort to prevent asphalt damage from heavier aircrafts

The new asphalt surface will greatly reduce the occurrence of aggregate breaking loose from the cracks in the existing asphalt. This reduces the major concern of foreign object debris (FOD) striking aircraft.

It is anticipated that this project will add approximately 15 years to the life expectancy of the pavement. Construction on this project is anticipated to begin in early August 2018 which will result in a 21-day runway closure. Work shall be substantially completed and the runway re-opened by September 1, 2018. Mr. Howell concluded by reviewing the T-Hanger Construction and expansion project. One of the primary goals for the airport is to be self-sustaining. The T-Hanger project will help move the airport towards that goal. The project will include site preparation of the western side of the airport property and expand leased facilities for private aircraft owners.

Shelby-Cleveland County Regional Airport T-Hanger Construction Project


Project Purpose
The purpose of this project is to complete the site preparation, taxilanes, and construction associated with two T-hanger buildings at the Shelby-Cleveland County Regional Airport. This single project will allow the airport's capacity for based aircraft to increase from 45 to 65 (a 44% increase) and further promote the self-sustainability of the airport, while also fulfilling the increased demands on aviation in this region of the state.

Airport Facts

- Airport began operation in 1959
- 5,002' X 100' runway
- 2017 based aircraft: 45
- Economic impact per NC Division of Aviation
 - 2006: \$6.25M
 - 2012: \$15.13M
 - 2016: \$39.03M

Project Scope

- Site preparation
 - Grading and earthwork
 - On-site utility extensions
 - Asphalt taxilane
 - Vehicular parking area
- T-hanger building construction
 - Two 10-unit hangars
 - Restroom facilities



Project Funding
This project was bid in 2013 and the cost estimate was updated by our engineering consultant in 2018. The preliminary cost estimate for the grading and site preparation is \$1.9M. The estimate for the construction of two 10-unit hangar buildings is \$1.0M. The City and County are prepared to provide funding for the local match associated with state and/or federal aviation grants related to this project.

Shelby-Cleveland County Regional Airport T-Hanger Construction Project (cont.)

Why is this project needed?

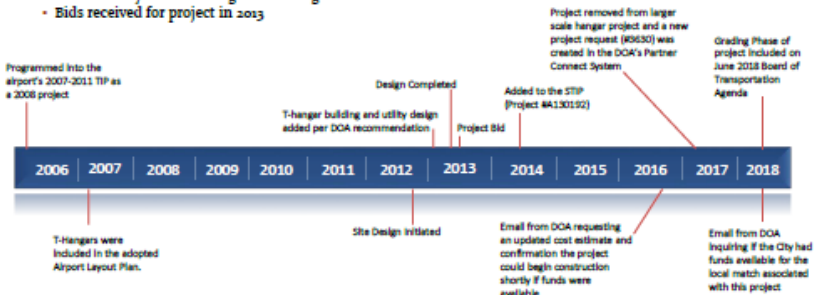
- The airport currently has no hangar space available (neither private nor public). No available hangar space results in no continued or future growth.
- No sites are graded to allow for hangar construction
- The City along with an airport consultant determined T-hangers to be the greatest need and benefit
- 21 individuals on the T-Hanger waiting list
- The airport currently has 45 based aircraft. This project increases the capacity by 44% to 65
- Grading associated with this project allows for future construction of a third T-hanger utilizing annual federal grant funding
- Improves self-sustainability of the airport by increasing tax base, increased fuel sales, and monthly revenue from rental fees
- Offers a more affordable option for pilots to base an aircraft at the airport compared to a box hangar

Project History

- T-Hangers were included on the Airport Layout Plan in 1945, 1969, 1996, 2001, and 2007.
- Project designed in May 2013 and plans approved by NCDQA. Design was funded via annual federal Non-Primary Entitlement grant funding.
- Bids received for project in 2013

Current Project Status

- Grading phase of project included on June 2018 Board of Transportation agenda for approval
- Hangar building construction to be completed via annual grant funding
 - Two 10-unit hangar buildings proposed during initial phase
- Project will be re-advertised and bids opened in July 2018
- Construction contract 180 days (begin Oct. 2018 and be completed in April 2019)



Chairman Holbrook opened the floor to the Board for any questions or comments. Commissioner Whetstine inquired about the anticipated time until both new hangars would be at full capacity. Mr. Howell replied they are projecting roughly two years until the hangars are full. He continued by stating after the grant monies are received from the Board of Transportation for the hangar construction, the potential leasees will be contacted and asked for a deposit upfront to reserve a space for their aircraft. The follow through from those potential applicants will give a better perspective on the time frame for full capacity.

DORAN MILL ABATEMENT & DEMOLITION PROJECT AND HIGHEST AND BEST USE STUDY

Chairman Holbrook recognized County Manager Brian Epley who presented the Doran Mill Abatement and Demolition Project and the Highest and Best Use Study. The Doran Mill property has been evaluated and the Board has been seeking strategies on what the next steps are concerning the 74-acre parcel. This is a very strategic piece of property and has the potential to be an advantageous return on investment. Through the working partnership between the City of Shelby and the County, joint staff has been able to do a feasibility study to determine the best use in maximizing the return of this property. There are many complexities in this project, including the removal of hazardous materials located on the property. Also, there will be traffic diversion through DOT Traffic Diversion Plans and Permitting. Traffic along Highway 226 will be diverted on Friday, Saturday and Sunday from 8:00 pm - 6:00 am throughout the duration of the project. During the November 3, 2017 capital work session, the Board formally approved developing a request for proposal (RFP) process and developing engineering estimates. The following 60 days, contractor site visits and assembling bid packets occurred. Nine responses were received with a preliminary abatement and demolition estimate of \$1.5 million dollars to \$2.0 million dollars and the bids ranged between \$500,000 and \$2.5 million dollars. The award contract was approved to the low bidder, Safeco Environmental, Inc. Low bid due diligence was done which included reference checks, credit checks, NC Licensing and accreditation checks, etc. Mr. Epley stated the water tower is being evaluated by Cole Jenest & Stone who has a Structural Engineer assessing the tower. The tower is not included in the demolition project and it will continue to stand as long as it is safe and if there is a way to incorporate it into the future site use.

Mayor Anthony opened the floor to the Council for any questions or comments they may have. Council members thanked staff and the Board for the hard work and thoroughness that is being done on the clean up of the Doran Mill site. They are excited to see the final outcome and potential return of investment for the property.

Chairman Holbrook commended staff for the energy, hard work and time that has gone in on this project.



Strategic Property Analysis



- Within 3 miles of Shelby Central Business District
- Connection to walking trails
- Daily Traffic Count- 13,000 cars per day
- Washburn Switch Corridor Industrial Corridor- approximately 1,600 Jobs
- Proximity to Future 74 By Pass

Project Complexity

- Large, aged, asbestos contaminated structures on project site
- Hazardous material disposal required (chemicals)
- DOT Traffic Diversion Plans / Permitting
Traffic along Highway 226 will be diverted on Friday, Saturday and Sunday from 8:00 pm - 6:00 am throughout the duration of the project



Project Timeline

- January 2018- Release of RFP for site remediation
- February 2018 Kick-off meeting for Highest and Best use Study
- March 2018- Bid opening and Bid Tabulation for demolition
- May 2018- Recommendation of Contract Award
- June 2018- Contractor to mobilize and begin work
- August 2018- Highest and Best Use Final Report
- December 2018- Project Complete

What about the water tower??



Questions?

RESOLUTION FOR JOB READY SHELL BUILDING #3 AT FOOTHILLS COMMERCE CENTER

Chairman Holbrook again recognized City Manager Rick Howell to present the proposed Resolution for Job Ready Shell Building #3 at the Foothills Commerce Center. Mr. Howell stated the Foothills Commerce Center and the two previous shell buildings are a true partnership between the City and the County. He continued by expressing his gratitude to both the Council and the Board stating that although sometimes they agreeably disagree on some items and come from different perspectives, both parties work in partnerships and agree on what is best for the community. Mr. Howell reviewed the economic development success of the two previous shell buildings that were built and sold to two large corporations. The goal of shell buildings is to bring private businesses into the area to create jobs for the citizens and allow them to make a living and have a good life thus growing the local economy. The Resolution presented is symbolic between staff members of the City and County authorizing them to work with their attorneys to draw up a binding agreement to develop a third shell building.

The City of Shelby voted first: Councilman Amaya made the motion and was unanimously adopted by the Council to approve the Resolution authorizing an agreement between the City of Shelby and Cleveland County for the funding, design and construction for Job Ready Shell Building #3 at the Foothills Commerce Center.

Chairman Holbrook opened the floor to the Board for any questions or comments. Commissioner Hutchins stated they have worked very closely with the City and have a great partnership with them. Commissioner Whetstine and Bridges spoke in support of the developing a third shell building and the proven success of the previous two.

"Cleveland County Grows Greater"



Resolution

Number 07-2018

A RESOLUTION AUTHORIZING AN AGREEMENT BETWEEN THE CITY OF SHELBY AND THE COUNTY OF CLEVELAND FOR FUNDING, DESIGN, AND CONSTRUCTION OF JOB READY SHELL BUILDING #3 FOR THE FOOTHILLS COMMERCE CENTER

WHEREAS, the County of Cleveland and the City of Shelby have successfully cooperated on the development of the Foothills Commerce Center and the Job Ready Shell Buildings #1 and #2 for economic development purposes and

WHEREAS, the County and City have agreed to jointly fund the design, construction and development of the Job Ready Shell Building #3 within the Foothills Commerce Center; and

WHEREAS, the County and City successfully built JOB READY Shell Buildings #1 and #2 having attracted industrial clients to purchase both resulting in private investment of at least \$33,000,000 creating more than 200 jobs to date; and

WHEREAS, the County and City generally agree that Job Ready Shell Building #3 will be approximately 100,000 square feet in size constructed to a similar standard as the previous two shell buildings and further that said building will be located within the Foothills Commerce Center on site #5; and

WHEREAS, the County and City agree to share costs for all aspects of related activities on an equal basis including engineering, design, site preparation, and all construction for Job Ready Shell Building #3; and

NOW THEREFORE, BE IT RESOLVED the Cleveland County Board of Commissioners hereby authorizes:

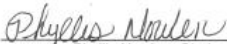


Section 1. The County Manager and County Attorney to work in conjunction with the City Council of the City of Shelby, City Manager and City Attorney to develop a binding agreement to be considered and approved by the Cleveland County Board of Commissioners and the City of Shelby City Council.

Section 2. This Resolution shall become effective immediately on the date of its adoption.

ADOPTED THIS 29th DAY OF May 2018.


Eddie Holbrook, Chairman
Cleveland County Board of Commissioners

ATTEST:

Phyllis Nowlen, Clerk
Cleveland County Board of Commissioners



ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Whetstine and unanimously approved by the Board to, *approve the Resolution authorizing an agreement between the City of Shelby and Cleveland County for the funding, design and construction for Job Ready Shell Building #3 at the Foothills Commerce Center.*

SHELBY CITY COUNCIL ADJOURN

There being no further business to come before the City Council at this time, Councilman White made the motion and was unanimously adopted by the Council to adjourn the Shelby City Council Meeting.

AMERICAN RED CROSS LEASE AGREEMENT

Chairman Holbrook again recognized County Manager Brian Epley to present the American Red Cross Leaseback Agreement. Mr. Epley reminded the Board the County has been negotiating with the American Red Cross for the procurement of the building for the last several months. Staff has done numerous walk throughs assessing the condition and best use plan for the American Red Cross Building. The square footage of the entire building is 15,000sqft however, the American Red Cross is requesting to leaseback approximately 1,500 square feet for a term of 20 years at no cost. The space requested is separate and would be isolated from the general use of the building. This leaseback is factored into the advantageous purchase price of \$328,000 which is 17% of the tax value. Other term of the leaseback agreement includes the County carrying all costs and liability of the building. Mr. Epley stated staff feels this is an excellent opportunity to maximize square footage that otherwise would not be available. He concluded advising at this time the Board will need to authorize the County Manager to work with the County Attorney to negotiate the agreement with the American Red Cross contingent upon the sale of the building. If approved the sale should be complete by July 1, 2018.

Chairman Holbrook opened the floor to the Board for any questions or comments. Commissioner Whetstine stated in his experience in construction, that all though the building is 14 years old, it is in impeccable condition. No issues or cracks were found in the foundation or interior; it is structurally sound. Commissioner Allen also feels this is a good move for the County.

American Red Cross Building



American Red Cross Building

- Built in 2004
- Current value: 1.6 Million
- 13,500 SQFT
- Purchase Price, \$328,000

American Red Cross Leaseback Agreement

- Approximately 1,500 square feet leaseback space
- 20-year lease
- Use for general office purposes only
- No-cost to American Red Cross
- Tenant liability insurance required
 - General Liability
 - Content insurance
 - Workers Compensation
 - Auto Liability Insurance

Outcomes

- High return on investment
- Minor building renovations required
- Additional bays for maintenance of county vehicles
- Increased building capacity
- Partnership with American Red Cross

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Allen and unanimously approved by the Board to, *authorize the County Manager to work with the County Attorney to negotiate a leaseback agreement with the American Red Cross.*

ADJOURN

There being no further business to come before the Board at this time, Commissioner Hutchins made the motion, seconded by Commissioner Bridges, 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.*

*Eddie Holbrook, Chairman
Cleveland County Board of Commissioners*

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