Cleveland County Board of Commissioners  
April 7, 2020

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:  
Susan Allen, Chairman  
Ronnie Whetstine, Vice-Chair  
Johnny Hutchins, Commissioner  
Doug Bridges, Commissioner  
Deb Hardin, Commissioner  
Brian Epley, County Manager  
Tim Moore, County Attorney  
Phyllis Nowlen, Clerk to the Board  
Kerri Melton, Assistant County Manager  
Elliot Engstrom, Deputy County Attorney  
Perry Davis, Fire Marshal/Emergency Management Director

CALL TO ORDER

Chairman Allen called the meeting to order and Commissioner Bridges provided the invocation and led the audience in the Pledge of Allegiance.

AGENDA ADOPTION

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Bridges and unanimously approved by the Board to, approve the agenda with the following additions to the regular agenda:

- Item 6: Discussion of Meeting Schedule Over Next 45 Days.
- Item 7: Delegation of Authority to County Manager to Interpret and Administer the Families Coronavirus Response Acts.

CITIZEN RECOGNITION

No one registered to speak.

CONSENT AGENDA

APPROVAL OF MINUTES

The Clerk to the Board included the Minutes from the March 17, 2020 regular meeting, in board members packets.

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

MINIMUM PROPERTY TAX BILLING RESOLUTION

Currently, Cleveland County does not have a minimum dollar threshold for the generation of a tax bill. Bills are generated regardless of amount. The cost to prepare, mail and process a tax bill under two dollars is greater than revenue returned to the county. As provided by North Carolina General Statute 105-321(f), a resolution is requested to establish a minimum original tax bill amount of $2.00. The resolution does not apply to collection of a balance less than two dollars; only to the creation of an original bill under that amount.
ACTION: Commissioner Hardin made the motion, seconded by Commissioner Bridges, and unanimously adopted by the Board, to approve the Minimum Property Tax Billing Resolution.

FINANCE: BUDGET AMENDMENT (BNA #048)

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Bridges, and unanimously adopted by the Board to, approve the following budget amendment:

<table>
<thead>
<tr>
<th>Account Number</th>
<th>Project Code</th>
<th>Department/Account Name</th>
<th>Increase</th>
<th>Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>065.981.5.233.00</td>
<td></td>
<td>Health Plan/BCBS Weekly Claims</td>
<td></td>
<td>$364,662.00</td>
</tr>
<tr>
<td>065.981.5.890.00</td>
<td></td>
<td>Health Plan/Interfund Transfers</td>
<td>$364,662.00</td>
<td></td>
</tr>
<tr>
<td>013.660.4.980.65</td>
<td></td>
<td>Employee Wellness/Tfrs Fm Health Plan</td>
<td>$364,662.00</td>
<td></td>
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<tr>
<td>013.662.5.230.01</td>
<td></td>
<td>Employee Wellness/Prescription Drugs</td>
<td></td>
<td>$364,662.00</td>
</tr>
</tbody>
</table>

Explanation of Revisions: Budget allocation for $364,662 to transfer funds from the Health Plan to Employee Wellness to cover prescription drug costs.

SOCIAL SERVICES: BUDGET AMENDMENT (BNA #049)

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Bridges, and unanimously adopted by the Board to, approve the following budget amendment:

<table>
<thead>
<tr>
<th>Account Number</th>
<th>Project Code</th>
<th>Department/Account Name</th>
<th>Increase</th>
<th>Decrease</th>
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</thead>
<tbody>
<tr>
<td>010.998.5.891.00</td>
<td></td>
<td>Contingency/Emerg &amp; Contingency</td>
<td>$50,000.00</td>
<td></td>
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<tr>
<td>010.981.5.890.00</td>
<td></td>
<td>Fund Transfers/Interfund Transfers</td>
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<td>$50,000.00</td>
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<tr>
<td>011.507.4.465.00</td>
<td></td>
<td>Outside Poor/Admin Services Allocation</td>
<td></td>
<td>$50,000.00</td>
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<tr>
<td>011.507.5.512.00</td>
<td></td>
<td>Outside Poor/Public Assistance</td>
<td></td>
<td>$50,000.00</td>
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</table>

Explanation of Revisions: Budget allocation for $50,000 to cover relief payment to the United Way of Cleveland County.
EMERGENCY MANAGEMENT: BUDGET AMENDMENT (BNA #050)

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

<table>
<thead>
<tr>
<th>Account Number</th>
<th>Project Code</th>
<th>Department/Account Name</th>
<th>Increase</th>
<th>Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>010.445.4.350.00</td>
<td>045.350.00</td>
<td>Emergency Mgmt/Stated Government Grants</td>
<td>$18,279.00</td>
<td></td>
</tr>
<tr>
<td>010.445.5.910.00</td>
<td>045.910.00</td>
<td>Emergency Mgmt/Capital Equipment</td>
<td></td>
<td>$18,279.00</td>
</tr>
</tbody>
</table>

**Explanation of Revisions:** Budget allocation for $18,279 to receive grant funds from the North Carolina Department of Public Safety to be used for capital equipment.

SHOOTING RANGE: BUDGET AMENDMENT (BNA #051)

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

<table>
<thead>
<tr>
<th>Account Number</th>
<th>Project Code</th>
<th>Department/Account Name</th>
<th>Increase</th>
<th>Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>049.470.4.350.00</td>
<td>0470.350.00</td>
<td>Cap Proj-Shooting Range/State Government Grants</td>
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<td></td>
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<tr>
<td>049.470.5.991.00</td>
<td>0470.991.00</td>
<td>Cap Proj-Shooting Range/Const In Progress</td>
<td></td>
<td>$487,500.00</td>
</tr>
</tbody>
</table>

**Explanation of Revisions:** Budget allocation for $487,500 to receive grant funds approved by the North Carolina Wildlife Commission for the design, permit, build and operate an additional 104.14 acres of skeet and trap for the Foothills Public Shooting Complex. The original MOU was approved on February 19, 2019.

EMERGENCY MANAGEMENT: CLEVELAND GASTON LINCOLN REGIONAL HAZARD MITIGATION RESOLUTION

The Federal Emergency Management Agency (FEMA) has determined the Cleveland, Gaston, Lincoln Regional Hazard Mitigation Plan is approvable pending adoption. The mitigation plan has passed review by both the North Carolina Emergency Management Association (NCEM) and FEMA. It has been determined the proposed mitigation plan meets the FEMA requirements. Participating municipalities and counties can move forward with formally adopting the plan before the current one expires on May 4, 2020. (*Copy of the full mitigation plan is filed in the Clerk’s office*).

**ACTION:** Commissioner Hardin made a motion, seconded by Commissioner Bridges, and unanimously adopted by the Board to, **approve the Cleveland Gaston Lincoln Regional Hazard Mitigation Resolution.**
811 SAFE DIGGING MONTH

Representative Hasting has asked for a proclamation of support to delegate April as "Safe Digging Month." North Carolina 811 is trying to get the message out to all citizens to Call 811 before digging as more and more utilities are going into the ground every day.

**ACTION:** Commissioner Hardin made a motion, seconded by Commissioner Bridges, and unanimously adopted by the Board to, approve the 811 Safe Digging Month Proclamation.
STATE CONSUMER AND FAMILY ADVISORY COMMITTEE PROCLAMATION

The State Consumer & Family Advisory Committee (SCFAC) is asking each of North Carolina’s one hundred counties to show support for the SCFAC as the members meet on May 19th with state legislators. The goal is to inform lawmakers of the needs associated with treatment and services for Mental Health, Substance Use Disorder and Intellectual Developmental Disabilities.

**ACTION:** Commissioner Hardin made a motion, seconded by Commissioner Bridges, and unanimously adopted by the Board to, **approve the State Consumer and Family Advisory Committee Proclamation.**

CHILD ABUSE PREVENTION MONTH PROCLAMATION

Child abuse and neglect affects many of Cleveland County’s children and has reached epidemic proportions in North Carolina and throughout the country. Last year, the Cleveland County Department of Social Services had over 2,018 children reported as either abused, neglected, or dependent. Commissioners encourage citizens to be vigilant and join child protection organizations, groups, and individuals in observance of the month with appropriate education and prevention of child abuse.

**ACTION:** Commissioner Hardin made a motion, seconded by Commissioner Bridges, and unanimously adopted by the Board to, **approve the Child Abuse Prevention Month Proclamation.**
REGULAR AGENDA

INSTALLMENT FINANCING FINAL RESOLUTION

Chairman Allen recognized County Manager Brian Epley to present the Installment Financing Final Resolution for the Job Ready Shell Building 3. Staff has been working on the Installment Financing for Job Ready Shell Building 3 for some time. The County has contracted with Davenport & Company LLC to distribute a Request for Proposals (RFP) to secure a commitment for a direct bank loan evidenced by an Installment Financing Agreement to finance a shell building project and associated costs. The RFP was distributed to over fifty national, regional, and local lending institutions. The construction of the proposed project is in collaboration with the City of Shelby and all costs associated with this project will be split equally with the city upon sale of the property.

Through this process, the County was able to secure two responses to the RFP, including:

1. Sterling National Bank
2. Truist Bank – Formerly Branch Banking & Trust or BB&T

During the due diligence process with the banks, there were no concerns expressed related to the County’s credit or ability to borrow the funds.

Overview of rates received:

1. Sterling National Bank
   - 5 Year fixed interest at 2.9%
   - Prepayment Provision with a penalty of early pay off

2. Truist Bank
   - 5 Year fixed interest at 1.8%
- 10 Year fixed interest at 2.19%
- Flexibility to pay off at any time without penalty

Based upon review of the proposals, related analyses, discussions with the City of Shelby and Bond Counsel, the recommendation is that the County select the Truist ten-year taxable proposal. While it is the County’s desire to sell the facility and prepay the loan prior to the first principal payment, the ten year term would minimize any principal payments required should the sale take longer than one year. Additionally, the Truist ten-year taxable proposal provides the lowest annual debt service cost and the proposal provides flexibility to prepay or refinance the loan at any time in whole without penalty, which will allow the County to prepay the loan as soon as the property is sold. The annual debt service payment of approximately $675,000 is to be split with the City of Shelby in the event property is not sold for economic development by the date first Debt Service Payment on April 1, 2021. The Local Government Commission (LGC) met today to determine the final approval for the installment financing. The LGC had several positive things to say about Cleveland County’s financial position and found no issues with approving the financing. Mr. Epley reviewed the following PowerPoint to the Board.
Chairman Allen opened the floor to the Board for questions and discussion. Commissioner Whetstine inquired with the COVID-19 impact, how soon construction would begin. County Attorney Tim Moore advised construction has been deemed essential in Cleveland County and if approved, the building of Job Ready Shell Building 3 could begin immediately.

**ACTION:** Commissioner Bridges made the motion, seconded by Commissioner Hardin, and unanimously adopted by the Board, to approve the installment financing final resolution.

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**UPDATES TO CLEVELAND COUNTY PERSONNEL ORDINANCE**

Chairman Allen called Elliot Engstrom, Deputy County Attorney, to the podium to present updates to the Cleveland County Personnel Ordinance. The North Carolina Human Resources Act generally requires the County to get approval from the Office of State Human Resources to make certain changes to employees governed by that Act, specifically employees at the Health Department and Department of Social Services. Under North Carolina General Statute § 126-11(b), the County “may petition the State Human Resources Commission to determine whether any portion of its total personnel system” is substantially equivalent to the State’s human resources system. If the State grants this approval, this allows the County greater flexibility and efficiency in personnel matters, as decisions will no longer have to be sent to the State for approval on a regular basis. The basic requirements of a substantially equivalent personnel system are found in the North Carolina Administrative Code.

These include a planned and organized recruiting program and logical and equitable practices that guide salary
administration. All of the proposed changes to the personnel ordinance are made with these requirements in mind.

Many of the changes are technical in nature and simply involve ensuring that the personnel ordinance is clear, fair, and consistent. However, some changes are more substantial. Some of the more substantial changes are as follows:

**Article III § 6(b)** of the revised ordinance prohibits non-exempt employees from accruing more than one hundred hours of compensatory time without approval from the Human Resources Director. The County currently has no policy in place regarding the accrual of compensatory time by non-exempt employees.

**Article III § 6(c)** of the revised ordinance allows exempt employees to accrue “flex time” for all overtime hours worked. Mechanically, this works exactly like the current ordinance, simply under a different name to provide a distinction between exempt and non-exempt employees.

**Article IV § 4** of the revised ordinance requires that all vacant position announcements be posted both internally and externally. The Human Resources Director will have authority to waive this requirement.

**Article IV § 11** reduces the new employee probationary period of employment from 24 months to 12 months. A 12-month probationary period is in line with the corresponding period for state employees under the North Carolina Human Resources Act.

If the changes to the personnel ordinance are approved, staff will submit the ordinance to the Office of State Human Resources for consideration of whether it meets the substantial equivalency test. Mr. Engstrom reviewed the following PowerPoint to the Board.
Chairman Allen opened the floor to the Board for questions and discussion. Commissioner Hutchins inquired about Article III § 6(b) (non-exempt comp time employees) why the approval would come from the Human Resources Director and not the County Manager. Mr. Engstrom stated the Human Resource Director works...
under the discretion of the County Manager who has the authority to override the Human Resource Director’s decision. He explained the Board can modify the proposed ordinance to change that approval must come from the County Manager. This proposed change will help monitor the amount of comp time employees accrue.

Commissioner Bridges asked about Article IV § 4 allowing the Human Resource Director and Department Head to have the authority to waive the requirement of posting available positions both internally and externally. Why would the County not always post internally and externally? Mr. Epley stated this action would be exceptionally rare. An example of not posting externally would be for a position that is very specialized such as a Building Inspector or an Environmental Health Inspector who have to meet certain criteria and a strong candidate would be someone who already works for the County.

Commissioner Whetstine stated he agrees with changing a probationary employee from twenty-four months to twelve months. Mr. Engstrom added if the proposed changes are approved, those employees who are currently employed for over twelve months will automatically come off probationary status. A twelve month probationary period is in line with the corresponding period for state employees under the North Carolina Human Resources Act. (a full copy of the revised versions of Articles I, II, III, IV, and VI of the Cleveland County Personnel Ordinance is filed in the Clerk’s office).

**ACTION:** Commissioner Bridges made the motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board, to approve the revised versions of Articles I, II, III, IV, and VI (section 1 only) of the Cleveland County Personnel Ordinance with the following change and submit the revised ordinance to the Office of State Human Resources for consideration of whether it meets the standard for substantial equivalency.

**DISCUSSION OF MEETING SCHEDULE OVER NEXT 45 DAYS**

County Manager Brian Epley updated the Board on the evaluation of the progression of COVID-19, the Governor’s Executive Stay-At-Home Order and a variety of other public health issues, how these impact the organization and the citizens of Cleveland County. He discussed options for County Commissioner meetings over the next forty five days. A tremendous amount of due diligence has been completed by the County’s Administration Team to ensure there are no operational concerns or issues with whatever option the Board chooses.

**ACTION:** Commissioner Whetstine made the motion, seconded by Commissioner Hardin, and unanimously adopted by the Board, to cancel the regularly scheduled meeting set for Tuesday, April 21, 2020.

**ACTION:** Commissioner Hutchins made the motion, seconded by Commissioner Hardin, and unanimously adopted by the Board, to delegate to the Chair, for a period of forty-five days, the authority to amend the Board’s official meeting schedule as she deems appropriate, so long as she consults with the County Attorney to ensure compliance with all laws regarding public meetings.
DELEGATION OF AUTHORITY TO COUNTY MANAGER TO INTERPRET AND ADMINISTER THE FAMILIES FIRST CORONAVIRUS RESPONSE ACT

ACTION: Commissioner Bridges made the motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board, to delegate to the County Manager the authority to interpret and administer the Families First Coronavirus Response Act, including the authority to determine which county employees are health care providers or emergency responders under the Paid Sick Leave or Expanded Family and Medical Leave provisions of that act.

COMMISSIONER REPORTS

Perry Davis, Fire Marshal/Emergency Management Director – gave an update to the Board on the number of positive COVID-19 cases and the county’s action plans for the pandemic.

ADJOURN

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

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Susan Allen, Chairman
Cleveland County Board of Commissioners

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