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

**PRESENT:**
- Kevin Gordon, Chairman
- Ronnie Whetstine, Vice-Chair
- Johnny Hutchins, Commissioner
- Doug Bridges, Commissioner
- Deb Hardin Commissioner
- Tim Moore, County Attorney via teleconference
- Martha Thompson, Deputy County Attorney
- Todd Carpenter, Interim County Manager
- Phyllis Nowlen, Clerk to the Board
- Sheriff Alan Norman
- Kerri Melton, Assistant County Manager
- Chris Martin, Planning Director
- Allison Mauney, Human Resources Director
- Lucas Jackson, Finance Director
- Jason Falls, Business Development Director
- Tiffany Hansen, Health Department Director
- Scott Bowman, Maintenance Director
- Karyn Owens, Marketing & Communications Director

**CALL TO ORDER**
Chairman Gordon called the meeting to order, and Commissioner Ronnie Whetstine led the audience in the Pledge of Allegiance and provided the invocation.

**AGENDA ADOPTION**

**ACTION:** Commissioner Hutchins made the motion, seconded by Commissioner Bridges and unanimously adopted by the Board to, *approve the agenda as presented.*

**SPECIAL RECOGNITION**

**2023 NORTH CAROLINA GOVERNOR’S VOLUNTEER SERVICE AWARD**

The Governor’s Volunteer Service Awards program was created by the Office of the Governor in 1979 to recognize North Carolina’s most dedicated volunteers. Through the years, the award has been bestowed on thousands of North Carolinians who have shown concern and compassion for their neighbors by volunteering in their local communities. Cornerstone Dental Associates, Chinmay Shende, Paul and Marian Foundation, and Alpha Cappa Alpha Sorority, Inc. from Cleveland County have been awarded certificates for their outstanding volunteer service. The Commissioners took turns commenting and giving congratulations to the award recipients.
CONSENT AGENDA

APPROVAL OF MINUTES

The Clerk to the Board included the Minutes from the May 1, 2023 Special Called Meeting and the May 2, 2023 regular Commissioners’ meeting in Board members’ packets.

ACTION: Commissioner Whetstine made a motion, seconded by Commissioner Hutchins, and passed unanimously by the Board to, approve the minutes as written.
APPROVAL OF AMENDED MINUTES

The Clerk to the Board included amended Minutes from the April 18, 2023 regular Commissioners’ meeting in Board members’ packets.

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

FINANCE DEPARTMENT: BUDGET TRANSFER SUMMARY

As required by North Carolina General Statute §159-15, all internal transfers shall be submitted to the Board of Commissioners. The budget transfer summary from April 24, 2023 through May 5, 2023 is included in Commissioner packets.

ACTION: Commissioner Whetstine made a motion, seconded by Commissioner Hutchins, and passed unanimously by the Board to, approve the budget transfer summary as presented.

TAX COLLECTOR’S MONTHLY REPORT

Pursuant to North Carolina General Statute §105-350.7, The Tax Collector shall submit to the governing body at each of its regular meetings a report to include the amount collected on each year's taxes with which she is charged, the amount remaining uncollected, and the steps being taken to encourage payment of uncollected taxes. The Tax Collector provided Commissioners with a detailed written report regarding taxes collected during April 2023.

ACTION: Commissioner Whetstine made a motion, seconded by Commissioner Hutchins, and passed unanimously by the Board to, approve the April 2023 monthly tax report submitted by the Tax Collector.
TAX ABATEMENTS AND SUPPLEMENTS

The Tax Assessor provided Commissioners with a detailed written report regarding tax abatements and supplements during April 2023. The monthly grand total for tax abatements was listed as ($7,798.98) and the monthly grand total for tax supplements was listed as $22,854.18.

ACTION: Commissioner Whetstine made a motion, seconded by Commissioner Hutchins, and passed unanimously by the Board to, approve the March 2023 tax abatements and supplements submitted by the Tax Assessor.

HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #060)

ACTION: Commissioner Whetstine made a motion, seconded by Commissioner Hutchins, 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>012.548.4.540.49</td>
<td></td>
<td>CODAP/Contracted Revenue-PATH-OPIOID</td>
<td>$91,514.00</td>
<td></td>
</tr>
<tr>
<td>012.548.5.230.49</td>
<td></td>
<td>CODAP/Prescription Drugs-PATH-OPIOID</td>
<td></td>
<td>$86,514.00</td>
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<tr>
<td>012.548.5.370.49</td>
<td></td>
<td>CODAP/Advertising-Promotions-PATH-OPIOID</td>
<td>$5,000.00</td>
<td></td>
</tr>
</tbody>
</table>

Explanation of Revisions: Budget allocation $91,514 in additional funds awarded in Opioid Abatement Funding through Partners Behavioral Health. Funds will be utilized to purchase Naloxone and Fentanyl test strips to support marketing and outreach efforts to promote community distribution and encourage utilization through various social media outlets and other paid advertisements.

SHERIFF’S OFFICE: BUDGET AMENDMENT (BNA #061)

ACTION: Commissioner Whetstine made a motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board to, approve the following budget amendment:
**FINANCE DEPARTMENT: BUDGET AMENDMENT (BNA #062)**

**ACTION:** Commissioner Whetstine made a motion, seconded by Commissioner Hutchins, 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>
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<tbody>
<tr>
<td>010.443.4.810.00</td>
<td></td>
<td>State Forfeited Property/Fund Balance Approp</td>
<td>$68,235.00</td>
<td></td>
</tr>
<tr>
<td>010.443.5.250.00</td>
<td></td>
<td>State Forfeited Property/Clothing-Uniform</td>
<td>$41,235.00</td>
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</tr>
<tr>
<td>010.443.5.240.00</td>
<td></td>
<td>State Forfeited Property/Automotive Supplies</td>
<td>$27,000.00</td>
<td></td>
</tr>
</tbody>
</table>

**Explanation of Revisions:** Budget allocation for $68,235 in funds to cover the cost and shipping of new style badges and patches for officer uniforms. Funds will also be used for the cost of new design artwork on patrol vehicle doors.

**COOPERATIVE EXTENSION: BUDGET AMENDMENT (BNA #063)**

**ACTION:** Commissioner Whetstine made a motion, seconded by Commissioner Hutchins, 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>
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<tr>
<td>497.253.4.980.41</td>
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<td>Capital Proj-E911 Call Ctr/Contributions Im Cap Reserve</td>
<td>$1,177,207.00</td>
<td></td>
</tr>
<tr>
<td>497.253.5.991.00</td>
<td></td>
<td>Capital Proj-E911 Call Ctr/Construction in Progress</td>
<td>$1,177,207.00</td>
<td></td>
</tr>
</tbody>
</table>

**Explanation of Revisions:** Budget allocation for $1,177,207 in capital project funds for the new E-911 Call Center.

**REGULAR AGENDA**

**JUSTICE CENTER PHASE I SITE WORK**

Chairman Gordon recognized Assistant County Manager Kerri Melton to present the Justice Center Phase I site work. The Board was reminded about the procurement for the upcoming Justice Center construction project. A Construction Manager at Risk (CMAR) procurement model was chosen and approved by the Commissioners due to the current market conditions, and the ability to do some of the work and order materials ahead of time. Mrs. Melton reviewed the responsibilities of the CMAR including projection evaluation, consulting, scheduling, inspection, and quality review. Cleveland County is responsible for establishing and maintaining the budget, architect retainment, and financial obligations.

The Justice Center Campus will be completed in multiple phases and stages. The first phase of the construction project was demolition which has been completed in some parts of the project. The second step phase is called the early sight package and utility relocations. A portion of this section of the project includes some grading, masquerading, temporary roads, water lines, sewer lines, and electrical service being rerouted.

The bid was prepared by the project architects and construction manager through a pre-qualification process. This process allows the county to pre-qualify at the front end of the project to ensure the company can do the work. Staff advertised pre-qualification bids in the Shelby Star, Kings Mountain Herald and two community meetings were held to try to gain interest in this early site package.

Pre-qualification forms were due to the county on January 9, 2023. Some of the information included in those forms includes licensing, work history, safety ratings, current workload, and any claims that might have been
filed against the company. For this pre-qualification process, ten companies submitted pre-qualification materials, and only six of those were discouraged based on safety ratings, and the inability to get required performance bonds. Much due diligence was done for the prequalification process. The bidding process, once staff prequalify the bidders, were invited to bid on the project. Yates Metcom reached out to qualified bidders to encourage them to answer questions and give them all the needed information. The project was set to begin on April 12, 2023.

All the bid requirements fall under North Carolina General Statutes and when staff completed the bid opening on April 12th, there were three confirmed bidders there until that day one of the companies withdrew their bid, leaving only two bids. Per North Carolina General Statute, counties cannot open bids with just two bids on a first bid date. The project was extended for one week and on April 18, 2023, the two original bids were still the only two bids received which were then opened at that time, one from Morgan Contracting, and one from Sitework, LLC.

The construction estimates for this part of the project, not the overall project, only the construction portion was $3,956,746. When the bids were opened, they did not line up with the county’s construction estimate. Staff worked with CMAR and the architect team to value engineer the budget to get to a place staff felt comfortable with the bid lining up with the budget. The base cost of the work was budget at $3.78MM with unit price work included in that. Much testing has been done on the project site and staff doesn’t expect a lot of that unit price work to be needed. Money has been budgeted for possible unknowns such as unsuitable soils or rocks. With the testing that has been completed, staff are not expecting much of price work to be needed, which will lower the cost of the project. The bid for the construction portion came to be $3,956,595.75 which is $150.25 under budget of $3,956,746.

The change order presented includes more than construction information. As with large projects like the Justice Center Campus, there are many other things that are included in the project, due to being based on the CMAR contract that was approved. Staff is requesting for approval of the change order with Yates Metcom in the amount of $5,192,495 for the early release site work and utility relocation package. All additional items were included in the cost estimate received from the contractor. The following information and PowerPoint were presented to the Commissioners.
Commissioner Gordon opened the floor to the Board for questions and discussion. Commissioner Whetstine asked Rusty Setzer, Yates Project Executive, who was also in attendance, if the budgeted amount for this part of the project was as conducive as it could be. Mr. Setzer replied that it was and recapped the process and steps that were completed to arrive at the budget amount.

**ACTION:** Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and adopted unanimously by the Board to, approve change order #2 with Yates/Metcon in the amount of $5,192,495 for Early Release Site work and Utility Relocation Package. (a full copy of the Change Order is on file in the Clerk’s Office).
FY 2023 – 2024 COUNTY MANAGER’S RECOMMENDED BUDGET

Chairman Gordon called Interim County Manager Todd to the podium to present the FY 2023 – 2024 County Manager’s recommended budget. The proposed budget is balanced and prepared on the guidelines of North Carolina General Statute Chapter 153. The recommended general fund is balanced at $126.5MM dollars with a tax rate of 54.75 cents and a school tax rate of 14 cents. There is no recommendation for a tax increase. The FY 2023 - 2024 budget was built around the Commissioner’s strategic plan focus areas of citizen engagement, Economic development, public safety, fiscal sustainability, and community wellness. The top priorities for the budget continue to plan for capital improvement, which include:

- Commitment to the implementation of the County’s Capital Improvement Plan – using the Facility Master Plan to prioritize, including creating a Justice Center Campus, 911 Communications Center, Emergency Operations Center, and Board of Elections.
- Continued recruitment of National Shooting Competitions at Foothills Public Shooting Complex.
- Continued partnership with Cleveland County Schools for implementation of the long-term school capital facility plan.
- Maintain support for County Public Safety Departments through the implementation of the five-year Public Safety Strategic Plan.
- Focus on community wellness by identifying health disparities and partnering with community agencies to improve the County’s health rankings.
- Focus on being an Employer of Choice – competitive pay, modern policy, & career progression.

The budget process begins early in the year and includes:

- Zero based foundation
- Fostering a Cross-Departmental Cost Saving Culture
- County Departments submit budget requests
- Departmental meetings held
- Line item level discussion
- Department Heads provide justification for requests
• Data Driven approach
• Prioritize and evaluate with respect to Boards Strategic Plan
• Recession ready

As staff worked through the budget, economic indicators at local and national levels were considered such as inflation rates, construction costs, gas prices, and labor force participation. Local key economic indicators like population growth, sales, and land use revenues are trending positively for Cleveland County. The FY 2023 – 2024 general fund budget highlights include:

• General Fund Tax Rate..................54.75 Cents
• Cleveland County Schools Recommended Rate........14.00 Cents
• Debt Service Funding Allocation (additional surplus $1.5M) for Future Debt Service Allocation- Justice Center Campus. This brings the total to $6.9M for the next 20 years
• Continued systematic approach to employee pay: COLA; Performance Bonus Program; 401K
• Animal Services – Kennels, truck boxes, fencing, facility upgrades
• LeGrand Center – Audio/Visual refresh
• LGERS and Health fund increases
• Operating Capital Increase
• Dental Coverage Enhancement
• 7 Additional Full Time Employees (FTEs)
  • 4 Sheriff Deputies (Patrol)
  • Victim Specialist
  • Shooting Range Office Personnel
  • Mechanic
• 3% Increase in Solid Waste tipping fees

Reviewing the general fund budget trend, Cleveland County is trending higher this year. This is due to the incorporation of the rescue squads, 30 additional positions, and equipment acquisition.

Next, Mr. Carpenter highlighted several strategic focus areas, such as citizen engagement, economic development, and public safety.

Citizen Engagement (Inspire people to be engaged)
• Explore Partnerships that Support Broadband Expansion
• Focus on Support of Municipal Development & Community Place Making
• Community Beautification & Litter Cleanup Programs
• Marketing & Communication Enhancements

Economic Development (Promote new industry and support business)
• Recruitment and Execution of National Shooting Competition Hosted by Foothills Public Shooting Complex
• Intentional Support Of Agriculturally Based Economic Development
• Industry and Business Recruitment, Shell Building Program and Land Acquisition
• Sustainable Partnership with Cleveland County Fair Association

Public Safety (Ensure the safety of citizens)
• Implementation of Public Safety Strategic Plan
• Central Administered EMS System
• Design and Construct a Public Safety Campus
• Maintain support for County Volunteer Fire Departments

Each focus department is receiving increases in its budget and is associated with either people or capital. Cleveland County is doing well in public safety peer comparison. The Volunteer Fire Service is funded on an 8.7 cent supplemental tax rate. The total budget for the ten volunteer fire departments in the county is $5.5MM. This maintains an hourly wage of $15 per hour, provides 7,300 hours of land coverage per year, and it increases their operational budget allotment by 11.1%.
The fourth focus area is fiscal stability, by having efficient use of resources to provide services to the citizens. The county can maintain fiscal sustainability by being an employer of choice, leveraging state and federal grant opportunities, a capital plan execution, and maintaining a fund balance of or greater than 20%.

The county’s most valued resource is its employees. With the addition of seven full-time employees, the employee count will go to 792. A cost-of-living adjustment of 5% is included in the proposed budget along with the continuation of the performance management bonus. Performance management bonuses are based on six metrics that are measured twice a year: once in September and once in March. If the metrics are met, employees can receive up to a total of a 3% bonus check paid once in September at 1.5% and again in March at 1.5%. In the proposed FY 2023 – 2024 budget, is a change to the tier dental plan schedule. The update will now cover in full the two preventive visits employees make to the dentist each year.

Cleveland County has a strong and well-performing employee health plan with 826 covered lives and a $10.8MM self-funded plan. The funds include health claims, health savings account (HAS) contributions, wellness center/pharmacy, access to a primary clinic, and biometrics. Between 2020 and 2024 there has been a 7% positive increase in health claims performance.

The county’s operating capital is increasing, allowing staff to allocate more funds than in previous budget years for capital projects such as:

- Board of Elections: New Board of Elections Building
- LeGrand Light/AV Upgrade: Replacement of lighting and AV Equipment
- Information Technology Strategic Plan: Creation of first-ever IT Strategic Plan focused on advancing synchronization and developing a clear IT vision
- 911/Emergency Operations Center: 911 and Emergency Operations Center to be housed on Red Cross Campus
- Randolph Road Shell Building: Shell Building IV new construction
- Justice Center Campus: Jail, Courthouse, Sheriff's Office New Construction

Community Wellness is the focus area five in the Commissioners’ strategic plan. Community wellness incorporates the promotion of physical activity, a healthy lifestyle, and positive relationships. The county will continue to improve community health rankings, receive opioid funds and effectively use those monies to help combat the opioid epidemic, and continue to change the expansion of the existing trail systems with the exploration of new opportunities. The Health Department and Social Services’ total budget is $33MM. Staff has appropriated $10.5MM towards that funding. The difference is being made up by funding from state and federal agencies.

Public education funding allotment is recommending $900,000 in additional funding be sent to Cleveland County Schools, bringing their total allocation to $32.4 MM. With that recommended amount, staff are meeting Commissioners’ goals of dedicated funding for educational capital, teacher supplements and financial equity. Cleveland Community College’s funding from the county has increased by 46% ($1,049,000) since 2019. In the FY 2023 – 2024 budget, the amount will increase by $250,000, bringing that total amount to $3.3MM.

The county supports many agencies and will continue to do so. Cleveland County partners with agencies across the county and $1.2 MM is allotted in support of these agencies.
The Solid Waste Department operates on an enterprise fund. Staff is recommending the continuation of $1 fee to collect municipal waste. Those funds will be utilized for the continuation of the litter cleanup program. It is also recommended for a 3% increase in tipping fees that will support the continuation of the life of site permitting and long-term solid waste handling. The department is serving as a garage for some of the county’s maintenance work on vehicles for other departments. Staff is recommending an additional mechanic position for this year’s budget. Other items included in the budget include:

- Roll off truck
- Air Curtain Burner
- Shop enhancements
- Airport Road paving project
- Life of site permitting
- Emergency access road and new borrow areas

Mr. Carpenter concluded his presentation with the following statement, “In accordance with the general statutes of North Carolina, I submit to you for your consideration the fiscal year 2023 – 2024 recommended budget for Cleveland County. This budget maintains a property tax rate of 54.75 cents per $100 valuation along with a 14-cent school tax rate and an 8.75-cent fire tax rate. The proposed budget is balanced and was prepared under North Carolina General Statute §159(a)(3), the local government budget and fiscal control act. The budget incorporates the county strategic plan and ensures focus on five main areas of citizen engagement, economic development, public safety, fiscal sustainability, and community wellness. The budget exists to accomplish the goals and policies established by the Board and facilitates long-term use. The theme of this budget is outstanding service delivery. The focus of the budget was to forecast budget revenues and expenditures while maintaining outstanding service delivery accurately and conservatively to the citizens of Cleveland County. Strategic investments toward the funding of capital projects, education, public safety, health, and quality of life are all included in the budget. The budget includes seven new positions and a 5% cost of living adjustment. Each of these strategic investments contributes to the quality of life enjoyed by county residents. The county is experiencing growth in population, property tax, sales, jobs, and the housing industry. Staff are diligent in their efforts to bring new businesses into the community, encourage new investment and support well-established businesses.

It is the Board of County Commissioner’s vision to deliver outstanding service to the citizens. Staff is using a data-driven approach and vicious policies to deliver on the vision and implementation of the Commissioner’s strategic planning. Department leaders and employees identify with this vision through a focus on providing a high level of customer service and the organization's core purpose of Making Our Community Better. The leadership of the Commissioners, along with the commitment and knowledge of the employee base with the desire to continuously improve as an organization, makes Cleveland County a resilient government, one that is fiscally responsible and dedicated to improving the community and creating a better life for the residents.” The following information and PowerPoint were presented to the Commissioners.
Major Capital Projects

Community Wellness (Promote physical activity, healthy lifestyle and positive relationships)

Health and Social Services Funding

Public Education Funding

Cleveland County Schools – County Budget

Commission Goals:
- Additional Dedicated Funding Per Education Capital ✓
- Teacher Supplements ✓
- Financial Equity ✓

Cleveland Community College FY 24

01
02
03

Partnering Agency Allotments

Outside Agency Support
On May 17, 2023, a full copy of the proposed FY 2023 – 2024 budget will be available at the following locations:

- Office of the Clerk to the Board, 311 E Marion Street, Shelby (during normal business hours)
- Cleveland County Public Libraries (Boiling Springs, Kings Mountain, Lawndale, Shelby)
- Cleveland County website 2024 Recommended Budget-compressed.pdf [clevelandcounty.com]

The Board of County Commissioners will conduct a public hearing on the proposed budget for Cleveland County’s Fiscal Year 2023-2024 on Tuesday, June 6, 2023 at 6:00 p.m. The public hearing will be held in the Commission Chamber, County Administrative Office Building, 311 East Marion Street, Shelby, North Carolina, at which time the public will have the opportunity to make any comments or recommendations relative to the proposed budget. Commissioners will also be able to approve, deny or make modifications to the proposed budget at that time.

**ACTION:** Commissioner Hutchins made a motion, seconded by Commissioner Bridges, and passed unanimously by the Board to **approve setting the public hearing as requested.**

**BOARD APPOINTMENTS**

**CLEVELAND COMMUNITY COLLEGE BOARD OF TRUSTEES**

**ACTION:** Commissioner Whetstine made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, to **re-appoint Craig DeBrew and Larry Hamrick, Jr. to serve as members of this board,** for a four-year term, scheduled to conclude on June 30, 2027.

**CLEVELAND COUNTY JURY COMMISSION**

**ACTION:** Commissioner Bridges made the motion, seconded by Commissioner Hardin, and unanimously adopted by the Board, to **re-appoint Melissa Curtis to serve as a member of this board** for a two-year term, scheduled to conclude on June 30, 2025.
CLOSED SESSION

**ACTION:** Commissioner Bridges made the motion, seconded by Commissioner Hardin and unanimously adopted by the Board, to go into closed session per North Carolina General Statute § 143-318.11(a)(6) to consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee and per North Carolina General Statute §143-318.11(a)(4) to discuss economic development matters relating to the location or expansion of industries or other businesses in the area served by the Cleveland County, including agreement on a tentative list of economic development incentives that may be offered by the County in negotiations. (Copy of closed session Minutes are sealed and found in the Closed Session Minute Book).

RECONVENE IN REGULAR SESSION

**ACTION:** Commissioner Hardin made the motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, reconvene in open session.

Chairman Gordon stated, "Regarding North Carolina General Statute § 143-318.11(a)(6) to discuss employee qualifications, no action was taken. Regarding North Carolina General Statute §143-318.11(a)(4) to discuss economic development matters, no action was taken."

ADJOURN

There being no further business to come before the Board at this time, Commissioner Bridges made a motion, seconded by Commissioner Hutchins and unanimously adopted by the Board, to adjourn. The next meeting of the Commission is scheduled for **Tuesday, June 6, 2023 at 6:00 pm** in the Commissioners’ Chambers.

__________________________  
Kevin Gordon, Chairman  
Cleveland County Board of Commissioners

________________________________________  
Phyllis Nowlen, CMC, NCCCC  
Clerk to the Board  
Cleveland County Board of Commissioners