

Cleveland County Board of Commissioners
October 21, 2025

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
Deb Hardin, Vice-Chair
Doug Bridges, Commissioner
Johnny Hutchins, Commissioner
Tony Berry, Commissioner
Jonathan Sink, County Attorney
David Cotton, County Manager
Phyllis Nowlen, Clerk to the Board
Logan Roberts, Staff Attorney
Tiffany Hansen, Health Department Director
Philip Steffen, Finance Director
Josh Davis, Solid Waste Director
Jason Falls, Business Development Director
Rebecca Johnson, Social Services Director
Sherry Lavender, Tax Administrator

CALL TO ORDER

Chairman Gordon called the meeting to order, and Chaplain Eric Davis led the audience in the Pledge of Allegiance and provided the invocation.

AGENDA ADOPTION

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

SPECIAL PRESENTATIONS

MINORITY ENTERPRISE DEVELOPMENT WEEK 2025

Chairman Gordon recognized Mr. Richard Hooker, Cleveland County Minority Business Development Center Director. Mr. Hooker thanked the Commissioners for their continued support of the Minority Business Sector and of MED Week. Started in 1983 by the Administration of President Reagan, Minority Enterprise Development Week is designed to recognize the accomplishments and achievements of minority businesses across the Nation. Mr. Hooker gave an overview of the recent achievements, goals, and upcoming events for MED Week. Commissioners presented Mr. Hooker with the following proclamation:



PUBLIC COMMENT

Deanna Kristen, 218 Eagle Gold Drive, Cherryville – presented the Commissioners with photos of a dog that was badly injured and requires medical care. She expressed her frustration that Cleveland County has no licensing or fee requirements for pet owners and the negative impacts it has on the county’s dog population and the community as a whole.

CONSENT AGENDA

APPROVAL OF MINUTES

The Clerk to the Board included Minutes from the **September 16, 2025**, regular Commissioners’ 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.***

TAX COLLECTOR’S MONTHLY REPORT: SEPTEMBER 2025

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 the Commissioners with a detailed written report regarding taxes collected during **September 2025**.

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Bridges, and passed unanimously by the Board to, *approve the September 2025 monthly tax report submitted by the Tax Collector.*

GAP BILLS	TOTAL TAXES COLLECTED SEPTEMBER 2025	
	DEF REV	\$0.00
	2025	\$28,519.13
	2024	\$2,188.80
	2023	\$724.88
	2022	\$155.58
	2021	\$225.75
	2020	\$22.40
	2019	\$0.00
	2018	\$0.00
	2017	\$0.00
	2016	\$0.00
	2015	\$0.00
	TOTAL	\$31,836.54
	FEES	\$180.20
	INTEREST	\$299.17
	TOLERANCE	\$1.65
	TOTAL	\$32,317.56
	DEF REV	\$0.00
	TOLERANCE	\$0.00
	INTEREST	\$0.00
	TOTAL DEF	\$0.00
	GRAND TOTAL	\$32,317.56

TOTAL TAXES UNCOLLECTED SEPTEMBER 2025	
2025	\$292,583.48
2024	\$254,133.02
2023	\$88,512.51
2022	\$71,375.29
2021	\$46,249.60
2020	\$29,121.00
2019	\$0.00
2018	\$0.00
2017	\$0.00
2016	\$0.00
2015	\$0.00
TOTAL	\$781,974.90
DEF REV	\$0.00
TOTAL	\$781,974.90

TAX ADMINISTRATION: ABATEMENTS AND SUPPLEMENTS SEPTEMBER 2025

The Tax Assessor provided Commissioners with a detailed written report regarding tax abatements and supplements during *September 2025*. The monthly grand total for tax abatements was listed as (\$90,655.90), and the monthly grand total for tax supplements was listed as \$3,275.82.

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Bridges, and passed unanimously by the Board to, *approve the September 2025 tax abatements and supplements submitted by the Tax Assessor.*

TAX ADMINISTRATION: PENDING REFUNDS AND RELEASES

The Tax Administration Office requests a refund of \$1,216.24, pursuant to North Carolina General Statute § 105-381. The petitioner, Janet Vestal, was overcharged due to a clerical error. The County Tax Assessor has reviewed the request and advised that it is in order for approval.

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Bridges, and unanimously adopted by the Board, *to approve the Pending Refunds and Releases as submitted by the Tax Assessor.*

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 September 6, 2025, through October 10, 2025, is included in Commissioner packets.

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

County of Cleveland, North Carolina
Manager's Budget Summary
Presented at the October 10th, 2025 Board Meeting
Time Period Covered : 09/06/2025 to 10/10/2025
For Fiscal Year Ending June 30, 2026

BUD #	DATE SUBMITTED BY DEPT	Fund #	DEPT #	DEPT NAME	EXPLANATION	Account Description	BUDGET AMOUNT
26034	9/8/2025	055	480	Legrand Center	Btd To 340.00 After Cap Equip Transfer For Floor Replace At Legrand	Capital Equipment	\$ (72,050.00)
26034	9/8/2025	055	480	Legrand Center	Btd To 340.00 After Cap Equip Transfer For Floor Replace	Maint Bldg/Grounds	\$ 72,050.00
26035	9/8/2025	010	440	School Resource Officers	Btd To Move Funds For Cap Equip	Travel/Training	\$ (5,000.00)
26035	9/8/2025	010	440	School Resource Officers	Btd To Move Funds For Cap Equip	Capital Equipment	\$ 7,872.00
26035	9/8/2025	010	440	School Resource Officers	Btd To Move Funds For Cap Equip	Departmental Supply	\$ (2,872.00)
26036	9/8/2025	010	604	Cleveland Comm College	Btl Transfer Funds Over To Ccc For Fundin9 For Additional Sro Offieer. This Was To Have Been A Flat	Current Expense Sch	\$ 90,000.00
26036	9/8/2025	010	440	School Resource Officers	Btl Transfer Funds Over To Ccc For Fundin9 For Additional Sro Offieer. This Was To Have Been A Flat	Hospital Insurance	\$ (13,200.00)
26036	9/8/2025	010	440	School Resource Officers	Btl Transfer Funds Over To Ccc For Fundin9 For Additional Sro Offieer. This Was To Have Been A Flat	Employer 401K	\$ (3,600.00)
26036	9/8/2025	010	440	School Resource Officers	Btl Transfer Funds Over To Ccc For Fundin9 For Additional Sro Offieer. This Was To Have Been A Flat	Dental Insurance	\$ (180.00)
26036	9/8/2025	010	440	School Resource Officers	Btl Transfer Funds Over To Ccc For Fundin9 For Additional Sro Offieer. This Was To Have Been A Flat	Medicare Taxes	\$ (870.00)
26036	9/8/2025	010	440	School Resource Officers	Btl Transfer Funds Over To Ccc For Fundin9 For Additional Sro Offieer. This Was To Have Been A Flat	Retirement	\$ (8,430.00)
26036	9/8/2025	010	440	School Resource Officers	Btl Transfer Funds Over To Ccc For Fundin9 For Additional Sro Offieer. This Was To Have Been A Flat	Salaries/Wages-Reg	\$ (60,000.00)
26036	9/8/2025	010	440	School Resource Officers	Btl Transfer Funds Over To Ccc For Fundin9 For Additional Sro Offieer. This Was To Have Been A Flat	Social Security Taxes	\$ (3,720.00)
26037	9/8/2025	010	444	Detention Center (Jail)	Btl Move Funds To Cover Cap Equip Need, Employee Referral Incentives And Equip Rental	Inmate Incentive Program	\$ (1,000.00)
26037	9/8/2025	010	444	Detention Center (Jail)	Btl Move Funds To Cover Cap Equip Need, Employee Referral Incentives And Equip Rental	Hospital/Doctor Fees	\$ 43.00
26037	9/8/2025	010	444	Detention Center (Jail)	Btl Move Funds To Cover Cap Equip Need, Employee Referral Incentives And Equip Rental	Rental/Lease Equip/Other	\$ 311.00
26037	9/8/2025	010	444	Detention Center (Jail)	Btl Move Funds To Cover Cap Equip Need, Employee Referral Incentives And Equip Rental	Capital Equipment	\$ 13,218.00
26037	9/8/2025	010	444	Detention Center (Jail)	Btl Move Funds To Cover Cap Equip Need, Employee Referral Incentives And Equip Rental	Awards/Appreciation	\$ 1,000.00
26037	9/8/2025	010	444	Detention Center (Jail)	Btl Move Funds To Cover Cap Equip Need, Employee Referral Incentives And Equip Rental	Laundry/Dry Cleaning	\$ (4,000.00)
26037	9/8/2025	010	444	Detention Center (Jail)	Btl Move Funds To Cover Cap Equip Need, Employee Referral Incentives And Equip Rental	Maint Bldg/Grounds	\$ (2,529.00)
26037	9/8/2025	010	444	Detention Center (Jail)	Btl Move Funds To Cover Cap Equip Need, Employee Referral Incentives And Equip Rental	Departmental Supply	\$ (2,043.00)
26037	9/8/2025	010	444	Detention Center (Jail)	Btl Move Funds To Cover Cap Equip Need, Employee Referral Incentives And Equip Rental	Repairs On Equipment	\$ (5,000.00)
26038	9/8/2025	010	439	Usdoj Cops Grant	Btd Transfer Funds Budgeted In Dept 439 Over To Dept 440. Granted Ended In Fy24 All Positions Were Moved	Retirement	\$ (39,728.00)
26038	9/8/2025	010	439	Usdoj Cops Grant	Btd Transfer Funds Budgeted In Dept 439 Over To Dept 440. Granted Ended In Fy24 All Positions Were Moved	Salaries/Wages-Reg	\$ (263,102.00)
26038	9/8/2025	010	439	Usdoj Cops Grant	Btd Transfer Funds Budgeted In Dept 439 Over To Dept 440. Granted Ended In Fy24 All Positions Were Moved	Dental Insurance	\$ (720.00)
26038	9/8/2025	010	439	Usdoj Cops Grant	Btd Transfer Funds Budgeted In Dept 439 Over To Dept 440. Granted Ended In Fy24 All Positions Were Moved	Hospital Insurance	\$ (52,800.00)
26038	9/8/2025	010	439	Usdoj Cops Grant	Btd Transfer Funds Budgeted In Dept 439 Over To Dept 440. Granted Ended In Fy24 All Positions Were Moved	Social Security Taxes	\$ (16,312.40)
26038	9/8/2025	010	440	School Resource Officers	Btd Transfer Funds Budgeted In Dept 439 Over To Dept 440. Granted Ended In Fy24 All Positions Were Moved	Salaries/Wages-Reg	\$ 263,102.00
26038	9/8/2025	010	440	School Resource Officers	Btd Transfer Funds Budgeted In Dept 439 Over To Dept 440. Granted Ended In Fy24 All Positions Were Moved	Dental Insurance	\$ 720.00
26038	9/8/2025	010	439	Usdoj Cops Grant	Btd Transfer Funds Budgeted In Dept 439 Over To Dept 440. Granted Ended In Fy24 All Positions Were Moved	Employer 401K	\$ (15,179.00)
26038	9/8/2025	010	440	School Resource Officers	Btd Transfer Funds Budgeted In Dept 439 Over To Dept 440. Granted Ended In Fy24 All Positions Were Moved	Medicare Taxes	\$ 3,814.72
26038	9/8/2025	010	440	School Resource Officers	Btd Transfer Funds Budgeted In Dept 439 Over To Dept 440. Granted Ended In Fy24 All Positions Were Moved	Retirement	\$ 39,728.00
26039	10/7/2025	010	441	Sheriff'S Office	Move Funds To Cover Repairs On Speed Trailer	Departmental Supply	\$ (1,992.00)
26039	10/7/2025	010	441	Sheriff'S Office	Move Funds To Cover Repairs On Speed Trailer	Repairs On Equipment	\$ 1,992.00
26040	9/29/2025	010	495	Cooperative Extension	Btd From Salaries To Cap Equip	Salaries/Wages-Reg	\$ (10,000.00)
26040	9/29/2025	010	495	Cooperative Extension	Btd From Salaries To Cap Equip	Capital Equipment	\$ 10,000.00
26041	9/29/2025	010	445	Emergency Management	Btl For Uniforms For Emerceny Management	Uniforms/Clothing	\$ 6,000.00
26041	9/29/2025	010	998	Contingency	Btl For Uniforms For Emerceny Management	Emerg & Contingency	\$ (6,000.00)
2619	8/11/2025	010	441	Sheriff'S Office	202609 Co For Premier Body Armor Po	Controlled Property Exp	\$ (2,473.00)
2619	8/11/2025	010	441	Sheriff'S Office	202609 Co For Premier Body Armor Po	Fund Balance Appropriated	\$ (6,530.00)

BUD #	DATE SUBMITTED BY DEPT	Fund #	DEPT #	DEPT NAME	EXPLANATION	Account Description	BUDGET AMOUNT
2619	8/11/2025	010	441	Sheriff'S Office	202609 Co For Premier Body Armor Po	Uniforms/Clothing	\$ (257.00)
2619	8/11/2025	010	441	Sheriff'S Office	202608 Co For Various Pos	Uniforms/Clothing	\$ 257.00
2619	8/11/2025	010	441	Sheriff'S Office	202608 Co For Various Pos	Fund Balance Appropriated	\$ 6,530.00
2619	8/11/2025	010	441	Sheriff'S Office	202608 Co For Various Pos	Capital Equipment	\$ 3,800.00
2619	8/11/2025	010	441	Sheriff'S Office	202609 Co For Premier Body Armor Po	Capital Equipment	\$ (3,800.00)
2619	8/11/2025	010	441	Sheriff'S Office	202608 Co For Various Pos	Controlled Property Exp	\$ 2,473.00
2661	9/19/2025	5/8/1901	602	Public School Building Cpf	Co 202637 Pub School Grant Cap Proj Fund Co	St Grant-Pub Sch Cap	\$ 14,031.45
2661	9/19/2025	5/8/1901	602	Public School Building Cpf	Co 202637 Pub School Grant Cap Proj Fund Co	Grants-Pub Sch Cap	\$ 14,031.45
2661	9/19/2025	5/8/1901	602	Public School Building Cpf	Co 202637 Pub School Grant Cap Proj Fund Co	Bud Acc Only-Other Source	\$ 29,290,468.55
2661	9/19/2025	5/8/1901	602	Public School Building Cpf	Co 202637 Pub School Grant Cap Proj Fund Co	Bud Acc Only-Other Source	\$ 29,290,468.55
2662	9/19/2025	5/10/1901	252	Cap Proj-Brgw Improvements	Co 202638 Brgw Improvements Cap Proj Fund Co	Federal Govt Grants	\$ 100,000.00
2662	9/19/2025	5/10/1901	252	Cap Proj-Brgw Improvements	Co 202638 Brgw Improvements Cap Proj Fund Co	Bud Acc Only-Other	\$ 265,803.63
2662	9/19/2025	5/10/1901	252	Cap Proj-Brgw Improvements	Co 202638 Brgw Improvements Cap Proj Fund Co	Contributions Fm Reim Resolution	\$ 9,197.37
2662	9/19/2025	5/10/1901	252	Cap Proj-Brgw Improvements	Co 202638 Brgw Improvements Cap Proj Fund Co	C/O-Other Improve	\$ 109,197.37
2662	9/19/2025	5/10/1901	252	Cap Proj-Brgw Improvements	Co 202638 Brgw Improvements Cap Proj Fund Co	Bud Acc Only-Other Source	\$ 265,803.63
2663	9/19/2025	5/13/1901	256	Cap Proj-Lgrd Stormwater	Co 202639 Waco Substation Cap Proj Co	Budgetary Acctg Only	\$ 12,000.00
2663	9/19/2025	5/13/1901	256	Cap Proj-Lgrd Stormwater	Co 202639 Waco Substation Cap Proj Co	Professional Serv	\$ 6,400.00
2663	9/19/2025	5/13/1901	256	Cap Proj-Lgrd Stormwater	Co 202639 Waco Substation Cap Proj Co	Contributions From Pri Fd	\$ 6,400.00
2663	9/19/2025	5/13/1901	256	Cap Proj-Lgrd Stormwater	Co 202639 Waco Substation Cap Proj Co	Fund Balance Appropriated	\$ 12,000.00
2664	9/26/2025	026	454	E911 Telephone System	Co 202641 Co E911 Center Proj Fund	Const In Progress	\$ 625,918.00
2664	9/26/2025	026	454	E911 Telephone System	Co 202641 Co E911 Center Proj Fund	Fund Balance Appropriated	\$ 625,918.00
2665	9/26/2025	010	470	Public Firing Range	Co 202640 Left Over Grant Funds From Public Firing Range	Grants	\$ 67,554.46
2665	9/26/2025	010	470	Public Firing Range	Co 202640 Left Over Grant Funds From Public Firing Range	Fund Balance Appropriated	\$ 67,554.46
2666	10/9/2025	010	440	School Resource Officers	Co 202642 Co Donations-Star Program	Donations-Star Prog	\$ 14,520.00
2666	10/9/2025	010	440	School Resource Officers	Co 202642 Co Donations-Star Program	Fund Balance	\$ 14,520.00
2667	10/9/2025	5/4/1901	244	Cap Proj-Board Of Election (Old Srs)	Co 202634 Boe Project Fund Carryover Left Over Funds	Contributions From Pri Fd	\$ 1,324,360.00
2667	10/9/2025	5/4/1901	244	Cap Proj-Board Of Election (Old Srs)	Co 202634 Boe Project Fund Carryover Left Over Funds	Transfers Fm Cap Reserve	\$ 490,069.00
2667	10/9/2025	5/4/1901	244	Cap Proj-Board Of Election (Old Srs)	Co 202634 Boe Project Fund Carryover Left Over Funds	Budgetary Acctg Only	\$ 1,466,073.19
2667	10/9/2025	5/4/1901	244	Cap Proj-Board Of Election (Old Srs)	Co 202634 Boe Project Fund Carryover Left Over Funds	C/O-Building	\$ 629,658.81
2667	10/9/2025	5/4/1901	244	Cap Proj-Board Of Election (Old Srs)	Co 202634 Boe Project Fund Carryover Left Over Funds	C/O-Land	\$ 54,000.00
2667	10/9/2025	5/4/1901	244	Cap Proj-Board Of Election (Old Srs)	Co 202634 Boe Project Fund Carryover Left Over Funds	Fund Balance Appropriated	\$ 335,303.00

LIBRARY: BUDGET AMENDMENT (BNA #018)

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

Account Number	Project Code	Department/Account Name	Increase	Decrease
010.611.5.790.04		Library/Donations-B. Blackburn	\$1,000	
010.611.5.790.06		Library/Donations-Snoddy	\$5,183.02	
010.611.4.991.00		Library/Fund Balance Appropriated	\$6,183.02	
<i>Explanation of Revisions: Budget allocation of \$6,183.02 in donated funds received in FY 25. Funds will be used for library expenses.</i>				

SHERIFF’S OFFICE: BUDGET AMENDMENT (BNA #019)

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

Account Number	Project Code	Department/Account Name	Increase	Decrease
010.442.4.991.00		Federal Forfeiture Funds/Fund Balance Approp	\$11,188	
010.442.5.211.00		Federal Forfeiture Funds/Controlled Property Exp	\$11,188	
<i>Explanation of Revisions: Budget allocation of \$11,188 in funds for communication headsets, radio adapters, and helmet adapters for the Sheriff’s Emergency Response Team (SERT).</i>				

E-911 COMMUNICATIONS: BUDGET AMENDMENT (BNA #020)

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

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Bridges, and unanimously adopted by the Board to, *approve the resolution designating official depositories for county funds.*

COMMISSIONERS: 2026 COMMISSIONER MEETING SCHEDULE

The Clerk to the Board included the *2026 Commissioner Regular Meeting Schedule* in Board Members’ packets.

ACTION: Commissioner Hardin made the motion, seconded by Commissioner Bridges, and unanimously approved by the Board to, *approve the 2026 Commissioner Regular Meeting Schedule.*

2026 Cleveland County Board of Commissioners Meeting Schedule

- January 20
- February 3
- March 17
- April 21
- May 5
- May 19
- June 2
- June 16
- July 14 – 2nd Tuesday of the month
- August 4
- September 15
- October 20
- November 17
- December 1
- December 7 – Organizational Meeting

COMMISSIONERS: WILLIAM KEMP MAUNEY HIGHWAT DESIGNATION

Cleveland County received a request from the family of William Kemp Mauney to have a portion of the new Highway 74 bypass named after Mr. Mauney. The County Board of Commissioners must issue a resolution of support to apply to the North Carolina Department of Transportation. Mr. Mauney served with distinction in the North Carolina House of Representatives and the North Carolina Senate from the mid-1960s through the mid-1970s, during which time he also served on the North Carolina Highway Commission and introduced numerous bills in support of his constituents. In 1974, he was formally recognized for his unselfish support of Cleveland County law enforcement officers and firefighters, reflecting his commitment to public safety and community service. His leadership extended beyond business into civic and philanthropic endeavors, including 70 years of continuous service with the Kings Mountain Lions Club, long-standing support of the Cleveland County Fair, and the establishment of the William Kemp Mauney and Mary S. Mauney Foundation to provide scholarships, support food banks, and fund crisis ministries.

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Bridges and unanimously adopted by the Board to, *approve the resolution in support of the William Kemp Mauney Highway Designation.*



Resolution

23-2025

RESOLUTION REQUESTING THE NAMING OF A PORTION OF U.S. HIGHWAY 74 BYPASS IN HONOR OF WILLIAM KEMP MAUNEY JR.

WHEREAS, William Kemp Mauney Jr. (1917–2008) was a lifelong resident of Cleveland County, North Carolina, who devoted his life to business, public service, and community betterment; and

WHEREAS, Mr. Mauney served with distinction in the North Carolina House of Representatives and the North Carolina Senate from the mid-1960s through the mid-1970s, during which time he also served on the North Carolina Highway Commission and introduced numerous bills in support of his constituents; and

WHEREAS, in 1974 he was formally recognized for his unselfish support of law enforcement officers and firefighters of Cleveland County, reflecting his commitment to public safety and community service; and

WHEREAS, as a pioneer in the hosiery industry, Mr. Mauney founded Mauney Hosiery Mills in Kings Mountain, North Carolina, which grew to employ more than 300 people and supplied socks to the United States military, while also establishing numerous other businesses that contributed to the economic vitality of Cleveland County; and

WHEREAS, his leadership extended beyond business into civic and philanthropic endeavors, including 70 years of continuous service with the Kings Mountain Lions Club, long-standing support of the Cleveland County Fair, and the establishment of the William Kemp Mauney and Mary S. Mauney Foundation to provide scholarships, food bank support, and crisis ministry funding; and

WHEREAS, Mr. Mauney and fellow businessmen organized annual Christmas meals for civil servants in Kings Mountain for more than 66 years, embodying his dedication to community and public servants; and

WHEREAS, in his final days, Mr. Mauney requested that his family support Hospice, leading to a donation which established the outside gardens at Testa Family Hospice in Kings Mountain, which continue to serve families in need of peace and comfort; and

WHEREAS, Mr. Mauney's lifetime of contributions in public service, business, faith, and philanthropy represent the highest ideals of leadership and community stewardship;

NOW, THEREFORE, BE IT RESOLVED, that the Cleveland County Board of Commissioners respectfully requests that the North Carolina Board of Transportation designate a two-mile portion of the U.S. Highway 74 Bypass around Shelby as the "William Kemp Mauney Jr. Highway" in honor of his distinguished life and service.

Adopted this 21st day of October 2025

Kevin Gordon, Chairman
Cleveland County Board of Commissioners

ATTEST:

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



LANDFILL: LANDFILL FACILITY STORMWATER IMPROVEMENT PROJECT

Two bids for the referenced project were submitted, opened, and read aloud on September 26, 2025. A tabulation of the two bids, showing unit costs and extended total for each bid item, as well as the total bid amount, is provided. No math errors were identified in the bid tabulation, and therefore, the extended amounts and total bid amounts were accurate on the bid forms of each bidder.

Rank	Bidder	Bid Total
1	Sisk Grading, Inc.	\$1,810,182.00
2	Earnhardt Grading, Inc.	\$1,919,122.00

Attachments to the Bid of C-410 Bid Form for Construction Contract state the following:

- “2.01 The following documents are submitted with and made a condition of this Bid:
- A. Required Bid security;
 - B. List of Proposed Subcontractors;
 - C. List of Proposed Suppliers;
 - D. Evidence of authority to do business in the state of the Project;
 - E. Contractor’s license number as evidence of Bidder’s State Contractor’s License;
 - F. Required Bidder Qualification Statement with supporting data;”

The bid packages submitted by the two (2) bidders were reviewed for completeness in accordance with the requirements listed above. Each bid was determined to be responsive to these requirements. Based on the review of the bids submitted and the information provided, Sisk Grading, Inc. has been identified as the lowest responsive, responsible bidder. Based on this review, we recommend awarding the contract to Sisk Grading Inc. in the amount of \$1,810,182.00. The full amount for the project is included in the County’s FY26 budget and funded by reserves.

Table 1
Bid Tabulation
Cleveland County Landfill Facility
Stormwater Improvements Project

Bid Item	Description	Estimated Quantity	Unit	Sisk Grading Inc.		Earnhardt Grading, Inc.	
				Unit Price	Extended Total	Unit Price	Extended Total
1	Bonds, Insurance, Mobilization and Demobilization	1	LS	\$ 60,000.00	\$ 60,000.00	\$ 39,000.00	\$ 39,000.00
2	Silt Fence	4,297	LF	\$ 8.00	\$ 34,376.00	\$ 6.00	\$ 25,782.00
3	Construction Entrance	1	LS	\$ 6,000.00	\$ 6,000.00	\$ 13,000.00	\$ 13,000.00
4	Concrete Washout	1	LS	\$ 500.00	\$ 500.00	\$ 2,150.00	\$ 2,150.00
5	Clearing and Grubbing	25.80	AC	\$ 6,000.00	\$ 154,800.00	\$ 8,000.00	\$ 206,400.00
6	Stripping & Stockpile	9.78	AC	\$ 7,500.00	\$ 73,350.00	\$ 13,000.00	\$ 127,140.00
7	Sediment Basin SB-4A Excavation	9,459	CY	\$ 4.00	\$ 37,836.00	\$ 6.50	\$ 61,483.50
8	Sediment Basin SB-4A Backfill	13,801	CY	\$ 8.00	\$ 110,408.00	\$ 3.00	\$ 41,403.00
9	SB-4A Riser Barrel Outlet Structure	1	LS	\$ 28,000.00	\$ 28,000.00	\$ 55,000.00	\$ 55,000.00
10	Sediment Basin SB-4B Excavation	52,134	CY	\$ 8.00	\$ 417,072.00	\$ 6.75	\$ 351,904.50
11	Sediment Basin SB-4B Backfill	767	CY	\$ 8.00	\$ 6,136.00	\$ 3.00	\$ 2,301.00
12	SB-4B Riser Barrel Outlet Structure	1	LS	\$ 30,000.00	\$ 30,000.00	\$ 50,000.00	\$ 50,000.00
13	Impoundment SP-1A Excavation	4,791	CY	\$ 8.00	\$ 38,328.00	\$ 6.50	\$ 31,141.50
14	Impoundment SP-1A Backfill	231	CY	\$ 8.00	\$ 1,848.00	\$ 3.00	\$ 693.00
15	Impoundment SP-1A Rock Check Dam	1	LS	\$ 7,500.00	\$ 7,500.00	\$ 6,500.00	\$ 6,500.00
16	Sediment Basin SB-N1 Excavation	13,868	CY	\$ 8.00	\$ 110,944.00	\$ 6.50	\$ 90,142.00
17	Sediment Basin SB-N1 Backfill	373	CY	\$ 8.00	\$ 2,984.00	\$ 3.00	\$ 1,119.00
18	Sediment Basin SB-N1 Riser Barrel Outlet Structure	1	LS	\$ 32,000.00	\$ 32,000.00	\$ 50,000.00	\$ 50,000.00
19	Porous Baffles	1,905	LF	\$ 10.00	\$ 19,050.00	\$ 6.50	\$ 12,382.50
20	48" CPP Storm Pipe w/ Flared Outlet & Inlet	1,090	LF	\$ 175.00	\$ 190,750.00	\$ 310.00	\$ 337,900.00
21	PreCast Concrete Junction Box for 48" Storm Pipe	4	EA	\$ 12,000.00	\$ 48,000.00	\$ 18,000.00	\$ 72,000.00
22	Leachate Force Main Modifications	1	LS	\$ 40,000.00	\$ 40,000.00	\$ 45,000.00	\$ 45,000.00
23	Class A Riprap Energy Dissipater	30	CY	\$ 150.00	\$ 4,500.00	\$ 115.00	\$ 3,450.00
24	Class B Riprap Energy Dissipater	30	CY	\$ 150.00	\$ 4,500.00	\$ 120.00	\$ 3,600.00
25	Class B Riprap Channel Lining	400	CY	\$ 150.00	\$ 60,000.00	\$ 120.00	\$ 48,000.00
26	Class B Riprap Emergency Spillway	150	CY	\$ 150.00	\$ 22,500.00	\$ 120.00	\$ 18,000.00
27	Erosion Control Matting	9,500	SY	\$ 3.00	\$ 28,500.00	\$ 3.00	\$ 28,500.00
28	Stabilization	25.80	AC	\$ 3,500.00	\$ 90,300.00	\$ 4,850.00	\$ 125,130.00
29	Rock Excavation - Rippable Rock	1,000	CY	\$ 85.00	\$ 85,000.00	\$ 10.00	\$ 10,000.00
30	Field Engineering	1	LS	\$ 65,000.00	\$ 65,000.00	\$ 60,000.00	\$ 60,000.00
Total Amount					\$ 1,810,182.00		\$ 1,919,122.00

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Bridges and unanimously adopted by the Board to, *approve the Sisk Grading contract as present. (a full copy of the contract is on file in the Finance Department.)*

PUBLIC HEARINGS

JUSTICE CENTER FUNDING

Chairman Gordon recognized Mitch Brigulio, Financial Advisor with Davenport Public Finance, to present the Justice Center Funding. The Board of Commissioners is considering entering an installment financing contract, in a principal amount currently estimated not to exceed \$75,000,000, under which the County will make certain installment payments to finance:

- (a) a portion of the costs of the demolition of the existing Cleveland County Courthouse and the construction and equipping of a new justice center, including a courthouse, a detention center, the Sheriff’s Office, and related to the Justice Center Project.
- (b) costs of entering into the contract. The Justice Center Project will be located at 100 Justice Place, Shelby, North Carolina 28150.

In connection with the contract, Cleveland County will secure its obligations by a Deed of Trust that grants a security interest in the site of the Justice Center Project and the improvements on it. The Justice Center Project may be financed under the Contract and the Deed of Trust, along with other projects authorized by the Commissioners. The Contract and the Deed of Trust will allow the county to amend and finance additional projects, refinance existing projects, and use the Mortgaged Property as collateral. The county may also grant additional collateral for such amendments. Once the county makes all installment payments due under the contract, including any future payments for additional projects, the lien on the mortgaged property will end, and any security interest under the Deed of Trust will be released.

Cleveland County is pursuing financing for several capital projects, including \$75 million to fund part of the construction costs for the new Justice Center and \$14 million for infrastructure and equipment for Solid Waste Operations. In addition to the financing, the County has received \$103.15 million from the State of North Carolina and has set aside \$19 million in capital reserves for the Justice Center Project. The financing will be arranged through a Direct Bank Loan with TD Bank. The Direct Bank Loan will be documented as a Limited Obligation Bond (“LOB”) under North Carolina General Statute §160A-20. Payments on the LOB will depend on annual approval by the Board of Commissioners. The LOB will be secured by a Deed of Trust on the Justice Center.

Essentially, it's a mortgage on the Justice Center. Suppose there's ever a need to finance anything else on that property or on all the land the Justice Center occupies. In that case, the limited-obligation bond structure allows the county to do so without the existing lender's consent. It provides flexibility by structuring future financing as a limited obligation bond, but this will be done directly with TD Bank. The \$89 million total is split between the Justice Center, which is financed over a 20-year term, and the Solid Waste component, which is financed over a 10-year term. The entire loan has an interest rate of 3.8% and allows prepayment after the first 10 years. In total, the \$89 million set of the total borrowing, the payback over 20 years with interest will be just over \$120 million.

The Board was reminded at their September 16, 2025, regular meeting that the initial resolutions had been adopted. Since then, an application has been submitted to the Local Government Commission, which must approve this financing before the closing, and we have been working on preparing all the legal documentation for the funding itself. Upon final approval by the Commissioners, the next step is obtaining authorization from the Local Government Commission on November 4, 2025. Once those steps are completed, the next phase is the closing, scheduled for November 13, 2025. At that time, the county will receive the funds and will be able to spend them on the projects. The following information and PowerPoint were presented to the Commissioners.

Justice Center and Solid Waste Financing Overview

Cleveland County, North Carolina



October 21, 2025



Financing Detail



2025 Direct Bank Loan LOB Financing Summary

Lender:	TD Bank (TD Public Finance LLC)
Par Amount:	Justice Center: \$75,000,000 Solid Waste: \$14,000,000 Total Borrowing: \$89,000,000
Interest Rate:	3.80%
Term:	20 Years (Justice Center) 10 Years (Solid Waste)
Payment Dates:	10/1/26 - 10/1/45 (annual)
Prepayment	After 10/1/35 without penalty

Estimated Debt Service (Principal + Interest)

	Justice Center	Solid Waste	Total
FY	Debt Service	Debt Service	Debt Service
2027	6,267,500	1,701,933	7,969,433
2028	6,457,500	1,701,184	8,158,684
2029	6,315,000	1,701,976	8,016,976
2030	6,172,500	1,701,982	7,874,482
2031	6,030,000	1,701,164	7,731,164
2032	5,887,500	1,701,484	7,588,984
2033	5,745,000	1,701,828	7,446,828
2034	5,602,500	1,702,120	7,304,620
2035	5,460,000	1,701,284	7,161,284
2036	5,317,500	1,701,282	7,018,782
2037	5,175,000	-	5,175,000
2038	5,032,500	-	5,032,500
2039	4,890,000	-	4,890,000
2040	4,747,500	-	4,747,500
2041	4,605,000	-	4,605,000
2042	4,462,500	-	4,462,500
2043	4,320,000	-	4,320,000
2044	4,177,500	-	4,177,500
2045	4,035,000	-	4,035,000
2046	3,892,500	-	3,892,500
Total	104,592,500	17,016,237	121,608,737



October 21, 2025

Cleveland County, NC

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Requested Board Action



- Hold a Public Hearing (Justice Center)
- Hold a Public Hearing (Solid Waste Project)
- Consider Adopting the Approving Resolution



October 21, 2025

Cleveland County, NC

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Financing Overview

- Cleveland County is pursuing a financing to fund several capital projects, including:
 - \$75 million to fund a portion of the construction costs of the new Justice Center.
 - \$14 million to fund infrastructure and equipment for Solid Waste Operations.
- In addition to the financing, the County has received \$103.15 million of funding from the State of North Carolina and has set aside \$19 million of capital reserves for the Justice Center Project.
- The financing will be completed through a Direct Bank Loan with TD Bank.
 - The Direct Bank Loan will be documented as a Limited Obligation Bond ("LOB") under NCGS 160A-20.
 - Payments on the LOB will be subject to annual appropriation by the Board of Commissioners.
 - The LOB will be secured by a Deed of Trust (i.e. mortgage) on the Justice Center.



October 21, 2025



Cleveland County, NC

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Financing Schedule Overview

2025 Limited Obligation Bond | Direct Bank Loan



Date	Task
September 16 th (6:00pm)	- County Board of Commissioners Meeting - County Board calls for a Public Hearing - County Board considers adopting a Preliminary Findings Resolution
October 7 th	Deadline to Submit LGC Application for November 4 th Approval
October 21 st (6:00pm)	- County Board of Commissioners Meeting - County Board holds a Public Hearing - County Board considers approving a Final Resolution
November 4 th	LGC considers approving the Financing
November 13 th	Close on Financing - Bond Proceeds Available



October 21, 2025

Cleveland County, NC

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Municipal Advisor Disclosure



The U.S. Securities and Exchange Commission (the "SEC") has clarified that a broker, dealer or municipal securities dealer engaging in municipal advisory activities outside the scope of underwriting a particular issuance of municipal securities should be subject to municipal advisor registration. Davenport & Company LLC ("Davenport") has registered as a municipal advisor with the SEC. As a registered municipal advisor Davenport may provide advice to a municipal entity or obligated person. An obligated person is an entity other than a municipal entity, such as a not for profit corporation, that has commenced an application or negotiation with an entity to issue municipal securities on its behalf and for which it will provide support. If and when an issuer engages Davenport to provide financial advisory or consultant services with respect to the issuance of municipal securities, Davenport is obligated to evidence such a financial advisory relationship with a written agreement.

When acting as a registered municipal advisor Davenport is a fiduciary required by federal law to act in the best interest of a municipal entity without regard to its own financial or other interests. Davenport is not a fiduciary when it acts as a registered investment advisor, when advising an obligated person, or when acting as an underwriter, though it is required to deal fairly with such persons.

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The value of and income from investments and the cost of borrowing may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, securities/instruments prices, market indexes, operational or financial conditions or companies or other factors. There may be time limitations on the exercise of options or other rights in securities/instruments transactions. Past performance is not necessarily a guide to future performance and estimates of future performance are based on assumptions that may not be realized. Actual events may differ from those assumed and changes to any assumptions may have a material impact on any projections or estimates. Other events not taken into account may occur and may significantly affect the projections or estimates. Certain assumptions may have been made for modeling purposes or to simplify the presentation and/or calculation of any projections or estimates, and Davenport does not represent that any such assumptions will reflect actual future events. Accordingly, there can be no assurance that estimated returns or projections will be realized or that actual returns or performance results will not materially differ from those estimated herein. This material may not be sold or redistributed without the prior written consent of Davenport.

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October 21, 2025

Cleveland County, NC

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Chairman Gordon opened the Public Hearing at 6:28 p.m. for anyone wanting to speak for or against the Solid Waste Funding. *(Legal Notice was published in the Shelby Star on Friday, October 10, 2025, and Friday, October 17, 2025).*

Hearing no comments, Chairman Gordon closed the Public Hearing at 6:29 p.m.

Chairman Gordon opened the floor to Commissioners for questions and discussion. Commissioner Hardin asked whether this funding would affect Cleveland County taxpayers. County Manager David Cotton stated that this will have no financial impact on county residents. Commissioner Berry inquired if the 3.8% is a fixed rate for the entire loan. Mr. Brigulio advised that it was. The Commissioners reviewed the history and long-term planning associated with the new jail and courthouse project, noting that discussions began nearly eight years ago. They

acknowledged that the existing facility was in such poor condition that it was nearly condemned, and early evaluations confirmed that renovation was not practical. The Board also noted that the original structure had been built as a “bomb shelter,” creating significant design and structural limitations. Commissioners emphasized that the new facility is viewed as a long-term infrastructure investment that will prepare county operations for the next 75 years, ensure compliance with state standards, and reflect the County’s commitment to responsible financial stewardship.

The Justice Center construction project remains slightly ahead of schedule, with the contractor’s performance continuing to be positive. Ongoing monitoring by county administrators indicates the potential for early completion, and the Board anticipates receiving favorable news regarding the timeline in the near future. Commissioners reiterated that the current facility had been deemed unsuitable for renovation, with both state inspections and prior evaluations confirming that new construction was necessary due to its inability to meet modern judicial and detention standards.

Commissioner Hutchins has spoken with Cleveland County Sheriff Alan Norman, who expressed concerns about the new facility’s immediate ability to handle the current inmate population. They suggested the possibility of a short-term dual-facility operation, keeping the existing annex in use temporarily while the new Justice Center becomes fully operational. Sheriff Norman will continue to carefully monitor inmate populations to ensure that capacity issues are proactively managed during the transition. Chairman Gordon noted that if the annex center is closed and has to be reopened, the facility would have to be brought up to current new standards. Commissioners recognized the need for careful evaluation before closing the annex facility.



Resolution

21-2025

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF CLEVELAND, NORTH CAROLINA, APPROVING AN INSTALLMENT FINANCING CONTRACT AND DELIVERY THEREOF AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS

WHEREAS, the County of Cleveland, North Carolina (the “County”) is a validly existing political subdivision, existing as such under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the “State”);

WHEREAS, the County has the power, pursuant to the General Statutes of North Carolina to (1) enter into installment contracts to purchase, or finance or refinance the purchase of, real or personal property and to finance or refinance the construction or repair of fixtures or improvements on real property and (2) create a security interest in some or all of the property financed or refinanced to secure repayment of the money advanced therefor;

WHEREAS, the Board of Commissioners of the County (the “Board of Commissioners”) has previously determined that it is in the County’s best interest to finance (a) a portion of the costs of the demolition of the existing Cleveland County Courthouse and the construction and equipping of a new justice center including a courthouse, a detention center, the Sheriff’s Office, and related public infrastructure development (collectively, the “Justice Center Project”), and (b) finance improvements to an existing solid waste landfill and acquisition of solid waste equipment (collectively, the “Solid Waste Project” and together with the Justice Center Project, the “2025 Projects”);

WHEREAS, the Board of Commissioners has determined to finance the 2025 Projects together under a single Installment Financing Contract (the “Contract”) in an amount not to exceed \$89,000,000 with the Cleveland County Public Facilities Corporation (the “Corporation”);

WHEREAS, it is in the best interest of the County to enter into a Deed of Trust, Security Agreement and Fixture Filing (the “Deed of Trust”) related to the County’s fee simple interest in the real property on which the Justice Center Project is located, together with the improvements thereon (the “Mortgaged Property”), that will provide security for the County’s obligations under the Contract;

WHEREAS, in furtherance of the above plan, the Corporation will execute and deliver its Limited Obligation Bond (County of Cleveland, North Carolina, Series 2025 (the “2025 Bond”) in an aggregate principal amount not to exceed \$89,000,000 evidencing proportionate undivided interests in rights to receive certain Revenues (as defined in the Contract), under the terms of an Indenture of Trust (the “Indenture”) between the Corporation and U.S. Bank Trust Company, National Association, as trustee, to be purchased by TD Public Finance LLC;

WHEREAS, there have been described to the Board of the Commissioners the forms of the following documents (collectively, the “Instruments”), copies of which have been made available to the Board of Commissioners, which the Board of Commissioners proposes to approve, enter into and deliver, as applicable, to effectuate the proposed installment financing:

- (1) the Contract;
- (2) the Indenture, including the form of the 2025 Bond; and
- (3) the Deed of Trust;

WHEREAS, it appears that each of the Instruments is in an appropriate form and is an appropriate instrument for the purposes intended;

WHEREAS, the Board of Commissioners conducted public hearings at this meeting to receive public comment on the proposed Contract and the 2025 Projects, after publication of notices with respect to such public hearings, and approval of the Local Government Commission of North Carolina (the “LGC”) with respect to entering into the Contract must be received;

WHEREAS, the County has filed with the LGC an application for the approval and private sale without advertisement of the 2025 Bond, and expects to receive approval of the Contract by the LGC at its November 4, 2025 meeting; and

WHEREAS, Parker Poe Adams & Bernstein LLP, as bond counsel, will render an opinion to the effect that entering into the Contract and the transactions contemplated thereby are authorized by law;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF CLEVELAND, NORTH CAROLINA, AS FOLLOWS:

Section 1. Ratification of Action. All actions of the County, the County Manager, the Chairman of the Board of Commissioners (the “Chairman”), the Finance Director, the County Attorney, and the Clerk to the Board of Commissioners (the “Clerk”), and their respective designees, whether previously or hereinafter taken, in effectuating the proposed financing, including the making of application to the LGC, are approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the Instruments.

Section 2. Authorization to Execute the Instruments. The Board of Commissioners authorizes and approves the financing of the 2025 Projects in an amount not to exceed \$89,000,000 and in accordance with the terms of the Instruments, which will be a valid, legal and binding obligations of the County in accordance with their terms. The form and content of the Instruments are authorized, approved and confirmed, and the County Manager, the Chairman, the Finance Director, and the Clerk (collectively, the “Authorized Officers”) are authorized, empowered and directed, individually and collectively, to execute and deliver the Instruments, including necessary counterparts, in substantially the form and content presented to the Board of Commissioners, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the County’s approval of any and all changes, modifications, additions or deletions therein from the form and content of the Instruments presented to the Board of Commissioners. From and after the execution and delivery of the Instruments, the Authorized Officers are authorized, empowered and directed, individually and collectively, to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Instruments as executed.

Section 3. County Representative. The Authorized Officers are designated as the County's representatives to act on behalf of the County in connection with the transactions contemplated by the Instruments, and the Authorized Officers are authorized to proceed with the transactions contemplated by the Instruments and to seek opinions as a matter of law from the County Attorney, which the County Attorney is authorized to furnish on behalf of the County, and opinions of law from such other attorneys for all documents contemplated by this Resolution as required by law. The County's representatives or their respective designees are authorized, empowered and directed, individually and collectively, to do any and all other acts and to execute any and all other documents which they, in their discretion, deem necessary or appropriate to consummate the transactions contemplated by the Instruments and their ongoing administration or as they deem necessary or appropriate to implement and carry out the intent and purposes of this Resolution and to administer the transactions contemplated by this Resolution after the execution and delivery of the 2025 Bond.

Section 4. Severability. If any section, phrase or provision of this Resolution is for any reason declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

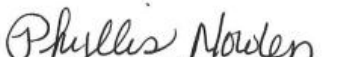
Section 5. Repealer. All motions, orders, resolutions and parts thereof, in conflict herewith are hereby repealed.

Section 6. Effective Date. This Resolution is effective on the date of its adoption.

Adopted this the 21st day of October, 2025.


Kevin Gordon, Chairman
Cleveland County Board of Commissioners

ATTEST:


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



ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Bridges and unanimously approved by the Board to, ***adopt the resolution approving an installment financing for the Justice Center project contract and delivery thereof and providing for certain other related matters as presented. (a full copy of the contract is on file in the Finance Department.)***

SOLID WASTE FUNDING

Finance Director Philip Steffan, along with staff and the County Manager, prepared the bid packet for the Solid Waste Cell IV construction, which will expand the landfill within its current plan. In addition to the construction phases, equipment and other capital projects will require funding from the \$14 million solid waste budget. The Solid Waste will be funded by the enterprise fund. Further information about the Solid Waste Funding was included in the Justice Center Funding presentation.

Chairman Gordon opened the Public Hearing at 6:28 p.m. for anyone wanting to speak for or against the Solid Waste Funding. *(Legal Notice was published in the Shelby Star on Friday, October 10, 2025, and Friday, October 17, 2025).*

Hearing no comments, Chairman Gordon closed the Public Hearing at 6:29 p.m.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Bridges, and was unanimously approved by the Board, ***to adopt the resolution approving an installment financing for the Solid Waste contract and delivery thereof and providing for certain other related matters as presented. (a full copy of the contract is on file in the Finance Department.)***



Resolution

19-2025

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF CLEVELAND, NORTH CAROLINA, AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT FOR THE SOLID WASTE PROJECT AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO

WHEREAS, the County of Cleveland, North Carolina (the “County”) is a validly existing political subdivision, existing as such under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the “State”);

WHEREAS, the County has the power, pursuant to the General Statutes of North Carolina to (1) enter into installment contracts in order to purchase, or finance or refinance the purchase of, real or personal property and to finance or refinance the construction or repair of fixtures or improvements on real property and (2) create a security interest in some or all of the property financed or refinanced to secure repayment of the purchase price;

WHEREAS, the Board of Commissioners of the County of Cleveland (the “Board”) hereby determines that it is in the best interest of the County to finance improvements to an existing solid waste landfill and acquisition of solid waste equipment (collectively, the “Solid Waste Project”);

WHEREAS, the Cleveland County Public Facilities Corporation (the “Corporation”) will assist the County by the issuance of its Limited Obligation Bonds (the “Bonds”) to finance the Solid Waste Project;

WHEREAS, the Board hereby determines that it is in the best interests of the County to finance the Solid Waste Project by (1) entering into an Installment Financing Contract (the “Contract”) with the Corporation in order to finance the capital costs of the Solid Waste Project, and (2) entering into a deed of trust, security agreement and fixture filing (the “Deed of Trust”) related to the County’s fee simple interest in the real property on which the Solid Waste Project is located, or another project financed under the Contract, together with the improvements thereon (collectively, the “Mortgaged Property”), that will provide security for the County’s obligations under the Contract;

WHEREAS, the Corporation will execute and deliver the Bonds in an aggregate principal amount not to exceed \$14,000,000, evidencing proportionate undivided interests in rights to receive certain Revenues (as defined in the Contract) pursuant to the Contract;

WHEREAS, the County hereby determines that financing the Solid Waste Project is essential to the County’s proper, efficient and economic operation and to the general health and welfare of its inhabitants; that financing the Solid Waste Project will provide an essential use and has and will permit the

WHEREAS, past audit reports of the County indicate that its debt management and contract obligation payment policies have been carried out in strict compliance with the law, and the County has not been censured by the North Carolina Local Government Commission (the “LGC”), external auditors or any other regulatory agencies in connection with such debt management and contract obligation payment policies;

WHEREAS, a public hearing on the Contract after publication of a notice with respect to such public hearing must be held, and approval of the LGC with respect to entering into the Contract must be received;

WHEREAS, the County hereby determines that all findings, conclusions and determinations of the County in this Resolution are subject to modification or affirmation after all interested parties have been afforded the opportunity to present their comments at a public hearing regarding the execution and delivery of the Contract and the Solid Waste Project financed thereby;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of Cleveland, North Carolina, as follows:

Section 1. Authorization to Negotiate the Contract; Ratification. The County Manager and the Finance Director (collectively, the “Authorized Officers”), with advice from the County Attorney and bond counsel, are hereby authorized and directed, individually and collectively, to proceed and negotiate on behalf of the County the Contract for a principal amount not to exceed \$14,000,000 to finance the Solid Waste Project, to be entered into in accordance with the provisions of Section 160A-20 of the General Statutes of North Carolina, as amended, and to provide in connection with the Contract, as security for the County’s obligations thereunder, a Deed of Trust conveying a lien and interest in the Mortgaged Property, including the improvements thereon. The Solid Waste Project may be financed under the Contract and Deed of Trust together with other projects authorized by the Board. All actions of the Authorized Officers, or their designees, in furtherance of the financing of the Solid Waste Project, whether previously or hereinafter taken, are hereby ratified and authorized.

Section 2. Application to LGC. The Finance Director or his designee is hereby directed to file with the LGC an application for its approval of the Contract and all relevant transactions contemplated thereby on a form prescribed by the LGC and to state in such application such facts and to attach thereto such exhibits regarding the County and its financial condition as may be required by the LGC.

Section 3. Direction to Retain Professionals. The Authorized Officers, with advice from the County Attorney, are hereby authorized and directed to retain the assistance of Parker Poe Adams & Bernstein LLP, as bond counsel, Davenport & Company LLC, as financial advisor, Wells Fargo Bank, National Association, and Truist Securities, Inc., as underwriters. The Authorized Officers are hereby authorized to retain such other professionals as they deem necessary in their judgment to carry out the transaction contemplated in this Resolution.

Section 4. Public Hearing. The Board of Commissioners shall conduct a public hearing the “Public Hearing”) on October 21, 2025 at 6:00 p.m. in the Cleveland County Administration Building, Commission Chambers, located at 311 East Marion Street, Shelby, North Carolina 28150, concerning the execution and delivery of the proposed Contract for the financing of the Solid Waste Project.

County to carry out public functions that it is authorized by law to perform; and that entering into the Contract and Deed of Trust is necessary and expedient for the County by virtue of the findings presented herein;

WHEREAS, the County hereby determines that the Contract would allow the County to finance the Solid Waste Project and take title thereto at a favorable interest rate currently available in the financial marketplace and on terms advantageous to the County;

WHEREAS, the County hereby determines that the estimated cost of financing the Solid Waste Project, in addition to the other funds that are available to the County for the Solid Waste Project, including payment of the costs of execution and delivery, is an amount not to exceed \$14,000,000 and that such cost exceeds the amount that can be prudently raised from currently available appropriations, unappropriated fund balances and non-voted bonds that could be issued by the County in the current fiscal year pursuant to Article V, Section 4 of the Constitution of the State;

WHEREAS, although the cost of financing the Solid Waste Project pursuant to the Contract is expected to exceed the cost of financing the Solid Waste Project pursuant to a bond financing for the same undertaking, the County hereby determines that the cost of financing the Solid Waste Project pursuant to the Contract and Deed of Trust and the obligations of the County thereunder are preferable to a general obligation bond financing or revenue bond financing for several reasons, including but not limited to the following: (1) the cost of a special election necessary to approve a general obligation bond financing, as required by the laws of the State, would result in the expenditure of significant funds; (2) the time required for a general obligation bond election would cause an unnecessary delay which would thereby decrease the financial benefits of financing the Solid Waste Project; and (3) insufficient revenues are produced by the Solid Waste Project so as to permit a revenue bond financing;

WHEREAS, the County hereby determines that the estimated costs of financing the Solid Waste Project pursuant to the Contract reasonably compares with an estimate of similar costs under a bond financing for the same undertaking as a result of the findings delineated in the above preambles;

WHEREAS, the County anticipates that any future property tax increase, if necessary, to pay installment payments falling due under the Contract will not be excessive;

WHEREAS, the sums to fall due under the Contract will be adequate but not excessive for its proposed purpose;

WHEREAS, no deficiency judgment may be rendered against the County in any action for its breach of the Contract, and the taxing power of the County is not and may not be pledged in any way directly or indirectly or contingently to secure any money due under the Contract;

WHEREAS, the County is not in default under any of its debt service obligations;

WHEREAS, the County’s budget process and Annual Budget Ordinance are in compliance with the Local Government Budget and Fiscal Control Act, and external auditors have determined that the County has conformed with generally accepted accounting principles as applied to governmental units in preparing its Annual Budget ordinance;

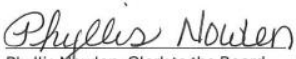
Section 5. Repealer. All motions, orders, resolutions and parts thereof in conflict herewith are hereby repealed.

Section 6. Effective Date. This Resolution is effective on the date of its adoption.

Adopted this the 16th day of September 2025.


Kevin Gordon, Chairman
Cleveland County Board of Commissioners

ATTEST:


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



REGULAR AGENDA

CONSOLIDATED HUMAN SERVICES AGENCY BOARD STRUCTURE

Chairman Gordon recognized Staff Attorney Logan Roberts to present the Consolidated Human Services Agency Board Structure. Currently, the Board of Commissioners serves as the governing board for both the Department of Social Services and the Health Department and is responsible for hiring the directors of those departments. The Board is also responsible for the yearly Health Department Accreditation. Each department has

its own separate advisory board with no real governing powers. In addition, both departments and all their employees are subject to the Safe Human Resources Act.

After extensive discussion and review, staff recommend creating a unified human services agency by merging the current Department of Social Services and Health Department, abolishing their respective advisory boards, and establishing a single Human Services Board that will serve as a governing body rather than just an advisory committee. These changes will make the County Manager responsible for hiring the director of the consolidated Human Services Agency Board. Additionally, the new board will take on responsibility for the Health Department's annual accreditation. Employees from both departments will now operate under this agency and will no longer be governed by the Safety Human Resources Act; instead, they will be subject to the county personnel policies.

The next step in creating the consolidated board is to establish a nominating committee comprising members from the existing Social Services Advisory Board, the Health Advisory Board, and the Cleveland County representatives on the Partners Behavioral Health Board (LME). Then, hold a public hearing to consider a formal resolution to create the consolidated Human Services Agency at the November 18, 2025, regular Commissioner's meeting, and then, upon that approval, appoint the new members of that board.

Board members can serve two consecutive four-year terms, unlike the current advisory board structure. Initial appointments can be staggered. After completing two terms, members must step down for a term before becoming eligible again. Current members of the Social Services and Board of Health advisory boards can be nominated. If advisory board members already serving in these roles qualify, they can continue their initial terms, and their previous service on these pre-consolidation boards does not count against their future service. Board members must reside in Cleveland County, and, by statute, the board may have up to 25 members. However, staff recommends a smaller number, specifically 15 positions or roles. If the board has fewer than 15 members, additional seats can be filled by individuals from various occupations. The composition of the board includes:

- Four Consumers of Human Services
 - Represent Service Users
 - Provide direct community perspective
- Eight Professionals (including two physicians, with one of whom must be a psychiatrist)
 - Professionals from various human services fields
 - Ensures technical expertise in health care and social services
- One County Commissioner, ex officio
 - Provides direct government oversight

Members must keep their qualifications current to remain on the board. If a professional loses their license, they will need to step down and be replaced. The new structure creates a more diverse, professionally qualified board with authority compared to the current advisory board. The new consolidated board will be responsible for providing advice and approval for the agency director and will oversee the health department's annual accreditation process. The following information and PowerPoint were presented to the Commissioners.

Consolidated Human Services Board

Transition Process



Current Status

- ▶ The Board of Commissioners act as the governing board of both DSS and the Health Department
 - ▶ The hiring of the director of each Department is by appointment by the Board of Commissioners.
 - ▶ The Board of Commissioners are responsible for ensuring Accreditation for the Health Department.
- ▶ Each Department has a separate advisory board
- ▶ Employees are subject to the State Human Resources Act.

Recommended Changes

- ▶ Create a Consolidated Human Services Agency (CHSA) by combining DSS and the Health Department.
- ▶ Abolish the DSS and Health Advisory Boards and replace with a Consolidated Human Services Board (CHSB)
- ▶ This will result in the following changes:
 - ▶ The County Manager will appoint the Consolidated Human Services Director with advice and approval of the CHSB
 - ▶ The CHSB will be responsible for Accreditation.
 - ▶ Employees will no longer fall under the State Human Resources Act but will fall under County Personnel Policies.

Actions to Take

- ▶ Create a Nominating Committee from the existing DSS Advisory Board, Health Advisory Board, and the Cleveland County members of Partners Behavioral Health Board (LME) to nominate candidates for the new Board.
- ▶ At the next meeting, the Board of Commissioners should:
 - ▶ Pass a resolution dissolving the DSS Advisory Board and the Health Advisory Boards and creating the new Consolidated Human Services Board; and
 - ▶ Appoint the members of the new CHSB.
- ▶ The County Manager should then identify a candidate for the CHSA Director and seek the advice and consent of the CHSB
- ▶ If the CHSB consents to the appointment, the County Manager appoints the CHS Director to lead the CHSA

CHS Board Members

- ▶ Terms may be up to four years (suggest using shorter terms for some initial board members so that vacancies are staggered).
- ▶ Board members may only be appointed for two consecutive terms.
- ▶ Existing members of the DSS and Health Advisory Boards can be nominated.
- ▶ Board members must be residents of the County.
- ▶ The board can have up to TWENTY-FIVE (25) members.
- ▶ There are FIFTEEN (15) positions/roles that must be filled.

CHS Board Makeup

- ▶ (4) people who are consumers of human services;
- ▶ (8) Professionals, one of each of the following:

Psychologist	Pharmacist	Engineer	Dentist
Optometrist	Veterinarian	Social Worker	Registered Nurse
- ▶ (2) Physicians licensed to practice medicine, one of which must be a Psychiatrist
- ▶ (1) County Commissioner (Ex-Officio)
- ▶ Other persons, including “members of the general public representing various occupations.”
- ▶ One person can serve multiple roles.
- ▶ Members must maintain their qualifications to remain on the Board

Chairman Gordon opened the floor to the Board for further questions and discussion. Commissioner Hardin asked for clarity on the role of the County Manager in hiring the Consolidated Human Services Director. She highlighted past issues where boards had no real control and wanted to ensure the new structure gave the county manager clear hiring authority. Mr. Roberts clarified that the County Manager holds full authority to make all hiring decisions, including for department directors and other employees. The newly established board serves in an advisory capacity, providing “advice and consent” regarding potential hires, but does not have the authority to nominate candidates. While the County Manager may discuss potential hires with the board, all final hiring decisions rest solely with the County Manager. Commissioners appreciated the professional composition of the consolidated board, noting they currently struggle to review the health director's performance without specialized knowledge effectively. The new board's structure, with physicians and professionals from various human services fields, would provide more meaningful oversight.

ACTION: Commissioner Hardin made a motion, seconded by Commissioner Bridges, and was unanimously adopted by the Board, *to approve the , set the public hearing as requested,*

MEMORANDUM

To: Health Department Board
Department of Social Services Board
Cleveland County LME Board Members

From: Kevin Gordon

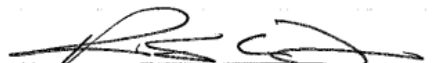
Date: Tuesday, October 21, 2025

Re: Temporary Nominating Committee for proposed Consolidated Human Services Board

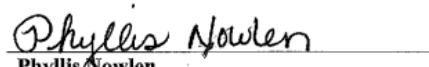
On Tuesday, October 21, 2025, the Cleveland County Board of Commissioners voted to create a nominating committee pursuant to N.C. Gen. Stat. §153A-77(c) which shall be comprised of the members of the pre-consolidation board of health, social services board, and LME board. You are hereby directed to meet as a nominating committee and prepare and present your nominations for the new Consolidated Human Services Board. Pursuant to the statute, you must nominate:

- FOUR (4) persons who are consumers of human services
- EIGHT (8) professionals; one from each with qualifications in one of the following categories: one psychologist, one pharmacist, one engineer, one dentist, one optometrist, one veterinarian, one social worker, and one registered nurse.
- TWO (2) physicians licensed to practice medicine in this State, one of whom shall be a psychiatrist.

All nominees must be Cleveland County, North Carolina residents and cannot be an employee of the Cleveland County Department of Health or the Cleveland County Department of Social Service. All current board members are eligible for nomination. Nominations should include the mailing address and phone number of the nominee. The list of nominations shall be delivered to the County Clerk, no later than 5:00 p.m. on Friday, November 7th. Thank you for your service to the County.


Kevin Gordon
Chair of the Board of Commissioners

ATTEST TO BY


Phyllis Nowlen
Clerk to Board

CLOSED SESSION

ACTION: Commissioner Bridges made the motion, seconded by Commissioner Berry and unanimously adopted by the Board, *to go into Closed session per to North Carolina General Statute § 143-318.11 (a)(3) To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged. The public body may consider and give instructions to an attorney concerning the handling or settlement of a claim, judicial action, mediation, arbitration, or administrative procedure. (A copy of the closed session Minutes is sealed and found in the Closed Session Minute Book.)*

RECONVENE IN REGULAR SESSION

Chairman Gordon stated, “*The Board is in open session. No action was taken.*”

ADJOURN

There being no further business to come before the Board at this time, Commissioner Hardin 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, November 18, 2025, at 6:00 pm*** in the Commissioners’ Chambers.

Kevin Gordon, Chairman
Cleveland County Board of Commissioners

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