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

**PRESENT:**
- Eddie Holbrook, Chairman
- Susan Allen, Vice-Chair
- Johnny Hutchins, Commissioner
- Ronnie Whetstine, Commissioner
- Doug Bridges, Commissioner
- Tim Moore, County Attorney
- Phyllis Nowlen, Clerk to the Board
- Brian Epley, County Manager
- Kerri Melton, Assistant County Manager
- Allison Mauney, Human Resources Director
- Dayna Causby, Board of Elections Director
- Chris Green, Tax Administrator
- Perry Davis, Fire Marshall/Emergency Management Director
- Betsy Harnage, Register of Deeds
- Greg Traywick, Cooperative Extension Director

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

**AGENDA ADOPTION**

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

**SPECIAL PRESENTATION**

**Retirement of Cleveland County Deputy Scott Chapman:** Chairman Holbrook recognized Major Durwin Briscoe with the Cleveland County Sheriff’s Office. Major Briscoe gave a brief account on Deputy Scott Chapman, citing the many accomplishments and contributions he has made through his 29 years of service at the Sheriff’s Office. The Board presented Deputy Chapman with a retirement plaque and thanked him for his years of service.

**Farm to City Update:** Chairman Holbrook recognized Greg Traywick, Cleveland County Extension Director, who introduced two staff members from the Cooperative Extension Office. Charlie Godfrey is the new 4-H Youth Development Agent and is currently setting up a spring embryology program in the classrooms for second graders in the County. Mr. Godfrey will oversee the shooting sports program to ensure it continues to grow and be successful. Andrew Scruggs, Area Crop Field Agent at the Cooperative Extension Office gave the Board an overview on grain production and agriculture in Cleveland County.

$133 Million Farm-Gate Sales

480,000 bu./year

x 20,000,000

= ~2,000 sandwiches per resident
Cleveland County agriculture produces a diverse commodity ranging from cattle, produce and grains which represents $133 million dollars annually in farm big sales. Despite the challenges of grain production such as drought, late freezes, insects and disease, farmers in the county are able to produce an average of 480,000 bushels of wheat each year. That number equates to 20 million loaves of bread. The majority of wheat grown is processed at Renwood Mills in Catawba County and is used to make local store brand flour and biscuit mix. In 2017 Cleveland County farmers had a record year producing 450,000 bushels of corn. The majority of the corn crop was processed at Case Farms in Shelby and is used as feed for 22 million chickens that are grown in Cleveland County on a yearly basis. The Cooperative Extension Office partnered with Cleveland County Economic Development and ASR Grain Company to successfully submit and receive a grant from the North Carolina Ag Development Trust Fund. The grant will assist ASR Grain to implement a new grain mining station which will help about 20 local farmers be able to sell their grain crops in Cleveland County and not have to sell or transport to the store. Mr. Scruggs received an update from ASR Grains, reporting within the first year the numbers quadrupled with 70 farmers being able to take advantage of the new station.

Another portion of the grant has allowed the Regional Grain Project to supply specialty grains such as a new malting quality barley. The first crop of these grains has been planted in Cleveland County as a test with the hopes it will expand for multiple farmers. ASR Grains has positioned themselves to be the premier supplier of malt grain barley in Western North Carolina and possibly the entire state. This is a tremendous opportunity for Cleveland County farmers to be able to grow and sell this higher value crop through ASR Grains and obtain a price three to four times higher per bushel than regular barley. The Board thanked Mr. Scruggs for the information given and for the work the Cooperative Extension continues to do for the County.
CITIZEN RECOGNITION

No citizens registered to speak.

CONSENT AGENDA

APPROVAL OF MINUTES

The Clerk to the Board included the Minutes of the January 8, 2018 special called meeting and the Minutes of the January 16, 2018 regular meeting, in Board Members packets.

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

UNSEAL MINUTES

The Clerk to the Board included, in a closed envelope, the Sealed Minutes of the January 8, 2018 Closed Session in Board Members packets.

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and passed unanimously by the Board to, unseal the minutes from the January 8, 2018 Closed Session.

HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #031)

ACTION: Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, 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>012.546.4.310.00</td>
<td>02200-8PTN</td>
<td>Carolina Access/Federal Govt Grants</td>
<td>$4,000.00</td>
<td></td>
</tr>
<tr>
<td>012.546.5.310.00</td>
<td>02200-8PTN</td>
<td>Carolina Access/Travel-Training</td>
<td>$4,000.00</td>
<td></td>
</tr>
</tbody>
</table>

Explanation of Revisions: Community Care of North Carolina has allocated $4,000 to the Cleveland County Health Department, Carolina Community Health Partnership to support Practice Transformation Network (PTN) activities. The program offers medication management optimization support for practices that participate in the Practice Transformation.

LIBRARY: BUDGET AMENDMENT (BNA #032)

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

<table>
<thead>
<tr>
<th>Account Number</th>
<th>Project Code</th>
<th>Department/Account Name</th>
<th>Increase</th>
<th>Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>010.611.4.310.00</td>
<td>45310-CONF</td>
<td>Library/Federal Govt Grant</td>
<td>$1,700.00</td>
<td></td>
</tr>
<tr>
<td>010.611.5.310.00</td>
<td>45310-CONF</td>
<td>Library/Travel-Training</td>
<td>$1,700.00</td>
<td></td>
</tr>
</tbody>
</table>

Explanation of Revisions: $1,700 to budget LSTA Grant from the State Library System for Ensley Guffey to attend Evergreen International Conference in St. Charles, Missouri from April 30 – May 3, 2018.

PUBLIC SAFETY: BUDGET AMENDMENT (BNA #033)

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

<table>
<thead>
<tr>
<th>Account Number</th>
<th>Project Code</th>
<th>Department/Account Name</th>
<th>Increase</th>
<th>Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>010.437.4.310.00</td>
<td>93889-3SMT</td>
<td>Public Safety/Federal Govt Grant</td>
<td>$3,500.00</td>
<td></td>
</tr>
<tr>
<td>010.437.5.211.00</td>
<td>93889-3SMT</td>
<td>Public Safety/Controlled Property Exp</td>
<td>$2,645.00</td>
<td></td>
</tr>
<tr>
<td>010.437.4.240.00</td>
<td>93889-3SMT</td>
<td>Public Safety/Automatic Supplies</td>
<td>$855.00</td>
<td></td>
</tr>
</tbody>
</table>

Explanation of Revisions: $3,500 to budget FY18 SMAT III Sustainment Grant funds to be received through MHPC from NCOEMS to purchase strip doors, mount states and ton gantry crane.

TAX ADMINISTRATION: SMALL BUSINESS INCENTIVE GRANT FOR A&K WILLIAMS ENTERPRISES, LLC. (Schedule Public Hearing for February 20, 2018)
A&K Williams Enterprises, LLC has made application for participation in the Small Business Investment Grant Program. Under the Program, a qualifying net new investment of $250,000 to $500,000 would be eligible for a grant equal to 100% of taxes paid on the new investment for year one of the grant and 50% for years two and three. Grant amount will be calculated on 0.57 per $100 of net new investment. The applicant has met the listing and investment requirements. Taxes have been paid and there are no unresolved appeals.

**ACTION:** Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, **approve scheduling the public hearing as requested.**

**TAX ADMINISTRATION: SMALL BUSINESS INCENTIVE GRANT FOR ROLAND GRACE FARMS, LLC.** *(Schedule Public Hearing for February 20, 2018)*

Roland Grace Farms, LLC has made application for participation in the Small Business Investment Grant Program. Under the Program, a qualifying net new investment of $100,000 to $250,000 would be eligible for a grant equal to 50% of taxes paid on the new investment for three years. Grant amount will be calculated on 0.57 per $100 of net new investment. The applicant has met the listing and investment requirements. Taxes have been paid and there are no unresolved appeals.

**ACTION:** Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, **approve scheduling the public hearing as requested.**

**PUBLIC HEARINGS**

**PLANNING DEPARTMENT: ZONING CASE 18-01; PARCEL 27384 AT 217 EAST BLAZER STREET**

Chairman Holbrook called Chris Martin, Senior Planner for Cleveland County, to the podium. Mr. Martin stated John Williams, owner of Williams and Twiggs Trucking, is requesting to rezone Parcel 27384 at 217 Blazer Street, from Residential (R) to General Business-Conditional District (GB-CD) to be used for Williams and Twiggs Trucking. In August, 2015, Mr. Williams bought the property, which is slightly less than two acres, located in the Light Oak Community on Blazer Street which is a secondary road off of Oak Grove Road. Mr. Williams currently uses this property to park six (6) semitrailer trucks. A zoning permit was not sought for this use. The area surrounding 217 Blazer Street is zoned both Residential and Restricted Residential and is comprised of mostly single-family dwellings. To the southwest is some commercial property within Shelby’s zoning jurisdiction and to the east there is some general business along Oak Grove Road. The land use plan designates this area and the surrounding area as Residential. With any re-zoning case you must connect the re-zoning decision with the Land Use Plan by adopting a statement the relates to the current Land Use Plan.

This re-zoning case was brought before the Planning Board and after much discussion they voted unanimously to postponing the rezoning request until after the February 27th Planning Board meeting so the Board can receive a recommendation from Isothermal Planning Commission and staff can evaluate any conditions that could enable the use to be compliant with zoning.
Case # 18-01 Re-Zoning: 217 Blazer Street R to GB-CD

Future Land Use Plan Designation

[Checkboxes for Residential and Municipal Zoning]

Layer: Parcels

- Owner: WILLIAMS JOHN
- Owner: WILLIAMS ALINDREA
- Property: 217 BLAIZER ST
- Address: SHILEY, NC 28150
- Owner: WILLIAMS ALINDREA
- Property: 217 BLAIZER ST

Map: Blazer 11-12
Block: 3
Lot: 9
Land Use: 9817
Year: 2018
Tax: 217
Parcel: 217
Use Code: R

Attributes:
- County: Cleveland
- Municipality: Cleveland County Zoning
- Census Tract: 95370
- School District: Elementary: Shively Elementary
- Middle: Shively Middle School
- High: Shively High School

Layer: Flood Zones
- Zone: W200
- Parcel: 010000000

Layer: Voting Precincts
- Precinct: 12

217 Blazer Street Aerial Map
Chairman Holbrook opened the floor to the Board for any questions. Commissioner Hutchins requested to know the difference between Residential and Restricted Residential. Mr. Martin advised Residential allows single-wide manufactured homes whereas Restricted Residential does not.

Hearing no further questions or comments from the Board, Chairman Holbrook opened the Public Hearing at 6:32 pm for anyone wanting to speak for or against the re-zoning case 18-01; Parcel 27384, at 217 Blazer Road.

**John T. Williams Jr., 2707 Elizabeth Avenue** - spoke in support of rezoning Parcel 27384 from Residential (R) to General Business-Conditional District (GB-CD). He purchased the property three years ago to park his semi-trucks. Mr. Williams had looked at other properties prior to purchasing Parcel 27384 however the cost of the other properties was not feasible. He meet with Jim White and explained to Mr. White why he was looking for a large piece of property. Mr. White showed Mr. Williams the property at 217 Blazer Street and advised it should not be a problem parking the semi-trucks on the property. He asked the Board for their consideration regarding the rezoning of his business.

**Audrey Williams, 2707 Elizabeth Avenue** - spoke in support of rezoning Parcel 27384 from Residential (R) to General Business-Conditional District (GB-CD). Mrs. Williams also explained they looked at other properties prior to purchasing Parcel 27384 but the prices were too high to purchase for their small business. She then inquired about the zoning of Dedmon’s Trucking located on Highway 150. Mrs. Williams advised Dedmon’s is a trucking business surrounded by homes and wanted to know the difference between that business and theirs. She assured the Board their drivers are safe and cautious and would not doing anything to harm the residents or do damage to the surrounding properties. She too asked the Board for their consideration regarding the rezoning of their business.

Chairman Holbrook asked Chris Martin for clarification regarding the difference in zoning of Mr. William’s property and Dedmon’s Trucking. Mr. Martin advised Dedmon’s trucking, located on Highway 150, is in the city of Shelby zoning jurisdiction and he is not aware at this time what they have that area zoned as.

**Willie McIntosh** - spoke in support of rezoning Parcel 27384 from Residential (R) to General Business-Conditional District (GB-CD). Mr. McIntosh has known the William’s for years and stated they are good people in the community. He asked the Board to do what they could to help the Williams.

Hearing no further comments, Chairman Holbrook closed the Public Hearing at 6:37 pm. (Legal Notice was published in the Shelby Star on Tuesday, January 24, 2018 and Tuesday, January 31, 2018).

**ACTION:** Commissioner Hutchins made a motion, seconded by Commissioner Allen, and passed unanimously by the Board to, **postpone the decision of rezoning Parcel 27384 at 217 Blazer Street, from Residential (R) to General Business-Conditional District (GB-CD) until the March 20, 2018 Regular Meeting**, to allow the Board to receive and evaluate the recommendation from Isothermal Planning Commission and the Planning Board.
Chairman Holbrook stated it is the Board’s intention to gather all of the information and recommendations from Isothermal Planning and Development and the Planning Board. It is the responsibility of those two boards to do a thorough evaluation and give their recommendation to the Board of County Commissioners. At this time Commissioners do not feel comfortable making a decision regarding the rezoning Parcel 27384 from Residential (R) to General Business-Conditional District (GB-CD) without a consensus from both of those boards.

REGULAR AGENDA

INDOOR SPORTS COMPLEX PARTNERSHIP

Chairman Holbrook recognized Willie Green, President/CEO of 5-Star Athlete, Inc who presented the Indoor Sports Complex Partnership proposal. Mr. Green began this project in 2014 while completing his Master’s Degree in Sports Administration from Ohio State University. After graduating from the Sports Administration program, Mr. Green developed the Carolina Athletic Sports Academy (C.A.S.A) which is currently operating at 341 Hudson Street in Shelby and has an average of 60 - 70 student athletes attending the training program each week. The need for a local travel ball facility is prevalent in Cleveland County. Mr. Green presented research from the Rocky Mount travel ball tournaments that were held over a 12-week span during 2006/2007. The economic impact to that area was 2.2 million dollars. Time Magazine reported in August 2017 the United States youth-sports economy, which includes everything from travel to private coaching, is now a $15.3 billion market.

Several goals for C.A.S.A is to provide a local site for student-athletes to train and provide a place to host travel ball tournaments which in turn will help boost economic development in Cleveland County. The proposed indoor facility will have basketball courts that can convert into volleyball courts, indoor turf field, weight room, pitching/hitting cages, and an infield diamond. C.A.S.A will be able to hold tournaments for basketball, volleyball, gymnastics, martial arts, cheerleading, and dance. Mr. Green introduced Bradley Keller who was a former student of Crest High School and was drafted right after High School to play for the Atlanta Braves. Mr. Keller spoke to the Board about the importance for student athletes to receive the proper training and conditioning to excel in their sport and possibly get recruited for college and pro-ball. Mr. Green is working on several proposals with the Major League Baseball (MLB) and the National Football League (NFL) to secure grant monies and partnerships for the sports complex.

In conclusion, Mr. Green asked the Board for consideration of entering a public/private partnership for the 2018/2019 fiscal year. In one option Cleveland County will receive part or all of a marketable community asset, release from obligation to manage said asset, inventory of time during which parks and recreation and/or the School District can access portions of the facility and easement to property for local, county, and state development. Another option will give Cleveland County a marketable community asset, release from obligation to manage said asset and a flat-fee annual payout or a percent of operating profit. Mr. Green thanked the Board for allowing him to present and looks forward to further conversations that may lead to a possible partnership that will
help the local youth and bring tremendous growth to Cleveland County’s economic development. Chairman Holbrook opened the floor to the Board for questions or comments. Commissioner Hutchins advised some time ago Commissioner Willie McIntosh was involved with a sports program and Upper Cleveland Sports Authority has funds and property available. He asked if Mr. Green has reached out to them for a partnership. Mr. Green stated he has spoken with Mr. McIntosh and advised it would be very difficult to build a sports complex in that location and get the same success results if it were built in a more central location like Shelby.

Commissioner Hutchins also suggested Mr. Green reach out to Steve Padgett, Director of the Small Business Center and the Certified Entrepreneurial Community Program. Mr. Padgett is a wealth of knowledge and provides guidance for new private business owners. Commissioner Hutchins asked Brian Epley, County Manager, what other avenues were possible for Mr. Green and the sports complex. Mr. Epley assured the Board there have been several productive conversations between himself and Mr. Green regarding options that are available for Mr. Green. Mr. Epley stated Cleveland County has programs in place that encourage and support economic development. Moving forward, Mr. Epley and Mr. Green will continue to communicate and evaluate how the project grows and the County will be as helpful as possible. Attorney Tim Moore stated there are Part F grants (Parks and Recreation Trust Funds) available however it would depend on how the business is set up, non-profit or for-profit, as to what is available. Chairman Holbrook concluded by stating travel ball is one of the fastest growing economic development endeavors in the country. This is not a matter of if this is a valuable project, because it is; this is a matter of working out the details and legalities to accomplish the end goal.
To implement the recommendations contained in the Comprehensive Master Plan, the City of Shelby will most certainly have to expand their partnership agreements with other public agencies and private-sector organizations. Private-sector partnerships can be beneficial to municipalities.

Types of partnerships that the City of Shelby should consider in its efforts for the improvement and addition of parks and recreational facilities:

- Operational partnerships to share the responsibility for providing public access and use of facilities.
- Development partnerships to purchase land and/or build facilities.

(City of Shelby, Master Plan, 2008-2018)

“The one up parent rule

“The U.S. youth-sports economy— which includes everything from travel to private coaching—is now a $15.3 billion market.” (How Kids’ Sports Became a $15 Billion Industry, TIME Magazine, August 2017)

According to Rocky Mount, North Carolina 2006-2007 Rocky Mount Sports Complex Economic Impact Report for March 15th to July 1st, there was an overall economic impact of $2,242,000 from tournament events. These numbers reflect a total number of 12 tournament weekends. The dollar amount was based on $40 a day spent for the average day-tripper and $100 a day spent by the average overnight visitor. (Averages from Raleigh Sports Data, Greater Raleigh Sports Council, 2007)

The City of Shelby, North Carolina

To implement the recommendations contained in the comprehensive master plan, the City of Shelby will most certainly have to expand their partnership agreements with other public agencies and private-sector organizations. Private-sector partnerships can be beneficial to municipalities.

Types of partnerships that the City of Shelby should consider in its efforts for the improvement and addition of parks and recreational facilities:

- Operational partnerships to share the responsibility for providing public access and use of facilities.
- Development partnerships to purchase land and/or build facilities.

(City of Shelby, Master Plan, 2008-2018)
HIGH LEVEL OVERVIEW

Analyzed Indoor Facility
- 3 Basketball Courts / 6 Volleyball Courts
- 50-yd Indoor Turf Field (Speed & Agility, Flag Football and Soccer)
- Baseball & Softball Pitching/Hitting Cages and Infield Diamond
- Weight room
- Lease Space
- Sports Medicine & Physical Therapy (Possible Tenant)
- Flex/Administrative Spaces
- Flex/Team Rooms/Offices
- Concessions
- Indoor Tournament Events/Athletic/Competition
- Basketball, Volleyball, Gymnastics, Martial Arts, Cheerleading, & Dance.
C.A.S.A.: IS ABOUT HELPING THE ENTIRE COMMUNITY TAKE ITS’ GAME TO THE NEXT LEVEL WITH PARTNERSHIPS AND PROGRAMS

Economic Impact

Partnerships

2 OPTIONS FOR A PUBLIC PRIVATE PARTNERSHIP

PUBLIC/PRIVATE PARTNERSHIP OPTION 1

- Cleveland County receives some or all of:
  - Realizable community asset
  - Release from obligation to manage said asset
  - Inventory of time during which Public & Fire and/or School District can access portions of the facility
  - Investment in property (school, county, and site development e.g. access to fully staffed and maintained facility, parking, jogging trails)

5-Star Athlete or its’ affiliates receives some or all of:

- Property tax abatement for specified period of time
- Financial support for site work (e.g., grading, rough grading, paving, accessibility improvements, etc.)
- Financial support for development process (e.g., site work, planning and zoning, traffic studies, storm water management studies, etc.)
- Financial contribution for construction
- Ongoing financial contributions for annual operations

PUBLIC/PRIVATE PARTNERSHIP OPTION 2

- Cleveland County receives some or all of:
  - Realizable community asset
  - Release from obligation to manage and asset
  - A flat fee annual payout as a percent of operating profits

5-Star Athlete, Inc. or its’ affiliates receives:

- Complete facility
- Property tax abatement and/or other financial benefits
- Operating profits less any amount paid to Cleveland County
**LAWNDALE INTER-LOCAL AGREEMENT**

Chairman Holbrook called Chris Martin, Senior Planner for Cleveland County, to the podium to present the Lawndale Inter-Local Agreement. The Town of Lawndale has adopted the Cleveland County Development Code and requests to have the County’s Planning Department administer the ordinance within the town’s jurisdiction. In December 2017, Lawndale adopted the Cleveland County Development Code and would like to have the County administer the ordinance inside the town limits. Staff has attended several town meetings since August 2017 to present information regarding the development code and administration procedures. As with other towns, Lawndale will retain the authority to hold public hearings to amend the zoning map and appoint a Board of Adjustment to hear appeals, variances, and/or conditional use permit requests. The Town of Lawndale currently has agreements with the County to administer the minimum housing code and the floodplain code within its limits. One of the priorities of the Land Use Plan is to “facilitate coordination of enforcement with permitting and inspections” with cities and towns. The Planning Department has worked with many of the towns in the County in the past to provide these services and have created positive relationships through the process.
Resources

• The Cleveland County Unified Development Code, Ch. 12
• The Cleveland County Land Use Plan
• The Table of Permitted Uses
• Planning & Zoning: 704-484-4979
• Building Inspections: 704-484-4779

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Whetstine and unanimously approved by the Board to, approve the Lawndale Inter-Local Agreement.

Resolution and Intergovernmental Agreement

Inter-local Agreement between Cleveland County and the Town of Lawndale.

This inter-local agreement, made and entered into the 14th day of December, 2017, by and between the Town of Lawndale, a municipal corporation organized and existing pursuant to the laws of the State of North Carolina, Party of the First Part, and the County, a political subdivision of the State of North Carolina established and operating pursuant to the laws of the State of North Carolina, Party of the Second Part, for the purpose of providing for the coordination of planning and zoning, building inspections, and other development-related activities within the TOWN and the COUNTY.

WHEREAS, the TOWN and the COUNTY, pursuant to the authority granted by the North Carolina General Statutes, hereby covenant and agree as follows:

1. That the TOWN hereby covenants with the COUNTY to use the services of the Planning Department of the COUNTY to administer the Chapter 12 of the Cleveland County Code within the corporate limits of the TOWN.
2. That Chapter 12 of the Cleveland County Code and any amendments thereto are hereby adopted by the TOWN through execution of this Resolution, as well as by this inter-local Agreement, and shall apply within the corporate limits of the TOWN.
3. That the services of the Cleveland County Planning Department shall be performed at no cost to the TOWN.
4. That all fees and charges associated with administering Chapter 12 of the Cleveland County Code as adopted by the Board of Commissioners, shall be utilized by the COUNTY, shall be the sole property of the COUNTY, and the County shall be responsible for the same.
5. That the Cleveland County Planning Department shall use every effort to conform Chapter 12 of the Cleveland County Code, except that in the event of unusual action becomes necessary, the TOWN shall bring any legal action as may be required to effectively enforce said ordinance, upon written notice from the Cleveland County Planning Department of such violations.
6. That this Agreement shall continue until such time as either the TOWN or COUNTY desires to discontinue the Agreement and provides in writing, in writing, to the other party of said termination upon mutual agreement of both parties.
7. This Agreement may be modified in writing and executed by both parties.
8. This Intergovernmental Agreement shall become effective upon adoption by both parties.

IN WITNESS WHEREOF, the Town of Lawndale has caused this Agreement to be signed by its Mayor, attested by its Clerk, and its Official Seal to be hereunto affixed and Cleveland County has caused the agreement to be signed by its name by the Chair of the Board of Commissioners and attested by the Clerk and its Official Seal to be hereunto affixed, the day and year first above written.

[Signatures]

David Herring, Mayor
Cleveland County Board of Commissioners

Phyllis Stoudenmire, Clerk
Cleveland County Board of Commissioners

[Signatures]

[Signatures]
Chairman Holbrook recognized Perry Davis, Emergency Management Director/Fire Marshall for Cleveland County to present the Volunteer Fire Department Strategic Plan update. The 2016 Fire Service Strategic plan identified 18 recommendations to strengthen the county fire service noting recommendations 17 and 18 addressed the need for stipends and part-time paid staff. In the 2017-2018 Budget Fiscal Year, the Board increased funding to county fire departments to allow appropriations to fund a paid part-time employment program along with a paid per call stipend program for volunteers. Each department, with the exception of Lattimore, has instituted a program to allow for two firefighters on duty each weekday and paid stipends to all volunteers at $10 per call. This program has been well received by all departments that are participating and currently an increase in participation is being reported by many departments. Daytime response times have been nearly cut in half which will result in better ISO ratings for each department during their next rating inspections, equipment is being better maintained as well as station upkeep has dramatically improved for all departments. In closing, Mr. Davis thank the Board for their continued support of the Volunteer Fire Department Strategic Plan.
RECOMMENDATION #18

- The transition of fully volunteer fire departments to combination departments is one of the most prevalent changes occurring in the fire service at both the state and national levels. The declining number of people willing to volunteer as firefighters coupled with the increased demand for calls for service and the increasing safety risks of being firefighters has promoted this changeover.
- All 10 County Service District Departments are providing two paid weekday staff reports from each department response times have been cut in half with average response now 4 minutes for these departments.
- Rippy Fire (#3 VFD) is providing one daytime firefighter currently with plans to add more in the future.
- Lattimore will add paid staff at a later date.

EVALUATION

Rural fire commission will conduct inspections of the departments March 17. Departments will evaluate their programs after one year has been completed and report back the results of the evaluation at that time.

THANK YOU BOARD!

- On behalf of the fire service, thank you for your continued support of the strategic plan through additional funding that has been received in the past, without your continued support our continued service delivery would not be possible.

QUESTIONS ???
**CLOSED SESSION**

**ACTION:** Commissioner Allen made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, to *go into closed session per NCGS 143-318.11(a)(3) to consult with the County Attorney on a potential legal matter.* (Copy of closed session minutes are sealed and found in Closed Session Minute Book)

**RECONVENE IN REGULAR SESSION**

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

Chairman Holbrook announced action was taken during the Closed Session. Commissioners discussed the Opioid Epidemic and the multiple effects on Cleveland County. Commissioners believe it is in the best interest of the County to pursue claims against certain opioid manufacturers. The Board engaged the services of the attorneys listed on the letter to represent the County in joining the Opioid Litigation.

**ACTION:** Commissioner Hutchins made the motion, seconded by Commissioner Allen, and unanimously adopted by the Board to, *authorize and agree to adopt the proposed Resolution and execute the Engagement Letter.*

WHEREAS, all states that County expends in addressing, combating and otherwise dealing with the Opioid Epidemic is more than can be used for other critical programs and services that County provides to County citizens, residents and visitors; and

WHEREAS, County has been informed that numerous counties and states across the country have filed lawsuits against certain of the opioid manufacturers in an effort to force the person and entities liable for the Opioid Epidemic to assume financial responsibility for the costs associated with addressing, combating, and otherwise dealing with the Opioid Epidemic; and

WHEREAS, County desires to be represented by legal counsel to pursue legal claims against certain opioid manufacturers and desires to be represented by the following firm of law firms: Dickinson PLC, Munnings Hardy County PLC, and Davis Schwebel, et al. (the “Law Firms”); and

WHEREAS, County has been informed that the Law Firms have the requisite skill, experience and substantialness to prosecute legal claims against certain of the opioid manufacturers on behalf of public entities seeking to hold them responsible for the Opioid Epidemic; and

WHEREAS, the Law Firms have proposed that County engage the Law Firms to prosecute the aforementioned claims on a contingent fee basis whereby the Law Firms would not be compensated unless County receives a financial benefit as a result of the proposed claims and the Law Firms would advance all claims related costs and expenses associated with the claims; and

WHEREAS, all of the costs and expenses associated with the claims against certain of the opioid manufacturers would be borne by the Law Firms; and

WHEREAS, the Law Firms have prepared an engagement letter, which is attached as part of this Resolution (“Engagement Letter”) specifying the terms and conditions under which the Law Firms would provide legal services to County; and otherwise consistent with the terms of this Resolution; and

WHEREAS, County would participate in the prosecution of the claims contemplated in this Resolution and the Engagement Letter by providing information and materials to the Law Firms; and

WHEREAS, County believes it to be in the best interest of County, its citizens, residents, visitors and taxpayers to join with other counties in and outside North Carolina in pursuit of claims against certain of the opioid manufacturers, all upon the terms and conditions set forth in the Engagement Letter; and

WHEREAS, by pursuing the claims against certain of the opioid manufacturers, County is attempting to hold those persons and entities that have a significant role in the creation of the Opioid Epidemic responsible for the financial losses incurred by County and other public agencies across the country in dealing with the Opioid Epidemic;
ENGAGEMENT LETTER

February 5, 2018

CLEVELAND COUNTY, NORTH CAROLINA

Mr.: Engagement of Simmons Realty Center LLC, Cruger Dickinson LLC, and von Briesen & Reper, L.L.C. as Counsel in Relation to Claims Against Opioid Manufacturers

Dear Cleveland County:

The purpose of this letter ("Engagement Letter") is to set out in writing the terms and conditions upon which the law firms of Simmons Realty Center, LLC, Cruger Dickinson, LLC, von Briesen & Reper, L.L.C., and Davis Schweiizer, PLLC (individually "Counsel") will provide legal services to Cleveland County, North Carolina ("County") in relation to the investigation and prosecution of certain claims against the following manufacturers and other parties involved in the marketing of opioid medications: Purdue Pharma L.P., Purdue Pharma Inc., The Purdue Frederick Company, Inc., Endo Pharmaceuticals USA, Inc., AstraZeneca, Inc., Johnson & Johnson, Johnson Pharmaceuticals, Inc., OrthoMcNeil-Janssen Pharmaceuticals, Inc. d/b/a Janssen Pharmaceuticals, Inc., Janssen Pharmaceuticals, Inc., Endo Health Solutions Inc., Endo Pharmaceuticals Inc. (collectively "Opioid Manufacturers"). Depending upon the results of initial investigations of the facts and circumstances surrounding the potential claims, there may be additional parties sought to be made responsible and/or certain of the aforementioned parties may be removed from the potential claim.

This Engagement Letter shall apply solely and exclusively to the services set forth herein in relation to the investigation and lawsuit, as defined below. This Engagement Letter does not govern, nor does it apply to, any services of either Counsel absent and unto.

SCOPE OF SERVICES

Counsel will work with County in the collection of information necessary to form a good faith basis for filing a claim against the Opioid Manufacturers. County hereby authorizes Counsel to file a lawsuit against one or all of the Opioid Manufacturers ("Lawsuit") upon the terms and conditions set forth herein.

RESPONSIBILITIES

Counsel will prosecute the Lawsuit with diligence and keep County reasonably informed of progress and developments, and respond to County’s inquiries. County understands and agrees that all fees paid to Counsel shall be in accordance with the Engagement Letter. County agrees to cooperate with Counsel in the gathering of information necessary to investigate and prosecute the Lawsuit. County further understands and agrees that the law firms of von Briesen & Reper, L.L.C. shall not be identified as any pleading as counsel of record for County in relation to the Lawsuit, but shall be available to assist County and Counsel in relation to the Lawsuit.

The following additional terms apply to the relationship between County and Counsel:

A. Counsel shall remain sufficiently aware of the performance of one another and the performance to assent to in such a manner as to the injury of Count's cause of action and to the mutual benefit of the parties to the Engagement Letter and hereby states that Counsel personal interest is superior to and serves the Law Firm's best interests.

B. As set forth below, County's responsibility and expenses is contingent upon the successful outcome of the Lawsuit, as further defined below. Counsel have agreed in writing as to the appropriate split of attorney fees and expenses. Specifically, in the event of a settlement (as defined below), the attorney fees will be split between the law firms as follows:

<table>
<thead>
<tr>
<th>Firm Name</th>
<th>Percentage of Fees Earned</th>
</tr>
</thead>
<tbody>
<tr>
<td>von Briesen &amp; Reper, L.L.C.</td>
<td>10%</td>
</tr>
<tr>
<td>Cruger Dickinson LLC</td>
<td>40%</td>
</tr>
<tr>
<td>Simmons Realty Center, LLC</td>
<td>40%</td>
</tr>
<tr>
<td>Davis Schweiizer, PLLC</td>
<td>10%</td>
</tr>
</tbody>
</table>

The split of attorneys' fees between Counsel may be subject to change. In the event of such an amendment, the County will be notified in writing of such amendment.

C. Counsel and County understand and agree that Counsel will all be considered attorneys for County. As such, each and all of Counsel will adhere to the Rules of Professional Responsibility governing the relationship between attorney and client.

ACTUAL AND POTENTIAL CONFLICTS OF INTEREST AND WAIVER OF CONFLICT

As County is aware, Counsel continues entering into the same arrangement as that set forth in this Engagement Letter with other counties and municipalities in North Carolina and elsewhere. Counsel believe that the goals and objectives of County are aligned with the goals and objectives of all other counties and municipalities with respect to the Lawsuit. Counsel do not believe that any conflict exists in the representation of the Lawsuit. Counsel do not believe that any conflict exists in the representation of County in the Lawsuit. Counsel do not believe that any conflict exists.

In this matter by representation of any other county or municipality, County should consider the following consequences of joint representation in deciding whether to waive this conflict.
In addition to the material limitation discussed above, there are other consequences for County in agreeing to joint representation. Because each county or municipality would be a client of Counsel, Counsel would maintain an attorney-client relationship with each such client. As each, Counsel would maintain all relevant information with all counties and municipalities who are clients in relation to the Lawsuit and Counsel cannot, at the request of one county or municipality, withhold relevant information from the other client. That is to say, Counsel cannot keep secrets about this matter among the counties and municipalities, and any law against withholding joint information is not to be used by Counsel to prevent Counsel from being forced to divulge information about communications with their clients because it is protected by the attorney-client privilege. However, because County would be a Joint client of the same nature with other counties and municipalities, it is likely that there would be between a future legal dispute between County and other counties or municipalities that engage Counsel about this matter, the attorney-client privilege would not apply, and each would not be able to invoke the privilege against the claims of the other.

Further, while County’s position is in harmony with other counties and municipalities presently, and the conflict discussed above isolvable, facts and circumstances may change. For example, County may change its mind and wish to pursue a course of action that is adverse to the interests of another county or municipality, and the conflict may become irreconcilable. In that event, depending upon the circumstances, Counsel may have to withdraw from representing either County or another county or municipality and County would have to bear the expense, if Counsel choose, of hiring new lawyers who would have to get up to speed on the matter.

County is not required to agree to waive this conflict, and Counsel may, after considering the risks involved in joint representation, decline to sign this Engagement Letter. By signing this Engagement Letter, County is signifying its consent to paying the cost of interest incurred from the notice.

Other than the facts and circumstances related to the joint representation of numerous counties and municipalities, Counsel are unaware of any facts or circumstances that would prohibit Counsel from providing the services as set forth in this Engagement Letter. However, it is important to note that the law firm of von Briesen & Rogge, s.c., is a relatively large law firm based in Wisconsin and represents many companion and individual clients. It is possible that some present and future clients of von Briesen & Rogge, s.c., will have business relationships and potential or actual disputes with County, von Briesen & Rogge, s.c., will knowingly represent clients in matters that are actually adverse to the interests of County without County’s prior consent and informed consent. von Briesen & Rogge, s.c., or any member of that law firm, on a case by case basis, may have representations that are adverse to County. This representation of other clients whose interests are, or maybe adverse to, the interests of County in circumstances where: County will have consulted other counsel and where von Briesen & Rogge, s.c., has requested a written conflict waiver from County after being advised of the circumstances of the potential or actual conflicts and County has provided informed consent.

FEES FOR LEGAL SERVICES AND RESPONSIBILITY FOR EXPENSES

A. Calculation of Contingency Fee

There are no flat fees provided herein unless a recovery resulting to the County is obtained by Counsel in favor of County, either by settlement, or through (adverse) "Recovery." County understands and agrees that a Recovery may occur in any one of different likenesses such as: final judgment in the Lawsuit, settlement of the Lawsuit, or representing County following a settlement or out of court settlement of claims that are subject to the Lawsuit. Counsel agrees to advance all costs and expenses of Counsel, and the Lawsuit associated with investigating and prosecuting the Lawsuit provided, however, that the costs and expenses associated with Counsel’s representation of County in the Lawsuit and otherwise in connection with the Lawsuit will be paid by County. Counsel’s responsibilities under this Engagement Letter are the responsibility of County. In consideration of the legal services to be rendered by Counsel, the contingent attorney fees for the services set forth herein this Engagement Letter shall be a gross fee of 25% of the Recovery, which sum shall be divided among Counsel as set forth in the above charts.

Upon the application of the applicable percentage to the gross Recovery, and that dollar amount set aside as attorneys’ fees to Counsel, the amount remaining shall first be reduced by the costs and disbursements that have been advanced by Counsel, and that amount shall be netted against Counsel. By way of example only, if the gross amount of this Recovery is $1,000,000.00, and costs and disbursements are $100,000.00, then the fee to Counsel would be $250,000.00, the amount of $100,000.00 shall be deducted from the balance of $750,000.00, and the net balance owed to Counsel shall be $650,000.00. The costs and disbursements which may be deducted from a Recovery include, but are not limited to, the following, without limitation: court fees, process server fees, transcript fees, expert witness fees and expenses, courier service fees, apostille printing fees, necessary travel expenses of attorneys to attend depositions, interview witnesses, attend meetings or trials connected to the success of this Engagement Letter and the like, and all other appropriate matters related out of pocket expenses. In the event that any Recovery results in a monetary payment to County that is less than the amount of the costs incurred and/or disbursements made by Counsel, County shall not be required to pay Counsel and any and the costs of the total amount of the Bill Recovery.

B. Nature of Contingent Fee

No minimum shall be paid to Counsel for any work performed, costs incurred or disbursements made by Counsel in the event no Recovery to County has been obtained. In the event of a loss at trial due to an adverse jury verdict or the dismissal of the Lawsuit by the court, no minimum shall be paid to Counsel for any work performed, costs incurred or disbursements made by Counsel. In such an event, neither party shall have any further rights against the other.

C. Enforcement of Recovery Proceeds to County

The proceeds of any Recovery on County’s behalf under the terms of this Engagement Letter shall be distributed to County as soon as reasonably practicable after receipt by Counsel. At the time of distribution of any proceeds from a Recovery, Counsel will be provided with a detailed statement showing the distribution of proceeds among Counsel, the flat fee, the costs and expenses of litigation that are due to Counsel from such proceeds. Counsel are authorized to retain out of any moneys that may come into their hands by reason of their representation of County the fees, costs, expenses and disbursements to which they are entitled as articulated in this Engagement Letter.

TERMINATION OF REPRESENTATION

This Engagement Letter shall cover the period from the date first indicated below until the termination of the legal services rendered hereunder, unless earlier terminated as provided herein. This Engagement Letter shall be automatically terminated and the entire undertaking, neither party shall have any further rights against the other, except that in the event of a Recovery by Counsel against the Opposing Defendants, Counsel shall have a statutory lien on any such recovery as provided by applicable law and further maintain rights in the

FILE RETENTION AND DESTRUCTION

In accordance with Counsel’s records retention policy, most paper and electronic records maintained are subject to a 10-year retention period from the last matter activity date or whenever data deemed appropriate. Extended retention periods may apply to certain types of matters or pursuant to County’s specific direction. After the expiration of the applicable retention period, Counsel will destroy records without further notice to County, unless County otherwise notifies in writing.

MISCELLANEOUS

This Engagement Letter shall be governed by and construed in accordance with the laws of the State of North Carolina, without regard to conflicts of law. In the event of any dispute arising out of the terms of this Engagement Letter, service for any such dispute shall be exclusively designated in the State or Federal Court in North Carolina.

It is expressly agreed that this Engagement Letter represents the entire agreement of the parties, that all previous understandings or agreements existing in this Engagement Letter and that no modifications of this Engagement Letter shall be valid unless written and executed by all parties.

It is expressly agreed that if any terms or provision of this Engagement Letter, or the application thereof to any person or circumstances, shall be held invalid or unenforceable to any extent, the remainder of this Engagement Letter, or the application of such terms or provisions to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby; and every other term and provision of this Engagement Letter shall be valid and shall be enforced to the fullest extent permitted by law.

The parties acknowledge that they have carefully read and fully understand all of the provisions of this Engagement Letter, and that they have the capacity to enter into this Engagement Letter. Each party and the person signing on behalf of each party, represents that the person signing this Engagement Letter, the party named, or the person signing on behalf of the County at any time, is of valid age and capacity. As to the extent of how we provide services, please don’t hesitate to call one or all of the individuals listed below.

Very truly yours,

CRUGER DICKSON LLC

SINONSRAND CONNOLLY

Erin K. Dickson
Paul J. Hanly
COMMISSIONER REPORTS

Commissioner Whetstine – toured the NTE facility and has been working with the Clerk to the Board to set up a tour for the Board to attend. He has also been approached by the Life Enrichment Center located in Kings Mountain and by some members of the Kings Mountain City Council who have requested to present information to the Board on the new program at the center.

RECESS TO RECONVENE

There being no further business to come before the Board at this time, Commissioner Hutchins made the motion, seconded by Commissioner Bridges, and unanimously adopted by the Board, to recess to reconvene. The next meeting of the Commission is scheduled for Thursday, February 8, 2018 at 1:00 p.m. at the LeGrand Center located at 1800 E. Marion St, Shelby for a Commissioners Work Session.

______________________________ 
Eddie Holbrook, Chairman 
Cleveland County Board of Commissioners

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