

CUMBERLAND COUNTY BOARD OF COMMISSIONERS
MONDAY, MARCH 19, 2018 – 6:45 PM
117 DICK STREET, 1ST FLOOR, ROOM 118
REGULAR MEETING MINUTES

PRESENT: Commissioner Jeannette Council, Vice Chair
Commissioner Glenn Adams
Commissioner Michael Boose
Commissioner Charles Evans
Commissioner Marshall Faircloth
Commissioner Jimmy Keefe
Amy Cannon, County Manager
Melissa Cardinali, Assistant County Manager
Tracy Jackson, Assistant County Manager
Sally Shutt, Assistant County Manager
Rob Hasty, Assistant County Attorney
Deborah Shaw, Budget Analyst
Heather Harris, Budget Analyst
Jeffrey Brown, Engineering and Infrastructure Director
Keith Todd, Information Services Director
Tom Lloyd, Planning and Inspections Director
Candice White, Clerk to the Board
Kellie Beam, Deputy Clerk
Press

ABSENT: Commissioner Larry Lancaster, Chairman

Vice Chair Council called the meeting to order.

INVOCATION / PLEDGE OF ALLEGIANCE

Commissioner Keefe provided the invocation followed by the Pledge of Allegiance to the American flag.

Vice Chair Council recognized Fayetteville Cumberland Youth Council members Andrew Greerson and Emily Bresee, students at Grays Creek High School.

Vice Chair Council recognized and congratulated Ms. Sheila Cuffee on receiving the Burton Pate Award during the Fayetteville Cumberland Human Relations Commission's 50th annual awards reception and asked that she and Dr. Anthony Wade, Fayetteville Cumberland Human Relations Department Director, come forward for a special presentation. They were joined by Human Relations Commission member Tony Warren. Ms. Cuffee and Dr. Wade presented the Ester Department Mary McAllister Individual Award to Commissioner Evans for his desire to help others and make the Cumberland County community a better place for everyone.

PUBLIC COMMENT PERIOD

Amy Cannon, County Manager, read the public comment policy. Vice Chair Council recognized the clerk to the board who called the following speakers:

Tom Clark - Mr. Clark referenced newspaper articles he read and offered comments about tree clearing related to the Atlantic Coast Pipeline.

Charlotte Robinson – Ms. Robinson did not speak when her name was called.

Andrew Early – Mr. Early appeared and offered comments on behalf of the T.J. Robinson Life Center organization. Mr. Early asked the Board of Commissioners to seriously consider funding this project.

Pastor Proctor – Pastor Proctor appeared and offered comments on behalf of the T.J. Robinson Life Center organization. Pastor Proctor stated rather than build a detention center, the gap should be plugged with juvenile diversion or an investment made in something that will impact the lives of children.

Chief District Court Judge Robert Stiehl – Judge Stiehl provided a monthly update for cases scheduled and cases scheduled before district court judges and superior court judges. Judge Stiehl stated he attended a mental health collaborative which involved the Stepping Up Initiative, background and program facilitation, guidelines and words of advice. Judge Stiehl spoke to the importance of county's having mental health programs connected to the court system and stated it saves counties tax dollars in the long run.

1. APPROVAL OF AGENDA

MOTION: Commissioner Adams moved to approve the agenda.

SECOND: Commissioner Boose

VOTE: UNANIMOUS (6-0)

2. CONSENT AGENDA

- A. Approval of February 19, 2018 Regular Meeting Minutes and February 27, 2018 Special Meeting Minutes
- B. Approval to Unseal Closed Session General Accounts

BACKGROUND:

Rick Moorefield, County Attorney, has reviewed closed session general accounts for the period of January 5, 2017 – December 18, 2017 and has recommended unsealing the following pursuant to NCGS § 143- 318.10(e).

January 5, 2017 Finance Committee	Attorney/Client Matter(s)
January 17, 2017	Economic Development Matter(s)
February 6, 2017	Personnel Matter(s)
April 18, 2017	Economic Development Matter(s)
May 15, 2017	Economic Development Matter(s)
June 5, 2017	Economic Development Matter(s) Attorney/Client Matter(s)
June 12, 2017 Finance Committee	Attorney/Client Matter(s)
August 7, 2017	Economic Development Matter(s)
August 21, 2017	Economic Development Matter(s)
September 5, 2017	Attorney/Client Matter(s) Economic Development Matter(s)
September 18, 2017	Economic Development Matter(s) Attorney/Client Matter(s)
October 2, 2017	Economic Development Matter(s)
November 6, 2017	Closed Session
November 20, 2017	Economic Development Matter(s)
December 18, 2017	Attorney/Client Matter(s)

RECOMMENDATION / PROPOSED ACTION:

Respectfully request approval to unseal the closed session general accounts as recommended by the County Attorney.

C. Approval of Proclamation Recognizing March 2018 as American Red Cross Month

BACKGROUND:

Request was received for a proclamation recognizing March 2018 as American Red Cross Month in Cumberland County.

RECOMMENDATION / PROPOSED ACTION:

The Board of Commissioners is respectfully requested to consider approval of the proclamation.

COUNTY OF CUMBERLAND

NORTH CAROLINA

PROCLAMATION

WHEREAS, The American Red Cross Sandhills Chapter was established on April 26, 1917 in response to call from President Woodrow Wilson after the start of World War I to assist and comfort communities stricken by disasters large and small, and to help the able-bodied and disabled veterans and civilians overseas; AND

WHEREAS, The American Red Cross Sandhills Chapter provides services to local military personnel and their families, including 24-7 emergency messaging, assisting military members and their families through pre-deployment and post-deployment briefings and seminars; AND

WHEREAS, The American Red Cross Sandhills Chapter continues to partner with city and county government and civic agencies to help ensure our communities are more ready and resilient in the face of future disasters; AND

WHEREAS, Each year the American Red Cross Sandhills Chapter provides shelter, clothing, food and counsel to hundreds of area families who experience a home fire or other disasters such as tornadoes and floods; AND

WHEREAS, The American Red Cross plays a vital role in relief operations by deploying volunteers to rebuild communities hit by disaster and by providing critical support and resources at home and across the Nation; AND

WHEREAS, Each year the American Red Cross Sandhills Chapter trains thousands of local citizens to lead safer and healthier lives through life-saving skills from swimming and life guarding to first aid, CPR and AED; AND

WHEREAS, Each year the American Red Cross Sandhills Chapter helps to collect, test and distribute thousands of life saving units of blood and blood products; AND

WHEREAS, Our County's leadership relies upon our citizens who are motivated to act by our common humanity. This month, let us come together to celebrate Cumberland County's spirit of generosity, and the dedicated individuals and organizations who keep that spirit alive.

NOW THEREFORE, LET IT BE RESOLVED, that the Cumberland County Board of Commissioners hereby proclaims March 2018 as AMERICAN RED CROSS MONTH in Cumberland County and encourages all citizens to join in the observance.

Adopted this 19th day of March 2018.

D. Approval to Pay Prior Year Invoice for Department of Social Services

BACKGROUND:

The Department of Social Services requests approval to pay a prior year invoice for Methodist Home for Children totaling \$1,240.12 for unpaid room and board for one foster child. This invoice was received after the deadline to pay fiscal year 2017 invoices. Staff have verified this invoice has not been paid and is in fact due. Sufficient funds are available to pay this invoice from the current year's budget.

RECOMMENDATION / PROPOSED ACTION:

Management is requesting approval to pay this fiscal year 2017 invoice for Methodist Home for Children totaling \$1,240.12.

- E. Approval of Request to the City of Fayetteville to Deed a Highsmith-Rainey Hospital Parking Lot Parcel to County Pursuant to N.C.G.S. § 160A-274

BACKGROUND:

Part of the parking for the Highsmith-Rainey Hospital is a parking lot that consists of six (6) parcels. One of those parcels was conveyed to the Cape Fear Valley Hospital System with the 2006 transfer agreement. Four (4) of the parking lot parcels are owned by the County. One of the parking lot parcels is owned by the City of Fayetteville. A GIS map of all these parcels has been provided.

Upon final approval of the transfer of the Highsmith-Rainey Hospital to the Cape Fear Valley Health System, the Board of Commissioners directed that the county request the City of Fayetteville to deed the parcel owned by it within the Highsmith-Rainey Hospital parking lot to the county.

RECOMMENDATION / PROPOSED ACTION:

The county attorney recommends adoption of the following resolution to request the City of Fayetteville to deed the parking lot parcel to the county:

Whereas, one of the parking lots serving the Highsmith-Rainey Hospital consists of six (6) parcels; and

Whereas, one of these parcels, identified with PIN 0437-35-4190, is owned by the City of Fayetteville; and

Whereas, the Cumberland County Board of Commissioners desires to clear the title to the entire parking lot which is maintained by the Cape Fear Valley Hospital System in order to convey the parking lot with the hospital building to the Cape Fear Valley Hospital System.

Be it therefore resolved that the Cumberland County Board of Commissioners requests the City of Fayetteville to deed the parcel with PIN 0437-35-4190 to the County of Cumberland, without consideration, pursuant to N.C.G.S § 160A-274.

- F. Approval of Declaration of Foreclosed Real Properties as Surplus

BACKGROUND:

Upon being the successful bidder on tax foreclosed property, the County first offers that property to the various County Departments and Agencies, as well as the City. If none of these governmental entities has a need for the property, the Commissioners are then asked to declare the property surplus, and the property is placed on the County's Surplus Property List for sale to the public.

The County of Cumberland has recently acquired, through tax foreclosure, certain real properties located within the County. No governmental entity has expressed a desire to acquire these properties. Exhibit 1 lists the properties along with their tax values. Exhibit 2, a series of maps setting out the location of each parcel and its associated PIN number, has also been provided.

RECOMMENDATION / PROPOSED ACTION:

That the Board declare the foreclosed properties listed in Exhibit 1 as surplus to the needs of the County.

EXHIBIT 1
COUNTY OWNED PROPERTY

ITEM	PIN	ADDRESS	DESCRIPTION	ASSESSED VALUE \$	TAX LIEN \$	DATED RECORDED	DEED Book / Page
1. A.	0435-28-2140-	Vac Ld	Pt Lot 36 Southlawn Sub Rear of Vineland Pk	\$32,311.00	Total \$6,810.85	10/20/15	9742-871

B.	0435-18-7228-	Brody Dr	Pt Lts 37-39 Southlawn Sub Sec 2	\$19,171.00			
2.	0415-62-4089-	4745 Camden Rd (dwelling)	Lt 19 & Maj Pt 6 John V Blackwell Sub (0.27 AC)	\$39,000.00	\$7,882.38	04/28/16	9849-735
3.	A 9493-44-0709-	4734 Hickory Ridge Rd (dwelling)	Lt 224 Upchurch Sands Sec 8 (0.57 ac)	\$75,200.00	Total \$14,958.15	04/28/16	9849-737
	B 9493-46-0194-	4612 Desert Ridge Rd	Lt 75 Upchurch Sands Sec 3 & Sec 2 Rev (0.40 ac)	\$10,000.00			
4.	0501-67-8537-	116 Rainbow Ct, SLK	Rainbow Ct 51 & 52 B P Sandlin Prop	\$8,403.00	\$5,276.32	04/28/16	9849-721
5.	0425-70-6131-	222 Bream Pl	Lt 50 Golden Creek Mobile Home Sub (0.17 ac)	\$13,019.00	\$4,952.82	05/26/16	9868-351
6.	9493-45-9348-	4709 Star Rite Ln (dwelling)	Lt 107 Upchurch Sands Sec 4 (0.37 ac)	\$57,900.00	\$7,263.93	08/25/16	9929-815
7.	A 0441-41-2106-	3306 Dandelion Ln	Lt 9 Windfield Sec 2 (0.62 ac)	\$19,000.00	Total \$14,419.66	10/20/16	9966-804
	B 0442-56-5560-	6321 Aladdin Dr	Lt 185 Twin Oaks Sec 5 Pt 2 (0.43 ac)	\$12,500.00			
	C 0442-66-9074-	6323 Canadian Ave	Lt 107 Twin Oaks Sec 4 Pt 20 (0.48 ac)	\$12,500.00			
	D 0442-55-6720-	6383 Canadian Ave	Lt 123 Twin Oaks Sec 4 Pt 4 (0.46 ac)	\$10,000.00			
	E 0442-76-0805-	6215 Canadian Ave	Lt 100 Twin Oaks Sec 4 Pt 13 (0.46 ac)	\$12,771.00			
8.	A 0469-45-6373-	4025 Limestone St EOVS	.35 ac McLaurin Ld	\$14,200.00	Total \$11,029.97	01/03/17	10012-250
	B 0469-45-7228-	4025 Limestone St EOVS	.35 ac McLaurin Ld	\$9,500.00			
9.	0416-81-9454-	2224 Dixie Trl (dwelling)	S ½ Lt 60 Pine Acres Sec 2 (0.17 Ac)	\$26,600.00	\$7,260.99	9/28/17	
ITEM	PIN	ADDRESS	DESCRIPTION	ASSESSED VALUE	TAX LIEN \$	DATED RECORDED	DEED Book / Page
10.							
A	0424-79-5124-	3427 Seawell St	Lts 157-159 Campbell Pk	\$27,361.00	Total	9/28/17	10176-413
		(dwelling)	Sub Div		\$9,993.35		
	0424-79-5251-	3421 Seawell St	LTS 160-162 Campbell Pk	\$5,000.00			
			Sub				
11.	0593-83-0211-	Leitha Ln	1.00 AC Godwin Ld	\$7,500.00	\$3,547.44	10/26/05	7050-181
12.	0438-27-5472-	1716 Stanberry Ct	Bldg Lt 29 Burton Farm (0.18 ac)	\$5,500.00	\$3,599.75	11/29/05	7079-475

COUNTY AND CITY OWNED PROPERTY

ITEM	PIN	ADDRESS	DESCRIPTION	ASSESSED VALUE \$	TAX LIEN \$	DATED RECORDED	DEED Book / Page
13. A	0437-03-8405-	Davis Ct	Lts 44 & 45 George H Hall	\$7,500.00	Total	3/8/16	9817-564

			Jr Prop		\$17,846.40		
B	0437-13-0132-	921 Ellis St	Res 921 Ellis St	\$7,500.00			
C	*0437-03-9517-	410 Davis St	Lot 1 R E Nimocks Recomb (0.09 ac)	\$3,750.00		*Corrected deed filed 04/14/16 for this property only	*9840-817 for this property only
D	0437-03-8465-	1003 Davis Ct	Imp 1003 Davis Ct	\$7,500.00			
E	0437-03-9424-	1001 Davis Ct	1001 Davis Ct	\$7,500.00			
14.	0437-22-0702-	810 Silk Ln (dwelling)	810 e/s Silk Ln (0.50 Ac)	\$85,000.00	\$9,074.12	02/11/16	9802-674
15.	9486-57-1515-	7645 Maggie Cir (dwelling)	Imp w/Lt 166.1 x 165 Gillis Ld	\$17,776.00	\$6,838.39	12/23/08	8040-636
16.	0454-51-2694-	5906 St Micheals Dr (dwelling)	Lt 40 Kellys Landing Sec 3 (0.98 Ac)	\$66,300.00	\$20,787.47	06/23/16	9886-756
17.	9496-95-8008-	7304 Hyannis Dr (dwelling)	Imp 7304 Hyannis Dr Lt 3 Emerald Gardens	\$89,200.00	\$19,795.53	07/21/16	9904-761
18.	9496-83-0462-	2618 Graham Rd (dwelling)	.32 ac Graham Ld Imp	\$44,000.00	\$7,453.53	04/05/16	9835-513
19.	0428-86-5835-	2308 Slater Ave (dwelling)	0.22 Ac Bertha Butler Ld	\$7,992.00	\$6,731.74	06/06/17	10106-010
20.	0408-65-2584-	5404 Cardigon Ct (dwelling)	Lt 626 Ponderosa Sec 14 (0.27 Ac)	\$72,600.00	\$11,410.32	05/04/17	10085-489
21.							
A	0437-58-6814-	N/A	2 Vac Cumberland St Lts 8-9 Pleasant View Pk	\$23,604.00	Total \$25,945.59	11/7/17	10199-823
B	0437-59-5476-	873 W Orange St (dwelling)	LTS 78 & 79 Pleasant View Park (0.16 AC)	\$30,700.00			
C	0437-59-5002-	892 W Orange St	Lts 117-118 Pleasant View Park (0.16 AC)	\$4,000.00			
D	0437-59-3265-	882 W Orange St (dwelling)	Lt 126 & 127 Pleasant View Park (0.15 AC)	\$24,900.00			
22.	0446-45-3206-	1315 Cade Hill AVE (dwelling)	Res 1315 Cade Hill Ave Lt 20 Cade Hill Sec 2	\$38,100.00	\$13,170.73	11/30/17	10212-409
23.	0437-93-2517-	209 B St (dwelling)	Res 209 B St	\$68,700.00	\$9,328.39	9/19/17	10170-311

G. Approval Of Sale Of Surplus Real Property, Being Lots 204 And 206 Savoy Heights

BACKGROUND:

On February 5, 2018, the Board adopted a resolution of its intent to accept an offer to purchase properties with PIN 0437-03-1242, being Lot 204 Savoy Heights, located at 1112 Turnpike Road, and PIN 0437-03- 1109, being Lot 206 Savoy Heights, located off Turnpike Road, Fayetteville, for \$8,482.36.

Notice of the proposed sale, subject to the upset bid process required by G. S. § 160A-269, was advertised in the *Fayetteville Observer* on February 8, 2018. The affidavit of publication has been provided. More than 10 days have elapsed since the notice was published. No upset bid was received.

RECOMMENDATION / PROPOSED ACTION:

That the Board accept this offer and authorize the Chair to execute a deed for the property upon the County’s receipt of the balance of the purchase price.

H. Approval of Budget Ordinance Amendments for the March 19, 2018 Board of Commissioners' Agenda

BACKGROUND:

Injured Animal Fund 215

- 1) Injured Animal Stabilization - Budget Ordinance Amendment B180548 to appropriate Injured Animal fund balance in the amount of \$15,000.

The Board is requested to approve Budget Ordinance Amendment B180548 in the amount of \$15,000. There has been an increase in medical expenses this year that was not anticipated. This fund is utilized to pay for medical expenses when an animal owner cannot be located and medical attention is needed.

Please note this amendment requires the use of Injured Animal fund balance.

Vehicle Insurance Fund 803

- 2) Vehicle Insurance - Budget Ordinance Amendment B180041 totaling \$136,301 to recognize revenue in the amount of \$124,844 and appropriate Vehicle Insurance fund balance in the amount of \$11,457

The Board is requested to approve Budget Ordinance Amendment B180041 in the total amount of \$136,301. This amendment recognizes revenue of \$124,844 as amounts to be received from County departments. In addition, \$11,457 is the appropriation of Vehicle Insurance fund balance to compensate for an increase in premiums this year.

Please note this amendment requires the use of Vehicle Insurance fund balance in the amount of \$11,457.

REGARDING ITEM 3 PLEASE NOTE:

Each fiscal year County departments may have projects that are not complete by the fiscal year end (6/30/17) or items ordered that have not been received by fiscal year end. These projects or items were approved in the Fiscal Year 2017 budget; however, the money was not spent by June 30, 2017.

The following amendments seek to bring those funds forward from FY 2017 into the current fiscal year, allowing departments to complete and pay for these items. These revisions are not using 'new' funds but are recognizing the use of FY 17 funds in FY 18.

General Fund 101

- 3) General Government Other - Budget Ordinance Amendment B180217 to bring FY 17 funds forward in the amount of \$76,520 for projects related to Hurricane Matthew.

The Board is requested to approve Budget Ordinance Amendment B180217 to cover costs to be incurred during FY 18 for Hurricane Matthew related projects. The County received \$76,520 in FY 17 related to two specific projects for which expenses will be incurred. These projects include the replacement of a trailer and a replacement of a bunker and contents, both for the Sheriff's Office.

Please note this amendment requires the use of General fund balance.

Contingency Funds Report – FY 18

The County Manager approved the following use of contingency funds:

- Contingency funds of \$2,736 were used towards the purchase of approximately 340 barrels for the Soil Conservation Program. These barrels are refurbished and sold as rain barrels to the community during a year-round fundraiser. Proceeds from the fundraiser are used to send students to a Resource Conservation Workshop at N.C. State University each year. The Soil Conservation Program collaborates with Parks & Recreation and the Library to educate students on the value of conservation of our natural resources.

RECOMMENDATION / PROPOSED ACTION:

Approve Budget Ordinance Amendments.

- I. Approval of Cumberland County Facilities Committee Report and Recommendation(s)
 1. Land Purchase for The Solid Waste Melvin Container Site

BACKGROUND:

The Solid Waste Department operates the Melvin Container Site located at 3811 Dudley Road, Fayetteville, NC 28312. This is a leased site and the Solid Waste Department attempted to purchase two acres from a tract of land containing 19.7 acres in 2014. The property is owned by the Fisher, Lula Mae Melvin Heirs. The Department and the property owners had agreed to a purchase price of \$30,000 for the two acres of land. The subdivision of land was conditionally approved by the Planning Department on May 19, 2014. However, due to some tax liens identified by the County Attorney, the County was unable to move forward with the purchase of the property.

The property owners notified the Solid Waste Department that the tax lien against the property has been paid in full. The County Attorney has verified that there is no longer a lien against the property and that the Department can move forward with seeking approval from the Board of Commissioners to purchase the two acres. The Planning Department issued an extension to the conditional approval of the subdivision on August 2, 2017. The purchase of the property will secure a permanent location for a container site within this area of the county for citizens to properly dispose of their waste. The estimated construction cost of establishing a new container site is approximately \$75,000. Therefore, there is significant value in being able to purchase this property that is already being utilized as a container site. Once the County obtains ownership of the property, the Solid Waste Department will be able to enhance the site by installing asphalt on the access road in and out of the facility. There is available funding within the FY 18 operating budget for the purchase of this property.

RECOMMENDATION / PROPOSED ACTION:

The Facilities Committee approved the recommendation listed below at its March 1, 2018 meeting and forwarded this item to the full Board of Commissioners as a consent agenda item at the March 19, 2018 Board of Commissioners' meeting:

1. Approve the purchase of two acres of land from the Fisher, Lula Mae Melvin Heirs for the purchase price of \$30,000.
2. Contract for Roof And Exterior Wall Sealant Replacement At Crown Coliseum

BACKGROUND:

The Crown Coliseum roof and exterior wall sealant were identified for replacement and included in the capital improvement installment financing plan that was approved by the Local Government Commission (LGC) on September 12, 2017.

A pre-bid meeting was held on January 29, 2018. Informal bids were received on February 22, 2018 for the proposed roof and exterior wall sealant replacement. The certified bid tab along with a letter of recommendation from Fleming & Associates, PA, the project engineer, has been provided. The lowest, responsible and responsive bid was submitted by Triangle Roofing Services, Inc. in the amount of \$1,735,100. A \$40,000 Owner's Allowance is included in the base bid amount.

RECOMMENDATION / PROPOSED ACTION:

The Facilities Committee approved the recommendation listed below at its March 1, 2018 meeting and forwarded this item to the full Board of Commissioners as a consent agenda item at the March 19, 2018 Board of Commissioners' meeting:

1. Approve the contract for Triangle Roofing Services, Inc. for the Roof and Exterior Wall Sealant for the Crown Coliseum in the amount of \$1,735,100.
3. Renovations To Conference Room #564 Within The Judge E. Maurice Braswell Cumberland County Courthouse

BACKGROUND:

The existing layout of Conference Room #564 located within the Judge E. Maurice Braswell Cumberland County Courthouse is no longer a conducive space for the Board of Commissioners to conduct meetings. The room currently has several technological challenges and the room is very tight and difficult for the Board of Commissioners, County Staff and outside presenters to maneuver when at capacity.

Due to these reasons, County Management along with key County Staff met with Gordon Johnson with Gordon Johnson Architecture to discuss the current challenges with the existing layout and how best to reconfigure the space if it were combined with room #533. After this programming

meeting and several conceptual iterations, Mr. Johnson has provided a proposed layout that would meet all the identified needs. This layout has been provided.

It is anticipated that overall cost to make the proposed improvements will be approximately \$200,000. This includes construction, furniture and technological equipment to up fit the room. The estimated construction time is 60 days. The target timeframe to begin construction will be in late June or early July.

RECOMMENDATION / PROPOSED ACTION:

The Facilities Committee approved the recommendation listed below at its March 1, 2018 meeting and forwarded this item to the full Board of Commissioners as a consent agenda item at the March 19, 2018 Board of Commissioners' meeting:

1. Approve the conceptual layout of Conference Room #564 located within the Judge E. Maurice Braswell Courthouse and direct staff to move forward with the design and renovation of the room.
4. Cumberland County Facilities Committee Draft Minutes - March 1, 2018 (For Information Purposes Only)
- J. Approval of Cumberland County Finance Committee Report and Recommendation(s)
 1. Community Development Block Grant - Disaster Recovery (CDBG-DR) Agreement with the City of Fayetteville

BACKGROUND:

The Community Development Block Grant – Disaster Recovery (CDBG-DR) is a program intended to address the impact of Hurricane Matthew on those that have a need for affordable housing. This grant is a pass-through from the Federal government to the State of North Carolina and then onward to counties that suffered the worst damage from the hurricane. Cumberland County and the City of Fayetteville have collaborated to develop a plan to address post-hurricane housing needs. This plan has been reviewed and approved by the State, and a Memorandum of Agreement between the County and the State has been executed so that funding can now be accessed by the County. In order to continue forward and allow the City of Fayetteville to request funding for its projects from the County, an agreement between the County and the City is required. The agreement recorded below was revised after discussion at the February 1, 2018 Finance Committee Meeting and forwarded to the City for further consideration. The City Council approved the revised agreement at its February 26, 2018 regular meeting. The agreement adheres to HUD requirements and has been reviewed and approved by the State, the City Council, and the County Attorney's Office. Proposed projects will be brought back to the Board of Commissioners for approval prior to being let.

RECOMMENDATION / PROPOSED ACTION:

At its February 1, 2018 meeting, the Finance Committee approved the CDBG-DR agreement between the County and the City with changes and requested the County Manager be authorized to execute the agreement. The Finance Committee is forwarding the agreement as a consent agenda item to the full Board for its consideration at its March 19, 2018 regular meeting.

**AGREEMENT BETWEEN
COUNTY OF CUMBERLAND
AND
CITY OF FAYETTEVILLE**

COMMUNITY DEVELOPMENT BLOCK GRANT–DISASTER RECOVERY PROGRAM

THIS AGREEMENT, entered into this ____ day of _____, by and between the COUNTY OF CUMBERLAND (hereinafter called the COUNTY), a body politic and corporate of the State of North Carolina, and CITY OF FAYETTEVILLE (hereinafter called the CITY), a body politic and corporate of the State of North Carolina with its principal address at 433 Hay Street, Fayetteville, North Carolina 28301.

WHEREAS, North Carolina General Assembly passed the Disaster Recovery Act of 2016 (S.L. 2016-124) requiring the NC Department of Commerce to transfer to the North Carolina Department of Public Safety - Division of Emergency of Management all Community Development Block Grant – Disaster Recovery (CDBG-DR) program funds; and

WHEREAS, the COUNTY has applied for and received the Community Development Block Grant Recovery Disaster Program (CDBG-DR) funding under the Continuing Appropriations Act of 2017 and Emergency Assistance Act and Public Law 114-254 from the United States Government; and; Title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301 et seq); and

WHEREAS, the COUNTY desires to partner with the CITY to serve the citizens within the City of Fayetteville through the CDBG-DR program in utilizing such funds; and

NOW, THEREFORE, the parties agree that:

I. SCOPE OF SERVICES

A. ACTIVITIES/PRINCIPAL TASKS

The CITY shall provide services under the 2017 CDBG-DR Program Year in a manner satisfactory to the COUNTY and consistent with any standards required as a condition of providing these funds.

1. **Program Activities.** CITY shall conduct the following activities eligible under the Community Development Block Grant Program for the project site located within the city limits of Fayetteville.

Activity #1. Housing Recovery: The CITY will undertake housing activities to include single family homeownership rehabilitation, single family homeownership reconstruction; mobile home repair; housing repair reimbursement; small rental repair; and provide affordable single family ownership in Fayetteville.

Activity #2. Multi-Family Rental Housing: The CITY and the COUNTY will jointly choose a consultant to guide the parties in selecting an experienced individual that demonstrates the capacity and ability to carry out the activities in accordance with HUD's guidelines and contractual obligations.

Activity #3. Economic Development (Small Business Recovery): The CITY and the COUNTY will undertake this activity in accordance with the coordination and administration of the Department of Commerce. All interested small businesses must be referred to the agency selected by the Department of Commerce and funding will be administered by the Department of Commerce.

Activity #4. Community Recovery: The CITY and the COUNTY will collaborate as a part of the homelessness initiative in the development of a facility to provide supportive services and shelter to homeless individuals and families.

2. **General Administration:** The following general administration activities are necessary to provide the activities described in Activities/Principal Tasks.

Activity #1 Assigned staff of the Cumberland County Community Development Department will conduct the required monitoring of activities as described in the Cumberland County Community Development Monitoring Handbook for Community Development Block Grant funds conveyed to CITY.

Activity #2 The CITY shall be responsible for the preparation and submission of all documents and reports relative to final close-out of the grant.

Activity #3 The CITY shall keep and maintain books, records and other documents relating directly to the receipt and disbursement of grant funds, and the fulfillment of this agreement and job creation.

Activity #4 The CITY shall at all reasonable times agree to provide the staff of Cumberland County, the NC Department of Public Safety, Department of Commerce, the United States Department of Housing and Urban Development, and the Office of the Inspector General access to and the right to inspect, copy, audit and examine all of the books, records and other documents relating to the grant and the fulfillment of this agreement for a period of four years following the completion of all closeout procedures respecting the Community Development-DR funds, and the final settlement and conclusion of a for documentation required of the program by the Grantor.

B. NATIONAL OBJECTIVES

The CITY certifies that the activities carried out with funds provided under this Agreement shall meet the CDBG-DR Program National Objective of providing benefit to low/moderate income persons. All activities funded with CDBG-DR must meet one of the CDBG-DR program's national objectives: benefit low and moderate income persons; aid in the prevention or elimination of slum or blight; or meet community development needs having

a particular urgency as defined in 24 CFR 570.208 and 4 NCAC 19L.1004.

II. TIME OF PERFORMANCE

The term of this Agreement shall begin on the 1st day of March, 2018 , and end on February 28, 2020.

III. FUNDING SOURCE - CDBG-DR

The COUNTY will allocate \$15,325,000 in CDBG-DR funds for the purpose of benefiting low/moderate income persons in the City of Fayetteville.

IV. METHOD OF COMPENSATION/PAYMENT SCHEDULE

The parties agree that the total amount to be allocated by the COUNTY under this contract shall not exceed \$15,325,000. Reimbursements for the payment of eligible expenses will be charged to the program and will not exceed the allocated amount. If discrepancies are discovered during monitoring, the COUNTY reserves the right to restrict the CITY to payment for eligible expenses on a reimbursement basis only. The parties agree that any costs incurred prior to **February 1, 2018**, of the Program Year in which the contract is executed will not be eligible for reimbursement. Payments will be contingent upon certification of the CITY'S financial management system in accordance with the standards specified in 2 CFR Part 200.

V. NOTICES

Communication and details concerning this contract shall be directed to the following contract representatives:

CUMBERLAND COUNTY

AMY H. CANNON, COUNTY MANAGER
Cumberland County
117 Dick Street
Fayetteville, NC 28301
(910) 678-7723

CITY OF FAYETTEVILLE

DOUGLAS J. HEWETT, CITY MANAGER
City of Fayetteville
433 Hay Street
Fayetteville, NC 28301
(910) 433-1990

VII. GENERAL CONDITIONS

A. GENERAL COMPLIANCE

The CITY agrees to comply with the requirements of the Housing and Urban Development regulations concerning the Community Development Block Disaster Recovery Program (CDBG-DR). The CITY also agrees to comply with all other applicable Federal, State and local laws, regulations, and policies governing the funds provided under this contract. The CITY further agrees to use funds available under this Agreement to supplement rather than to supplant funds otherwise available.

B. INDEPENDENT CONTRACTOR

Nothing contained in this Agreement is intended or shall be construed to create or establish the relationship of employer/employee between the parties. The CITY shall at all times remain an "Independent Contractor" with respect to the services to be performed under this Agreement. The COUNTY shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance as the CITY is an independent contractor.

C. HOLD HARMLESS REIMBURSEMENTS

The City shall comply with all the requirements set out in in the Grant Agreement CDBG-DR PROJECT NUMBER: 17-R-3006 between the N. C. Department of Commerce and the North Carolina Department of Public Safety/Division of Emergency Management (the State) as Grantor, and Cumberland County, Grant Recipient (the Subsubrecipient) in administering any contracts or programs funded through the County under this Agreement. Specifically, The City, in its use of any of these funds, shall be responsible to the County, in its capacity as Sub-subrecipient of these funds from the State, for reimbursement of any grant funds which are determined to have been improperly expended and for which the County is required to return to the State.

D. WORKERS' COMPENSATION

The CITY shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this contract.

E. INSURANCE AND BONDING

The CITY agrees to comply with 24 CFR Part 85 Uniform Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments.

F. DEBARRED / SUPENDED

The CITY must not make any award or permit any award (subgrant or contract) at any tier to any party that is debarred or suspended or is otherwise excluded from or ineligible for participation in federal assistance programs subject to 2 CFR part 2424. The requirement set forth in 24 CFR Part 5 apply to this program.

G. COUNTY RECOGNITION

The CITY shall ensure recognition of the role of the COUNTY agency in providing services through this contract. All activities, facilities and items use pursuant to this contract shall be prominently labeled to indicate Cumberland County CDBG-DR as a funding source. In addition, the Borrower shall include a reference to the support provided herein in all publications made possible with funds made available under this contract.

H. AMENDMENTS

The COUNTY or CITY may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations. Such amendments will not invalidate this Agreement, nor relieve or release the COUNTY or CITY from its obligations under this Agreement.

The COUNTY may, at its discretion, amend this Agreement to conform with Federal, State or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the Scope of Services, or schedule of activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both COUNTY and CITY.

I. SUSPENSION OR TERMINATION

Either party may terminate this contract at any time by giving written notice to the other party of such termination and specifying the effective date thereof at least 30 days before the effective date of such termination. Partial terminations of the Scope of Service in Paragraph 1.A above may only be undertaken with the prior approval of the COUNTY. In the event of any termination for convenience, all finished or unfinished documents, data, studies, surveys, maps, models, photographs, reports or other materials prepared by the CITY under this Agreement shall, at the option of the COUNTY, become the property of the COUNTY, and the CITY shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents or materials prior to the termination.

The COUNTY may also suspend or terminate this Agreement, in whole or in part, if the CITY materially fails to comply with any term of this Agreement, or with any of the rules, regulations or provisions referred to herein; and the COUNTY may declare the CITY ineligible for any further participation in the COUNTY'S contracts, as stated in the Monitoring Policy of Cumberland County Community Development, in addition to other remedies as provided by law. If there is probable cause to believe the CITY is in noncompliance with any applicable rules or regulations, the COUNTY may withhold all or any portion of said contract funds until such time as the CITY is found to be in compliance by the COUNTY, or is otherwise adjudicated to be in compliance.

VIII. ADMINISTRATIVE REQUIREMENTS

A. FINANCIAL AND PROGRAM MANAGEMENT

1. Administrative Requirements

The CITY agrees to comply with 24 CFR Part 85 "Uniform Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments", as applicable, regarding financial and program management. The CITY further agrees to adhere to the accounting principles and procedures required therein, use adequate internal controls, and maintain necessary source documentation as necessary.

2. Cost Principles

The CITY will administer its program in conformance with 2 CFR Part 225, "Cost Principles for State, Local and Indian Tribal Governments". These principles will be applied for all costs incurred whether charged on a direct or indirect basis.

B. DOCUMENTATION AND RECORD-KEEPING

1. Records to be Maintained

The CITY shall maintain all records required by the Federal regulations specified in 24 CFR 507.506; 2 CFR 200 that are pertinent to the activities to be funded under this Agreement, such records shall include, but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG Program;
- c. Records required to determine the eligibility of activities;
- d. Records documenting compliance with the Fair Housing and Equal Opportunity components of the CDBG Program;
- e. Financial records as required by 24 CFR Part 570.502, 2 CFR 200 and 24 CFR Part 85; and
- f. Other records necessary to document compliance with Subpart K of 24 CFR 570.

2. Retention

The CITY will retain all records pertinent to expenditures incurred under this contract for a period of four (4) years after the termination of all activities funded under this Agreement. Records for non-expendable property acquired with funds under this contract will be retained for four (4) years after final disposition of such property. Records for any displaced person must be kept for four (4) years after he/she has received final payment. Notwithstanding the above, if there is litigation, claim(s), audit(s), negotiation(s) or other actions that involve any of the records cited and that have started before the expiration of the four (4) years, then such records must be retained until completion of the actions and resolution of all issues.

3. **Employee Data**

The CITY shall maintain data delineating those employees identified as being in the low/moderate income category. Such data shall include, but not be limited to, employee name, address, income level, or other basis for determining eligibility, and description or service provided. Such information shall be made available to COUNTY'S monitors or its designees for review upon request.

4. **Disclosure**

Employee and/or client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the COUNTY'S or CITY'S responsibilities with respect to services provided under this contract, is prohibited by Federal law under 42 U.S.C., Section 145(b) (HUD/CPD) unless written consent is obtained from such persons receiving service and, in the case of a minor, from a responsible parent/guardian.

5. **Close-Outs**

The CITY'S obligation to the COUNTY shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments and determining the custodianship of records.

6. **Audits and Inspections**

The CITY agrees to have an annual agency audit conducted in accordance with OMB Circular A-133. If the CITY does not meet the threshold requirements for an annual audit in accordance with OMB Circular A-133 standards, the CITY will have an annual audit conducted by an independent certified public accountant in accordance with generally accepted government auditing standards (GAGAS). All CITY records with respect to any matters covered by this Agreement will be made available to the COUNTY, grantor agency, its designees or the Federal Government, at any time during normal business hours, as often as the COUNTY or grantor agency deems necessary, to audit, examine and make excerpts or transcripts of all relevant data. The COUNTY will send written notice of any deficiencies to the CITY within fifteen (15) days following audit/monitoring. Any deficiencies noted in monitoring reports must be fully cleared by the CITY within thirty (30) days after receipt by the CITY. Failure of the CITY to comply with the above monitoring requirements will constitute a violation of this contract and may result in the withholding of future payments.

C. **REPORTING AND PAYMENT PROCEDURES**

1. **Indirect Costs**

If indirect costs are charged, the CITY shall develop an indirect cost allocation plan for determining the appropriate CITY'S share of administrative costs and shall submit such plan to the COUNTY for approval, in a form specified by the COUNTY.

2. **Payment Procedures**

The COUNTY shall pay to the CITY funds available under this contract based upon information submitted by the CITY and consistent with any approved budget and COUNTY policy concerning payments. Payments shall be made for eligible expenses actually incurred by the CITY, and not to exceed actual cash requirements. In addition, the COUNTY reserves the right to allocate funds available under this contract for costs incurred by the COUNTY on behalf of the CITY.

3. **Progress Reports**

The CITY will submit regular monthly Progress Reports to the COUNTY in the form, content, and frequency as required by the COUNTY. If the CITY is more than 30 days delinquent in submitting its progress reports, **the COUNTY will discontinue processing all requests for payment until such time as the delinquent reports are received.**

D. **PROCUREMENT**

1. **OMB Standards**

The CITY will procure all materials, property, or services in accordance with the requirements of 2 CFR 200, Procurement Standards, and will subsequently follow Property Management Standards as modified by 24 CFR 570.502(b), covering utilization and disposal of property.

2. **Compliance**

The CITY will comply with COUNTY'S policies concerning the procurement of services and the purchase of equipment and will maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) will revert to the COUNTY upon termination of this contract.

IX. **PERSONNEL AND PARTICIPANT CONDITIONS**

A. **CIVIL RIGHTS**

1. **Compliance**

The CITY agrees to comply with Title VI of the Civil Rights Act of 1964 as amended, Title VII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, The Americans with Disabilities Act of 1990, The Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive orders 11375 and 12086.

2. **Nondiscrimination**

The CITY will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance. The CITY will take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection from training, including apprenticeship. The CITY agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. **Section 504**

The CITY agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 706), which prohibits discrimination against the disabled in any Federally assisted program. The COUNTY will provide the CITY with any guidelines necessary for compliance with that portion of the regulations in force during the term of this contract.

4. **EEO Statement**

The CITY will, in all solicitations or advertisements for employees placed by or on behalf of the CITY; state that it is an Equal Opportunity employer.

5. **Subcontract Provisions**

The CITY will include the provisions of Paragraph IX.A. Civil Rights in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

B. **EMPLOYMENT RESTRICTIONS**

1. **Prohibited Activity**

The CITY is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities, sectarian or religious activities, lobbying, political patronage, and nepotism activities.

2. **Labor Standards**

The CITY agrees to comply with the requirements of the provisions of Contract Work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C. 276a-276a-5; 40 U.S.C. 327 and 40 U.S.C. 276c) and all other applicable Federal, State and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this contract. The CITY shall maintain documentation which demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantor for review upon request.

C. **CONDUCT**

1. **No Assignment or Transfer**

The CITY shall not assign or transfer any interest in this contract without the prior written consent of the COUNTY thereto; provided, that claims for money due or to become due to the CITY from the COUNTY under this contract may be assigned to a bank, trust company, or other financial institution without such approval, but notice of any such assignment or transfer shall be furnished promptly to the COUNTY.

2. **Subcontracts**

a. **Approvals**

The CITY shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the COUNTY prior to the execution of such agreement.

b. **Monitoring**

The CITY shall monitor all contracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. **Content**

The CITY shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. **Selection Process**

The CITY shall undertake to insure that all contracts in the performance of this Agreement shall be awarded on a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to the COUNTY along with documentation concerning the selection process.

3. **Hatch Act**

The CITY agrees that no funds provided, nor personnel employed under this contract, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V United States Code.

4. **Conflict of Interest**

The CITY agrees to abide by the provisions of 24 CFR 570.611 with respect to conflicts of interest, and covenants that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. The CITY further covenants that in the performance of this Agreement no person having such a financial interest shall be employed or retained by the CITY hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the COUNTY, or of any designated public agencies or borrowers which are receiving funds under the CDBG-DR Program.

5. **Lobbying**

The CITY hereby certifies that:

a. No Federal appropriated funds have been paid or shall be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreements;

b. If any funds other than Federal appropriated funds have been paid or shall be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

c. It shall require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts, under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly.

6. **Lobbying Certification**

This certification is a material representative of fact upon which reliance was placed with this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

7. **Copyright**

If this contract results in any copyrightable material or inventions, the Grantor and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

8. Religious Organization

The CITY agrees that funds provided under this contract shall not be used for religious activities, to promote religious interest, or for the benefit of a religious organization in accordance with the Federal regulations specified in 24 CFR 570.200(j).

X. ENVIRONMENTAL CONDITIONS

A. AIR AND WATER

The CITY agrees to comply with the following requirements insofar as they apply to the performance of this contract:

- Clean Air Act, 42 U.S.C. 7401, et seq.
- Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., as amended, § 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued hereunder.
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. FLOOD DISASTER PROTECTION

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), the CITY shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained.

XI. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

XII. NON-APPROPRIATION CLAUSE

If appropriations of money to conduct and administer the presently scheduled program are lawfully reduced or terminated, or it is deemed in the public interest and necessity for the health, safety, or welfare of the public to so reduce or terminate this scheduled program, the COUNTY, at its option, has the right to terminate this Agreement effective upon the end of the fiscal year. The County shall give the CITY written notice of termination under the provisions of this paragraph immediately upon receipt of actual notice by the COUNTY of a reduction or termination of appropriations of money for the scheduled program, or any other necessity to reduce or terminate the program. Following the effective date of such termination the COUNTY shall have no further obligation to make any payments; the COUNTY shall have no right to recover any payments heretofore paid which were due and payable prior to the effective date of such termination.

XIII. Environmental Review Clearance

Notwithstanding any provision of this Agreement, the parties hereto agree and acknowledge that this Agreement does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by Cumberland County of a release of funds from the U.S. Department of Housing and Urban Development under 24 CFR Part 58. The parties further agree that the provision of any funds to the project is conditioned on the County's determination to proceed with, modify or cancel the project based on the results of a subsequent environmental review.

XIV. UNDERLYING GRANT CONDITIONS AND REGULATIONS

The parties acknowledge that the source of funds for this Agreement is U.S. Department of Housing and Urban Development ("HUD" Grantor) and granted the funds to the Department of Commerce ("DOC" Grantee). DOC has entered into an agreement with the NC Department of Emergency Management ("NCEM" Sub-Grantee) to administer the CDBG-DR funds. NCEM has entered into an agreement with the COUNTY to implement the approved CDBG-DR Action Plan approved on August 7, 2017. The COUNTY remains fully obligated to NCEM notwithstanding the designation of the SUBGRANTEE as the third party beneficiary for the undertaking of all or part of a program for which assistance is being originally provided to GRANTEE and in turn is being appropriated to the SUBGRANTEE under this Agreement. The SUBGRANTEE shall comply with all lawful requirements which may be imposed upon the GRANTEE and which may be deemed necessary to insure that such assistance is carried out in accordance with the GRANTEE's assurances and certifications to HUD regarding the use of such funds. Such assurances included, but are not limited to, representations that the use of such funds will fully comply with all applicable environmental laws, rules and regulations; that the funds will be used in a nondiscriminatory manner, etc. This Agreement shall be subject to all amendments, changes or other modifications appropriate from time to time to insure compliance with HUD guidelines, rules, and procedures. See Exhibit 1, Supplemental General Conditions. For purposes of this Section the "Grantee" is the County and the "Subgrantee" is the City.

XV. IRAN DIVESTMENT ACT CERTIFICATION

Contractor hereby certifies that Contractor, and all subcontractors, are not on the Iran Final Divestment List ("List") created by the North Carolina State Treasurer pursuant to N.C.G.S. 147-86.55-69. Contractor shall not utilize any subcontractor that is identified on the List.

XVI. E-VERIFY

Contractor shall comply with the requirements of Article 2 of Chapter 64 of the General Statutes. Further, if Contractor utilizes a subcontractor, Contractor shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the General Statutes.

Exhibit 1

COMMUNITY DEVELOPMENT BLOCK GRANT SUPPLEMENTAL GENERAL CONDITIONS

- 01 CONFLICT OF INTEREST: Interest of Members, Officers, or Employees of the Recipient, Members of Local Government Body, or Other Public Officials. No member, officer, or employee of the recipient, or its agents, no member of the government body or the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any financial interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this agreement. Immediate family members of said members, officers, employees, and officials are similarly barred from having any financial interest in the program. The recipient shall incorporate, or cause to be incorporated, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purpose of this section.
- 02 LEGAL REMEDIES PROVISION: As stated in Attachment O – Circular No. A-1-2, 13.a: Contracts other than small purchases shall contain provisions or conditions which allow for administrative, contractual, or legal remedies in instances where borrowers violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.
- Examples of legal remedies could be liquidated damages, consequential damages, arbitration and others not listed.
- 03 TERMINATION PROVISION: As stated in Attachment O-Circular No. A-102, 14b:
b. All contracts in excess of \$10,000 shall contain suitable provisions for termination by the grantee including the manner by which it will be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the borrower.
- 04 NONDISCRIMINATION CLAUSE – SECTION 109, HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974: No person in the United States shall on the grounds of race, color, national origin or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds available under this title.
- 05 AGE DISCRIMINATION ACT OF 1975, AS AMENDED NONDISCRIMINATION ON THE BASIS OF AGE: No qualified person shall on the basis of age be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from Federal Financial assistance.
- 06 SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED – NONDISCRIMINATION ON THE BASIS OF HANDICAP: No qualified handicapped person shall, on the basis of handicap be excluded from participation in; be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from Federal financial assistance.
- 07 EXECUTIVE ORDER 11246 CLAUSE: During the performance of this contract, the subrecipient agrees as follows:
- 1) The subrecipient will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The borrower will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The borrower agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

- 2) The subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the borrower, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- 3) The subrecipient will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the borrower's commitments under Section 202 of The provisions of Executive Order 11246 of Sept. 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- 4) The subrecipient will comply with all provision of Executive Order No. 11246 of September 24, 1965 and of the rules, regulations, and relevant orders of the Secretary of Labor.
- 5) The subrecipient will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and order of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- 6) In the event of the subrecipient's noncompliance with the nondiscrimination clauses of this contract or with any such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contract may be declared ineligible for further Government contracts in accordance with the procedures authorized in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- 7) The subrecipient will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The borrower will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the even the contract becomes involved in, or threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the borrower may request the United States to enter into such litigation to protect the interests of the United States.

08

SECTION 3 CLAUSE: "Section 3" Compliance in the Provision of Training, Employment and Business Opportunities:

- a. The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that that to the greatest extent feasible opportunities for training and employment be given to lower residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.
- b. The parties to this contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this contract. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with the requirements.
- c. The subrecipient will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers representative of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment and training.
- d. The contract will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant for or recipient of federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR Part 135. The borrower will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

- e. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued hereunder prior to the execution of the contract, shall be a condition of the federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its borrowers and subcontractors, its successors or assigns to those sanctions specified by the grant or loan agreement of contract through which federal assistance is provided, and to such sanctions as specified by 24 CFR 135.

09 COPELAND "ANTI-KICKBACK" ACT PROVISION: As stated in Attachment O – Circular No. A-102. 14.d.:

All contracts and subgrants for construction or repair shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 US 874) as supplemented in Department of Labor regulations (29 CFR Part 3). This Act provides that each contractor or borrower shall be prohibited from inducing, by any means any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which is otherwise entitled. The Grantee shall report all suspected or reported violations to the grantor agency.

This material is presented in the Labor Standard Handbook 6500.3, Exhibit 14. These provisions should be contained in each bid document and referenced in each contract.

10 DAVIS-BACON ACT PROVISION: The subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, and as further outlined in form HUD-4010; the provisions of Contract Work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C. 276a-276a-5; 40 U.S.C. 327 and 40 U.S.C. 276c); and all other applicable Federal, State and Local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this contract. The Borrower shall maintain documentation which demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the County for review upon request.

The subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the County pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor under 29 CFR Parts 1, 3, 5, and 7 governing the payment of wages and ratio of apprentices and trainees to journeyman workers and ensure that all workers associated with the contract are paid the prevailing wage in accordance with the Department of Labor Wage Determination Number **applicable for each project**. If wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the borrower of its obligation, if any, to required payment of the higher wage. The borrower shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph."

10 CONTRACT WORK HOURS AND SAFETY STANDARDS ACT PROVISION: As stated in 24 CFR 85.36:

Where applicable, all contracts awarded by grantees and borrowers in excess of \$2,000 for construction contracts and in excess of \$2,500 for other contracts which involve the employment of mechanics or laborers shall include a provision for compliance with Section 103 and 107 of the Contract Work Hours and Safety Standards Act (40 USC 327-330) as supplanted by Department of Labor regulations (29 CFR Part 5). Under Section 103 of the Act each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard workday or workweek is permissible provided that the worker is compensated at a rate of not less than 1 – 1 / 2 times the basic rate of pay for all hours worked in excess of 8 hours in any calendar day or 40 hours in the work week. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction, safety and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

This material is presented in the Labor Standards Handbook 6500.3, Exhibit 14. These provisions should be contained in each bid document and referenced in each contract.

CONTRACT WORK HOURS AND SAFETY STANDARDS ACT: The subrecipient, if the contract is in excess of \$2,000, and any of his subcontractors, shall comply with Section 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations contained in 29 CFR Parts 3, 5, and 5a.

Under Section 103 of the Act, the borrower and any of subcontractors shall be required to compute the wages of every mechanic and laborer on the basis of a standard work day of eight hours and a standard work week of 40 hours. Work in excess of the standard workday or workweek is permissible, provided the worker is compensated at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of eight hours in any calendar day or forty hours in any work week. Section 5 of the Federal Labor Standards Provision, HUD Form 4010 and 4010.1 attached and incorporated herein, sets forth in detail the Section 103 requirements.

Section 107 of the Act provides that no labor or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety, as determined under construction, safety and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market.

- 11 ACCESS TO RECORDS AND RECORD RETAINAGE CLAUSE: In general, all official project records and document must be maintained during the operation of this project and for a period of four years following close-out in compliance with 24 CFR 570.502(a)(16).

The North Carolina Department of Commerce – Division of Community Assistance, the North Carolina Department of Treasurer, U.S. Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the Administering Agency which are pertinent to the execution of this Agreement, for the purpose of making audits, examinations, excerpts and transcriptions in compliance with the above Rule.

- 12 CLEAN WATER, CLEAN AIR, E.O. 11738 AND EPA REGULATIONS PROVISIONS:
Compliance with Air and Water Acts. This agreement is subject to the requirements of the Clean Air Act, as amended, 42 U.S.C. 1857 et seq., the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 15, as amended from time to time.

The borrower and any of its subcontractors for work funded under this Agreement which is in excess of \$100,000 agree to the following requirements:

1. A stipulation by the borrower or subcontractors that any facility to be utilized in the performance of any nonexempt contract or subcontract is not listed on the List of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 CFR 15.20.
2. Agreement by the borrower to comply with the requirements of Section 114 of the Clean Air Act, as amended (42 U.S.C. 1857c-8) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 U.S.C. 1318) relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.
3. A stipulation that as a condition for the award of the contract prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, including that a facility utilized or to be utilized for the contract is under consideration to be listed on the EPA List of Violating Facilities.
4. Agreement by the borrower that he will include or cause to be included the criteria and requirements in paragraph 1 through 4 of this section in every nonexempt subcontract and requiring that the borrower will take such action as the Government may direct as a means of enforcing such provisions.

In no event shall any amount of the assistance provided under this Agreement be utilized with respect to a facility which has given rise to a conviction under Section 113(c)(1) of the Clean Air Act or Section 309(c) of the Federal Water Pollution Control Act.

- 14 LEAD-BASED PAINT CLAUSE: The subrecipient is hereby specifically made aware of the HUD Lead Based Paint regulations at 24 CFR 570.608 and 24 CFR Part 35, which are applicable to the construction or rehabilitation of residential structures. To the extent that the subject matter of this contract involves residential structures, the borrower will comply with the lead-based paint regulations.

- 15 LOBBY CLAUSES: Required by Section 1352, Title 31, U.S. Code

No Federal appropriated funds have been paid or shall be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreements;

If any funds other than Federal appropriated funds have been paid or shall be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in

connection with this Federal contract, grant, loan, or cooperative agreement, it shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;

This certification is a material representative of fact upon which reliance was placed with this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

- 16 **PROGRAM INCOME:** The use of program income by borrower shall comply with the requirements set forth as 24 CFR 570.504. By way of further limitations, borrower may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. The County may require remittance of unused program income at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury is not program income and shall be identified, and shall be remitted promptly to the Grantee.
- 17 **REVERSION OF ASSETS:** Subrecipient shall maintain real property inventory records which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform to the "changes in use" restrictions specified in accordance with 24 CFR Parts 570.503(b) (7).
- 18 **RECORDS AND REPORTS:** Subrecipient shall submit regular Progress Reports to the County in the form, content, and frequency as required by the County.

ADDITIONAL SUPPLEMENTAL REQUIREMENTS

The CDBG program requirements, laws, rules, regulations and requirements, as may be amended, including those set forth in 24 CFR Part 570 and 04 NCAC 19L.

Environmental Review Procedures for the CDBG Program and the CDBG regulations contained in 24 CFR 58 and as further outlined in Exhibit B.

Conflict of Interest Provisions, including but not limited to those found at NC Gen. Stat. 14-234, 04 NCAC 19L. 0414, 24 CFR 200.112, and 24 CFR 270.611. Certain limited exceptions to the conflict of interest rules listed in 24 CFR 570.489 may be granted in writing by Department of Housing and Urban Development (HUD) and/or Commerce and NCEM upon written request and the provision of information specified in 24 CFR 570.489(h)(ii)(4).

Labor Standards, including but not limited to the rules set forth in 04 NCAC 19L.1006, 24 CR 570.603 and the following (as my be applicable to CDBG-DR projects):

Davis-Bacon Act- (40 U.S.C.A. 276a) Among other provisions, this act requires that prevailing local wage levels be paid to laborers and mechanics employed on certain construction work assisted with CDBG-DR funds.

Contract Work Hours and Safety Standards Act- (40 U.S.C.A 327 through 333) Under this act, among other provisions, laborers and mechanics employed by contractors and subcontractors on construction work assisted with CDBG-Dr funds must received overtime compensation at a rate not less than one and one-half the basic rate of pay for all hours worked in excess of forty in any workweek. Violators shall be liable for the unpaid wages and in addition for liquidated damages computed in respect to each laborer of mechanic employed in violation of the act.

Fair Labor Standards Act- (29 U.S.C. 201 et seq.) requiring among other things that covered employees be paid at least the minimum prescribed wage, and also that they be paid one and one-half times their basic wage rate for all hours worked in excess of the prescribed workweek.

Federal anti-kickback laws- (18 U.S.C. 874 and 40 U.S.C. 276) which, among other things, outlaws and prescribes criminal penalties for "kickbacks" of wages in federally financed or assisted construction activities. Weekly statements of compliance and weekly payrolls must be provided by all contractors and subcontractors.

Architectural Barriers- Per 04NCAC 19L.1007, 24 CFR 570.487 and 57.614 and other applicable law, all applicable buildings or facilities designed, constructed or altered with CDBG-DR Grant funds shall be made accessible and useable to the physically handicapped as may be required by applicable laws, rules, regulations or requirements. Additionally, Recipient must comply with the following (as my be applicable to CDBG projects) – Architectural Barriers Act of 1968 (P.L. 90 480) this act requires recipient to ensure that certain buildings constructed or altered with CDBG-DR funds are readily accessible to the physically handicapped.

Minimum Guidelines and Requirements for Accessible Design 36 CFR Part 1190

Americans with Disabilities Act (ADA) and the ADA Accessibility Guidelines for Buildings and Facilities or the Uniform Federal Accessibility Standards.

North Carolina Building Code, Vol. I, Chapter II-X. These provisions describe minimum standards recipient must meet in constructing or altering building and facilities, to make them accessible to and useable by the physically handicapped.

Environmental Review – CDBG-DR funds are required to comply with the requirement of the National Environmental Policy Act of 1969 (NEPA) found at 24 CFR Part 38 and complete an Environmental Review Record (ERR). Commerce and NCEM may also require additional environmental review for project that receive these funds.

FloodPlain – The project shall follow flood coverage requirements 24 CFR 570.202(b)(7)(iii), 24 CFR 570.509(c)(4)(iv), 24CFR 570.605 and 42 U.S.C 4106, Section 202. In addition, if the project occurs in the following floodplain zones:

If the project occurs in a 100-year floodplain (A zone), a 8-step process is required as provided for in 40 CFR 55.20 or as reduced to the 5-step process pursuant to 40 CFR 55.12(a), unless an exception is applicable pursuant to 40 CFR 55.12(b).

If the project occur in a 500-year floodplain (B zone or shaded X zone), the 8-step process is required for critical actions as provided for in 40 CFR 55.20 or a reduced to the 5-step process pursuant to 40 CFR 55.12(a), unless an exception is applicable pursuant to 40 CFR 55.12(b).

2. Cumberland County Health Benefits Plan for Fiscal Year 2018-19

BACKGROUND:

At the March 1, 2018 Finance Committee meeting, Chernoff Diamond provided an update to the Committee on the transition from the former broker as well as recommendations for the FY19 health plan.

The Fiscal Year 2018-19 health plan recommendations are:

- Revert to a single option PPO plan and remove the Consumer Driven Health Plan
- Implement Telehealth through MDLive Copay of \$40 will apply
- Adopt standard Mental Health and Substance Abuse office visit processing at PCP visit copay
- Adopt BCBS mandatory change on maternal depression and newborn bilirubin screening (Bright Futures)

Chernoff Diamond will be present at the April 5, 2108 Finance Committee meeting to provide additional possible plan options for consideration.

RECOMMENDATION / PROPOSED ACTION:

Request the Board of Commissioners accept and approve the Finance Committee recommendation to move forward with the changes to the County Health Plan for Fiscal Year 2018-19 as outlined above. Plan changes are effective July 1, 2018.

3. Internal Audit Plan

BACKGROUND:

At the June 15, 2015 Board of Commissioner's meeting, an Audit/Finance Committee Charter was adopted. The Charter requires that an audit plan be submitted to the Audit Committee for approval. The Audit/Finance Committee approved a July – December 2017 audit plan at the June 8, 2017 Finance Committee meeting.

A summary of audits/projects completed during the July – December time period and a plan for the January-June 2018 time period are being submitted at this time. In June a plan for the first half of fiscal year 2019 will be submitted.

RECOMMENDATION / PROPOSED ACTION:

Finance Committee recommends accepting the summary of completed July – December 2017 audits/projects report and approving the January – June 2018 Internal Audit Plan.

Cumberland County Internal Audit

Completed Audits

July – December 2017

<u>Audit/Project</u>	<u>Department</u>
Physical inventories	Central Maintenance Facility (CMF)
	Solid Waste garage
	Employee Pharmacy

	Health Department Pharmacy Health Department supply room
Inventory account reconciliations	CMF Solid Waste Employee Pharmacy
Bank accounts	Sheriff – Detention Center Social Services
Special Review of Women’s Programs	Health Department
Cash counts	Sample of depts with petty cash or change funds
Expenditure of County Funds	Sample of community agencies & volunteer fire departments
Schedule of Federal & State Expenditures	For FY 2016-17 audit
Single Audit with Cherry Bekaert, CPA firm	For FY 2016-17 audit (Aug 2017 –Oct 2017)
Review of CMF Inventory System	Central Maintenance Facility (CMF)
Purchase Card Review	Finance

Cumberland County Internal Audit
Audit Plan
January – June 2018

<u>Audit/Project</u>	<u>Department</u>
Physical inventories	Central Maintenance Facility (CMF) Solid Waste garage Employee Pharmacy Health Department supply room
Cash Counts change funds	Sample of departments with petty cash or
Expenditure of County Funds	Sample of community agencies
Follow Up Audit of Women’s Clinics	Health Department
Audit of internal controls	Solid Waste
Accts Receivable/Expenditure review	Animal Control
Sales Tax Distribution Expenses	Board of Education

4. Pursuing Legislation to Establish County Small Business Enterprise Program

BACKGROUND:

Prior to meeting with the N.C. Legislative Delegation on March 9, commissioners were asked to submit items they wanted included on the state legislative agenda.

Commissioner Jimmy Keefe requested that the County discuss pursuing legislative action that mirrors House Bill 198/Session Law 2017-81 - "An Act to Amend the Charter of the City of Fayetteville to Authorize the City to Establish a Small Business Enterprise Program to Promote the Development of Small Businesses in the City and Enhance the Opportunities for Small Businesses to Participate in City Contracts."

The item below was included in a DRAFT 2018 State Legislative Agenda approved by the Policy Committee on February 15, 2018; and appeared on the consent agenda for the Board of Commissioners meeting on February 19, 2018.

Consider pursuing legislative action to allow Cumberland County the flexibility to participate with local companies and vendors through a small business enterprise program like the legislative action approved last year for the City of Fayetteville. (Session Law 2017-81)

Commissioner Adams asked that the small business enterprise program item be removed from the State Legislative Agenda and referred to the Finance Committee on March 1 for consideration prior to discussing with the legislative delegation. A copy of the City's legislation, which was ratified on June 29, 2017, was presented, along with information on how the City implemented their program.

The Finance Committee moved to not pursue state legislative action to establish a County Small Local Business Enterprise program, but rather to implement measures that would encourage local companies and vendors to compete for and obtain county contracts.

The Finance Director will develop these measures and bring them back to the committee.

The item was not included in the state legislative agenda presented to the Cumberland County delegation on March 9.

RECOMMENDATION / PROPOSED ACTION:

Approve the Finance Committee's recommendation not to seek legislative action but to implement a small business enterprise program and wait to see the ramifications. The committee agreed that the Finance Director will develop implementation steps tailored to the County.

5. Cumberland County Finance Committee Draft Minutes - March 1, 2018 (For Information Purposes Only)

K. Approval of Cumberland County Policy Committee Report and Recommendation(s)

1. Cumberland County Policy Committee Draft Minutes - March 1, 2018 (For Information Purposes Only)

MOTION: Commissioner Council moved to approve consent agenda Items 2.A. – 2.K.1.

SECOND: Commissioner Adams

VOTE: UNANIMOUS (6-0)

3. PUBLIC HEARINGS Uncontested Rezoning Cases

A. Case P18-05

BACKGROUND:

Case P18-05: Rezoning of 2.04+/- acres from A1 Agricultural to R40 Residential or to a more restrictive zoning district, located at 6776 Maxwell Road, submitted by Nathan & Sheila Eix (owners).

RECOMMENDATION / PROPOSED ACTION:

Planning Board Action: Unanimously recommended approval of the staff recommendation at the February 20, 2018 meeting for the reasons stated in the recommendations of the Planning Staff and as fully reflected in the minutes of the Planning Board Meeting which are incorporated herein by reference.

Staff Recommendation: In Case P18-05, the Planning and Inspections Staff recommends approval of the rezoning from A1 Agricultural to R40 Residential and find this recommendation to be consistent with the 2030 Growth Vision Plan which calls for "Rural Areas" at this location; and further find approval of the request is reasonable and in the public interest because public water is available and the request is comparable to lot sizes in the surrounding area and will allow similar land uses.

If the Board of Commissioners wishes to follow the recommendation of the Planning Board and Planning Staff in this case, the following motion is appropriate:

MOTION:

In Case P18-05, I move to approve the rezoning from A1 Agricultural to R40 Residential and find this recommendation to be consistent with the 2030 Growth Vision Plan which calls for "Rural Areas" at this location; and further find approval of the request is reasonable and in the public interest because public water is available and the request is comparable to lot sizes in the surrounding area and will allow similar land uses.

Tom Lloyd, Planning and Inspections Director, presented this item. Mr. Lloyd showed vicinity maps and aerial views of the subject property, and provided overviews of the current land uses, current zonings, and surrounding land uses and zonings.

Vice Chair Council opened the public hearing.

The clerk to the board advised there were no speakers.

Vice Chair Council closed the public hearing.

MOTION: Commissioner Faircloth moved in Case P18-05 to approve the rezoning from A1 Agricultural to R40 Residential and find this recommendation to be consistent with the 2030 Growth Vision Plan which calls for “Rural Areas” at this location; and further find approval of the request is reasonable and in the public interest because public water is available and the request is comparable to lot sizes in the surrounding area and will allow similar land uses.

SECOND: Commissioner Boose

VOTE: UNANIMOUS (6-0)

B. Case P18-06

BACKGROUND:

Case P18-06: Rezoning of 2.00+/- acres from A1 Agricultural to R40 Residential or to a more restrictive zoning district, located at 2615 John Hall Road, submitted by Mariana Mello (owner).

RECOMMENDATION / PROPOSED ACTION:

Planning Board Action: Unanimously recommended approval of the staff recommendation to approve the request for rezoning at the February 20, 2018 meeting for the reasons stated in the recommendations of the Planning Staff and as fully reflected in the minutes of the Planning Board Meeting which are incorporated herein by reference.

Staff Recommendation: In Case P18-06, the Planning and Inspections Staff recommends approval of the rezoning from A1 Agricultural to R40 Residential and find this recommendation to be consistent with the Southeast Cumberland Land Use Plan which calls for “one acre lots without public water” at this location; and further find approval of the request is reasonable and in the public interest because the district requested is in harmony with surrounding lot sizes and land uses.

If the Board of Commissioners wishes to follow the recommendation of the Planning Board and Planning Staff in this case, the following motion is appropriate:

MOTION:

In Case P18-06, I move to approve the rezoning from A1 Agricultural to R40 Residential and find this recommendation to be consistent with the Southeast Cumberland Land Use Plan which calls for “one acre lots without public water” at this location; and further find approval of the request is reasonable and in the public interest because the district requested is in harmony with surrounding lot sizes and land uses.

Mr. Lloyd presented this item. Mr. Lloyd showed vicinity maps and aerial views of the subject property, and provided overviews of the current land uses, current zonings, and surrounding land uses and zonings.

Vice Chair Council opened the public hearing.

The clerk to the board advised there were no speakers.

Vice Chair Council closed the public hearing.

- MOTION: Commissioner Faircloth moved in Case P18-06 to approve the rezoning from A1 Agricultural to R40 Residential and find this recommendation to be consistent with the Southeast Cumberland Land Use Plan which calls for “one acre lots without public water” at this location; and further find approval of the request is reasonable and in the public interest because the district requested is in harmony with surrounding lot sizes and land uses.
- SECOND: Commissioner Adams
- VOTE: UNANIMOUS (6-0)

4. ITEMS OF BUSINESS

- A. Consideration of Proposed Schedule for Fiscal Year 2019 Budget Work Sessions and Budget Public Hearing

BACKGROUND:

Management anticipates submitting the FY19 Proposed Budget to the Commissioners on Tuesday, May 22, 2018. Several work sessions may be needed for your review.

RECOMMENDATION / PROPOSED ACTION:

The following schedule is recommended for your consideration with all meetings to be held in the Cumberland County Courthouse, 117 Dick Street, Fayetteville, NC.

Tuesday, May 22, 2018	7:00 PM	Budget Presentation	Room 118
Tuesday, May 29, 2018	5:30 PM	Budget Work Session	Room 564
Thursday, May 31, 2018	5:30 PM	Budget Work Session / Dept. Head Appeals	Room 564
Monday, June 4, 2018	7:00 PM	Budget Public Hearing / Work Session	Room 118
Wednesday, June 6, 2018	5:30 PM	Budget Work Session	Room 564
Tuesday, June 12, 2018	5:30 PM	Budget Work Session	Room 564
Wednesday, June 13, 2018	5:30 PM	Budget Work Session – if needed / Adopt Budget	Room 564

Adopt a schedule for FY19 budget work sessions and public hearing as recommended or modified.

Amy Cannon, County Manager, reviewed the background information and the proposed FY19 budget schedule as recorded above.

- MOTION: Commissioner Adams moved to adopt the schedule for FY19 budget work sessions and public hearing as recommended.
- SECOND: Commissioner Faircloth
- VOTE: UNANIMOUS (6-0)

5. NOMINATIONS AND APPOINTMENTS

- A. Social Services Board (1 Vacancy) Nomination and Appointment

- MOTION: Commissioner Adams moved to nominate and appoint Commissioner Charles Evans.
- SECOND: Commissioner Faircloth
- VOTE: UNANIMOUS (6-0)

6. NOMINATIONS

- A. Southeastern Economic Development Commission (1 Vacancy)

- MOTION: Commissioner Adams moved to waive the requirement under the Rules of Procedure that states no individual may serve more than two consecutive terms.
- SECOND: Commissioner Faircloth
- VOTE: UNANIMOUS (6-0)

Commissioner Adams nominated Amy Cannon.

B. Cumberland County Juvenile Crime Prevention Council (2 Vacancies)

Commissioner Adams nominated Nicole Hawkins and Dr. Mark Kendrick.

C. Cape Fear Valley Health System Board of Trustees (3 Vacancies)

Commissioner Faircloth nominated Dr. Sandra Carr-Johnson, Dr. Sanjay Shah and Sandy Ammons.

D. Cumberland County Home and Community Care Block Grant Committee (1 Vacancy)

Commissioner Adams nominated Meredith Eagan.

7. APPOINTMENTS

A. Equalization and Review Board - Appointment of Officers

MOTION: Commissioner Adams moved to appoint as Chairman William (Bill) Holland, as First Vice Chairman William Carroll Beard, Jr. and as Second Vice Chairman Rodney W. Sherrill.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (6-0)

B. Tourism Development Authority (1 Vacancy)

MOTION: Commissioner Adams moved to appoint Anup Contractor.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (6-0)

Fayetteville Cumberland Youth Council members Andrew Greerson and Emily Bresee provided comments about what they learned from the meeting.

MOTION: Commissioner Council moved to adjourn.

SECOND: Commissioner Adams

VOTE: UNANIMOUS (6-0)

There being no further business, the meeting adjourned at 7:25 p.m.

Approved with/without revision:

Respectfully submitted,

Candice H. White
Clerk to the Board