

CUMBERLAND COUNTY BOARD OF COMMISSIONERS  
MONDAY, MAY 21, 2018 – 6:45 PM  
117 DICK STREET, 1ST FLOOR, ROOM 118  
REGULAR MEETING MINUTES

PRESENT: Commissioner Larry Lancaster, Chairman  
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  
Duane Holder, Assistant County Manager  
Rick Moorefield, County Attorney  
Vicki Evans, Finance Director  
Deborah Shaw, Budget Analyst  
Jeffrey Brown, Engineering and Infrastructure Director  
Brenda Jackson, Social Services Director  
Betsy Bradshaw, Social Services Board Chair  
Dr. Connette McMahon, Board of Health Chair  
Jody Risacher, Library Director  
Keith Todd, Information Services Director  
Adam Svolto, NC Justice Center Deputy Director of Policy and  
Engagement  
Candice White, Clerk to the Board  
Kellie Beam, Deputy Clerk  
Press

Chairman Lancaster called the meeting to order.

INVOCATION / PLEDGE OF ALLEGIANCE

Chairman Lancaster provided the invocation followed by the Pledge of Allegiance to the American flag.

Introduction of the Fayetteville-Cumberland Youth Council Members  
Cayce Lee and Madeleine Poche

Cayce Lee stated she is a senior at Pine Forest High. Ms. Lee spoke to awards received by the Fayetteville-Cumberland Youth Council. Madeleine Poche stated she is a senior at Terry Sanford High. Ms. Poche spoke to a military event in which she and other members of the Fayetteville-Cumberland Youth Council participated.

Recognition of Retired Cumberland County Employee

Lisa O'Connor - Cumberland County Public Library & Information Center

Commissioner Adams recognized Lisa O'Connor for her 27 years of service while working in the Cumberland County Law Library as a Library Associate.

Recognition of the Fayetteville/Cumberland County Crimestoppers for Receiving the 2017 Productivity Award by the Southeastern Crimestoppers Association

BACKGROUND

The Fayetteville / Cumberland County Crimestoppers organization is the recipient of the 2017 Productivity Award for a Population of 300,000 – 400,000. The award was recently presented to Fayetteville / Cumberland County Crimestoppers by the Southeastern Crimestoppers Association during their annual conference, which was held in Atlanta, Georgia.

The productivity award is presented to a Crimestoppers organization within the Southeastern region based on the total number of tips received, arrests made, charges laid, and cash rewards paid out. The Southeastern Crimestoppers Association includes Crimesolvers, Crime Line, and Crimestoppers programs from Delaware, Florida, Georgia, Maryland, North Carolina, Puerto Rico, South Carolina, Virginia, West Virginia, and Washington D.C.

The Fayetteville / Cumberland Crimestoppers, Inc. is a community program operated by citizens who want to take an active role in fighting crime in our area. A 15-member Board of Directors administers the Crimestoppers program, in cooperation with the Fayetteville Police Department, the Cumberland County Sheriff's Office, Spring Lake Police Department, and the Hope Mills Police Department.

Receiving the award is not only a reflection on the Fayetteville / Cumberland County Crimestoppers program, but the community as a whole. The success of the program depends on citizen and community support, mainly by providing anonymous tips to Crimestoppers. The success of the program also relies heavily on law enforcement participation, as law enforcement agencies are responsible for following up on anonymous tips submitted to Crimestoppers.

Since inception in 1984, Fayetteville / Cumberland County Crimestoppers have provided information to law enforcement agencies resulting in the arrest of more than 3,108 felons, recovered more than \$6.7 million in stolen property and narcotics, and have paid out more than \$312,000 in cash rewards.

Citizens are encouraged to submit anonymous crime tips directly to Crimestoppers by visiting <http://fay-nccrimestoppers.org>, downloading the FREE "P3 Tips" App on a mobile device, or by calling the Crimestoppers 24/7 hotline at 910-483-TIPS (8477).

Crimestoppers pays cash rewards for anonymous information leading to an arrest. Citizen involvement in Crimestoppers makes our community a safer place to live, work, and play.

#### RECOMMENDATION / PROPOSED ACTION

Recognize the Fayetteville/Cumberland County Crimestoppers for receiving the 2017 Productivity Award from the Southeastern Crimestoppers Association and for their contributions in making our community a safer place to live, work and play.

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Chairman Lancaster invited Mark Ingram, Chairman, and Duncan Hubbard, Vice Chairman, of the Fayetteville / Cumberland County Crimestoppers Board to come forward along with Major Laura Downing, Sgt. Shawn Strepay and Officer Asia Cannon from the Fayetteville Police Department.

Chairman Lancaster congratulated Fayetteville/Cumberland County Crimestoppers organization for receiving the 2017 Productivity Award from the Southeastern Crimestoppers Association for communities with a population of 300,000 – 400,000 and explained Crimestoppers pays cash rewards for anonymous information leading to an arrest.

Chairman Lancaster stated the productivity award is based on the total number of tips received, arrests made, charges laid, and cash rewards paid out for programs in the southeastern region. Chairman Lancaster also stated the Fayetteville / Cumberland Crimestoppers, Inc. is a community program operated by citizens who want to take an active role in fighting crime in our area. A 15-member Board of Directors administers the program in cooperation with the Fayetteville Police Department, the Cumberland County Sheriff's Office, Spring Lake Police Department, and the Hope Mills Police Department.

Chairman Lancaster stated receiving the award not only reflects on the Fayetteville / Cumberland County Crimestoppers program, but the whole community. The success of the program depends on citizen and community support, mainly by providing anonymous tips to Crimestoppers. The success of the program also relies

heavily on law enforcement participation, as law enforcement agencies are responsible for following up on anonymous tips submitted to Crimestoppers.

Chairman Lancaster thanked the Fayetteville/Cumberland Crimestoppers program for making the community a safer place to live, work and play.

#### PUBLIC COMMENT PERIOD

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

James T. Lee, Jr. – Mr. Lee did not appear when his name was called.

Chief District Court Judge Robert Stiehl – Judge Stiehl provided a report on courthouse numbers, detainees in the jail and detainees on suicide watch. Judge Stiehl stated suicide watch is a labor-intensive responsibility for detainees while they are in the jail. Judge Stiehl stated last week there were 2 graduates of the CJI program. Judge Stiehl also spoke to youths placed in criminal delinquent court and in the custody of the Department of Social Services and stated these youths are labor-intensive and the most expensive to deal with. Judge Stiehl stated as the numbers increase with 16 and 17 year olds, thought needs to be given to how they will impact the overall system come December 2019.

Dr. Connette McMahon – Dr. McMahon appeared as the Board of Health Chair and stated she feels the Board of Health remaining as the governing board of the Health Department is the ideal structure because its members are knowledgeable, loyal, committed and ready to move forward. Dr. McMahon stated their fiduciary responsibility is much greater than that of an advisory board which would have no liability or responsibility.

Ethelyn Baker – Ms. Baker stated she would like for the Board of Commissioners to provide oversight of the Health Department because they will look out for the best interest of citizens. Ms. Baker stated the past problems would have been resolved differently had the Board of Commissioners governed the department.

Lori Brandt – Ms. Brandt appeared representing the Mount Vernon Estate Lake and Dam and asked the Board to approve the petition and provide assistance for repairs resulting from Hurricane Matthew.

Amy Cannon, County Manager, asked to have Item 5.H. moved on the agenda to an uncontested rezoning case and to have a closed session for Economic Development Matter(s) Pursuant to NCGS 143-318.11(a)(4) added to the agenda as Item 11.B.

#### 1. APPROVAL OF AGENDA

MOTION: Commissioner Adams moved to approve the agenda with the changes as requested.  
SECOND: Commissioner Council  
VOTE: UNANIMOUS (7-0)

#### 2. PRESENTATIONS

- A. Presentation on the Pathways for Prosperity Comprehensive Action Plan and Consideration of Resolution in Support of the Initiative

#### BACKGROUND

In May 2015, Harvard University released a study ranking Fayetteville last among the country's 100 largest economic centers in earnings potential for children growing up in poverty.

In response, the City of Fayetteville partnered with the North Carolina Justice Center in 2017 to convene the multi-year Pathways for Prosperity initiative. The city also dedicated \$10,000 and significant staff time for development and management of the project, which endeavors to improve economic prospects for all residents and to break the cycle of generational poverty by bringing

together local government leaders, community-based organizations and community members in a coordinated effort.

As a community partner, representatives from the Board of Commissioners, Department of Social Services, the Public Library, Workforce Development and County Management have participated on the Core Leadership Team.

DSS hosted a full-day poverty summit in November 2017 that convened 250 local leaders and community members. Through the course of that event, the community chose five focus areas to drive the work going forward: Pre-Kindergarten Education, K-12 Education, Life Skills, Affordable Housing, and Workforce-Industry Alignment. Over the past few months, workgroups empaneled around each of these focus areas worked with agency leaders and community members to jointly develop a set of objectives and strategies to support measurable improvements in each area.

The Comprehensive Action Plan was presented to the City Council on May 7 and the council endorsed the plan.

Adam Svolto, the Justice Center's Deputy Director of Policy & Engagement, will present the Comprehensive Action Plan, which offers 10 objectives to move the community forward on its goal to improve economic mobility in the region. The objectives support local systems that impact workforce readiness, build on assets already present in the community, and represent an opportunity to bolster the local economy for the benefit of all residents.

#### RECOMMENDATION / PROPOSED ACTION

Consider endorsing the Pathways for Prosperity Comprehensive Action Plan by approving the resolution recorded below.

#### CUMBERLAND COUNTY BOARD OF COMMISSIONERS RESOLUTION IN SUPPORT OF ONGOING EFFORTS BY LOCAL GOVERNMENTAL AGENCIES, COMMUNITY-BASED ORGANIZATIONS AND RESIDENTS TO ADDRESS POVERTY THROUGH THE PATHWAYS FOR PROSPERITY INITIATIVE AND THE COMPREHENSIVE ACTION PLAN

WHEREAS, a 2015 Harvard University study ranked the City of Fayetteville in Cumberland County last among the country's 100 largest economic centers in earnings potential for children growing up in poverty; and

WHEREAS, Cumberland County partnered with the City of Fayetteville on the Pathways for Prosperity summit in November 2017, which brought together 250 local government leaders, community-based organization representatives and residents to outline key focus areas for battling poverty in the community; and

WHEREAS, during the event, the participants chose five focus areas to concentrate efforts: Pre-Kindergarten Education, Quality K-12 Education; Life Skills; Affordable Housing and Workforce-Industry Alignment; and

WHEREAS, counties play an essential role in providing human services to residents and county representatives participated on the core leadership team and the empaneled work groups that developed objectives and strategies to support improvements in each area; and

WHEREAS, the objectives support local systems that impact workforce readiness, build on assets already present in the community, and represent an opportunity to bolster the local economy for the benefit of all residents;

NOW, THEREFORE, BE IT RESOLVED that the Cumberland County Board of Commissioners supports the ongoing efforts by local governmental agencies, community-based organizations and residents to address poverty through the Pathways for Prosperity Initiative and the Comprehensive Action Plan.

This the 21st day of May 2018.

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Sally Shutt, Assistant County Manager, introduced the presentation and summarized the background information recorded above and the resolution in support of this initiative. Ms. Shutt recognized former City Councilmember Kirk deViere and City Councilmember Larry Wright. Ms. Shutt stated as a community partner, Cumberland County has been represented by the Board of Commissioners and Commissioner Adams served on the core leadership team as well as Brenda Jackson and Vivian Took from the Department of Social Services, Public Library Director Jody Risacher as well as several library staff members who participated, Workforce Development Director Nedra Rodrigues and County Management. Ms. Shutt asked participants of the workgroups who were present to stand.

Ms. Shutt introduced Adam Svolto, NC Justice Center Deputy Director of Policy and Engagement, who stated Pathways for Prosperity emerged as a response to the findings of the Harvard University study—the initiative is a multi-year effort to bring together local government leaders, community-based organizations, and community members themselves to prioritize and coordinate action. Mr. Svolto stated the overarching goal is to build an infrastructure of opportunity to ensure that all residents have a clear path to family-supporting work, that employers have the workforce they need to grow and innovate, and that our civic culture is one that supports prosperity for all.

Mr. Svolto stated there are the eleven communities where poverty is most concentrated—eight neighborhoods, two municipalities and one unincorporated area. Mr. Svolto stated while that unincorporated area has a poverty rate close to the overall county rate of 18 percent, some of these communities have rates double or triple that rate. Mr. Svolto stated the aggregate poverty rate across the 15 census tracts represented is nearly 30 percent.

#### Focus Communities

- Old Wilmington Road/B Street Area
- Massey Hill
- Murchison Road
- Ramsey Street—Country Club Drive
- Cedar Creek Road
- Bonnie Doone
- Shaw Heights/University Estates
- Bunce Road
- Spring Lake
- Downtown Fayetteville
- SE Cumberland County (unincorporated)

Mr. Svolto stated workgroups empaneled around each of the five focus areas that emerged from the summit event in November met several times to produce the objectives. Mr. Svolto stated the lead agency will be responsible for driving a given set of objectives forward.

#### Objectives-Pre-K

Lead Agency: Partnership for Children

- 1: Increase preschool attendance rates by 10 percentage points
- 2: Increase available slots in high-quality childcare centers (especially in childcare “deserts”)

#### Objectives-K-12

Lead Agency: Community-Agency Council

1. Double enrollment in job/skill-based learning opportunities within three years
2. Reduce suspensions by 15 percentage points

#### Objectives – Life Skills

Lead Agency: Communities in Schools

1. Increase parental resilience by connecting 500 families to community resources (Walker-Spivey model)
2. Recruit/mentor 10 percent of parent participants to serve as mentors themselves

Objectives - Housing

Lead Agency: TBD

1. Increase inventory of safe, affordable housing for residents who are severely cost burdened (paying over 50% income in housing)
2. Build capacity for residents in 11 focus communities to engage in housing policy development

Objectives – Workforce

Lead Agency: Cumberland County Workforce Development Board/K-12 Community-Agency Council

1. Improve alignment between industry demand and education/training resources
2. Increase capacity for local education/training system to serve individuals in focus communities

Mr. Svolto stated the next phase of planning will include finalizing data to support creating measures for the goals and establishing a funding plan for program build out. Mr. Svolto stated in tandem, neighborhood revitalization teams will be empaneled to set up the networks and provide the support needed to operationalize the action plan locally. Mr. Svolto stated he would like to leave a few things; first, this is a living plan: it will see iterations over time; second, if successful, this work will increase the community's attractiveness for private investment; and third, the collaborative nature of the Pathways initiative offers efficiency to the county and helps fully leverage community assets. Mr. Svolto stated three areas will require significant investment: addressing child care deserts, replicating parent university model, and increasing the affordable housing inventory. Mr. Svolto stated several sources of foundation funding and a few federal sources are being looked at. Comments followed.

MOTION: Commissioner Adams moved to approve the resolution.

SECOND: Commissioner Evans

VOTE: UNANIMOUS (7-0)

Commissioner Boose requested removal of Item 3.D., 3.E. and 3.J.(5) from the consent agenda for separation discussion and action.

3. CONSENT AGENDA

- A. Approval of April 26, 2018 Special Meeting Minutes and May 7, 2018 Regular Meeting Minutes
- B. Approval of a Proclamation Recognizing the Valiant Men and Women Who Are Recipients of the Purple Heart

COUNTY OF CUMBERLAND

NORTH CAROLINA

PROCLAMATION

WHEREAS, the Purple Heart medal, an American decoration that is awarded in the name of the President of the United States, is the oldest military decoration in the world in present use; and

WHEREAS, the Purple Heart was established by General George Washington at Newburgh, New York, on August 7, 1782, during the Revolutionary War, as an incentive to the Continental Army; and

WHEREAS, the Purple Heart is awarded directly or posthumously to members of the Armed Forces who are wounded, or die from wounds received, in armed conflict with an enemy force or while held by an enemy force as a prisoner of war, or are wounded or killed as a result of friendly fire, or as otherwise designated by the President of the United States; and

WHEREAS, the Purple Heart may also be awarded to a civil or foreign service employee from a U. S. Government Agency or Department attached to a military unit performing intelligence, counter-terrorist, or other duties, with the military unit wounded by international terrorists; and

WHEREAS, a new design of the Purple Heart medal was issued on February 22, 1932; and

WHEREAS, the recipients of the Purple Heart have known the meaning of sacrifice in the preservation of the United States of America and the preservation of national interests at home and abroad; and

WHEREAS, the sacrifices made on our behalf will forever be an inspiration to all citizens of Cumberland County, North Carolina; and

WHEREAS, Cumberland County, North Carolina was proclaimed a Purple Heart County on August 7, 2012 and pledges its ongoing commitment to and support for the men and women who so honorably serve our nation.

NOW, THEREFORE, BE IT PROCLAIMED, that the Cumberland County Board of Commissioners hereby salutes the valiant men and women who are recipients of the Purple Heart and recognizes the support and sacrifice of their loved ones.

Adopted this 21st day of May 2018.

C. Approval of Disposition of Tax Administration Records

BACKGROUND

Pursuant to a resolution adopted by the Board of Commissioners on February 4, 1985, authorization is requested to destroy the following records from the Tax Administration Department:

2008 Personal Abstracts

2007-2008 Tax Billing Scrolls 2003-2007 Added Bill Scrolls

2014-2015 Bankruptcy Discharged, Dismissed Files

2013-2014 Daily Cashier, Lockbox, & Debt Set-off Receipts 2013-2014 DMV Adjustments

2015-2016 Monthly Reports 2010 BER Appeals Files

The destruction of these records is in accordance with the current Records Retention and Disposition Schedule and all approved Amendments as issued by the North Carolina Division of Archives and History and adopted by the Board of Commissioners.

RECOMMENDATION / PROPOSED ACTION

Approve Disposition of Records per the Records Retention Schedule.

D. Removed for separate discussion and action as recorded below.

E. Removed for separate discussion and action as recorded below.

F. Approval to Set Public Hearing and Adopt Ordinance Amendment on June 18, 2018 for an Amendment to Flood Damage Prevention Ordinance

BACKGROUND

On October 16, 2006, the Board of Commissioners adopted a revised Flood Damage Prevention Ordinance and new Flood Insurance Rate Maps (FIRMS) for Cumberland County resulting from the North Carolina 2001 Floodplain Mapping Program initiative. The revised ordinance and maps became effective on January 5, 2007. Subsequent to this action, there were several errors identified on the FIRMS and the Board of Commissioners held a public hearing on the revised maps and ordinance on December 17, 2007 and amended the Flood Damage Prevention Ordinance at the conclusion of the public hearing.

The North Carolina Floodplain Mapping Program is in the process of issuing new FIRMS for Sampson County. Cumberland County has two FIRMS that are changing as a result of the new FIRMS being issued for Sampson County. The County's Flood Damage Prevention Ordinance does not have an automatic adoption clause for updates, therefore any changes to the FIRMS or ordinance requires that the FIRMS be readopted and the ordinance be amended with the change in effective date. The ordinance amendment is recorded below. The County must adopt the ordinance amendment and FIRMS on or before June 20, 2018. Failure to do so may result in suspension from the National Flood Insurance Program, revocation of all flood policies and becoming ineligible for Federal and State disaster assistance. For these

reasons, the effective date of our Flood Damage Prevention Ordinance must now be revised to reflect the effective date of the newly issued FIRMS. The effective date will be June 20, 2018.

In order to amend the Flood Damage Prevention Ordinance, a public hearing must be held to receive public comment. Our Department is requesting that a public hearing be scheduled, and advertised in the Fayetteville Observer, for June 18, 2018 at 6:45 PM.

RECOMMENDATION / PROPOSED ACTION

The Engineering & Infrastructure Director and County Management recommend that the Board of Commissioners schedule a public hearing on the amendment to the Cumberland County Flood Damage Prevention Ordinance and adopt the ordinance amendment and revised FIRMS.

AMENDING CHAPTER 6.5 – FLOOD DAMAGE PREVENTION

AN ORDINANCE AMENDING CHAPTER 6.5 OF THE CUMBERLAND COUNTY CODE OF ORIDNANCES ENTITLED “FLOOD DAMAGE PREVENTION”

BE IT ORDAINED BY THE CUMBERLAND COUNTY BOARD OF COMMISSIONERS THAT:

Chapter 6.5, Article 3, General Provisions: Section B of the County Code is hereby mended to read as follows:

The Special Flood Hazard Areas are those identified under the Cooperating Technical State (CTS) agreement between the State of North Carolina and FEMA in its Flood Insurance Study (FIS) and its accompanying Flood Insurance Rate Maps (FIRM), for Cumberland County, North Carolina (unincorporated areas) dated ~~December 18, 2007~~ **June 20, 2018**, which are adopted by reference and declared to be a part of this ordinance.

The initial Flood Insurance Rate Maps are as follows for the jurisdictional areas at the initial date:

- Cumberland County Unincorporated Area, dated February 17, 1982; Town of Eastover, dated February 17, 1982;
- Town of Falcon, dated January 05, 2007; Town of Godwin, dated January 05, 2007;
- Town of Linden, dated January 05, 2007; Town of Stedman, dated January 05, 2007;
- Town of Wade, dated January 05, 2007;

This ordinance shall become effective June 20, 2018.

- G. Approval of an Offer to Purchase Surplus Properties Located at 410 Davis Street, 921 Ellis Street, 1001 Davis Court, 1003 Davis Court, and Lots 44 & 45 Located Off of Davis Court

BACKGROUND

The County and City of Fayetteville acquired the five parcels located in the City of Fayetteville described below at a tax foreclosure sale in 2016 for a total purchase price of \$17,846.40.

Description	Tax Value	Purchase Price	Deed	PIN No.
Lot 1, PB 125-86, located at 410 Davis Street	\$3,750.00	\$17,846.40	9480-817	0437-03-9517-
Lot 6, Tolar lands, Book P-223, located at 921 Ellis Street	\$7,500.00		9817-564	0437-13-0132-
Lots 40 & 41, PB 9-53, located at 1001 Davis Court, PB 9-53	\$7,500.00		9817-564	0437-03-9424-
Lots 42 & 43, PB 9-53, located at 1003 Davis Court	\$7,500.00		9817-564	0437-03-8465-
Lots 44 & 45, PB 9-53, located off of Davis Court	\$7,500.00		9817-564	0437-03-8405-



According to the County's tax records, these parcels are vacant and are zoned residential. The City quitclaimed its interest in the property to the County by a deed recorded on May 4, 2018, in Book 10299 at Page 485. Elizabeth Ann Williams has made an offer to purchase these parcels for a single price of \$17,846.40. If the Board proposes to accept this offer, the proposed sale must be advertised subject to the upset bid process of G. S. § 160A-269. The proposed advertisement is recorded below.

#### RECOMMENDATION / PROPOSED ACTION

The County Attorney recommends that the Board consider the offer of Elizabeth Williams. If the Board proposes to accept the offer, resolve that the described real properties are not needed for governmental purposes and direct that they be advertised and sold pursuant to the upset bid process of G.S. § 160A-269. The proposed advertisement is recorded below.

#### CUMBERLAND COUNTY BOARD OF COMMISSIONERS ADVERTISEMENT OF PROPOSAL TO ACCEPT AN OFFER TO PURCHASE CERTAIN REAL PROPERTY PURSUANT TO N.C.G.S § 160A-269

Take notice that the Board of Commissioners finds the following real properties located in the City of Fayetteville are not needed for governmental purposes and proposes to accept an offer to purchase them as a single group of lots for a purchase price of \$17,846.40:

Lot 1, PB 125-86, located at 410 Davis St., PIN 0437-03-9517; Lot 6, Tolar lands, Book P-223, located at 921 Ellis Street, PIN 0437-13-0132; Lots 40 & 41, PB 9-53 located at 1001 Davis Court, PIN 0437-03-9424; Lots 42 & 43, PB 9-53, located at 1003 Davis Court, PIN 0437-03-8465; and Lots 44 & 45, PB 9-53, located off of Davis Court, PIN 0437-03-8405. Within 10 days of this notice, any person may raise the bid by not less than ten percent (10%) of the first one thousand dollars (\$1,000) and five percent (5%) of the remainder by making a five percent (5%) deposit of the bid with the Clerk. This procedure shall be repeated until no further qualifying upset bids are received. The Board of Commissioners may at any time reject any and all offers. Further details may be obtained from the Office of the County Attorney, Suite 551-Courthouse, Fayetteville, NC 28302.

- H. Approval of Budget Ordinance Amendments for the May 21, 2018 Board of Commissioners' Agenda

#### BACKGROUND

##### General Fund 101

1. Social Services - Budget Ordinance Amendment B181094 to recognize grant funds in the amount of \$6,500

The Board is requested to approve Budget Ordinance Amendment B181094 in the amount of \$6,500 representing grant funds from Youth Growth Stock Trust Administration by the United Way of Cumberland County. These funds will be used to purchase computers for children at the Care Center Shelter to assist with their school work.

Please note this amendment requires no additional county funds.

2. Engineering/Public Utilities - Budget Ordinance Amendment B180389 in the amount of \$29,382 to reassign an existing position

The Board is requested to approve Budget Ordinance Amendment B180389 in the amount of \$29,382. A vacancy in the Public Utilities department will be reassigned to the Engineering department based on an increased workload within Engineering Division in bidding and managing capital improvement projects along with an increased focus on annual maintenance and repair projects.

Please note this amendment requires no additional county funds.

3. Veteran Services - Budget Ordinance Amendment B180044 to recognize a grant in the amount of \$2,176 from the North Carolina Department of Military and Veterans Affairs – North Carolina Division of Veterans Affairs

The Board is requested to approve Budget Ordinance Amendment B180044 to recognize grant funds in the amount of \$2,176 from the North Carolina Department of Military and Veterans Affairs – North Carolina Division of Veterans Affairs. These grant funds will support Veterans Services operations.

Please note this amendment requires no additional county funds.

4. Information Services/Location Services - Budget Ordinance Amendment B180418 in the amount of \$23,921 to reassign two existing positions

The Board is requested to approve Budget Ordinance Amendment B180418 in the amount of \$23,921. This reorganization will consolidate GIS services under one functional area within the Information Services Department resulting in a streamlined approach to GIS analysis and GIS support services to all County Departments.

Please note this amendment requires no additional county funds.

#### Contingency Funds Report – FY18

The County Manager approved the following uses of contingency funds totaling \$41,600:

- \$30,000 to purchase additional monitoring bracelets as a result of an increased number of offenders being placed on monitoring by the court system.
- \$5,600 was used for the renovation of Room 24 for the Register of Deeds on the lower level of the E. Maurice Braswell Courthouse.
- \$6,000 for securing the Board of Elections section of E. Newton Smith upon transfer of the building to Cape Fear Valley Hospital.

#### RECOMMENDATION / PROPOSED ACTION

Approve Budget Ordinance Amendments.

- I. Approval of Cumberland County Facilities Committee Report and Recommendation(s)
  1. Cumberland County Facilities Committee Draft Minutes - May 3, 2018 (For Information Only)
  2. Approval of Request from Piedmont Natural Gas to Purchase Permanent Easements at Headquarters Library and County Property Off of Blue Street

#### BACKGROUND

Cumberland County Library Staff and Engineering & Infrastructure Staff (E&I) was contacted by Piedmont Natural Gas (PNG) in reference to an upcoming upgrade/upfit of their natural gas lines along Maiden Lane, Ray Avenue and Blue Street.

Staff met on-site at the Headquarters Library to discuss the installation along Maiden Lane and Ray Avenue. PNG proposes three bore pits that would be approximately measure: Bore Pit 1 - 5 feet by 20 feet, Bore Pit 2 - 5 feet by 10 feet and Bore Pit 3 - 5 feet by 20 feet. The gas line is approximately 2 inches and the depth of installation is 4 feet.

PNG has identified numerous utility conflicts that exist within the right-of-way including water, fiber, electrical, stormwater lines and their existing gas line. The entire area of the south side of the property is hardscaped and landscaped. Currently their gas line is under the existing traffic circle and fountain at the intersection of Maiden Lane and Ray Avenue, making it inaccessible to service or repair. There is also a railroad right-of-way that they would like to avoid by installation of the line in the areas noted.

PNG has proposed purchasing a permanent easement at the Headquarters Library for a total of \$9,609, a temporary construction easement for \$2,395 and \$870 for the compensation of landscaping that would be impacted by the construction. The proposed total compensation to

the County would be \$12,874. The temporary easement will impact approximately 10 parking spaces within the parking lot only during construction. The construction is anticipated to last two weeks.

For the property located off Blue Street, PNG has proposed purchasing a permanent easement for \$6,342 and a temporary construction easement for \$500 for a total compensation of \$6,842. ServiceSource, the property lessee, has been made aware of the proposed work.

The Facilities Committee requested that PNG replace the landscaping at the Headquarters Library instead of paying the County the value of the landscaping that would be impacted by the construction. E&I Staff has reached out to PNG and they have agreed to this change and will provide revised documents prior to execution.

**RECOMMENDATION / PROPOSED ACTION**

The Facilities Committee approved the purchase of the permanent and temporary easements at the Headquarters Library and the property located off of Blue Street by Piedmont Natural Gas and forwarded this item to the full Board of Commissioners as a Consent Agenda item at its May 21, 2018, Board of Commissioners’ meeting.

- J. Approval of Cumberland County Finance Committee Report and Recommendation(s)
  - 1. Cumberland County Finance Committee Draft Minutes - May 3, 2018 (For Information Purposes Only)
  - 2. Approval of Annual School Funding Budget Placeholder for the Cumberland County School System

**BACKGROUND**

The May 5, 2018 Finance Committee revisited the proposed annual school funding agreement at the request of the Board of Commissioners at their April 16, 2018 meeting.

At that meeting, the Finance Committee asked County management to use the Fiscal Year 2017 school funding amount of \$79,463,109 as a placeholder in the FY19 annual budget until further consideration of the funding agreement could be undertaken.

**RECOMMENDATION / PROPOSED ACTION**

Approve the use of the FY17 school funding amount of \$79,463,109 as a placeholder in the FY19 budget to allow time for further discussion.

- 3. Approval of Amendments to the NORCRESS Water & Sewer District Rate Structure

**BACKGROUND**

A review of the operational costs of the NORCRESS sewer system, has revealed the present rate of collections for sewer service is not meeting the costs being incurred by the system for operations and maintenance. There have been increases by the sewer service provider, chemical provider and electrical providers. At the present rate we are not generating any revenue to set aside as a capital reserve fund to pay for replacement equipment or needed repairs.

The rates were last increased in 2013, in which the increase raised the rate on residential sewer service to \$6.50 per 1,000 gallons, commercial sewer service to \$7.00 per 1,000 gallons and flat rate services to \$31.42 per month. The NORCRESS Advisory Board, consisting of Mayors from Wade, Falcon and Godwin, suggested the following proposed rate increases and changes at its April 12th meeting.

<u>Rate Description</u>	<u>Current Rate</u>	<u>Proposed Rate</u>
Residential Sewer Customers	\$6.50/thousand gallons	\$7.50/thousand gallons
Commercial Sewer Customers	\$7.00/thousand gallons	\$8.00/thousand gallons
Flat Rate Sewer Customers	\$31.42 per month	\$33.42 per month
Operation & Maintenance Fee Residential	\$2.00 per month	\$3.00 per month

Operation & Maintenance Fee Commercial	\$1.00/thousand gallons	\$2.00/thousand gallons
Administration Fee	\$1.58 - \$46.70 per month, depending on meter size	\$2.00 per month, no matter the meter size
Local Town Fee	\$1.75 – 7.50 per month, depending on meter size	\$1.75 per month, no matter the meter size

The average monthly usage throughout this system is 4,500 gallons per residential user, this equates to an average increase of \$5.92 per month to the individual customer for sewer service. The effective date of the rate increase will be July 1, 2018, after customers have been provided a 30-day notice of the new rates.

Recorded below are copies of spreadsheets showing the monthly costs associated with the operation of the system, as well as, revenue requirements to meet these costs.

RECOMMENDATION / PROPOSED ACTION

The Finance Committee approved the rate structure amendments for the NORCRESS Water and Sewer District at its May 3, 2018 meeting and forwarded this item to the full Board of Commissioners as a Consent Agenda item at is May 21, 2018, Board of Commissioners’ meeting as well as an Item of Business on the NORCRESS Water and Sewer District Governing Board meeting.

NORCRESS FY19 Rate Adjustment

Revenue	Current Rate	New Rate
Revenue Sewer Residential-FY17 Towns Metered - 12,745,319	\$ 82,844.58	\$ 95,589.90
Revenue Sewer Commercial-FY17 Towns Metered - 16,859,910	\$ 118,019.37	\$ 134,879.28
Flat Rate Users - \$31.42 x 6 users x 12 months	\$ 2,262.24	\$ 2,406.24
Lift Station Residential Maintenance Fee-FY17 Numbers	\$ 13,416.00	\$ 20,124.00
Lift Station Commercial Maintenance Fee-FY17 Numbers	\$ 22,761.12	\$ 45,522.24
Debt Service Fee-FY17 Numbers	\$ 82,397.33	\$ 82,397.33
Administration Fees-FY17 Numbers	\$ 13,117.70	\$ 14,904.00
Martins Meats Chemical Surcharge - FY17 Numbers	\$ 24,606.62	\$ 24,606.62
Total FY17 Revenue	\$ 359,424.96	\$ 420,429.61
Based on a residential rate of _____ per thousand gallons =	\$ 6.50	\$ 7.50
Based on a commercial rate of _____ per thousand gallons =	\$ 7.00	\$ 8.00
Based on a _____ Flat Rate User fee increase =	\$ 31.42	\$ 33.42
Based on a residential LS maintenance rate of _____ per customer =	\$ 2.00	\$ 3.00
Based on a commercial LS maintenance rate of _____ per thousand gallons	\$ 1.00	\$ 2.00
Based on a residential administration rate of _____ per customer =	\$ 1.58	\$ 2.00
FY-17 Towns Metered Usage of 29,605,229 gallons		
FY-17 PWC Metered Usage of 49,392,492 gallons		
Expenses		
522210-Supplies	\$ 500.00	\$ 500.00
533301-Contracted Services - Lexis Nexis	\$ 426.00	\$ 426.00
533406-M/R Other - PWC O&M	\$ 38,835.96	\$ 38,835.96
533410-M/R Contract - Chemicals	\$ 80,089.05	\$ 80,089.05
533520-Postage	\$ 170.42	\$ 170.42
533535-Utilities - Electric & Sewer Treatment Bills	\$ 223,398.48	\$ 223,398.48
533550-Printing	\$ 100.00	\$ 100.00
533587-License & Permits-DEQ Permit	\$ 810.00	\$ 810.00
533635-Collection Fees-Sheriff's Service Fee	\$ 30.00	\$ 30.00
533701-Court Costs-Small Claims Filing Fee	\$ 96.00	\$ 96.00
588201-Principal	\$ 22,000.00	\$ 22,000.00
588202-Interest	\$ 43,477.50	\$ 43,477.50
Total FY17 Expenses	\$ 409,433.41	\$ 409,433.41

Expected Profit (Loss)	\$ (50,008.45)	\$ 10,996.20
4,500 gallons at a rate of ____/1,000 gallons =	\$29.25	\$33.75
Debt Service, Admin. Fee, & O&M Fee =	\$13.23	\$14.65
Total Average Monthly Bill	\$42.48	\$48.40
Monthly Average Bill Difference with Rate Options:	0	\$5.92

MONTHLY RATE

The monthly wastewater bill shall be the sum of the Availability Fee, Operation and Maintenance Fee, Administration Fee, Town Fee and Usage Charge.

RESIDENTIAL SANITARY SEWER RATE SCHEDULE

Availability Fee – All Customers (As referenced in the Cumberland County Water and Sewer Ordinance)	\$9.65 per customer
Operation and Maintenance Fee – All Customers	\$3.00 per customer
Administration Fee – All Customers	\$2.00 per customer
Town Fee – All Customers	\$1.75 per customer
Residential Sewer Usage Charge – Connected Customers (Usage Charges per 1,000 gallons = 1 MGAL)	\$7.50 per MGAL

COMMERCIAL SANITARY SEWER RATE SCHEDULE

Availability Fee – All Customers (As referenced in the Cumberland County Water and Sewer Ordinance)	\$1.00 per MGAL
Operation and Maintenance Fee – All Customers	\$2.00 per customer
Administration Fee – All Customers	\$2.00 per customer
Town Fee – All Customers	\$1.75 per customer
Commercial Sewer Usage Charge – Connected Customers (Usage Charges per 1,000 gallons = 1 MGAL)	8.00 per MGAL

ZERO USAGE COMMERCIAL SANITARY SEWER RATE SCHEDULE

Availability Fee – All Customers (As referenced in the Cumberland County Water and Sewer Ordinance)	\$9.65 per customer
Operation and Maintenance Fee – All Customers	\$3.00 per customer
Administration Fee – All Customers	\$2.00 per customer
Town Fee – All Customers	\$1.75 per customer

FLAT RATE SANITARY SEWER SERVICE

Availability Fee – All Customers (As referenced in the Cumberland County Water and Sewer Ordinance)	\$9.65 per customer
Operation and Maintenance Fee – All Customers	\$3.00 per customer
Town Fee – All Customers	\$1.75 per customer
Flat Monthly Charge – Connected Customers	\$33.42

OTHER FEES

Deposit	\$100.00
Late Penalty	\$10.00
Disconnect Fee (Administrative charge to discontinue service for non-payment)	\$25.00
Reconnect Fee- Business hours (Administrative charge to re-establish service after discontinuance for non-payment)	\$25.00
After-Hours Reconnect Fee (Available until 9:00 pm)	\$75.00
*Returned Bank Item Fee (Amount of bank item plus return fee - CASH, MONEY ORDER OR CERTIFIED CHECK ONLY)	\$25.00
Court Costs	Actual
Elder Valve	Actual plus 10%
Processing Fee per Collection Action	\$30.00
Administrative Filing Fee per Collection Action	\$100.00

CONNECTION FEES AND CHARGES

1. Standard Tap Fee:  
The Standard Tap Fee will be based on the customer’s water meter size and will provide NORCRESS Water and Sewer District with funds for long-term system replacement and upgrade.
- | <u>Size of Water Meter</u> | <u>Standard Tap Fee</u> |
|----------------------------|-------------------------|
| 5/8"                       | \$670.00                |
| 1"                         | \$1,670.00              |
| 1-1/2"                     | \$3,350.00              |
| 2"                         | \$5,360.00              |
| 3"                         | \$11,720.00             |
| 4"                         | \$20,100.00             |
| 6"                         | \$41,880.00             |
| 8"                         | \$60,310.00             |
2. Sewer Laterals:  
An estimate shall be given to the applicant prior to installation and shall be paid by the applicant prior to any installation of laterals to be connected to the sewer system. All charges include labor, equipment and materials required for the installation of the specified pipe size or sizes.
3. Main Extension Charges:  
An estimate shall be given to the applicant prior to installation and shall be paid by the applicant prior to extending the main in the sewer district. All charges include labor, equipment and materials required for the installation of the specified pipe size or sizes.
4. Debt Charge:  
A Debt Charge equaling the sum of the Availability Charges that would have been paid had the customer connected when the main was first available.
4. Approval of the Overhills Park Water & Sewer District Rate Structure

BACKGROUND

Construction of the sanitary sewer system for the Overhills Park Water and Sewer District is almost complete. Currently the contractor is waiting on the arrival of three grinder pumps in

order to install grinder pump systems for three (3) parcels that could not be served by gravity connections. Once the contractor completes the installation, the contractor will be working on punch list items to close out the contract.

With completion of the construction near, the Public Utilities Division needs a rate schedule approved in order to bill customers once the sewer system is ready to go online and prior to customers connecting to the system.

Recorded below is the Overhills Park Water and Sewer District Rate Schedule. The Sewer Rate section of the schedule is based on repayment of the USDA loans, operation, maintenance and sewer treatment charges. The Other Fees section of the schedule is the same as rates charged in other County districts. The monthly bill for an Overhills customer connected to the system will be \$54.00 per month.

The rate schedule will be effective upon approval.

**RECOMMENDATION / PROPOSED ACTION**

The Finance Committee approved the rate structure for the Overhills Park Water and Sewer District at its May 3, 2018 meeting and forwarded this item to the full Board of Commissioners as a Consent Agenda item at its May 21, 2018, Board of Commissioners’ meeting as well as an Item of Business on the Overhills Park Water and Sewer District Governing Board meeting.

**OVERHILLS PARK WATER AND SEWER DISTRICT**

**SEWER RATE SCHEDULE**

The monthly rate shall be the sum of the Availability Fee, Operation and Maintenance Fee, Administration Fee, and Flat Rate Sewer.

Availability Fee – All customers (As referenced in the Cumberland County Water and Sewer Ordinance)	\$17.00
Operation and Maintenance Fee – All customers	\$10.50
Administration Fee – All customers	\$ 2.00
Flat Rate Sanitary Sewer – Connected Customers (Based on 5,000 gallons or 5 mgal)	\$24.50

**OTHER FEES**

Deposit	\$100.00
Late Penalty	\$10.00
Processing Fee per Collection Action	\$30.00
Administrative Filing Fee per Collection Action	\$100.00
Disconnect Fee (Administrative charge to discontinue service for non-payment)	\$25.00
Reconnect Fee- Business hours (Administrative charge to re-establish service after discontinuance for non-payment)	\$25.00
After-Hours Reconnect Fee (Available until 9:00 pm)	\$75.00
Court Costs	Actual
*Returned Bank Item Fee (Amount of bank item plus return fee - CASH, MONEY ORDER OR CERTIFIED CHECK ONLY)	\$25.00

CONNECTION FEES AND CHARGES

- 1. Sewer Laterals:  
An estimate shall be given to the applicant prior to installation and shall be paid by the applicant prior to any installation of laterals to be connected to the sewer system. All charges include labor, equipment and materials required for the installation of the specified pipe size or sizes.
- 2. Main Extension Charges:  
An estimate shall be given to the applicant prior to installation and shall be paid by the applicant prior to extending the main in the sewer district. All charges include labor, equipment and materials required for the installation of the specified pipe size or sizes.
- 5. Removed for separate discussion and action as recorded below.
- 6. Approval of the Cherry Bekaert Audit Contract to Audit Accounts for Fiscal Year 2018

BACKGROUND

On April 18, 2016, the Board of Commissioners approved a three-year agreement for Cherry Bekaert to perform the annual audit for Cumberland County. At that time, Cherry Bekaert provided the County with several pricing options. For the audit of fiscal year 2017, Option two was utilized upon Board of Commissioners’ approval on September 18, 2017. For fiscal year 2018 we are requesting approval to select Option one.

Option one includes Cherry Beakert having responsibility for writing the full report. For 2018 the cost for report writing is \$19,000. Option one also excludes the use of the County’s Internal Auditor from duties related to the financial and single audit. For 2018 the cost to exclude the Internal Auditor is \$21,500.

The report writing function of the Comprehensive Annual Financial Report (CAFR) has historically been completed by Cherry Bekaert. Although report writing functionality exists in the current financial system, the Finance Office is not adequately staffed to implement this function. As was the case for the fiscal year 2017 audit, if Cherry Bekaert does not write the report, the County will be at risk of issuing an untimely CAFR.

Having an Internal Auditor work with Cherry Beakert on financial and single audit requirements was introduced with the fiscal year 2014 audit contract. Initially the savings to the County was \$20,000 annually. Since that time, additional stipulations and costs became required of the Internal Auditors for continuation of this practice. The cost to the County to continue this practice has exceeded the benefit of the dollar savings. In addition to the tangible cost, opportunity cost should also be considered. Internal audit staff time could alternatively be spent conducting additional audits on departments and would allow more time to work in conjunction with the Business Intelligence function of the Information Services Department.

All options and the related costs are shown in the table below.

RECOMMENDATION/PROPOSED ACTION

Management recommends the Finance Committee approve and forward to the Board of Commissioners the following action: Approve the Contract to Audit Accounts with Cherry Bekaert for fiscal year 2018 utilizing Option One which requires Cherry Bekaert to do the report writing, full completion of the financial and single audits, for a net cost of \$116,650.

Audit of Fiscal Year ending:	Option 1 Report writing Financial & single audit	Option 2 Report writing Financial & single audit Less: Use of Internal Auditor	Option 3 Report writing Financial & single audit Less: Use of Internal Auditor Less: All report writing performed by County	ALL Fee Reduction for 2016 contract extension
June 30, 2017	\$ 116,625	\$ 95,625	\$ 80,625	\$ (4,000)
June 30, 2018	\$ 119,650	\$ 98,150	\$ 82,650	\$ (3,000)
June 30, 2019	\$ 121,750	\$ 99,750	\$ 83,750	\$ (3,000)



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

1. Cumberland County Policy Committee Draft Minutes - May 3, 2018 (For Information Only)
2. Approval of Policy Governing Special Assessment Projects

Cumberland County Policy Governing Special Assessment Projects

1.0 PURPOSE

The purpose of this policy is to establish the conditions under which the county may make special assessments against benefited property within the county for all or part of the costs of those county projects for which assessments shall be made pursuant to NCGS 153A- 185.

2.0 SCOPE

This policy shall apply to all county projects for which special assessments are authorized and shall be made pursuant to the provisions of NCGS 153A-185. The only projects which are authorized for the imposition of special assessments are:

- (1) Constructing, reconstructing, extending, or otherwise building or improving water systems;
- (2) Constructing, reconstructing, extending, or otherwise building or improving sewage collection and disposal systems of all types, including septic tank systems or other on-site collection or disposal facilities or systems;
- (3) Acquiring, constructing, reconstructing, extending, renovating, enlarging, maintaining, operating, or otherwise building or improving
  - a. Flood and hurricane protection works; and
  - b. Watershed improvement projects, drainage projects and water resources development projects (as those projects are defined in GS 153A-301).
- (4) Constructing, reconstructing, paving, widening, installing curbs and gutters, and otherwise building and improving streets, as the local share of the cost of improvements made under the supervision of the Department of Transportation to subdivision and residential streets that are a part of the State maintained system located in the county as provided in GS 153A-205.
- (5) Providing street lights and street lighting in a residential subdivision, as provided in GS 153A-206.

3.0 STATEMENT OF THE POLICY

No county assessment project shall be undertaken unless it meets all of the following conditions:

- (1) All assessment projects shall be designed by a N.C. licensed engineer. The engineer shall also certify that the project is a type of project that is authorized as an assessment project by NCGS 153A-185.
- (2) The construction, reconstruction, extension, or otherwise building or improvement of any assessment project or any component of such assessment project shall only be done on real property that is owned by the county in fee simple, is subject o a perpetual easement to provide the county access to maintain, repair, replace or improve the project or component of the project; or is located within the rights-of-ways of the State Highway System pursuant to a recorded encroachment agreement granted to the county by the N.C. Department of Transportation.
- (3) Any property owners desiring the county to do an assessment project shall submit a written request for the project to the county manager. The request shall describe the project and the affected properties which will be subject to assessment if the county accepts the project. The county shall not accept the project unless the owners of more than 50% of the affected properties have requested the project. The county may request engineering studies or further information to be provided at the cost of the requesting property owners before determining to accept the project.
- (4) The county may proceed with an authorized assessment project without any request from the affected property owners.
- (5) SL 2008-109 authorizes Cumberland County to authorize not more than 15 annual installments for the payment of an assessment; however; unless the average annual amount of all annual assessments in a project is more than 1% of the average valve of all properties to be

assessed, the number of annual installments for the payment of an assessment shall not be more than ten.

#### 4.0 IMPLEMENTATION

Implementation of this policy shall be the responsibility of the County Manager through the appropriate county departments.

#### RECOMMENDATION/PROPOSED ACTION

The County Attorney recommends adoption of the policy.

MOTION: Commissioner Adams moved to approve the consent agenda with the exception of Item 3.D., Item 3.E. and Item 3.J.5). as removed for separation discussion and action.

SECOND: Commissioner Evans

VOTE: UNANIMOUS (7-0)

#### 3.D. Approval of Cumberland County Public Health Department Billing Guide Effective July 1, 2018

#### BACKGROUND

At the Board of Health meeting on April 17, 2018 the Board approved the Revised Billing Guide to be followed when providing services to Health Department patients. The Billing Guide provides detailed billing information for each program offered by the Health Department. The guidelines are in compliance with requirements from NC Department of Public Health, NC Department of Health and Human Services, Division of Medical Assistance and Centers for Medicaid and Medicare Services.

The revised version includes the following changes:

- Effective July 1, 2018, proof of income will be required for Family Planning Services. Title X Funding Guidelines changed during FY14, allowing Health Departments the option to require income verification for Family Planning Services. During the agency's last monitoring visit conducted by the NC Department of Public Health, a recommendation was documented to update our policy requiring proof of income for Family Planning Services. Proof of Income is already required for all other clinics. (Page 10)
- Family Planning patients with insurance coverage can elect to not have services billed to their carrier to avoid receiving an explanation of benefits in the mail. All services will be billed to the patient based on the sliding scale fee assessment. This is a Title X requirement that must be followed in order to receive Title X Funding. (Page 10)
- Statement added to clarify that patients are required to provide proof of income and family size annually. Income presented will be used for charges across all Health Department Clinics. (Page 16)
- Medical Record Copy Fee Charges updated to reflect a charge of \$0.50 per page up to 100 pages and \$0.25 for each page over 100. (Page 22)
- Removed Adult Health Primary Care Clinic and Dental Health Services as we no longer provide those services directly.

If the changes are approved, the agency will post public notices in the clinics and patient registration areas at least 30 days prior to the effective date. In addition, all patients with scheduled appointments will be contacted to notify them of our policy change immediately. Patients requesting appointments after approved will be informed of our proof of income policy prior to scheduling an appointment.

#### RECOMMENDATION / PROPOSED ACTION

Requesting approval of the Revised Billing Guide as presented.

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Commissioner Boose stated no one will read the 22-page guide and there has to be a better way to provide billing information. Commissioner Boose asked whether the billing guide was necessary. Ms. Cannon stated the billing guide is required and most of the information contained therein is in

compliance with the requirements from NC Department of Public Health, NC Department of Health and Human Services, Division of Medical Assistance and Centers for Medicaid and Medicare Services. Ms. Cannon stated the County does not have much leeway with this document. In response to additional questions posed by Commissioner Boose, Duane Holder, Assistant County Manager and Interim Health Director, explained the NC Debt Set Off Program, the ability to pay assessment and the sliding fee scale that is dependent on income and family size. Commissioner Boose stated the document appears to be contrary to providing public health to people who need it when it talks about how they will be billed and efforts to get their money.

Commissioner Keefe asked whether the fee schedule had been approved by the Board of Health. Mr. Holder stated it was approved by the Board of Health. Commissioner Keefe stated he does not think most people will understand it and trying to continue with the program will possibly disenfranchise people from coming to the Health Department.

Commissioner Adams stated the billing guide has been approved in past years and asked whether the document could be brought back so some of the questions could be answered. Mr. Holder responded in the affirmative.

Commissioner Boose suggested that the number of pages in the document be reduced. Commissioner Keefe asked whether the document should go to committee. Commissioner Adams stated he felt Commissioners with questions could get answers from staff and then the document could be brought back to the full Board.

Commissioner Council asked whether services to citizens will continue while the document is being deliberated. Mr. Holder stated services and billing will continue as they currently stand. Commissioner Evans stated any questions should be answered so approval of the revised billing guide will not be put off till later.

MOTION: Commissioner Faircloth moved to table the Item 3.D. till the third Monday meeting in June.

SECOND: Commissioner Boose

AMENDED MOTION: Commissioner Council moved to table Item 3.D. till the first Monday meeting in June.

SECOND TO AMENDED MOTION: Commissioner Boose

VOTE ON AMENDED MOTION: PASSED (6-1) (Commissioners Faircloth, Keefe, Adams, Lancaster, Council and Boose voted in favor; Commissioner Evans voted in opposition.)

### 3.E. Approval of the Cumberland County Juvenile Crime Prevention Council Funding Allocations for July 1, 2018 through June 30, 2019

#### BACKGROUND

The Cumberland County Juvenile Crime Prevention Council (JCPC) annually submits the JCPC Program funding recommendations to the Board of Commissioners for approval prior to submitting to the State Division of Adult Correction and Juvenile Justice (DACJJ) Office. The requests represent the funding allocations for FY 2018-2019

#### RECOMMENDATION / PROPOSED ACTION

The Juvenile Crime Prevention Council recommends approval of the JCPC DACJJ/County Funding requests for FY 2018-2019.

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Commissioner Boose asked whether this item went through a committee. Ms. Cannon stated standard practice has been to handle JCPC Program funding recommendations by bringing them directly to the Board. Ms. Cannon stated the State requires that the contract be submitted by June 1 and this item was brought forward in an effort to meet State contract deadlines.

Commissioner Boose asked whether this funding would be included in the budget presentation. Ms. Cannon responded State funding would include a County match, so it is part of the

recommended budget. Commissioner Boose asked whether the County match would be the same or different than last year. Ms. Cannon stated it will be different this year at \$415,941 with most of that being related to Social Service's group homes. Commissioner Boose posed additional questions.

Commissioner Keefe stated the Board is being asked to approve \$415,941 before the recommended budget is presented and that seems backwards. Ms. Cannon stated should the Board during its budget deliberations determine it does not want to approve the County match, the matter can be returned to the JCPC so they can revise their contract. Commissioner Keefe stated JCPC does an outstanding job and he would probably vote in favor of the funding in the budget, but there are protocols and rules that should be adhered to. Commissioner Adams stated he sits on the JCPC board and this has been advertised.

Commissioner Boose asked whether it is done this way every year. Ms. Cannon outlined the JCPC process for the funding agreement and the County match and stated this is the process that has been used for the last twenty years. Commissioner Boose asked whether this could be handled in April next year. Ms. Cannon stated she would pass the request along to the JCPC. Ms. Cannon stated the Board can approve the funding agreement contingent upon the budget adoption.

MOTION: Commissioner Adams moved to approve the JCPC DACJJ/County Funding requests for FY 2018-2019

SECOND: Commissioner Council

VOTE: PASSED (6-1) (Commissioners Faircloth, Evans, Adams, Lancaster, Council and Boose voted in favor; Commissioner Keefe voted in opposition.)

### 3.J.5) Approval of Counsel to Pursue Opioid Litigation

#### BACKGROUND:

On May 3, 2018, the Finance Committee voted to recommend that the full board select the McHugh Fuller group as the national firm to pursue opioid litigation for the county. This issue was discussed by the Finance Committee at each of its meetings since February 9, 2018. The county attorney had provided the Finance Committee information on two national firm groups which were selected by the NCACC to make presentations to the county attorneys at a forum in October, 2017. A synopsis of the proposed contracts submitted by the two national groups follows:

#### The McHugh Fuller Group:

The group of national firms and local counsel for which Michael Jay Fuller, Jr., Esq., has been designated lead counsel are fully identified in the proposed contract was provided. The local attorneys included in the North Carolina firms designated as local counsel are:

#### THE RICHARDSON FIRM, PLLC

4200 Morganton Road, Suite 150  
Fayetteville, North Carolina

#### LAW OFFICES OF ANTONIO F. GERALD, PLLC

137 Person Street, Suite 103  
Fayetteville, North Carolina

This group will sue the manufacturers and distributors. The abatement of the opioid epidemic as a public nuisance is one of many causes of action this group will pursue. They require the counties they represent to adopt a resolution declaring the opioid crisis a public nuisance which must be abated. The resolution this group has requested is recorded below. Note that neighboring counties are identified as counties in which the prescription rates are much higher than the state average. Cumberland's rate is lower than the state average.

#### The Crueger Dickinson Group:

The group of national firms and local counsel for which Erin Dickinson, Esq., has been a spokesperson in N.C. are fully identified in the proposed contract which is attached. The Fayetteville firm of Williford, Hollers, Crenshaw, Boliek & Frangakis has been designated as local counsel for Cumberland County. This group also intends to sue the manufacturers and distributors, but they are not pursuing a cause of action for abatement of a public nuisance. They have not

asked for a declaration of public nuisance but have asked for a general resolution in support of the litigation. This group did tailor the resolution to fit the data for Cumberland County. This group's contract has a provision addressing any potential conflict of interest arising out of the group's representation of multiple N.C. counties and cities. Acceptance of the contract constitutes a waiver of any conflict of interest.

**Both Groups:**

The fee provisions for both groups are now basically the same. Each is a 25% contingency fee contract with the fee to be applied to the gross amount of any recovery with the costs of litigation to be reimbursed from the balance after deducting the attorneys' fees. Each caps all fees, costs and expenses at 35% of the gross amount of any recovery. Neither contract requires the county to expend any funds for attorneys' fees or costs except from monies received out of settlement with or a judgment against the defendants. Neither contract will provide defense for any counterclaims or claims for sanctions at no additional fee. Under either of these contracts, the county could be liable for damages or attorney fees to the defendants if the defendants prevailed on any motion for sanctions or a counterclaim. Each of these groups of firms has experience with opioid and multi-district litigation and each is exceptionally qualified to pursue this litigation.

**Other Options:**

The Board does not have to choose either of these firms to pursue this litigation. At this time no other N.C. counties have filed suit with a firm other than one of these.

**RECOMMENDATION/PROPOSED ACTION**

The Finance Committee recommended the Board select the McHugh Fuller group. This will require adoption of the resolution recorded below as provided by that group.

**RESOLUTION OF THE BOARD OF COMMISSIONERS  
OF CUMBERLAND COUNTY, NORTH CAROLINA**

WHEREAS, Cumberland County Board of Commissioners has the authority to adopt resolutions with respect to county affairs of Cumberland County, North Carolina;

WHEREAS, the Cumberland County Board of Commissioners has the authority to take action to protect the public health, safety, and welfare of the residents and citizens of Cumberland County;

WHEREAS, there exists a serious public health and safety crisis involving opioid abuse, addiction, morbidity, and mortality in Cumberland County;

WHEREAS, the opioid crisis unreasonably interferes with rights common to the general public of Cumberland County; involves a significant interference with the public health, safety, peace, comfort, and convenience of citizens and residents of Cumberland County; which upon information and belief includes the delivery of controlled substances in violation of State and Federal law and regulations; and therefore constitutes a public nuisance;

WHEREAS, the opioid crisis is having an extended and far reaching impact of the general public, health, and safety, of residents and citizens of Cumberland County and must be abated;

WHEREAS, the violation of any laws of the State of North Carolina, or of the United States of America controlling the distribution of a controlled substance is inimical, harmful, and adverse to the public welfare of the residents and citizens of Cumberland County constitutes a public nuisance;

WHEREAS, the Cumberland County Board of Commissioners has the authority to abate, or cause to be abated, any public nuisance including those acts that unreasonably interfere with rights common to the general public of Cumberland County and/or involve a significant interference with the public health, safety, peace, comfort, and convenience of citizens and residents of Cumberland County;

WHEREAS, Cumberland County has expended, is expending, and upon information and belief, will continue to expend in the future County funds to respond to the serious public health

and safety crisis involving opioid abuse, addiction, morbidity, and mortality within Cumberland County; and

WHEREAS, the Cumberland County Board of Commissioners have received information as shown in Exhibit “A” that indicates that the manufacturers and wholesale distributors of controlled substances have distributed in areas surrounding Cumberland County, North Carolina, may have violated Federal and/or State laws and regulations that were enacted to prevent the diversion of legally produced controlled substances into the illicit market.

NOW, THEREFORE, BE IT RESOLVED by the Cumberland County Board of Commissioners, assembled on this day at which a quorum is present, that based upon the above the Cumberland County Board of Commissioners are declaring the opioid crisis a public nuisance which must be abated for the benefit of Cumberland County and its residents and citizens.

BE IT FINALLY RESOLVED that all resolutions that are inconsistent with this resolution are rescinded.

Adopted by the Cumberland County Board of Commissioners this 21st day of May, 2018.

**AUTHORITY TO REPRESENT**

RE: Cumberland County, North Carolina civil suit against those legally responsible for the wrongful distribution of prescription opiates and damages caused thereby.

CUMBERLAND COUNTY, NORTH CAROLINA (hereinafter “CLIENT”) hereby retains the law firm MCHUGH FULLER LAW GROUP, PLLC, pursuant to the North Carolina Rules of Professional Responsibility, on a contingent fee basis, to pursue all civil remedies against those in the chain of distribution of prescription opiates responsible for the opioid epidemic which is plaguing Cumberland County, North Carolina, including, but not limited to, filing a claim for public nuisance to abate the damages caused thereby. Michael Jay Fuller, Jr., Esq. of the law firm MCHUGH FULLER LAW GROUP, PLLC shall serve as LEAD COUNSEL. CLIENT authorizes lead counsel to employ and/or associate additional counsel, with consent of CLIENT, to assist LEAD COUNSEL in the just prosecution of the case. CLIENT consents to the participation of the following firms:

GREENE, KETCHUM, FARRELL, BAILEY & TWEEL, LLP  
419 11th Street Huntington, West Virginia

LEVIN, PAPANTONIO, THOMAS, MITCHELL, RAFFERTY & PROCTOR, PA  
316 South Baylen Street Pensacola, Florida

BARON & BUDD, PC  
3102 Oak Lawn Avenue #1100 Dallas, Texas

HILL PETERSON CARPER BEE & DEITZLER PLLC  
500 Tracy Way Charleston, West Virginia

MCHUGH FULLER LAW GROUP  
97 Elias Whiddon Rd Hattiesburg, Mississippi

POWELL & MAJESTRO, PLLC  
405 Capitol Street, Suite P-1200 Charleston, West Virginia

DONALD R. VAUGHAN AND ASSOCIATES  
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In consideration, CLIENT agrees to pay twenty-five percent (25%) of the total recovery (gross) in favor of the CLIENT as an attorney fee whether the claim is resolved by compromise, settlement, or trial and verdict (and appeal). Total fees and expenses shall not exceed thirty-five percent (35%) of the gross recovery. The gross recovery shall be calculated on the amount obtained before the deduction of costs and expenses. CLIENT grants Attorneys an interest in a fee based on the gross recovery. If a court awards attorneys' fees, Attorneys shall receive the "greater of" the gross recovery-based contingent fee or the attorneys' fees awarded. There is no fee if there is no recovery.

MCHUGH FULLER LAW GROUP, PLLC and the other law firms, hereinafter referred to as the "Attorneys," agree to advance all litigation expenses necessary to prosecute these claims. All such litigation expenses, including the reasonable internal costs of electronically stored information (ESI) and electronic discovery generally or the direct costs incurred from any outside contractor for those services, will be deducted from any recovery after the contingent fee is calculated. There is no reimbursement of litigation expenses if there is no recovery.

The CLIENT acknowledges this fee is reasonable given the time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly, the likelihood this employment will preclude other employment by the Attorneys, the fee customarily charged in the locality for similar legal services, the anticipated (contingent) litigation expenses and the anticipated results obtained, the experience, reputation, and ability of the lawyer or lawyers performing the services and the fact that the fee is contingent upon a successful recovery.

This litigation is intended to address a significant problem in the community. The litigation focuses on the manufacturers and wholesale distributors and their role in the diversion of millions of prescription opiates into the illicit market which has resulted in opioid addiction, abuse, morbidity and mortality. There is no easy solution and no precedent for such an action against this sector of the industry. Many of the facts of the case are locked behind closed doors. The billion dollar industry denies liability. The litigation will be very expensive and the litigation expenses will be advanced by the Attorneys with reimbursement contingent upon a successful recovery. The outcome is uncertain, like all civil litigation, with compensation contingent upon a successful recovery. Consequently, there must be a clear understanding between the CLIENT and the

Attorneys regarding the definition of a "successful recovery."

The Attorneys intend to present a damage model designed to abate the public health and safety crisis. This damage model may take the form of money damages or equitable remedies (e.g., abatement fund). The purpose of the lawsuit is to seek reimbursement of the costs incurred in the past fighting the opioid epidemic and/or to recover the funds necessary to abate the health and safety crisis caused by the unlawful conduct of the manufacturers and wholesale distributors. The CLIENT agrees to compensate the Attorneys, contingent upon prevailing, by paying 25% of any settlement/resolution/judgment, in favor of the CLIENT, whether it takes the form of monetary damages or equitable relief. For instance, if the remedy is in the form of monetary damages, CLIENT agrees to pay 25% of the gross amount to Attorneys as compensation and then reimburse the reasonable litigation expenses. If the remedy is in the form of equitable relief (e.g., abatement fund), CLIENT agrees to pay 25% of the gross value of the equitable relief to the Attorneys as compensation and then reimburse the reasonable litigation expenses. To be clear, Attorneys shall not be paid nor receive reimbursement from public funds. However, any judgment arising from successful prosecution of the case, or any consideration arising from a settlement of the matter, whether monetary or equitable, shall not be considered public funds for purposes of calculating the contingent fee. Under no circumstances shall the CLIENT be obligated to pay any Attorneys fee or any litigation expenses except from moneys expended by defendant(s) pursuant to the resolution of the CLIENT's claims. If the defendant(s) expend their own resources to abate the public health and safety crisis in exchange for a release of liability, then the Attorneys will be paid the designated contingent fee from the resources expended by the defendant(s). CLIENT acknowledges this is a necessary condition required by the Attorneys to dedicate their time and invest their resources on a contingent basis to this enormous project. If the defendant(s) negotiate

a release of liability, then the Attorneys should be compensated based upon the consideration offered to induce the dismissal of the lawsuit.

The division of fees, expenses and labor between the Attorneys will be decided by private agreement between the law firms and subject to approval by the CLIENT. Any division of fees will be governed by the North Carolina Rules of Professional Conduct including: (1) the division of fees is in proportion to the services performed by each lawyer or each lawyer assumes joint responsibility for the representation and agrees to be available for consultation with the CLIENT; (2) the CLIENT agrees to the arrangement, including the share each lawyer will receive, and the agreement is confirmed in this writing; and (3) the total fee is reasonable.

LEAD COUNSEL shall appoint a contact person to keep the CLIENT reasonably informed about the status of the matter in a manner deemed appropriate by the CLIENT. The CLIENT at all times shall retain the authority to decide the disposition of the case and maintain absolute control of the litigation.

Upon conclusion of this matter, LEAD COUNSEL shall provide the CLIENT with a written statement stating the outcome of the matter and, if there is a recovery, showing the remittance to the client and the method of its determination. The closing statement shall specify the manner in which the compensation was determined under the agreement, any costs and expenses deducted by the lawyer from the judgment or settlement involved, and, if applicable, the actual division of the lawyers' fees with a lawyer not in the same firm, as required in Rule 1.05 (e)(3) of the North Carolina Rules of Professional Conduct. The closing statement shall be signed by the CLIENT and each attorney among whom the fee is being divided.

Nothing in this Agreement and nothing in the Attorneys' statement to the CLIENT may be construed as a promise or guarantee about the outcome of this matter. The Attorneys make no such promises or guarantees. Attorneys' comments about the outcome of this matter are expressions of opinion only and the Attorneys make no guarantee as to the outcome of any litigation, settlement or trial proceedings.

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Commissioner Boose stated the vote in committee was two to one and asked whether this item should have been placed on the consent agenda. Commissioner Boose stated he is not on the Finance Committee but attended the meeting and although the summary is accurate, County Attorney Rick Moorefield made the legal recommendation of the Crueger Dickinson Group because their approach is more in line with the County's data. Commissioner Boose stated the recommendation was also to have the County Attorney serve as local counsel and then any fees would come to the County to further help with opioid problems. Commissioner Boose stated the County Attorney's recommendation was changed by a motion for the McHugh Fuller Group which passed.

MOTION: Commissioner Boose moved to approve the recommendation of the County Attorney for the Crueger Dickinson Group to represent the County in the opioid litigation.

SECOND: Commissioner Keefe

DISCUSSION: In response to a question posed by Commissioner Evans, Mr. Moorefield stated the two groups were always the Crueger Dickinson Group and the McHugh Fuller Group, with the McHugh Fuller Group designating Attorney Antonio Gerald as local counsel. Commissioner Adams stated he is on the Finance Committee and he would support the committee's recommendation for the McHugh Fuller Group and not the motion made by Commissioner Boose. Commissioner Keefe stated the recommendation of the Finance Committee was not unanimous.

VOTE: FAILED (2-5) (Commissioners Boose and Keefe voted in favor; Commissioners Faircloth, Council, Lancaster, Adams and Evans voted in opposition)

MOTION: Commissioner Adams moved to approve the McHugh Fuller Group and adopt the resolution as provided by that group.

SECOND: Commissioner Evans



DISCUSSION: Commissioner Faircloth asked whether an item that did not receive a unanimous vote of the Finance Committee should be placed on the consent agenda because he was under the impression that if there was not a unanimous vote of the committee, any item moving forward would be an item of business for discussion by the Board. Commissioner Boose stated that was his thought as well. Mr. Moorefield stated he was not aware of an official policy and committee minutes are attached to committee items forwarded to the full Board.

VOTE: PASSED (5-2) (Commissioners Faircloth, Council, Lancaster, Adams and Evans voted in favor; Commissioners Boose and Keefe voted in opposition)

#### 4. ITEMS OF BUSINESS

##### A. Consideration of Human Services Governance Model

##### BACKGROUND

As a result of discussion held during the Board's regular meeting on May 7, 2018, action was taken to set the May 21, 2018 regular meeting for a final decision on Human Service governance. As a reminder, the Board can adopt one of the following options for governance of its Human Service departments:

- Option 1 - Maintaining the current governance structure with a separate Department of Social Services (DSS) Board and Board of Health (BOH). Under this option the DSS Board and Board of Health have hire/fire authority for the DSS Director and Health Director, respectively.
- Option 2 - Dissolving the DSS Board and/or the Board of Health and assuming the duties and responsibilities of one or both boards. Should this option be considered, there is a statutory requirement for the Commissioners to appoint a Health Advisory Committee. Under this option, the Board of County Commissioners have hire/fire authority of the DSS Director and/or Health Director.
- Option 3 - Establishing a Consolidated Human Services Agency (CHSA) and appointing a new CHSA Board. Under this option the County Manager has hire/fire authority of a CHSA Director, with the advice and consent of the CHSA Board.
- Option 4 - Establishing a Consolidated Human Services Agency (CHSA) and assuming the duties and responsibilities of the CHSA Board. Under this option the County Manager has hire/fire authority for the CHSA Director with advice and consent of the County Commissioners as the CHSA Board.

##### RECOMMENDATION / PROPOSED ACTION

Management recommends selection of one of the available governance options.

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Mr. Holder reviewed the background information recorded above to include options for governance of the County's Human Service departments. Mr. Holder stated staff have received information from various counties and are following up with what New Hanover County termed "functional collaboration" between the human services departments and the county. Mr. Holder stated it is not unlike what the County Manager put in place last year to begin merging some functions within the departments. Mr. Holder stated he would view that as practical and reasonable because feedback from New Hanover County indicates there have been some challenges with the way they have organized. Commissioner Adams stated there was also strong collaboration with the managers and departments through Memorandums of Understanding in New Hanover County. Mr. Holder stated when checking with the State, there was not authority to establish those Memorandums of Understanding so New Hanover County moved to what Cumberland is already achieving through a collaborative relationship with the human services directors.

Commissioner Council referenced letters received from the Social Services Board and the Board of Health and stated Commissioners sit on both human services boards. Commissioner Council

stated she is interested in strengthening collaboration between the human services boards and county management and suggested the collaboration be solidified in writing so it can serve as practice. Commissioner Council stated the recruitment process should begin for a Public Health director and the human services boards should be relied on as they currently stand.

**MOTION:** Commissioner Council moved to maintain the current governance structure with a separate Department of Social Services (DSS) Board and Board of Health (BOH); to request that county management, the DSS director and the Interim Health director look at functions where services can be enhanced, funds saved and more services provided for clients; to immediately start the recruitment process for a director of the Public Health department; and to have the County Manager and human services department heads prepare a list for the Board.

**SECOND:** Commissioner Adams

**DISCUSSION:** Commissioner Boose he cannot support the motion because his hope was that there would be some give and take in light of issues that have been identified with the two departments. Commissioner Boose stated he does not know what “functional collaboration” is, the discussion of issues has been publicly acknowledged and to do nothing is not satisfactory for him. Commissioner Evans stated Commissioners can do something by selecting better members to sit on the human services boards who are genuinely concerned for the citizens and the services they receive. Commissioner Keefe stated 100% of the responses to the survey indicated the Public Health department should be changed. Commissioner Keefe recalled passed issues associated with the Public Health department and stated they resulted from leadership problems. Commissioner Keefe stated the County can do better, but if the Board is content with the way the Public Health department is running, then no change is needed.

Commissioner Council stated the Board has educated itself and she wants a group of interested committed citizens appointed to the human services boards and wants management to provide suggestions to the Board so services to citizens can be strengthened. Commissioner Faircloth stated his reason for supporting the motion is if Commissioners serve on both human services boards, it will water then down, and he is not sure whether Commissioners will be effective over the long term. Commissioner Faircloth asked whether the State has resolved whether there will be a consolidation of Social Services boards across the State. Ms. Cannon stated it has not been resolved at this point. Commissioner Faircloth stated another reason not to consolidate at this time is to wait and see what the State will do.

**RESTATED MOTION:** Commissioner Council moved to maintain the current governance structure with a separate Department of Social Services (DSS) Board and Board of Health (BOH) with the caveat that a collaboration effort model be established by both the Interim Public Health director and the Social Services director and the County Manager.

**SECOND TO RESTATED MOTION:** Commissioner Adams

**VOTE ON RESTATED MOTION:** PASSED (5-2) (Commissioners Faircloth, Council, Lancaster, Adams and Evans voted in favor; Commissioners Boose and Keefe voted in opposition)

**B. Acceptance of Funding Award from North Carolina Department of Public Safety - Disaster Recovery Act of 2017 Hazard Mitigation**

**BACKGROUND**

The North Carolina General Assembly approved N.C. Session Law 2017-119, also known as the Disaster Recovery Act of 2017, provides supplemental disaster recovery funds to assist with unmet disaster needs. Cumberland County has been awarded \$1,782,500.00 to mitigate ten (10) homes that were severely affected by Hurricane Matthew. In December 2017 Cumberland County was asked to prioritize and submit a list of properties that were severely damaged and that involved residents who were displaced during the storm. Cumberland County submitted addresses of residents that had previously applied for Hazard Mitigation Grants but were denied for various reasons.

This funding agreement will remain in effect for two (2) years with reimbursement based upon monthly expenditure reporting. The Agreement may be extended by mutual written agreement of both parties.

#### RECOMMENDATION / PROPOSED ACTION

Staff recommends approval of Budget Ordinance Amendment B180484 to recognize grant funds in the amount of \$1,782,500.00 and acceptance of grant award from North Carolina Department of Public Safety-Disaster Recovery Act 2017 Funding.

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Tracy Jackson, Assistant County Manager, reviewed the background information recorded above. Mr. Jackson stated this funding is for the unincorporated portion of the county to include small towns and unlike previous HMG dollars, these are State funds that can be used for structures outside the special flood hazard area or 100 Year Flood Plain. Mr. Jackson stated there were only two structures in the previous round of federal funding for HMG that met the requirements and they were both in the flood plain. Mr. Jackson stated most of the county's damages were outside of the flood plain and this is a start to mitigating damages to resident's homes outside the flood plain. Mr. Jackson stated funds are prioritized based on the severity of the damage, at least 50% or greater, and the families have to be displaced from their homes and have unmet needs. Commissioner Adams stated either party being able to terminate the agreement with a 30-day notice does not go along with everything else being by mutual agreement. Commissioner Adams questioned who would be responsible for paying any outstanding bills. Mr. Jackson stated he would seek further clarification and provide a response.

MOTION: Commissioner Adams moved to approve Budget Ordinance Amendment B180484 to recognize grant funds in the amount of \$1,782,500.00 and to accept the grant award from North Carolina Department of Public Safety-Disaster Recovery Act 2017 Funding pending modifications to make it a mutual agreement upon termination.

SECOND: Commissioner Keefe

VOTE: UNANIMOUS (7-0)

#### 5. PUBLIC HEARINGS

Ms. Cannon explained the Board of Commissioners' procedures for public hearings.

##### Uncontested Rezoning Cases

#### A. Case P18-07

##### BACKGROUND

Case P18-07: Rezoning of 2.39+/- acres from A1 Agricultural to R40 Residential or to a more restrictive zoning district, located at 1625 Pep Cush Drive, submitted by Bobby Elliott (owner).

#### RECOMMENDATION / PROPOSED ACTION

Planning Board Action: Unanimously recommended approval of the staff recommendation at the March 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 P18-07, 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 Eastover Land Use Plan which calls for "one acre residential" 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 P18-07, I move to approve the rezoning from A1 Agricultural to R40 Residential and find this recommendation to be consistent with the Eastover Land Use Plan which calls for “one acre residential” 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.

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Tom Lloyd, Planning and Inspections Director, presented this item. Mr. Lloyd stated there was unanimous approval by the Planning Board and there was no opposition.

Chairman Lancaster opened the public hearing for Case P18-07.

The clerk to the board advised there were no speakers for Case P18-07.

Chairman Lancaster closed the public hearing for Case P18-07.

**MOTION:** Commissioner Evans moved in Case P18-07 to approve the rezoning from A1 Agricultural to R40 Residential and find this recommendation to be consistent with the Eastover Land Use Plan which calls for “one acre residential” 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 (7-0)

**B. Case P18-09**

**BACKGROUND**

Case P18-09: Rezoning of 4.28+/- acres from A1 Agricultural to R40 Residential or to a more restrictive zoning district, located at 1470 & 1490 Baywood Road, submitted by David & Judy Draughon and Martha Morris McKoy (owners).

**RECOMMENDATION / PROPOSED ACTION**

Planning Board Action: Unanimously recommended approval of the staff recommendation to approve the request for rezoning at the April 17, 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 P18-09, the Planning and Inspections Staff recommends approval of the rezoning from A1 Agricultural to R40 Residential and find: a. The approval is an amendment to the current adopted Eastover Land Use Plan (2000) map; and that the Board of Commissioners should not require any additional request or application for amendment to said map for this request; b. The following change in conditions was considered in amending the zoning ordinance (zoning map) to meet the development needs of the community: the requested district is consistent with the draft Eastover Land Use Plan update which calls for “rural density residential” development at this location; c. And, this rezoning approval is reasonable and in the public interest because if approved, the district requested will ensure land uses and lot sizes are in harmony with the surrounding residential development.

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 P18-09, I move to approve the rezoning from A1 Agricultural to R40 Residential and find:

a. The approval is an amendment to the current adopted Eastover Land Use Plan (2000) map; and that the Board of Commissioners should not require any additional request or application for amendment to said map for this request;

b. The following change in conditions was considered in amending the zoning ordinance (zoning map) to meet the development needs of the community: the requested district is consistent with the draft Eastover Land Use Plan update which calls for “rural density residential” development at this location;

c. And, this rezoning approval is reasonable and in the public interest because if approved, the district requested will ensure land uses and lot sizes are in harmony with the surrounding residential

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Mr. Lloyd presented this item. Mr. Lloyd stated there was unanimous approval by the Planning Board and there was no opposition.

Chairman Lancaster opened the public hearing for Case P18-09.

The clerk to the board advised there were no speakers for Case P18-09.

Chairman Lancaster closed the public hearing for Case P18-09.

MOTION: Commissioner Adams moved in Case P18-09 to approve the rezoning from A1 Agricultural to R40 Residential and find:

a. The approval is an amendment to the current adopted Eastover Land Use Plan (2000) map; and that the Board of Commissioners should not require any additional request or application for amendment to said map for this request;

b. The following change in conditions was considered in amending the zoning ordinance (zoning map) to meet the development needs of the community: the requested district is consistent with the draft Eastover Land Use Plan update which calls for “rural density residential” development at this location;

c. And, this rezoning approval is reasonable and in the public interest because if approved, the district requested will ensure land uses and lot sizes are in harmony with the surrounding residential

SECOND: Commissioner Council

VOTE: UNANIMOUS (7-0)

#### C. Case P18-12

##### BACKGROUND

Case P18-12: Rezoning of .37+/- acre from C1(P) Planned Local Business District to C2(P) Planned Service and Retail District or to a more restrictive zoning district, located at 3738 Boone Trail, submitted by Quentin & Kristy Collins (owners).

##### RECOMMENDATION / PROPOSED ACTION

Planning Board Action: Unanimously recommended approval of the staff recommendation to approve the request for rezoning at the April 17, 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 P18-12, the Planning and Inspections Staff recommends approval of the rezoning from C1(P) Planned Local Business District to C2(P) Planned Service and Retail District and find: a. The approval is an amendment to the adopted Southwest Cumberland Land Use Plan (2013) map; and that the Board of Commissioners should not require any additional request or application for amendment to said map for this request; b. The following change in conditions was considered in amending the zoning ordinance (zoning map) to meet the development needs of the community: although the district requested is considered “light commercial”, some permitted uses in the C2(P) are permitted uses in C(P) which is considered heavy commercial; c. And, this rezoning approval is reasonable and in the public interest because the district requested is in harmony with the area along Boone Trail that has been transitioning from residential to commercial and could assist in ensuring a vacant commercial building is occupied.

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 P18-12, I move to approve the rezoning from C1(P) Planned Local Business District to C2(P) Planned Service and Retail District and find:

- a. The approval is an amendment to the adopted Southwest Cumberland Land Use Plan (2013) map; and that the Board of Commissioners should not require any additional request or application for amendment to said map for this request;
- b. The following change in conditions was considered in amending the zoning ordinance (zoning map) to meet the development needs of the community: although the district requested is considered “light commercial”, some permitted uses in the C2(P) are permitted uses in C(P) which is considered heavy commercial;
- c. And, this rezoning approval is reasonable and in the public interest because the district requested is in harmony with the area along Boone Trail that has been transitioning from residential to commercial and could assist in ensuring a vacant commercial building is occupied.

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Mr. Lloyd presented this item. Mr. Lloyd stated there was unanimous approval by the Planning Board and there was no opposition.

Chairman Lancaster opened the public hearing for Case P18-12.

The clerk to the board advised there were no speakers for Case P18-12.

Chairman Lancaster closed the public hearing for Case P18-12.

**MOTION:** Commissioner Boose moved in Case P18-12 to approve the rezoning from C1(P) Planned Local Business District to C2(P) Planned Service and Retail District and find:

- a. The approval is an amendment to the adopted Southwest Cumberland Land Use Plan (2013) map; and that the Board of Commissioners should not require any additional request or application for amendment to said map for this request;
- b. The following change in conditions was considered in amending the zoning ordinance (zoning map) to meet the development needs of the community: although the district requested is considered “light commercial”, some permitted uses in the C2(P) are permitted uses in C(P) which is considered heavy commercial;
- c. And, this rezoning approval is reasonable and in the public interest because the district requested is in harmony with the area along Boone Trail that has been transitioning from residential to commercial and could assist in ensuring a vacant commercial building is occupied.

**SECOND:** Commissioner Council

**VOTE:** UNANIMOUS (7-0)

**D. Case P18-13**

**BACKGROUND**

Case P18-13: Rezoning of .46+/- acre from R6 Residential & C3 Heavy Commercial to C(P) Planned Commercial/CZ Conditional Zoning for motor vehicle sales or to a more restrictive zoning district, located at 2418 Owen Drive, submitted by Chad Brown on behalf of C&E Homevestors, LLC (owner).

**RECOMMENDATION / PROPOSED ACTION**

Planning Board Action: Unanimously recommended approval of the staff recommendation to approve the request for rezoning at the April 17, 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 P18-13, the Planning and Inspections Staff recommends approval of the rezoning from R6 Residential and C3 Heavy Commercial to C(P) Planned Commercial/CZ

Conditional Zoning for motor vehicle sales and find it is consistent with the adopted Southwest Cumberland Land Use Plan which calls for “mixed use development” at this location, mixed use allows for retail and commercial uses; and further find that approval of the request is reasonable and in the public interest because the district requested is in harmony with the existing light and heavy commercial zoning and land uses along Owen Drive. In addition, the property owner has agreed to access the vehicle display area from the existing driveway for the sales lot and forego the proposed driveway to Cope Street

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 P18-13, I move to approve the rezoning from R6 Residential and C3 Heavy Commercial to C(P) Planned Commercial/CZ Conditional Zoning for motor vehicle sales subject to the conditions within our packet and find it is consistent with the adopted Southwest Cumberland Land Use Plan which calls for “mixed use development” at this location, mixed use allows for retail and commercial uses; and further find that approval of the request is reasonable and in the public interest because the district requested is in harmony with the existing light and heavy commercial zoning and land uses along Owen Drive. In addition, the property owner has agreed to access the vehicle display area from the existing driveway for the sales lot and forego the proposed driveway to Cope Street.

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Mr. Lloyd presented this item. Mr. Lloyd stated there was unanimous approval by the Planning Board and there was no opposition.

Chairman Lancaster opened the public hearing for Case P18-13.

The clerk to the board advised there were no speakers for Case P18-13.

Chairman Lancaster closed the public hearing for Case P18-13.

**MOTION:** Commissioner Lancaster moved in Case P18-13 to approve the rezoning from R6 Residential and C3 Heavy Commercial to C(P) Planned Commercial/CZ Conditional Zoning for motor vehicle sales subject to the conditions within our packet and find it is consistent with the adopted Southwest Cumberland Land Use Plan which calls for “mixed use development” at this location, mixed use allows for retail and commercial uses; and further find that approval of the request is reasonable and in the public interest because the district requested is in harmony with the existing light and heavy commercial zoning and land uses along Owen Drive. In addition, the property owner has agreed to access the vehicle display area from the existing driveway for the sales lot and forego the proposed driveway to Cope Street.

**SECOND:** Commissioner Council

**VOTE:** UNANIMOUS (7-0)

**E. Case P18-14**

**RECOMMENDATION / PROPOSED ACTION**

**Planning Board Action:** Unanimously recommended approval of the staff recommendation to approve the request for rezoning at the April 17, 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 P18-14, the Planning and Inspections Staff recommends approval of the rezoning from R5A Residential to C(P) Planned Commercial and find: a. The approval is an amendment to the adopted current Eastover Land Use Plan (2000) map; and that the Board of Commissioners should not require any additional request or application for amendment to said map for this request; b. The following change in conditions was considered in amending the zoning ordinance (zoning map) to meet the development needs of the community: the requested district is consistent with the draft Eastover Land Use Plan update which calls for “heavy commercial”

development at this location; c. And, this rezoning approval is reasonable and in the public interest because the district requested will allow for land uses that would be in harmony with surrounding commercial and industrial development.

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 P18-14, I move to approve the rezoning from R5A Residential to C(P) Planned Commercial and find: a. The approval is an amendment to the adopted current Eastover Land Use Plan (2000) map; and that the Board of Commissioners should not require any additional request or application for amendment to said map for this request; b. The following change in conditions was considered in amending the zoning ordinance (zoning map) to meet the development needs of the community: the requested district is consistent with the draft Eastover Land Use Plan update which calls for “heavy commercial” development at this location; c. And, this rezoning approval is reasonable and in the public interest because the district requested will allow for land uses that would be in harmony with surrounding commercial and industrial development.

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Mr. Lloyd presented this item. Mr. Lloyd stated there was unanimous approval by the Planning Board and there was no opposition.

Chairman Lancaster opened the public hearing for Case P18-14.

The clerk to the board advised there were no speakers for Case P18-14.

Chairman Lancaster closed the public hearing for Case P18-14.

**MOTION:** Commissioner Council moved in Case P18-14 to approve the rezoning from R5A Residential to C(P) Planned Commercial and find: a. The approval is an amendment to the adopted current Eastover Land Use Plan (2000) map; and that the Board of Commissioners should not require any additional request or application for amendment to said map for this request; b. The following change in conditions was considered in amending the zoning ordinance (zoning map) to meet the development needs of the community: the requested district is consistent with the draft Eastover Land Use Plan update which calls for “heavy commercial” development at this location; c. And, this rezoning approval is reasonable and in the public interest because the district requested will allow for land uses that would be in harmony with surrounding commercial and industrial development.

**SECOND:** Commissioner Adams

**VOTE:** UNANIMOUS (7-0)

**F. Case P18-15**

**BACKGROUND**

Case P18-15: Rezoning of 33.19+/- acres from RR Rural Residential to A1 Agricultural or to a more restrictive zoning district; located on the south side of SR 1122 (Woodington Road), west of SR 2285 (Shipman Road); submitted by Geddie Autry, Steven M. & Paula H. Autry and Robert M. & Helen G. Glock (owners) & Woodington Solar, LLC (agent).

**RECOMMENDATION / PROPOSED ACTION**

Planning Board Action: Unanimously recommended approval of the staff recommendation to approve the request for rezoning at the April 17, 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 P18-15, the Planning and Inspections Staff recommends approval of the rezoning from RR Rural Residential to A1 Agricultural and find: a. The approval is an amendment to the adopted Southwest Land Use Plan (2013) map; and that the Board of



Commissioners should not require any additional request or application for amendment to said map for this request; b. The following change in conditions was considered in amending the zoning ordinance (zoning map) to meet the development needs of the community: the subject property lacks public utilities to support suburban residential density; c. And, this rezoning approval is reasonable and in the public interest because the district requested will provide for larger lot sizes than the current zoning.

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 P18-15, I move to approve the rezoning from RR Rural Residential to A1 Agricultural and find:

- a. The approval is an amendment to the adopted Southwest Land Use Plan (2013) map; and that the Board of Commissioners should not require any additional request or application for amendment to said map for this request;
- b. The following change in conditions was considered in amending the zoning ordinance (zoning map) to meet the development needs of the community: the subject property lacks public utilities to support suburban residential density;
- c. And, this rezoning approval is reasonable and in the public interest because the district requested will provide for larger lot sizes than the current zoning.

\*\*\*\*\*

Mr. Lloyd presented this item. Mr. Lloyd stated there was unanimous approval by the Planning Board and there was no opposition.

Chairman Lancaster opened the public hearing for Case P18-15.

The clerk to the board advised there were no speakers for Case P18-15.

Chairman Lancaster closed the public hearing for Case P18-15.

**MOTION:** Commissioner Keefe moved in Case P18-15 to approve the rezoning from RR Rural Residential to A1 Agricultural and find:

- a. The approval is an amendment to the adopted Southwest Land Use Plan (2013) map; and that the Board of Commissioners should not require any additional request or application for amendment to said map for this request;
- b. The following change in conditions was considered in amending the zoning ordinance (zoning map) to meet the development needs of the community: the subject property lacks public utilities to support suburban residential density;
- c. And, this rezoning approval is reasonable and in the public interest because the district requested will provide for larger lot sizes than the current zoning.

**SECOND:** Commissioner Council

**VOTE:** UNANIMOUS (7-0)

**G. Case P18-08**

**BACKGROUND**

Case P18-08: Rezoning of 1.93+/- acres from C(P) Planned Commercial & R10 Residential to C(P) Planned Commercial or to a more restrictive zoning district, located at 6522 Rockfish Road, submitted by Dorothy Ennis (owner) & W. David Broadwell (agent).

**RECOMMENDATION / PROPOSED ACTION**

Planning Board Action: Unanimously recommended approval of the staff recommendation to approve the request for rezoning at the March 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 P18-08, the Planning and Inspections Staff recommends approval of the rezoning from R10 Residential & C(P) Planned Commercial to C(P) Planned Commercial

and find: a. The approval is an amendment to the current adopted Southwest Cumberland Land Use Plan (2013) map; and that the Board of Commissioners should not require any additional request or application for amendment to said map for this request; b. The following change in conditions was considered in amending the zoning ordinance (zoning map) to meet the development needs of the community: the requested district is consistent with the majority of the parcel's designation in the Southwest Cumberland Land Use Plan (2013) which calls for "heavy commercial" at this location; c. And, this rezoning approval is reasonable and in the public interest because the small slivers of R10 Residential zoning were inadvertently left out of the subject property's November 16, 1998 rezoning and this request, if approved, will ensure the entire parcel is zoned the same.

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

**MOTION:**

In Case P18-08, I move to approve the rezoning from R10 Residential & C(P) Planned Commercial to C(P) Planned Commercial and find:

a. The approval is an amendment to the current adopted Southwest Cumberland Land Use Plan (2013) map; and that the Board of Commissioners should not require any additional request or application for amendment to said map for this request; b. The following change in conditions was considered in amending the zoning ordinance (zoning map) to meet the development needs of the community: the requested district is consistent with the majority of the parcel's designation in the Southwest Cumberland Land Use Plan (2013) which calls for "heavy commercial" at this location; c. And, this rezoning approval is reasonable and in the public interest because the small slivers of R10 Residential zoning were inadvertently left out of the subject property's November 16, 1998 rezoning and this request, if approved, will ensure the entire parcel is zoned the same.

\*\*\*\*\*

Mr. Lloyd presented this item. Mr. Lloyd stated there was unanimous approval by the Planning Board and there was no opposition.

Chairman Lancaster opened the public hearing for Case P18-08.

The clerk to the board advised there were no speakers for Case P18-08.

Chairman Lancaster closed the public hearing for Case P18-08.

**MOTION:** Commissioner Faircloth moved in Case P18-08 to approve the rezoning from R10 Residential & C(P) Planned Commercial to C(P) Planned Commercial and find:

a. The approval is an amendment to the current adopted Southwest Cumberland Land Use Plan (2013) map; and that the Board of Commissioners should not require any additional request or application for amendment to said map for this request; b. The following change in conditions was considered in amending the zoning ordinance (zoning map) to meet the development needs of the community: the requested district is consistent with the majority of the parcel's designation in the Southwest Cumberland Land Use Plan (2013) which calls for "heavy commercial" at this location; c. And, this rezoning approval is reasonable and in the public interest because the small slivers of R10 Residential zoning were inadvertently left out of the subject property's November 16, 1998 rezoning and this request, if approved, will ensure the entire parcel is zoned the same.

**SECOND:** Commissioner Council

**VOTE:** UNANIMOUS (7-0)

**H. Case P18-03**

**BACKGROUND**

Case P18-03: Rezoning of .93+/- acre from R10 Residential to C(P) Planned Commercial or to a more restrictive zoning district, located at 3496 Gillespie Street, submitted by Philip & Sharon Kropp (owners).

## RECOMMENDATION / PROPOSED ACTION

Planning Board Action: Unanimously recommended approval of the staff recommendation to approve the request for rezoning at the April 17, 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 P18-03, the Planning and Inspections Staff recommends approval of the rezoning from R10 Residential to C(P) Planned Commercial/CZ Conditional Zoning for trade contracting with equipment storage and other listed uses and find this recommendation to be consistent with the Southwest Cumberland Land Use Plan which calls for “heavy commercial” 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 zoning on parcels fronting Gillespie Street and will allow for similar uses already permitted on the remaining parent tract.

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 P18-03, I move to approve the rezoning from R10 Residential to C(P) Planned Commercial/CZ Conditional Zoning for trade contracting with equipment storage and other listed uses subject to the conditions within our packet and find this recommendation to be consistent with the Southwest Cumberland Land Use Plan which calls for “heavy commercial” 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 zoning on parcels fronting Gillespie Street and will allow for similar uses already permitted on the remaining parent tract.

\*\*\*\*\*

Tom Lloyd, Planning and Inspections Director, presented this item. Mr. Lloyd stated there was opposition at the meeting of the Planning Board but the Planning Board added another condition on the property to deny access onto the subject property from Elton Drive which apparently satisfied the opposition. Mr. Lloyd stated another condition was added so that any fluids would be changed on concrete and collected or reused on the vehicle or disposed of offsite.

Chairman Lancaster opened the public hearing for Case P18-03.

The clerk to the board advised there were no speakers for Case P18-03.

Chairman Lancaster closed the public hearing for Case P18-03.

MOTION: Chairman Lancaster moved in Case P18-03 to approve the rezoning from R10 Residential to C(P) Planned Commercial/CZ Conditional Zoning for trade contracting with equipment storage and other listed uses subject to the conditions within our packet and find this recommendation to be consistent with the Southwest Cumberland Land Use Plan which calls for “heavy commercial” 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 zoning on parcels fronting Gillespie Street and will allow for similar uses already permitted on the remaining parent tract.

SECOND: Commissioner Council

DISCUSSION: Commissioner Adams asked who would enforce the condition for changing of fluids on concrete and access from Elton Drive. Mr. Lloyd stated ultimately the Planning and Inspections department would be based on complaints. Mr. Lloyd stated there will also not be a curb cut on to Elton Drive so the curb cut is relied on to enforce that condition. Mr. Lloyd stated Planning and Inspections will go to the site for the ultimate condition of occupancy (CO) and enforcement of the curb cut will be by the Department of Transportation. In response to a question posed by Commissioner Faircloth, Mr. Lloyd explained the case went from contested to uncontested because residents are happy the site was cleaned up and there is an added condition of no access on to Elton Drive.

VOTE: UNANIMOUS (7-0)

## Other Public Hearings

### I. 2018 Draft Community Development Annual Action Plan

#### BACKGROUND

The Community Development Annual Action Plan covers the period from July 1, 2018 through June 30, 2019. The draft 2018 Annual Action Plan was available for a 30-day citizen's review and comment period throughout Cumberland County from April 3, 2018 to May 2, 2018. In the past, the County's Annual Action Plan had to be submitted to the U.S. Department of Housing and Urban Development (HUD) by May 15th. Since the Congressional appropriation process for HUD's 2018 appropriations were delayed, the County's Annual Action Plan will be submitted to HUD within 60 days of the announcement of the allocations from HUD or by August 16, 2018 (whichever comes first). The draft 2018 Annual Action Plan has been updated to reflect the allocations just recently published by HUD.

As part of following the citizen participation process, a public hearing must be held to allow for citizen review and comment. All comments received regarding the plan will be addressed by Community Development within 15 days of receipt and will be included in the final 2018 Annual Action Plan that will be submitted to HUD. After the public review period and all comments are incorporated in the document, a final 2018 Annual Action Plan will be submitted to the Board of Commissioners for approval to submit to HUD by the extended deadline.

#### RECOMMENDATION / PROPOSED ACTION

Community Development requests that the Board of County Commissioners hold a public hearing on the draft 2018 Annual Action Plan to offer input and comments, as well as to receive comments from the public. No other action is necessary.

\*\*\*\*\*

Dee Taylor, Interim Community Development Director, provided a brief presentation as an outline of the draft 2018 Annual Action Plan.

Participating Jurisdictions  
Housing and Urban Development  
Cumberland County-Grantee

Partners: Eastover, Falcon, Godwin, Hope Mills, Linden, Spring Lake, Stedman, Wade,  
Unincorporated Areas of Cumberland County

#### Consolidated Plan (Every 5 Years)

- Determine Community Needs
- Determine Priority of Those Needs
- Set Goals for Meeting Those Needs

#### Annual Action Plan

- Consider All Financial Resources
- Determine Projects and Activities to Undertake
- Administer the Program
- Evaluate the Performance

#### Priority Needs (2015-2019)

- Affordable Housing
- Homelessness
- Non-Housing Community Development

#### Community Development Block Grant (CDBG)

Projects/Activities Must Meet One of the Following National Objectives:

- Principally benefit low and moderate income persons
- Aid in the elimination of slum and blight
- Meet community development needs having a particular urgency

#### Home Investment Partnerships Program (HOME)

The HOME Program: created by the National Affordable Housing Act of 1990

Program Objectives:

- Provide decent affordable housing to low-income households
- Expand the capacity of non-profit housing providers
- Strengthen the ability of stated and local governments to provide housing
- Leverage private-sector participation

Allocations – HUD Entitlement Program

Program	Allocation	Program Income (Est)	Prior Yr. CF (Est)	Total
CDBG	\$825,817	\$175,149	\$600,000	\$1,600,966
HOME	\$399,148	\$200,000	\$500,000	\$1,099,148
TOTAL	\$1,224,965	\$375,149	\$1,100,000	\$2,700,114

Allocations – General Funds

Activity	Allocation
Gen. Fund (Admin & Planning)	\$124,242
Gen. Fund (Homeless Initiative - Admin)	\$56,007
Gen. Fund (Homeless Initiative – Direct Services)	\$143,993

Annual Goas and Objectives

1. Increase Affordable Quality Housing

Program	CDBG/GF	HOME
Housing Rehabilitation	\$368,731	\$479,148
Affordable Housing Development	-	\$159,872
Housing Project Delivery	\$198,050	-
General Admin./Planning	\$322,405	\$59,915

2. Essential Services and Housing for Homeless

CDBG = \$65,282

General Fund = \$143,993

3. Improve Access to Public Services

CDBG = \$58,591

4. Improve Public Facilities/Infrastructure

CDBG = \$100,000

CDBG-DR

ACTIVITY	Amount
Housing Recovery	\$1,056,000
Multi-Family Rental	\$705,000
Supportive Housing	\$1,250,000
Administration	\$200,000
Planning	\$500,000
Total	\$3,711,000

Action Plan Timeline

ACTIVITY	DEADLINE
COMMUNITY MEETINGS (EXPLANATION OF PROCESS) WITH TOWN MUNICIPALITIES	NOVEMBER 2017 - JANUARY 2018
PUBLIC REVIEW PERIOD	April 3, 2018 – May 2, 2018
PUBLIC HEARING BEFORE COUNTY COMMISSIONERS	May 21, 2018
APPROVAL TO SUBMIT FINAL ACTION PLAN	June 4, 2018
ACTION PLAN DUE TO HUD	Within 60 days after notification of allocations or August 16, 2018 (whichever is first)

Note: Receipt of official notification of allocations from HUD is still pending.

Ms. Taylor concluded her presentation and responded to questions. Commissioner Adams stated there is a million plus in the plan for rehabilitation but not a lot for affordable housing. Commissioner Adams asked how these numbers were derived and stated he felt more should go to affordable housing. Ms. Taylor stated over the years the amount available to develop affordable

housing decreased and as it decreased, no developers responded to Requests for Proposal. Commissioner Adams asked whether the funding could be moved to affordable housing before it goes to HUD. Ms. Taylor responded the plan would have to be revised in advance. Commissioner Adams stated it should be looked at, but he does not want to hold up submission of the plan.

Commissioner Keefe asked whether the rationale behind affordable housing numbers being less was that affordable housing would not be effective without it being developed in areas with core services. Mr. Taylor stated developers use the funding to leverage their entire projects and over the few years Community Development has not received a lot of interest from the type of developers that have plans over what can be supported. Ms. Taylor responded to additional questions.

Chairman Lancaster opened the public hearing

The clerk to the board advised there were no speakers.

Chairman Lancaster closed the public hearing.

J. Public Hearing on Order to Close a Portion of Finish Line Drive

#### BACKGROUND

At its April 3, 2018, the Board adopted the following resolution of intent to close a portion of Finish Line Drive:

**RESOLUTION OF INTENT TO CLOSE A PORTION  
OF A PUBLIC ROAD AND CALLING A PUBLIC  
HEARING ON THE QUESTION  
PURSUANT TO G.S. 153A-241**

WHEREAS, James and Anita Hilton submitted a petition to the Cumberland County Board of Commissioners (the "Board") requesting the Board to close a dead-end and unimproved portion of Finish Line Drive, located in Rockfish Township, Cumberland County; and

WHEREAS, the petitioners submitted notice from the NCDOT that the portion of the road for which closure is requested is not state-maintained; and

WHEREAS, the County Attorney reported to the Board that the GIS maps of Cumberland County show the portion of the road for which closure is requested to be unimproved; is abutted only by the parcels with PIN 0403-92-6246 and 0403-92-8253 owned by the petitioners; and the requested closure would not cause any other parcel to become landlocked; and

WHEREAS, the petitioners have provided a survey and legal description of the portion of the road to be closed, prepared by Robert E. Leach, II, PLS.

BE IT RESOLVED, that pursuant to the request of James and Anita Hilton, the Board intends to close the above described portion of this unimproved, dead-end portion of Finish Line Drive as shown by the survey and legal description prepared by Robert E. Leach, II, PLS.

BE IT FURTHER RESOLVED, that the Board shall hold a public hearing on the question of this closure May 21, 2018, at 6:45 p.m. in the Commissioners Meeting Room (Room 118), First Floor, Courthouse, 117 Dick Street, Fayetteville, North Carolina, and the Board shall hear all interested persons who appear with respect to whether the closure would be detrimental to the public interest or to any individual's property rights.

BE IT FURTHER RESOLVED, notice of this public hearing shall be given in accordance with G.S. § 153A-241. Adopted in regular meeting held April 3, 2018.

The notice of intent and public hearing was duly advertised in the Fayetteville Observer May 4, May 11, and May 18, 2018. James Hilton reports that he caused the notice of intent and public hearing to be prominently posted at two places along the portion of the road to be closed. The county attorney has reviewed the recorded plat and advises that the closure will not deprive any landowner reasonable access to his or her property nor cause any parcel to become landlocked.

The Board may close the road after the public hearing if the Board is satisfied that the closure is not contrary to the public interest and that no individual owning property in the vicinity of the road would be deprived of reasonable means of access to his or her property. Any person who is aggrieved by the closure may appeal to the courts within 30 days of the order of closure being adopted. Once the road is closed, title to the property lying in the road vests in the adjoining property owners.

#### RECOMMENDATION / PROPOSED ACTION

The county attorney advises that the Board may close the described portion of Finish Line Drive by adopting the order recorded below.

#### ORDER OF THE BOARD OF COMMISSIONERS OF CUMBERLAND COUNTY CLOSING A PORTION OF FINISH LINE DRIVE PURSUANT TO G.S. 153A-241

At its regular meeting on April 3, 2018, the Board of Commissioners adopted a resolution of intent to close a dead-end, unimproved portion of Finish Line Drive lying west of its intersection with Kentucky Lane, as shown on the plat recorded in the Cumberland County Registry in Plat Book 99 at page 117. The resolution of intent also called for a public hearing on the question of this closing to be held at the May 21, 2018, meeting of the Board of Commissioners.

After conducting the public hearing on this date, the Board of Commissioners finds the following:

1. The North Carolina's Department of Transportation maintenance of SR 4641 (Finish Line Drive) ends at the intersection of SR 4641 (Finish Line Drive) and SR 3718 (Kentucky Lane). The portion for which closure is requested is not state-maintained.
2. This closure will not cause any other parcel to become landlocked.
3. Notice of the public hearing on the question reasonably calculated to give full and fair disclosure of the proposed closing was published in the Fayetteville Observer once a week for three successive weeks as shown in the Order Confirmation or Publisher's Affidavit as Exhibit A.
4. James and Anita Hilton are the only owners of property adjoining the portion of the road to be closed and these property owners petitioned the Board to make this closure. No notice of the Resolution of Intent was sent to any other property owner for this reason.
5. Notice of the closing and public hearing was prominently posted in at least two places along the road as shown in the Affidavit of Posting as Exhibit B.

Based on the foregoing findings of fact, the Board of Commissioners is satisfied that closing the portion of Finish Line Drive described herein is not contrary to the public interest and no individual owning property in the vicinity of the road would thereby be deprived of reasonable means of ingress and egress to his property.

The Cumberland County Board of Commissioners does hereby order, pursuant to N.C.G.S. § 153A-241, that the dead-end, unimproved portion of Finish Line Drive lying west of its intersection with Kentucky Lane, as shown on the plat recorded in the Cumberland County Registry in Plat Book 99 at page 117, and as fully described in the legal description prepared by Robert E. Leach, II, PLS, as Exhibit C, be and is closed to public use.

It is further ordered that a certified copy of this order shall be filed in the office of the register of deeds.

Pursuant to N.C.G.S. § 153A-241, upon the closing of a public road or an easement, all right, title, and interest in the right-of-way is vested in those persons owning lots or parcels of land adjacent to the road or easement, and the title of each adjoining landowner, for the width of his abutting land, extends to the center line of the public road or easement, subject, however, to any public utility use or facility located on, over, or under the road or easement immediately before its

closing, until the landowner or any successor thereto pays to the utility involved the reasonable cost of removing and relocating the facility.

Any person aggrieved by the closing of this portion of Finish Line Road may appeal the order of the Board of Commissioners to the appropriate division of the General Court of Justice within 30 days after the day this order is adopted.

Adopted in regular meeting May 21, 2018.

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Mr. Moorefield reviewed the background information, resolution of intent and order recorded above.

Chairman Lancaster opened the public hearing

The clerk to the board advised there were no speakers.

Chairman Lancaster closed the public hearing.

MOTION: Commissioner Boose moved to adopt the order to close the described portion of Finish Line Drive.  
SECOND: Commissioner Council  
VOTE: UNANIMOUS (7-0)

## 6. NOMINATIONS

### A. ABC Board (2 Vacancies)

Commissioner Council nominated Wade Hardin for the position becoming vacant due to a resignation and Lee Boughman for a full three-year term in the position Wade Hardin will be leaving.

Commissioner Boose nominated Paul Crenshaw for the Kenneth Edge vacancy.

## 7. APPOINTMENTS

### A. Joint Appearance Commission (2 Vacancies)

Nominee(s): Christopher Davis and Latara Ray

MOTION: Commissioner Council moved to appoint Christopher Davis and Latara Ray to the Joint Appearance Commission.  
SECOND: Commissioner Faircloth  
VOTE: UNANIMOUS (7-0)

Chairman Lancaster recessed the Cumberland County Board of Commissioners' meeting and convened the meeting of the Overhills Park Water and Sewer District Governing Board.

Chairman Lancaster called the meeting of the Overhills Park Water and Sewer District Governing Board to order.

## 8. OVERHILLS PARK WATER AND SEWER CONSENT AGENDA

### A. Approval of the Overhills Park Water & Sewer District Rate Structure

#### BACKGROUND

Construction of the sanitary sewer system for the Overhills Park Water and Sewer District is almost complete. Currently the contractor is waiting on the arrival of three grinder pumps in order to install grinder pump systems for three (3) parcels that could not be served by gravity connections.



Once the contractor completes the installation, the contractor will be working on punch list items to close out the contract.

With completion of the construction near, the Public Utilities Division needs a rate schedule approved in order to bill customers once the sewer system is ready to go online and prior to customers connecting to the system.

Attached for consideration is the Overhills Park Water and Sewer District Rate Schedule. The Sewer Rate section of the schedule is based on repayment of the USDA loans, operation, maintenance and sewer treatment charges. The Other Fees section of the schedule is the same as rates charged in other County districts. The monthly bill for an Overhills customer connected to the system will be \$54.00 per month.

The rate schedule will be effective upon approval.

RECOMMENDATION / PROPOSED ACTION

The Finance Committee approved the rate structure for the Overhills Park Water and Sewer District at its May 3, 2018 meeting and forwarded this item to the full Board of Commissioners as a Consent Agenda item at its May 21, 2018, Board of Commissioners’ Meeting as well as an Item of Business on the Overhills Park Water and Sewer District Governing Board Meeting.

**OVERHILLS PARK WATER AND SEWER DISTRICT**

**SEWER RATE SCHEDULE**

The monthly rate shall be the sum of the Availability Fee, Operation and Maintenance Fee, Administration Fee, and Flat Rate Sewer.

Availability Fee – All customers (As referenced in the Cumberland County Water and Sewer Ordinance)	\$17.00
Operation and Maintenance Fee – All customers	\$10.50
Administration Fee – All customers	\$ 2.00
Flat Rate Sanitary Sewer – Connected Customers (Based on 5,000 gallons or 5 mgal)	\$24.50

**OTHER FEES**

Deposit	\$100.00
Late Penalty	\$10.00
Processing Fee per Collection Action	\$30.00
Administrative Filing Fee per Collection Action	\$100.00
Disconnect Fee (Administrative charge to discontinue service for non-payment)	\$25.00
Reconnect Fee- Business hours (Administrative charge to re-establish service after discontinuance for non-payment)	\$25.00
After-Hours Reconnect Fee (Available until 9:00 pm)	\$75.00
Court Costs	Actual
*Returned Bank Item Fee (Amount of bank item plus return fee - CASH, MONEY ORDER OR CERTIFIED CHECK ONLY)	\$25.00

**CONNECTION FEES AND CHARGES**

1. Sewer Laterals:

An estimate shall be given to the applicant prior to installation and shall be paid by the applicant prior to any installation of laterals to be connected to the sewer system. All charges include labor, equipment and materials required for the installation of the specified pipe size or sizes.

2. Main Extension Charges:

An estimate shall be given to the applicant prior to installation and shall be paid by the applicant prior to extending the main in the sewer district. All charges include labor, equipment and materials required for the installation of the specified pipe size or sizes.

\*\*\*\*\*

MOTION: Commissioner Adams moved to the Overhills Park Water and Sewer District consent agenda Item 8.A.

SECOND: Commissioner Council

VOTE: UNANIMOUS (7-0)

9. OVERHILLS PARK WATER AND SEWER ITEMS OF BUSINESS

- A. Resolution Authorizing the Issuance and Sale of Water and Sewer System Revenue Bonds, Series 2018 of the Overhills Park Water & Sewer District in the Aggregate Principal Amount of \$1,379,000

BACKGROUND

The most recent update regarding the Overhills Park Water and Sewer District's construction project was presented during the special meeting held on April 26, 2018. At that time a second amendment to the Letter of Conditions and a budget revision were approved to allow for the completion of the project.

The project is scheduled to close on June 11, 2018. The resolution authorizing the issuance and sale of water and sewer system revenue bonds in the aggregate total of \$1,379,000 is attached. The resolution includes information stating that two separate bonds will be issued. The R-1 bond in the amount of \$819,000 will bear interest at a rate of 2.375% per annum. The R-2 bond in the amount of \$560,000 will bear interest at a rate of 1.625% per annum. The resolution also authorizes the County Manager, County Finance Director, the Clerk to the Board, and other appropriate officers of the County to execute and deliver any and all papers, instruments, agreements, tax certificates, opinions, certificates, affidavits and other documents, and to do or cause to be done any and all other acts and things necessary or proper for carrying out this resolution, the 2018 Bonds and the payment of the Note.

RECOMMENDATION / PROPOSED ACTION

Approve the below recorded resolution entitled, "Resolution authorizing the issuance and sale of water and sewer system revenue bonds, Series 2018 of the Overhills Park Water and Sewer District in the aggregate principal amount of \$1,379,000."

BOARD OF COMMISSIONERS  
OF CUMBERLAND COUNTY  
ACTING AS THE GOVERNING BODY OF  
THE OVERHILLS PARK WATER AND SEWER DISTRICT

Excerpt of Minutes  
of Meeting of  
May 21, 2018

Present: Chairman \_\_\_\_\_ presiding, and

Commissioners: \_\_\_\_\_

Absent: \_\_\_\_\_

\* \* \* \* \*

Commissioner \_\_\_\_\_ introduced the following resolution, the title of which was read:  
**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE  
OF WATER AND SEWER SYSTEM REVENUE BONDS,  
SERIES 2018 OF THE OVERHILLS PARK WATER AND  
SEWER DISTRICT IN THE AGGREGATE PRINCIPAL  
AMOUNT OF \$1,379,000**

WHEREAS, the Board of Commissioners (the “Board of Commissioners”) of Cumberland County, North Carolina (the “County”), acting as the Board of Commissioners of the Overhills Park Water and Sewer District (the “District”), is authorized by Article 6 of Chapter 162A and Article 5 of Chapter 159 of the North Carolina General Statutes, as amended (collectively, the “Act”) to issue revenue bonds and notes; and

WHEREAS, on August 15, 2016, the Board of Commissioners for the District adopted a bond order (the “Bond Order”) entitled:

**“BOND ORDER OF THE OVERHILLS PARK WATER AND SEWER DISTRICT AUTHORIZING THE ISSUANCE OF WATER AND SEWER SYSTEM REVENUE BONDS TO PROVIDE FUNDS TO CONSTRUCT IMPROVEMENTS TO ITS WATER AND SEWER SYSTEM; PROVIDING FOR THE ISSUANCE OF ADDITIONAL REVENUE BONDS FOR VARIOUS PURPOSES; PROVIDING FOR THE ISSUANCE OF REVENUE BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF REVENUE BONDS; PROVIDING FOR THE CREATION OF CERTAIN SPECIAL FUNDS; PLEDGING TO THE PAYMENT OF THE PRINCIPAL OF AND THE INTEREST ON THE REVENUE BONDS AND NOTES CERTAIN REVENUES OF THE WATER AND SEWER SYSTEM; SETTING FORTH THE RIGHTS AND REMEDIES OF HOLDERS; AND SETTING FORTH THE DETAILS OF CERTAIN RELATED MATTERS”; and**

WHEREAS, the Board of Commissioners desires to provide for the issuance of \$1,379,000 Water and Sewer System Revenue Bonds, Series 2018 to refund the \$1,379,000 Water and Sewer System Revenue Bond Anticipation Note, Series 2016 previously issued pursuant to such Bond Order;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County, acting as the governing body of the District, as follows:

1. The Board of Commissioners has determined and does hereby find and declare as follows:

(a) A Bond Order authorizing \$1,379,000 Water and Sewer System Revenue Bonds of the District was adopted by the Board of Commissioners on August 15, 2016.

(b) None of the Bonds have been issued and there is outstanding a \$1,379,000 Water and Sewer System Revenue Bond Anticipation Note, Series 2016, dated September 15, 2016, as amended by an Allonge to Note, dated September 13, 2017 (as amended, the “Note”), which Note matures on June 13, 2018, bears interest at the rate of 1.36% per annum, and was issued in anticipation of the receipt of the proceeds of the sale of a like amount of Bonds.

(c) It is necessary to issue \$1,379,000 in aggregate principal amount of the Water and Sewer System Revenue Bonds, Series 2018 (the “2018 Bonds”) at this time, all of the proceeds thereof, together with other moneys of the District, to be applied to the payment of the outstanding Note on or before its maturity.

(d) The maximum period of usefulness of the water and sewer system improvements to be provided with the proceeds of the 2018 Bonds authorized hereby is estimated as a period of forty (40) years from June 11, 2018, the anticipated date of issuance of the 2018 Bonds, and such period expires on June 11, 2058.

2. Pursuant to the Bond Order, there shall be issued water and sewer system revenue bonds in the aggregate principal amount not to exceed \$1,379,000. The 2018 Bonds shall be executed in the name of the District by the manual or facsimile signatures of the Chairman of the Board and the Claerk, and the Finance Director shall authenticate the 2018 Bond Registrar. Such bonds shall be issued as two bonds, one in the denomination of \$819,000, numbered R-1 (the “R-1 Bond”), and one in the denomination of \$560,000, numbered R-2 (the “R-2 Bond”), both designated “Water and

Sewer System Revenue Bond, Series 2018” and dated as of the date of delivery thereof, and maturing in annual installments on the first day of June in the following years and in the following amounts:

R-1 Bond

<b>Year of Maturity</b>	<b>Principal Amount</b>	<b>Year of Maturity</b>	<b>Principal Amount</b>
2019	\$ 0	2039	\$ 20,619
2020	0	2040	21,108
2021	13,514	2041	21,610
2022	13,834	2042	22,123
2023	14,163	2043	22,648
2024	14,499	2044	23,186
2025	14,844	2045	23,737
2026	15,196	2046	24,301
2027	15,557	2047	24,878
2028	15,927	2048	25,469
2029	16,305	2049	26,073
2030	16,692	2050	26,693
2031	17,089	2051	27,327
2032	17,494	2052	27,976
2033	17,910	2053	28,640
2034	18,335	2054	29,320
2035	18,771	2055	30,017
2036	19,217	2056	30,730
2037	19,673	2057	31,459
2038	20,140	2058	31,926

The R-1 Bond will bear interest on the unpaid part of such principal at a rate of 2.375% per annum until payment thereof, such interest to be payable on June 1, 2019, and annually thereafter on the first day of June of each year until paid.

R-2 Bond

<b>Year of Maturity</b>	<b>Principal Amount</b>	<b>Year of Maturity</b>	<b>Principal Amount</b>
2019	\$ 0	2039	\$ 14,394
2020	0	2040	14,628
2021	10,769	2041	14,865
2022	10,944	2042	15,107
2023	11,122	2043	15,353
2024	11,302	2044	15,602
2025	11,486	2045	15,856
2026	11,673	2046	16,113
2027	11,862	2047	16,375
2028	12,055	2048	16,641
2029	12,251	2049	16,912
2030	12,450	2050	17,186
2031	12,652	2051	17,466
2032	12,858	2052	17,749
2033	13,067	2053	18,038
2034	13,279	2054	18,331
2035	13,495	2055	18,629
2036	13,714	2056	18,932
2037	13,937	2057	19,239
2038	14,164	2058	19,504

The R-2 Bond will bear interest on the unpaid part of such principal at a rate of 1.625% per annum until payment thereof, such interest to be payable on June 1, 2019, and annually thereafter on the first day of June of each year until paid.

The 2018 Bonds shall be sold to the United States of America, acting by and through the United States Department of Agriculture, Rural Development (formerly Farmers Home Administration) (“USDA”) by private sale in accordance with Sections 9 and 10 hereof. The 2018 Bonds shall not be defeased without written consent of USDA during such time as USDA shall remain the registered owner of the 2018 Bonds.

Each 2018 Bond shall bear interest from the interest payment date next preceding the date on which it is authenticated unless it is (a) authenticated upon an interest payment date in which event it shall bear interest from such interest payment date or (b) authenticated prior to the first interest payment date in which event it shall bear interest from its date; provided, however, that if at the time of authentication interest is in default, the 2018 Bonds shall bear interest from the date to which interest has been paid.

The principal of and the interest and any redemption premium on the 2018 Bonds shall be payable in any coin or currency of the United States of America which is legal tender for the payment of public and private debts on the respective dates of payment thereof.

Payment of interest on the 2018 Bonds shall be made by the Bond Registrar (hereinafter defined) on each interest payment date to the person appearing on the registration books of the District hereinafter provided for as the registered owner of such 2018 Bonds (or the previous bond or bonds evidencing the same debt as that evidenced by such bond) at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date. During the time that USDA is the registered owner of the 2018 Bonds, payment of the installments of principal and interest when due and payable on the 2018 Bonds shall be made at the office of such fiscal agent as USDA shall designate without presentation or surrender thereof and, during any such time as an assignee thereof is the registered owner of the 2018 Bonds, payment of the installments of principal when due and payable on the 2018 Bonds shall be made at the corporate trust office of U.S. Bank, National Association, Raleigh, North Carolina, upon the presentation and surrender thereof, and payment of the interest when due and payable on the 2018 Bonds shall be made by check mailed to such assignee at his address as it appears on the bond registration books of the District hereinafter mentioned without the presentation or surrender thereof.

3. As long as USDA is the registered owner of the 2018 Bonds, the 2018 Bonds may be redeemed, at the option of the District, at any time prior to the maturity of any installment of the principal thereof, either in whole or in part in the inverse order of the maturity dates of the installments of principal, from any moneys that may be made available for such purpose, at the aggregate principal amount of the installments of principal to be redeemed, together with the interest accrued thereon to the date fixed for redemption, but without any premium. During any time as any owner other than USDA is the owner of the 2018 Bond, the principal installments of the 2018 Bonds maturing on or after June 1, 2029, may be redeemed in whole or in part on any date on or after June 1, 2028, from any moneys that may be made available for such purpose, at the aggregate principal amount of the installments of principal to be redeemed, together with the interest accrued thereon to the date fixed for redemption, but without any premium.

In case of a redemption of all or any part of the 2018 Bonds, a notice of redemption shall be sent by registered mail, mailed at least forty (40) days prior to the date fixed for redemption, addressed (a) during the time that USDA is the owner of the 2018 Bonds, to the Finance Office, Rural Development, United States Department of Agriculture, 1530 Market Street, St. Louis, Missouri, 63103, or to such other address as USDA may designate by registered or certified mail forwarded to the District at least fifty (50) days prior to any redemption date, and (b) during any time as any owner other than USDA is the owner of the 2018 Bonds, to the address as it appears on the registration books of the District hereinafter mentioned.

On the date fixed for redemption, notice having been given in the manner and under the conditions hereinabove provided, the 2018 Bonds or part thereof called for redemption shall be due and payable at the redemption price provided therefor, plus accrued interest to such date. If moneys sufficient to pay the redemption price of the 2018 Bonds or part thereof to be redeemed plus accrued interest thereon to the date fixed for redemption are held at such place as USDA may designate (or, if the 2018 Bonds shall have been assigned by USDA, at the corporate trust office of U. S. Bank National Association, Raleigh, North Carolina pursuant to Section 2 hereof) in trust for such purpose, interest on the 2018 Bonds or part thereof called for redemption shall cease to accrue, such 2018 Bonds or part thereof shall cease to be entitled to any benefits or security under this resolution or to be deemed outstanding, and the registered owners of such 2018 Bonds or part thereof shall have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to the date of redemption.

In the event that an installment of principal of the 2018 Bonds shall be redeemed, the Bond Registrar shall direct the registered owner thereof to evidence such redemption by appropriate notation on the schedule attached to such 2018 Bonds for such purpose.

4. The Series 2018 Special Reserve Account is hereby established as an account within the Debt Service Reserve Fund created under the Bond Order. The 2018 Bonds shall be secured by the Series 2018 Special Reserve Account in accordance with the terms and provisions of the Bond Order and this Series Resolution. The Series 2018 Special Reserve Account is hereby pledged to the registered owner of the 2018 Bonds.

The District shall, subject to the provisions of Section 5.04 of the Bond Order, on or before the 30<sup>th</sup> day of June of each year, commencing on June 30, 2019, deposit or cause to be deposited, from Net Revenues held in the Revenue Fund, to the credit of the Series 2018 Special Reserve Account, until the amount on deposit therein is equal to the Series 2018 Debt Service Reserve Requirement, an amount equal to 1/10<sup>th</sup> of the Series 2018 Debt Service Reserve Requirement; provided, however, that if the amount so deposited in any year to the credit of the Series 2018 Special Reserve Account mentioned in this section shall be less than the required amount, the requirement therefor shall nevertheless be cumulative and the amount of any deficiency in any year shall be added to the amount otherwise required to be deposited to the credit of such account in each year thereafter until such time as such deficiency shall be made up.

For the purposes of this Series Resolution, "Series 2018 Debt Service Reserve Requirement" means the average annual installment of principal and interest for the 2018 Bonds, which is \$52,840.

5. The Series 2018 Short-Lived Reserve Account is hereby established. The District shall, after payment of amounts required to be paid under Section 5.04 of the Bond Order, on or before the 30<sup>th</sup> day of June of each year, commencing on June 30, 2019, deposit or cause to be deposited, from Net Revenues held in the Revenue Fund, to the Series 2018 Short-Lived Reserve Account, an amount equal to \$4,800; provided, however, that if the amount so deposited in any year to the Series 2018 Short-Lived Reserve Account mentioned in this section shall be less than the required amount, the requirement therefor shall nevertheless be cumulative and the amount of any deficiency in any year shall be added to the amount otherwise required to be deposited to the credit of such account in each year thereafter until such time as such deficiency shall be made up.

The District may only disburse funds from the Short-Lived Reserve Account to fund emergency maintenance of the District's water and sewer system, extensions to facilities, and replacement of short-lived assets of the water and sewer system which have a useful life significantly less than the repayment period of the 2018 Bonds.

6. The 2018 Bonds, upon surrender thereof at the principal office or corporate trust office of the Bond Registrar, together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar, may, at the option of the registered owner thereof, be exchanged for bonds, having maturities corresponding to the maturities of the installments of principal of such bond then unpaid, issuable in fully registered form in the denomination of \$1,000 or any integral multiple thereof and bearing interest at the same rate.

The transfer of the 2018 Bonds may be registered by the registered owner thereof only upon an execution of an assignment thereof duly executed by such registered owner or his attorney or legal representative. Notice of such assignment shall be given promptly by the assignor to the Bond Registrar by registered mail, such notice to be in such form as shall be satisfactory to the Bond Registrar, and upon receipt of such notice, such 2018 Bonds shall be registered as to both principal and interest on such registration books in the name of the assignee named in such notice.

The transfer of any bond issued in exchange for the 2018 Bonds as provided above may be registered only upon the registration books of the District upon the surrender thereof to the Bond Registrar together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for such bond a new bond or bonds, registered in the name of the transferee, of any denomination or denominations authorized by this resolution, in an aggregate principal amount equal to the

unredeemed principal amount of such bond so surrendered, of the same maturity and bearing interest at the same rate.

In all cases in which the 2018 Bonds shall be exchanged or the transfer of bonds shall be registered hereunder and a new bond or bonds are to be delivered in exchange therefor, the Bond Registrar shall authenticate and deliver at the earliest practicable time bonds in accordance with the provisions of this Resolution. All bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Bond Registrar. The Bond Registrar shall not be required to make any such exchange or registration of transfer of (a) any bond during a period beginning at the opening of business fifteen (15) days before the day of the mailing of a notice of redemption of bonds or any portion thereof and ending at the close of business on the day of such mailing or (b) any bond called for redemption in whole or in part pursuant to Section 3 of this resolution.

As to any bond, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or redemption price of any such bond and the interest on any such bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such bond, including the redemption premium, if any, and interest thereon, to the extent of the sum or sums so paid.

The District shall appoint such registrars, transfer agents, depositaries or other agents as may be necessary for the registration, registration of transfer and exchange of bonds within a reasonable time according to then current commercial standards and for the timely payment of installments of principal and interest with respect to the 2018 Bonds. The Finance Director of the County is hereby appointed the registrar, transfer agent and paying agent (the "Bond Registrar") for the 2018 Bonds, subject to the right of the governing body of the District to appoint another Bond Registrar, and as such shall keep at her office the books of the District for the registration, registration of transfer, exchange and payment of the 2018 Bonds as provided in this resolution; provided, however, that, in the event that the bond registered in the name of USDA is assigned, the paying agent with respect to such bond shall be U.S. Bank National Association, Raleigh, North Carolina.

7. The 2018 Bonds shall bear the manual or facsimile signatures of the Chairman of the Board of Commissioners, the County Finance Director or the Clerk of the Board of Commissioners, or any of them, and the official seal or a facsimile of the official seal of the District shall be impressed or imprinted, as the case may be, on the 2018 Bonds.

The certificate of the Local Government Commission of North Carolina to be endorsed on the 2018 Bonds shall bear the manual or facsimile signature of the Secretary of the Commission, and the certificate of authentication of the Bond Registrar to be endorsed on the bonds shall be executed as provided hereinafter.

In case any officer of the District or the Local Government Commission of North Carolina whose manual or facsimile signature shall appear on the 2018 Bonds shall cease to be such officer before the delivery of such 2018 Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery, and the 2018 Bonds may bear the manual or facsimile signatures of such persons as at the actual time of the execution of such 2018 Bonds shall be the proper officers to sign such 2018 Bonds although at the date of such bond such persons may not have been such officers.

8. No bond shall be valid or become obligatory for any purpose or be entitled to any benefit or security under this resolution until it shall have been manually authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed thereon.

9. The 2018 Bonds and the endorsements thereon shall be in the form attached hereto as Exhibit A.

10. The District covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986, as amended or as may be amended from time to time (the "Code"), and any Treasury regulations now or hereafter promulgated thereunder, to the extent necessary so that interest on the

2018 Bonds will not be included in gross income of the owners of the 2018 Bonds for purposes of federal income tax.

11. The Local Government Commission of North Carolina is hereby requested to sell the 2018 Bonds at private sale pursuant to G.S. 159-123 to USDA, subject to the approval of the Board of Commissioners; provided, however, that the aggregate purchase price of the 2018 Bonds is \$1,379,000, and that the maximum interest rate on either of the 2018 Bonds does not exceed 2.375% per annum.

12. Any of the Chairman of the Board of Commissioners, or the County Finance Director is hereby authorized to approve the purchase price of the 2018 Bonds, the rates of interest on the 2018 Bonds, and the payment schedules for the 2018 Bonds in connection with the private sale of the 2018 Bonds, subject to the provisions of Section 11 of this resolution.

13. Each of the Chairman of the Board of Commissioners, the County Manager, the County Finance Director and the Clerk for the Board of Commissioners, and other appropriate officers of the County or the District, is hereby authorized and directed to execute and deliver any and all papers, instruments, agreements, tax certificates, opinions, certificates, affidavits and other documents, and to do or cause to be done any and all other acts and things necessary or proper for carrying out this resolution, the 2018 Bonds and the payment of the Note.

14. This resolution shall take effect upon its passage.

Upon motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, the foregoing resolution entitled “**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF WATER AND SEWER SYSTEM REVENUE BONDS, SERIES 2018 OF THE OVERHILLS PARK WATER AND SEWER DISTRICT IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,379,000**” was passed by the following vote:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

EXHIBIT A

FORM OF BOND

[R-1][R-2]

[\$819,000][560,000]

REGISTERED BOND WITHOUT COUPONS

(Registered as to both principal and interest)

United States of America  
State of North Carolina

OVERHILLS PARK WATER AND SEWER DISTRICT  
WATER AND SEWER SYSTEM REVENUE BOND, SERIES 2018

Overhills Park Water and Sewer District (the “District”), a municipal corporation duly organized and validly existing under the laws of the State of North Carolina, is justly indebted and for value received hereby promises to pay to the

UNITED STATES OF AMERICA  
UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL DEVELOPMENT

or registered assigns or legal representative the principal sum of

[EIGHT HUNDRED NINETEEN THOUSAND][FIVE HUNDRED SIXTY  
THOUSAND] AND NO/100 DOLLARS



in annual installments on the 1st day of June in the following years and amounts:

Year of Maturity	Principal Amount	Year of Maturity	Principal Amount
2019	\$ 0	2039	\$ [20,619][14,394]
2020	0	2040	[21,108][14,628]
2021	[13,514][10,769]	2041	[21,610][14,865]
2022	[13,834][10,944]	2042	[22,123][15,107]
2023	[14,163][11,122]	2043	[22,648][15,353]
2024	[14,499][11,302]	2044	[23,186][15,602]
2025	[14,844][11,486]	2045	[23,737][15,856]
2026	[15,196][11,673]	2046	[24,301][16,113]
2027	[15,557][11,862]	2047	[24,878][16,375]
2028	[15,927][12,055]	2048	[25,469][16,641]
2029	[16,305][12,251]	2049	[26,073][16,912]
2030	[16,692][12,450]	2050	[26,693][17,186]
2031	[17,089][12,652]	2051	[27,327][17,466]
2032	[17,494][12,858]	2052	[27,976][17,749]
2033	[17,910][13,067]	2053	[28,640][18,038]
2034	[18,335][13,279]	2054	[29,320][18,331]
2035	[18,771][13,495]	2055	[30,017][18,629]
2036	[19,217][13,714]	2056	[30,730][18,932]
2037	[19,673][13,937]	2057	[31,459][19,239]
2038	[20,140][14,164]	2058	[31,926][19,504]

and to pay interest from the date hereof on the unpaid part of such principal sum at the rate of [2.375][1.625]% per annum until payment thereof, such interest to be payable on June 1, 2019, and annually thereafter on the first day of June of each year until paid. The interest so payable on any such interest payment date will be paid to the person in whose name this Bond is registered at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date. Both the principal of and the interest on this Bond are payable in any coin or currency of the United States of America which, at the respective date of payment thereof, is legal tender for the payment of public and private debts.

During the time that the United States of America is the registered owner of this Bond, payment of the installments of principal and interest when due and payable on this Bond shall be made at the office of such fiscal agent as the United States of America shall designate without presentation or surrender hereof and, during any such time as an assignee hereof is the registered owner of this Bond, payment of the installments of principal when due and payable on this Bond shall be made at the corporate trust office of U.S. Bank National Association, Raleigh, North Carolina, upon the presentation and surrender hereof, and payment of the interest when due and payable on this Bond shall be made by check mailed to such assignee at his address as it appears on the bond registration books of the District hereinafter mentioned without the presentation or surrender hereof. Upon receipt of the payments of principal and interest, written acknowledgment of the receipt thereof shall be given promptly to the Bond Registrar hereinafter mentioned, and the District shall be fully discharged of its obligation on this Bond to the extent of the payment so made. Upon final payment this Bond shall be surrendered to the Bond Registrar for cancellation.

This Bond is issued pursuant to and in accordance with Article 5 of Chapter 159 of the General Statutes of North Carolina, as amended, a bond order adopted by the Board of Commissioners of Cumberland County, North Carolina (the “Board of Commissioners”), acting as the Board of Commissioners of Overhills Park Water and Sewer District (the “District”) on August 15, 2016 (the “Bond Order”), and a series resolution adopted by the Board of Commissioners on May 21, 2018 (the “Series Resolution”). The proceeds of this Bond shall be used to pay a portion of the cost of the Project (as defined in the Bond Order).

This Bond is a special obligation of the District payable solely from the Net Revenues (as defined in the Bond Order). Neither the credit nor the taxing power of the District is pledged for the payment of this Bond and no holder of this Bond has the right to compel the exercise of the taxing power by the District or the forfeiture of any of the District’s property in connection with any default thereon, and the District is not obligated to pay the principal of or interest on this Bond

except from Net Revenues. Reference is hereby made to the Bond Order and the Series Resolution and to all amendments and supplements thereto for a description of the provisions, among others, respecting the nature and extent of the security, the rights, duties and obligations of the District, the rights of the holder of this Bond and the terms upon which this Bond is issued and secured.

At the office of the Bond Registrar, in the manner and subject to the conditions provided in the Series Resolution, this Bond may be exchanged for an equal aggregate principal amount of bonds having maturities corresponding to the maturities of the installments of principal of this Bond then unpaid, issuable in fully registered form in the denomination of \$1,000 or any integral multiple thereof and bearing interest at the same rate.

This Bond is registered as to both principal and interest in the name of the United States of America on registration books of the District kept by the Finance Director of Cumberland County, North Carolina, as Bond Registrar, and the transfer hereof may hereafter be registered by the registered owner hereof only upon an execution of an assignment hereon duly executed by such registered owner or his attorney or legal representative. Notice of such assignment shall be given promptly by the assignor to the Bond Registrar by registered mail, such notice to be in such form as shall be satisfactory to the Bond Registrar, and upon receipt of such notice this Bond shall be registered as to both principal and interest on such registration books in the name of the assignee named in such notice.

As long as USDA is the registered owner of the Bond, this Bond may be redeemed, at the option of the District, at any time prior to the maturity of any installment of the principal thereof, either in whole or in part in the inverse order of the maturity dates of the installments of principal, from any moneys that may be made available for such purpose, at the aggregate principal amount of the installments of principal to be redeemed, together with the interest accrued thereon to the date fixed for redemption, but without any premium. During any time as an owner other than USDA is the owner of this Bond, the principal installments of the Bond maturing on or after June 1, 2029, may be redeemed in whole or in part on any date on or after June 1, 2028, from any moneys that may be made available for such purpose, at the aggregate principal amount of the installments of principal to be redeemed, together with the interest accrued thereon to the date fixed for redemption, but without any premium.

On the date designated for redemption, notice having been given and moneys for payment of the redemption price being held in trust for such purpose, all as provided in the Series Resolution, this Bond or part hereof shall become and be due and payable, and the interest on this Bond or part hereof so redeemed shall cease to accrue.

The Bond Registrar shall not be required to exchange or register any transfer of (a) any bond during a period beginning at the opening of business fifteen (15) days before the day of the mailing of a notice of redemption of bonds or any portion thereof and ending at the close of business on the day of such mailing or (b) any bond called for redemption in whole or in part pursuant to the Series Resolution.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this Bond have happened, exist and have been performed in regular and due form and time as so required.

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Vicki Evans, Finance Director, summarized the background information and resolution recorded above.

MOTION: Commissioner Adams moved to approve the resolution authorizing the issuance and sale of water and sewer system revenue bonds, Series 2018 of the Overhills Park Water and Sewer District in the aggregate principal amount of \$1,379,000.  
SECOND: Commissioner Evans  
VOTE: UNANIMOUS (7-0)

Chairman Lancaster adjourned the meeting of the Overhills Park Water and Sewer District Governing Board and convened the meeting of the NORCRESS Water and Sewer District Governing Board.

Chairman Lancaster called the meeting of the NORCRESS Water and Sewer District Governing Board to order.

10. NORCRESS WATER AND SEWER CONSENT AGENDA

A. Approval of Amendments to the NORCRESS Water & Sewer District Rate Structure

BACKGROUND

A review of the operational costs of the NORCRESS sewer system, has revealed the present rate of collections for sewer service is not meeting the costs being incurred by the system for operations and maintenance. There have been increases by the sewer service provider, chemical provider and electrical providers. At the present rate we are not generating any revenue to set aside as a capital reserve fund to pay for replacement equipment or needed repairs.

The rates were last increased in 2013, in which the increase raised the rate on residential sewer service to \$6.50 per 1,000 gallons, commercial sewer service to \$7.00 per 1,000 gallons and flat rate services to \$31.42 per month. The NORCRESS Advisory Board, consisting of Mayors from Wade, Falcon and Godwin, suggested the following proposed rate increases and changes at its April 12th meeting.

<u>Rate Description</u>	<u>Current Rate</u>	<u>Proposed Rate</u>
Residential Sewer Customers	\$6.50/thousand gallons	\$7.50/thousand gallons
Commercial Sewer Customers	\$7.00/thousand gallons	\$8.00/thousand gallons
Flat Rate Sewer Customers	\$31.42 per month	\$33.42 per month
Operation & Maintenance Fee Residential	\$2.00 per month	\$3.00 per month
Operation & Maintenance Fee Commercial	\$1.00/thousand gallons	\$2.00/thousand gallons
Administration Fee	\$1.58 - \$46.70 per month, depending on meter size	\$2.00 per month, no matter the meter size
Local Town Fee	\$1.75 – 7.50 per month, depending on meter size	\$1.75 per month, no matter the meter size

The average monthly usage throughout this system is 4,500 gallons per residential user, this equates to an average increase of \$5.92 per month to the individual customer for sewer service. The effective date of the rate increase will be July 1, 2018, after customers have been provided a 30-day notice of the new rates.

Recorded below are copies of spreadsheets showing the monthly costs associated with the operation of the system, as well as, revenue requirements to meet these costs.

RECOMMENDATION / PROPOSED ACTION

The Finance Committee approved the rate structure amendments for the NORCRESS Water and Sewer District at its May 3, 2018 meeting and forwarded this item to the full Board of Commissioners as a Consent Agenda item at is May 21, 2018, Board of Commissioners’ meeting as well as an Item of Business on the NORCRESS Water and Sewer District Governing Board meeting.

NORCRESS FY19 Rate Adjustment

Revenue	Current Rate	New Rate
Revenue Sewer Residential-FY17 Towns Metered - 12,745,319	\$ 82,844.58	\$ 95,589.90
Revenue Sewer Commercial-FY17 Towns Metered - 16,859,910	\$ 118,019.37	\$ 134,879.28
Flat Rate Users - \$31.42 x 6 users x 12 months	\$ 2,262.24	\$ 2,406.24
Lift Station Residential Maintenance Fee-FY17 Numbers	\$ 13,416.00	\$ 20,124.00
Lift Station Commercial Maintenance Fee-FY17 Numbers	\$ 22,761.12	\$ 45,522.24
Debt Service Fee-FY17 Numbers	\$ 82,397.33	\$ 82,397.33

Administration Fees-FY17 Numbers	\$ 13,117.70	\$ 14,904.00
Martins Meats Chemical Surcharge - FY17 Numbers	\$ 24,606.62	\$ 24,606.62
Total FY17 Revenue	\$ 359,424.96	\$ 420,429.61
Based on a residential rate of _____ per thousand gallons =	\$ 6.50	\$ 7.50
Based on a commercial rate of _____ per thousand gallons =	\$ 7.00	\$ 8.00
Based on a _____ Flat Rate User fee increase =	\$ 31.42	\$ 33.42
Based on a residential LS maintenance rate of _____ per customer =	\$ 2.00	\$ 3.00
Based on a commercial LS maintenance rate of _____ per thousand gallons	\$ 1.00	\$ 2.00
Based on a residential administration rate of _____ per customer =	\$ 1.58	\$ 2.00
FY-17 Towns Metered Usage of 29,605,229 gallons		
FY-17 PWC Metered Usage of 49,392,492 gallons		

Expenses		
522210-Supplies	\$ 500.00	\$ 500.00
533301-Contracted Services - Lexis Nexis	\$ 426.00	\$ 426.00
533406-M/R Other - PWC O&M	\$ 38,835.96	\$ 38,835.96
533410-M/R Contract - Chemicals	\$ 80,089.05	\$ 80,089.05
533520-Postage	\$ 170.42	\$ 170.42
533535-Utilities - Electric & Sewer Treatment Bills	\$ 223,398.48	\$ 223,398.48
533550-Printing	\$ 100.00	\$ 100.00
533587-License & Permits-DEQ Permit	\$ 810.00	\$ 810.00
533635-Collection Fees-Sheriff's Service Fee	\$ 30.00	\$ 30.00
533701-Court Costs-Small Claims Filing Fee	\$ 96.00	\$ 96.00
588201-Principal	\$ 22,000.00	\$ 22,000.00
588202-Interest	\$ 43,477.50	\$ 43,477.50
Total FY17 Expenses	\$ 409,433.41	\$ 409,433.41
Expected Profit (Loss)	\$ (50,008.45)	\$ 10,996.20

4,500 gallons at a rate of ____/1,000 gallons =	\$29.25	\$33.75
Debt Service, Admin. Fee, & O&M Fee =	\$13.23	\$14.65
Total Average Monthly Bill	\$42.48	\$48.40
Monthly Average Bill Difference with Rate Options:	0	\$5.92

MONTHLY RATE

The monthly wastewater bill shall be the sum of the Availability Fee, Operation and Maintenance Fee, Administration Fee, Town Fee and Usage Charge.

RESIDENTIAL SANITARY SEWER RATE SCHEDULE

Availability Fee – All Customers (As referenced in the Cumberland County Water and Sewer Ordinance)	\$9.65 per customer
Operation and Maintenance Fee – All Customers	\$3.00 per customer
Administration Fee – All Customers	\$2.00 per customer
Town Fee – All Customers	\$1.75 per customer
Residential Sewer Usage Charge – Connected Customers (Usage Charges per 1,000 gallons = 1 MGAL)	\$7.50 per MGAL

COMMERCIAL SANITARY SEWER RATE SCHEDULE

Availability Fee – All Customers (As referenced in the Cumberland County Water and Sewer Ordinance)	\$1.00 per MGAL
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Operation and Maintenance Fee – All Customers	\$2.00 per customer
Administration Fee – All Customers	\$2.00 per customer
Town Fee – All Customers	\$1.75 per customer
Commercial Sewer Usage Charge – Connected Customers	8.00 per MGAL
(Usage Charges per 1,000 gallons = 1 MGAL)	

**ZERO USAGE COMMERCIAL SANITARY SEWER RATE SCHEDULE**

Availability Fee – All Customers	\$9.65 per customer
(As referenced in the Cumberland County Water and Sewer Ordinance)	
Operation and Maintenance Fee – All Customers	\$3.00 per customer
Administration Fee – All Customers	\$2.00 per customer
Town Fee – All Customers	\$1.75 per customer

**FLAT RATE SANITARY SEWER SERVICE**

Availability Fee – All Customers	\$9.65 per customer
(As referenced in the Cumberland County Water and Sewer Ordinance)	
Operation and Maintenance Fee – All Customers	\$3.00 per customer
Town Fee – All Customers	\$1.75 per customer
Flat Monthly Charge – Connected Customers	
\$33.42	

**OTHER FEES**

Deposit	\$100.00
Late Penalty	\$10.00
Disconnect Fee	\$25.00
(Administrative charge to discontinue service for non-payment)	
Reconnect Fee- Business hours	\$25.00
(Administrative charge to re-establish service after discontinuance for non-payment)	
After-Hours Reconnect Fee	\$75.00
(Available until 9:00 pm)	
*Returned Bank Item Fee	\$25.00
(Amount of bank item plus return fee - CASH, MONEY ORDER OR CERTIFIED CHECK ONLY)	
Court Costs	Actual
Elder Valve	Actual plus 10%
Processing Fee per Collection Action	\$30.00
Administrative Filing Fee per Collection Action	\$100.00

**CONNECTION FEES AND CHARGES**

- 1. Standard Tap Fee:

The Standard Tap Fee will be based on the customer's water meter size and will provide NORCRESS Water and Sewer District with funds for long-term system replacement and upgrade.

<u>Size of Water Meter</u>	<u>Standard Tap Fee</u>
5/8"	\$670.00
1"	\$1,670.00
1-1/2"	\$3,350.00
2"	\$5,360.00
3"	\$11,720.00
4"	\$20,100.00
6"	\$41,880.00
8"	\$60,310.00

2. **Sewer Laterals:**  
An estimate shall be given to the applicant prior to installation and shall be paid by the applicant prior to any installation of laterals to be connected to the sewer system. All charges include labor, equipment and materials required for the installation of the specified pipe size or sizes.
3. **Main Extension Charges:**  
An estimate shall be given to the applicant prior to installation and shall be paid by the applicant prior to extending the main in the sewer district. All charges include labor, equipment and materials required for the installation of the specified pipe size or sizes.
4. **Debt Charge:**  
A Debt Charge equaling the sum of the Availability Charges that would have been paid had the customer connected when the main was first available.

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Ms. Cannon summarized the background information recorded above.

MOTION: Commissioner Adams moved to approve the rate structure amendments for the NORCRESS Water and Sewer District.  
SECOND: Commissioner Council  
VOTE: UNANIMOUS (7-0)

Chairman Lancaster adjourned the meeting of the NORCRESS Water and Sewer District Governing Board and reconvened the meeting of the Cumberland County Board of Commissioners.

Chairman Lancaster called the meeting of the Board of Commissioners to order.

11. **CLOSED SESSION:**

- A. Attorney Client Matter(s) Pursuant to NCGS 143-318.11(a)(3)
- B. Economic Development Matter(s) Pursuant to NCGS 143-318.11(a)(4)

MOTION: Commissioner Faircloth moved to go into closed session for Attorney Client Matter(s) pursuant to NCGS 143-318.11(a)(3) and Economic Development Matter(s) Pursuant to NCGS 143-318.11(a)(4).  
SECOND: Commissioner Council  
VOTE: UNANIMOUS (7-0)

Mr. Moorefield advised there are three attorney-client matters for closed session.

MOTION: Commissioner Council moved to reconvene in open session.  
SECOND: Commissioner Evans  
VOTE: UNANIMOUS (7-0)

MOTION: Commissioner Council moved to adjourn.  
SECOND: Commissioner Faircloth  
VOTE: UNANIMOUS (7-0)

There being no further business, the meeting adjourned at 10:10 p.m.

Approved with/without revision:

Respectfully submitted,

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Candice H. White  
Clerk to the Board