

CUMBERLAND COUNTY BOARD OF COMMISSIONERS  
MONDAY, JANUARY 7, 2018 – 9:00 AM  
117 DICK STREET, 1ST FLOOR, ROOM 118  
REGULAR MEETING MINUTES

PRESENT: Commissioner Jeannette Council, Chair  
Commissioner Marshall Faircloth, Vice Chairman  
Commissioner Glenn Adams  
Commissioner Michael Boose (arrived at 9:08 AM)  
Commissioner Charles Evans  
Commissioner Jimmy Keefe  
Commissioner Larry Lancaster  
Amy Cannon, County Manager  
Melissa Cardinal, Assistant County Manager  
Sally Shutt, Assistant County Manager  
Duane Holder, Assistant County Manager/Interim Health Director  
Rick Moorefield, County Attorney  
Vicki Evans, Finance Director  
Deborah Shaw, Budget Analyst  
Heather Harris, Budget Analyst  
Jeffrey Brown, Engineering and Infrastructure Director  
Joel Strickland, FAMPO Director and Interim Planning Director  
Brenda Jackson, Social Services Director  
Candice White, Clerk to the Board  
Kellie Beam, Deputy Clerk  
Press

Chair Council called the meeting to order.

INVOCATION / PLEDGE OF ALLEGIANCE

Elder George Crawley, Smith Chapel Free Will Baptist Church, provided the invocation followed by the Pledge of Allegiance to the American flag.

1. APPROVAL OF AGENDA

MOTION: Commissioner Adams moved to approve the agenda.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (7-0)

2. PRESENTATIONS

- A. Presentation of the Fiscal Year 2018 Annual Audit by April Adams, Partner, Cherry Bekaert, LLP and Vicki Evans, Finance Director

BACKGROUND

Ms. April Adams, Partner, Cherry Bekaert, LLP and Vicki Evans, Finance Director will make a presentation of the fiscal year 2018 annual audit results at the January 7, 2019 Board of Commissioners meeting.

RECOMMENDATION / PROPOSED ACTION

Accept the audited Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018.

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Ms. Cannon introduced April Adams, Partner with Cherry Bekaert, LLP. Ms. Adams explained generally accepted auditing standards require that the auditor provide an opinion on whether basic financial statements were presented fairly, and the County received an unmodified or “clean opinion” which is highest level of assurance that a certified accountant can give. Ms. Adams stated

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when performing an audit of a government agency, an additional set of standards must be applied, and these additional standards require auditors to issue a report on the compliance of internal controls over financial reporting. Ms. Adams stated the purpose of the CAFR is to describe the scope and result of that testing and not to provide an opinion on the internal controls over financial reporting or on compliance. Ms. Adams stated under the requirements of Title 2 U. S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, otherwise known as “Uniform Guidance”, auditors performed a single audit of federal grant expenditures. Ms. Adams stated the auditor is required to express an opinion on whether the government complied with the laws, regulations and provisions of contractor grant agreements that can provide a direct and material effect on those financial statements or each major program. Ms. Adams stated with regard to the Federal Single Audit, the County received an unmodified or “clean opinion”. Ms. Adams stated with regard to the State Single Audit, the County received a “qualified opinion” on the State Foster Home and an unmodified or “clean opinion” on all other major programs. Ms. Adams stated the “qualified opinion” related to one case where a client was determined to be eligible for the Federal IV-E foster care program, but reimbursement was claimed from the State Foster Care Program throughout fiscal year 2018. Ms. Adams referenced the letter or communication provided to the Board of Commissioners about the auditor’s responsibilities under generally accepted auditing standards, significant accounting policies used by the County and the County’s accounting estimates.

Vicki Evans, Finance Director, presented a general fund summary with a budget to actual comparison of revenue and expenditures. Ms. Evans stated general fund revenue and other financing sources exceeded expenditures and financing uses by \$9.8 million with this gain being applied to the beginning fund balance of \$108.7 million resulting in an ending fund balance of \$118.6 million. Ms. Evans provided highlights of the five categories of fund balance that make up the total fund balance of \$118.6 million. Ms. Evans stated a total of approximately \$27.2 million is assigned and approximately \$53 million is unassigned. Ms. Evans stated the unassigned fund balance as a percentage represents 15.77% of FY18 expenditures, which is the above the minimum required by policy.

Ms. Evans provided the FY18 general fund actual revenues by category and stated ad valorem taxes represent over one-half the total of general fund revenue. Ms. Evans stated of the FY18 general fund actual expenditures, education has the highest representation followed by social services and public safety with these top three making up over 60% of general fund expenditures.

Ms. Evans recognized financial staff involved in completing the audit and thanked the team at Cherry Bekeart. Ms. Evans stated the request action of the Board is to accept the FY18 CAFR.

MOTION: Commissioner Faircloth moved to accept the audited Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018.

SECOND: Commissioner Adams

DISCUSSION: Commissioner Keefe referenced the “qualified opinion” for the State Foster Home and asked whether there had been action to see that the County was reimbursed correctly. Ms. Evans stated the County had been receiving state funds rather than federal funds as reimbursement for costs incurred. Ms. Evans also stated there is no dollar impact to the County because state funds will be paid back, and federal reimbursement claimed. Commissioner Keefe asked how the cost of \$140,951 was derived. Ms. Adams stated the actual cost for which the County requested reimbursement from the state was \$16,363 and auditors calculated an extrapolation of the error rate over the total sample of 40 which resulted in \$140,951. Ms. Adams stated this is what triggered the “qualified opinion”.

VOTE: UNANIMOUS (7-0)

Commissioner Keefe requested the removal of Item 3.G. from the consent agenda for separate discussion and action.

### 3. CONSENT AGENDA

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- A. Approval of December 17, 2018 Regular Meeting Minutes and December 18, 2018 Special Meeting with Mayors Coalition for Sales Tax Presentation Minutes
- B. Approval of Proclamation Recognizing January 2019 as Mentor Appreciation Month

#### BACKGROUND

A request was received for a proclamation recognizing January 2019 as Mentor Appreciation Month in Cumberland County.

#### RECOMMENDATION / PROPOSED ACTION

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

COUNTY OF CUMBERLAND

NORTH CAROLINA

#### PROCLAMATION

WHEREAS, although obstacles and challenges along the way can be discouraging, the mentorship and support of others have always motivated our County's citizens to persevere -- even in the toughest of times; and

WHEREAS, Mentor Appreciation Month is observed to honor the parents, families, teachers, coaches, and mentors who pour their time and their love into lifting up Cumberland County's sons and daughters; and

WHEREAS, nobody succeeds on their own: each young person's strength and resilience is fostered by those who have taught them they can do anything they put their mind to, whether helping mentees study for a test, learn a new skill, or lift their heads up after a setback, mentors provide them the chance they need to move forward and set their sights even higher; and

WHEREAS, in helping mentees achieve their goals, mentors can inspire them to reach back and provide the same support to someone else in need of a mentor; and

WHEREAS, this month we reflect on the transformative role mentorship can play and acknowledge the many ways that mentors have helped our next generation of leaders and innovators grow; and

WHEREAS, as a County, we are stronger when every individual can contribute to our story. By working to give each person a better chance at success, we can unlock their potential and empower them to serve others in the same way.

NOW, THEREFORE, We, the Cumberland County Board of Commissioners, do hereby proclaim January 2019 as Mentor Appreciation Month in Cumberland County and call upon public officials, business and community leaders, educators, and citizens across our County to observe this month and mentor others.

Adopted this 7th day of January 2019.

- 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

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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. Approval of Southeastern Workforce Strategies Contract Amendment #1 for the Department of Social Services

**BACKGROUND**

The purpose of this contract is to develop a multidimensional and integrative service delivery model for aging out foster children and older teens in transition to adulthood in Cumberland County DSS custody to improve their outcomes. Southeastern Workforce Strategies, LLC (SWS) acts as a trusted intermediary to assist CCDSS to integrate all efforts, such as A Model Approach for Change in Child Welfare (AMAC-CW), and to collaborate with Cumberland's Partners to create a model for change in child welfare. AMAC-CW employs a modified approach to collective impact that will result in an effective, articulated, and documented approach to system changes that will improve outcomes for older youth in foster care and advance child welfare and family support programs in Cumberland County. Duke Endowment has awarded Cumberland County DSS a multi-year grant for the implementation plan for AMAC-CW, in an effort to reform child welfare systems.

**RECOMMENDATION / PROPOSED ACTION**

We respectfully request your approval of Amendment #1 - Southeastern Workforce Strategies from \$252,000.00 to \$314,873.50 to include the second installment of the Duke Endowment Grant for FY 2019.

- E. Approval to Pay Prior Year Invoices for the Solid Waste Department

**BACKGROUND**

The Solid Waste Department is requesting approval to pay six prior year invoices to UniFirst Uniform Rental totaling \$1,314.44. The corrected invoices were received after the deadline to pay fiscal year 2018 invoices.

Staff has verified these invoices have not been paid and are in fact due. Sufficient funds are available to absorb these expenditures in the current year budget.

**RECOMMENDATION / PROPOSED ACTION**

Management is requesting approval to pay six fiscal year 2018 invoices for the Solid Waste Department to UniFirst Uniform Rental totaling \$1,314.44.

- F. Approval of Resolution of Intent to Lease Real Property to the Vision Resource Center

**BACKGROUND**

At the December 3, 2018, Board of Commissioners' Meeting, a motion was made and approved to lease the "Alphin House" located at 2736 Cedar Creek Road to the Vision Resource Center, a non-profit corporation. The proposed amount of the lease is \$200.00 per month for the 2,752 square foot facility and associated grounds.

A notice of intent to enter into the proposed lease must be published at least 30 days in advance of a regular meeting to approve the lease.

**RECOMMENDATION / PROPOSED ACTION**

Adopt the following resolution and advertise the public notice at least thirty (30) days in advance of the lease approval.

**BE IT RESOLVED** the Cumberland County Board of Commissioners finds that the real property located at 2736 Cedar Creek Road in Fayetteville, will not be needed for government purposes for the three (3) year and four (4) month term proposed for the lease of the property to the Vision

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Resource Center, and this Board intends to adopt a resolution at its February 18, 2019 regular meeting, approving the lease pursuant to the terms to be advertised as follows:

**PUBLIC NOTICE OF PROPOSED LEASE PURSUANT TO G.S. 160A-272**

TAKE NOTICE that the Cumberland County Board of Commissioners has found that the real property described herein will not be needed for government purposes for the term of the lease described herein and that the Board intends to adopt a resolution at its meeting to be held on February 18, 2019, approving the lease of approximately 2,752 square feet of space located at 2736 Cedar Creek Road, Fayetteville, NC, to the Vision Resource Center, for a term of three (3) years and four (4) months commencing March 1, 2019, at an annual rental rate \$2,400.

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

H. Approval of Offer to Purchase Surplus Property, Being .26 AC J.A. Livingston Ld., Fayetteville, NC

**BACKGROUND**

The County acquired the real property with the PIN 0413-58-8250, being .26 AC J.A. Livingston Ld., Fayetteville, NC, at a tax foreclosure sale in 1993 for a purchase price of \$1,700.18. The property is zoned R6A with a tax value of \$6,563.00. Based on the GIS Mapping and the tax records, there is no structure on the lot. Philip Kelly has made an offer to purchase the property for \$1,700.18. 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 included in the recommendation below.

**RECOMMENDATION / PROPOSED ACTION**

The County Attorney recommends the Board consider the offer of Philip Kelly. If the Board proposes to accept the offer, resolve that the described real property is not needed for governmental purposes and direct that it be advertised and sold pursuant to the upset bid process of G. S. § 160A-269.

**CUMBERLAND COUNTY BOARD OF COMMISSIONERS  
NOTICE OF INTENT 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 real property with PIN 0413-58-8250, being .26 AC J.A. Livingston Ld., Fayetteville, NC, is not needed for governmental purposes and proposes to accept an offer to purchase the property for \$1,700.18. 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.

I. Approval of Contract for Department of Social Services Chiller Replacement Project

**BACKGROUND**

The Capital Improvement Plan (CIP) identified the replacement of both chillers at the Department of Social Services. The CIP that was approved as part of the FY 2019 budget adoption included one chiller for replacement in the current fiscal year with the second chiller to be replaced in FY 2020.

A pre-bid meeting was held on November 15, 2018, in which all local contractors were invited to attend, with a bid opening on November 29, 2018. The certified bid tab and letter of recommendation from Progressive Design Collaborative, LTD. (PDC) are attached. The lowest, responsible and responsive bidder is Haire Plumbing and Mechanical, Inc., in the amount of \$471,600.



This item was discussed at the December 6th Facilities Committee meeting. The committee asked staff to determine if any cost savings could be realized by performing the replacement of both chillers through one project. This option was discussed with Haire Plumbing and Mechanical and also with the design engineer. The contractor stated both chillers would have to be removed simultaneously to realize significant savings in mobilization cost, as the crane mobilization is a significant amount of the installation cost. Removal of both chillers would cause the building to be without cooling for two to three weeks and due to the amount of technology, building occupants and citizens, this is not a feasible option. Additional engineering design work to be completed at this time if both chillers were to be replaced under one project as additional piping would be required now instead of when the second chiller is replaced.

#### RECOMMENDATION / PROPOSED ACTION

At the January 3, 2019 Agenda Review meeting, the Board of Commissioners approved placing the proposed actions below as a consent item on the January 7, 2019 Board of Commissioners' meeting:

1. Accept the bids and award a contract to the lowest, responsible and responsive bidder, Haire Plumbing and Mechanical, Inc., in the amount of \$471,600.
  2. Establish a contingency in the amount of \$19,000 to be used for additional work recommended by the E&I Director and approved by the County Manager.
- J. Approval of Assignment of Professional Services Agreement for Crown Coliseum Ice Plant and Floor Project to Another Engineering Firm

#### BACKGROUND

On October 15, 2018, the Cumberland County Board of Commissioners approved a professional services agreement with Stevens Engineers, Inc. for the design replacement of the ice rink chiller, cooling tower and ice floor at the Crown Coliseum for an amount not to exceed \$233,700. On December 20th, the Engineering & Infrastructure Director received a written request from the design engineer, Scott Ward, PE, requesting that the contract be assigned to B32 Engineering Group, Inc. This letter has been attached for your review. According to the professional services agreement, Stevens Engineers, Inc. cannot assign all or any part of its contract without first obtaining written approval by the County. This request is being submitted due to the formation of B32 Engineering Group, Inc. because of a split in engineering functions within Stephens Engineers, Inc.

It is imperative that the County continue the relationship with Scott Ward, PE as the design professional for this project based on the compressed time schedule in getting this project completed as well as his demonstrated knowledge and experience in designing ice rink floors. According to the County Attorney's Office, action is required by the Board of Commissioners to reassign the existing contract from Stephens Engineers, Inc. to B32 Engineering Group, Inc.

#### RECOMMENDATION / PROPOSED ACTION

At the January 3, 2019 Agenda Review meeting, the Board of Commissioners approved placing the proposed action below as a consent item on the January 7, 2019 Board of Commissioners' meeting:

- Approve the assignment of the professional services agreement for the Crown Coliseum ice plant and ice floor project from Stevens Engineers, Inc. to B32 Engineering Group, Inc.
- K. Approval of Selection of Hazard Mitigation Grant Program Options for Hurricane Florence-Related Flood Damage

#### BACKGROUND

As part of the long-term recovery process for Hurricane Florence, the NC Division of Emergency Management is moving forward with its Hazard Mitigation Grant Program (HMGP) and has collaborated with declared counties to determine local needs as far as mitigating future losses. A major part of this process involves the evaluation of property losses to determine if acquisition, elevation or demolition/reconstruction in the Special Flood Hazard Area (SFHA), also known as the 100-year flood zone, is justified from a benefit- cost perspective. Local Emergency

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Management staff have identified structures in the 100-year flood zone and the 500-year flood zone that were substantially or severely damaged. After examining the extent of damage caused by Hurricane Florence, staff is recommending that all three mitigation options (i.e., acquisition, elevation or demolition/reconstruction) be offered in the unincorporated portion of Cumberland County in both the 100- and 500-year flood zones. Municipalities must determine their own needs and submit their own plans and priorities for their respective communities.

Part of the HMGP process involves local governments soliciting applications from property owners in the aforementioned flood areas and submitting those applications to the NC Department of Public Safety - Division of Emergency Management for review and determination of program eligibility.

The deadline for submitting applications to the State is February 18, 2019.

#### RECOMMENDATION / PROPOSED ACTION

On January 3, 2019, at the Board's Agenda Session, this item was approved to move forward to the full Board of Commissioners as a consent agenda at the January 7, 2019 regular meeting with the following actions requested:

- 1) Approval to offer all three HMGP options (acquisition, elevation or demolition/reconstruction) to applicants in the unincorporated area of the county, in the previously specified flood areas, that sustained substantial or severe damage due to Hurricane Florence in 100- and 500-year zones
- 2) Approval to solicit and submit applications for the Hurricane Florence HMGP to the State

L. Approval of the Purchase of a Table for the MLK Breakfast Event for 2019

#### BACKGROUND

At its January 3, 2019, Agenda Session, the Board of Commissioners directed that the approval of the purchase of a table for the use of commissioners and designated county staff for the MLK Prayer Breakfast on January 21, 2019 at a cost of \$300 be placed on the agenda of the January 7, 2019 meeting as a consent item.

#### RECOMMENDATION / PROPOSED ACTION

County Attorney recommends adoption of the following resolution to approve this action:

The Board of Commissioners finds that commissioners' attendance at local events sponsored by our community's non-profit organizations, educational institutions, Chamber of Commerce, and other local agencies which promote the public health, education and welfare, serves the public purpose of enhancing the county's mission to provide excellent customer service to its citizen in a fiscally responsible manner. To that end, commissioners are encouraged to attend such local events as the elected officials of Cumberland County. The Dr. Martin Luther King, Jr., Prayer Breakfast on January 21, 2019, sponsored by the Fayetteville Cumberland County Ministerial Council is a local event recognized by the Board of Commissioners as promoting this goal and for which appropriated funds may be used to purchase a table at a cost of \$300 for the use of commissioners and designated county staff.

M. Approval of Budget Ordinance Amendments for the January 7, 2019 Board of Commissioners' Agenda

#### BACKGROUND

General Fund 101

- 1) General Government Other - Budget Ordinance Amendment B190880 to appropriate fund balance in the amount of \$10,638 for Mid-Carolina Council of Governments

The Board is requested to approve Budget Ordinance Amendment B190880 to appropriate fund balance in the amount of \$10,638. Mid-Carolina Council of Governments received an increase in federal funding in the amount of \$83,773 for Aging Care Management and Aging IIIB In-Home Services. As a result, an increase in the local match is required.

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Please note this amendment requires the appropriation of fund balance in the amount of \$10,638.

#### State Drug Forfeiture Fund 206

2) State Drug Forfeiture - Budget Ordinance Amendment B190446 to appropriate fund balance in the amount of \$2,110 for taxes and tags on a Cumberland County Sheriff's Vehicle

The Board is requested to approve Budget Ordinance Amendment B190446 to appropriate fund balance in the amount of \$2,110. The FY18 budget included the purchase of a Ballistic Engineered Armored Counter Attack Truck (BearCat) for the Cumberland County Sheriff's Office. The tax and tags for the vehicle total \$7,887.

Funds have been identified from other operating expenditures within the state drug forfeiture fund except for \$2,110. Therefore, an appropriation of fund balance is requested.

Please note this amendment requires appropriation of state drug forfeiture fund balance in the amount of \$2,110.

#### RECOMMENDATION / PROPOSED ACTION

Approve Budget Ordinance Amendments

MOTION: Commissioner Keefe moved to approve consent agenda Items 3.A. – 3.M.2) with the exception of Item 3.G. as removed for separate discussion and action.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (7-0)

3.G. Approval of Offer to Purchase Surplus Property Located at 810 Silk Lane, Fayetteville, NC

#### BACKGROUND

The County and the City of Fayetteville acquired the real property with the PIN 0437-22-0702-located at 810 Silk Lane, Fayetteville, NC, at a tax foreclosure sale in 2016 for a purchase price of \$9,074.12. The property is zoned MR5 with a tax value of \$85,000.00. The City conveyed its interest in the property to the County on July 10, 2018, by a quitclaim deed recorded in Book 10339 at page 306. Based on the GIS Mapping and the tax records, there is a structure on the lot. Synthia McNair has made an offer to purchase the property for \$9,577.83. 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 included in the recommendation below.

#### RECOMMENDATION / PROPOSED ACTION

The County Attorney recommends the Board consider the offer of Synthia McNair. If the Board proposes to accept the offer, resolve that the described real property is not needed for governmental purposes and direct that it be advertised and sold pursuant to the upset bid process of G. S. § 160A-269.

#### CUMBERLAND COUNTY BOARD OF COMMISSIONERS NOTICE OF INTENT 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 real property with PIN 0437-22-0702-located at 810 Silk Lane, Fayetteville is not needed for governmental purposes and intends to accept an offer to purchase the property for \$9,577.83. 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.

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Commissioner Keefe stated this property with a structure has a tax value of \$85,000 and the Board is being asked to consider an offer to purchase the property for \$9,577.83 or 12% of the tax value. Commissioner Keefe stated a policy establishing a minimum bid for the sale of surplus property is being developed but he feels taxpayers are looking to the Board to make decisions that are fiscally responsible.

MOTION: Commissioner Keefe moved to not accept the offer to purchase surplus property located at 810 Silk Lane and return the matter to the next meeting of the Agenda Session.

SECOND: Commissioner Boose

DISCUSSION: Commissioner Adams stated tax values on some of the surplus properties are likely not accurate in terms of their condition and Tax Administration may be able to reassess the properties before they are brought before the Board. Commissioner Adams stated the gap between the tax value and offer to purchase may not be as wide as it appears. Commissioner Boose stated he did not feel it was a good use of resources to reassess the properties but perhaps a break point or some other means could be developed in a policy. Chairman Council suggested a compromise pending development of a policy in which the Board would not consider further offers but accept this offer. Commissioner Keefe asked whether there were pending sales. Rick Moorefield, County Attorney, stated there are typically about two per month. Commissioner Keefe asked whether there would be any issue delaying the process until there is a policy. Mr. Moorefield stated under the current policy, the Board never has to accept a bid, so it is a matter of receiving direction from the Board on a policy. Commissioner Faircloth stated when someone purchases property at auction or sale as surplus, it is with the understanding that the tax value will remain the same. Mr. Moorefield stated that is correct and when a private owner purchases the property, they have the right to appeal to the Board of E&R about the value. Mr. Moorefield advised no one is paying taxes on surplus properties as they are owned by the County and no one has interest in the tax value until the property is purchased. Mr. Moorefield stated a prudent approach would be to have the Tax Office look at the properties on an annual basis. Mr. Moorefield stated he has never seen one of these properties worth its tax value because the good ones are purchased at auction; these are properties on which there has been no bid. Mr. Moorefield stated because these properties can remain on the books up to twenty years and some may never sell, it might be prudent for a policy to include taking any offer at some point. Mr. Moorefield stated it will be hard to get a one-size fits all policy, but he does agree there needs to be a better policy.

Commissioner Keefe withdrew his motion. Commissioner Boose withdrew his second to the motion.

MOTION: Commissioner Keefe moved to accept the offer, resolve that the described real property is not needed for governmental purposes and direct that it be advertised and sold pursuant to the upset bid process of G. S. § 160A-269.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (7-0)

#### 4. ITEMS OF BUSINESS

##### A. Consideration of Adoption of Reimbursement Resolution and Approval of Budget Ordinance Amendment #B190089

#### BACKGROUND

United States Treasury regulations and guidelines that involve debt financing transactions require that a governmental entity declare its intent to use debt financing for a given project before expenses are incurred. In accordance with this requirement, the County must adopt a resolution of official intent to pursue debt financing in order to reimburse itself from the proceeds of the debt for any costs incurred before the financing is executed. The attached resolution will satisfy the

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federal reimbursement requirement for the 911/Emergency Operations Center project. At this time, the total project cost is not expected to exceed \$15 million.

An initial Budget Ordinance Amendment within the capital investment fund totaling \$6 million is requested now for the first phase of the project. During phase two of the project, a capital project budget will be established upon approval of the Board of Commissioners. Once the capital project is established, additional items will be budgeted, and any related costs incurred through that date will be transferred from the capital investment fund into the designated capital project fund, utilizing debt proceeds as the revenue source. The Capital Investment Fund will then be reimbursed for its initial contribution.

#### RECOMMENDATION / PROPOSED ACTION

- (1) Management recommends adoption of the resolution of official intent to pursue tax exempt financing and to reimburse expenditures with proceeds of a borrowing in an amount not to exceed \$15 million.
- (2) The Board is requested to approve Budget Ordinance Amendment B190089 in the amount of \$6 million for the first phase of the project within the Capital Investment Fund. An initial appropriation of the Capital Investment Fund's fund balance totaling \$6 million is required.

#### BOARD OF COMMISSIONERS OF CUMBERLAND COUNTY, NORTH CAROLINA

Excerpt of Minutes  
of Meeting on  
January 7, 2019

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

Commissioners \_\_\_\_\_

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

\* \* \* \* \*

The following resolution was discussed, and its title was read:

#### RESOLUTION OF OFFICIAL INTENT TO PURSUE TAX EXEMPT FINANCING AND TO REIMBURSE EXPENDITURES WITH PROCEEDS OF A BORROWING

WHEREAS, the Board of Commissioners of Cumberland County, North Carolina (the "County") intends to provide a portion of the financing of the acquisition, construction and equipping of a building for use as an emergency operations center and other County functions (the "Project"); and

WHEREAS, the County may advance its own funds to pay expenditures related to the Project, may borrow funds on a short term taxable or tax-exempt basis in order to pay such expenditures or may enter into contracts obligating third parties to make certain expenditures relating to the Project (the "Expenditures") prior to incurring indebtedness and to receive reimbursement for such Expenditures from proceeds of tax-exempt bonds or taxable debt, or both;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CUMBERLAND COUNTY, NORTH CAROLINA:

1. The County intends to utilize the proceeds of tax-exempt indebtedness (the "Indebtedness") or to incur other debt, to pay the costs of the Project in an amount not currently expected to exceed \$15,000,000.

2. The County intends that the proceeds of the Indebtedness be used to reimburse the County for Expenditures with respect to the Project made on or after the date that is no more than 60 days prior to the date of this resolution. The County reasonably expects on the date hereof that

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page  
<http://co.cumberland.nc.us/departments/commissioners-group/commissioners/meeting-documents>

it will reimburse the Expenditures with the proceeds of the Indebtedness or other debt. The County understands that it may reimburse itself for certain preliminary expenditures (as defined in Treasury Regulations Section 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended) relating to the Project in an amount not to exceed 20% of the aggregate issue price of the Indebtedness regardless of when such expenditures were incurred or paid.

3. The County intends that the adoption of this resolution confirms the “official intent” within the meaning of Treasury Regulations Section 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended.

4. This resolution shall take effect immediately upon its passage.

Commissioner \_\_\_\_\_ moved the passage of the foregoing resolution, Commissioner \_\_\_\_\_ seconded the motion, and the resolution was passed by the following vote:

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

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

Not Voting: \_\_\_\_\_

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Ms. Evans reviewed the background information and recommendation/proposed action recorded above. Commissioner Boose asked why this item was not included on the agenda for the January 3, 2019 Agenda Session. Ms. Cannon stated she did not include it because the Board had discussed funding of the 911/Emergency Operations Center project during multiple meetings dedicated to the Capital Investment Fund. Commissioner Boose asked whether there was a time crunch necessitating action at this meeting. Ms. Cannon stated the resolution gives the County maximum flexibility in financing the project; however, action is at the Board’s discretion. Ms. Cannon stated should the Board choose not to adopt the resolution, the County will use funds already set aside in the Capital Investment Fund.

MOTION: Commissioner Keefe moved to adopt the resolution of official intent to pursue tax exempt financing and to reimburse expenditures with proceeds of a borrowing in an amount not to exceed \$15 million.

SECOND: Chair Council

VOTE: UNANIMOUS (7-0)

MOTION: Commissioner Keefe moved to approve Budget Ordinance Amendment B190089 in the amount of \$6 million for the first phase of the project within the Capital Investment Fund. An initial appropriation of the Capital Investment Fund's fund balance totaling \$6 million is required.

SECOND: Commissioner Lancaster

VOTE: UNANIMOUS (7-0)

## 5. NOMINATIONS

### A. Tourism Development Authority (1 Vacancy)

Commissioner Adams nominated Vivek Tandon.

### B. Senior Citizens Advisory Commission (4 Vacancies)

Commissioner Adams nominated Nettie Hayes Miller, Reva McNair, Willie Wright and Meagan Honaker.

6. APPOINTMENTS

A. Civic Center Commission (5 Vacancies)

Commissioner Boose withdrew his nomination of Rashod Walker.

Commissioners Lancaster, Council, Adams and Evans voted for Mark J. Yarboro.

Commissioners Evans voted for Curtis Worthy.

Commissioner Lancaster, Faircloth, Council, Adams and Evans voted for Dr. Vikki Andrews.

Commissioners Keefe, Lancaster, Faircloth, Council, Boose, Adams and Evans voted for Lonnie Player.

Commissioners Keefe, Lancaster, Council, Boose and Adams voted for Joseph Quigg.

Commissioners Keefe, Boose and Evans voted for Jan Johnson.

Commissioners Faircloth and Boose voted for Billy Wellons.

Commissioners Keefe, Lancaster, Faircloth, Council and Adams voted for McBryde Grannis.

Commissioners Keefe and Boose voted for Rashawn Moore.

Commissioner Faircloth voted for Ramona B. Moore.

Having received the most votes, Lonnie Player, Dr. Vikki Andrews, Joseph Quigg, McBryde Grannis and Mark J. Yarboro, were appointed to the Civic Center Commission.

B. Mid-Carolina Aging Advisory Council (4 Vacancies)

C. Board of Health (3 Vacancies)

D. Cumberland County Juvenile Crime Prevention Council (4 Vacancies)

MOTION: Commissioner Faircloth moved to appoint Varnice Love, Jeanette Jordan-Huffman, Town of Hope Mills Commissioner Pat Edwards and Audrey Kizzie to the Mid-Carolina Aging Advisory Council in their respective positions; to appoint Cynthia McArther-Kearney, Dr. Olusola Ojo and Sonja Council to the Board of Health in their respective positions; and to appoint Sierra Rowe, Michael Fiala, Dr. Antonio Jones and Dominique Ashley to the Cumberland County Juvenile Crime Prevention Council in their respective positions.

SECOND: Commissioner Adams

VOTE: UNANIMOUS (7-0)

E. Fayetteville/Cumberland County Economic Development Corporation (1 Vacancy)

Commissioners Faircloth, Council, Adams and Evans voted for Larry Smalls. Having received a majority of the votes for the one vacancy, Larry Smalls was appointed to the Fayetteville/Cumberland County Economic Development Corporation.

Commissioner Evans stated he felt it was time for the Board to look at the way in which it nominates and appoints individuals to serve on the County's boards and committees because there are individuals being considered that have been appointed two times which does not give others the opportunity to serve. Chair Council stated some of these individuals who have already served are eligible to serve under the current rules so the rules will need to be reviewed.

7. CLOSED SESSION:

A. Personnel Matter(s) Pursuant to NCGS 143.318.11(a)(6)

MOTION: Chair Council moved to go into closed session for Personnel Matter(s) Pursuant to NCGS 143.318.11(a)(6).

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (7-0)

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

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

There being no further business, the meeting adjourned at 10:55 a.m.

Approved with/without revision:

Respectfully submitted,

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Candice H. White  
Clerk to the Board