

CUMBERLAND COUNTY BOARD OF COMMISSIONERS  
THURSDAY, APRIL 9, 2020 – 1:00 P.M.  
JUDGE E. MAURICE BRASWELL CUMBERLAND COUNTY COURTHOUSE  
117 DICK STREET, 1<sup>ST</sup> FLOOR, ROOM 564  
AGENDA SESSION MEETING MINUTES

In order to comply with the N. C. Governor's Executive Order 121, Section 3.A.a., this meeting will be available to the public and media live via the Cumberland County website (co.cumberland.nc.us), Facebook page (facebook.com/CumberlandNC), Youtube page (youtube.com/user/CumberlandCountyNC/videos), and on Fayetteville Cumberland Education Channel (FCE-TV) Spectrum Cable Channel 5. Staff entered and exited meeting room 564 so no more than ten (10) persons were gathered at the same time in accordance with the Governor's Executive Order.

PRESENT: Commissioner Marshall Faircloth, Chairman  
Commissioner Glenn Adams, Vice Chairman  
Commissioner Michael Boose (attended by video conference)  
Commissioner Jeannette Council  
Commissioner Charles Evans (attended by video conference)  
Commissioner Jimmy Keefe (attended by video conference)  
Commissioner Larry Lancaster (attended by video conference)  
Amy Cannon, County Manager  
Sally Shutt, Assistant County Manager  
Rick Moorefield, County Attorney  
Vicki Evans, Finance Director  
Jeffery Brown, Engineering and Infrastructure Director  
Joe Utley, Tax Administrator  
Ronnie Mitchell, Legal Counsel for Sheriff's Office  
Candice H. White, Clerk to the Board (attended by video conference)  
Kellie Beam, Deputy Clerk (attended by video conference)

Chairman Faircloth called the meeting to order. Chairman Faircloth recognized those present and confirmed the video conference attendance of Commissioners Boose, Evans, Keefe and Lancaster.

Amy Cannon, County Manager, requested an addition to the agenda as Item 3.I. Personal Property Tax Listing Extension – COVID-19.

1. APPROVAL OF AGENDA

MOTION: Commissioner Adams moved to approve the agenda with the addition of Item 3.I. Personal Property Tax Listing Extension – COVID-19. as requested.  
SECOND: Commissioner Boose

Commissioners Adams, Council and Faircloth who were present voted in favor.  
Commissioners Boose, Evans, Keefe and Lancaster who attended by video conference voted in favor.

VOTE: UNANIMOUS (7-0)

2. APPROVAL OF MINUTES

A. Approval of March 12, 2020 Agenda Session Regular Meeting Minutes

MOTION: Commissioner Adams moved to approve the March 12, 2020 agenda session regular meeting minutes.  
SECOND: Commissioner Council

Commissioners Adams, Council and Faircloth who were present voted in favor.  
Commissioners Boose, Evans, Keefe and Lancaster who attended by video conference voted in favor.

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  
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VOTE: UNANIMOUS (7-0)

3. CONSIDERATION OF AGENDA ITEMS

- A. Recommendation from the Board of Elections on the Purchase of Voting Equipment Required Under the Help America Vote Act

BACKGROUND

The Ivotronic voting machines were purchased in 2006; they have been decertified and can no longer be used in an election. This was the equipment used to meet the requirements of the Help America Vote Act, that mandates that a voting system provide the same opportunity for access and participation to voters with disabilities as it does to voters without disabilities.

On September 17, 2019, three Board of Elections members attended a demonstration of the certified equipment as required by the State Board of Elections. The State also requires that before voting equipment can be purchased it must be tested in an election. The Express Vote was tested during the November 2019 municipal election in one precinct. The board proposes to utilize the Express Vote ballot marking device and its accessible peripherals to meet ADA requirements to allow for accessible voting.

The ExpressVote is compatible with the DS200 our current paper ballot system. Election Systems and Software is the vendor for both. The county board has requested approval from the State Board of Elections to purchase this equipment. The statute requires the Board of Elections to make preliminary recommendation to the Board of County Commissioners as to which type of voting equipment should be acquired by the county. The cost of the Express Vote system is \$277,300; this money has been budgeted to purchase the equipment.

RECOMMENDATION / PROPOSED ACTION

The Board of Elections makes the recommendation to the Board of Commissioners, to move forward with the purchase of the ExpressVote using the funds that have been budgeted for ADA equipment.

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Sally Shutt, Assistant County Manager, presented the background information and recommendation/proposed action recorded above.

MOTION: Commissioner Lancaster moved to forward this item to the April 20, 2020 regular meeting as a consent agenda item with a recommendation to approve the purchase of the ExpressVote using the funds that have been budgeted for ADA equipment.

SECOND: Commissioner Boose

Commissioners Adams, Council and Faircloth who were present voted in favor.

Commissioners Boose, Evans, Keefe and Lancaster who attended by video conference voted in favor.

VOTE: UNANIMOUS (7-0)

- B. Contract Renewal with Southern Health Partners for Healthcare Delivery Services at the Cumberland County Detention Center

BACKGROUND

As a result of a recommendation from a formal Request for Proposals process, the Board of Commissioners awarded Southern Health Partners, Inc. (SHP) the contract to provide healthcare delivery services at the Cumberland County Detention Center beginning July 1, 2017. The initial three-year term covered by the contract ends on June 30, 2020. The current contract language allows for extensions of additional one-year terms as follows:

SHP shall provide written notice to County of the amount of compensation increase requested for renewal periods effective on or after July 1, 2020 or shall otherwise negotiate mutually agreeable terms with County prior to the beginning of each annual renewal period.

Consistent with percentage increases in effect during the three-year initial term, SHP is requesting a two percent increase above the FY2020 base fee and per diem rate.

Through staff, the Sheriff has communicated that his office is satisfied with the services being provided by SHP and would like to seek renewal with this company.

#### RECOMMENDATION / PROPOSED ACTION

Management recommends forwarding this item to the full Board of Commissioners for approval as a Consent Agenda item at the April 20, 2020 regular meeting with the following action:

Approve the contract renewal with Southern Health Partners to provide Jail Health Services for FY2021. The annual renewal includes a two percent increase over the FY2020 base fee and per diem rate.

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Vicki Evans, Finance Director, presented the background information recorded above. Ms. Evans stated the 2% rate increase is consistent with percentage increases in effect during the initial three-year term and as stated in the SHP proposal. Ms. Evans stated the contract costs and costs for overall jail health services in FY20 remain below the FY17 actual costs for jail healthcare. Ms. Evans stated SHP provides monthly reports to the Deputy County Manager and other staff.

Commissioner Boose asked Ronnie Mitchell, Legal Counsel for Sheriff's Office, whether he would amend the contract going forward. Mr. Mitchell stated it was impossible to foresee COVID-19 but outside of that, the Sheriff is satisfied with healthcare services provided by SHP. Commissioner Keefe referenced the current reduction in the jail's daily population and asked whether there was language in the contract that speaks to the daily population and whether there is an opportunity under the contract for mental health services. Mr. Mitchell stated the contract is calculated on average daily population; however, the experience with COVID-19 is beyond anyone's control. Mr. Mitchell commended the District Attorney's Office for its efforts to prevent spread of the virus and stated SHP was ready, willing and able to step up with services.

Commissioner Adams stated the SHP contract is with the Board of Commissioners and the Board should at least receive a quarterly report so it can be in a better position to answer questions that may arise. Commissioner Adams also stated in order to determine whether the contract with SHP is cost effective and whether it is working, there needs to be a comparison of jail health services previously provided by the Health Department to jail health services currently being provided by SHP. Commissioner Adams stated the contract renewal is for one year and in a year the Board has to decide whether to put out another Request for Proposal for jail healthcare or renew with SHP. Commissioner Adams stated outcome measures are needed to make that decision.

**MOTION:** Commissioner Lancaster moved to forward this item to the April 20, 2020 regular meeting as a consent agenda item with a recommendation to approve the contract renewal with Southern Health Partners to provide Jail Health Services for FY2021.

**SECOND:** Commissioner Boose

**DISCUSSION:** Commissioner Boose asked whether the motion included Commissioner Adam's request.

**AMENDED MOTION:** Commissioner Adams moved to forward this item to the April 20, 2020 regular meeting as a consent agenda item with a recommendation to approve the contract renewal with Southern Health Partners to provide Jail Health Services for FY2021, to provide quarterly reports to the Board of Commissioners and to provide a comparison of jail health services previously provided by the Health Department and currently provided by SHP.

**SECOND TO AMENDED MOTION:** Commissioner Boose

Commissioners Adams, Council and Faircloth who were present voted in favor of the amended motion.

Commissioners Boose, Evans, Keefe and Lancaster who attended by video conference voted in favor of the amended motion.

VOTE ON AMENDED MOTION: UNANIMOUS (7-0)

C. Establishment of Irrevocable Trust for Other Post-Employment Benefits (OPEB)

BACKGROUND

The fiscal year 2020 budget included a recommendation to establish an irrevocable trust for the County's OPEB liability with an initial budgeted contribution of \$1,000,000. Establishing an irrevocable trust is one way to demonstrate to the Local Government Commission and to bond rating agencies that the County is being more proactive in managing its substantial OPEB liability. As of June 30, 2019, the OPEB liability totaled \$171,702,000. This OPEB liability is specific to medical coverage benefits of eligible current and future retirees.

The NC State Treasurer's Office has provided step-by-step resources to help local governments in establishing irrevocable trusts for OPEB. They have also established the Ancillary Governmental Participants' Investment Program (AGPIP) into which local governments may invest its assets. To implement all of this, a resolution must be approved by the Board of Commissioners which includes adoption of the Trust Agreement; appointment of the Plan Administrator, Trustees, and authorized representatives directed to execute the documents.

The County Attorney has reviewed the documents and is fine with the attached documents.

RECOMMENDATION / PROPOSED ACTION

Staff recommend forwarding this item to the full Board of Commissioners for approval as a Consent Agenda item at the April 20, 2020 regular meeting with the following action:

1. Approval of the Resolution to Establish a Trust for OPEB and Participation in the AGPIP;
2. Approval of the Trust Agreement establishing the OPEB Trust.

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Ms. Evans presented the background information and recommendation/proposed actions recorded above. Ms. Evans stated there have been other actions taken by the Board that have been helpful in managing this large liability and there has been a consistent movement in the governmental finance world to make a good faith effort to fund the liability. Ms. Evans stated the County Attorney has worked to make the attached documents specific to Cumberland County. Ms. Evans stated the documents to be executed by the Cumberland County authorized representatives include a Deposit Agreement which allows for contributions. In response to a question posed by Commissioner Adams, Ms. Evans stated individuals occupying certain positions within the Trust Agreement are position specific; the person serving as Finance Director for Cumberland County is appointed the Plan Administrator and the Trustee of the OPEB Trust shall be a Board of Trustees consisting of the County Manager, Deputy County Manager and Finance Director.

MOTION: Commissioner Council moved to forward this item to the April 20, 2020 regular meeting as a consent agenda item with a recommendation to approve the resolution to establish a trust for OPEB and participation in the AGPIP.

SECOND: Commissioner Adams

Commissioners Adams, Council and Faircloth who were present voted in favor.

Commissioners Boose, Evans, Keefe and Lancaster who attended by video conference voted in favor.

VOTE: UNANIMOUS (7-0)

**MOTION:** Commissioner Adams moved to forward this item to the April 20, 2020 regular meeting as a consent agenda item with a recommendation to approve the Trust Agreement establishing the OPEB Trust.

**SECOND:** Commissioner Council

Commissioners Adams, Council and Faircloth who were present voted in favor.  
Commissioners Boose, Evans, Keefe and Lancaster who attended by video conference voted in favor.

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

**D.** Encroachment Agreement with North Carolina Department of Transportation (NCDOT) for Bragg Estates Water & Sewer District

#### BACKGROUND

The Board of Commissioners (BOC) accepted and approved the Letter of Conditions from USDA Rural Development for the Bragg Estates Loan and Grant at their meeting on December 15, 2014. The following conditions were accepted; a Rural Utilities Service (RUS) loan not to exceed \$497,000, a RUS grant not to exceed \$1,453,000 and a contribution from Cumberland County of \$50,000 for a total project cost of \$2,000,000.

After the easement from the Corps of Engineers was finalized, McGill Associates and the Public Utilities Division began work to complete the design of the sanitary sewer system for the construction bid phase of the project. It has been determined that one of the items needed to move the project forward is an Encroachment Agreement with North Carolina Department of Transportation (NCDOT). This agreement is the same that has been used in previous water and sewer projects and is their standard agreement. County Legal has reviewed the agreement.

#### RECOMMENDATION / PROPOSED ACTION

The Engineering and Infrastructure Director and County Management recommend that the NCDOT Encroachment Agreement be placed on the April 20, 2020 Board of Commissioners agenda and the Bragg Estates Water and Sewer District agenda as a consent item.

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Jeffery Brown, Engineering and Infrastructure Director, provided the following summary of the Bragg Estates Water and Sewer District:

- USDA Funds obligated December 2014 (loan = \$497,000, grant = \$1,453,000, and County = \$50,000)
- RFQ for engineering services issued in January 2015
- McGill Associates selected in April 2015
- Board of Commissioners approved McGill Associates agreement June 2015
- McGill completed survey work in December 2015
- McGill completed preliminary design in March 2016
- Discussions began with Army Corps of Engineers for easement on an abandoned railroad right of way in April 2016
- McGill Associates provided final plat in September 2016
- County Attorney submitted request for easement to the Corps in March 2017
- There are 17 easements; one lot purchase for the lift station that must be accomplished prior to bidding the project
- County Attorney is going to obtain assistance from an outside attorney to assist

Mr. Brown presented the background information and recommendation/proposed action recorded above regarding the encroachment agreement for the NCDOT right of way. In response to a question posed by Commissioner Keefe, Mr. Brown stated the process that began in 2016 to get the encroachment on an abandoned railroad right of way approved through the Army Corps of Engineers was lengthy and did not get approved until May 2019.



**MOTION:** Commissioner Adams moved to forward this item to the Board of Commissioners' April 20, 2020 regular meeting as a consent agenda item and a Bragg Estates Water and Sewer District Governing Board item with a recommendation to approve the encroachment agreement with North Carolina Department of Transportation (NCDOT) for the Bragg Estates Water and Sewer District.

**SECOND:** Commissioner Keefe

Commissioners Adams, Council and Faircloth who were present voted in favor.  
Commissioners Boose, Evans, Keefe and Lancaster who attended by video conference voted in favor.

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

E. Interlocal Agreement with the Town of Spring Lake to Provide Sanitary Sewer Treatment and Operation and Maintenance of the Sanitary Sewer System for the Bragg Estates Water and Sewer District

#### BACKGROUND

In response to the approval of the USDA Rural Utilities funding to construct a sanitary sewer system in the Bragg Estates Water and Sewer District, the Town of Spring Lake has agreed to provide sanitary sewer treatment and the operation and maintenance of the Bragg Estates sewer system. The attached agreement between the Town and the County spells out the terms and conditions of each party and is a requirement to move forward with the funding process. This agreement mirrors the interlocal agreement that is currently in place for the Overhills Water and Sewer District and the Town. County Legal has reviewed the agreement.

#### RECOMMENDATION / PROPOSED ACTION

The Engineering and Infrastructure Director and County Management recommend that the Interlocal Agreement be placed on the April 20, 2020 Board of Commissioners agenda and the Bragg Estates Water and Sewer District agenda as a consent item.

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Mr. Brown presented the background information and recommendation/proposed action recorded above. Mr. Brown stated the Town of Spring Lake will charge Bragg Estates Water and Sewer District \$40 for 1,000 gallons for treatment of sanitary wastewater and will also charge \$9.25 per tap installed for the project. Rick Moorefield, County Attorney, clarified language in the agreement will need to be changed so the agreement is with the water and sewer district.

**MOTION:** Commissioner Adams moved to forward this item to the Board of Commissioners' April 20, 2020 regular meeting as a consent agenda item and a Bragg Estates Water and Sewer District Governing Board item with a recommendation to approve Interlocal Agreement with the Town of Spring Lake to provide sanitary sewer treatment and operation and maintenance of the sanitary sewer system for the Bragg Estates Water and Sewer District.

**SECOND:** Commissioner Boose

Commissioners Adams, Council and Faircloth who were present voted in favor.  
Commissioners Boose, Evans, Keefe and Lancaster who attended by video conference voted in favor.

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

F. Amendments to the Kelly Hills/Slocumb Road Water and Sewer District Rate Structure

#### BACKGROUND

A review of the operational costs of the Kelly Hills sewer system has revealed that the current rate structure for sewer service is not meeting the operation and maintenance costs being incurred by the system nor generating revenue for future capital costs. The North Carolina Rural Water

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Association (NCRWA) assisted the Public Utilities Division in a rate study. The present rate structure is not generating sufficient revenue to set aside a capital reserve fund for future operation and maintenance of the system. The NCRWA recommended a rate structure that generates revenue to cover these future costs.

The rates were last changed in 2015, when the County took over billing from PWC. PWC has increased their cost to the District since this time. The attached rate structure is proposed for the Kelly Hills/Slocomb Road Water and Sewer District. The proposed rate structure will be mailed to all the customers on the system no later than June 1, 2020 and will go into effect on July 1, 2020. The existing rate structure and proposed rate structure are provided in the chart below.

	<u>Existing</u> <u>Rate</u> <u>Connected</u> <u>Customer</u>	<u>Existing Rate</u> <u>Nonconnected</u> <u>Customer</u>	<u>Proposed</u> <u>Rate</u> <u>Connected</u> <u>Customer</u>	<u>Proposed</u> <u>Rate</u> <u>Nonconnected</u> <u>Customer</u>
Flat Rate Sewer Usage	\$39.74	-	\$43.50	-
Operation and Maintenance	-	-	6.00	6.00
Availability	10.00	10.00	10.00	10.00
Administration	2.00	2.00	2.00	2.00
<b>Total</b>	<b>\$51.74</b>	<b>\$12.00</b>	<b>\$61.50</b>	<b>\$18.00</b>

The rate structure also includes a suggested rate increase of 5% per year for the next three years. During our rate study we reached out to the UNC School of Government to see how other counties handle their rate increases and this option was suggested since many other utilities employ this as a standard industry practice. The benefit of setting the rates this way allows the customers to know exactly how much the rates will be increased yearly as opposed to something different each year.

RECOMMENDATION / PROPOSED ACTION

The Engineering & Infrastructure Director and County Management recommend that the item be placed on the April 20, 2020 Board of Commissioners agenda and the Kelly Hills/Slocomb Road Governing Board agenda as a consent item.

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Mr. Brown provided the following background information for the Kelly Hills/Slocomb Road Water and Sewer District:

- Kelly Hills sewer system was completed and customers started connecting to system in November 2005
- Total Cost of Construction was \$2,233,521.88
- Kelly Hills connected customers – 97
- Kelly Hills availability – 168 paying availability fees
- Kelly Hills was operated and maintained by PWC through an Interlocal Agreement
- PWC also billed customers with the county being responsible for all unpaid bills until 2015 when the county’s Public Utilities Division took over billing

PWC Rates for Kelly Hills

- 1/1/2018 - \$4.1785 per thousand gallons
- 1/1/2019 – 10.91% increase to \$4.6346 per thousand gallons
- 1/1/2020 – 7.74% increase to \$4.9935 per thousand gallons

Mr. Brown stated the above rate is for sewer treatment and basic operation and maintenance and does not include items that are outside of the contract; that cost is actual plus 10% for labor, material and equipment. Mr. Brown stated Kelly Hills’ decrease in net position during FY19 was \$58,057.72 and the Kelly Hills’ standard depreciation was \$66,429.

Mr. Brown presented the background information, to include the existing rate structure and proposed rate structure, and recommendation/proposed action recorded above.

MOTION:       Commissioner Council moved to forward this item to the Board of Commissioners’ April 20, 2020 regular meeting as a consent agenda item and a Kelly Hills/Slocomb Road Water and Sewer District Governing Board item with a recommendation to

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approve the amendments to the Kelly Hills/Slocomb Road Water and Sewer District rate structure.

SECOND: Commissioner Adams

Commissioners Adams, Council and Faircloth who were present voted in favor.

Commissioners Boose, Evans, Keefe and Lancaster who attended by video conference voted in favor.

VOTE: UNANIMOUS (7-0)

G. Amendments to the Southpoint Water System Rate Structure Located in the Gray's Creek Water and Sewer District

## BACKGROUND

The North Carolina Rural Water Association (NCRWA) recently completed a rate study for the Southpoint water system. After reviewing the operational costs of the Southpoint water system, it has revealed that the present rate structure for water service is not meeting the costs being incurred by the system for future capital costs as well as future operating and maintenance costs. The NCRWA recommended that the rate structure generate revenue to be cover anticipated future costs.

The rates have not changed since the system went live in 2013. The attached rate structure proposed for the Southpoint water system, located in the Gray's Creek Water and Sewer District, will provide adequate funding for these future costs. The proposed rate structure must be mailed to all the Southpoint customers no later than June 1, 2020 and will go into effect on July 1, 2020. The existing rate structure and proposed rate structure are provided in the chart below.

	<u>Existing Rate Connected</u>	<u>Existing Rate Nonconnected</u>	<u>Proposed Rate Connected</u>	<u>Proposed Rate Nonconnected</u>
	<u>Customer</u>	<u>Customer</u>	<u>Customer</u>	<u>Customer</u>
Average Rate Water Usage (4,000 gallons)	\$32.00	-	\$33.50	-
Operation and Maintenance	-	-	2.50	2.50
Availability	10.00	10.00	10.00	10.00
Administration	2.00	2.00	2.00	2.00
<b>Total</b>	<b>\$44.00</b>	<b>\$12.00</b>	<b>\$48.00</b>	<b>\$14.50</b>

The attached rate structure also includes a suggested rate increase of 5% per year for the next three years for operation and maintenance and water usage. During our rate study we reached out to the UNC School of Government to see how other Counties handle their rate increases and this option was suggested since many other utilities employ this as a standard industry practice. The benefit of setting the rates this way allows the customers to know exactly how much the rates will be increased yearly as opposed to something different each year.

## RECOMMENDATION / PROPOSED ACTION

The Engineering & Infrastructure Director and County Management recommend that the item be placed on the April 20, 2020 Board of Commissioners agenda and the Gray's Creek Water and Sewer District Governing Board agenda as a consent item.

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Mr. Brown presented the background information and recommendation/proposed action recorded above.

**MOTION:** Commissioner Council moved to forward this item to the Board of Commissioners' April 20, 2020 regular meeting as a consent agenda item and a Gray's Creek Water and Sewer District Governing Board item with a recommendation to approve the amendments to the Southpoint Water System rate structure located in the Gray's Creek Water and Sewer District to go into effect as proposed on July 1, 2020.

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SECOND: Commissioner Boose

DISCUSSION: Commissioner Boose asked whether the water and sewer district items related to rate increases were planned prior to COVID-19 and the economic downturn. Mr. Brown stated a review of the financial sustainability of water and sewer districts in futures years was initiated in the fall of 2019. Mr. Brown stated he agrees the timing is terrible when considering COVID-19 and the economy.

Commissioners Adams, Council and Faircloth who were present voted in favor.

Commissioners Boose, Evans, Keefe and Lancaster who attended by teleconference voted in favor.

VOTE: UNANIMOUS (7-0)

H. Amended Memorandum of Agreement for State Acquisition Relocation Funds with the North Carolina Department of Public Safety - Division of Emergency Management

#### BACKGROUND

This amended Memorandum of Agreement addresses the full range of hurricane grant funding that State Acquisition Relocation Funding (SARF) can be applied to. This includes DRA-17 and the FEMA Hazard Mitigation Grant Program. The amount available for SARF remains \$121,000 as it was in prior agreements.

This funding may be used by eligible applicants seeking a buyout of a hurricane-damaged residence to cover costs associated with moving, relocation, and other approved activities. There is also funding available to cover some of the County's cost for administering the program.

#### RECOMMENDATION / PROPOSED ACTION

Staff recommends this item be forwarded to the full Board of Commissioners for consideration as a Consent Agenda item at their April 20, 2020 regular meeting.

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Tracy Jackson, Assistant County Manager, presented the background and recommendation/proposed action recorded above. Mr. Jackson stated the Hurricane Matthew grant funding was previously combined with another funding stream, but this change is necessary for administrative purposes. Mr. Jackson stated the amount of SARS funding remains unchanged at \$121,000 and as of today, none of this funding has been utilized because most applicants received funding under DRA-17. Commissioner Adams asked whether unused funds could be offered to other counties. Mr. Jackson stated funds are obligated according to the agreement and other counties are likely in the same position as Cumberland County as far as the timing and what has been done.

MOTION: Commissioner Council moved to forward this item to the Board of Commissioners' April 20, 2020 regular meeting as a consent agenda item with a recommendation to approve the amended Memorandum of Agreement for State Acquisition Relocation Funds with the North Carolina Department of Public Safety - Division of Emergency Management.

SECOND: Commissioner Adams

Commissioners Adams, Council and Faircloth who were present voted in favor.

Commissioners Boose, Evans, Keefe and Lancaster who attended by video conference voted in favor.

VOTE: UNANIMOUS (7-0)

I. PERSONAL PROPERTY TAX LISTING EXTENSION – COVID-19

#### BACKGROUND

In an effort to control the spread of COVID-19 and in compliance with the Governor of North Carolina's "Stay at Home Order," many businesses have been partially or completely closed. As

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a result, some businesses and individuals may need to seek an extension to file their individual or business personal property listings.

On April 7, 2020, the North Carolina Department of Revenue sent Assessors a memorandum providing guidance on a method of providing relief to individuals and businesses filing individual or business personal property listings (see attached). N.C.G.S. 105-312(k) explicitly grants authority to the board to approve a taxpayer's request for waiver of a "late listing penalty." This authority has previously been delegated by the Cumberland County Board of Commissioners to the Special Board of Equalization and Review. The application of G.S. 105-312(k) will allow the county to ensure a uniform method for the taxpayer to request relief from the late listing penalty and for granting it due to COVID-19.

#### RECOMMENDATION/PROPOSED ACTION

That the Cumberland County Board of Commissioners:

- o Establish June 30, 2020 as the date for all individual or business personal property tax listings to be postmarked and/or received in the tax office for consideration of a late list penalty waiver
- o Direct taxpayers filing prior to or on the June 30th, to submit a one-time request to have the late list penalties waived
- o Request that the Special Board of Equalization and Review support this recommendation to waive all late list penalties for individual and business personal property listings filed prior to or on June 30, 2020

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Joe Utley, Tax Administrator, presented the background information and recommendation/proposed action recorded above and referenced the attached North Carolina Department of Revenue memo. Commissioner Keefe asked that final action be taken on this item rather than forwarding to the April 20, 2020 consent agenda. Discussion ensued about how the date of June 30, 2020 was determined and the waiving of late listing penalties based on written requests as opposed to a blanket waiving of penalties for late listings filed prior to or on June 30, 2020. Mr. Utley stated the June 30, 2020 date was proposed to allow staff time to establish tax values for 2020 budgetary considerations and also because he has a statutory obligation to have tax bills created by September 1st. Ms. Cannon stated the values will be used to establish the tax bills and some of the listings are lengthy and take a significant amount of time to key in. Mr. Utley stated the Equalization and Review Board will have to take action based on the Board of Commissioners' recommendation to waive late listing penalties for listings filed prior to or on June 30, 2020. Mr. Moorefield stated this is consistent with what the state has done with regard to income tax.

**MOTION:** Commissioner Keefe moved that the Board of Commissioners extend all individual and business personal property listings to June 30, 2020, waive all late listing penalties for listings filed prior to or on June 30, 2020 and that this action is final and not to be forwarded to the Board of Commissioners April 20, 2020 meeting as a consent agenda item.

**SECOND:** Commissioner Boose

Commissioners Adams, Council and Faircloth who were present voted in favor.

Commissioners Boose, Evans, Keefe and Lancaster who attended by video conference voted in favor.

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

#### 4. CLOSED SESSION

There was no closed session.

**MOTION:** Commissioner Adams moved to adjourn.

**SECOND:** Commissioner Council

Commissioners Adams, Council and Faircloth who were present voted in favor.  
Commissioners Boose, Evans, Keefe and Lancaster who attended by video conference voted in favor.

VOTE: UNANIMOUS (7-0)

There being no further business, the meeting adjourned at 1:55 p.m.

Approved with/without revision:

Respectfully submitted,

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Candice H. White  
Clerk to the Board