

CUMBERLAND COUNTY BOARD OF COMMISSIONERS
JUNE 7, 2010 – 9:00 AM
117 DICK STREET, 1ST FLOOR, ROOM 118
REGULAR MEETING

PRESENT: Chairman Billy King
Commissioner Jeannette Council
Commissioner Kenneth Edge
Commissioner Marshall Faircloth
Commissioner Jimmy Keefe
Commissioner Ed Melvin
Commissioner Phillip Gilfus
James Martin, County Manager
Juanita Pilgrim, Deputy County Manager
Amy Cannon, Assistant County Manager
Rick Moorefield, County Attorney
Harvey Raynor, Deputy County Attorney
James Lawson, Human Resources Manager
Thanena Wilson, Community Development Director
Sally Shutt, Communications Manager
Dale Iman, City Manager
Marie Colgan, Clerk to the Board

Chairman King called the meeting to order.

INVOCATION Commissioner Jimmy Keefe

Minister: Phyllis Jones, Assistant County Attorney and
Associate Minister at Lewis Chapel Missionary Baptist Church

Pledge of Allegiance

Comments by Ms. Debbie Turner, Program Director NACo Deferred Compensation Program –
(rescheduled for the June 21st meeting)

1. Approval of Agenda

James Martin, County Manager, requested the addition of Item 9.I. - a nomination of two positions for the Mental Health Board.

MOTION: Commissioner Council moved to approve the agenda with the requested addition of item 9.I.

SECOND: Commissioner Edge

VOTE: UNANIMOUS

2. Consent Agenda

Commissioner Keefe requested that Item 2.D. be pulled for discussion and will be voted on separately.

A. Approval of minutes for the May 17, 2010 regular meeting, May 25, 2010 Special Budget Presentation and May 27, 2010 Department Head Appeals Special Meeting.

B. Approval of the Cumberland County Juvenile Crime Prevention Council Contracts Representing Funding Allocations for July 1, 2010 through June 30, 2011.

BACKGROUND: The Cumberland County Juvenile Crime Prevention Council annually submits the JCPC Program Contracts to the Board of

Commissioners for approval prior to submitting to the State office. The contracts represent the funding allocations for FY2010-2011.

PROGRAM NAME	TOTAL PROGRAM BUDGET PER RECOMMENDATION
JAC	\$ 388,807
Find A Friend	118,336
Juvenile Court Outreach	165,466
C.C. Group Care	672,068
Fay/CC Restitution	129,735
HOPE Program	-0-
Teen Court	91,567
Coordinator Budget	48,734
Administrative Budget	14,338
JCPC Training/Other	164,958
Total	\$1,794,009

RECOMMENDATION/PROPOSED ACTION: The Juvenile Crime Prevention Council recommends approval of the FY2010-2011 DJJDP County Funding Plan.

State Funding	\$966,850
Programs: Cash & Inkind	\$615,475
County: Cash	<u>\$211,684</u>
Total Funding	\$1,794,009

C. Approval of Health Department Fees for Vaccines.

BACKGROUND: At the Board of Health meeting on May 18, 2010, the Board approved a request to set the fees for (3) privately purchased vaccines and Varicella Titer. The vaccines listed below will be privately purchased by the Health Department and the costs passed on to the public. The Varicella Titer is a service that the Health Department can provide to area students at FTCC, FSU, Methodist University, etc. These students are currently paying \$30.00 – \$150.00 depending on where they go, for the Varicella Titer. The Health Department can provide this service to the public for minimal costs and receive Medicaid and BCBS reimbursement.

Procedure	CPT Code	Medicaid Reimb.Rate	Medicare Reimb.Rate	BCBS Reimb.Rate	CCDPH Costs/Dose	Current Fee	Proposed Fee
Pevnar 13	90670	Not Set Yet	N/A	\$123.83	\$108.75	\$0.00	\$125.00
Cervarix	90650	Not Set Yet	N/A	\$136.60	\$112.26	\$0.00	\$155.0
Twinrix	90636	\$89.50	N/A	\$100.87	\$41.50	\$0.00	\$90.00
Varicella Titer	86787	\$16.38	N/A	\$11.70	\$9.25	\$0.00	\$20.00

RECOMMENDATION/PROPOSED ACTION: Approve request to set fees for the above listed private purchased vaccines and the Varicella Titer.

D. Approval of Revisions to the Community Development Homebuyers Assistance Program Policy.

BACKGROUND: Homeownership enhances personal wealth for low-income families through the appreciation of property value and the gradual accumulation of equity in the home. Community Development's objective is to assist low- to moderate-income individuals and families in achieving this goal. The housing industry and economy as a whole appear to be on the rebound, therefore, it is still Community Development's desire to assist the targeted population we serve in obtaining homes and being in a better financial position to maintain those homes.

In an effort to ensure that Community Development is providing adequate assistance to potential homebuyers but not over subsidizing any applicant, we are proposing to revise our Homebuyer Assistance Policy as follows:

Downpayment Assistance

Current policy: Maximum assistance up to \$10,000 with a maximum of \$1,500 towards closing costs; 0% interest deferred for 15 years; loan forgiveness beginning after year 5 (61st month) in an equal prorated annual amount.

Proposed policy: Maximum assistance up to \$5,000 with no limit on closing costs; 4% interest for 10 years; payment deferred through the 5th year with monthly payments beginning in the 6th year (61st month). See the attached Homebuyer Assistance Policy page 5.

GAP Financing

Current policy: Maximum assistance up to \$20,000; 0% interest deferred for 30 years; loan forgiveness beginning after year 5 (61st month) in an equal prorated annual amount.

Proposed policy: Maximum assistance up to \$20,000; 0%-4% for 30 years (interest rate is based on level of assistance needed to support the applicant's loan to value ratio); immediate monthly payment. See the attached Homebuyer Assistance Policy page 5.

Applicants may receive both downpayment and gap financing assistance up to a maximum of \$25,000. The loan terms would then be the same as under the gap financing criteria. The policy will remain the same in that in the event the promissory note is triggered for repayment, Community Development funds will be recaptured immediately.

RECOMMENDATION/PROPOSED ACTION: CCCD recommends approval of the proposed changes to the Homebuyers Assistance Program policy with an effective date of July 1, 2010.

E. Approval of the Federal and State Home & Community Care Block Grant for FY2010.

BACKGROUND The Federal and State Home and Community Care Block Grant for Cumberland County for FY2010 is \$1,416,237 which includes an increase in the amount of \$33,917. The increase in funding will go to Senior Center Operations and Home Delivered Meals.

RECOMMENDATION/PROPOSED ACTION: Approve the County Summary and County Agreement for the Provision of County-Based Aging Services which require the signature of the Chairman of the Board. Approve the Provider Service Summaries which require the signatures of the Chairman and the County Finance Officer.

F. Proclaim June as “Homeownership Month” in Cumberland County.

BACKGROUND: By providing potential and existing homeowners with the resources they need for sustainable homeownership, Cumberland County Community Development will continue to support its citizens in obtaining the American Dream - homeownership. For those considering purchasing a home, now may be a good time to enter the market. Interest rates are low, properties are more affordable than in recent years and the government is providing strong incentives to buy. Existing homeowners should take stock of how to keep and ensure the best value for their homes in these uneven times.

HOMEOWNERSHIP MONTH PROCLAMATION

Whereas, homeownership contributes to a strong economy, builds communities, and has come to symbolize the realization of the American Dream;

Whereas, Cumberland County is actively engaged in increasing homeownership opportunities for citizens of Cumberland County and is doing so through the successful efforts of public, private and nonprofit partnerships;

Whereas, Cumberland County primarily seeks the use of local and private resources and volunteers to increase homeownership for our citizens of Cumberland County;

Whereas, Cumberland County, through our partnership with the US Department of Housing and Urban Development, supports national homeownership initiatives for low-to-moderate income families.

Now, therefore I, Billy R. King, by virtue of the authority vested in me as Chairman of the Cumberland County Board of Commissioners, do hereby proclaim:

June 2010 as Homeownership Month

In Cumberland County, and urge all citizens to join us in recognizing this special observance with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand and caused the seal of Cumberland County, North Carolina to be affixed this ____ day of _____ 2010.

RECOMMENDATION AND PROPOSED ACTION: Community Development recommends that the Board proclaim June as Homeownership Month in Cumberland County.

G. Approval of Request for Destruction of Departmental Records.

BACKGROUND: Pursuant to a resolution adopted by the Board of County Commissioners on February 4, 1985, I have authorized the destruction of County records as noted below. The destruction of these records is in accordance with the Records Retention and Disposition Schedule issued by the North Carolina Division of Archives and History and adopted by the Board of County Commissioners. The following department has requested approval of destruction of their records: Cumberland County Mail Communications Center

United States Postal Service Business Reply Postage Reports 2003-2005
Daily Postage Reports 2002-2007
NC State Courier Monthly Reports 2002-2004
Monthly Mail Reports 2004
Room Reservations 2003-2006
Telephone Billing 1997-2007
Telephone J.V.'s 2001-2002
Telephone Records 2000-2007
Sprint Telephone Requests for Service 1994-1998
United Parcel Service Daily Records 2000-2006
Vehicle Auction 2006

RECOMMENDATION/PROPOSED ACTION: Record the above report in the Board's official minutes.

H. Approval of a Resolution with Respect to Certain Contracts with the NCDOT for Community Transportation Programs.

CUMBERLAND COUNTY BOARD OF COMMISSIONERS

RESOLUTION WITH RESPECT TO CERTAIN CONTRACTS
WITH THE NCDOT FOR COMMUNITY TRANSPORTATION PROGRAMS

Whereas, in the past the Transportation Advisory Board (TAB) for the Cumberland County Community Transportation Program has selected the contractors used to provide certain transportation services in the Community Transportation Program; and

Whereas, the Community Transportation Program uses contractors to provide the following services:

- Elderly and Disabled Medical Transportation (EDTAP)
- Rural General Public Transportation (RGP)
- Employment Transportation (EMPL)
- Elderly and Disabled Non-Medical Transportation (5310)
- Area Agency on Aging Medical Transportation (AAA Med)
- Area Agency on Aging General Transportation (AAA Gen)

Whereas, the NCDOT has requested that these contractors be selected by the Cumberland County Board of Commissioners.

Now therefore be it resolved, that the Board of Commissioners hereby delegates to the county manager the responsibility for and authority to review the recommendations of the TAB for the selection of contractors providing transportation services in the Community Transportation Program.

Be it further resolved that the county manager shall report his recommendations to the Board of Commissioners for final approval.

Be it further resolved that the county manager is hereby delegated authority to execute such contracts on behalf of Cumberland County and its Community Transportation Program.

Adopted this 7th day June, 2010.

I. Approval of Declaration of Surplus County Personal Property and Authorization to Dispose of Same through Gov Deals.

BACKGROUND: In February 2008, the Board of Commissioners approved a contract to sell County Surplus Personal Property on the internet at govdeals.com (GOVDeals). The Cumberland County Central Maintenance Facility has provided the attached list of equipment which is surplus to the needs of the County.

Fleet	Make	Model	Year	VIN Number	Mileage	Reason
AUD-1	Ford	Aerostar Crown	1995	1FMCA11U7SZB12189	92946	Age, Condition
FL-23	Ford	Victoria Crown	1999	2FAFP71W9XX165435	135705	Age, Mileage
FL-73	Ford	Victoria	2000	2FAFP71W4YX179602	133163	Age, Mileage, Wrecked

FL-145	Ford	Crown Victoria	1999	2FAFP71W0XX165453	143934	Age, Mileage
FL-164	Chevrolet	Lumina	1999	2G1WL52KXX9198737	86409	Age, Condition
FL-168	Chevrolet	Lumina	1999	2G1WL52K2X9201565	99124	Age, Condition
FL-170	Chevrolet	Lumina	1999	2G1WL52K5X9202242	103837	Age, Condition
FL-173	Chevrolet	Lumina	1999	2G1WL52K1X9204344	97472	Age, Condition
FL-175	Chevrolet	Lumina	1999	2G1WL52K6X9205991	80547	Age, Condition
FL-186	Chevrolet	Lumina	1999	2G1WL52K2X9207737	99652	Age, Condition
FL-201	Dodge	Intrepid	1997	2B3HD46T7VH754842	85796	Age, Condition, Transmission
FL-220	Chevrolet	Lumina	1998	2G1WL52K2W9237965	105389	Age, Condition
FL-221	Chevrolet	Lumina	1999	2G1WL52K5X9208347	91032	Age, Condition
FL-224	Ford	Crown Victoria	1998	2FAFP71WXWX116971	133674	Age, Mileage
FL-240	Chevrolet	Lumina	1999	2G1WL52K3X9200103	74863	Age, Condition
FL-242	Ford	Crown Victoria	1998	2FAFP71W1WX116986	141871	Age, Mileage
FL-245	Ford	Crown Victoria	2000	2FAFP71W6YX179620	153760	Age, Mileage
FL-249	Ford	Crown Victoria	1998	2FAFP71W8WX116970	153262	Age, Mileage
FL-260	Ford	Crown Victoria	1998	2FAFP71W5WX116974	140771	Age, Mileage
FL-265	Ford	Crown Victoria	1998	2FAFP71W3WX116990	147916	Age, Mileage
FL-271	Chevrolet	Lumina	1998	2G1WL52K9W9236117	156169	Age, Condition
FL-273	Chevrolet	Lumina	1998	2G1WL52K7W9232597	116686	Age, Condition
FL-277	Chevrolet	Lumina	1998	2G1WL52K9W9237753	161408	Age, Condition
FL-279	Chevrolet	Lumina	1999	2G1WL52KXX9204536	91259	Age, Condition
FL-289	Chevrolet	Lumina	1999	2G1WL52K4X9208114	111507	Age, Condition
FL-293	Chevrolet	Lumina	1998	2G1WL52K9W9238577	100866	Age, Condition
FL-297	Chevrolet	Lumina	1998	2G1WL52K2W9233723	110134	Age, Condition
FL-334	Ford	Crown Victoria	2000	2FAFP71W3YX190851	134937	Age, Mileage
FLJ-200	Ford	E-350	1995	1FBJS31H6SHB95809	126313	Age, Mileage

RECOMMENDATION/PROPOSED ACTION: Declare the above list of Personal Property as surplus and authorize disposition through GovDeals.

J. Approval of a Resolution for Hope Mills Fireworks Authority.

BACKGROUND: Town of Hope Mills has requested permitting authority for fireworks within its corporate limits. G.S. 14-413(a1) authorizes Board of Commissioners to grant that authority. The below letter from the Town of Hope Mills has been received. Upon the Town of Hope Mills' request and Commissioners granting the authority, the Town of Hope Mills assumes all responsibility.

May 17, 2010

Chairman Billy R. King
Cumberland County Board of Commissioners

Post Office Box 1829
Fayetteville, NC 28302

RE: Request to issue permits for pyrotechnics

Dear Chairman King:

In accordance with North Carolina General Statutes 14-413 (a-1), the county has the authority to authorize the governing body of any town within the county the ability to issue permits pursuant to the provisions of this Article for pyrotechnics to be exhibited, used, or discharged within the corporate limits of the town for use in connection with public exhibitions.

The Town of Hope Mills request that Cumberland County authorize the Hope Mills Board of Commissioners to issue permits for pyrotechnics to be exhibited, used, or discharged within the town limits.

The Town of Hope Mills has a full-time municipal fire department with qualified staff to issue permits and provide the necessary inspections.

If additional information is needed, give me a call.

Sincerely,
Randy Beeman
Town Manager

CUMBERLAND COUNTY BOARD OF COMMISSIONERS
RESOLUTION GRANTING PERMITTING AUTHORITY FOR THE
EXHIBITION, USE OR DISCHARGE OF PYROTECHNICS WITHIN THE
CORPORATE LIMITS OF THE TOWN OF HOPE MILLS
PURSUANT TO N.C.G.S § 14-413(a1)

Whereas, for the purpose of enforcing the provisions of N.C.G.S. Chapter 14, Article 54, entitled "*Sale, etc., of Pyrotechnics,*" a board of county commissioners may, by resolution, authorize the governing body of any city in the county to issue the permits pursuant to the provisions of that Article; and

Whereas, by letter dated May 17, 2010, the Town of Hope Mills requested that the Cumberland County Board of Commissioners grant it the authority to issue such permits within its corporate limits.

Now therefore be it resolved that the Cumberland County Board of Commissioners does hereby grant unto the governing board of the Town of Hope Mills the authority to issue permits for and otherwise enforce the provisions of N.C.G.S. Chapter 14, Article 54 and Chapter 33 of the *State Fire Code* for pyrotechnics to be exhibited, used, or discharged within the corporate limits of the Town of Hope Mills for use in connection with the conduct of concerts or public exhibitions.

This resolution shall remain in effect until withdrawn by the Cumberland County Board of Commissioners.

Adopted this 7th day of June, 2010.

RECOMMENDATION: Adopt the resolution.

K. Budget Revisions:

(1) Tax Administration

Revision in the amount of \$14,000 to appropriate fund balance to pay Tax Management Associates for tax audits. (B10-372) Funding Source – Fund Balance Appropriated

(2) Workers Compensation Fund

Revision in the amount of \$200,000 to appropriate fund balance for year-end audit accrual of estimated claims. (B10-371) Funding Source – Workers Compensation Fund Fund Balance Appropriated

(3) Group Health Insurance

Revision in the amount of \$1,500,000 to appropriate fund balance for year-end audit accrual of estimated claims incurred but not paid. (B10-369) Funding Source – Health Insurance Fund Fund Balance Appropriated

(4) Retiree Health Insurance

Revision in the amount of \$750,000 to appropriate fund balance for year-end audit accrual of estimated claims incurred but not paid. (B10-370) Funding Source – Retiree Health Insurance Fund Fund Balance Appropriated

(5) JCPC Residential Group Home

Revision to align projected revenue and expenditures with revised State Program Agreement Revision and to utilize available funds to purchase a van for the group home. (B10-365) Funding Source – State

(6) School Capital Outlay

Revision to recognize NC Lottery funds in the amount of \$3,200,000 to fund six projects as approved by the Cumberland County Board of Education. (B10-362) Funding Source – NC Lottery Funds

(7) Rural Operating Assistance Program/Social Services Other

Revision in the amount of \$14,235 to reallocate Workfirst Transportation funds from the Department of Social Services to the Rural Operating Assistance Program Fund. (B10-349 and B10-349A) Funding Source – State

(8) Adult Health

Revision in the amount of \$50,000 to budget additional funding to purchase pharmaceuticals. (B10-352) Funding Source – Fees

(9) Emergency Services Grant

Revision in the amount of \$10,842 to budget FEMA Fire Prevention and Safety Grant to purchase new equipment. (B10-350) Funding Source – Grant

(10) Mid Carolina Senior Transportation

Revision to reallocate budgeted expenditures to provide additional transportation for the elderly. (B10-361) Funding Source - Reallocation of Budgeted Expenditures

(11) Volunteer Fire Districts

Revision in the total amount of \$91,000 to budget additional tax collections. (B10-354-B10-358) Funding Source - Fire District Ad Valorem taxes

(12) Workforce Development Youth Programs

Revisions in the total amount of \$22,613 to recognize additional federal funds for summer youth programs. (B10-375 and B375A) Funding Source – Federal

MOTION: Commissioner Council moved to approve all consent agenda Items 2.A. – 2.K.12., with the exception of Item 2.D.

SECOND: Commissioner Gilfus

VOTE: UNANIMOUS

Commissioner Keefe questioned what security the County and Community Development has in case the loan funds are not repaid by the individuals participating in the Homebuyers Assistance Program. Thanena Wilson advised that the security is a second or, in some instances a third, mortgage on the property purchased. Commissioner Keefe also questioned how many people participated in this program last year and if there is any history of noncompliance in the past. Ms. Wilson answered that there were 7 or 8 and there are only a few cases of noncompliance as the collection rate is very good.

MOTION: Commissioner Keefe moved to approve Item 2.D. proposed changes to the Homebuyers Assistance Program policy with an effective date of July 1, 2010.

SECOND: Commissioner Melvin

VOTE: UNANIMOUS

ITEMS OF BUSINESS

3. Consideration of Cumberland County Finance Committee Report and Recommendations:

A. City/PWC/County Interlocal Agreement Regarding City Parking Deck and County Water.

BACKGROUND: The Cumberland County Finance Committee met on Thursday, June 3, 2010 to discuss the following item: City/PWC/County Interlocal Agreement Regarding Parking Garage and County Water Projects.

STATE OF NORTH CAROLINA

COUNTY OF CUMBERLAND

INTERLOCAL AGREEMENT BETWEEN THE CITY OF
FAYETTEVILLE, CUMBERLAND COUNTY, AND

FAYETTEVILLE PUBLIC WORKS COMMISSION
RELATED TO THE FUNDING AND DEVELOPMENT
OF THE FRANKLIN STREET PARKING GARAGE

THIS INTERLOCAL AGREEMENT is entered into between the CITY OF FAYETTEVILLE, Cumberland County, North Carolina, (“City”), CUMBERLAND COUNTY, North Carolina, (“County”) and the PUBLIC WORKS COMMISSION OF THE CITY OF FAYETTEVILLE, (“PWC”) for the purpose of developing and financing the Franklin Street Parking Garage adjacent to the Robert C. Williams Building and to provide for future partnerships in providing rural water service to unincorporated portions of Cumberland County.

WITNESSETH:

WHEREAS; both Fayetteville and Cumberland County benefit from economic activity and increased property values in the downtown area;

WHEREAS; the City has conducted studies which conclude that development and commercial activity in the downtown area of Fayetteville has been hampered due to an insufficient inventory of public parking;

WHEREAS; PWC developed the Robert C. Williams Building (“RCW Building”) on Hay Street and is in the process of marketing that building for sale;

WHEREAS; the RCW Building is located in the core downtown area and does not have sufficient parking for its customers and tenants;

WHEREAS; the construction of the Franklin Street Parking Garage with a capacity of approximately 300 spaces will increase the value of the RCW Building and promote economic activity, development and redevelopment in the downtown, and thereby enhance property value growth in the Municipal Service District of downtown and will benefit all parties;

WHEREAS; the County has an interest in making rural water service available throughout the County; and

WHEREAS; PWC currently has the capacity to treat and provide potable water and the expertise to serve utility operations.

NOW THEREFORE; the Parties agree as follows:

1. Franklin Street Parking Garage – The Parties agree to the following regarding the construction of a parking garage on the City’s lot adjacent to the RCW Building.
 - 1.1. Project Funding
 - 1.1.1. Cash Contribution – PWC will provide an equity investment of one million five hundred thousand (\$1,500,000) contributed as follows:
 - 1.1.1.1. Reimbursement to the Fayetteville Cumberland County Chamber of Commerce of costs incurred in initial and schematic design of the project;
 - 1.1.1.2. Reimbursement to the City for all design and construction management related costs; and
 - 1.1.1.3. Reimbursement to the City for construction cost payments upon receipt of construction progress billing documentation and reimbursement requests from the City up to the unexpended Cash Contribution amount.
 - 1.1.2. Debt Financing – The City will take the lead in securing financing sufficient to support construction of the project utilizing either ARRA Economic Development Bond program financing or tax exempt debt financing.

- 1.1.3. Debt Repayment – PWC will contribute five hundred thousand (\$500,000) to reimburse the City for initial debt payments when they become due. The City will contribute twenty five thousand (\$25,000) annually from Municipal Service District (“MSD”) revenue beginning in FY 2012 to the Debt Repayment Fund, established by the City. Beginning in FY 2012, the City’s MSD contribution will also include the cumulative amount of growth in the MSD revenue collections over the FY 2011 base year. The remaining debt will be repaid through a Synthetic Tax Increment Financing (“TIF”) as follows:
 - 1.1.3.1. The City and the County agree to pay into the Debt Repayment Fund tax revenue from the cumulative amount of growth in current year ad valorem tax collections from properties within the MSD beginning in FY 2012 over the FY 2011 base year until such time as the Debt Repayment Fund is sufficient to fully repay the debt incurred to construct the garage.
 - 1.1.3.2. Basis – The current year ad valorem tax revenue collected from properties within the increment area (the MSD) for the FY 2011 fiscal year shall be the Basis of the tax increment calculation.
 - 1.1.3.3. TIF Contribution – Beginning in FY 2012, the City and County shall contribute to the Debt Repayment Fund quarterly any increase in ad valorem tax revenue collected between the Basis and collections during that quarter.
- 1.2. Project Development – The parking garage shall be developed with specific characteristics and conditions as follows:
 - 1.2.1. Design – The parking garage will be designed and constructed to tie into the RCW Building on an upper level as determined most feasible by the architect. The parking garage, including access control, will be designed to allow clear identification of a number of parking spaces reserved to the RCW Building consistent with the equity payment made by PWC and debt issuance restrictions. The parking garage will be designed to minimize its impact on the function of the drive through at the RCW Building and the existing capacity of that facility will be maintained. PWC’s approval of the final design of tie in connections must be obtained prior to bidding the project. All costs of completing designed connections will be included in the project.
 - 1.2.2. Construction – The City will manage the construction of the parking garage including any service contracts necessary to accomplish that work. Existing parking resources available to the RCW Building will be maintained during construction through the dedication of temporary off-site parking facilities provided under the same terms as displaced parking. Every reasonable effort will be made to minimize the extent and duration of any impact of construction on the functioning of the drive through that serves the RCW Building. The drive through will not be closed during the business hours of the tenant operating the drive through window without prior consent thereof.
- 1.3. Project Operation – The City shall operate the parking garage exercising complete control and responsibility for establishing all policies and procedures necessary to operate and maintain the garage with the following restrictions and contributions:
 - 1.3.1. Capacity Reservation – A portion of the parking garage’s capacity will be reserved for use by tenants of the RCW Building as follows:
 - 1.3.1.1. Number of Spaces – The capacity to be reserved will be calculated based upon the equity payment provided by PWC; that is the percentage of parking capacity equal to the percentage of the equity payment to the total cost of

constructing the parking garage including all design costs. Further, an additional reservation from the remaining, debt financed capacity up to 10 percent will be reserved with the purpose of getting as close to 100 spaces reserved as permissible under debt issuance restrictions and as practicable based upon the design of the structure including circulation and access control points. Additionally, the City will continue to make available the 50 permitted spaces in the parking lot across Franklin Street for the employees of the tenants of the RCW Building, such arrangement consistent with the current use of said parking lot.

- 1.3.1.2. Location – The spaces reserved will be located at the top of the structure in a manner designed to allow their use to be separately controlled through the use of automated access equipment, or as otherwise agreed to by PWC and the City.
- 1.3.1.3. Timing – Any spaces reserved for the use of the RCW Building under this agreement will be open to the public for general use on the same terms and conditions as the other spaces in the garage between 6:00 p.m. and 7:00 a.m. Monday through Friday and at all times on Saturday, Sunday, and holidays as established by the City.
- 1.3.1.4. Operations and Maintenance Cost Contribution – In order to maintain this reservation, PWC or subsequent owner of the RCW Building must reimburse the City quarterly for a proportion of the operation and maintenance costs of the parking garage, including any identified capital reserve amount for reconditioning or major repairs, in proportion to the total percentage of the spaces in the garage reserved for use by the RCW Building.
- 1.3.1.5. Term – The reservations provided for in Section 1.3.1 shall extend for a period of twenty five (25) years from the date a certificate of occupancy is provided for the parking structure unless earlier terminated by the failure to comply with Section 1.3.1.4., another material term of this agreement, or by agreement of the parties.

1.3.2. Operational Revenue – All revenue from fees charged for parking or other use of the parking garage or other facilities owned by the City will accrue solely to the City.

2. County Rural Water Service Development – The County desires to provide rural water service to certain unincorporated areas of the County currently without service. PWC agrees to sell water to the County for this rural water service and to provide other services pertaining to the operation and maintenance of the County’s rural water system pursuant to the service delivery options and other terms set forth in this agreement.
 - 2.1. Rural Water Districts – The rural water systems to be served by PWC water have been or may be established by the County as water districts, water and sewer districts, County-owned systems, or by any other method authorized by the North Carolina General Statutes and shall be referred to collectively as the “County Water System” in this agreement.
 - 2.2. Rural Water Standards – All distribution systems to be developed in the County Water System shall be developed to USDA-RD rural water system standards, whether or not such standards comply with the standards established by PWC from time to time.
 - 2.3. Cost of Development – PWC shall not incur any obligation to share in any portion of the costs of developing the County Water System. All costs, including the cost of any

- distribution lines to deliver the water to any established water districts shall be the responsibility of the County.
- 2.4. Ownership of Assets – The County shall own all the assets of the County Water System.
 - 2.5. Service Delivery Options – PWC shall provide the water and services in accordance with the service delivery options identified as Options 1, 1A, 2 and 3 in Attachment A to this agreement. At the time any such water service is developed, the County shall elect either option as the service delivery method it chooses to provide service in any component system in the County Water System. The County may choose different options for different component systems.
 - 2.6. Capacity Limitation – PWC shall have no obligation to provide service to any component system of the County Water System when the cumulative addition of the peak demand in the component system of the County Water System with all other customer peak demand exceeds 80 percent of its treatment capacity at the time such request for County service is made.
 - 2.7. Contaminated Water – PWC will extend service into areas identified by the County as suffering from contaminated water as long as the capital investment to be paid by PWC as part of the extension can be recovered within twelve (12) years of project completion through rates established by PWC, County contribution, property owner contribution, County property assessments, grants, or combinations thereof. “Contaminated” as used herein shall mean found to be unfit for human consumption by a governmental agency applying published regulatory standards. The service extended under this paragraph will be standard PWC water service under the terms and conditions generally applicable to existing customers outside the City of Fayetteville. Any such extensions under this provision shall become part of PWC’s distribution system and owned by it.
 - 2.8. Consideration – PWC enters into this agreement with County as part of the consideration to County for County’s agreement to partially fund construction of the Franklin Street Parking Garage described in Section 1 of this agreement.
 - 2.9. Term – The rights of the County and the obligations of PWC set forth in Sections 2 through 2.9 hereof shall remain in place through June 30, 2030.
3. General Terms
 - 3.1. Term – Unless otherwise indicated, this agreement will persist until all debt incurred by the City for the initial construction of the Franklin Street Parking Garage has been retired.
 - 3.2. Timing of Payments – Any payment required under this agreement will be made within thirty (30) days of becoming due as established by the terms hereof. Where reimbursement is called for, the payment will become due upon the request of the party eligible for reimbursement.
 - 3.3. Dispute Resolution – Any dispute regarding the application or enforcement of this agreement will be communicated to the City Manager, County Manager, and PWC General Manager. These three individuals will meet to attempt to resolve any dispute prior to any further enforcement action. Should the managers be unable to resolve any issue, then a joint meeting of the governing boards of the parties will meet and attempt to resolve all concerns prior to any further action.
 - 3.4. Bond Counsel Review – The parties agree that a fundamental condition of this project is the availability of public tax exempt or tax rebate debt financing. Any revisions to this agreement recommended by the City and PWC’s joint bond counsel in order to qualify for that financing will be incorporated into this agreement, provided that any revisions to

or changes that impact Sections 1.1.3.1 through 1.1.3.3 shall require consent of the County.

- 3.5. Severability – The determination of a court of competent jurisdiction that any section or term hereof is illegal or unenforceable shall not impact the effectiveness of any remaining terms. The parties agree to negotiate in good faith to revise the agreement as necessary to cure any legal defect necessary to protect the purpose and intent of this agreement.

Approved and adopted at the regular meeting of the Cumberland County Board of Commissioners held June 7, 2010.

Proposed
Cumberland County Options
County-wide Rural Water

Option No. 1:

- PWC would provide water and all the services needed such as O&M, billing, etc.
- PWC would establish rate schedules for the water district using a 1.4 multiplier times all City of Fayetteville rate schedules.
- Cumberland County would be responsible for any debt on the water system.
- PWC would bill a capital recovery charge to the rural water district residences identified by the County for a small administrative fee per transaction.

Assumptions:

1. Cumberland County will own the rural water systems.
2. PWC would supply the water to the rural water systems.
3. Cumberland County wishes PWC to handle all the routine aspects associated with owning a rural water system.
4. O&M would not include any capital replacement items over \$5,000, any upgrades, reconstruction or extensions. All PWC standard fees and charges would apply except lateral charges.

Option No. 1A:

- PWC would provide water and all the services needed such as O&M, billing, etc.
- PWC would establish rate schedules for the water district using a 1.1 multiplier times all City of Fayetteville rate schedules for the first year of the contract and would escalate the multiplier each year by 0.1 until the multiplier reached a cap of 1.5 in the fifth year.
- Cumberland County would be responsible for any debt on the water system.
- PWC would bill a capital recovery charge to the rural water district residences identified by the County for a small administrative fee per transaction.

Assumptions:

1. Cumberland County will own the rural water systems.
2. PWC would supply the water to the rural water systems.
3. Cumberland County wishes PWC to handle all the routine aspects associated with owning a rural water system.
4. O&M would not include any capital replacement items over \$5,000, any upgrades, reconstruction or extensions. All PWC standard fees and charges would apply except lateral charges.

Option No. 2

- PWC would provide water to the rural district on a wholesale basis at PWC standard wholesale rate. (All interconnection points between the rural water system and PWC would be metered.)
- The rural water district would contract for all O&M services, billing, etc. with a third party service company.

Assumptions:

1. Cumberland County will own the rural water systems.
2. PWC would supply the water to the rural water systems.
3. Cumberland County wishes to handle all the routine aspects associated with owning a rural water system.

Option No. 3

- PWC would provide water to the rural district on a wholesale basis at PWC standard wholesale rate. (All interconnection points between the rural water system and PWC would be metered.)
- The rural water district would contract for some or all O&M services, billing, etc. with PWC at an agreed to pricing schedule.

Assumptions:

1. Cumberland County will own the rural water systems.
2. PWC would supply the water to the rural water systems.
3. Cumberland County wishes to handle contracting with PWC and other third parties for all the routine aspects associated with owning a rural water system.

(Revision 1)

(May 11, 2010)

RECOMMENDATION: Accept and/or approve the report and recommendations of County Management and the Cumberland County Finance Committee.

County Manager James Martin called on Rick Moorefield, County Attorney, to provide highlights of the three-party Interlocal Agreement. Mr. Moorefield advised that the final agreement does not contain any substantive changes from the one provided to the Board. Mr. Moorefield highlighted the county's obligation with regard to the parking garage and PWC's agreement with regard to county water projects. Commissioner Council and other members agreed the agreement is a landmark agreement between the three agencies and there are many other things that the county and city are working together on, both past and present. A thank you was extended to the leadership of PWC and the city. Commissioner King questioned whether local contractors are being used for the parking garage. Mr. Martin recognized City Manager Dale Iman who explained that a selection team made a selection based under state law which requires they select the firm with the best qualifications. Mr. Iman advised the selected design firm is not a local firm, but about 35-40% of the design work would be subcontracted to two local firms. Chairman King noted that he will be voting against the request but is only doing so based on the lack of local participation, but he does not disagree with the concept.

Commissioner Edge questioned how the school funding agreement is affected by this agreement. Mr. Martin confirmed that the synthetic TIF funding would conflict with the school funding and that this would require negotiation with the school board upon renewal of the funding agreement at the start of the FY commencing July 1, 2011. Mr. Martin further advised that he has already had a discussion with Dr. Till, Superintendent of Cumberland County Schools, and no problem is perceived and staff discussions will begin soon.

MOTION: Commissioner Faircloth moved to approve the Interlocal Agreement as presented.

SECOND: Commissioner Keefe

VOTE: Voting for – Commissioners Edge, Council, Melvin, Keefe, Gilfus and Faircloth. Voting Against – Chairman King

B. Resolution from the Board of Education to Submit an Application to the North Carolina Department of Public Instruction Authorizing the Issuance of Qualified School Construction Bonds.

BACKGROUND: The Board of Education received notification from the Department of Public Instruction (DPI) that Cumberland County was allotted \$14.8M of Qualified School Construction Bonds (QSCB). These bonds were established as part of the American Recovery Reinvestment Act of 2009. This second allocation of QSCB's will be used to construct the new Western Middle School.

The process includes an application that must be submitted to the DPI no later than June 15, 2010. The application process requires certification of eligibility of each proposed project, including a spending plan and project schedule. See below resolution approved by the Board of Education on May 11, 2010, which includes the necessary information for the application process and a pledge of sales tax and education lottery proceeds for repayment of the debt.

RESOLUTION CERTIFYING THE ELIGIBILITY OF THE QUALIFIED SCHOOL CONSTRUCTION BONDS (QSCB) PROJECT 2010

WHEREAS, CUMBERLAND COUNTY BOARD OF EDUCATION (hereinafter "BOARD") has an obligation to make provision for the public school term by providing adequate school buildings properly equipped, and

WHEREAS, the BOARD has determined that students' needs are such that is necessary for the BOARD to undertake construction, rehabilitation or repairs; and,

WHEREAS, the Qualified School Construction Bonds (hereinafter "QSCB") program was established as a part of the American Recovery and Reinvestment Act of 2009 (Public law 111-5) (ARRA) effective February 17, 2009; and,

WHEREAS, Bond proceeds must be used for construction (including new construction), rehabilitation, or repair of a public school; or for land acquisition for such a facility; and,

WHEREAS, in accordance with the QUALIFIED SCHOOL CONSTRUCTION BONDS PROGRAM (QSCB) APPLICATION FOR AUTHORIZATION, the BOARD must certify its eligibility of the proposed QSCB project and that the QSCB proceeds will be used as follows:

1. Construction, rehabilitation, or repair of a public school or for land acquisition for such a facility (not land for a future project).
2. Provision of equipment to be used in the portion of the public school facility to be constructed, rehabilitated, or repaired with QSCB funds (not personal computers or similar technology).

NOW, THEREFORE, BE IT RESOLVED by the Cumberland County Board of Education, as follows:

1. The BOARD affirms its determination to utilize this financial resource for schools within its jurisdiction.
2. The BOARD hereby certifies that the QSCB proceeds will be used for the following project:

<u>School</u>	<u>Project</u>	<u>Cost</u>
Western Middle School	New School	\$14,656,950.00
Bond Administrative Feeds		148,050.00
	Total:	<u>\$14,805,000.00</u>

3. The BOARD hereby certifies the eligibility of the above referenced projects per the North Carolina Guidelines for Qualified School Construction Bonds program; and,
4. The BOARD pledges repayment of the debt with sales tax and education lottery process.

This the 11th day of May, 2010.

RECOMMENDATION: Recommend approval of the above resolution authorizing submission of an application to the NC Department of Public Instruction.

County Manager Martin called on Amy Cannon, Assistant County Manager, for an explanation of this request. Mrs. Cannon explained the first allocation which was received from the \$14.8M Qualified School Construction Bonds was used for renovations at approximately 13 different county schools. The second allocation will be used to construct the new Western Middle School. Once the application is approved, the process with the Local Government Commission will begin. In response to questions posed by Commissioner Edge, Mrs. Cannon advised that the bond counsel is retained by the county and that the amount of the bond is capped at 2% and whatever is unused will go back to the transaction.

MOTION: Commissioner Council moved to approve the resolution authorizing submission of an application to the NC Department of Public Instruction as presented.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS

4. Consideration of Cumberland County Policy Committee Report and Recommendation:

A. Joint Economic Development Policy

BACKGROUND: The Cumberland County Policy Committee met on Thursday, June 3, 2010 to discuss the consideration of a Joint Economic Development Policy.

Economic Development Program

Cumberland County and the City of Fayetteville have determined that it is in the best interests of their residents and constituents to implement an economic development program to attract and support private investment to:

- Expand the tax base;
- Redevelop economically challenged areas of the community;
- Increase employment opportunities, wages, and personal incomes;
- Improve the quality of life available to their residents; and
- Increase wealth in the community.

The ultimate objective of this work is to develop a healthy and diverse tax base able to provide the resources necessary for Cumberland County and Fayetteville to provide high quality public services consistent with their missions at a reasonable cost to their residents.

This effort will be coordinated and led by the Fayetteville-Cumberland County Chamber of Commerce (FCCCC). The purpose of this document is to establish the composition and boundaries of that program.

Organization:

FCCCC will serve as the primary point of contact for economic development projects under consideration for this program throughout the process of Application, Review, and Evaluation (except as otherwise noted below). The FCCCC will manage and coordinate the receipt of application materials and when appropriate make a written recommendations and/or oral presentations to the City Council and Cumberland County Commission as to the eligibility and suitability of each proposal. The FCCCC will not only serve as the initial point of contact for those interested in accessing this incentive program, but will also promote the program.

The FCCCC will pre-screen applicants for preliminary eligibility and provide early notification to the offices of the City and County Managers at the point it appears a potentially qualifying project has begun its due diligence process for sites in Fayetteville and Cumberland County. All proprietary information is to be retained by the FCCCC until such point as the developer authorizes public dissemination of the subject information.

The final decision as to eligibility and suitability leading to a decision to apply any of the development incentives herein to any particular project rests with the City Council of the City of Fayetteville and the Cumberland County Commission.

While the FCCCC will have primary responsibility for project review and incentive plan

development, they will do so in coordination with the City and County managers' offices and with technical support from relevant City and County subject matter experts.

Projects eligible for assistance may receive a combination of the incentives described herein dependent on the project's documented need for assistance, and the projected benefit to the community's economy and quality of life.

The FCCCC may also provide development assistance for eligible projects, including, but not limited to:

- Providing meeting space during planning, negotiation and construction process; and
- Providing project management personnel for local resource guidance, workforce development, facility assistance and government/community interface

The FCCCC is also expected to seek support for economic development projects through federal, state, and other local agencies

Public Purpose:

All projects supported by economic development incentives recommended by FCCCC must serve a Public Purpose. The Public Purposes to be served through the application of this program will include:

- Expanding the tax base by increasing the value of taxable property;
- Increasing employment opportunities, wages, and personal incomes;
- Diversifying the economic base of the community improving economic stability;
- Redeveloping economically challenged areas of the community and removing blight in key corridors identified by one of the jurisdictions;
- Supporting the development of facilities necessary to fill the needs identified by the BRAC RTF Comprehensive Regional Growth Plan for the Fort Bragg Region (September 2008); and
- Improving the quality of life available to Fayetteville and Cumberland County residents.

Economic Justification

The FCCCC will review all requests for incentives to evaluate eligibility of the type and amount of assistance requested. This will include identification of the public purpose(s) to be served by the project and must be supported by evidence that without the assistance requested the project could not be developed with the attributes and benefits necessary to serve the identified Public Purpose.

This will include scrutiny of the gap analysis provided by the applicant's independent financial analysis. The economic impact analysis will forecast the projected outcomes from a particular project, including, but not limited to, job generation, and direct and indirect economic impacts in the community for ongoing operation of the facility. The analysis will be used in consideration of approval of the project as well as in drafting potential terms of the Economic Development Incentive Agreement if approved for the program. The FCCCC will provide a written recommendation to the City and County regarding project eligibility and level and type of assistance.

General Eligibility Criteria:

Projects must be:

- located within the City limits of Fayetteville (for City incentive programs) and/or Cumberland County (for all programs);

- permitted under existing zoning and land-use regulations applicable to the subject property without subsequent action by the City Council or County Commission; and
- subject to property tax.

Programs:

Without precluding exploration of unique or evolving economic development projects, economic development activities will focus on meeting the needs of potential projects through the following programs:

Property Tax Grantback Program (City & County)

The Property Tax Grantback program provides a successful applicant a series of grants based upon ad valorem taxes actually paid and is subject to the following:

Property Tax Grantback benefits will only be paid for completed, operational projects meeting the terms of the Economic Development Incentive Agreement (“EDIA”) and that remain in compliance with all applicable codes, regulations, and requirements including but not limited to those associated with environmental, building, zoning, property maintenance, and specific terms or standards established in the EDIA.

The Property Tax Grantback benefits will be determined based on the documentation of financial need and the Property Tax Grantback Incentive Program Table (Attachment A). The Grantback benefit will be a function of the increased property value over the initial land value as determined by the County Tax Administrator for each year of eligibility. In order for projects to remain eligible, all property taxes must be paid on time in accordance with standard City and County requirements. Eligible projects will receive a Property Tax Grantback payment in accordance with the terms set out in the EDIA.

Tax Increment Funded Public Infrastructure Program (City & County)

Public infrastructure required to support a privately financed project may be funded through the dedication of future ad valorem tax revenue (Synthetic “TIF”). The funding provided shall not exceed the amount that can be retired by a dedication of fifty percent (50%) of the projected increase in ad valorem revenue of the property supported by the public infrastructure project over a period of twenty (20) years. Any funding for the public infrastructure project not covered by this program must be secured to the satisfaction of the City and/or the County prior to commitment of public resources.

Examples of eligible public infrastructure projects include transportation, stormwater, recreation, and parking improvements. In all cases, the resulting improvement must be dedicated to the City or County for public benefit, use and operation upon completion. The design of the public improvement project must be approved in advance and estimated cost must exceed \$3 million. Any ongoing operational or maintenance requirement for developed improvements must be addressed in the EDIA. Required conditions precedent and other guarantees that may be required to ensure the anticipated tax revenue is generated will also be set out in the EDIA. The project applicant must not seek any other incentive that could result in reducing the tax revenue available to support repayment of the debt incurred to support the construction of the public infrastructure project.

Property Price Grantback (City & County)

City and/or County owned property acquired and prepared for development or redevelopment may be made available for a price established by market appraisal or as authorized by N.C.G.S. 158-7.1. The purchase price may, however, be granted back to the

developing entity or purchase payments forgiven based upon job creation and other Public Purposes as defined and consistent with terms established in the EDIA.

Support Programs: (City)

The FCCCC will promote the following programs, but will refer applications to the Community Development Department of the City of Fayetteville for processing.

Downtown Loan Program

This program is designed to recruit small businesses to the downtown Fayetteville Renaissance Plan area. Loans are available for existing or expanding small businesses to purchase, renovate or construct a downtown commercial property. The minimum loan is \$50,000 and the maximum is \$300,000. The City partners with six banks to fund this loan pool. The City puts in 40% of each loan and offers an attractive fixed interest rate of 4% and the banks share the other 60% at variable prime.

Business Assistance Loan Program

This program is available to small businesses investing anywhere within the City limits. It offers assistance with gap financing or down payment assistance. The business owner would first make application to a bank for a primary loan and after being approved and identifying a gap in financing, can then make application to this program. The City's loan can be up to \$125,000 or up to 25% of the total loan funds needed. The City offers a low fixed interest rate of 5% and an even lower rate of 3% if the business is located within one of the City's redevelopment plan areas.

Façade Improvement Grant Program

This program encourages downtown businesses as well as those located within any of the City's redevelopment plan areas to improve the exteriors of their commercial property. The City will provide a 50% matching reimbursement grant up to a maximum of \$5,000 for each project.

Urban Progress Zones

This incentive program provides economic incentives to stimulate new investment and job creation in economically distressed areas. The designation of these zones offers an enhancement to the Article 3J state tax credits that are available to eligible taxpayers. The City of Fayetteville has two Urban Progress Zones that are effective beginning January 1, 2010 through December 31, 2011.

Development Eligibility & Review/Evaluation Criteria

To be eligible for this program, the proposed project must identify:

- the financial and technical capacity of the development team as demonstrated by past participation/responsibility for projects of the type proposed;
- the location, site characteristics and preliminary sketch site design;
- the proposed LEED elements to be incorporated into the development, construction and operation of the facility;
- number and type of FTE jobs to be created;
- the preliminary project budget;
- the physical and operational/service elements that will result in the project being eligible for this program;
- the type(s) and fiscal impact estimates of the proposed incentives;

- unique benefits or public contributions to be provided by the project in excess of regulatory requirements;
- a professional independent financial analysis that will determine whether financial gaps exist justifying participation in the incentive program. The entity chosen for the financial analysis must be pre-approved by the City or County Manager; and
- any other information that may be requested by the City or County.

Economic Development Incentive Agreement

In the event that preliminary approval of a project for this program is provided, an Economic Development Incentive Agreement (“EDIA”) will be drafted providing further detail of the physical and operational attributes of the entire scope of development. In addition, the responsibilities of the Developer and City and/or County will be clearly defined along with appropriate timelines for performance and remedies for breach of contract. Public funds will not be expended for any project specific improvements until a current and favorable market feasibility analysis is completed by an independent, nationally recognized third party expert demonstrating the viability of the proposed project and the developer demonstrates the irrevocable financial commitments necessary to carry out the project as agreed upon.

Additionally, once an incentive package has been approved, construction on a project must commence and be completed in accordance with the terms of the EDIA..

The EDIA will also include specific provisions to recapture the value of incentives provided should the project fail to provide the negotiated public benefit as defined in the EDIA and as demonstrated by specific performance objectives established in the EDIA.

Property Tax Grantback
Incentive Program Table

The following table provides grantback eligibility guidelines based upon the scoring categories provided below:

Minimum Score	50	60	70	80	90
Year	Level 1	Level 2	Level 3	Level 4	Level 5
1	50%	60%	70%	80%	90%
2	50%	60%	65%	70%	80%
3	50%	55%	60%	60%	70%
4	50%	55%	55%	55%	60%
5	50%	50%	50%	50%	50%

The maximum value from each scoring category is provided below:

- | | |
|---|-----------|
| 1. Jobs (Number, Quality, Hiring Residents) | 40 points |
| 2. Project Location | 25 points |
| 3. Capital Investment: | 20 points |
| 4. Environmental Impact: | 10 points |
| 5. Industry Cluster/Business Type: | 10 points |
| 6. Public Benefit: | 10 points |

Depending on the score, new companies and existing company expansions will be eligible to qualify for, but not guaranteed, a financial incentive based on the percentages of annual property taxes paid for each year for a five year period as outlined above. With the exception of a 50 point minimum requirement for program eligibility, the table above and the point system below

are important, but not controlling elements of the decision making process. Other qualitative criteria identified elsewhere in this document will be used in the process of considering, approving, rejecting, and/or modifying the incentive amount.

	Number of New Jobs Above the Median Wage	Points
	1-9	1
	10-20	2
	21-50	5
	51-75	7
	76-100	9
	101-150	12
	150-200	15
	200+	20
	Total Possible Points	20
	Quality of New Jobs	Points
	Partial Employer Paid Health Insurance	1
	Entire Employer Paid Health Insurance	3
	Retirement Benefits	2
	Profit Sharing	2
	Employer Paid Vacation	2
	Employee-Owned Company	3
	Total Possible Points	10
	Number of Existing County Residents Hired	Points
	1-9	1
	10-20	2
	21-50	3
	51-75	5
	76-100	7
	101-200	9
	200+	10
	Total Possible Points	10
	Project Location	Points
	Adopted Revitalization Zone	25
	City or County Business/Industrial Park	10
	Military Business Activity Zone	10
	Total Possible Points	25
	Level of Capital Investment	Points
	Under \$500,000	1
	\$500,000-\$4,999,999	5
	\$5,000,000-\$14,999,999	10
	\$15,000,000-\$24,999,999	15
	\$25,000,000 and Above	20
	Total Possible Points	20
	Environmental Impact	Points

Reuse of Existing Building	4
Location in LEED Certified Building	4
Other sustainable features (recycling, water reuse, etc.)	2
Total Possible Points	10
Industry Cluster/Business Type	Points
Defense Industry Cluster	6
Company Headquarters	6
Verified Supply-Chain/Sourcing Relationship with Cumberland County	4
Total Possible Points	10
Public Benefit	
Dedication in excess of statutory requirements	5
Public infrastructure in excess of statutory requirements	5
Creation of 5 or more jobs for residents within 2 miles	10
Total Possible Points	10

RECOMMENDATION/PROPOSED ACTION: Accept and/or approve the report and recommendations of County Management and the Cumberland County Policy Committee by approving the Joint Economic Development Policy.

County Manager Martin called on Rick Moorefield, County Attorney, to provide information on this item. Mr. Moorefield advised this is another joint effort between the city and the county to provide a unified approach to administration of the Chamber’s economic development efforts. Mr. Moorefield provided highlights of the policy, advising that changes can be made to the document in the future as needed. Chairman King questioned whether there were any major changes in what the county is already doing and whether Spring Lake could be included in this at some time. Mr. Martin responded it basically memorializes in written policy format what is being done and that Spring Lake could possibly be become a party to the agreement in the future. Commissioner Keefe stated that he looks to the Chamber to ensure that promises are kept by the companies seeking incentives the county has not over-promised what incentives it has to offer. He also confirmed that case by case situations can still come directly to either the city or the county and no restrictions apply. Commissioner Gilfus requested management look into what areas of the county can be viewed as non-statutory revitalization areas and present further recommendations for the board to consider in the future.

MOTION: Commissioner Gilfus moved to approve the Joint Economic Development Policy.
SECOND: Commissioner Edge
VOTE: UNANIMOUS

5. Consideration of Hearing on Taxpayers Request for a Refund for Overpayment of Excise Tax Pursuant to NCGS 105-228.37.

BACKGROUND: Attorney Katherine E. Lewis of the firm of Ward & Smith in Greenville, NC has filed a written request to be refunded the County's portion of excess excises taxes paid when deed was recorded in Cumberland County. The excise tax paid was \$276.00 but should have been \$123.00. The County's portion of the excess excise tax paid is \$61.50.

RECOMMENDATION/PROPOSED ACTION: Hold the hearing required by the statute and then refund the county portion, \$61.50, to Ms. Lewis.

Deputy County Attorney, Harvey Raynor, appeared as the only witness. Mr. Raynor amended his proposed action to request \$123.00 instead of \$61.50 as presented as the overage paid was \$276.00 and the county's portion was in fact \$123.00.

MOTION: Commissioner Keefe moved to refund \$123.00 as requested.

SECOND: Commissioner Melvin

VOTE: UNANIMOUS

6. Consideration to Grant an Easement Along the County's Property at the Landfill to the City of Fayetteville for the Construction, Maintenance and Use as a Recreational Pedestrian Trail Along the Cape Fear River.

BACKGROUND: The City of Fayetteville has requested the County grant an easement along the Cape Fear River across the County's property which fronts the River and is a portion of the property comprising the Anne Street landfill. The Commissioner's previously, in 2006, supported the City's application for a grant to complete phase II of its Cape Fear River trail project which extends from its current end at Clark Park through the property owned by the Cape Fear Botanical Gardens. This route extension would bring the trail across the County's landfill property which abuts the river. County management and legal has been negotiating with the City the terms and conditions for an easement across County property since 2007, and the attached easement reflects those negotiations. The City says it needs to acquire this easement by the end of June to comply with the terms and conditions of its grant. The easement is drafted to accommodate the City's project needs while providing terms which protect the County's landfill operations and minimizes the County's loss of control of its land.

RECOMMENDATION / PROPOSED ACTION: Approve the granting of the easement to the City of Fayetteville and authorize the Chairman and Clerk to execute the necessary documents on behalf of the County subject the approval of the documentation by County legal.

County Manager Martin called on Harvey Raynor, Deputy County Attorney, to provide additional information on this item. Mr. Raynor added that in addition to the background provided, the request is for a 30 foot wide easement and that the county reserves the right to move the easement at county's expense if it becomes necessary. Mr. Raynor further advised that the easement provided that a boundary

fence between the easement and the landfill property, approved by the county, must be built at the city's expense within six months of a request from the county. Withdrawal of the easement can also be requested if it becomes a burden on the county's landfill operation, by providing a 10-day notice.

MOTION: Commissioner Faircloth moved to approve the granting of the easement as presented.
SECOND: Commissioner Edge
VOTE: UNANIMOUS

7. Consideration of Interlocal Agreement Between the County and City of Fayetteville Regarding the Texfi Property Tax and Certain City Property.

BACKGROUND: The Board at its February 1, 2010 meeting informally directed the Manager to negotiate the terms and conditions of a grant back of taxes agreement for the Texfi property on which the City was foreclosing. An agreement which was approved by the City Council on May 10, 2010 represents the results of those negotiations.

RESOLUTION AUTHORIZING AN INTERLOCAL AGREEMENT AND A TAX GRANT BACK IN EXCHANGE FOR A TRANSFER OF CERTAIN CITY SURPLUS PROPERTY TO FACALITATE THE CITY'S PURCHASE OF TEXFI PROPERTY

WHEREAS the governing body of the City of Fayetteville has determines that it is necessary and in the public interest to acquire certain property for the following public purposes:

The future expansion of
Clark Park Recreation Area, completion of Phase II of the River Trail, and
protection of the
Cape Fear River by acquisition through tax-foreclosure of the property formerly
known as "TEXFI"

WHEREAS, the CITY and COUNTY taxes, interest, and fees in the amount of approximately \$411,043.41 are due on the said property (hereinafter "Taxes"). Of the Taxes and fees, approximately, \$175,913.81 is owed to the CITY and \$235,129.60 is owed to the COUNTY.

WHEREAS, COUNTY supports the objectives of the City in acquiring said property and is in need of a vehicle and trailers for transport of animals by their Animal Services Department.

WHEREAS, the CITY, pursuant to N.C.G.S. § 160A-280, has a vehicle and two horse trailers in its surplus inventory.

WHEREAS, if the CITY is the highest bidder at the foreclosure sale, the CITY shall transfer title and ownership to the COUNTY of the following surplus property: F350 Pickup 1992 Ford, Vehicle Identification Number 1FTJF35M8NNB18629; a Three-

Horse Trailer, Serial Number 1D9CS1826BP363719; and a Seven-Horse Trailer, Serial Number A304B180006219041.

WHEREAS, in exchange for the surplus property and the benefits that City ownership of said property will bring to County residents, the COUNTY shall grant back all COUNTY taxes paid as a result of the City's successful acquisition of the property and within 30 days of receipt of the taxes or the confirmation of the sale, whichever occurs last.

WHEREAS, in the event the CITY is not the highest bidder, the CITY will have no obligation to transfer the aforementioned property to the COUNTY and the COUNTY will be under no obligation to the CITY.

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE COUNTY OF CUMBERLAND, THAT:

The County of Cumberland shall in consideration of the mutual obligations set forth above, the sufficiency and receipt of which is hereby acknowledged, pursuant to N.C.G.S. § 160A-461, enter into an Interlocal Cooperation Agreement with the City of Fayetteville which details the terms and conditions of a tax grant-back and transfer of surplus property with regard to the City's successful acquisition of the Texfi property.

ADOPTED this the 7th day of JUNE 2010 by the Board of Commissioners of Cumberland County, North Carolina.

RECOMMENDATION / PROPOSED ACTION: Approve the above Resolution approving the Interlocal Agreement and authorizing the Manager to execute on behalf of the County.

County Manager Martin called on Harvey Raynor, Deputy County Attorney, to provide additional information on this item. Mr. Raynor reminded members that Texfi went into bankruptcy and environmental problems were discovered on the property, which were being addressed through remediation money set aside by the Bankruptcy Court. Texfi's tax debt is still owed on the property to the city and the county. If the city successfully purchases the property, the county has agreed to grantback the county's portion of the taxes in exchange for a vehicle and two horse trailers as set out in the resolution.

MOTION: Commissioner Keefe moved to approve the resolution approving the Interlocal Agreement as presented.

SECOND: Commissioner Edge

VOTE: UNANIMOUS

8. Consideration of Request from Air Quality Stakeholders Committee for Removal of Stakeholder Position.

BACKGROUND: In November 2007, the MJ Soffee Company asked to become a part of the Air Quality Stakeholders Committee and also submitted the name of Scott Reynolds

as their representative. The Air Quality Stakeholders Committee requested the Board of Commissioners approve the addition of an MJ Soffee stakeholder position on the Air Quality Stakeholders Committee and recommended appointment of Scott Reynolds to that position. At their December 3, 2007 meeting, the Board of Commissioners approved the MJ Soffee Stakeholder position. At their December 17, 2007 meeting, the Board of Commissioners appointed Scott Reynolds to serve his first three-year term on the Air Quality Stakeholders Committee.

On May 12, 2010, Scott Reynolds, Vice President of Operations, resigned from the Air Quality Stakeholders Committee as time did not permit him to attend the meetings. Mr. Reynolds also requested at this time that the MJ Soffee Company be removed as a stakeholder position on the Air Quality Stakeholders Committee.

RECOMMENDATION/PROPOSED ACTION: Remove the MJ Soffee Company as a stakeholder position on the Air Quality Stakeholders Committee.

MOTION: Commissioner Edge moved to remove the MJ Soffee Company as a stakeholder position on the Air Quality Stakeholders Committee as requested.
SECOND: Commissioner Melvin
VOTE: UNANIMOUS

9. Nominations to Boards and Committees

A) Adult Care Home Community Advisory Committee (2 Vacancies)
Wynella A. Myers – completing first term. Eligible for reappointment. Alfonso Ferguson, Sr. – completing initial term. Eligible for reappointment.

Nominees: Wynella A. Myers nominated by Commissioner Edge
Alfonso Ferguson, Sr. nominated by Commissioner Edge

B) Board of Adjustment (2 Vacancies)
Melree Hubbard Tart – completing first term as a regular member. Eligible for reappointment. Carrie Tyson-Autry – completing first term as an alternate member. Eligible for reappointment.

Nominees: Melree Hubbard Tart nominated by Commissioner Council
Carrie Tyson-Autry nominated by Commissioner Council

C) Cumberland County Juvenile Crime Prevention Council (2 Vacancies)
Kimberly Reeves and Joan Blanchard – completing first term. Eligible for reappointment.

Nominees: Kimberly Reeves nominated by Commissioner Gilfus
Joan Blanchard nominated by Commissioner Gilfus

D) Cumberland County Local Emergency Planning Committee (6 Vacancies)

Michael D. Roye, First Aid Representative, resigned. Recommendation is for Kevin Brusnon, CFV Emergency Medical Services, to fill the unexpired term.
Doug Hewett, Print & Broadcast Media Representative, completing first term. Eligible for reappointment.
Sally Shutt, Print & Broadcast Media Representative, completing unexpired term. Eligible for reappointment.
Lt. Charles Parker, Law Enforcement Representative, completing unexpired term. Eligible for reappointment.
Suzanne Rohrs, Utilities Representative, completing first term. Eligible for reappointment.
Dawn O'Donnell, At-Large Representative, completing second term. Not eligible for reappointment. Recommendation is for Richard A. King.

Nominees: Kevin Brunson, First Aid Representative, nominated by Commissioner Edge
Doug Hewett, Print & Broadcast Media Representative, nominated by Commissioner Edge
Sally Shutt, Print & Broadcast Media Representative, nominated by Commissioner Edge
Lt. Charles Parker, Law Enforcement Representative, nominated by Commissioner Edge
Suzanne Rohrs, Utilities Representative, nominated by Commissioner Edge
Richard A. King, At-Large Representative, nominated by Commissioner Edge

E) Cumberland County Workforce Development Board (1 Vacancy)
Dr. Joe Mullis, Education Representative, completing first term. Eligible for reappointment. Recommendation of the Cumberland County Workforce Development Board is for Dr. Joe Mullis.

Nominee: Dr. Joe Mullis, Education Representative, nominated by Commissioner Gilfus

F) Joint Appearance Commission (1 Vacancy)
Ken Arnold – completing unexpired term. Eligible for reappointment

Nominee: Ken Arnold nominated by Commissioner Council

G) Mid-Carolina Aging Advisory Committee (4 Vacancies)
Carolyn Owens and David V. Millan, Volunteers Representative, completing first term. Eligible for reappointment.
Rebecca Campbell, Volunteers Representative, completing unexpired term. Eligible for reappointment.
Daniel DeCriscio, Consumers Representative, completing first term. Eligible for reappointment.

Nominees: Carolyn Owens, Volunteers Representative, nominated by Commissioner Melvin
David V. McMillan, Volunteers Representative, nominated by Commissioner Melvin
Rebecca Campbell, Volunteers Representative, nominated by Commissioner Melvin
Daniel DeCriscio, Consumers Representative, nominated by Commissioner Melvin

H) Tourism Development Authority (1 Vacancy)
William S. Wellons, Jr. – completing first term. Eligible for reappointment.

Nominee: William S. Wellons, Jr., Hotel/Motels Under 100 Rooms Representative, nominated by Commissioner Edge

I) Mental Health Board (2 Vacancies)
The Individual Representing the Interest of Children slot and the Clinical Professional from Fields of Mental Health, Development Disabilities or Substance Abuse slot is vacant. Fill the vacancies.

Nominees: Dr. Janice Smith, Individual Representing the Interest of Children, nominated by Commissioner Council.
Allie Wiggins, Clinical Professional from the Fields of Mental Health, Developmental Disabilities or Substance Abuse, nominated by Commissioner Faircloth.

10. Appointments to Boards and Committees

A) ABC Board (2 Vacancies)

Nominees: Bobby L. Knight (Reappointment)
Alice Stephenson

B) Adult Care Home Community Advisory Committee (1 Vacancy)

Nominee: Ralph T. Cascasan (Reappointment)

C) Animal Services Board (2 Vacancies)

Nominees:

Ex-Officio-Veterinarian On Contract: Dr. John Lauby (Reappointment)

At-Large: Dr. Kimberly Luddington (Reappointment)

D) Board of Adjustment (2 Vacancies)

Nominees: Horace Humphrey

William Lockett Tally (Reappointment)

- E) Child Homicide Identification and Prevention (CHIP) Council (1 Vacancy)

Nominee: DSS Representative: Brenda R. Jackson

- F) Cumberland County Criminal Justice Partnership Advisory Board (9 Vacancies)

Nominees:

Superior Court Judge Representative: Gregory A. Weeks

District Attorney Representative: William R. West, Jr.

Public Defender: Ron McSwain (Reappointment)

Criminal Defense Attorney: David Delaney (Reappointment)

County Commissioner: Marshall Faircloth (Reappointment)

At-Large Positions: Leesa Jensen (Reappointment)
Beverly Hill
Edgar Merritt
Kraig Brown (Reappointment)

- G) Fayetteville Technical Community College Board of Trustees (1 Vacancy)

Nominee: Dr. Marye J. Jeffries

- H) Mental Health Board (1 Vacancy)

Nominee: Family Member Representing the Interest of Individuals with Developmental Disabilities:

Annie A. Owens (Reappointment)

- I) Parks and Recreation Advisory Commission (3 Vacancies)

Nominees: Henry J. Bowden
Marsha Fogle
Elvin McNeill

MOTION: Commissioner Edge moved to appoint all nominees in Item 10.A. thru 10.I.

SECOND: Commissioner King

VOTE: UNANIMOUS

11. Closed Session (not needed)

MOTION: Commissioner Council moved to adjourn.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS

There being no further business, the meeting adjourned at 9:48 a.m.

Approved with/without revision:

Respectfully submitted,

Marie Colgan
Clerk to the Board