

CUMBERLAND COUNTY BOARD OF COMMISSIONERS
TUESDAY, SEPTEMBER 8, 2015 – 9:00 AM
117 DICK STREET, 1ST FLOOR, ROOM 118
REGULAR MINUTES

PRESENT: Commissioner Kenneth Edge, Chairman
Commissioner Marshall Faircloth, Vice Chairman
Commissioner Glenn Adams
Commissioner Jeannette Council
Commissioner Charles Evans
Commissioner Jimmy Keefe
Commissioner Larry Lancaster
Amy Cannon, County Manager
James Lawson, Deputy County Manager
Melissa Cardinali, Assistant County Manager
Tracy Jackson, Assistant County Manager
Rick Moorefield, County Attorney
Sally Shutt, Governmental Affairs Officer
Vicki Evans, Finance Director
Jeffrey Brown, Engineering and Infrastructure Director
Tim Richardson, Chairman of Economic Development Alliance
Board of Directors
Juawana Colbert, Economic Development Director of Economic
Development Alliance
Candice H. White, Clerk to the Board
Kellie Beam, Deputy Clerk to the Board
Press

Chairman Edge called the meeting to order.

INVOCATION AND PLEDGE OF ALLEGIANCE – Commissioner Faircloth provided the invocation followed by the Pledge of Allegiance to the American Flag.

Recognition of Retired County Employees:

Lyndia McLean, Cumberland County Public Library & Information Center

On behalf of the Board of Commissioners, Commissioner Adams recognized Lyndia McLean with a plaque honoring her years of service with the Cumberland County Public Library and Information Center.

Johnny Sawyer, Cumberland County Sheriff's Office

On behalf of the Board of Commissioners, Commissioner Lancaster recognized Johnny Sawyer with a plaque honoring his years of service with the Cumberland County Sheriff's Office.

Gale Freeman, Cumberland County Register of Deeds

On behalf of the Board of Commissioners, Chairman Edge recognized Gale Freeman with a plaque honoring her years of service with the Cumberland County Register of Deeds.

Recognition of Board of Elections Director Terri Robertson on Achieving the Professional Designation of Certified Elections/Registrations Administrator by the National Association of Election Officials

Chairman Edge Cumberland stated the County Board of Elections Director Terri Robertson was designated a Certified Elections/Registrations Administrator by the Election Center in a ceremony in Houston, Texas, on August 21. Chairman Edge stated the designation is the highest professional achievement for managers of boards of elections and is achieved through a multi-year course of study conducted by the Election Center's Professional Education Program and

completion of 12 core courses taught by the Master of Public Administration program at Auburn University. Chairman Edge stated the courses cover ethics, voter registration and elections law, planning, communications and voter participation. On behalf of the Board of Commissioners, Chairman Edge congratulated Ms. Robertson on achieving this professional designation.

Amy Cannon, County Manager, requested the removal of Item 8.A. Closed Session for Economic Development Matter(s) Pursuant to NCGS 143-318.11(a)(4).

1. Approval of Agenda

MOTION: Commissioner Council moved to approve the agenda with the removal of Item 8.A. Closed Session for Economic Development Matter(s) Pursuant to NCGS 143-318.11(a)(4) as requested.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (7-0)

2. Consent Agenda

A. Approval of minutes for the August 17, 2015 regular meeting

B. Approval of Proposed Additions to the State Secondary Road System:

BACKGROUND:

The North Carolina Department of Transportation has received petitions requesting the following streets be placed on the State Secondary Road System for maintenance:

Cypress Lakes Village Section 5 Subdivision:
Perfection Lane (SR 4517 Ext.), Debut Avenue (SR 4516 Ext.),

DOT has determined that the above streets are eligible for addition to the state system.

RECOMMENDATION / PROPOSED ACTION:

NCDOT recommends that the above named streets be added to the State Secondary Road System. County Management concurs. Approve the above listed streets for addition to the State Secondary Road System.

C. Approval of Declaration of Information Services Department Surplus Equipment and Authorization to Use as Trade-In Credit for System Upgrade

BACKGROUND:

The Cumberland County Information Services Department is requesting Board of Commissioner approval to declare the Cisco Core Unit that is currently in place as surplus property in order to perform an upgrade to the County distribution layer switches. As stipulated by the manufacturer, this equipment is at the end of life and is no longer supported by maintenance. The value of the property is \$13,183.97 and can be applied as a trade-in credit to upgrade the current system. Multiple bids were received and Internetwork Engineering won the bid with low cost. The new equipment is completely compatible with the current system.

RECOMMENDATION/PROPOSED ACTION:

Declare the abovementioned equipment as surplus in order to apply the value of the defunct equipment towards the purchase of a system upgrade.

D. Approval of Declaration of Real Property Acquired by Tax Foreclosure as Surplus

BACKGROUND:

The county, solely or jointly with City of Fayetteville, has acquired the fifteen parcels as recorded below through tax foreclosures on the dates indicated. This list has been circulated to all department heads and the City of Fayetteville to determine whether any of these parcels might be used for a public purpose. No public use has been proposed. The two parcels identified as item numbers 4 and 5 contain dwellings. The remaining 13

parcels are vacant. The city will also need to declare as surplus the parcels which are jointly owned.

RECOMMENDATION/PROPOSED ACTION:

County attorney recommends that the Board finds there is no governmental use for these properties, declares them surplus and directs that they be disposed of in accordance with county policy and state law, subject to the city's doing the same for those parcels owned jointly.

EXHIBIT 1
COUNTY OWNED PROPERTY

ITEM	PIN	ADDRESS	DESCRIPTION	ASSESSED VALUE \$	TAX LIEN \$	DATED RECORDED	DEED Book / Page
1.	0403-69-2966	Off Permastone Lake Rd	Lot 5 Permastone Aceres West (9.82 acs)	33,515.00	6,145.55	12/04/14	9554/615
2.	9493-55-5245	4741 Desert Ridge Rd	Lot 22 Upchurch Sands Sec 4. (0.37 ac)	10,826.00	8,286.75	02/07/14	9106/551
3.	9487-62-8787	778 Rembrandt Dr	Lot 15 Sunset Park Sec 1	8,000.00	7,506.24	05/13/05	6879/181

COUNTY AND CITY OWNED PROPERTY

ITEM	PIN	ADDRESS	DESCRIPTION	ASSESSED VALUE \$	TAX LIEN \$	DATED RECORDED	DEED Book / Page
4.	0436-04-0696	508 Orlando St	Lot 1 P A & Bertha H. Reeves Prop (0.41 ac) DWELLING	42,300.00	17,851.44	10/16/14	9526/768
5.	0446-49-6402	1416 Faircloth St	Lot 142 Cedar Rose Sub (0.17 ac) DWELLING	22,159.00	7,086.52	08/26/14	9495/755
6.	0438-31-6260	237 S. Windsor Dr	Lot 19 Windsor Terrace (0.25 ac)	8,000.00	9,044.63	01/02/14	9356/236
7.	0436-19-1555	939 Taft St	Lots 158-159 Pleasant View Ext 3	2,500.00	4,003.31	02/27/08	7819/560
8.	1423-12-5843	9182 Star Bright St	Lot 8 Beaverdam Acres Sec 4 (0.59 ac)	6,750.00	4,234.98	09/24/13	9298/141
B.	1423-12-5973	0000 Star Bright St	Lot 7 Beaverdam Acres Sec 4 (0.62 ac)	6,750.00			
C.	1423-13-5092	0000 Star Bright St	Lot 6 Beaverdam Acres Sec 4 (0.56 ac)	6,750.00			
D.	1423-13-6112	9194 Star Bright St	Lot 5 Beaverdam Acres Sec 4 (0.48 ac)	6,750.00			
E.	1423-13-6233	0000 Star Bright St	Lot 4 Beaverdame Acres Sec 4 (0.61 ac)	9,000.00			
9.	0437-12-3815	000 Ashley St	0.19 ac Land	7,500.00	11,781.05	02/15/12	8832/371
B.	0437-03-1242	1112 Turnpike Rd	Res 1112 Turnpike Rd. Lot 204 Savoy Hgts	10,000.00			
C.	0437-03-1109	0000 Turnpike Rd	Vac Turnpike Rd. Lot 206 Savoy Hgts	10,000.00			

E. Approval of Offer to Purchase Certain Real Property Located at Lot 22 Block W Colonial Heights on Betsy Ross Drive, Fayetteville, NC

BACKGROUND:

On August 3, 2015, the Board adopted a resolution of its intent to accept the offer of Ronnie Fields to purchase the property with the PIN 0423-07-4266 located on Betsy Ross Drive, Fayetteville, NC, being Lot 22 Block W, Colonial Heights Subdivision Addition Number One, Plat Book 17, Page 60, for a purchase price of \$2,899.02. Based on the

County GIS Mapping system and tax department, the lot appears to be a vacant residential lot with a tax value of \$3,250.

Notice of the proposed sale pursuant to the upset bid process of G. S. §160A-269 was advertised in the *Fayetteville Observer* August 14, 2015. More than 10 days have elapsed since the notice was published and no upset bid was received.

RECOMMENDATION/PROPOSED ACTION:

County attorney recommends the Board accept this offer and authorize the Chair to execute a deed for the property upon the county's receipt of the balance of the purchase price.

- F. Approval of Payment for SwampDogs' Prior Years' Telephone Services in Accordance with Contract and Associated Budget Revision

BACKGROUND:

The SwampDogs are requesting payment for prior years' telephone services associated with the lease agreement between the County and Hometown Sports America, Inc., totaling \$13,833.82. The lease agreement includes a provision that states the County will pay for telephone service at the J.P. Riddle clubhouse and office. The County has made no payment for telephone services since the beginning of this lease because an invoice or statement of the charges was not provided until recently.

Finance staff conducted an analysis of the statements provided from January 2013 through June 2015 service dates and computed a revised amount due of \$12,997.00. That amount excludes long distance and late fee charges. In addition, funds were not budgeted in the current fiscal year for projected telephone services costs associated with this lease agreement. The projected cost totals \$5,520.00.

RECOMMENDATION/PROPOSED ACTION:

Management is requesting approval to pay the prior year telephone services cost of \$12,997.00 Management is also requesting approval of budget revision B16-067 for the prior years' expense amount plus an increase in the budgeted telephone expense line of \$5,520.00. The budget revision totals \$18,517.00.

- G. Approval of a Proclamation Recognizing September 2015 as "Cumberland County Emergency Preparedness Month"

COUNTY OF CUMBERLAND

NORTH CAROLINA

PROCLAMATION

WHEREAS, North Carolina weather can be unpredictable and dangerous as seen during last year's 36 tornadoes, 514 severe thunderstorms and high wind events, 172 hail storms, and 50 flood events; and

WHEREAS, every community, business, family and individual in Cumberland County must be ready for natural and man-made disasters including tornadoes, flooding, hurricanes and public disturbances that might disrupt normal daily activities; and

WHEREAS, all Cumberland County residents can take a few simple steps – making a family disaster plan, creating an emergency supply kit and staying informed – to help make preparedness and personal responsibility a priority; and

WHEREAS, Cumberland County residents should know the risks for their area and plan accordingly, and

WHEREAS, Cumberland County residents should help the elderly and those who cannot help themselves; and

WHEREAS, Cumberland County residents should include the safety of their pets and/or livestock in their emergency plans; and

WHEREAS, Cumberland County, North Carolina Emergency Management and the United States Department of Homeland Security have collaborated to recognize September as National Emergency Preparedness Month to encourage Cumberland County residents to be disaster ready.

NOW THEREFORE, the Cumberland County Board of Commissioners hereby proclaims the month of September 2015 as “EMERGENCY PREPAREDNESS MONTH” in Cumberland County and encourages all county residents to plan and prepare weather-related and man-made disasters by assembling their emergency supply kits and updating their emergency plans.

Adopted this 8th day of September, 2015.

H. Budget Revisions:

(1) Health

- a. Adult Health Clinic - Revision in the amount of \$3,284 to allocate additional funds with the goal of reducing unintentional medication overdose deaths in North Carolina. (B16-062) Funding Source – State
- b. Preparedness- Revision in the amount of \$20,000 to allocate funds to enhance public health emergency preparedness planning and operational readiness for Ebola Virus Disease. (B16-063) Funding Source – State
- c. Maternal- Revision in the amount of \$2,000 to allocate funds to be utilized in FY16 that were received by donation from a local non-profit at the end of FY15. (B16-064) Funding Source – Fund Balance Appropriated

(2) Information Services

Revision in the amount of \$352,721 to reallocate monies from FY15 to FY16 for completing the financial software project. (B16-053) Funding Source – Fund Balance Appropriated

(3) Social Services

- a. Social Services Other - Revision in the amount of \$130,800 for the Adoption Incentive funds received in June 2015. These funds must be expended in order to be eligible for additional incentive funds for FY16. (B16-058) Funding Source – Fund Balance Appropriated
- b. Grant Family Violence Care Center - Revision in the amount of \$38,472 to allocate funds to administer the case management function and to provide services for the Transitional Housing Program per request from Community Development. (B16-065) Funding Source – Grant and Fund Balance Appropriated
- c. Social Services – Revision in the amount of \$10,000 to appropriate \$2,500 of unused funds received in FY14-15 and to recognize \$7,500 in funds from the Annie E. Casey Foundation for a Child Welfare Initiative Agreement. (B16-066) Funding Source – Other and Fund Balance Appropriated

(4) Eastover Sanitary District General Fund

Revision in the amount of \$132,597 to appropriate Eastover Sanitary District’s fund balance. This is to reimburse PWC for the

cost of constructing an emergency interconnect between the PWC water system and ESD’s water system in case of an emergency or other unforeseen circumstances. (B16-068) Funding Source – Eastover Sanitary District’s Fund Balance Appropriated

(5) Sheriff’s Office

Revision in the amount of \$18,000 to recognize revenue that will be received monthly from the Town of Stedman for additional daily patrols within town limits. (B16-072) Funding Source – Other

Commissioner Adams inquired regarding Item 2.H.(5). Ms. Cannon stated the funding source is best described as a fee for a service and the additional revenue will be budgeted in a Town of Stedman reimbursement line item and will increase the fuel line to recognize the additional fuel cost for providing that service.

MOTION: Commissioner Adams moved to approve consent agenda Items 2.A. – 2.H.(5)
SECOND: Commissioner Council
VOTE: UNANIMOUS (7-0)

ITEMS OF BUSINESS

3. Report on Economic Development Activity for Prior Year

BACKGROUND:

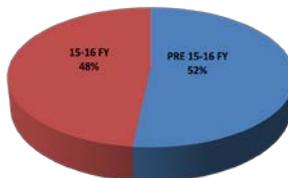
The six month agreement for Economic Development services requires quarterly reports to the Board. Mr. Tim Richardson, Economic Development Alliance Board Chair and Ms. Juawana Colbert, Director of New Business Recruitment, will make a presentation on economic development activity for the prior year, as well as information on current year economic development activity for July/August.

RECOMMENDATION/PROPOSED ACTION:
For information only.

Ms. Cannon recognized Juawana Colbert, Economic Development Director of Economic Development Alliance. Ms. Colbert stated she had been the director of new business recruitment for the Economic Development Alliance for one year and the active projects this year are significantly above those at this same time last year. Ms. Colbert reviewed the current project count below and stated the 3 client visits included a potential manufacturing project representing a \$300 million investment with 120 jobs, a potential distribution project representing a \$75 million investment with 160 job and a potential call center representing 150 jobs.

Current Project Count: 58

- Highest number of active projects in five years
- 26 Projects added since July, 2015
- 3 Client visits this quarter (all providing positive feedback)

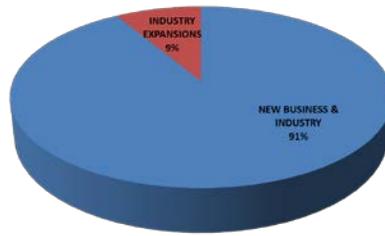


Ms. Colbert stated Director of Economic Development Cathy Johnson handles micro projects and industry, visits approximately 80 companies a year and keeps up with trends the community’s companies are experiencing and any assistance they may need. Ms. Colbert called attention the 53 new business and industry projects compared to the 5 existing industry expansion projects.

New Business & Industry vs. Industry Expansion Projects

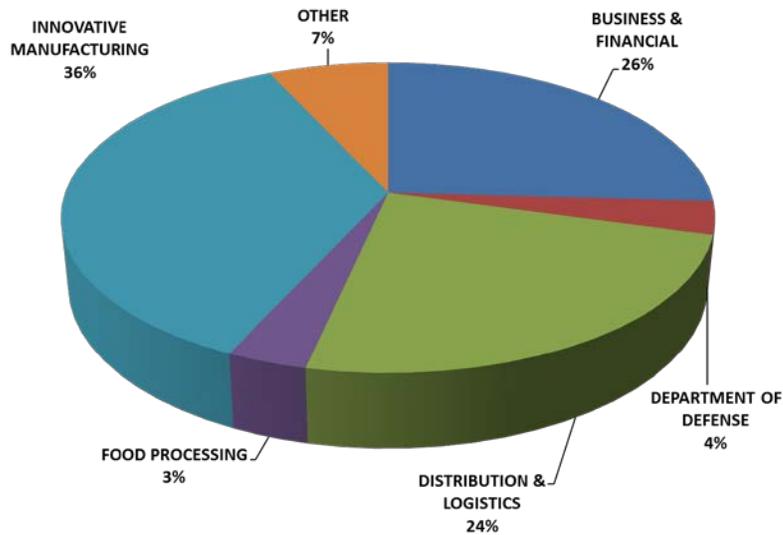
- 53 New Business & Industry

- 5 Existing Industry Expansion
- 5 International Companies



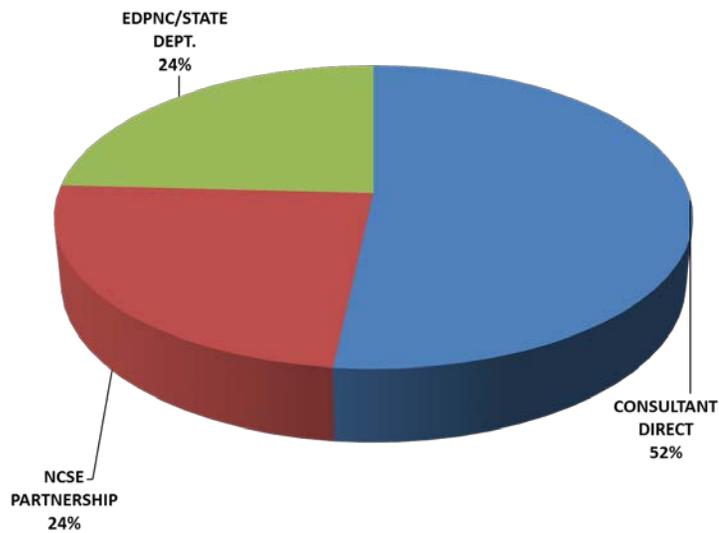
Ms. Colbert reported on the projects by target industry and stated the fact that the majority of the projects are manufacturing is good because they have higher wages and invest a lot more. Ms. Colbert stated the 26% business/financial projects represent customer service and information technology jobs and the distribution/logistics projects are good for the community's current workforce and location off I-95.

Projects by Target Industry



Ms. Colbert stated 52% of the projects come to the Alliance from a consultant direct call as a result of a relationship the Alliance has established and 48% of projects come from the state. Ms. Colbert stated the hope is to receive an increased number of projects from the EDPNC once it completes its transition. Ms. Colbert stated the NCSE represents the community regionally. Ms. Colbert stated this is a good percentage mix and is a direct correlation to the Alliance's efforts.

Where Our Projects Are Coming From



Commissioner Keefe inquired regarding the Alliance's expected closure rate for projects and the low percentage of Department of Defense projects. Ms. Colbert stated the low percentage is due to a combination of things; many of the Department of Defense companies come to the community and the Alliance is not aware of it because they do not need incentives or assistance with real estate, and many of the companies already in the community are capturing contracts so there may not be a need for new companies. Ms. Colbert stated the goal is to close all projects but that is not possible because there are a lot of moving factors that affect the closure of

projects. Ms. Colbert stated a goal of the Alliance is to increase the pipeline of projects which will result in a larger closure rate. Ms. Colbert stated the Alliance and other economic development organizations cannot control whether projects close; usually economic development organizations are measured on the number of projects and the number of visits.

Tim Richardson, Chairman of Economic Development Alliance Board of Directors, stated historically the Alliance was reactive in its economic development activities, the projects were either consultant initiated or the state would originate a lead and projects were generally in the 10 to 20 range. Mr. Richardson stated over the last couple of years the major change has been the outreach efforts of Russ Rogerson and Juawana Colbert which have put Fayetteville/Cumberland County on the map for consultants who otherwise would not have considered the area. Mr. Richardson stated in the economic development arena the job is to recognize the opportunities and get them in the door, but the community has to sell itself. Mr. Richardson stated the Garner Economics LLC study not only created the Economic Development Alliance, it also outlined what the community needs to do differently.

Ms. Colbert explained the Existing Military Workforce Survey and stated the survey will provide information to share with companies and consultants about the workforce that is potentially coming out of Ft. Bragg. Ms. Colbert stated this is one of many things that will help land projects. Questions and discussion followed.

4. Discussion of New Economic Development Structure and Interlocal Agreement with the City of Fayetteville

BACKGROUND:

During the fiscal year 2016 budget process, the Board of Commissioners approved a six month contract with the Chamber of Commerce for the period ending December 31, 2015 for the purpose of conducting economic development activities on behalf of the County. This six month contract is the result of a decision to separate economic development activities from the Chamber as of December 31st and further to create a new economic development entity.

As the County moves toward a January 1, 2016 transition, consideration must be given to development of a new organization and a new Board of Directors. It appears there is an interest in continuing the partnership between the County and City of Fayetteville for economic development activities through joint development of a new, non-profit corporation. The following documents that provide some guidance on the steps which need to be accomplished and a related timetable for completion are recorded below:

- Proposed Interlocal Agreement Between the County and City
- Attachment 1-Draft Proposal of New Entity Organization Structure
- Proposed Timetable for Steps to Create the New Entity

The budget for the new organization is still under development as the County considers space options and which entity, the County or City, will act as the fiscal agent for the new entity. Any contribution for office space or other resources shall be credited to the contributing entity as an in-kind contribution. Although a final budget is not complete, it is clear that the new entity budget will not require the same level of funding as the prior model.

To meet the goal of having a new entity in place by January 1st, 2016, the new structure must be finalized by the end of September. This item is on the agenda for discussion of any structural questions or changes that need to be resolved with the City. The City Council is also scheduled to review and discuss these same documents at their work session on September 8th. Then, both County and City staff will work to resolve any final structural issues so that adoption may take place before the end of September, with new board appointments immediately thereafter at our October 5, 2015 Board of Commissioners meeting.

RECOMMENDATION / PROPOSED ACTION:

For discussion purposes only.

NORTH CAROLINA

INTERLOCAL AGREEMENT BETWEEN
CUMBERLAND COUNTY AND THE CITY
OF FAYETTEVILLE FOR CONDUCTING
ECONOMIC DEVELOPMENT ACTIVITIES

CUMBERLAND COUNTY

Approved by the Cumberland County Board of Commissioners _____
Approved by the Fayetteville City Council _____

This interlocal agreement is made pursuant to Article 20, Chapter 160A of the General Statutes of North Carolina by and between Cumberland County, a body corporate and politic and a political subdivision of the State of North Carolina, and the City of Fayetteville, a municipal corporation existing under the laws of the State of North Carolina.

WITNESSETH:

Whereas, the parties have jointly funded the conduct of economic development activities by the Fayetteville-Cumberland County Chamber of Commerce under a joint program of economic development for a number of years; and

Whereas, the parties desire to continue this partnership for the conduct of economic development activities through a new, non-profit corporation to be jointly created by the parties.

Now therefore, in consideration of the mutual covenants set forth herein, and pursuant to the specific authority granted to them by Article 20, Chapter 160A and Chapter 158 of the General Statutes of North Carolina, the parties agree as follows:

(1) The purpose of this agreement is for the parties to jointly undertake the conduct of economic development activities and services through a new entity organized as a 501(c) non-profit corporation (the “undertaking”).

(2) The duration of the agreement shall be for so long as the parties maintain the non-profit corporation for the purpose of conducting economic development activities and services.

(3) The new entity will be a non-profit corporation established under Chapter 55 of the General Statutes of North Carolina with its composition, organization, and nature, together with the powers conferred on it, to be set forth in its by-laws and other organizational documents as generally described in the proposal dated June 1, 2015, attached hereto as Attachment 1. The non-profit corporation shall be created by a committee consisting of the Chairman of the Board of Commissioners, the Mayor of the City of Fayetteville, the Cumberland County Manager and the City Manager for the City of Fayetteville, with the advice and assistance of the County and City Attorneys. Any costs associated with the creation of the non-profit will be paid by the parties as the committee may agree.

(4) The personnel necessary to the execution of the undertaking shall be employees of the non-profit corporation and it shall be governed by a Board of Directors appointed in accordance with the proposal dated June 1, 2015, attached hereto as Attachment 1.

(5) The parties will jointly fund the operations of the non-profit corporation equally in a sufficient amount to cover all the costs incurred by it necessary to the execution of the undertaking in accordance with the proposal dated June, 1, 2015, attached hereto as Attachment 1, and its annual budget as approved by the parties. Any in-kind contribution for office space or other resources shall be credited to the contributing party at the market value of the contribution and as agreed by the parties.

(6) The non-profit corporation shall not acquire any real property in the execution of the undertaking except with the consent and vote of the governing boards of both parties.

(7) This agreement may be amended at any time by the execution of an amendment approved by the governing boards of both parties.

(8) This agreement may be terminated at the end of any fiscal year by the vote of either governing board with written notice of such termination being given to the other governing board at least sixty days prior to the date of termination.

This interlocal agreement has been approved by the governing board of each party and entered into the minutes of the meeting at which such action was taken as indicated above.

ATTACHMENT I
SUMMARY OF DRAFT PROPOSAL
AS OF JUNE 1, 2015

Organization Structure

- New entity organized as a 501(c) Non-Profit Corporation

Funding

- Cumberland County and City of Fayetteville will share equally in the operating expenses of the Economic Development entity.
- The Alliance Foundation will fund marketing activities through an annual funding agreement with the Economic Development entity.

Board of Directors

- Eight (8) Voting Members
 - Appointed by funding partners with member of appointees determined by percentage of the funding contribution
 - Based upon prior funding percentages:

Cumberland County – 3 Seats

- One Elected Official
- Two other appointments

City of Fayetteville– 3 Seats

- One Elected Official
- Two other appointments

The Alliance Foundation - 2 Seats

- One member of Alliance Foundation Board
- One other appointment

- Three (3) Ex-Officio, Non-Voting Members
 - Cumberland County Manager
 - Fayetteville City Manager
 - President of Fayetteville Technical Community College

- Board Appointment Criteria
 - Knowledge of Business Finance
 - Business Development
 - Infrastructure Development
 - Workforce Development
 - Real Estate Development / Utilities
 - Diverse Group Representative of Community

- Staffing
 - Executive Director
 - Existing Industry Director
 - Recruiting Director
 - Administration / Research Manager
 - Marketing Manager

Under current proposal, current staff would be transitioned to the new Economic Development entity.

Fayetteville & Cumberland County
Economic Development Commission
August 10, 2015

	August	September	October	November	December	January
Draft Interlocal Agreement						
Approve Interlocal Agreement						
Non-Profit Organization Application						
New Board Nominations (City & County)						
Board Appointments						
Board Orientation						

Board Hires CEO/Executive Director						
Board Organizes (Bylaws, etc.)						
Secure New Offices						
Develop Image RFI						
Review Image RFI Responses						
Actions Related to Image Recommendations						

Ms. Cannon reviewed the background information as recorded above and provided an overview of the economic development organizational models below. Ms. Cannon stated her sense is that the Board of Commissioners wants a greater role in economic development activities and the Economic Development Commission model will give flexibility and a greater role as the County creates an independent separate organization for economic development activities.

- Department of local government – have no private sector involvement; may not be as flexible working through general statutes and governmental policies
- Economic Development Commission – public sector involvement with greater role for local government
- Contract with non-profit – significant amount of private sector involvement and less day-to-day involvement by local government

Ms. Cannon stated a new entity or 501(c) non-profit corporation would be created through an interlocal agreement with the City of Fayetteville as a separate independent organization for economic development activities.

Ms. Cannon provided an overview of the following and stated although budget considerations are not yet fully developed, providing office space will allow the County to serve as the fiscal agent for the new entity, save operating costs and reduce other costs. Ms. Cannon stated it is clear that the budget for this new entity will be less than the prior budget through the Fayetteville Regional Chamber.

Funding

- County and City of Fayetteville will share equally in operating expenses
- Alliance Foundation (former Linda Lee Allen Foundation) will fund marketing activities via annual agreement with economic development entity
- Budget considerations:
 - Office location
 - Fiscal agent
 - In-kind contributions

Board of Directors

- 8 voting members
- Appointed by funding partners based on funding percentage
- 3 ex-officio, non-voting members
 - County Manager
 - City Manager
 - FTCC President

Ms. Cannon stated last year the County contributed 35% of the funding, Fayetteville/PWC contributed 35% of the funding and the Alliance Foundation contributed 30% of the funding. Ms. Cannon stated in the past the Alliance Board of Directors had the appointing authority for new seats on the board but the new model gives the County and the City appointing authority on the new economic development board. Ms. Cannon stated the current board has 14 seats and the new board will have 8 seats.

8 Appointments (based on prior percentages)

- County – 3 seats
 - 1 elected official
 - 2 other appointments

- City – 3 seats
 - 1 elected official
 - 2 other appointments
- Alliance Foundation – 2 seats
 - 1 Alliance Foundation Board
 - 1 other appointment

Ms. Cannon stated the appointments to the new economic development board are a critical step for the appointing authorities and the following appointment criteria should be taken into consideration. Ms. Cannon stated most importantly, the new board members need to represent the diverse nature of the community.

- Knowledge of business finance
- Business development
- Infrastructure development
- Workforce development
- Real estate development/utilities
- Diverse community representative

Ms. Cannon stated reviewed the organization structure or staffing:

- Executive director
- Existing industry director
- Recruiting director
- Administration /research manager
- Marketing manager

Ms. Cannon reviewed the timeline and stated there are key decisions that need to be made in order to stay on track for a January 1, 2016 transition.

September

- Approve interlocal agreement
- Non-profit organization application (Sept. – Dec.)
- New board nominations

October

- Board appointments
- Board orientation

November

- New Board Hires CEO/Executive Director

Ms. Cannon concluded her presentation and stated she placed this item on the agenda for discussion in order to hear the thoughts and concerns of the Board of Commissioners on the new framework or structure. Ms. Cannon stated she will take any proposed changes or concerns to the City with the hope that the Board can make a decision regarding the framework at its September 21 meeting. Ms. Cannon stated the county attorney and the city attorney will then work to develop the 501(c) non-profit corporation as an independent separate entity, following which the Board of Commissioners will quickly need to develop nominations for the three members to be appointed to the new economic development board.

Chairman Edge opened the floor for questions and discussion.

Commissioner Keefe asked how other municipalities could participate in the program. Ms. Cannon stated there are models that include participation from other municipalities, so the proposed model could be adjusted, and one mechanism that would allow other municipalities to have representation would be through appointments by the Board of Commissioners to the economic development board.

Commissioner Keefe also stated regardless of where a company locates in Cumberland County, the County will receive tax revenue but Fayetteville will not even though they will be an equal partner. Commissioner Keefe stated he thinks the County has a higher responsibility for funding, whether in lieu of funding or an office location, and the County should be obligated for 50% of the funding and everything else should drop down as there are opportunities on the other side.

Commissioner Keefe inquired regarding the term lengths. Ms. Cannon stated three year staggered terms have been proposed. Commissioner Keefe asked whether this would mean the chairman's term would change every year and asked whether there had been any thought given to who the elected official might be. Chairman Edge stated the chairman taking the seat would be a possibility but if the Board of Commissioners preferred, some other elected official could take the seat. Commissioner Keefe stated he felt it was appropriate that the chairman be the representative but his concern is that the seat would change every year when everyone else would be on the board for a three-year term.

Commissioner Keefe continued by stating because PWC is a big part of industry and economic development, he felt it should be involved in the program. Ms. Cannon stated PWC representatives participated in discussions, want to be a part of the economic development entity and see themselves as a partner moving forward with the City and the County but without being a funding partner or holding a board seat. Ms. Cannon stated the PWC general manager actually suggested the development of committees of the economic development board such as an infrastructure committee so they and other service providers such as Piedmont Natural Gas could participate.

Commissioner Adams stated other than moving economic development from under the Fayetteville Regional Chamber, he does not see much has changed nor does he see the proposed structure being productive. Commissioner Adams stated the new Chief Executive Officer/Executive Director could be handicapped by taking on the current staff so there should be discussion about the director's ability to create their own staff since they will be held responsible for carrying out the economic development function. Ms. Cannon stated there have been discussions about the economic development board hiring the new director and existing employees being given an opportunity through some other process.

Commissioner Adams stated there is currently no minority representation on the committee to create the 501(c) organization and he would propose that the past chairman of the Board of Commissioners and Fayetteville's Mayor Pro Tem be included.

Commissioner Evans stated he concurred with some of the statements already made and felt a nationwide search should be conducted for the Chief Executive Officer/Executive Director. Ms. Cannon stated she felt the new economic development board would take that as a recommendation from the Board of Commissioners.

Commissioner Council stated she agreed there were pros and cons to the chairman of the Board of Commissioners holding the seat on the economic development board. Commissioner Council also stated after a certain period of time, there should be an opportunity for the governing bodies to analyze the new organization. Ms. Cannon stated she felt it was important for the Board to receive a quarterly economic development report so it can hear about site visits, how many projects are in the pipeline and consultant visits.

Mr. Moorefield clarified that economic development is currently being done pursuant to the contract with the Fayetteville Regional Chamber through December 31, 2015 and the interlocal agreement is just a proposal between the City and the County in terms of a mechanism by which to create the new entity. Mr. Moorefield further clarified that if the Board of Commissioners and Fayetteville City Council move forward with this approach, the economic development board will then have the legal responsibility, with the assistance of the city and county attorneys, to put together the Articles of Incorporation to be filed with the Secretary of State and an application to the IRS for tax exempt status. Mr. Moorefield advised the bylaws will be the crucial governing document of the entity and will be proposed by the committee for further consideration by the Board of Commissioners and the Fayetteville City Council. Mr. Moorefield stated there are still several steps to be taken before an entity is developed that everyone is comfortable with.

Chairman Edge stated after having been involved in discussions over the past few months, he felt two things needed to be kept in mind moving forward; one is to collaborate with the City when making the first round of appointments to the economic development board so the City and the County do not contemplate appointing the same individuals, and two is to take into consideration that if an elected official other than the chairman is appointed to the economic development board while in the middle of a term, that elected official could lose in the next general election.

5. Consideration of Board of Commissioner Appointments to the Fayetteville Area Convention & Visitors Bureau (FACVB) Board of Directors

BACKGROUND:

At the August 17, 2015, meeting, some commissioners had questions about the status of the appointments of Directors to the Board of the FACVB made by the Board of Commissioners. The county attorney has reviewed the legal documents and Board of Commissioner actions which established the Board of Directors as the governance structure of the FACVB and reports as follows:

- January 6, 1997: Board of Commissioners considered a proposal from the Board of Directors of the FACVB to privatize it as a nonprofit corporation. The matter was referred to the Policy Committee.
- January 16, 1997: Policy Committee considered proposed bylaws for the FACVB and requested changes to be made for further consideration at the next meeting. The draft of the bylaws being considered was not included in the minutes.
- February 20, 1997: Policy Committee further considered proposed bylaws for the FACVB. The Committee recommended that the Board of Commissioners appoint two directors from representatives nominated by hotels and motels with fewer than 100 rooms who also served on the Occupancy Tax Advisory Committee; two directors from representatives nominated by hotels and motels with more than 100 rooms who also served on the Occupancy Tax Advisory Committee; and one at-large director who represented the arts or cultural community, the business community, or the military and who also had demonstrated interest in travel and tourism. The draft of the bylaws being considered was not included in the minutes.
- March 17, 1997: Board of Commissioners approved the recommendation of the Policy Committee. The draft of the bylaws being considered was not included in the minutes.
- April 30, 1997: Articles of Incorporation for the Fayetteville Area Convention & Visitors Bureau, Inc., were filed with the Secretary of State. The Articles contain the language recommended by the Policy Committee with respect to the appointments to be made by the Board of Commissioners. The Articles also provide that vacancies on the Board of Directors shall be filled within sixty days by the appropriate body as outlined in Article IV of the Bylaws.
- May 19, 1997: Board of Commissioners appointed the at-large director to the FACVB with the statement that this was the only position to be filled at that time.
- April 22, 2015: Board of Directors of FACVB amended its bylaws. It is noted that the amended bylaws do not require that the representatives of the hotels/motels appointed by the Board of Commissioner are required to also serve on the Occupancy Tax Advisory Committee. That restriction should have been removed since the Occupancy Tax Advisory Committee no longer exists. It is further noted that Section 12 of Article VI provides that the bylaws may only be amended by a two-thirds vote of the Board of Directors, except that amendment of "Article VII, Section 12," and Article IV must be also be approved by the Board of Commissioners. There is no Article VII and Article IV addresses the timing, notice and conduct of meetings. It appears that Article III, addressing the appointment and qualification of the directors, is what should require the approval of the Board of Commissioners because of the appointments made by that Board.

RECOMMENDATION/PROPOSED ACTION:

County attorney recommends the Board of Commissioners requests the Board of Directors of the FACVB to correct the corporation's bylaws and Articles to remove the inconsistencies and correct the reference to the Articles which cannot be amended without the approval of the Board of Commissioners.

County attorney further recommends that the language "nominated by hotels and motels" be replaced by language that appropriately describes the process by which such appointees are to

be nominated by hotels and motels. The issues presented by the existing language are:

- how are hotels and motels notified that they are to make a nomination
- who nominates on behalf of a specific hotel or motel
- who receives the nominations and reports them to the board of commissioners

Unless these issues are addressed, it is not possible to determine if the existing nomination and appointment process for representatives of hotels and motels complies with the requirements set out in the Articles and bylaws.

Mr. Moorefield reviewed the background information as recorded above. Mr. Moorefield stated because the bylaws were not incorporated into the 1997 minutes, it cannot be determined what was originally adopted regarding the nature of appointments by the Board of Commissioners; however, the April 2015 bylaw amendments appear to carry forward the same language as discussed in the 1997 minutes. Mr. Moorefield also reviewed his recommendations/proposed action by outlining inconsistencies between the bylaws and Articles of Incorporation. Mr. Moorefield stated the FACVB was a follow up to the Occupancy Tax Advisory Committee which had a different function associated with the original implementation of the occupancy tax and the committee no longer exists. Mr. Moorefield stated the FACVB's current corporate status was not created by statute but was created by the Board of Commissioners, and the language governing the nomination by hotels and motels also needs to be revised. Mr. Moorefield stated he does not know how one would implement a process that would literally comply with the existing language in the bylaws.

Commissioner Keefe asked why the Board of Commissioners was involved with the bylaws of the FACVB. Mr. Moorefield stated prior to 1997, the function was a County department and in 1997, there was an effort to privatize the function. Mr. Moorefield stated in 1997, the Board of Commissioners directed the county attorney to create the Articles of Incorporation and the bylaws that were then considered and approved by the Board of Commissioners. Mr. Moorefield stated the actual documents were not incorporated into the minutes therefore the clerk cannot certify to what was approved, except that language regarding appointments stayed in place and was carried forward. Mr. Moorefield stated in 1997, there was no legal requirement for the Board of Commissioners to create or appoint to this corporation; however, the FACVB has kept the language with regard to the appointment process that was approved by the Board of Commissioners in 1997.

Commissioner Keefe asked whether there was a requirement that the Board of Commissioners approve the FACVB's bylaws. Mr. Moorefield stated no documentation can be found to that effect and his recommendation is that the Board of Commissioners send a request to the FACVB Board of Directors to clean up the issues presented by existing language in the bylaws.

MOTION: Commissioner Faircloth moved that the Board of Commissioners formally request the Board of Directors of the FACVB correct the corporation's bylaws and Articles to remove the inconsistencies and correct the reference to the Articles which cannot be amended without the approval of the Board of Commissioners, and that the language "nominated by hotels and motels" be replaced by language that appropriately describes the process by which such appointees are to be nominated by hotels and motels, specifically how hotels and motels are notified that they are to make a nomination, who nominates on behalf of a specific hotel or motel and who receives the nominations and reports them to the Board of Commissioners.

SECOND: Commissioner Lancaster

VOTE: UNANIMOUS (7-0)

6. Nominations to Boards and Committees

A) Board of Adjustment (1 Vacancy)

Commissioner Council nominated Alfonso Ferguson, Sr.

B) Fayetteville Area Convention & Visitors Bureau (2 Vacancies)

Commissioner Adams nominated Becky Kirby for the At-Large category.

Commissioner Faircloth nominated Laura Leal for the Hotel/Motel over 100 Rooms category.

C) Joint Senior Citizen’s Advisory Commission (3 Vacancies)

Commissioner Council nominated Cary Berg, Patricia Fairley and Willie Wright.

7. Appointments to Boards and Committees

A) Air Quality Stakeholders of Cumberland County Committee (1 Vacancy)

Nominee: Fort Bragg Stakeholder: Gregory Bean (Reappointment)

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

B) Animal Control Board (1 Vacancy)

Nominee:

Promoting Goals of the Animal Protection Society or the Humane Society or Another Such Broadly-Based and Representative Organization Interested in the Care and Protection of Animals Position: John Smith

Commissioner Lancaster nominated Jill Deem.

Commissioner Evans withdrew his nomination of John Smith.

MOTION: Commissioner Faircloth moved to appoint Jill Deem to the Animal Control Board in the category of Promoting Goals of the Animal Protection Society or the Humane Society or Another Such Broadly-Based and Representative Organization Interested in the Care and Protection of Animals.
SECOND: Commissioner Council
VOTE: UNANIMOUS (7-0)

C) Cumberland County Juvenile Crime Prevention Council (JCPC) (1 Vacancy)

Nominee: At-Large Representative: Sonya Thompson (Reappointment)

MOTION: Commissioner Faircloth moved to reappoint Sonya Thompson to the Juvenile Crime Prevention Council as the At-Large Representative.
SECOND: Commissioner Adams
VOTE: UNANIMOUS (7-0)

8. Closed Session A) REMOVED FROM AGENDA

B) Attorney-Client Matter(s)
Pursuant to NCGS 143-318.11(a)(3)

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

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

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

There being no further business, the meeting adjourned at 11:25 a.m.

Approved with/without revision:

Respectfully submitted,

Candice H. White
Clerk to the Board