



# Gaston County

Gaston County  
Board of Commissioners  
www.gastongov.com

## Public Works Board Action

File #: 23-332

Commissioner Fraley - Public Works - To Approve and appropriate Up to \$1,500,000 for the City of Cherryville to Construct a Community Gymnasium, Direct the County Attorney to Draft an Interlocal Agreement Outlining the Terms and Conditions for Funding the Project, and Authorize the County Manager or Her Designee to Execute Said Agreement

### STAFF CONTACT

Dan Ziehm, PE - Public Works Director - 704-862-6795

### BUDGET IMPACT

Appropriate \$1,500,000 from General Fund fund balance and transfer it to the General Government Capital Fund via the Community Investment Fund.

### BUDGET ORDINANCE IMPACT

Minimal impact to the budget ordinance.

### BACKGROUND

Resolution 2022-091 approved design funds for a walking track and multi-purpose field to be used by County residents in the northwestern portion of Gaston County near the City of Cherryville. These funds were appropriated from the County's allocation of the American Rescue Plan Act (ARPA) funds. The City of Cherryville believes that a community gymnasium is a higher priority and has requested funds for a gymnasium. Cherryville staff believes that a gymnasium can be completed on City property at a lower cost than the preliminary engineering estimates for the track and field. Gaston County staff have reviewed the gymnasium request relative to ARPA guidelines and determined that the community gymnasium on City property is not an eligible expense using ARPA funds.

This Board Action approves and appropriates funding not to exceed \$1,500,000 for a community gymnasium in the City of Cherryville. The City of Cherryville will design, permit, and construct the gymnasium and will submit periodic requests for reimbursements as the project proceeds. Eligible project costs will include only those directly related to the design, permitting, and construction of the gymnasium, and will not include administrative expenses for City employees, utilities,

(Continued on Page 2)

DO NOT TYPE BELOW THIS LINE

I, Donna S. Buff, Clerk to the County Commission, do hereby certify that the above is a true and correct copy of action taken by the Board of Commissioners as follows:

NO.	DATE	M1	M2	CBrown	CCloninger	AFraley	BHovis	KJohnson	TKeigher	RWorley	Vote
2023-261	07/27/2023	BH	AF	A	A	A	A	A	A	A	U

### **DISTRIBUTION:**

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Commissioner Fraley - Public Works - To Approve and Appropriate Up to \$1,500,000 for the City of Cherryville to Construct a Community Gymnasium, Direct the County Attorney to Draft an Interlocal Agreement Outlining the Terms and Conditions for Funding the Project, and Authorize the County Manager or Her Designee to Execute Said Agreement  
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or other operational costs. As a condition for receiving the funds described herein, the City must allow unrestricted use of the facility to the general public during normal business hours established by the City of Cherryville and at times when the facility has not been reserved for games or tournament play. The City will be responsible for any and all costs for operation moving forward and any costs incurred in excess of the funding appropriated via this Board Action. Further, the City of Cherryville shall provide sufficient insurance for public use and shall fully indemnify the County and its employees from any and all costs, loss, damage, liability, expense, penalty, and fines which may arise from or be claimed against the County in relation to the facility. Should this Board Action be approved, the remaining funds designated for the track and multi-purpose field will be released for use on other ARPA eligible projects. Project funds must be requested within 18 months after approval of this Board Action accompanied by proper receipts and other documentation as may be necessary to verify eligible expenditures.

Approval of this Board Action directs the County Attorney to make nominal changes as needed and finalize an interlocal agreement between Gaston County and the City of Cherryville outlining the terms and conditions of funding. Further, this Board Action authorizes the County Manager or her designee to execute said agreement. This Board Action, if approved, appropriates \$1,500,000 from General Fund fund balance, and transfers it to the General Government Capital Fund via the Community Investment Fund to reimburse the City of Cherryville for eligible expenses. The ARPA project ordinance will be amended by a separate Board Action reducing the obligated funds appropriated for the walking trail and multi-purpose field.

**POLICY IMPACT**

N/A

**ATTACHMENTS**

Interlocal Agreement; Budget Change Request (BCR)

**STATE OF NORTH CAROLINA**  
**COUNTY OF GASTON**

**INTERLOCAL AGREEMENT FOR  
GRANT AGREEMENT WITH THE  
CITY OF CHERRYVILLE**

This Agreement, made effective this the \_\_\_\_\_ day of \_\_\_\_\_ by and between **THE CITY OF CHERRYVILLE**, a North Carolina Municipal Corporation (hereinafter referred to as “Grantee”) having a mailing address of 116 S. Mountain St., Cherryville, NC 28021; and **GASTON COUNTY**, a body politic and a political subdivision of the State of North Carolina, (hereinafter referred to as “County”), having a mailing address of P.O. Box 1578, Gastonia, NC 28053.

**WITNESSETH:**

WHEREAS, County is permitted to provide grants to third parties, provided such grant is for a public purpose and meets the other statutory and constitutional requirements of the State of North Carolina as found in Article V, Section 2 of the North Carolina Constitution as well as Chapter 153A, Article 7 of the North Carolina General Statutes; and

WHEREAS, the Grantee requested that monies be used to construct a sanitary community gymnasium, the details of such is referred to as the “Project”; and

WHEREAS, the Project constitutes a public purpose, authorized by the authority described above; and

WHEREAS, on July 27, 2023, the Gaston County Board of Commissioners adopted Resolution [2023-XXX], authorizing the expenditure of such grant monies not to exceed (\$1,500,000); and

WHEREAS, both parties acknowledge that such monies will only be distributed upon the Grantee satisfying the terms and conditions as established herein; and

NOW, THEREFORE, in consideration of the terms, conditions and covenants hereinafter set forth, it is agreed between the parties hereto as follows:

1. **PURPOSE:** The purpose of this agreement is to set forth the terms and conditions under which County will provide monies to the City of Cherryville associated with the construction of a community gymnasium.
2. **PROJECT DESCRIPTION:** Grantee is planning on designing, permitting, and constructing a community gymnasium for use by the residents in and surrounding Cherryville. The gymnasium will be open for use by the general public at any and all times during normal business hours established by the City of Cherryville, except times when the gymnasium may be reserved for games and tournaments.
3. **PLANS AND SPECIFICATIONS:** The facility shall be engineered, designed and constructed in accordance with the specifications of the Grantee and the Grantee shall abide by any and all laws, regulations, and requirements associated with such facilities. The County is not responsible for any of the design, permitting, or contracting processes or other decision-making aspects associated with the Project.
4. **COSTS:** The estimated Project cost for the City of Cherryville is hereby capped at One Million Five Hundred Thousand Dollars (\$1,500,000). Additional costs, if any, will be incurred by the City of Cherryville. Should the project be constructed for less than \$1,500,000, County shall only reimburse for the lesser amount.

5. REIMBURSEMENT: County agrees to reimburse Grantee for eligible Project costs as set forth herein. Grantee will bill County for eligible Project costs, accompanied by copies of all invoices, bills, and other documentation justifying the request for payment. Eligible Project costs are defined as the costs associated with architecture, engineering design, and construction of the Project. Eligible project costs shall not include costs associated with administrative expenses relating to salaries of Grantee employees, gymnasium utilities, or any other gymnasium operational expenses. County will reimburse Grantee for costs within forty-five (45) days of receipt of the request with applicable and acceptable supporting documents.
6. AGENCY: Grantee shall serve as the party exclusively responsible for the Project and shall commence and complete Project within a reasonable time after the execution of this Agreement. Project shall be completed, and invoices submitted for reimbursement within 18 months of Commission award. Expensed incurred after 18 months will not be counted as eligible for reimbursement. This Agreement is not to establish any kind of agency or partnership agreement between the parties.
7. ACCESS: County retains the right to inspect construction plans, specifications, documents, materials, papers and other related items at any point in the Project, with proper notification to Grantee. Further, County shall have access, at all times, to the construction site for the purpose of construction observation.
8. INSURANCE AND INDEMNITY: Grantee shall maintain and operate the improvements and provide public liability insurance coverage against any and all damages that may be incurred upon said property through injury or accident by reason of the Grantee's negligent construction or operation of Project.  
  
Grantee shall at all times indemnify, save, protect, and keep harmless the County from all costs, loss, damage, liability, expense, penalty and fines which may arise from or be claimed again County by any person or persons, firms or corporations, for any injuries to persons or property, or damage for whatever kind or character consequent upon or arising from this Agreement by reason of any negligent act of Grantee, its agents or employees.
9. DUPLICATE ORIGINALS: This Agreement shall be executed by the parties hereto in duplicate originals, each of which when executed shall constitute one and the same Agreement.
10. ENTIRE AGREEMENT: This instrument contains the entire Agreement between the parties, and no statement, oral or written, made by either party or agent of either party that is not contained in this Agreement shall be valid or binding. This contract may not be enlarged, modified or altered, except in writing signed by the parties and endorsed hereon.

IN WITNESS WHEREOF, the parties hereto cause this agreement to be signed by their duly authorized representatives the day and year first above written.

**NOTE: BY SIGNING THE GASTON COUNTY SIGNATURE PAGE, YOU AGREE TO FOLLOW THE ATTACHED TERMS AND CONDITIONS, TO THE EXTENT THAT SUCH PROVISIONS ARE APPLICABLE.**

**CITY OF CHERRYVILLE**

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
(Deputy) City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

STATE OF NORTH CAROLINA  
COUNTY OF GASTON

I, \_\_\_\_\_, a Notary Public of the aforesaid County and State, do hereby certify that \_\_\_\_\_ personally appeared before me this day and acknowledged that he/she is the (Deputy) City Clerk of the City of Cherryville and that by authority duly given and as the act of the municipal corporation, the foregoing instrument was signed in its name by its Mayor, sealed with its corporate seal and attested by him/her as its (Deputy) City Clerk.

WITNESS my hand and Notarial Seal, this the \_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

**GASTON COUNTY**

By: County Manager/Assistant County Manager

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
Clerk to the Board/Deputy Clerk to the Board

**APPROVED AS TO FORM:**

\_\_\_\_\_  
County Attorney/Deputy County Attorney

This instrument has been pre-audited in the manner required by the Local Government Budget Act.

\_\_\_\_\_  
Finance Director/Deputy Finance Officer

STATE OF NORTH CAROLINA  
COUNTY OF GASTON

I, \_\_\_\_\_, a Notary Public of the aforesaid County and State, do hereby certify that \_\_\_\_\_ personally appeared before me this day and acknowledged that he/she is the (Deputy) County Manager/Assistant County Manager and that by authority duly given and as the act of the municipal corporation, the foregoing instrument was signed in its name by the designated party, sealed with its corporate seal and attested by him/her as its (Deputy) County Clerk.

WITNESS my hand and Notarial Seal, this the \_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

# GASTON COUNTY BUDGET CHANGE REQUEST (BCR)

TO: Dr. Kim S. Eagle COUNTY MANAGER

FROM: PWK Public Works  
Dept. Code Department Name

Dan Ziehm 07/06/2023

Department Director Date

**REQUEST TYPE:**

Line-Item Transfer Within Department & Fund

Line-Item Transfer Between Funds\*

Project Transfer Within Department & Fund

Additional Appropriation of Funds\*

Line-Item Transfer Between Departments

\* Requires resolution by the Board of Commissioners

ACCOUNT DESCRIPTION	ACCOUNT NUMBER	AMOUNT**																														
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Ex. Employee Training	Ex. 1000-BGT-000-00000-0000000-0000000-0000-01-520011-	Ex. \$5,000 Ex. (\$5,000)																														
Fund Balance Appropriated	1000-NDP-000-00000-FBApro-0000000-0000-99-490000-	\$(1,500,000.00)																														
Transfer to CIF	1000-NDP-000-00000-TrfxTo-0000000-0000-98-584000-	\$1,500,000.00																														
Transfer from General Fund	4000-NDP-000-00000-TrfxFr-0000000-0000-98-481000-	\$(1,500,000.00)																														
Transfer to General Govt Capital	4000-NDP-000-00000-TrfxTo-0000000-0000-98-584005-	\$1,500,000.00																														
Transfer from CIF	4005-NDP-000-00000-TrfxFr-0000000-0000-98-584000-	\$(1,500,000.00)																														
Other Contracts & Subsidies	4005-PWK-192-00000-0000000-0000000-0000-01-570006-	\$1,500,000.00																														

**JUSTIFICATION FOR REQUEST:**

Appropriate \$1,500,000 from General Fund fund balance and transfer it to the General Government Capital Fund via the Community Investment Fund. These funds will be used by the City of Cherryville to construct a community gymnasium.

\*\* Decreases in expenditures and increases in revenue accounts require brackets. Increases in expenditures and decreases in revenue do not require brackets. Please note that transfers between funds require inter-fund transfer accounts.