REGULAR MEETING - OCTOBER 6, 2016

The Mayor and City Council met in regular session on Thursday, October 6, 2016 at 7:00 p.m. in the Council Chambers of City hall, located at 114 West Sycamore Street, Lincolnton NC. The following Council members were in attendance:

RHYNE BLACK EADDY JETTON

Mayor Hatley called the meeting to order. He called on First United Methodist Church (FUMC) Boy Scout Pack 75 & Troop 75 to lead the Pledge of Allegiance.

Councilman Rhyne made the motion unanimously approved the ***REGULAR AGENDA.***

Councilman Jetton made the motion unanimously approved the ***CONSENT AGENDA*** as follows*;*

- Approved Minutes from the following meetings:
  September 1, 2016 – Regular Meeting
  September 16, 2016 – Special Meeting
- Approved the following Call to Public Hearing for the November 3rd regular City Council meeting:
  ZMA-6-2016 – Application from New Vision Ministries requesting the rezoning of approximately 1.37 acres of land from Residential-25 (R-25) to Residential -Office (R-O). The subject property is a portion of their land on Clark Creek Road (Parcel ID 25614). The address of the area requested to be rezoned is 621 Clarks Creek Road.

REGULAR AGENDA :

APPLICATION FROM HUGO LEIVA REQUESTING A CONDITIONAL USE PERMIT TO OPERATE A VENUE FOR PARTIES AND SOCIAL EVENTS (WEDDINGS, BIRTHDAY PARTIES, ETC.) IN THE PLANNED BUSINESS (PB) DISTRICT. THE SUBJECT PROPERTY IS LOCATED WITHIN THE NORTHGATE SHOPPING CENTER AT 129 VANDIVER DRIVE (PARCEL ID 21614) :

CUP-3-2016

Mayor Hatley opened the Public Hearing. The Mayor explained that the applicant withdrew the request after the public hearing was advertised. When this occurs we are required to open the Public Hearing state the withdrawal,

call for a motion to close the public hearing. This is the process required when a public hearing has been duly advertised in accordance with the Open Meetings Law.

Councilman Black made the motion unanimously approved to close the Public Hearing.

APPLICATION FROM AEROSTAR FINANCE, INC. REQUESTING A CONDITIONAL USE PERMIT TO OPERATE AN AUTO SALES LOT AND FINANCE OFFICE IN THE PLANNED BUSINESS (PB) DISTRICT. THE SUBJECT PROPERTY IS LOCATED AT 614 CLARK CREEK DRIVE (PARCEL ID 00447) :

CUP-4-2016

Councilman Rhyne made the motion unanimously approved to open the Public Hearing. The City Clerk administered the oath to all those wishing to speak for or against the request.

Laura Elam, Planning Director, reviewed the above stated request from Aerostar Finance, Inc. She said the proposed sales lot office and finance company would occupy the approximately 5,000 square foot building on the property. Parking would be provided for the sales lot employees and for each automobile that is offered for sale using existing parking on site. There are 63 parking spaces currently on the property. Existing parking spaces would allow for approximately 47 vehicles for display with 16 parking spaces to be designated for customers and employees.

Laura reviewed the applicant's compliance with the CUP requirements as well as the staff review committee comments. Staff Review Committee Comments were as follows:
(a)An occupancy permit must be approved by Lincoln County Inspections Department (b) Any additional parking that is created must be approved by Planning Staff and meet all zoning and site plan requirements (c) No parking will be allowed on the NCDOT Highway 150 Right of Way nor shall any parking be allowed within any grassed

areas. (d) The applicant would need to submit a parking plan showing the location of vehicles for sale and will need to have a formalized boundary for the area of used car display (e) Signage must be in accordance with the ordinance. No advertising banners and or flags.

She concluded recommending on behalf of Planning Board and staff that the CUP be approved subject to the Staff Review Committee comments and installation of concrete stoppers to clearly separate the parking lot areas from Clark Creek.

Mr. Chandler White, the applicant, spoke noting he has been in business for eleven years and he currently operates a car dealership near the Lincoln County Sheriff's office located off Wilma Sigmon Road. He said he thinks this business will be good for the proposed area and hopes Council would approve.

Mr. Tim Scare, Broker/Owner of Foundation Real Estate in Conover, also spoke in favor of the request noting he assisted the applicant in determining the best use of the proposed property. He felt this type business/use could
assist in reducing police and emergency calls in this area and would be a positive addition to the community.

Having no one else to speak to this public hearing, Councilman Jetton made the motion unanimously approved to close the Public Hearing.
<u>Findings of Fact</u>:

1. Councilman Black made the motion unanimously approved that the use would not materially endanger the public health or safety if located where proposed and developed according to plan.
2. Councilman Eaddy made the motion unanimously approved that the use meets all required conditions and specifications.
3. Councilman Jetton made the motion unanimously approved that the use would not substantially injure the value of adjoining or abutting property unless the use is a public necessity.
4. Councilman Rhyne made the motion unanimously approved that the location and character of the use, if developed

according to the plan as submitted and approved, would be in harmony with the area in which it is to be located and will be in general conformity with the Lincolnton Land Use Plan and other plans for the physical development of the city as officially adopted by the City Council.

Councilman Black made the motion unanimously approved to grant the conditional use permit as requested and recommended by the Planning Department subject to the staff review committee comments and installation of concrete stoppers to clearly separate the parking lot area from Clarks Creek Drive.

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APPLICATION FROM JAVIER BRITO REQUESTING THE REZONING OF 0.4 ACRES OF LAND FROM RESIDENTIAL-8 (R-8) TO NEIGHBORHOOD BUSINESS (NB). THE SUBJECT PROPERTY IS LOCATED AT 1847-1849 NORTH ASPEN STREET (PARCEL ID 21088) :

ZMA-5-2016

Councilman Rhyne made the motion unanimously approved to open the Public Hearing. Laura Elam, Planning Director, reviewed the above said request to rezone 0.4 acres of land from R-8 to NB. She said the property is currently occupied by a nonconforming barber shop, a single family home and several accessory buildings to the rear. Zoning surrounding the site is a mixture of Neighborhood Business and General Manufacturing and Commercial, and Planned Business. Northgate Shopping Center is located across the street, NC Spinning Mills to the rear, a restaurant to the north and dwellings to the south.

Laura reviewed the applicant’s compliance with the Land Use Plan and concluded recommending on behalf of Planning Board and Staff that the property be rezoned to the NB district as requested.

Councilman Rhyne made the motion unanimously approved to close the Public Hearing.

Councilman Jetton made the motion unanimously approved to rezone the property as recommended and requested.

PRESENTATION OF ADVANCED LAW ENFORCEMENT CERTIFICATION AWARD TO LINCOLNTON POLICE DEPARTMENT OFFICER RICK HENSLEY :

Mayor Hatley told those in attendance that the Police Chief had requested that we delay this item to the November 3rd meeting due to Officer Hensley being home sick.

PRESENTATION OF PAY & CLASSIFICATION STUDY RECOMMENDATION :

Steve Zickefoose, City Manager and Tanya Osborne, Human Resources Director, reviewed the findings of the Pay & Classification Study conducted by Piedmont Triad Regional Council.

Steve said, "Based on the findings from the Pay and Classification Study by the Piedmont Triad Regional Council that was presented to you on September 15th, I am requesting that Council consider adopting the following recommendations subject to an implementation date that fits within the available budget. These are in summary format. Details are presented in the PTRC report to the City Manager."

1. Adopt Salary Grade Table recommended by PTRC based on open range format. (Attached)
2. Adopt Job Classification Salary Grade Pay Plan presented by PTRC. (Attached)
3. Approve onetime adjustments based on years in current class and years of service with the City as recommended by PTRC to address salary compression based on the following guidelines:

Years Class/Service	Percentage Increase
0 but less than 3 years	0%
3 but less than 8 years	1%
8 but less than 15 years	2%
15 but less than 20 years	3%
20 or more years	4%

Percent Increase for Current Year in Job

Any employee with a Compa-Ratio of 1.1 or higher should get a lump sum payment instead of an increase in their base salary (for COLA/Salary Adjustments and Merit) for future adjustments.

Approve adjustments and changes to Personnel Policy to reflect changes to salary schedules and compensation guidelines. (To be presented by HR).

4. Consider developing future Salary Administration Philosophy to continue addressing employee compensation and benefits.

If the changes are approved, Council will need to determine an implementation date. The cost for full implementation is $235,844, and a breakdown of cost allocations by department is included. Reoccurring funding was set aside in this year's budget to potentially be used for employee compensation adjustments. My recommendation is to make the changes effective with the pay period that begins November 1st.

(Certification adjustments were approved by Council as part of the budget process and have already been made to eligible employees to date.)

Note- If an employee's current salary exceeds the recommended salary grade changes, that employee shall be placed in a held harmless status until such time that the schedule reflects otherwise.

Steve also reviewed the Salary Grade Table, the Job Classifications and the proposed adjustments based on years in current class and years of service with the City as recommended by PTRC. Steve concluded recommending adoption of the proposed changes with plan implementation becoming effective on November 1st, 2016. Salary changes would also be reflected on the annual Holiday Bonus this year, if the plan is approved.

This item generated much discussion among Council members. Councilman Rhyne questioned the additional monies. He said, "I am certainly in favor of helping our employees, I'm just concerned about where the money is coming from." He said, "What would the cost be for the fiscal year since we are picking it up in the middle of the year." Steve said this fiscal year would be reduced by $ 60,000 to $ 70,000 by making the plan retro-active to July 1st. Steve noted that he was able to place monies aside, $ 240,000, to budget for some salary increases when he drafted the budget this year.

Steve said, “We would not be looking for any monies in next year’s budget, based on this plan, we have sufficient dollars to do that. This is reoccurring monies.” This plan should give the City competitive salaries, as they are, for the next two to three years.

Councilman Eaddy asked what a one percent cost of living adjustment would cost, Steve said about $ 80,000. After further discussion, Steve told Council that one hundred and thirty four employees will receive some kind of increase. Fourteen who because of years of service are not eligible for an increase, and there are ten employees classified as what he calls a hold harmless status as they exceed the proposed pay level.

Steve also said a fourth piece to this plan would be the personnel policy amendments that would need to be changed if this plan is approved. He said HR Director is prepared to present those following this item. Councilman Rhyne asked if the changes would need to be made this month to the personnel policy or if this piece could wait until the November meeting. Steve said they would need to be approved tonight, if the proposed pay plan is approved.

After further discussion, Councilman Eaddy made the motion unanimously approved to adopt the proposed pay plan as presented and recommended by the City Manager.

Councilman Eaddy said he is excited about the progress the City is making and that we are able to implement this plan for our employees.

<u>CONSIDERATION OF PERSONNEL POLICY AMENDMENTS</u> : (P-10-16)

Tanya Osborne, Human Resource Director, gave the following recommendations for revisions to the City's Personnel Policy based on implementation of the Pay & Classification Plan;

She said, "One of the recommendations from the Piedmont Triad Regional Council consultants included moving from the City's current pay schedule of grades and steps, and adopting a pay plan which utilizes an open range pay schedule. If City Council approves the recommendation, the Personnel Policy will require updated language to administer the proposed pay plan. Following is a list of the policy sections affected and the proposed changes. Also attached are the three articles for review."

Proposed changes:

Article II. Recruitment and Employment

p.11 Section 5: Updated to included probationary as type of employment.

p.13-14 Section 11: Removed reference to "permanent" position throughout section, and changed "appointee" to "employee" for consistency in paragraph. Clarified status of employee as "new" and removed sentence with reference to step increase.

Article III. Classification Plan

p.19 Section 1: Removed reference to "permanent" position.

p.20 Section 5: Clarified information submitted for Council approval and location of approved plans.

Article IV. The Pay Plan

p.22 Section 1: Expanded upon the definition of the pay plan and what it consists of.

p.23-25 Section 3-6: Changed all references to steps or entry level to reference "minimum rate"

Article IV

p. 25-27 Section 7: Included a brief description of each type of employment change and the effect on pay with the open range schedule. Removed all references to entry level and steps.

p. 28 Section 8: Replaced word "step" with "salary".

p. 32 Section 12: Removed word "step" and replaced with "salary" throughout section.

Tanya concluded recommending that the upon implementation of the newly adopted pay plan, the Personnel Policy changes be effective on November 1, 2016. *(A complete copy of the revisions in their entirety are on file in the Human Resources Department and are available for public inspection)*

Councilman Black made the motion unanimously approved to adopt the personnel policy revisions as recommended to be consistent with the new pay and classification study findings, to become effective November 1, 2016.

REQUEST FROM FUMC BOY SCOUT PACK 75 AND TROOP 75 FOR PERMISSION TO ADOPT THE MARCIA H CLONINGER RAIL TRAIL FOR CLEANUP PACK 75 REQUESTS TO ADOPT FROM FIRST FEDERAL PARK TO CITY PARK TROOP 75 REQUESTS TO ADOPT FROM FIRST FEDERAL PARK TO BETTY ROSS PARK:

Leaders from both Cub Scout Pack 75 and Boy Scout Troop 75 were in attendance and spoke to Council regarding this request. They said if approved they would ensure the trail is kept clean of debris and would also assist with plantings along the trail as needed. They requested that Council consider allowing them to adopt the Marcia H. Cloninger Rail Trail, in two sections, with Boy Scout Troop 75 being responsible for the section of the trail from First Federal Park to Betty Ross Park. The Cub Scout Pack 75 would be responsible for the area from First Federal Park to City Park.

Councilman Rhyne made the motion unanimously approved to allow both FUMC Cub Scout Pack 75 and Boy Scout Troop 75 to adopt the above said sections of the Marcia H. Cloninger rail-trail.

REQUEST FROM CAROLINE BROWN TO APPEAR BEFORE COUNCIL TO DISCUSS REVISITING THE CRUISING ORDINANCE:

Caroline Brown & Others “Cruising for our Kids” Group were in attendance to speak to Council about bringing cruising back to Lincolnton. She had several young adults holding signs throughout the room in support of cruising downtown.

This item generated much discussion as Ms. Brown gave about a forty-five minute presentation providing some exchange from two other representatives from the “Cruising for Kids Group”. Ms. Brown told Council that she is a business owner in downtown, and also lives downtown. She said there are teenagers that are cruising now on the weekends in downtown, and she feels most parents would rather have their kids here in Lincolnton and not traveling to Shelby or Hickory. “It gives them something to do in their own hometown.” Ms. Brown said the City could issue a permit to individuals, saying $ 30 for age 18 and under and $ 45 for anyone over the age of 18 that would be accessed annually. The revenue could go to pay for the Police required to patrol the area during the hours of cruising.

Others in this group felt that since the bowling alley and skating rink closed there are just not things for teens to do on the weekend. Councilman Eaddy said he is open to discuss anything. He said, “Nostalgia is good, but may not be good for public policy.”

After much discussion, Council directed Ms. Brown to come up with a proposed plan in writing and to meet with the City Manager to discuss.

Ms. Brown concluded saying, “I would like to thank Council for not slamming the gavel down on this issue.”

REQUEST TO APPEAR BEFORE COUNCIL TO DISCUSS CITY ORDINANCE 153.073 - WRECKED OR JUNKED VEHICLES :

Mr. Alan Hoyle, Hoyle Services at 319 N Poplar Street, told Council, “Rights are given by almighty God, not the constitution.” Mr. Hoyle felt his property, which abuts the north side of the Marcia H Cloninger rail trail, is not problematic to the City as it currently houses cars/vehicles that are in violation of the City’s Nuisance Ordinance. He questioned why the City placed a fence on the south side of the rail trail but did not have a fence on the north side.

After some discussion Councilman Black asked Mr. Hoyle is erecting a fence on the north side along his property of the trail would help him. Mr. Hoyle said he felt it would. The City Manager was directed to get a cost estimate for a five foot fence for this area.

<u>CONSIDERATION OF AWARDING THREE (3) BUSINESS INCENTIVE GRANTS:</u>

Planning Director Laura Elam reviewed the following three applications for potential grant funding:

(a) BIG-1-16 - Application from John Anderson Family, LLC for Business Incentive Grant for $ 15,000 for building renovations to add three upper story residential units at 235 E Main Street -
Councilman Eaddy made the motion unanimously approved to award the above described grant to the applicant as recommended by the Planning Department.

(b) BIG-2-16 - Application from Danny Wayne Brooks for Business Incentive Grant for $ 15,000 for building renovations to upfit first floor space for retail use and renovate second floor for residential loft at 121 East Main Street
Councilman Eaddy made the motion unanimously approved to award the above described grant to the applicant as recommended by the Planning Department.

(c) BIG-3-16 - Application from Marilyn Beal for Business Incentive Grant for $ 2667.50 for building renovations for a new bakery at 106 Westview Drive
Councilman Rhyne made the motion unanimously approved to award the above described grant to the applicant as recommended by the Planning Department.

Laura Elam, Planning Director, assured Council that no monies would be disbursed for any grant funds, to the applicants, until invoices for work completed are submitted to the City.

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MONTHLY FINANCIAL REPORT/OVERTIME REPORT :

Steve Zickefoose, City Manager, presented the following financial update to Council: (He noted numbers are down as the City has not yet received tax revenues to date)

DISCUSSION REGARDING PARKING :

Dr. Marty Eaddy, Mayor Pro-Tem, said recently Council voted to have our law enforcement strictly enforce the two hour parking ordinance, as it should. He said, "I support that we need to protect our businesses during the day, but would like to re-examine the ordinance to see if there is room for improvement on things/events/services that create a necessity for more than two hour parking in our downtown."

Councilman Rhyne said the City may need to revisit parking meters as an option. He said "I think enforcement is working but the ordinance as a whole isn't working."

Councilman Eaddy said the ordinance was drafted in the early 2004 and he would be in favor of seeing it needs changes. Mayor Hatley was to gather names of those wishing to serve on a parking Committee and meet with the City Manager to discuss setting up a committee and determine a meeting date and time.

Mayor Hatley called for a five minute break at 9:15 pm.

The meeting reconvened at 9:20, with Steve Peeler, PW&U Director taking a moment to thank Mayor and Council for the big step they took tonight adopting the pay & classification plan. He said, "This was a big step in moving this City forward, and on behalf of my employees I thank you."

CONSIDERATION OF CONTRACT BETWEEN THE CITY AND HICKORY SAND IN THE AMOUNT OF $ 688,365.00 FOR REPAIRS TO DOWNTOWN INFRASTRUCTURE :

(C-22-16)

Steve Peeler, Director of PW&U, presented a contract for the above said downtown infrastructure repairs.

Councilman Eaddy made the motion unanimously approved that the City enter into the contract, changing the water line size from the 8 inch line to a 12 inch line, noting the additional cost would be worth the money to grow the downtown in the future.

The City Manager said he would come back with a budget amendment at the November meeting for Council to approve to cover the additional monies.

CONSIDERATION OF CONTRACT BETWEEN THE CITY AND SOUTHEASTERN ENGINEERING SERVICES - FLINT STREET ELECTRICAL SUBSTATION PROJECT IN THE AMOUNT OF $ 23,000 FOR ENGINEERING SERVICES :

(C-23-16)

David Ramsey, Utility Billing Supervisor, told Council he had received three written bids on the engineering services for the Flint Street Electrical Substation project. Of those three bids Southeastern Engineering was the apparent low bidder at $ 23,000. He recommended that Council consider entering into a contract with Southeastern for said amount.

Councilman Jetton made the motion unanimously approved to enter into the contract as recommended by Mr. Ramsey.

CONSIDERATION OF AWARDING BANKING BID FOR VEHICLE AND EQUIPMENT PURCHASE :

(C-24-16)

Steve Zickefoose, City Manager, told Council that nine proposals were received on September 21st for the RFP for Installment Financing Agreement for vehicles and equipment. He said First Tryon Advisors assisted with the RFP process and is coordinating the loan and closing process. After evaluating the proposals, BB&T was the lowest responsive bidder at 1.4%. Their bid meets all proposal requirements and offers the lowest overall cost to the City. He concluded recommending Council ward the banking bid to BB&T at a rate of 1.4%.

Councilman Rhyne made the motion unanimously approved to enter into the contract with BB&T as recommended by the City Manager.

CONSIDERATION OF APPROVAL OF RESOLUTION - INSTALLMENT FINANCING AGREEMENT AND DELIVERY - NOT TO EXCEED $ 405,000 :

(R-17-16)

Steve Zickefoose, City Manager, requested Council consider approving the following resolution for installment finance agreement:

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A RESOLUTION OF THE CITY OF LINCOLNTON, NORTH CAROLINA, APPROVING AN INSTALLMENT FINANCING AGREEMENT AND DELIVERY THEREOF AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS.

WHEREAS, the City of Lincolnton, North Carolina (the "*City*") is a duly and regularly created, organized and validly existing municipal corporation of the State of North Carolina, existing as such under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the "*State*");

WHEREAS, the City has the power, pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended, to (a) purchase real and personal property, (b) enter into installment contracts in order to finance the purchase of real and personal property used, or to be used, for public purposes, and (c) grant a security interest in some or all of the property purchased to secure repayment of the purchase price;

WHEREAS, the City Council of the City (the "*City Council*"), hereby determines that it is in the best interests of the City to receive an advance of funds in an aggregate principal amount of not more than $405,000 by entering into an installment financing agreement (the "*Financing Agreement*") with Branch Banking and Trust Company (the "*Lender*") in order to finance the acquisition of motor vehicles and rolling stock (the "*Equipment*"), and provide the Lender a security interest therein;

WHEREAS, the Equipment is or will be owned and operated by the City to serve the citizens of the City;

WHEREAS, the obligation of the City to make Installment Payments under the Financing Agreement is a limited obligation of the City payable solely from currently budgeted appropriations of the

City and does not constitute a pledge of the faith and credit of the City within the meaning of any constitutional debt limitation;

WHEREAS, the City will grant a security interest in the Equipment under the Financing Agreement and will deliver title to the Equipment or a North Carolina Uniform Commercial Code Financing Statement (the *"UCC Financing Statement"*), as applicable, for the benefit of the Lender relating to the Equipment;

WHEREAS, there has been made available to the City Council the form of the Financing Agreement which the City proposes to approve, enter into and deliver, as applicable, to effectuate the proposed financing; and

WHEREAS, it appears that the Financing Agreement is in appropriate form and is an appropriate instrument for the purposes intended;

NOW, THEREFORE, *BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LINCOLNTON, NORTH CAROLINA, AS FOLLOWS:*

Section 1. ***Ratification of Prior Actions.*** All actions of the City Manager/Finance Director of the City and the City Clerk and their respective designees in effectuating the proposed financing are hereby approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the Financing Agreement.

Section 2. ***Approval, Authorization and Execution of Financing Agreement.*** The City hereby approves the acquisition of the Equipment in accordance with the terms of the Financing Agreement, which will be a valid, legal and binding obligation of the City in accordance with its terms. The City hereby approves the amount to be advanced by the Lender to the City pursuant to the Financing Agreement in an aggregate principal amount not to exceed $405,000, such amount to be repaid by the City to the Lender at an interest rate of 1.40% per annum as provided in the Financing Agreement. The form, terms and content of the Financing Agreement are in all respects authorized, approved and confirmed, and each of the Mayor, the City Manager/Finance Director of the City and the City Clerk or their respective designees, individually or collectively, are authorized, empowered and directed to execute and deliver the

Financing Agreement for and on behalf of the City, including necessary counterparts, in substantially the form attached hereto, but with such changes, modifications, additions or deletions therein as shall to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all such changes, modifications, additions or deletions, and that from and after the execution and delivery of the Financing Agreement, each of the Mayor, the City Manager/Finance Director of the City and the City Clerk or their respective designees, individually or collectively, are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Financing Agreement as executed.

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Section 3. ***Further Actions.*** Each of the Mayor, the City Manager/Finance Director of the City and the City Clerk, individually or collectively, are hereby designated as the City's representatives to act on behalf of the City in connection with the transactions contemplated by the Financing Agreement and are authorized and directed to proceed with the acquisition of the Equipment in accordance with the terms of the Financing Agreement, to deliver title to the Equipment to the Lender or file the UCC Financing Statement related to the security interest in the Equipment, as necessary, and to seek opinions on matters of law from the City Attorney, which the City Attorney is authorized to furnish on behalf of the City, and opinions of law from such other attorneys for all documents contemplated hereby as required by law. Each of the Mayor, the City Manager/Finance Director and the City Clerk are hereby authorized to designate one or more employees of the City to take all actions which each of them are authorized to perform under this Resolution, and are in all respects authorized on behalf of the City to supply all information pertaining to the transactions contemplated by the Financing Agreement. Each of the Mayor, the City Manager/Finance Director and the City Clerk, individually or collectively, are authorized to execute and deliver for and on behalf of the City any and all additional certificates, documents, opinions or other papers and perform all other acts as may be required by the Financing Agreement or as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 4. ***Declaration of Intent to Reimburse.*** The City is proceeding with the acquisition of the Equipment and has incurred or will incur additional capital expenditures (the "*Capital Expenditures*") in connection therewith before the execution and delivery of the Financing Agreement. This Resolution serves as a declaration of official intent of the City under Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the City's intent to reimburse itself for the Capital Expenditures from proceeds of the Financing Agreement. The City Manager/Finance Director or his designee, with advice from bond counsel, is hereby authorized, directed and designated to act on behalf of the City in determining and itemizing all of the Capital Expenditures incurred and paid by the City in connection with the Equipment during the period commencing on the date occurring 60 days prior to the date of adoption of this Resolution and ending on the date of the execution and delivery of the Financing Agreement.

Section 5. ***Repealer.*** All motions, orders, resolutions, ordinances and parts thereof, in conflict herewith are hereby repealed.

Section 6. ***Severability.*** If any section, phrase or provision of this Resolution is for any reason declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

Section 7. ***Effective Date.*** That this Resolution is effective on the date of its adoption.

Councilman Eaddy made the motion unanimously approved to adopt the resolution as presented and recommended by the City Manager.

CONSIDERATION OF PROPOSED BUDGET AMENDMENT TO THE GENERAL FUND(1) TIMKEN GRANT/FIRST FEDERAL PARK (2) DDA CHANGES/PLANNING DEVELOPMENT REORGANIZATION (3) SCHOOL RESOURCE OFFICE (SRO) FUNDS:

(BA-05-16)

Steve Zickefoose, City Manager, presented a budget amendment increasing the General Fund Expenditures by $ 181,000.00 to allow for the addition of a School Resource Officer (SRO) position and to account for the First Federal Park donations received.

Councilman Rhyne made the motion unanimously approved to approve the amendment as requested by the City Manager/Finance Director.

PUBLIC COMMENT :

Alan Hoyle spoke under the public comment section of the agenda, saying a prayer for the nation, our government and elected officials.

NEWS MEDIA :

Wayne Howard of the Lincoln Herald asked council for clarification on one item.

ADJOURNMENT :

Councilman Rhyne made the motion unanimously approved to adjourn the meeting at 10:15 pm.

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DONNA C. FLOWERS, MMC **ED HATLEY**
CITY CLERK **MAYOR**