

The Mayor and City Council met in regular session on Thursday, August 5, 2021 at 7:00 p.m. in the Council Chambers of City Hall located at 114 West Sycamore Street, Lincolnton North Carolina.

Mayor Ed Hatley opened the meeting with a moment of silence, after which all those in attendance were asked to stand for the Pledge of Allegiance.

Councilwoman Poinsette made a motion to approve the *REGULAR AGENDA*. Members voted 4-0 in favor of the motion.

Councilwoman White made a motion to approve the *CONSENT AGENDA* as presented and amended:

- **Approval of Minutes for the June 24, 2021 meeting**
- **APPT-05-21 – Appointment of Michelle Patterson to the Lincolnton Tourism Development Authority to fill vacancy per authority by-laws**

PUBLIC HEARINGS

ZMA-4-2021

Application from Crayton Kale/Alotbetter, LLC requesting the rezoning of 1.36 acres of land from Neighborhood (NB) District to the Residential-25 (R-25) District. The subject property

Planning Director Laura Elam presented a detailed summary of the request to council members. Mrs. Elam explained the applicants request and provided a current zoning map along with views of the property. She also provided some land use plan history on the site, stating that the rezoning is consistent with the Land Use Plan in staff's opinion. Mrs. Elam reported that Planning Board and staff recommend the following:

1. Approval of rezoning of the property from NB to R-25
2. Approval of the statement of consistency for approval of the rezoning request
3. If rezoning is approved, amend the land use plan to include the property in the Residential Suburban Planning Area

Mr. Crayton Kale, one of the applicants, briefly spoke to council members regarding the request, offering to answer any questions. With no one else wishing to speak and with no further discussion, **Councilwoman Poinsette made a motion to close the Public Hearing. Members voted 4-0 in favor of the motion**

Councilman Eaddy made a motion to approve the request as presented. Members voted 4-0 in favor of the motion.

(CZ-5-2021)

Application from Piedmont Companies, Inc., requesting a Conditional Rezoning from R-8 and R-O Districts to the Planned Residential District (PRD) for the purpose of building 20 Townhomes. The subject property is 1.5 acres in size and is made up of three parcels located on the north side of East Main Street approximately 150 feet east of the intersection of Huss Street and East Main Street (Parcel ID 22425, 22424 and 51760)

Planning Director Laura Elam began by reminding Council that request was heard and tabled at the June 24th meeting so that a vehicular connection to Arney Street could be studied and so that the applicant could submit a landscape plan. Mrs. Elam stated that an Arney Street connection was discussed among staff and viewed as appropriate without improvements being made by the developer with the exception of the required sidewalk and planning strip along the site frontage (Arney Street). She explained that a revised plan showing access to Arney Street, as well as a landscaping plan has been submitted by the applicant. Mrs. Elam concluded stating that Planning Board and staff recommend approval.

Mr. Craig Upshaw, commercial developer with Piedmont Companies, was present and spoke briefly to the project, informing council members of other potential options.

Councilwoman Poinsette made a motion to close the Public Hearing. Members voted 4-0 in favor of the motion

Councilwoman Poinsette made a motion to approve the request. Members voted 4-0 in favor of the request

Targeted Incentive Grant Program
Application from Lincolnton Planning Department requesting an
amendment of the City of Lincolnton Targeted Incentive Grant Program

Planning Director Laura Elam presented a request to council members requesting an amendment to the City's Targeted Incentive Grant Program (TIG). Mrs. Elam explained the purpose for the program and how it works. She stated that per the legal advice received, the incentive program should be linked to requirements for energy efficiency measures. The chart below summarizes key changes to the Targeted Incentive Program:

	Current Program	Proposed Program
Funding Type	Forgivable loan	Grant
Maximum Award	\$200,000.00	\$50,000.00
Required Dollar Match	50 percent	No
Minimum Required Financial Investment by Applicant	No	\$150,000.00
Performance Period	Loan can be forgiven if restaurant meeting program requirements remains in place for at least 5 yrs.	Grant to be repaid to City on pro-rated basis if restaurant meeting program requirements does not remain in place for at least 5 yrs.
Job Creation Requirement	No	Minimum of 2 full time equivalent employees for at least 5 yrs.
Minimum Number of Seats	50	No
Energy Efficiency Measures Required	No	Yes
Requirement For General Contractor to Perform Building Renovations	Yes	No
Requirement For General Contractor to Prepare Written Cost Estimate	Yes	No
Requirement For Funding To Be Returned to City If Restaurant or Building is Sold Within 5 Yrs	No	Yes

Some discussion was generated regarding project oversight and quality of the work to be done if no general contractor is being required. There were also concerns related to cost estimates. It was stated that inspections will be required. Mrs. Elam further explained that Mr. Wayne Godfrey, a certified building inspector, will be included in the group of people to look at the improvements prior to the funds being issued to ensure certain standards are met.

Rhonda Hunter with the Lincoln Economic Development Association, expressed her thankfulness for the incentives and communicated how helpful incentives are when working with small businesses, particularly restaurants.

Mayor and Council members expressed their appreciation to Ms. Hunter for her hard work and contributions that are directly tied to the economic development of the downtown area.

Councilwoman White made a motion to close the public hearing. Members voted 4-0 in favor of the motion.

Councilman Eaddy made a motion to approve the Targeted Incentive Grant Program as presented. Members voted 4-0 in favor of the motion.

REGULAR AGENDA

Presentation **FM Global Fire Prevention Grant Award**

Rusty Reynolds, Training Officer, was recognized for his above and beyond the call of duty actions. Chief Heavner explained that Training Officer Reynolds submitted an application for the FM Global fire prevention grant, which stood out among hundreds that were received. His submission led to his department being awarded additional funding in the amount of \$3389.00 to purchase two laptop computers with accessories. Mayor Ed Hatley presented him the plaque that accompanied the grant funds. *(a copy of award letter is attached and made a part of these minutes)*

Request to Address Council Regarding Lincolnton Industrial Incentive Grant Policy

Mr. Cliff Brumfield, Lincoln Economic Development Association Director, addressed councilmembers regarding proposed changes to the Lincolnton Industrial Incentive Grant Policy. Mr. Brumfield explained that reevaluating

both city and county incentive grant policies are done to ensure competitiveness. He reviewed the process, and voiced the concerns identified within the current policy; which could potentially be the reason for the early elimination during the selection process. Mr. Brumfield proposed the following changes to the City of Lincoln Industrial Incentive Grant Program Policy. Proposed changes are in black, existing program parameters are in blue:

1. Level I Grant – for qualifying new capital investment by new or expanding industries in an amount from \$750,000 to \$999,999. A level 1 grant is paid in 3 equal installments over a 3-year term and represents a 65% reduction in taxes.

Currently, Level 1 covers \$1,000,000 - \$4,999,999 at a similar 65% reduction in taxes for 5 years. This change provides an incentive for smaller industrial investments and reduces the grant payment period accordingly. This change is intended to show smaller, typically locally owned industries that Lincoln encourages their location and investment here.

2. Level II Grant -- for qualifying new capital investment by new or expanding industries in an amount of \$1,000,000 to \$9,999,999. A level II grant represents a 75% reduction in taxes and is paid in 5 equal installments over a 5-year term. Or, for more than 75 jobs created, the incentive is extended from a 5 to a 7-year term.

Currently, Level 2 covers \$5,000,000 – \$19,999,999 at a similar 75% reduction in taxes. This change will provide for a greater reduction in taxes for qualifying investments of \$10K or more. In the current policy, any investment resulting in 75 or more jobs is similarly paid out in 7 years.

3. Level III Grant -- for qualifying new capital investment by new or expanding industries in an amount from \$10,000,000 to \$19,999,999. A level III grant provides an 85% reduction in taxes and is paid in 7 equal installments over a 7-year term.

Currently, Level III covers \$20,000,000 - \$24,999,999 at an 85% reduction in taxes over 7 years.

4. Level IV Grant -- for qualifying new capital investment by new or expanding industries in an amount of \$20,000,000 or more. A level IV grant represents a 95% reduction in taxes and is paid in 8 equal installments over an 8-year term.

Currently, Level IV covers \$25,000,000 or more and provides a 95% reduction in taxes paid over 7 years. The new change will again make Lincoln and Lincoln County more competitive, especially for larger transformative new location opportunities.

With no questions from Council, **Councilwoman Poinsette made a motion to approve the changes. Members voted 4-0 in favor of the motion.**

. **(BA-04-21)**

Budget Amendment to the Annual Budget Ordinance for the fiscal year ending June 30, 2022 (General Fund and Water & Sewer Fund)

Mayor Ed Hatley recognized Pamela McBryde, Finance Director, to speak to the item. Mrs. McBryde presented a budget amendment to reflect the addition of the FM Global fire prevention grant funds (\$3,389.00) received to purchase two laptop computers. The appropriation of funds from the FY 2021 capital projects are reflected as well. These projects were put on hold due to Covid-19 (\$279,000.00). Projects are WTP VFD, WTP Breakers MCCI and WTP Generator Batteries. Total Amendment of \$282,389.

Mrs. McBryde also informed councilmembers of notification received regarding the first installment of ARPA funds which should total nearly 1.8 million dollars total. *(a copy of which is attached and made a part of these minutes)*

Councilman Jetton made a motion to approve. Members voted 4-0 in favor of the motion.

C-08-21

Cruisin' For A Cause Event

Laura Morris, Community Relations Director, presented a request to Council on behalf of Cruisin' For A Cause organizers, requesting approval to sell and serve beer at its annual event in 2021. She reported that this year's event is scheduled for Saturday, September 18th from 5:00 p.m. to 10:00 p.m. Ms. Morris informed that both Chief Jordan and Chief Heavner approved the request and that staff has prepared the special event permit and city alcohol contract for approval.

Councilwoman Poinsette made a motion to approve the request.

(Per the recording, motion was made prior to discussion taking place)

There was some discussion on the issue regarding the location of the actual event and where alcohol sales will take place. Ms. Morris explained where check points will be located and participant requirements that will be enforced.

Councilman Eaddy made a motion to approve the contract. Members voted 4-0 in favor of the motion.

C-09-21
Revised Code Enforcement Contract with Lincoln County

City Manager Ritchie Haynes presented a revised code enforcement contract with Lincoln County for Councils approval. Mr. Haynes explained the new contract now contains language to address abandoned structures, as well as minimum housing and commercial maintenance. He informed council of the quarterly meetings that will take place going forward, and talked about having access to the county's software so that reports can be printed. He noted that staff now has the ability to track ongoing issues. Some discussion was generated among council and staff. *(a copy of contract is attached and made a part of these minutes)*

Councilman Jetton made a motion to approve. Members voted 4-0 in favor of the motion.

MANAGER'S REPORT/ACTIVITY UPDATE

City Manager Ritchie Haynes presented to following financial report:

August 2021 Council Meeting							
Executive Summary							
June 2021 Year-To-Date							
General Fund		Budget 20-21	Actual 20-21	% of Budget	Budget 19-20	Actual 19-20	Difference
Fund 10	Revenues	10,911,910	12,383,650	113%	11,543,700	11,210,882	1,172,767
	Fund Balance	-	-	-	825,000	-	-
		10,911,910	12,383,650		12,368,700	11,210,882	1,172,767
	City Manager/Clerk	248,220	222,207		222,495	183,560	38,648
	Human Resources	317,020	303,426		262,720	240,553	62,872
	Finance	158,230	186,314		129,630	76,940	109,374
	General Expense	1,280,731	1,288,428		1,103,160	1,012,689	275,739
	General Debt Service	334,757	289,592		430,632	394,832	(105,241)
	Police	3,400,120	3,307,829		3,223,020	3,154,330	153,499
	Fire	2,234,100	2,924,181		2,364,700	2,297,877	626,304
	Public Works	45,660	72,944		43,010	17,949	54,995
	Street	829,825	727,902		1,329,225	822,848	(94,946)
	Equipment Services	211,770	239,935		122,970	117,079	122,856
	Solid Waste	692,375	641,937		908,855	886,254	(244,317)
	General Services	-	-		-	-	-
	Plannin/Zoning	497,239	367,207		557,420	334,279	32,929
	Bus & Comm. Dev	123,200	115,343		423,200	284,055	(168,712)
	Recreation	1,038,663	974,988		1,247,663	1,158,942	(183,954)
	Expenses	11,411,910	11,662,233	102%	12,368,700	10,982,186	680,046
	Difference		721,417			228,696	492,721
Water & Sewer Fund		Budget 20-21	Actual 20-21	% of Budget	Budget 19-20	Actual 19-20	Difference
Fund 61	Revenues	8,146,950	8,439,177	104%	7,146,949	8,316,133	123,044
	Fund Balance	-	-	-	3,725,010	-	-
		8,146,950	8,439,177		10,871,959	8,316,133	123,044
	Water Treatment	1,972,500	1,450,510		1,496,850	1,344,983	105,526
	Dist & Collection	2,032,900	1,919,669		3,652,160	3,161,795	(1,242,127)
	Wastewater	1,625,000	1,579,746		1,547,000	1,413,950	165,796
	W & S Intangibles	4,247,050	3,984,104		4,175,949	4,133,466	(149,362)
	Expenses	9,877,450	8,934,029	90%	10,871,959	10,054,195	(1,120,167)
	Difference		(494,851)			(1,738,062)	1,243,210
Electric Fund		Budget 20-21	Actual 20-21	% of Budget	Budget 19-20	Actual 19-20	Difference
Fund 63	Revenues	7,788,350	8,958,865	115%	7,937,102	8,363,218	595,647
	Fund Balance	-	-	-	2,330,000	-	-
		7,788,350	8,958,865		10,267,102	8,363,218	595,647
	Electric Dept.	8,696,830	8,155,737		10,267,102	8,566,646	(410,910)
	Expenses	8,696,830	8,155,737	94%	10,267,102	8,566,646	(410,910)
	Difference		803,129			(203,428)	1,006,557
Overtime	80+ hours		583,359			509,759	73,600

Mr. Haynes pointed out several dates of upcoming events scheduled to take place. He gave a brief COVID update. Mayor Hatley commented on his conversation with the Lincoln County Health Department Director, who requested that he stress the importance of getting the vaccine. Mr. Haynes also reported on the success of National Night Out, and thanked everyone who helped make it possible.

PUBLIC COMMENT

Mr. David Lutz expressed public comments regarding the Oaklawn Community. He spoke to what he feels is a very dangerous problem in terms of pedestrians walking along the 321 bypass bridge. He also voiced concerns about those he identified as homeless individuals walking on the railroad tracks in this area.

Mr. Steve Peeler also signed up to speak but declined when name was announced.

NEWS MEDIA - There was no comments from the media

CLOSED SESSION

Councilwoman White made a motion to go into closed session to discuss property acquisition in accordance with NCGS 143-318.11(A)(5). Members voted 4-0 in favor of the motion.

ADJOURNMENT:

Upon returning from closed session, Councilman Jetton made a motion to adjourn the meeting. Members voted 4-0 in favor of the motion.

DAPHNE INGRAM, CITY CLERK

ED HATLEY, MAYOR



June 11, 2021

Training Officer Reynolds
Lincolnton Fire Department
PO Box 617
Lincolnton, North Carolina 28093
United States

Dear Training Officer Reynolds:

Congratulations. Your grant application for an FM Global fire prevention grant stood out among the hundreds we received, and we will be funding \$3389 to purchase two laptop computers with accessories. We hope the additional funding will help to strengthen your efforts to ultimately, and more effectively prevent fire—the leading cause of property destruction worldwide.

Award checks and plaques will be mailed in July to your attention at the address above. Please feel free to use the attached news release that we've prepared for you to promote news media interest.

During the past 40 years, FM Global has awarded millions of dollars in funding to fire departments and related agencies worldwide. With a shared philosophy that the majority of property loss is preventable—not inevitable—we can make a difference in preventing the frequency and severity of fire...together.

Once again, congratulations on your recent fire prevention grant awarded by FM Global, one of the world's largest commercial property insurers.

If you have any questions regarding your award, please feel welcome to e-mail me.

Best wishes for continued success in your fire prevention endeavors.

Michael Spaziani
Assistant Vice President, Manager - Fire Service Programs

*CC: Keith Burton - Atlanta Operations
21-035 - Lincolnton Fire Department*

FM GLOBAL FOUNDATION
JOHNSTON RI 02919

PAYMENT INFORMATION

DATE: June 9, 2021
CHECK NUMBER: 22920983
AMOUNT PAID: \$3,389.00
ACCOUNT NUMBER: XXXXXX8352
TRACE NUMBER: 00000000037191750
VENDOR ID: 1
VENDOR NAME: LINCOLNTON FIRE DEPARTMENT



0000000001-37 CPL0 UX 15921-106 UB - A0150166

LINCOLNTON FIRE DEPARTMENT
FIRE CREW INC
PO BOX 617
LINCOLNTON NC 28093



Date	Invoice Number	Description	Gross Amount	Discount	Net Amount
6/9/2021	Fire Grant Check	Payment	\$3,389.00	\$0.00	\$3,389.00
		Totals	\$3,389.00	\$0.00	\$3,389.00

PLEASE DETACH BEFORE DEPOSITING CHECK

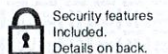
FM GLOBAL FOUNDATION
JOHNSTON RI 02919

CHECK
NUMBER: 22920983
June 9, 2021

1-2
210

PAY TO THE ORDER OF: LINCOLNTON FIRE DEPARTMENT
FIRE CREW INC
PO BOX 617
LINCOLNTON NC 28093

AMOUNT
\$3,389.00



Three Thousand Three Hundred Eighty-Nine And 00/100 Dollars

Fire Grant Check

JPMorgan Chase Bank NA, New York NY

Denise A. Hebert

Authorized Signatures

22920983 0210000210

628718352

CITY COUNCIL

Ed L. Hatley, Mayor
 Martin A. Eaddy, Mayor Pro-Tem
 Christine Poinsette
 Mary Frances White
 Roby D. Jetton

**CITY MANGER**

Richard Haynes
rhaynes@lincolntonnc.org

CITY CLERK

Daphne Ingram
dingram@lincolntonnc.org

CITY ATTORNEY

Thomas J. Wilson, Jr.

BA-04-21

BE IT ORDAINED by the Governing Board of the City of Lincolnton, North Carolina, that the following amendment be made to the Annual Budget Ordinance for the fiscal year ending June 30, 2022.

Section 1: To amend the General Fund, the expenditures are to be changes as follows:

General Expense

Fire	\$	3,389
	\$	3,389

Section 2: To amend the General Fund, the revenues are to be changed as follows:

Grants - Other	\$	3,389
	\$	3,389

General Fund: Training Officer Rusty Reynolds with the Fire Department applied for the FM Global fire prevention grant. This is a "non-matching" grant that is to fund the purchase of two laptop computers.

Section 7: To amend the Water and Sewer Fund, the expenditures are to be changes as follows:

Water Treatment Plant	\$	279,000
	\$	279,000

Section 8: To amend the Water and Sewer Fund, the revenues are to be changed as follows:

Fund Balance Appropriated	\$	279,000
	\$	279,000

Water and Sewer Fund: Appropriating funds for the FY2021 capital projects that did not get started due to Covid-19. Funding is from fund balance. Projects are WTP VFD, WTP Breakers MCC1 and WTP Generator Batteries.

Section 14: Appropriations are authorized by departmental totals. The City Manager is authorized to reallocate departmental appropriations among line item objects of expenditures and revenues as necessary during the budget year.

Section 15: Copies of this Budget Ordinance shall be furnished to the Clerk to the Governing Board and to the Budget Officer and Finance Director to be kept on file by them for their direction in the disbursement of funds.

TOTAL AMENDMENT \$ 282,389

Adopted this 5th day of August, 2021

Attest:

Daphne Ingram
City Clerk

Edward L Hatley
Mayor

INTERLOCAL COOPERATION AGREEMENT

between

LINCOLN COUNTY

and

THE CITY OF LINCOLNTON

This contract is made and entered into this _____ day of _____, 2021 (hereinafter referred to as the "Agreement"), between **LINCOLN COUNTY**, a body corporate and politic authorized by the laws of the State of North Carolina, having a mailing address of 353 N. Generals Boulevard, Lincolnton, NC 28092, hereinafter referred to as the "County" and the **CITY OF LINCOLNTON**, a North Carolina municipal corporation having a mailing address of 114 W. Sycamore Street, Lincolnton, NC 28092, hereinafter referred to as the "City";

W I T N E S S E T H

WHEREAS, the governing bodies of the County and City have found and determined that it is in the public benefit and interest to enter into an agreement for the following:

a. The City desires to contract with the County, and the County desires to contract with the City, for the County to provide assistance and aid through the County's Planning and Inspections Department to the City for the purpose of facilitating code enforcement services ("Code Enforcement") within the city limits and the extraterritorial jurisdiction ("ETJ") of the City of Lincolnton; and

WHEREAS, the Interlocal Cooperation Act, as codified in N.C.G.S. § 160A-460 through § 160A-466, allows and provides for units of local government to enter into agreements in order to execute any undertaking providing for the contractual exercise by one unit of any power, function, public enterprise, right, privilege, or immunity of local government; and

WHEREAS, the County and City, as governments, are authorized to enter into intergovernmental services agreements; and

WHEREAS, the County is authorized to make and execute contracts with municipalities in the same county where the City of Lincolnton is located; and

WHEREAS, the governing bodies of the County and City have ratified this agreement by resolutions being recorded in their respective minutes.

NOW THEREFORE, in consideration of the mutual conditions, covenants, and performances called for herein, the parties hereto agree to the following:

I. Terms of Code Enforcement Services from County to City

(A) Services Provided. The County shall provide to the City, on an as-needed and as-available basis, County personnel who shall provide code enforcement services for the

City to include, but not be limited to, the following, as directed by the County Manger and/or City Manager or their respectively designated personnel:

1. Act as the Code Enforcement Officer for the City;
2. Investigate complaints of violations of the Unified Development Ordinance, Nuisance, Flood, Abandoned Structure Ordinance, and Abandoned Vehicle Ordinances;
3. Subsequent to investigation, determine if violation(s) exist;
4. If violation is determined to exist, take photographs of violation(s);
5. Post and mail notice of violation(s), notice of hearings (as needed), and deadline for compliance;
6. Schedule, coordinate, and attend violation hearings;
7. Advise property owner of appropriate action(s) necessary to bring property into compliance and deadline for compliance;
8. Within one (1) week of deadline for compliance, perform follow-up investigation to determine compliance and notify concerned parties of action(s) taken; and
9. Notify the City of any cases in which there is continued non-compliance after the deadline given to the property owner by the Code Enforcement Officer for which compliance has expired.
10. Monitor cases that are likely to become repeat violations and reopen cases as necessary.

(B) Salary and Benefits. The County shall be responsible for the payment of salary and benefits to employee(s) responsible for the Code Enforcement. However, the City shall maintain workers' compensation insurance covering such employees during the performance of their duties for the City pursuant to this Agreement.

(C) Term of Agreement. This Agreement shall be for a term of one (1) year ending on June 30, 2022, and shall automatically renew on an annual basis thereafter unless one party provides written notice of termination at least thirty (30) days before the renewal of the Agreement.

(D) Cap on Hours Provided. Notwithstanding the foregoing, however, the County shall only be required to provide no more than six hundred and twenty-four (624) man-hours of labor for Code Enforcement within the city limits and ETJ of the City of Lincolnton, each fiscal year.

(E) Legal Services. Any legal services that shall be required for the enforcement of any code violations within the city limits or ETJ of the City of Lincolnton, including lien placement, injunctions, small claims matters, etc, shall be performed by the City Attorney and City employees. County employees will only be involved in legal matters regarding these code violations as witnesses, if necessary. The City shall be responsible for all legal fees that are incurred regarding code violations within the city limits or ETJ of the City of Lincolnton.

(F) Building Inspections. This Agreement shall not include the enforcement of any building inspections for properties located within the city limits or ETJ of the City of

Lincolnton. This matter is managed under a separate agreement between the City and the County and is not subject to the terms contained herein.

(G) Minimum Housing Ordinances. This Agreement shall not include the enforcement of any minimum housing ordinances for properties located within the city limits or ETJ of the City of Lincolnton. This matter shall continue to be the sole responsibility of the City. The Inspections Division will continue to provide on-site inspection assistance at the request of the City but shall not manage any administrative function related to the enforcement of the aforementioned ordinance. Requests for on-site assistance shall be made at least 2 business days in advance.

(H) Commercial Maintenance Code. This Agreement shall not include the enforcement of any commercial maintenance codes for properties located within the city limits or ETJ of the City of Lincolnton. This matter shall continue to be the sole responsibility of the City. The Inspections Division will continue to provide on-site inspection assistance at the request of the City but shall not manage any administrative function related to the enforcement of the aforementioned ordinance. Requests for on-site assistance shall be made at least 2 business days in advance.

(I) Real Property. No ownership of real property shall be involved in the undertaking of this Agreement.

II. **Additional Terms.** The following terms apply to this Agreement in its entirety, including Section I.

(A) Termination. This Agreement shall automatically renew on July 1, 2022, for one-year extensions unless notification is provided in writing by either party, in writing, prior to the anniversary of the renewal.

(B) Breach of Agreement. If either party fails to perform the duties and obligations under this Agreement, the non-breaching party shall have the right to terminate this Agreement in writing with thirty (30) days' notice.

(C) Notice. All notices given pursuant to the terms of this Agreement shall be in writing and delivered in person or transmitted by certified mail, return receipt requested, postage prepared, to the following entities:

City: Lincolnton City Manager
 114 W. Sycamore St.
 Lincolnton, North Carolina 28092

With Copy to: Thomas J. Wilson, Jr.
 PO Box 737
 Lincolnton, NC 28093

County: Lincoln County Manager
 353 N Generals Boulevard
 Lincolnton, North Carolina 28092

With Copy to: Wesley L. Deaton
The Deaton Law Firm, PLLC
PO Box 2459
Denver, NC 28037

(D) Payment for services. The City shall annually pay the County the amount of Twenty-Nine Thousand and no/100 (\$29,000.00) Dollars, beginning July 1, 2021 and continuing on the first of July each year thereafter, including any possible extensions, until the expiration or termination of this Agreement.

(E) Miscellaneous Provisions.

1. This Agreement embodies the entire agreement between the parties in connection with this transaction, and there are no oral or parol agreements, representations or inducements existing between the parties relating to this transaction, which are not expressly set forth herein and covered hereby. This Agreement may not be modified, released or waived except by a written agreement signed by all of the parties hereto.

2. Nothing contained herein shall be construed to place the parties in the relationship of partners or joint venturers, and neither party shall have the power to obligate or bind the other party in any manner whatsoever.

3. No written waiver by any party at any time of any breach of any other provision of this Agreement shall be deemed a waiver of a breach of any provision herein or a consent to any subsequent breach of the same or any other provisions. If any action by any party shall require the consent or approval of another party, such consent or approval of such action on any occasion shall not be deemed a consent to or approval of such action on any subsequent occasion or a consent to or approval of any other action on the same or any subsequent occasion.

4. The various rights, powers and remedies herein contained and reserved to either the County or the City shall not be considered as exclusive of any other right, power or remedy, but the same shall be construed as cumulative and shall be in addition to every other right, power or remedy now or hereafter existing at law, in equity or by statute. No delay or omission of a party to exercise any right, power or remedy arising from any omission, neglect or default of the other party shall impair any such right, power or remedy or shall be construed as a waiver of any such default or an acquiescence therein.

5. In the event either of the parties receives notice of or undertakes the defense or the prosecution of any actions, claims, suits, administrative or arbitration proceedings or investigations in connection with this Agreement, the party receiving such notice or undertaking such prosecution shall give the other party timely notice of such proceedings and will inform the other party in advance of all hearings regarding such proceedings.

6. The captions, section numbers and article numbers appearing in this Agreement are inserted only as a matter of convenience and do not define, limit, construe or describe the scope of such paragraphs or articles of this Agreement nor in any way affect this Agreement.

7. This Agreement shall be governed by and interpreted in accordance with the laws of the State of North Carolina.

8. Time shall be of the essence of this Agreement and each and every term and condition thereof.

9. Words of any gender used in this Agreement shall be held to include any other gender, and words in the singular number shall be held to include the plural, when the sense requires.

10. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such fully-executed counterpart.

11. Both the County and the City acknowledge and stipulate that this Agreement is the product of mutual negotiation and bargaining and that it has been drafted by respective counsel for both the County and the City. As such, the doctrine of construction against the drafter shall have no application to this Agreement.

12. If any provision under this Agreement or its application to any person or circumstance is held invalid by any court of competent jurisdiction, such invalidity does not affect any other provision of this Agreement or its application that can be given effect without the invalid provision or application.

13. In the event of a dispute arising from this Agreement, the parties agree to take the following actions as conditions precedent to any party hereto filing an action arising from the Agreement:

i. The Lincolnton City Manager and the Lincoln County Manager shall meet in an attempt to informally mediate the dispute; and

ii. If said Managers are unable to successfully mediate said dispute, the Lincolnton Mayor and Lincolnton City Manager shall attempt to mediate the dispute with the Lincoln County Manager and the Chairman of the Lincoln County Board of Commissioners.

If the parties, after taking the steps provided hereinabove, are unable to successfully mediate their dispute, then either party may file an action in the Lincoln County Superior Court for a determination of the parties' respective rights and liabilities therein.

In witness, whereof, the parties have executed this Agreement by day and year above first written.

SIGNATURES APPEAR ON THE FOLLOWING PAGE

CITY OF LINCOLNTON,
A North Carolina Municipal Corporation

By: _____
Ed Hatley, Mayor

ATTEST:

Daphne Ingram, City Clerk

This document has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Pamela McBryde, Finance Director
City of Lincolnton

Approved as to form on behalf of the City of Lincolnton.

Thomas J. Wilson, Jr.
Attorney for the City of Lincolnton

STATE OF NORTH CAROLINA
COUNTY OF LINCOLN

I, _____, a Notary Public of said County and State, certify that Daphne Ingram personally came before me this day and acknowledged that she is City Clerk of the City of Lincolnton, a North Carolina Municipal Corporation, and that by authority duly given and as the act of the City Council of the City of Lincolnton, the foregoing instrument was signed in its name and by its City Manager, sealed with its corporate seal and attested by her as its City Clerk.

Witness my hand and seal this _____ day of _____, 2021.

Notary Public

(SEAL)

My Commission Expires: _____

LINCOLN COUNTY,

A North Carolina Body Corporate and Politic

By: _____
Carrol D. Mitchem
Chairman of the Board of Commissioners

ATTEST:

Amy Atkins, County Clerk

This document has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Deanna Rios, Finance Director
Lincoln County, North Carolina

Approved as to form on behalf of Lincoln County

Wesley L. Deaton
Attorney for Lincoln County

STATE OF NORTH CAROLINA

COUNTY OF LINCOLN

I, _____ a Notary Public of said county and state, certify that Amy Atkins personally came before me this day and acknowledged that she is the County Clerk of Lincoln County, North Carolina, a body corporate and politic in nature, and that by authority duly given and as the act of the Board of Commissioners of Lincoln County, North Carolina, the foregoing instrument was signed in its name and by its Chairman of the Board, sealed with its corporate seal and attested by her as its County Clerk.

Witness my hand and seal this _____ day of _____, 2021.

Notary Public

(SEAL)

My Commission Expires: _____

Executive Summary**June 2021 Year-To-Date**

General Fund		% of					
Fund 10		Budget 20-21	Actual 20-21	Budget	Budget 19-20	Actual 19-20	Difference
	Revenues	10,911,910	12,383,650	113%	11,543,700	11,210,882	1,172,767
	Fund Balance	-	-	-	825,000	-	-
		10,911,910	12,383,650		12,368,700	11,210,882	1,172,767
	City Manager/Clerk	248,220	222,207		222,495	183,560	38,648
	Human Resources	317,020	303,426		262,720	240,553	62,872
	Finance	158,230	186,314		129,630	76,940	109,374
	General Expense	1,280,731	1,288,428		1,103,160	1,012,689	275,739
	General Debt Service	334,757	289,592		430,632	394,832	(105,241)
	Police	3,400,120	3,307,829		3,223,020	3,154,330	153,499
	Fire	2,234,100	2,924,181		2,364,700	2,297,877	626,304
	Public Works	45,660	72,944		43,010	17,949	54,995
	Street	829,825	727,902		1,329,225	822,848	(94,946)
	Equipment Services	211,770	239,935		122,970	117,079	122,856
	Solid Waste	692,375	641,937		908,855	886,254	(244,317)
	General Services	-	-		-	-	-
	Plannin/Zoning	497,239	367,207		557,420	334,279	32,929
	Bus & Comm. Dev	123,200	115,343		423,200	284,055	(168,712)
	Recreation	1,038,663	974,988		1,247,663	1,158,942	(183,954)
	Expenses	11,411,910	11,662,233	102%	12,368,700	10,982,186	680,046
	Difference		721,417			228,696	492,721

% of					
Water & Sewer Fund					
Fund 61	Budget 20-21	Actual 20-21	Budget	Budget 19-20	Actual 19-20
	Revenues	8,146,950	8,439,177	104%	7,146,949
Fund Balance	-	-		3,725,010	8,316,133
	8,146,950	8,439,177		10,871,959	8,316,133
Water Treatment	1,972,500	1,450,510		1,496,850	1,344,983
	Dist & Collection	2,032,900	1,919,669	3,652,160	3,161,795
Wastewater	1,625,000	1,579,746		1,547,000	1,413,950
	W & S Intangibles	4,247,050	3,984,104	4,175,949	4,133,466
Expenses	9,877,450	8,934,029	90%	10,871,959	10,054,195
Difference		(494,851)			(1,738,062)
					1,243,210

% of					
Electric Fund					
Fund 63	Budget 20-21	Actual 20-21	Budget	Budget 19-20	Actual 19-20
	Revenues	7,788,350	8,958,865	115%	7,937,102
Fund Balance	-	-		2,330,000	-
	7,788,350	8,958,865		10,267,102	8,363,218
Electric Dept.	8,696,830	8,155,737		10,267,102	8,566,646
	Expenses	8,696,830	8,155,737	94%	8,566,646
Difference		803,129			(203,428)
					1,006,557

Overtime 80+ hours

583,359

509,759

73,600