

A G E N D A

LINCOLNTON CITY COUNCIL



October 6, 2022

7:00 p.m.

Council Chambers

City hall



**LINCOLNTON CITY COUNCIL
AGENDA
October 6, 2022
7:00 p.m.**

CALL TO ORDER

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

1. AGENDA APPROVALS

1a. Approval of REGULAR AGENDA

1b. Approval of CONSENT AGENDA

All items placed under Consent Agenda are considered routine, to be enacted by one motion without discussion. If a member of the Governing Body requests discussion of an item, the item will be removed from the Consent Agenda and considered separately.

- **Approval of Minutes for the September 1, 2022 Regular Meeting**
- **Retirement Recognition – Roger Hilton, Jr. – Effective November 1st**
- **Proclamation – Public Power Week – October 2nd – 8th, 2022**

2. Public Comment

Speakers will be limited to three (3) minutes to address Mayor and City Council concerning non-agenda items. You must sign in with the City Clerk to be eligible to speak

3. PUBLIC HEARINGS

~~**3a. CZ-9-2022 – Application from Edgewater Ventures requesting the conditional Zoning of 30.33 acres from Planned Business-Special Highway Overlay (PB-SHO) District to the General Manufacturing and Commercial (GMC-CD) District for the purpose of constructing a 270,000 square foot industrial building. The subject property is located on the west side of Car Farm Road approximately 600 feet south of the intersection of Car Farm Road and Maiden Highway (Parcel ID 00822) –**~~ **DELAYED**

3b. O-11-22 - Request/Approval of Ordinance to Annex Property to extend the corporate limits – Startown Road and Clarks Creek Road

Jean Derby, Planning Director

4. REGULAR AGENDA

4a. MJS -2-2022 – Major Subdivision Plat from BBC Clark Creek LLC requesting subdivision plat approval of 328 residential lots that were conditionally zoned as a Planned Residential Development (Clarks Creek Landing). The subject property is located at the southeast corner of Startown Road and Clarks Creek Road. (Parcel ID 15415)

Jean Derby, Planning Director

4b. Request for Approval Authority – Police Department Policy Manual

Rodney Jordan, Police Chief

4c. Consideration of NC League of Municipalities Safety Grant – 50/50 city matching grant up to \$10,000 for Rescue and Safety Equipment

Ryan Heavner, Fire Chief

5. REGULAR AGENDA

5a. Consideration of NC Forestry Grant – 50/50 city match up to \$10,000 For firefighter communication equipment. City responsibility would be maximum of \$5,000.00

Ryan Heavner, Fire Chief

5b. Request to Initiate Cyber Security Grant Application

Chris Jones, IT Director

5c. BA-08-22 – Approval of Amendment to the Annual Budget Ordinance for the fiscal year ending June 30, 2023. To Amend the General Fund, Electric Fund and Special Revenue Fund.

Pamela McBryde, Finance Director

6. REGULAR AGENDA

6a. APPT -10- 2022 -Consideration of nominees from area high schools for the 2022-2023 Lincolnton Student Advisory Council

Ed Hatley, Mayor

6b. C-17-22 - Approval of Contract/Agreement with Auction Management Corp. for Electronic Auction Services (old police building).

David Ramsey, Business Services Director

6c. C-18-22 - Approval of Contract to purchase property located at 500 Sigmon Road (2 parcels)

Ritchie Haynes, City Manager

7. REGULAR AGENDA

7a. C-19-22 – Consideration/Approval of City Park Design Plan Proposal

Nathan Eurey, Public Services Director

7b. Consideration of Request for Qualification (RFQ's) – Street Scape Design Plan

Ritchie Haynes, City Manager

8. OTHER BUSINESS

8a. Discussion – Homelessness

Ed Hatley, Mayor

8b. Executive Summary / Overtime Report

Pamela McBryde, Finance Director

8c. Manager's Report/Update

NEWS MEDIA

ADJOURNMENT

ITEM #

1

AGENDA

APPROVALS

ITEM #

1a

APPROVAL

OF

REGULAR AGENDA

ITEM #

1b

APPROVAL

OF

CONSENT AGENDA

Approval of Minutes from Previous Meeting

Regular Meeting Minutes – September 1, 2022

The Mayor and City Council met in regular session on Thursday, September 1, 2022 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 and led the Pledge of Allegiance. The following members were in attendance:

WHITE

POINSETTE

EADDY

JETTON

Councilmember White made a motion to approve the Regular Agenda as presented. Members voted 4-0 in favor of the motion.

Councilmember Poinsette made a motion to approve the *CONSENT AGENDA* items as follows:

- **Approval of Minutes from August 4, 2022 - Regular Meeting**
Members voted 4-0 in favor of the motion

Request to Close Cleveland Avenue

As requested by the applicant, this item was withdrawn and removed from the meeting agenda. Request may be re-submitted at a later date.

Presentation

Mayor Ed Hatley presented the following proclamation to Ms. Frances Goins, a member of the Forney Chapter of the Daughters of the American Revolution (DAR);

WHEREAS: It is the privilege and duty of the American people to commemorate the two hundred and thirty-fifth anniversary of the drafting of the Constitution of the United States of America with appropriate ceremonies and activities; and

WHEREAS: September 17, 2022 marks the anniversary of the framing of this document by the Constitutional Convention; and

WHEREAS: It is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary, and to the patriotic celebrations which will commemorate it; and

WHEREAS, Public law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17th through 23rd as Constitution Week,

NOW, THEREFORE, I, Ed Hatley, by virtue of the authority vested in me as Mayor of the City of Lincolnton do hereby proclaim the week of September 17th through 23rd as

“CONSTITUTION WEEK”

Regular Meeting Minutes – September 1, 2022

and urge all citizens to study the Constitution and reflect on the privilege of being an American with all the rights and responsibilities which that privilege involves.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Lincolnton to be affixed this 1st day of September the year of our Lord two thousand twenty-two.

Lincoln Economic Development Association (LEDA) Update

Mr. Cliff Brumfield gave an overview of the importance of LEDA and thanked council for their strong cooperation with the association. He stressed the need for that continued partnership, which will help to continue to attract businesses to the area. Mr. Brumfield provided members a packet of information, briefly explaining its contents. He spoke to the three (3) active incentive grants, explaining how they work and their significance.

Mr. Brumfield concluded his presentation by stating his purpose was to provide a snapshot of what has taken place over the last few years and to offered to answer any questions.

(R-13-22)

Consideration of a request to adopt a Resolution Declaring Real Property Surplus from the Lincolnton-Lincoln County Regional Airport Authority

Councilmember Eaddy spoke to this item, giving some detailed background information regarding property. Dr. Eaddy explained that due to the advancement of technology, the property in question is no longer needed, therefore the Airport Authority is requesting that the following resolution, declaring the property surplus, be adopted. The resolution reads as follows:

WHEREAS, by authority of N.C. G.S. 160A-265, cities may declare surplus any real and personal property owned by the city at the discretion of the City Council; and

WHEREAS, the City of Lincolnton jointly owns parcel #02864, 1.987 acres, located off Lee Moore Road, and recorded in the office of the Register of Deeds of Lincoln County, NC in Deed Book Number 635, page 136; and

WHEREAS, the Lincolnton-Lincoln County Regional Airport Authority is requesting that the City of Lincolnton declare the above mentioned parcel of land surplus; and

WHEREAS, the City of Lincolnton desires to declare said parcel of land surplus.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lincolnton that the property identified above is declared surplus.

ADOPTED this the 1st day of September, 2022.

Councilmember Jetton made a motion to adopt the resolution. Members voted 4-0 in favor of the motion.

Presentation of Certificate of Sufficiency from the City Clerk Certifying the results of petition submitted for voluntary satellite annexation

Planning Director Jean Derby, presented the Certificate of Sufficiency certifying the results of the voluntary satellite annexation petition submitted requesting the annexation of approximately 84.654 acres of land located at the southeast corner of Startown Road and Clarks Creek Road (Parcel ID 1415). She stated that all of the statutory requirements have been met. The Certificate of Sufficiency reads as follows:

To the Lincolnton City Council of the City of Lincolnton, North Carolina;

I, Daphne Ingram, City Clerk, do hereby certify that I have investigated the attached petition and hereby make the following findings;

I further find that the area meets the standards for a noncontiguous area as specified in G.S. 160A-58.1(b), in that:

1. The petition includes a metes and bounds description of the area proposed for annexation and has attached a map showing the proposed satellite area in relation to the primary corporate limits
2. The petition included the names and addresses of all owners of real property lying in the area described therein.
3. The petition includes the signatures of all owners of real property lying in the area described therein, except those not required to sign by G.S. 160A-58.1 (a).
4. The nearest point on the proposed satellite corporate limits is no more than three (3) miles from the primary corporate limits of the City;
5. No point on the proposed satellite corporate limits is closer to the primary corporate limits of any municipality other than the city;
6. The satellite area is so situated that the City will be able to provide the same services as are provided within its primary corporate limits;
7. To the extent that the proposed satellite area contains any portion of a subdivision, the entire subdivision is included;
8. The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits of the City, does not exceed ten (10%) of the area within the primary corporate limits of the City.

In witness whereof, I have hereunto set my hand and affixed the seal of the City of Lincolnton, this 1st day of September, 2022.

Councilmember Eaddy made a motion to accept the certificate of sufficiency and to adopt a resolution to fix a date for public hearing. Resolution reads as follows:

Regular Meeting Minutes – September 1, 2022

WHEREAS, a petition requesting annexation of the non-contiguous area described herein has been received; and

WHEREAS, the Lincolnton City Council has by resolution directed the City Clerk to investigate the sufficiency of the petition; and

WHEREAS, certification by the City Clerk as to the sufficiency of the petition has been made;

NOW THEREFORE, BE IT RESOLVED, by the City Council of the City of Lincolnton, North Carolina that:

Section 1. A public hearing on the question of annexation of the non-contiguous area described herein will be held in the Council Chambers at City Hall at 7:00 p.m. on October 6th, 2022.

Section 2. The area proposed for annexation is described as follows:

BEGINNING AT A POINT LOCATED AT IN THE CENTERLINE OF THE INTERSECTION OF CLARK'S CREEK ROAD AND STARTOWN ROAD (WITH NC GRID COORDINATES NORTHING: 648,977.820', BASTING: 1,326,900.386'); AND RUNS THENCE FROM SAID POINT OF BEGINNING WITH THE CENTERLINE OF CLARK'S CREEK ROAD SEVEN (7) COURSES AND DISTANCES AS FOLLOWS: (1) N 73-06-41 E 415.46' TO A POINT, (2) N 73-24-46 E 120.64' TO A POINT, (3) N 70-10-38 E 109.39' TO A POINT, (4) N 66-35-30 E 129.38' TO A POINT, (5) N 60-43-15 E 144.96', (6) N 57-31-48 E 94.63' TO A POINT, AND (7) N 55-36-22 E 177.06' TO A POINT; THENCE S 49-26-23 E 1268.58' TO A REBAR; THENCE S 49-26-14 E 65.13' TO A REBAR; THENCE N 50-15-11 E 360.98' (PASSING A REBAR AT 60.27' AND PASSING A REBAR AT 335.17') TO A REBAR, THENCE S 45-1036 E 323.81' TO A SET REBAR, THENCE N 40-45-05 E 206.63' TO A SET REBAR, THENCE N 68-53-36 E 153.06' TO A SET REBAR, THENCE S 53-36-40 E 66.68' TO A SET REBAR, THENCE N 44-54-42 E 219.52' TO A POINT IN THE RIGHT OF WAY FOR CLARK'S CREEK ROAD; THENCE FOLLOWING THE MARGIN OF CLARK'S CREEK ROAD WITH AN ARC TO THE LEFT HAVING AN ARC LENTH OF 653.90' A RADIUS OF 1792.89' AND A CHORD OF 650.28' AND DIRECTION OF S 63-57-23 E A POINT ON THE MARGIN OF CLARK' S CREEK ROAD, THENCE IFAVING THE MARGIN OF CLARK' S CREEK ROAD S 76-21-26 W 79.05' TO A SET REBAR, THENCE S 35-51-26 W 264.00' TO A SET REBAR, THENCE S 28-08-34 E 280.50' TO A POINT IN CLARK'S CREEK, THENCE WITH CLARK' S CREEK FOUR (4) COURSES AND DISTANCES AS FOLLOWS: (1) S 20-57-44 W 160.06' TO A POINT, (2) S 22-41-49 W 249.01' TO A POINT, (3) S 20-04-30 W 259.42' TO A POINT, AND (4) S 21-48-42 W 645.01' TO A POINT; THENCE LEAVING CLARK'S CREEK (PASSING A SET REBAR AT 30.00' AND PASSING A 2" PIPE AT 1165.08') N 48-09-07 W 2155.94' TO A SET REBAR, THENCE S 84-58-43 W 834.79' TO A SET REBAR; THENCE S 36-17-00 W 139.10' TO A 1½" ROD, THENCE S 69-47-18 W 510.52' (PASSING A REBAR AT 481.43') TO A POINT IN THE C/L OF STARTOWN ROAD, THENCE WITH C/L OF STARTOWN RD THREE (3) CALLS (1) N 01-49-37 W 128.26' TO A POINT, (2) N 05-01-51 W 102.15' TO A POINT, (3) N 06-26-50 W 757.00' TO THE POINT OF BEGINNING, CONTAINING APPROXIMATELY 86.906 AS SHOWN ON A SURVEY PREPARED BY VERITAS LAND, PC DATED MAY 5, 2022.

Section 3. Notice of the public hearing shall be published once in the Lincoln Times, a newspaper having general circulation in the City of Lincolnton, at least ten (10) days prior to the date of the public hearing

Regular Meeting Minutes – September 1, 2022

BA-07-22

Finance Director Pamela McBryde presented and addressed council regarding the following budget amendment:

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, 2023.

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

General Expense	\$	63,412
Recreation		10,000
	\$	73,412

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

Sale of Capital Assets-GF	\$	27,581
Insurance Settlement		35,831
Veterans Banner Project		10,000
	\$	73,412

General Fund: Record GovDeals revenue received on Capital Assets sold, Insurance settlements for property damage and Police Department building, and Proceeds for the Veterans banner project.

Section 3: To amend the Boger City Fire District Fund, the expenditures are to be changes as follows:

Boger Ciy Fire Tax	\$	8,339
--------------------	----	-------

Section 4: To amend the Boger City Fire District Fund, the revenues are to be changed as follows:

Fire District Tax	\$	8,339
	\$	8,339

Boger City Fire District: Record true-up of Boger City Fire District Tax per County for FY2223.

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

Water Treatment Plant	\$	22,500
	\$	22,500

REGULAR MEETING - September 1, 2022

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

Other Operating Revenues	\$	22,500
	\$	22,500

Water and Sewer Fund: Record GovDeals revenue from sale of WTP Truck.

Section 9: To amend the Electric Fund, the expenditures are to be changes as follows:

Electric Operations	\$	1,685
---------------------	----	-------

Section 10: To amend the Electric Fund, the revenues are to be changed as follows:

Other Operating Revenue	\$	1,685
	\$	1,685

Electric Fund: Record GovDeals revenue from sale of voltage regulators.

Section 11: To amend the Special Revenue Fund, the expenditures are to be changed as follows:

American Rescue Plan Act (Fund 55)	\$	1,784,706
	\$	1,784,706

Section 12: To amend the Special Revenue Fund, the revenues are to be changed as follows:

American Rescue Plan Act (Fund 55)	\$	1,784,706
	\$	1,784,706

Special Revenue Fund: Record 2nd installment of ARPA funds from the Federal Government.

Section 16: Appropriations are authorized by fund totals. The City Manager is authorized to reallocate fund appropriations among line item objects of expenditures and revenues as necessary during the budget year.

Section 17: 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	\$	1,890,642
-----------------	----	-----------

Adopted this 1st day of September, 2022

Mrs. McBryde briefly reviewed the proposed amendments to be made to the various funds totaling over 1.8 million dollars. She also commended the fire department for obtaining a Walmart grant for technology equipment. **Councilmember Poinsette**

made a motion to approve the budget amendment as presented. Members voted 4-0 in favor of the motion.

C-16-22

Approval of Contract between the City of Lincoln and Burch Environmental, LLC for Environmental Professional Services

City Manager Ritchie Haynes presented a proposed contract with Burch Environmental LLC for council's approval. Mr. Haynes provided some background information to councilmembers regarding the request, stating that if the company is unable to secure the grant, payment for services is not required. Proposed contract presented as follows:

CONTRACTUAL AGREEMENT BETWEEN OWNER (CITY
OF LINCOLN) AND CONSULTANT (BURCH
ENVIRONMENTAL, LLC) FOR ENVIRONMENTAL
PROFESSIONAL SERVICES

THIS IS AN AGREEMENT effective as of the day of , 2022
("EFFECTIVE DATE") between the City of Lincoln (hereinafter referred to as
"OWNER") and Burch Environmental, LLC (hereinafter referred to as "CONSULTANT").

OWNER's Projects, of which CONSULTANT's services under this AGREEMENT are a part, is generally identified as the following:

- = 2022 Water AIA Project and
- = 2022 Wastewater AIA Project.

WHEREAS, CONSULTANT is specially experienced and competent to provide to the OWNER, certain specialized services and/or advice to assist the OWNER with grant funding opportunities; and

WHEREAS, OWNER desires to obtain environmental and grant funding services for the projects described below; and

WHEREAS, CONSULTANT has indicated its willingness and commitment to provide its specialized services and/or advice to the OWNER on the terms hereafter set forth in this AGREEMENT.

CONSULTANT's Services under this AGREEMENT are generally identified as follows per each project (as provided below):

REGULAR MEETING - September 1, 2022

ITEM #	TASKS (For 2022 Water and Wastewater AIA Projects)	COST
1A.	Complete and Submit <i>2022 Water MA Grant Application</i> to NCDEQ (DWI) including Resolution, Project Description and Grant Narrative, Project Budget and other necessary Certifications (i.e., Financial Information Form, Affordability Calculations, etc.)	\$18,000
B.	Complete and Submit <i>2022 Wastewater AIA Grant Application</i> to NCDEQ (DWI) including Resolution, Project Description and Grant Narrative, Project Budget and other necessary Certifications (i.e., Financial Information Form, Affordability Calculations, etc.)	\$18,000
	TOTAL	\$36,000

OWNER and CONSULTANT further agree as follows:

1.1 *Basic Agreement and Period of Service*

- A. CONSULTANT shall provide the services set forth in this AGREEMENT. If authorized by OWNER, or if required because of changes in the Projects, CONSULTANT shall furnish services in addition to those set forth above.
- B. CONSULTANT shall complete its services with a reasonable time, or within the following specific time period: in accordance with the requirements of the State funding agency and upon approval for the AIA grant(s) by the State funding agency.

2.01 *Payment Procedures*

- A. *Invoices:* CONSULTANT shall prepare invoices in accordance with its standard invoicing practices and submit the invoices to OWNER starting after grant approval by the State funding agency.

3.01 *Termination*

- A. The obligation to continue performance under this AGREEMENT may be terminated:
 - 1. For cause,
 - a. By either party upon thirty (30) days written notice in the event of substantial failure by the other party to perform in accordance with the AGREEMENT's terms through no fault of the terminating party. Failure to pay CONSULTANT for its services is a substantial failure to perform and a basis for termination.
 - 2. By CONSULTANT:

- a. Upon seven (7) days written notice if OWNER demands that CONSULTANT furnish or perform services contrary to CONSULTANT'S responsibilities as an environmental professional; or
- b. Upon seven (7) days written notice if the CONSULTANT'S services for the Projects are delayed for more than 30 days for reasons beyond CONSULTANT'S control.

3. By OWNER:

- a. For convenience upon CONSULTANT'S receipt of written notice from OWNER.

4.01 *Basis of Payment*

- A. Using the procedures set forth in Paragraph 2.01, OWNER shall compensate CONSULTANT an amount not to exceed \$36,000.00 such amount being the total for all services identified herein. This amount will not be billed under after completion of tasks provided herein and upon approval by the State funding agency for the MA grant(s).

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT, the Effective Date of which is indicated on Page 1

Councilmember Jetton made a motion to approve the contract between the City and Burch Enviromental. Members voted 4-0 in favor of the motion.

In light of the approval of the contract with Burch Environmental, LLC for environmental professional services, approval of a resolution authorizing request for grant assistance for the 2022 Wastewater AIA Project and the 2022 Water AIA project was considered. Resolutions were presented as follows:

**RESOLUTION BY THE LINCOLNTON CITY COUNCIL OF THE
CITY OF LINCOLNTON**

WHEREAS, The North Carolina Water Infrastructure Act of 2005 (NCGS 159G), as amended, has authorized the making of grants to aid eligible units of government in financing the cost to inventory existing water and/or sewer systems and document the condition of the inventoried infrastructure, and

WHEREAS, The City of Lincolnton has need for and intends to assess its wastewater treatment system by completing a project described as the **2022 Wastewater AIA Project**, and

WHEREAS, The City of Lincolnton intends to request State grant assistance for the project,

NOW THEREFORE BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE CITY OF LINCOLNTON:

That the City of Lincolnton, the **Applicant**, will arrange financing for all remaining costs of the project, if approved for a State grant award.

That **Richard Haynes, City Manager**, the **Authorized Official**, and successors so titled, is hereby authorized to execute and file an application on behalf of the **Applicant** with the State of North Carolina for a grant to aid in the implementation of the project described above.

That the **Authorized Official**, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the

project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the Applicant has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants pertaining thereto.

Upon motion duly made by Councilmember _____, and unanimously approved, the above resolution was duly adopted this the _____ day of _____, 2022 at Lincolnton City Hall in Lincolnton, North Carolina by the Lincolnton City Council.

Councilmember Poinsette made a motion to approve the resolution for the Wastewater AIA project. Members voted 4-0 in favor of the motion.

RESOLUTION BY THE LINCOLNTON CITY COUNCIL
OF THE CITY OF LINCOLNTON

WHEREAS, The North Carolina Water Infrastructure Act of 2005 (NCGS 159G), as amended, has authorized the making of grants to aid eligible units of government in financing the cost to inventory existing water and/or sewer systems and document the condition of the inventoried infrastructure, and

WHEREAS, The City of Lincolnton has need for and intends to assess its water treatment system by completing a project described as the **2022 Water AIA Project**, and

WHEREAS, The City of Lincolnton intends to request State grant assistance for the project,

NOW THEREFORE BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE CITY OF LINCOLNTON:

That the City of Lincolnton, the **Applicant**, will arrange financing for all remaining costs of the project, if approved for a State grant award.

That **Richard Haynes, City Manager**, the **Authorized Official**, and successors so titled, is hereby authorized to execute and file an application on behalf of the **Applicant** with the State of North Carolina for a grant to aid in the implementation of the project described above.

That the **Authorized Official**, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the **Applicant** has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants pertaining thereto.

Upon motion duly made by Councilmember _____, and unanimously approved, the above resolution was duly adopted this the _____ day of _____, 2022 at Lincolnton City Hall in Lincolnton, North Carolina by the Lincolnton City Council.

Councilmember White made a motion to approve the resolution for the Water AIA Project. Members voted 4-0 in favor of the motion.

Continued Discussion and Adoption of Resolution Declaring Property Surplus and Authorizing the Sale of Said Property

There was continued discussion regarding the sale of surplus city owned property at 600 Huss Street and 625 East Main Street. Council decided to proceed with the sale of the Huss Street property. The following resolution was presented for approval:

(R-16-22)
Resolution Authorizing Sale of Real Property by Electronic Public Auction Pursuant to G.S. 160A-270

Whereas, G.S. 160A-270 authorizes the City Council to sell real property at public auction, including electronic public auction, upon adoption of a resolution authorizing the appropriate official to dispose of the property at public auction subject to Council's acceptance of the highest bid;

Whereas, the City Manager has recommended that the property listed on the attached Exhibit A should be sold at public auction as surplus property;

Now therefore, be it resolved, by the Lincolnton City Council that:

1. The City Manager or his designee is authorized to sell by electronic auction at www.govdeals.com, beginning on _____ and ending on _____, the surplus property described in Exhibit A.
2. The terms of the sale shall be

3. The City Manager or his designee is directed to have published a notice of the sale at least once and not less than 30 days before the date on which bidding opens. The notice shall contain a general description of the land sufficient to identify it, the terms of the sale, and a reference to this authorizing resolution as required by G.S. 160A-270(a).
4. The city reserves the right to withdraw any listed property from the auction at any time before the auction sale of that property.

Adopted September 1, 2022.

Councilmember White made a motion to approve the resolution. Members voted 4-0 in favor of the motion.

Business Services Manager David Ramsey addressed council regarding the donation of a fire truck to the Letcher County Fire Department. The following resolution was presented as follows:

**Resolution Approving Conveyance of Personal Property
Pursuant to G.S. 160A-278**

WHEREAS, the City of Lincolnton owns a 1995 Pierce Lance Fire Truck, VIN# 4P1CT02D2SA000428; and

WHEREAS, North Carolina General Statute § 160A-280 authorizes a city or county to convey personal property for nonmonetary consideration to a nonprofit corporation if the governing board deems the property to be surplus, obsolete, or unused; and

WHEREAS, the City of Lincolnton has determined that the personal property described above is surplus, obsolete, or unused; and

WHEREAS, the City of Lincolnton finds that the public will benefit from the conveyance of the property described above by meeting the need of the Letcher County Fire Department as they recover from a recent natural disaster.

THEREFORE, THE LINCOLNTON CITY COUNCIL RESOLVES THAT:

1. The city manager of Lincolnton is authorized to execute all documents necessary to convey title to a 1995 Pierce Lance Fire Truck to Letcher County Fire Department in Letcher, Kentucky.

2. The consideration for the conveyance is meeting the need of the Letcher County Fire Department as they recover from a recent natural disaster.

3. In accordance with the notice requirements of N.C.G.S. § 160A-280, public notice of this resolution was given by posting on the city website and at City Hall located at 114 W. Sycamore Street, Lincolnton, North Carolina.

Adopted this the 1st day of September, 2022.

Councilmember White made a motion to adopt the resolution to declare fire truck surplus in order to donate to Letcher County. Members voted 4-0 in favor of the motion.

**Resolution Authorizing Sale of Real Property by Electronic Public Auction
Pursuant to G.S. 160A-270**

City Manager Ritchie Haynes addressed council regarding the sale of city owned property. He stated his desire to table the sale of the former police department building to a later date. As staff is continuing to work to identify the appropriate company to conduct the sale, making sure that due diligence is done before submitting a contract for approval.

Mr. Haynes presented a resolution to council authorizing the sale of city owned property located on Huss Street. He gave some brief background information on how the property was acquired. Mr. Haynes stated that an electronic public auction would be conducted using the GovDeals auction site. The resolution is as follows:

**Resolution Authorizing Sale of Real Property by Electronic Public Auction
Pursuant to G.S. 160A-270**

Whereas, G.S. 160A-270 authorizes the City Council to sell real property at public auction, including electronic public auction, upon adoption of a resolution authorizing the appropriate official to dispose of the property at public auction subject to Council's acceptance of the highest bid;

Whereas, the City Manager has recommended that the property listed on the attached Exhibit A should be sold at public auction as surplus property;

Now therefore, be it resolved, by the Lincolnton City Council that:

1. The City Manager or his designee is authorized to sell by electronic auction at _____, beginning on _____ and ending on _____, the surplus property described in Exhibit A.
2. The terms of the sale shall be _____

3. The City Manager or his designee is directed to have published a notice of the sale at least once and not less than 30 days before the date on which bidding opens. The notice shall contain a general description of the land sufficient to identify it, the terms of the sale, and a reference to this authorizing resolution as required by G.S. 160A-270(a).
4. The city reserves the right to withdraw any listed property from the auction at any time before the auction sale of that property.

Adopted September 1, 2022.

Councilmember Poinsette made a motion to approve the resolution to declare the property on Huss Street surplus. Councilmember Eaddy suggested that the motion include that the City Manager has the authority to set the date without having to come back to council. Members voted 4-0 in favor of the motion.

OTHER BUSINESS

MANAGER'S REPORT / UPDATE

City Manager Ritchie Haynes updated councilmembers on several items and upcoming events on the calendar. Events listed included Mural unveiling, Alive After Five, Dancing with Our Stars and Cursin' For A Cause. Mr. Haynes recognized the Chamber of Commerce and the sponsors for the First Responders Luncheon that were held. He also informed members of the Life Time Achievement Award to be awarded to Steve

Peeler by Electricities. He continued recognizing Deanna Hodges, Kara Brown and LEDA for their hard work, and spoke to the new parking lot, city park renovations and a grant for brewery's and event spaces. Code Enforcement report was provided to members.

PUBLIC COMMENT:

Ms. Terry Lawing, who stated that she resides at 219 New Bold Street, Lincoln, spoke to councilmembers during the public comment portion of the meeting. Councilmembers directed Ms. Lawing to contact the city manager regarding her concerns.

CLOSED SESSION

Councilmember Eaddy made a motion to enter into closed session based on the statute cited by the authority. Members voted 4-0 in favor of the motion.

NEWS MEDIA:

No News media was present

Upon returning to open session, Mayor Ed Hatley announced the need for Council to take action related to the closed session discussion. **Councilmember Poinsette made a motion to enter into a contract to purchase property at 500 Wilma Sigmon Road with an adjoining tract. Members voted 4-0 in favor of the motion.**

ADJOURNMENT:

Being no further business, Councilmember White made a motion to adjourn the meeting. Members voted 4-0 in favor of the motion.

**DAPHNE INGRAM, CMC
CITY CLERK**

**ED HATLEY
MAYOR**

*City of Lincolnton
In Appreciation of*

Roger Hilton

Upon His Retirement On

November 1, 2022

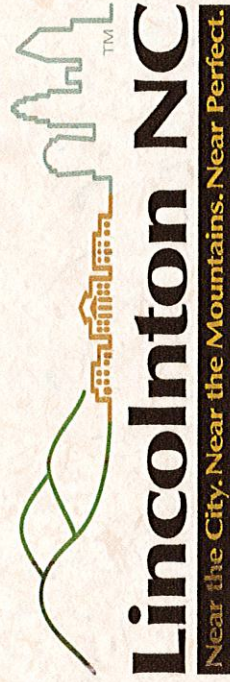
*The City of Lincolnton recognizes the employees of the City are its
greatest strength, and honors their dedication and contributions to the
City and its citizens.*

*May you be proud of the work you have done, the person you are, and
the difference you have made.*

30 Years of Service

P. C. Hay

City Manager



E. J. Pritchard

Mayor

**PROCLAMATION
PUBLIC POWER WEEK - OCT. 2-8, 2022
A WEEK-LONG CELEBRATION OF YEAR-ROUND SERVICE
TO THE CITY OF LINCOLNTON**

WHEREAS, public power is a crucial component in cities and towns across North Carolina, driving the overall health of communities by providing unmatched electric reliability, affordable and sustainable power, excellent local service, and essential jobs in communities;

WHEREAS, North Carolina's more than 70 public power cities and towns are among more than 2,000 across the country, providing electricity with a reliability rating of 99.98 percent to nearly 1.3 million North Carolinians;

WHEREAS, many of North Carolina's public power cities and towns have been electric providers for more than 100 years, assisting their communities through boom times as well as pandemics and economic downturns, maintaining live-saving electricity to homes and businesses;

WHEREAS, North Carolina public power communities are part of a mutual aid network that spans the state and country, providing invaluable support during times of hurricanes and other natural disasters while maintaining a superior safety record;

WHEREAS, North Carolina's public power providers are essential community assets that contribute to the well-being of the community and provide irreplaceable economic development opportunities; and,

WHEREAS, North Carolina's public power utilities are dependable institutions that provide excellent service, valuable energy solutions, and a commitment to community;

WHEREAS, the City of Lincolnton recognizes Public Power Week and commends the public power cities and towns across our state for their outstanding contributions to our communities;

NOW, THEREFORE, I, Mayor Ed Hatley, and the Lincolnton City Council, do hereby proclaim October 2 -8, 2022, as "**PUBLIC POWER WEEK**" in the City of Lincolnton and commend its observation to all citizens.

Ed Hatley, Mayor

ATTEST:

Daphne Ingram, City Clerk

ITEM #

2

PUBLIC

COMMENT

ITEM #

3

PUBLIC
HEARINGS

ITEM #

3a

DELAYED

ITEM #

3b

MEMO TO: Mayor and City Council Members

FROM: Jean Derby, Planning Director

SUBJECT: ANX-2-2022, Consideration of Annexation of Property located at the southeast corner of Startown Road and Clarks Creek Road (Parcel ID 15415).

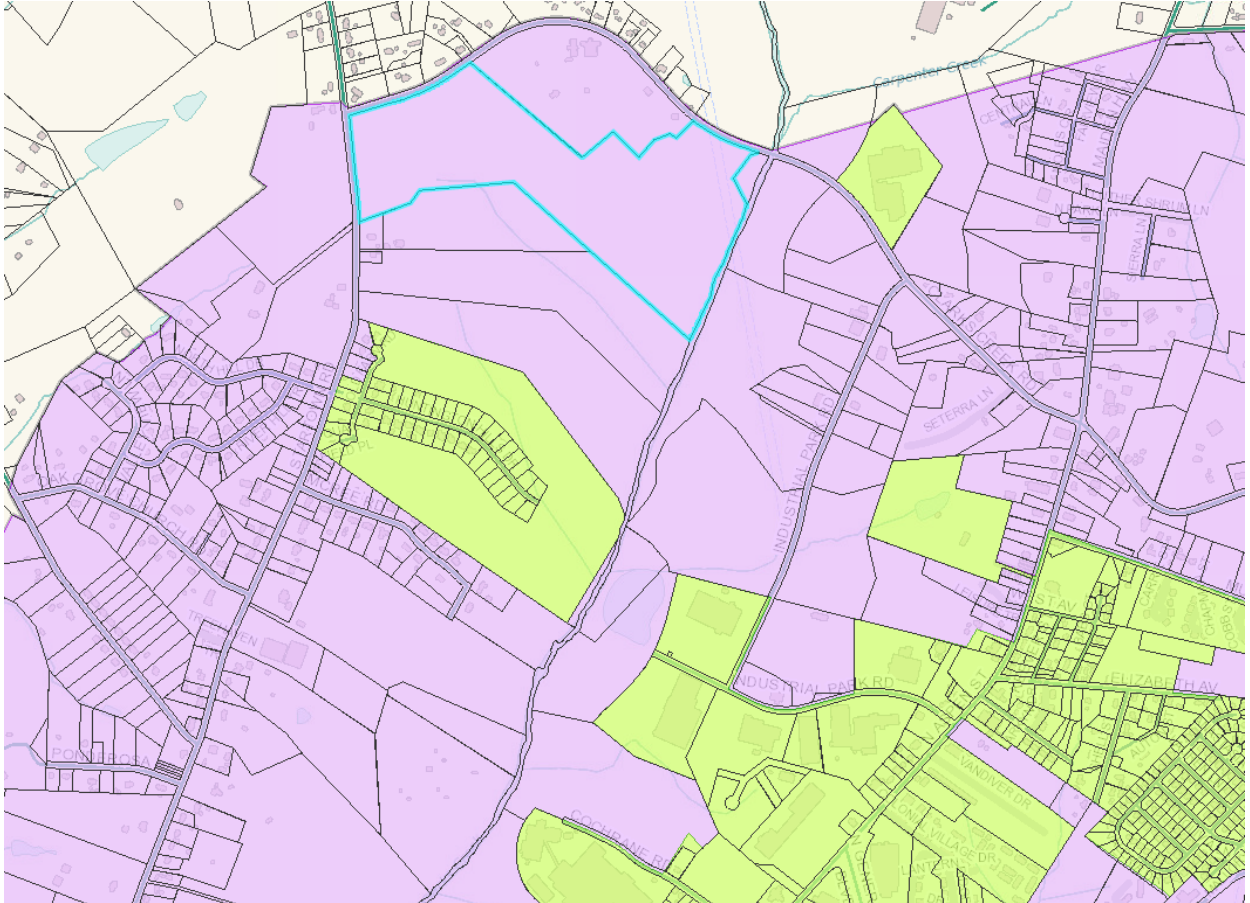
DATE: October 6, 2022

BACKGROUND

In August 2022, Council adopted a resolution to consider annexation of an approximately 84.654 acres of property located at the southeast corner of Startown Road and Clarks Creek Road (Parcel ID 15415).



CITY LIMITS / ETJ BOUNDARY



The property is located approximately 2,100 feet east of the city limits.

STATUTORY REQUIREMENTS

At the September meeting, we certified that this petition meets all of the state statutory requirements as well as complies with the City Annexation policy.

MUNICIPAL REQUIREMENTS IF THE PROPERTY IS ANNEXED

Fire Protection: The City will provide fire protection.

Police Protection: The City will provide police protection.

Refuse Collection: The City will provide refuse collection.

Water and sewer services: The City will provide water and sewer services.

Street maintenance: The city will maintain the streets.

VOTING DISTRICT

If annexed, the property will be added to Ward 4.

STAFF RECOMMENDATION

Staff recommends approval of the annexation.

AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF LINCOLNTON, NC

WHEREAS, the Lincolnton City Council has been petitioned under G.S. 160A-58.1 to annex the area described below; and

WHEREAS, the Lincolnton City Council has by resolution directed the City Clerk to investigate the sufficiency of the petition; and

WHEREAS, the City Clerk has certified the sufficiency of the petition and a public hearing on the question of this annexation was held in the Council Chambers of the Lincolnton City Hall at 7:00 p.m. on October 6, 2022, after due notice by publication and posting on September 23, 2022; and

WHEREAS, the Lincolnton City Council finds that the area described therein meets the standards of G.S. 160A-58.1(b), to wit:

- a. The nearest point on the proposed satellite corporate limits is not more than three (3) miles from the corporate limits of the City;
- b. No point on the proposed satellite corporate limits is closer to another municipality than to the City;
- c. The area described is so situated that the City will be able to provide the same services within the proposed satellite corporate limits that it provides within the primary corporate limits;
- d. No subdivision, as defined in G.S. 160A-376, will be fragmented by this proposed annexation;
- e. The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits, does not exceed ten percent (10%) of the area within the primary corporate limits of the City; and

WHEREAS, the Lincolnton City Council further finds that the petition has been signed by all the owners of real property in the area who are required by law to sign; and

WHEREAS, the Lincolnton City Council further finds that the petition is otherwise valid, and that the public health, safety and welfare of the City and of the area proposed for annexation will be best served by annexing the area described;

NOW, THEREFORE, BE IT ORDAINED by the Lincolnton City Council of the City of Lincolnton, North Carolina that:

Section 1. By virtue of the authority granted by G.S. 160A-58.2, the following described non-contiguous territory is hereby annexed and made part of the City of Lincolnton, as of (October 6, 2022):

BEGINNING AT A POINT LOCATED AT IN THE CENTERLINE OF THE INTERESECTION OF CLARK'S CREEK ROAD AND STARTOWN ROAD (WITH NC GRID COORDINATES NORTHING: 648,977.820', BASTING: 1,326,900.386'); AND RUNS THENCE FROM SAID POINT OF BEGINNING WITH THE CENTERLINE OF CLARK'S CREEK ROAD SEVEN (7) COURSES AND DISTANCES AS FOLLOWS: (1) N 73-06-41 E 415.46' TO A POINT, (2) N 73-24-46 E 120.64' TO A POINT, (3) N 70-10-38 E 109.39' TO A POINT, (4) N 66-35-30 E 129.38' TO A POINT, (5) N 60-43-15 E 144.96', (6) N 57-31-48 E 94.63' TO A POINT, AND (7) N 55-36-22 E 177.06' TO A POINT; THENCE S 49-26-23 E 1268.58' TO A REBAR; THENCE S 49-26-14 E 65.13' TO A REBAR; THENCE N 50-15-11 E 360.98' (PASSING A REBAR AT 60.27' AND PASSING A REBAR AT 335.17') TO A REBAR, THENCE S 45-10-36 E 323.81' TO A SET REBAR, THENCE N 40-45-05 E 206.63' TO A SET REBAR, THENCE N 68-53-36 E 153.06' TO A SET REBAR, THENCE S 53-36-40 E 66.68' TO A SET REBAR, THENCE N 44-54-42 E 219.52' TO A POINT IN THE RIGHT OF WAY FOR CLARK'S CREEK ROAD; THENCE FOLLOWING THE MARGIN OF CLARK'S CREEK ROAD WITH AN ARC TO THE LEFT HAVING AN ARC LENGTH OF 653.90' A RADIUS OF 1792.89' AND A CHORD OF 650.28' AND DIRECTION OF S 63-57-23 E A POINT ON THE MARGIN OF CLARK'S CREEK ROAD, THENCE LEAVING THE MARGIN OF CLARK'S CREEK ROAD S 76-21-26 W 79.05' TO A SET REBAR, THENCE S 35-51-26 W 264.00' TO A SET REBAR, THENCE S 28-08-34 E 280.50' TO A POINT IN CLARK'S CREEK, THENCE WITH CLARK'S CREEK FOUR (4) COURSES AND DISTANCES AS FOLLOWS: (1) S 20-57-44 W 160.06' TO A POINT, (2) S 22-41-49 W 249.01' TO A POINT, (3) S 20-04-30 W 259.42' TO A POINT, AND (4) S 21-48-42 W 645.01' TO A POINT; THENCE LEAVING CLARK'S CREEK (PASSING A SET REBAR AT 30.00' AND PASSING A 2" PIPE AT 1165.08') N 48-09-07 W 2155.94' TO A SET REBAR, THENCE S 84-58-43 W 834.79' TO A SET REBAR; THENCE S 36-17-00 W 139.10' TO A 1 1/2" ROD, THENCE S 69-47-18 W 510.52' (PASSING A REBAR AT 481.43') TO A POINT IN THE C/L OF STARTOWN ROAD, THENCE WITH C/L OF STARTOWN RD THREE (3) CALLS (1) N 01-49-37 W 128.26' TO A POINT, (2) N 05-01-51 W 102.15' TO A POINT, (3) N 06-26-50 W 757.00' TO THE POINT OF BEGINNING, CONTAINING APPROXIMATELY 86.906 AS SHOWN ON A SURVEY PREPARED BY VERITAS LAND, PC DATED MAY 5, 2022.

Section 2. Upon and after October 6, 2022, the above described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Lincolnton and shall be entitled to the same privileges and benefits as other parts of the City of Lincolnton. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10.

Section 3. The Mayor of the City of Lincolnton shall cause to be recorded in the office of the Register of Deeds of Lincoln County, and in the office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 above, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the County Board of Elections, as required by G.S. 163-288.1.

Adopted this ____ day of _____, 2022

Mayor

ATTEST:

APPROVED AS TO FORM:

Clerk

City Attorney

ITEM #

4

REGULAR AGENDA

ITEM #

4a

MEMO TO: Mayor and City Council Members

FROM: City of Lincoln Planning Department

**SUBJECT: Major Subdivision Plat submitted by BBC Clark Creek, LLC
(MJS-2-2022)**

DATE: October 6, 2022

BACKGROUND

The applicants have submitted the attached preliminary plat for a major subdivision located off of Startown Road and Clarks Creek Road. 328 lots were approved by the City Council earlier as part of the conditional zoning application. The subdivision is the next part of the process.

Because the property is being considered for annexation by the City of Lincoln, the City will be taking over the streets, sidewalks, etc. The subdivision process makes sure the streets, utilities, etc. meet minimum requirements prior to the developer proceeding with the project.

The UDO states:

§ 153.384 PRELIMINARY MAJOR SUBDIVISION PLAT SUBMISSION AND REVIEW.

(A) Preliminary and final plat approval shall be required for all major subdivisions. Preliminary plat approval of all major subdivisions containing 250 lots or less may be made by the Planning Board. Final approval of all preliminary plats containing over 250 lots or subdivisions that require the placement of oversized utility lines may only be made by the City Council.

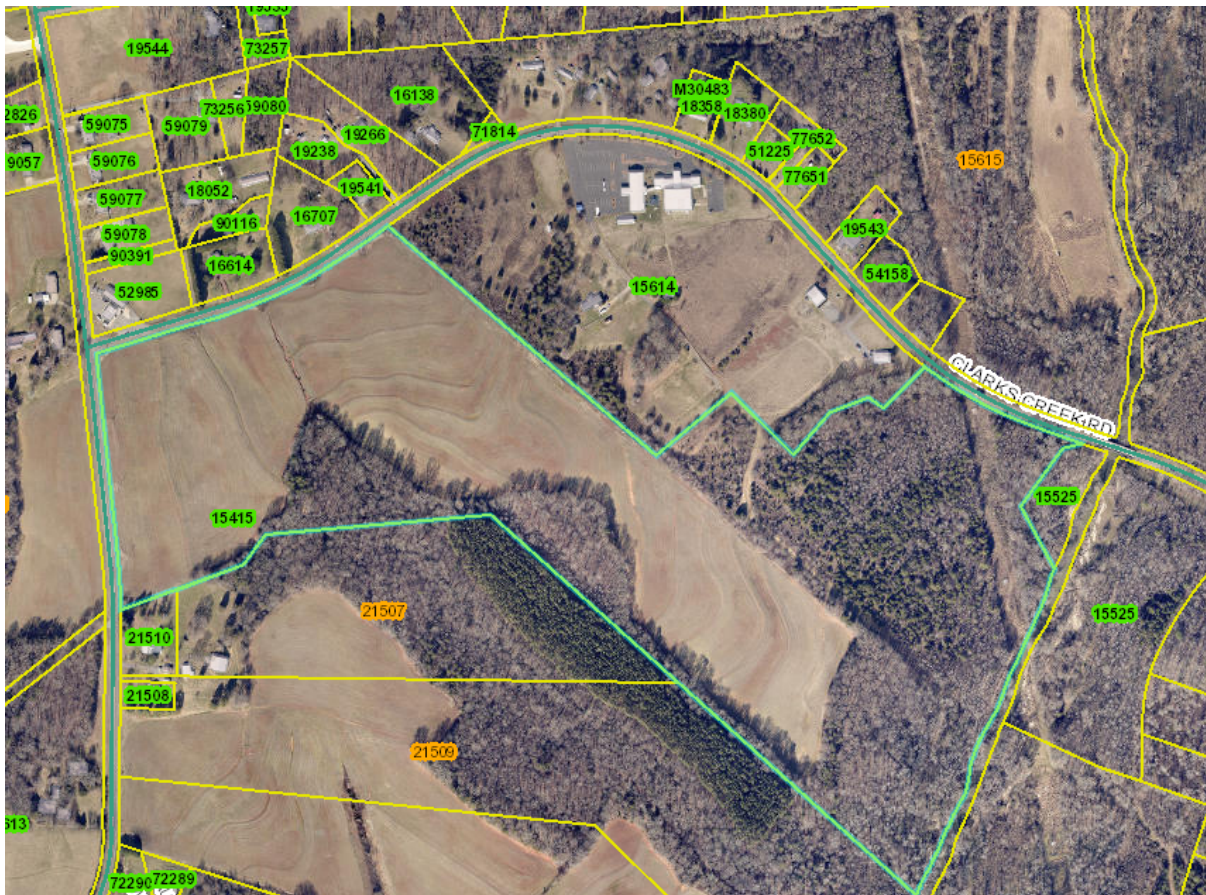
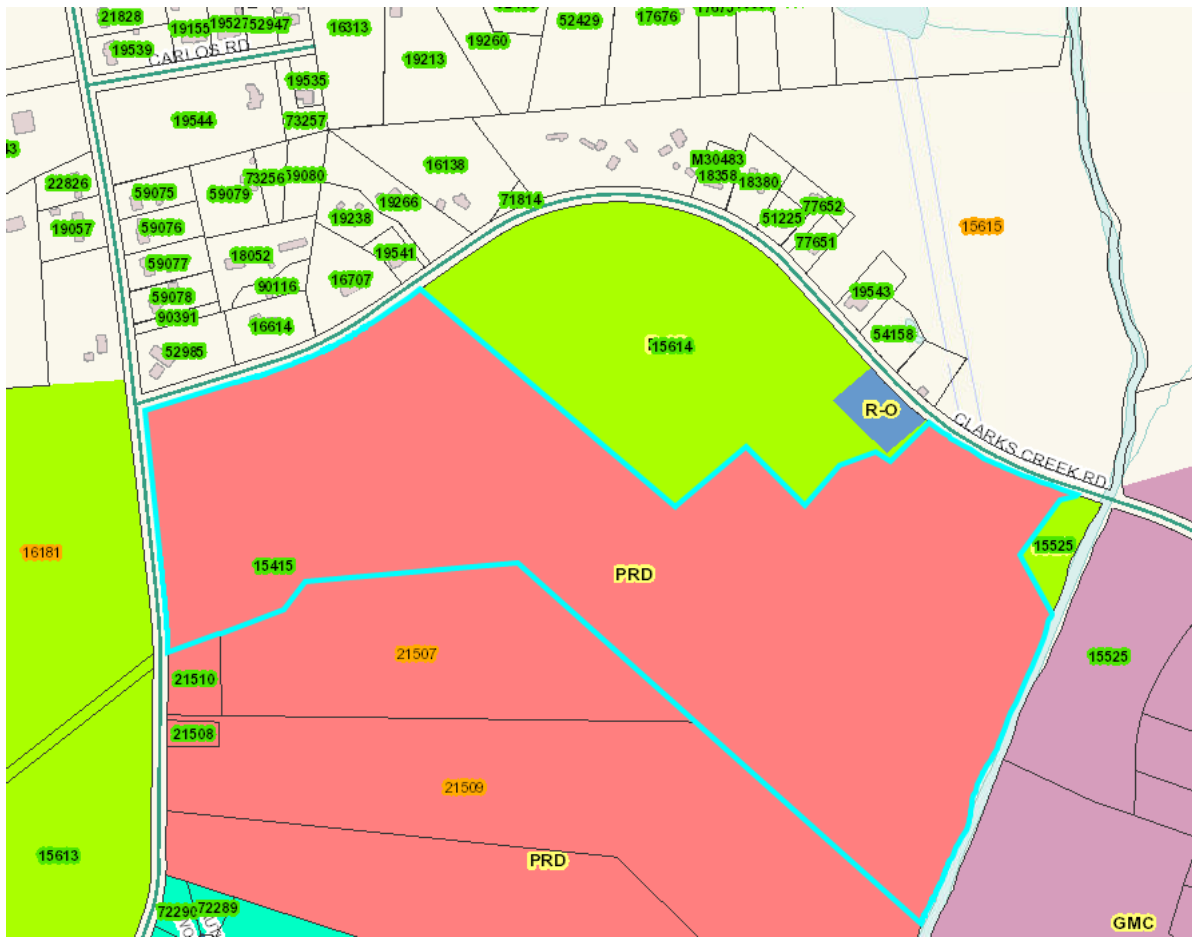
Note that this is not a public hearing, just a review of the project to make sure minimum requirements are met to proceed.

The subdivision will be made up of 328 residential lots on approximately 86 acres of land. The project will consist of 188 Single family detached homes and 140 Townhomes. All the lots shown are exactly as approved by the Council during the conditional zoning process.

Streets shown meet minimum NCDOT requirements. A traffic signal is being required at the intersection of Clarks Creek Road and Startown Road by NCDOT. The signal should be put in place and operational prior to occupancy of any home in the development.

Preliminary Plat approval gives the developer authority to proceed with construction of the infrastructure of the development. A final plat will be submitted and all improvements will be checked and approved by the appropriate department prior to the construction of any residential units in the development.

[illegible]





COMMENTS FROM THE STAFF REVIEW COMMITTEE

The Subdivision Review Committee met earlier concerning this subdivision. The comments are attached to this report.

CONCLUSIONS

The preliminary subdivision plat meets the requirements of the LUDO with the exception of the items attached. The items listed below must be submitted to Staff and each department must approve before a final plat can be approved.

PLANNING BOARD VOTE

Monte Tyson made a motion to approve the subdivision
Gene Poinsette seconded the motion

Unanimously approved.

RECOMMENDATION

Recommend Approval to the City Council of the preliminary plat on the condition that the items below are met before the final plat is approved.

CLARKS CREEK LANDING PRELIMINARY MAJOR SUBDIVISION PLAT REVIEW

1. Need to show an unobstructed open space figure. Must be at minimum 50%
2. Need to show phases of subdivision
3. Minimum side yard notes 10 feet but 5 feet was approved.
4. Need Sidewalks along the entire frontage of Clarks Creek Road and Startown Road. Need to be shown on plan.
5. Note that all lots must be 40 feet at front yard setback
6. Townhome Parking must be 1 ½ space at each dwelling. (Will garages be on all townhome units with parking available in the driveway?)
7. Note that lots 266-328 must be a minimum of 6,000 square feet
8. Project setback boundaries must be 30 feet side and rear
9. Landscaping, Street Trees, and Parking Lot Landscaping must meet all ordinance requirements during the final field inspection by the administrator.
10. If large street trees are used they must be 10 feet instead of 8 feet that is shown
11. Street trees must be 40 feet on center
12. Robert Pearson, Water Resources Director, sent utility notes separately. (See below)
13. Need to show NCDOT required Turn Lanes and Traffic Signal locations on the plan.
14. NCDOT needs a signal agreement as soon as possible
15. Show ETJ Boundary along Clarks Creek Road.
16. Show acreage in parks
17. Note Linear feet in streets
18. No sewer clean-outs or other utility/meter boxes are encased in the sidewalk
19. Prior to street trees being planted the developer will need to meet with the Public Services Director to ensure compliance with the ordinance.

COMMENTS FROM UTILITY DEPARTMENT

1. Why use 10 Inch waterline in areas, why not 8 inch for the entire development, since this is being fed by an 8 inch. If the 10 inch is necessary. We will require the tee's to be straight reducers. Example 10X10X8 with a 6" reducer. Tee will need to be 10X10X6.
2. Show how turns are being made with waterline
3. We need a minimum 20' easement for water and sewer. In the area at the bottom of the community we will require a 30' easement in that area. It is marked on the attached plan
4. There are many locations where you will need to relocate hydrants and add. Those areas are marked on the attached plans.
5. From the intersection of Henry's Farm Lane and Summey Trail why not run 2 inch from there to the dead end. Area is marked on attached plans.
6. From the intersection of Helen's Rest and Ora Smith why not run 2 inch from there to the dead end. Area is marked on attached plans.
7. In all areas where meters and water main are on the same side of the street. The meter needs to be on the customer side of the water main not the street side. Also need to be on the customer side of the sidewalk.
8. Meter Boxes for $\frac{3}{4}$ " - 1" must be Rhino MB1 meter boxes (Southeastern Distributors) 2 piece lids with lock down, metal ring and poly center for meter antenna.
9. Meter setters; $\frac{3}{4}$ " - 1" A standard yoke bar with brass dual check valve and lockable wing yoke valve. Anything over 1" must be a 70 series typesetter with bypass on bottom with dual check.
10. All meter locations must be permanently marked on the curb in front of the meter.
11. All sewer cleanouts must be permanently marked on curbing when possible.
12. All hydrants must be Mueller Super Centurion, pre finished yellow with a 4" storz connection

ITEM #

4b

Policy Manual

103.1 PURPOSE AND SCOPE

Discretionary

The manual of the Lincolnton Police Department is hereby established and shall be referred to as the Policy Manual or the manual. The manual is a statement of the current policies, rules and guidelines of this department. All members shall conform to the provisions of this manual.

All prior and existing manuals, orders and regulations that are in conflict with this manual are rescinded, except to the extent that portions of existing manuals, orders and other regulations that have not been included herein shall remain in effect where they do not conflict with the provisions of this manual.

103.2 POLICY

Best Practice

It is recognized that the work of law enforcement is not always predictable and that circumstances may arise which warrant departure from these policies. It is the intent of this manual to be viewed from an objective standard, taking into consideration the sound discretion entrusted to members of this department under the circumstances reasonably available at the time of any incident.

103.2.1 DISCLAIMER

Best Practice

The provisions contained in the Policy Manual are not intended to create an employment contract nor any employment rights or entitlements. The policies contained within this manual are for the internal use of the Lincolnton Police Department and shall not be construed to create a higher standard or duty of care for civil or criminal liability against the City, its officials or members beyond that imposed by law. Violations of a policy may form the basis for department administrative action, training or discipline, a criminal charge for willfully omitting, neglecting or refusing to discharge any duties required of the office may occur (N.C.G.S. § 14-230). The Lincolnton Police Department reserves the right to revise any policy content, in whole or in part.

103.3 AUTHORITY

Discretionary

The Chief of Police shall be considered the ultimate authority for the content, interpretation and adoption of the provisions of this manual and shall ensure compliance with all applicable federal, state and local laws. The Chief of Police or the authorized designee is authorized to issue Departmental Directives, which shall modify those provisions of the manual to which they pertain. Departmental Directives shall remain in effect until such time as they may be permanently incorporated into the manual or otherwise superseded or repealed.

103.4 DEFINITIONS

State

Lincolnton Police Department

Lincolnton Police Department Policy Manual

Policy Manual

The following words and terms shall have these assigned meanings, unless it is apparent from the content that they have a different meaning:

Adult - Any person 18 years of age or older.

City - The City of Lincolnton.

Non-sworn - Employees and volunteers who are not certified peace officers.

CJIN - North Carolina Criminal Justice Information Network

CCH - Computerized Criminal History file

Commission - Includes the North Carolina Criminal Justice Education and Training Standards Commission, the North Carolina Sheriff's Education and Training Standards Commission, the North Carolina Company Police Program and the North Carolina Campus Police Program, operated under the authority of the North Carolina Department of Justice (N.C.G.S. § 17C-2(1); N.C.G.S. § 17E-2(1); N.C.G.S. § 74C-4; N.C.G.S. § 74G-4).

Criminal justice officer - The administrative and subordinate personnel of all the departments, agencies, units or entities comprising the criminal justice agencies who are sworn law enforcement officers, both state and local, with the power of arrest; state correctional officers; state probation/parole officers; state probation/parole officers-surveillance; officers, supervisory and administrative personnel of local confinement facilities; state juvenile justice officers; chief court counselors; and juvenile court counselors (N.C.G.S. § 17C-2(3)).

DCIN - Division of Criminal Information Network

Department/LPD - The Lincolnton Police Department.

DMV - North Carolina Division of Motor Vehicles of the Department of Transportation

DSS - North Carolina Division of Social Services

Employee/personnel - Any person employed by the Department.

Justice officer - Includes (N.C.G.S. § 17E-2(3)):

- (a) A person who, through the special trust and confidence of the Sheriff, has taken the oath of office prescribed for a peace officer in the office of the Sheriff, including deputy sheriffs, reserve deputy sheriffs, special deputy sheriffs and detention officers.
- (b) A person appointed as a detention officer by a Sheriff.
- (c) A telecommunicator under the supervision of a Sheriff or other entity and presented to the commission for the purpose of obtaining certification.
- (d) The administrator or other custodial personnel of a district confinement facility.

Law enforcement officer - An employee or volunteer of an employer who possesses the power of arrest, who has taken the law enforcement oath administered under the authority of the state as prescribed by N.C.G.S. § 11-11, and who is certified as a law enforcement officer under the

Lincolnton Police Department

Lincolnton Police Department Policy Manual

Policy Manual

provisions of Chapter 17C of the General Statutes or certified as a deputy sheriff under the provisions of Chapter 17E of the General Statutes. "Law enforcement officer" also means the Sheriff of the county (N.C.G.S. § 17C-2(3); N.C.G.S. § 17E-1).

Manual - The Lincolnton Police Department Policy Manual.

May - Indicates a permissive, discretionary or conditional action.

Member - Any person employed or appointed by the Lincolnton Police Department, including:

- Full- and part-time employees
- Certified peace officers
- Reserve, auxiliary officers
- Non-sworn employees
- Volunteers

N.C.G.S. - North Carolina General Statutes Annotated; for example, N.C.G.S. § 160A-282(a) (example with chapter, section and subsection)

N.C.A.C. - North Carolina Administrative Code; for example, 12 NCAC 10B.1006(a) (example with title, subchapter, section and subsection)

N.C. Const. - North Carolina Constitution; for example, N.C. Const. Art VI § 7 (example with article and section)

NCDOT - North Carolina Department of Transportation

NCDPS - North Carolina Department of Public Safety

NCSHP - North Carolina State Highway Patrol

Officer - Those employees, regardless of rank, who are certified law enforcement officers of the Lincolnton Police Department.

On-duty - A member's status during the period when he/she is actually engaged in the performance of his/her assigned duties.

Order - A written or verbal instruction issued by a superior.

Rank - The title of the classification held by an officer.

SBI - North Carolina State Bureau of Investigation

Shall or will - Indicates a mandatory action.

Should - Indicates a generally required or expected action, absent a rational basis for failing to conform.

Supervisor - A person in a position of authority that may include responsibility for hiring, transfer, suspension, promotion, discharge, assignment, reward or discipline of other members, directing the work of other members or having the authority to adjust grievances. The supervisory exercise

Lincolnton Police Department

Lincolnton Police Department Policy Manual

Policy Manual

of authority may not be merely routine or clerical in nature but requires the use of independent judgment.

The term "supervisor" may also include any person (e.g., officer-in-charge, lead or senior worker) given responsibility for the direction of the work of others without regard to a formal job title, rank or compensation.

When there is only one department member on-duty, that person may also be the supervisor, except when circumstances reasonably require the notification or involvement of the member's off-duty supervisor or an on-call supervisor.

103.5 ISSUING THE POLICY MANUAL

Best Practice

An electronic version of the Policy Manual will be made available to all members on the department network for viewing and printing. No changes shall be made to the manual without authorization from the Chief of Police or the authorized designee.

Each member shall acknowledge that he/she has been provided access to, and has had the opportunity to review the Policy Manual and Departmental Directives. Members shall seek clarification as needed from an appropriate supervisor for any provisions that they do not fully understand.

103.6 PERIODIC REVIEW OF THE POLICY MANUAL

Best Practice

The Chief of Police will ensure that the Policy Manual is periodically reviewed and updated as necessary.

103.7 REVISIONS TO POLICIES

Best Practice

All revisions to the Policy Manual will be provided to each member on or before the date the policy becomes effective. Each member will be required to acknowledge that he/she has reviewed the revisions and shall seek clarification from an appropriate supervisor as needed.

Members are responsible for keeping abreast of all Policy Manual revisions.

Each Captain will ensure that members under his/her command are aware of any Policy Manual revision.

All department members suggesting revision of the contents of the Policy Manual shall forward their written suggestions to their Captains, who will consider the recommendations and forward them to the command staff as appropriate.

ITEM #

4c

ITEM #

5

REGULAR AGENDA

ITEM #

5a

ITEM #

5b



CYBER SECURITY PLAN 2022-2025

Vision:

The City of Lincolnton's cyber security vision is to create a secure cyber infrastructure that inspires technological innovation and fosters the city's growth.

Mission:

The mission of the City of Lincolnton Technology and Innovation Department is to safeguard the confidentiality, integrity, and availability of information systems, identity, and data assets by providing proactive security expertise, creating, and maintaining a resilient and secure infrastructure, and fostering a culture of security awareness and compliance throughout the organization.

Cybersecurity Plan Elements:

Phishing and Training Platform Implementation (Knowbe4)

- Create phishing campaigns with real scenarios
- Offer training platform with video and content
- Score and evaluate skills of users

Infrastructure Upgrades (Cisco UCS, Meraki)

- Remove outdated systems
- Deploy new systems with updated security features

Multi-Factor Authentication

- Deploy to users with privileged access (Cisco DUO)

Cloud DNS

- Implement DNS layer security (Cisco Umbrella). Adds layer of security to be able to block malware easily and speed up and improve incident response protocols.

Penetration Testing

- To be conducted yearly in accordance with policies to safeguard against threats.

Funding

The City of Lincolnnton will use funding from the General Fund to implement the Cyber Security Plan as well as pro-rate funding within the City's Enterprise Funds based on technology needs within those departments. The pro-rating will be based on the revenues generated by the various funds as it relates to the City's overall budget. Also, through the City's strategic plan of consolidation, replacement and reduction of unnecessary expenditures, the City of Lincolnnton will be able to utilize those savings for this initiative.

Phishing and Training Platform Implementation

Knowbe4

Yearly (\$5,518) 5yr (\$27,590)

Infrastructure Upgrades

Cisco UCS, Meraki

Yearly (\$52,000) 5yr (\$260,000)

Multi-Factor Authentication

Cisco Duo

Yearly (\$4,320) 5yr (\$21,600)

Cloud DNS

Cisco Umbrella, AnyConnect

Yearly (\$40,000) 5yr (\$200,000)

Cyber Security Pricing Package

Totals

Yearly (\$101,838) 5yr (\$509,190)

*Not included in funding is cost associated with penetration testing to be conducted.

Cybersecurity Program Goals and Objectives

Enhance Preparedness

The City of Lincolnton has implemented the strategy of teaching end user awareness of their digital surrounding and how to conduct themselves in the digital age via our phishing and training platform. We have also put protocols in place such as two factor authenticate for those users that have access to mission critical information. User accounts are restricted to systems they are assigned to and monitored for any anomalies that may occur from system. We conduct a randomized phishing exercise bi-monthly to monthly to introduce what a threat could look like to the end user. We also facilitate training on current real-world material that enhances end users' knowledge of threats that are internal and external.

Assessment and Mitigation

The City has adopted the approach to identify threats with an arsenal of tools from firewall with threat protection to switch gear that identifies threats directly from machines attached. As well as our cloud offering of email that scans and eliminates spam and malware infested messages that also scans content that is uploaded and downloaded by end users. With the added security of cloud dns to ensure users are reaching the correct site without traffic interference or hijacking. This creates a good posturing against threats.

Manage, Monitor, and Track

The City of Lincolnton is currently overhauling infrastructure to end of life systems that are no longer supported by vendors. We are replacing with a hyperconvergence platform that will allow us to manage virtual machines down to the core and significantly help with uptime availability and security. We currently monitor Google's Workspace platform for availability and track outages that could occur. By the end of this initiative, we will be able to monitor traffic from workstation to the cloud with an in depth look at what is traversing the network. As well as track threats that are being presented to end users and, in most cases, keep from even happening.

Monitor, Audit, and Track

With the implementation of new initiative. The City of Lincolnton will have the ability to monitor all traffic on the network and identify threats on the network and exploit threats directly outside the network. Our cloud platform will offer the ability to monitor access and permissions for city resources and report usage of products in the platform. As well as track incremental changes in resources to help with reconstruction of data in case of an attack.

Assessment and Mitigation

The City has adopted the approach to identify threats with an arsenal of tools from firewall with threat protection to switch gear that identifies threats directly from machines attached. As well as our cloud offering of email that scans and eliminates spam and malware infested messages that also scans content that is uploaded and downloaded by end users. With the security of cloud dns to ensure users are reaching the correct site without traffic interference or hijacking.

Best Practices and Methodologies

Implement multi-factor authentication- for end users with access to mission critical data.

- Financials, employee information, case files

Deploy a training platform for cyber security and testing skills learned.

- Knowbe4 monthly training and phishing initiatives

Encrypt and limit access to city infrastructure and secure information via on premise or cloud offerings of vendors. And fortify the network with a cloud DNS backbone. Implement policies on city owned devices to make use of cloud DNS off premise.

- Meraki switching and Access points with Cisco Umbrella DNS

Deploy mobile device manager to city owned devices to facilitate software pushes and configurations to safeguard on premise and off premise.

- Meraki systems Manager Implementation

Keep operating systems and anti-virus up to date. Deploy zero-day patches and other security patches in accordance to vendor specifications.

- Cisco UCS, Windows Server Platform

Conduct yearly penetration testing to safeguard against threats and to reinforce our deployments.

Continuity of Operations

City of Lincoln has built infrastructure systems to be agile in event of attack and can pivot from on premise to remote for various systems that are hosted in the cloud and offer the flexibility if needed. Below steps are to be tailored to specific threat situation but need to restore connectivity to departments in order established below.

- Identify the threat.
- Eliminate and limit contact with threat or systems affected.
- Deploy clean machines to conduct daily business.

Departments to be handled in this order:

Scada systems- Water /Wastewater

Emergency Services- Police/Fire

Electric and Customer Engagement- Utility Billing

HR/Finance/CMO/Planning

Parks and Recreation/Community Development

- Build investigation on origination of threat. Report findings as available and alert proper channels if warranted.



Greetings,

The City Council for the City of Lincolnton is pleased to present to you the 2022-2025 City of Lincolnton Cybersecurity Plan. The Cybersecurity Plan represents the City of Lincolnton's continued commitment to improving cybersecurity and supporting our local government, as well as cybersecurity practitioners across our local jurisdictions.

Representatives from the City of Lincolnton collaborated to develop and update the Cybersecurity Plan with actionable and measurable goals and objectives. These goals and objectives focus on cyber awareness and putting tools in place to help secure the infrastructure of the city. They are designed to support our entity in planning for new technologies and navigating the ever-changing cybersecurity landscape.

As we continue to enhance cybersecurity, we must remain dedicated to improving our resilience among disciplines and across jurisdictional boundaries. With help from cybersecurity practitioners, we will work to achieve the goals set forth in the Cybersecurity Plan and become a model for cyber resilience.

Sincerely,

Chris Jones
City of Lincolnton
Technology & Innovation

City Council
City of Lincolnton

ITEM #

5c

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](mailto:d Ingram@lincolntonnc.org)

CITY ATTORNEY

Thomas J. Wilson, Jr.

BA-08-22

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, 2023.

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

General Expense	\$	40,171
Fire		3,000
Recreation		5,200
	\$	48,371

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

Grants - Other	\$	3,000
Sale of Capital Assets-GF	\$	36,971
Insurance Settlement		3,200
Veterans Banner Project		5,200
	\$	48,371

General Fund: Record Grant from Walmart for the Fire Department's training agenda, GovDeals revenue received on Capital Assets sold, Insurance settlements for property damage, and Proceeds for the Veterans banner project.

Section 9: To amend the Electric Fund, the expenditures are to be changes as follows:

Electric Operations	\$	5,279
---------------------	----	-------

Section 10: To amend the Electric Fund, the revenues are to be changed as follows:

Other Operating Revenue	\$	5,279
	\$	5,279

Electric Fund: Record insurance proceeds for property damage to electric department vehicle and electric pole/tsunami camera incident on August 8th.

Section 11: To amend the Special Revenue Fund, the expenditures are to be changed as follows:

SCIF Grants (Fund 50)	\$	493
-----------------------	----	-----

\$	493
----	-----

Section 12: To amend the Special Revenue Fund, the revenues are to be changed as follows:

SCIF Grants (Fund 50)	\$	493
	\$	493

Special Revenue Fund: Record interest income received on the State SCIF funds.

Section 16: Appropriations are authorized by fund totals. The City Manager is authorized to reallocate fund appropriations among line item objects of expenditures and revenues as necessary during the budget year.

Section 17: 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	\$	54,143
-----------------	----	--------

Adopted this 6th day of October, 2022

Attest:

Daphne Ingram
City Clerk

Edward L Hatley
Mayor

ITEM #

6

REGULAR AGENDA

ITEM #

6a



**2022-2023
Student Advisory Council**

West Lincoln High School

Lily McCabe – Junior
Addison Sain - Senior
Andy Saine - Senior
Addison Wright -
Nathan Rye - Senior

*Kellie Derby
* Brooke Eurey

North Lincoln High School

Cameron Howell - Senior
Brooke Custer - Junior
Zoey Dellinger - Junior
Camden Caldwell - Senior
Carley Correll - Senior

East Lincoln High School

Rachel Lin – Junior
Samuel Rabon – Junior
Walsh Zwadyk – Senior
Lori Woodrum – Senior
Laura Zacharuskas – Senior

Lincolnton High School

Andrew Secrest – Senior
Megan Carroll – Junior
Julia Carpenter – Junior
Jaclyn Harrison – Senior
Caroline Carpenter – Senior

Lincoln Charter School

Sara Williams – Senior
Zack Garner - Junior

***Denotes students nominated by a city council member**

ITEM #

6b



Auction Management Corporation

REAL ESTATE AUCTION SERVICES LISTING AGREEMENT

THIS AGREEMENT made and entered into October 7, 2022 by and between Auction Management Corporation, a Georgia Corporation with its principal office and place of business at 1827 Powers Ferry Road, Building 5, Atlanta, Georgia 30339 hereinafter referred to as the Auctioneer, and City of Lincolnton, NC, hereinafter referred to as the Seller, Witnesseth:

WHEREAS, the Seller desires to sell at auction certain real property with any improvements thereon as hereafter described and for that purpose to employ Auctioneer:

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties do hereby agree as follows:

1. **AUTHORITY OF AUCTIONEER:** The Seller hereby authorizes the Auctioneer to sell at public auction within 30 days from the above date on behalf of the Seller upon the terms hereinafter set forth the real property with any buildings and improvements thereon situated in Lincoln County, NC, as described on the attached Exhibit A, being described as follows:
627 East Main Street, Lincolnton NC 28092

2. **TERMS OF SALE:** Ten (10%) percent cash down on sale day as an earnest money binder to be held by Designated Escrow Agent in an escrow account, balance in thirty (30) days, payable in cash.

3. **COMPENSATION:** A ten (10%) Buyers Premium shall be charged to the Winning Bidder and added to the Winning Bid to determine the Purchase Price on each asset. This amount shall be paid to Auctioneer as commission, payable from gross proceeds at Closing. In the event that any of the above described property is withdrawn from the auction for any cause, or is sold at private sale before the auction or within the thirty (30) days following the auction sale by or on behalf of the Seller or the Auctioneer, the Seller shall pay to the Auctioneer an amount equal to ten percent of the Purchase Price of the property sold. In addition, all sales made privately must be confirmed and approved by Auctioneer. In the event a contract is written with Purchaser(s) following the auction and Seller fails or refuses to perform, then Seller shall pay the full commission to Auctioneer immediately, and Auctioneer shall return the earnest money to Purchaser(s). In addition to the above stated commission, Seller shall pay the estimated cost of advertising and promotion and other expenses incident to said auction in the amount of \$2,500.00, payable upon execution of this Agreement. Should the marketing ultimately cost more or less than the agreed upon amount, neither Seller nor Auctioneer shall be entitled to a reimbursement. **However, in the event that the Property sells on an Absolute basis, Auctioneer shall pay the Estimated Auction Budget.**

4. **RESERVE PRICE:**

This property will be sold (check one):

(☒) On an Absolute basis, with no minimums or reserves

(☐) Subject to a minimum Reserve Price of \$ _____

If sold Absolute, the following conditions will apply: This property will sell at Absolute Auction, with no minimum or reserve price, to the highest bidder at auction. Neither Seller nor any entity controlled by Seller may bid on the Property. In the event that the sale does not close due to buyer default, Seller agrees to grant the Auctioneers the sole, exclusive and Irrevocable right to sell said Property at private sale for the same Purchase Price determined at auction and at the same commission determined in Paragraph 3 during a period beginning on the day of the auction and expiring at midnight on the later of 30 days following the auction, or **December 15, 2022.**

If sold With Reserve, the following conditions will apply: It is specifically agreed and understood that should the winning bid on the Property be a minimum of the Reserve Price, the same shall be accepted by the Seller. In the event



Auction Management Corporation

of an auction winning bid less than this amount, the sale shall be subject to the confirmation of the Seller. In the event that the sale offer price received at the auction sale is not acceptable, Seller agrees to grant the Auctioneers the sole, exclusive and Irrevocable right to sell said Property at private sale for the sum of \$_____ at the same commission determined in Paragraph 3 during a period beginning on the day of the auction and expiring at midnight on the later of 30 days following the auction, or **December 15, 2022**.

5. **POST AUCTION SALE:** If a sale or other transfer of Property is made within 2 months after this authorization or any extension thereof terminates, to parties who requested information about the Property, with whom the Auctioneer negotiated, or to whom Auctioneer showed the Property during the term of this Agreement or any extension hereto, then Seller agrees to pay said commission to Auctioneer.

6. **DUTIES AND OBLIGATIONS OF AUCTIONEER:** Auctioneer agrees to (a) promote and conduct said sale in its usual way including (where applicable) internet based promotions, social media, signage, newspaper, press releases, brochures or pamphlets, direct mail, telemarketing, open houses, preparation and dissemination of due diligence material, flyer distribution, broker networking, seminars, and other methods of promotion, with the exact composition of the promotion at the discretion of the Auctioneer; (b) obtain and compile information with regard to the Property; (c) make an earnest and continued effort to effect a sale of the Property; (d) show the Property to prospective purchasers; (e) accept delivery of and present to Seller all offers and counter offers to buy, sell, lease, or otherwise acquire Seller's Property; (f) assist Seller in developing, communicating, negotiating, and presenting offers and counter offers until a sale, lease, or other agreement to acquire any interest in the Property is signed and all contingencies are satisfied or waived; (g) answer Seller's questions relating to the offers, counter offers, notices, and contingencies; (h) conduct the auction referenced above in a professional manner consistent with industry standards; (i) utilize its best efforts to secure purchasers for the Property, and (j) in every way endeavor to sell the property for as high a price as may be obtained for it. Auctioneer is not responsible for bidding errors caused by internet outages, bid platform failures, or power failures.

7. **DUTIES AND OBLIGATIONS OF SELLER:** Seller agrees to terminate any listing agreements with other brokers or auctioneers prior to engaging Auctioneer. Seller shall have available within thirty days after sale insurable title in and to all the above described property, and shall convey by Limited_Warranty Deed Subject only to: (1) Zoning ordinances affecting said property. (2) General utility easements of record serving said property. (3) Restrictions of record, and (4) Other restrictions and encumbrances specified on the attached Exhibit D. If there are any defects in title the Seller agrees to have said defect cured if possible and to pay all expenses incident to same. In the event there are defects in the title which are incurable or which the seller fails or refuses to cure, then the seller agrees to pay Auction Management Corporation the full amount of commission as specified in this agreement. Seller shall have a reasonable length of time to cure any flaws or defects in title should any be found. Seller agrees to have the auction sales agreement executed by an authorized representative of Seller at the auction for sales which meet Seller's reserve price. Seller shall provide all necessary property insurance in regard to the above described property up to and through the time of "Closing". It is understood that in the event the property is damaged or destroyed before "Closing", Auctioneer shall still be entitled to its commission.

8. **ESCROW MONEY:** Seller agrees that upon the sale of the Property, Auctioneer shall direct required earnest money deposit to be timely wired or deposited into lawfully designated Escrow and Closing Agent's escrow account to be disbursed upon consummation of sale. Earnest money, if forfeited by any bidder or purchaser, shall be divided equally between Seller and Auctioneers, but Auctioneers shall not receive more commission than Auctioneers would have been entitled to receive, had the sale closed.

9. **ACCOUNTING:** Auctioneer shall immediately after auction provide Seller a breakdown of sale reflecting the following: (a) A list of each individual parcel, (b) The sales price, (c) The name and address of purchasers in regard to whom each parcel sold.



Auction Management Corporation

10. CLOSING AGENT: All closings are to occur at the offices of the following designated Escrow and Closing agent: _____. Seller agrees to pay ____% of Escrow and Closing Agent's closing agent fees, prorated portion of current year taxes, owners title policy, title corrective expenses, plus the following closing expenses: _____.

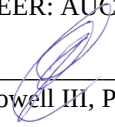
11. DISPUTES: Seller, its affiliated agents/delegates, and Auctioneer agree that any unresolved claim arising out of or relating to this contract, or the breach thereof, or to the warranty of Seller, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Seller and Auctioneer shall each pick an arbitrator. The two chosen arbitrators shall choose a third arbitrator. The decision of this panel of arbitrators shall be final and may be enforced by any court having jurisdiction thereof. This panel of arbitrators shall assess the cost and payment of the arbitration.

12. FORCE MAJEURE: If either party is delayed or prevented from the performance of any act required under the Agreement by reason of any act of god, act of nature, including any epidemic or outbreak of pandemic disease, fire, act of government or state, war, civil commotion, insurrection, embargo, prevention from or hindrance in obtaining raw material, energy or other supplies, labor disputes of whatever nature or whatever reason beyond the control of the party (a "Force Majeure Event"), performance of such act shall be excused for the period of such event provided that if such interference lasts for any period in excess of 45 days each party may, by written notice to the others, terminate this Agreement. In the event that this agreement is terminated for a Force Majeure Event, Seller agrees to reimburse Auctioneer for all expenses incurred by Auctioneer in preparation for the auction described in this agreement.

13. SPECIAL STIPULATIONS: Property may be sold in a multi-property auction along with other properties. A buyer's premium of ten (10%) percent will be added to the winning bid to determine the purchase price. Seller () is (x) is not a licensed real estate broker in the state of North Carolina and is acting as principal in this transaction. If dates next to signature blocks are different from date of first line of this Agreement, the Effective Date of this Agreement shall be the last date indicated.

IN WITNESS Whereof, the parties have hereunto affixed their hands and seals the date first above written.

AUCTIONEER: AUCTION MANAGEMENT CORPORATION



Julian E. Howell III, President

9/27/2022

(Date)

SELLER: City of Lincolnton, NC
P.O. Box 617
Lincolnton, NC 28093

BY: _____
(Signature) (Date)

ITS: _____



Proposed Marketing Timeline

Client: City of Lincolnton, NC
Proposed Auction Date: November 17, 2022
627 E Main Street, Lincolnton NC

<u>EVENTS</u>	<u>DATE</u>	<u>Day</u>
CITY COUNCIL APPROVES	October 6, 2022	Thursday
AUCTION SERVICES AGREEMENT FINALIZED	October 10, 2022	Monday
TITLE ORDERED	October 11, 2022	Tuesday
DUE DILIGENCE DEVELOPED	October 13, 2022	Thursday
MARKETING MATERIAL TO DAVID FOR APPROVAL	October 14, 2022	Friday
MARKETING MATERIAL APPROVED	October 17, 2022	Monday
SIGN ORDERED	October 17, 2022	Monday
POSTED TO AMC WEBSITE	October 18, 2022	Tuesday
SIGN PLACED	October 21, 2022	Friday
ONLINE BIDDING OPENS	October 21, 2022	Friday
POSTED TO ONLINE MEDIA & 1st EMAIL BLAST	October 24, 2022	Wednesday
AUCTION PSA SENT TO DAVID	October 26, 2022	Wednesday
Title Commitment Posted	October 27, 2022	Thursday
AUCTION PSA APPROVED AND POSTED	October 28, 2022	Friday
SOCIAL MEDIA CAMPAIGN BEGINS	October 31, 2022	Monday
NEWSPAPER AD PLACED	November 1, 2022	Tuesday
NEWSPAPER AD- One Sunday	November 6, 2022	Sunday
POSTED INSPECTION DATE	November 16, 2022	Wednesday
MARKETING PERIOD	October 18- Nov 17th	30 Days
BIDDING PERIOD	Oct 21- Nov 17th	27 Days
ONLINE AUCTION FINAL BIDS	November 17, 2022	Thursday
CLOSING DEADLINE	December 19, 2022	Monday

ITEM #

6c

OFFER TO PURCHASE AND CONTRACT
[Consult "Guidelines" (Form 2G) for guidance in completing this form]

For valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Buyer offers to purchase and Seller upon acceptance agrees to sell and convey the Property on the terms and conditions of this Offer To Purchase and Contract and any addendum or modification made in accordance with its terms (together the "Contract").

1. **TERMS AND DEFINITIONS:** The terms listed below shall have the respective meaning given them as set forth adjacent to each term.

(a) "Seller": Excel Textile Supply Company, A NC Partnership

(b) "Buyer": City of Lincolnton, A NC Municipal Corporation

(c) "Property": The Property shall include all that real estate described below together with all appurtenances thereto including the improvements located thereon and the fixtures and personal property listed in Paragraphs 2 and 3 below. **NOTE:** If the Property will include a manufactured (mobile) home(s), Buyer and Seller should consider including the Manufactured (Mobile) Home provision in the Additional Provisions Addendum (Standard Form 2A11-T) with this offer.

Street Address: 500 Sigmon Road and adjoining tract

City: Lincolnton

County: Lincoln

North Carolina

Zip: 28092

NOTE: Governmental authority over taxes, zoning, school districts, utilities and mail delivery may differ from address shown.

Legal Description: (Complete ALL applicable)

Plat Reference: Lot/Unit _____, Block/Section _____, Subdivision/Condominium _____

as shown on Plat Book/Slide _____

at Page(s) _____

The PIN/PID or other identification number of the Property is: Parcel #s 00980 and 70508

Other description: _____

Some or all of the Property may be described in Deed Book _____ at Page _____

(d) "Purchase Price":

\$ 1,300,000.00

\$ 30,000.00

\$ 10,000.00

\$ _____

\$ _____

\$ 650,000.00

\$ _____

\$ 610,000.00

paid in U.S. Dollars upon the following terms:

BY DUE DILIGENCE FEE made payable and delivered to Seller by the Effective Date

BY INITIAL EARNEST MONEY DEPOSIT made payable and delivered to Escrow Agent named in Paragraph 1(f) by ☐ cash ☒ personal check ☐ official bank check ☐ wire transfer, EITHER ☐ with this offer OR ☐ within five (5) days of the Effective Date of this Contract.

BY (ADDITIONAL) EARNEST MONEY DEPOSIT made payable and delivered to Escrow Agent named in Paragraph 1(f) by cash or immediately available funds such as official bank check or wire transfer no later than _____, TIME

BEING OF THE ESSENCE with regard to said date.

BY ASSUMPTION of the unpaid principal balance and all obligations of Seller on the existing loan(s) secured by a deed of trust on the Property in accordance with the attached Loan Assumption Addendum (Standard Form 2A6-T).

BY SELLER FINANCING in accordance with the attached Seller Financing Addendum (Standard Form 2A5-T).

BY BUILDING DEPOSIT in accordance with the attached New Construction Addendum (Standard Form 2A3-T).

BALANCE of the Purchase Price in cash at Settlement (some or all of which may be paid with the proceeds of a new loan)

Should Buyer fail to deliver either the Due Diligence Fee or any Initial Earnest Money Deposit by their due dates, or should any check or other funds paid by Buyer be dishonored, for any reason, by the institution upon which the payment is drawn, Buyer shall

Buyer Initials _____ Seller Initials _____

have one (1) banking day after written notice to deliver cash or immediately available funds to the payee. In the event Buyer does not timely deliver cash or immediately available funds, Seller shall have the right to terminate this Contract upon written notice to Buyer.

(e) "Earnest Money Deposit": The Initial Earnest Money Deposit, the Additional Earnest Money Deposit and any other earnest monies paid in connection with this transaction, hereinafter collectively referred to as "Earnest Money Deposit", shall be deposited and held in escrow by Escrow Agent until Closing, at which time it will be credited to Buyer, or until this Contract is otherwise terminated. In the event: (1) this offer is not accepted; or (2) a condition of any resulting contract is not satisfied, then the Earnest Money Deposit shall be refunded to Buyer. In the event of breach of this Contract by Seller, the Earnest Money Deposit shall be refunded to Buyer upon Buyer's request, but such return shall not affect any other remedies available to Buyer for such breach. In the event of breach of this Contract by Buyer, the Earnest Money Deposit shall be paid to Seller as liquidated damages and as Seller's sole and exclusive remedy for such breach, but without limiting Seller's rights under Paragraphs 4(d) and 4(e) for damage to the Property or Seller's right to retain the Due Diligence Fee. It is acknowledged by the parties that payment of the Earnest Money Deposit to Seller in the event of a breach of this Contract by Buyer is compensatory and not punitive, such amount being a reasonable estimation of the actual loss that Seller would incur as a result of such breach. The payment of the Earnest Money Deposit to Seller shall not constitute a penalty or forfeiture but actual compensation for Seller's anticipated loss, both parties acknowledging the difficulty determining Seller's actual damages for such breach. If legal proceedings are brought by Buyer or Seller against the other to recover the Earnest Money Deposit, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorney fees and court costs incurred in connection with the proceeding.

(f) "Escrow Agent" (insert name): Thomas J. Wilson, PA

NOTE: In the event of a dispute between Seller and Buyer over the disposition of the Earnest Money Deposit held in escrow, a licensed real estate broker ("Broker") is required by state law (and Escrow Agent, if not a Broker, hereby agrees) to retain the Earnest Money Deposit in the Escrow Agent's trust or escrow account until Escrow Agent has obtained a written release from the parties consenting to its disposition or until disbursement is ordered by a court of competent jurisdiction. Alternatively, if a Broker or an attorney licensed to practice law in North Carolina ("Attorney") is holding the Earnest Money Deposit, the Broker or Attorney may deposit the disputed monies with the appropriate clerk of court in accordance with the provisions of N.C.G.S. §93A-12.

THE PARTIES AGREE THAT A REAL ESTATE BROKERAGE FIRM ACTING AS ESCROW AGENT MAY PLACE THE EARNEST MONEY DEPOSIT IN AN INTEREST BEARING TRUST ACCOUNT AND THAT ANY INTEREST EARNED THEREON SHALL BE DISBURSED TO THE ESCROW AGENT MONTHLY IN CONSIDERATION OF THE EXPENSES INCURRED BY MAINTAINING SUCH ACCOUNT AND RECORDS ASSOCIATED THEREWITH.

(g) "Effective Date": The date that: (1) the last one of Buyer and Seller has signed or initialed this offer or the final counteroffer, if any, and (2) such signing or initialing is communicated to the party making the offer or counteroffer, as the case may be. The parties acknowledge and agree that the initials lines at the bottom of each page of this Contract are merely evidence of their having reviewed the terms of each page, and that the complete execution of such initials lines shall not be a condition of the effectiveness of this Agreement.

(h) "Due Diligence": Buyer's opportunity during the Due Diligence Period to investigate the Property and the transaction contemplated by this Contract, including but not necessarily limited to the matters described in Paragraph 4 below, to decide whether Buyer, in Buyer's sole discretion, will proceed with or terminate the transaction.

(i) "Due Diligence Fee": A negotiated amount, if any, paid by Buyer to Seller with this Contract for Buyer's right to conduct Due Diligence during the Due Diligence Period. It shall be the property of Seller upon the Effective Date and shall be a credit to Buyer at Closing. The Due Diligence Fee shall be non-refundable except in the event of a material breach of this Contract by Seller, or if this Contract is terminated under Paragraph 8(n) or Paragraph 12, or as otherwise provided in any addendum hereto. Buyer and Seller each expressly waive any right that they may have to deny the right to conduct Due Diligence or to assert any defense as to the enforceability of this Contract based on the absence or alleged insufficiency of any Due Diligence Fee, it being the intent of the parties to create a legally binding contract for the purchase and sale of the Property without regard to the existence or amount of any Due Diligence Fee.

(j) "Due Diligence Period": The period beginning on the Effective Date and extending through 5:00 p.m. on 10/31/2022
TIME BEING OF THE ESSENCE with regard to said date.

Buyer Initials _____ Seller Initials _____

(k) "Settlement": The proper execution and delivery to the closing attorney of all documents necessary to complete the transaction contemplated by this Contract, including the deed, settlement statement, deed of trust and other loan or conveyance documents, and the closing attorney's receipt of all funds necessary to complete such transaction.

(l) "Settlement Date": The parties agree that Settlement will take place on or before 11/15/2022 (the "Settlement Date"), unless otherwise agreed in writing, at a time and place designated by Buyer.

(m) "Closing": The completion of the legal process which results in the transfer of title to the Property from Seller to Buyer, which includes the following steps: (1) the Settlement (defined above); (2) the completion of a satisfactory title update to the Property following the Settlement; (3) the closing attorney's receipt of authorization to disburse all necessary funds; and (4) recordation in the appropriate county registry of the deed(s) and deed(s) of trust, if any, which shall take place as soon as reasonably possible for the closing attorney after Settlement. Upon Closing, the proceeds of sale shall be disbursed by the closing attorney in accordance with the settlement statement and the provisions of Chapter 45A of the North Carolina General Statutes. If the title update should reveal unexpected liens, encumbrances or other title defects, or if the closing attorney is not authorized to disburse all necessary funds, then the Closing shall be suspended and the Settlement deemed delayed under Paragraph 13 (Delay in Settlement/Closing).

WARNING: The North Carolina State Bar has determined that the performance of most acts and services required for a closing constitutes the practice of law and must be performed only by an attorney licensed to practice law in North Carolina. State law prohibits unlicensed individuals or firms from rendering legal services or advice. Although non-attorney settlement agents may perform limited services in connection with a closing, they may not perform all the acts and services required to complete a closing. A closing involves significant legal issues that should be handled by an attorney. Accordingly it is the position of the North Carolina Bar Association and the North Carolina Association of REALTORS® that all buyers should hire an attorney licensed in North Carolina to perform a closing.

(n) "Special Assessments": A charge against the Property by a governmental authority in addition to ad valorem taxes and recurring governmental service fees levied with such taxes, or by an owners' association in addition to any regular assessment (dues), either of which may be a lien against the Property. A Special Assessment may be either proposed or confirmed.

"Proposed Special Assessment": A Special Assessment that is under formal consideration but which has not been approved prior to Settlement.

"Confirmed Special Assessment": A Special Assessment that has been approved prior to Settlement whether or not it is fully payable at time of Settlement.

2. FIXTURES AND EXCLUSIONS:

(a) Items Leased or Not Owned: Any item which is leased or not owned by Seller, such as fuel tanks, antennas, satellite dishes and receivers, appliances, and alarm and security systems must be identified here and shall not convey: _____

(b) Specified Items: Unless identified in subparagraph (d) below the following items, if any, are deemed fixtures and are included in the Purchase Price free of liens: range/stove/oven, any built-in appliances, light fixtures, ceiling fans, attached floor coverings, blinds, shades, drapery rods and curtain rods, brackets and all related hardware, window and door screens, storm windows, combination doors, awnings, antennas, satellite dishes and receivers, mounting brackets for televisions and for speakers and all related hardware, burglar/fire/smoke/carbon monoxide alarms and security systems, pool and spa equipment, solar energy systems, attached fireplace screens, gas logs, fireplace inserts, electric garage door openers with controls, outdoor plants and trees (other than in movable containers), basketball goals, storage sheds, mailboxes, attached wall and/or door mirrors, fuel tank(s) whether attached or buried and including any contents that have not been used, removed or resold to the fuel provider as of Settlement*, landscape and/or foundation lighting, invisible fencing including all related equipment, lawn irrigation systems and all related equipment, and water softener/conditioner and filter equipment.

(c) Other Fixtures/Unspecified items: Unless identified in subparagraph (d) below, any other item legally considered a fixture is included in the Purchase Price free of liens.

(d) Other Items That Do Not Convey: The following items shall not convey (*identify those items to be excluded under*

Buyer Initials _____ Seller Initials _____

Seller shall repair any damage caused by removal of any items excluded above.

*NOTE: Seller's use, removal or resale of fuel in any fuel tank is subject to Seller's obligation under Paragraph 8(c) to provide working, existing utilities through the earlier of Closing or possession by Buyer.

3. **PERSONAL PROPERTY:** The following personal property shall be transferred to Buyer at no value at Closing: See the attached list

(NOTE: Buyer is advised to consult with Buyer's lender to assure that the Personal Property items listed above can be included in this Contract.)

4. **BUYER'S DUE DILIGENCE PROCESS:**

(a) **Loan:** During the Due Diligence Period, Buyer, at Buyer's expense, shall be entitled to pursue qualification for and approval of the Loan if any.

NOTE: Buyer is advised to consult with Buyer's lender prior to signing this offer to assure that the Due Diligence Period allows sufficient time for the appraisal to be completed and for Buyer's lender to provide Buyer sufficient information to decide whether to proceed with or terminate the transaction since the Loan is not a condition of the Contract.

(b) **Property Investigation:** During the Due Diligence Period, Buyer or Buyer's agents or representatives, at Buyer's expense, shall be entitled to conduct all desired tests, surveys, appraisals, investigations, examinations and inspections of the Property as Buyer deems appropriate, including but NOT limited to the following:

(i) **Inspections:** Inspections to determine the condition of any improvements on the Property, the presence of unusual drainage conditions or evidence of excessive moisture adversely affecting any improvements on the Property, the presence of asbestos or existing environmental contamination, evidence of wood-destroying insects or damage therefrom, and the presence and level of radon gas on the Property.

(ii) **Review of Documents:** Review of the Declaration of Restrictive Covenants, Bylaws, Articles of Incorporation, Rules and Regulations, and other governing documents of any applicable owners' association and/or subdivision. If the Property is subject to regulation by an owners' association, it is recommended that Buyer review the completed Residential Property and Owners' Association Disclosure Statement provided by Seller prior to signing this offer. It is also recommended that the Buyer determine if the owners' association charges fees for confirming owners' association information and restrictive covenant compliance.

(iii) **Insurance:** Investigation of the availability and cost of insurance for the Property.

(iv) **Appraisals:** An appraisal of the Property.

(v) **Survey:** A survey to determine whether the property is suitable for Buyer's intended use and the location of easements, setbacks, property boundaries and other issues which may or may not constitute title defects.

(vi) **Zoning and Governmental Regulation:** Investigation of current or proposed zoning or other governmental regulation that may affect Buyer's intended use of the Property, adjacent land uses, planned or proposed road construction, and school attendance zones.

(vii) **Flood Hazard:** Investigation of potential flood hazards on the Property, and/or any requirement to purchase flood insurance in order to obtain the Loan.

(viii) **Utilities and Access:** Availability, quality, and obligations for maintenance of utilities including water, sewer, electric, gas, communication services, stormwater management, and means of access to the Property and amenities.

(ix) **Streets/Roads:** Investigation of the status of the street/road upon which the Property fronts as well as any other street/road used to access the Property, including: (1) whether any street(s)/road(s) are public or private, (2) whether any street(s)/road(s) designated as public are accepted for maintenance by the State of NC or any municipality, or (3) if private or not accepted for public maintenance, the consequences and responsibility for maintenance and the existence, terms and funding of any maintenance agreements.

(x) **Fuel Tank:** Inspections to determine the existence, type and ownership of any fuel tank located on the Property.

(NOTE: Buyer is advised to consult with the owner of any leased fuel tank regarding the terms under which Buyer may lease the tank and obtain fuel.)

Buyer Initials _____ Seller Initials _____

(c) **Repair/Improvement Negotiations/Agreement:** Buyer acknowledges and understands that unless the parties agree otherwise, THE PROPERTY IS BEING SOLD IN ITS CURRENT CONDITION. Buyer and Seller acknowledge and understand that they may, but are not required to, engage in negotiations for repairs/improvements to the Property. Buyer is advised to make any repair/improvement requests in sufficient time to allow repair/improvement negotiations to be concluded prior to the expiration of the Due Diligence Period. Any agreement that the parties may reach with respect to repairs/improvements shall be considered an obligation of the parties and is an addition to this Contract and as such, must be in writing and signed by the parties in accordance with Paragraph 20.

(NOTE: See Paragraph 8(c), Access to Property/Walk-Through Inspection, and Paragraph 8(m), Negotiated Repairs/Improvements.)

(d) **Buyer's Obligation to Repair Damage:** Buyer shall, at Buyer's expense, promptly repair any damage to the Property resulting from any activities of Buyer and Buyer's agents and contractors, but Buyer shall not be responsible for any damage caused by accepted practices either approved by the N.C. Home Inspector Licensure Board or applicable to any other N.C. licensed professional performing reasonable appraisals, tests, surveys, examinations and inspections of the Property. This repair obligation shall survive any termination of this Contract.

(e) **Indemnify:** Buyer will indemnify and hold Seller harmless from all loss, damage, claims, suits or costs, which shall arise out of any contract, agreement, or injury to any person or property as a result of any activities of Buyer and Buyer's agents and contractors relating to the Property except for any loss, damage, claim, suit or cost arising out of pre-existing conditions of the Property and/or out of Seller's negligence or willful acts or omissions. This indemnity shall survive this Contract and any termination hereof.

(f) **Buyer's Right to Terminate:** Buyer shall have the right to terminate this Contract for any reason or no reason, by delivering to Seller written notice of termination (the "Termination Notice") during the Due Diligence Period (or any agreed-upon written extension of the Due Diligence Period), *TIME BEING OF THE ESSENCE*. If Buyer timely delivers the Termination Notice, this Contract shall be terminated and the Earnest Money Deposit shall be refunded to Buyer.

WARNING: If Buyer is not satisfied with the results or progress of Buyer's Due Diligence, Buyer should terminate this Contract, prior to the expiration of the Due Diligence Period, unless Buyer can obtain a written extension from Seller. SELLER IS NOT OBLIGATED TO GRANT AN EXTENSION. Although Buyer may continue to investigate the Property following the expiration of the Due Diligence Period, Buyer's failure to deliver a Termination Notice to Seller prior to the expiration of the Due Diligence Period shall constitute a waiver by Buyer of any right to terminate this Contract based on any matter relating to Buyer's Due Diligence. Provided however, following the Due Diligence Period, Buyer may still exercise a right to terminate if Seller fails to materially comply with any of Seller's obligations under Paragraph 8 of this Contract or for any other reason permitted under the terms of this Contract or North Carolina law.

(g) **CLOSING SHALL CONSTITUTE ACCEPTANCE OF THE PROPERTY IN ITS THEN EXISTING CONDITION UNLESS PROVISION IS OTHERWISE MADE IN WRITING.**

5. BUYER REPRESENTATIONS:

(a) **Loan:** Buyer ☐ does ☒ does not have to obtain a new loan in order to purchase the Property. If Buyer is obtaining a new loan, Buyer intends to obtain a loan as follows: ☐ FHA ☐ VA (attach FHA/VA Financing Addendum) ☐ Conventional ☐ Other: _____ loan at a ☐ Fixed Rate ☐ Adjustable Rate in the principal amount of _____ plus any financed VA Funding Fee or FHA MIP for a term of _____ year(s), at an initial interest rate not to exceed _____ % per annum (the "Loan").

NOTE: Buyer's obligations under this Contract are not conditioned upon obtaining or closing any loan. If Buyer represents that Buyer does not have to obtain a new loan in order to purchase the Property, Seller is advised, prior to signing this offer, to obtain documentation from Buyer which demonstrates that Buyer will be able to close on the Property without the necessity of obtaining a new loan.

(b) **Other Property:** Buyer ☐ does ☒ does not have to sell or lease other real property in order to qualify for a new loan or to complete the purchase.

Buyer Initials _____ Seller Initials _____

(NOTE: This Contract is not conditioned upon the sale of Buyer's property unless a contingent sale addendum such as Standard Form 2A2-T is made a part of this Contract.)

(c) Performance of Buyer's Financial Obligations: To the best of Buyer's knowledge, there are no other circumstances or conditions existing as of the date of this offer that would prohibit Buyer from performing Buyer's financial obligations in accordance with this Contract, except as may be specifically set forth herein.

(d) Residential Property and Owners' Association Disclosure Statement (*check only one*):

- ☒ Buyer has received a signed copy of the N.C. Residential Property and Owners' Association Disclosure Statement prior to the signing of this offer.
- ☐ Buyer has NOT received a signed copy of the N.C. Residential Property and Owners' Association Disclosure Statement prior to the signing of this offer and shall have the right to terminate or withdraw this Contract without penalty (including a refund of any Due Diligence Fee) prior to WHICHEVER OF THE FOLLOWING EVENTS OCCURS FIRST: (1) the end of the third calendar day following receipt of the Disclosure Statement; (2) the end of the third calendar day following the date the Contract was made; or (3) Settlement or occupancy by Buyer in the case of a sale or exchange.
- ☐ Exempt from N.C. Residential Property and Owners' Association Disclosure Statement because (SEE GUIDELINES): _____

(e) Mineral and Oil and Gas Rights Mandatory Disclosure Statement (*check only one*):

- ☒ Buyer has received a signed copy of the N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement prior to the signing of this offer.
- ☐ Buyer has NOT received a signed copy of the N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement prior to the signing of this offer and shall have the right to terminate or withdraw this Contract without penalty (including a refund of any Due Diligence Fee) prior to WHICHEVER OF THE FOLLOWING EVENTS OCCURS FIRST: (1) the end of the third calendar day following receipt of the Disclosure Statement; (2) the end of the third calendar day following the date the Contract was made; or (3) Settlement or occupancy by Buyer in the case of a sale or exchange.
- ☐ Exempt from N.C. Mineral and Oil and Gas Rights Mandatory Disclosure Statement because (SEE GUIDELINES): _____

Buyer's receipt of a Mineral and Oil and Gas Rights Mandatory Disclosure Statement does not modify or limit the obligations of Seller under Paragraph 8(g) of this Contract and shall not constitute the assumption or approval by Buyer of any severance of mineral and/or oil and gas rights, except as may be assumed or specifically approved by Buyer in writing.

(NOTE: The parties are advised to consult with a NC attorney prior to signing this Contract if severance of mineral and/or oil and gas rights has occurred or is intended.)

6. BUYER OBLIGATIONS:

(a) Owners' Association Fees/Charges: Buyer shall be responsible for the payment of any fees charged by an owners' association for information relating to Buyer's Due Diligence other than those fees to be paid by Seller under Paragraph 8(j).

(b) Responsibility for Proposed Special Assessments: Buyer shall take title subject to all Proposed Special Assessments.

(c) Responsibility for Certain Costs: Buyer shall be responsible for all costs with respect to any loan obtained by Buyer, appraisal, title search, title insurance, recording the deed and for preparation and recording of all instruments required to secure the balance of the Purchase Price unpaid at Settlement.

(d) Authorization to Disclose Information: Buyer authorizes the Buyer's lender(s), the parties' real estate agent(s) and closing attorney: (1) to provide this Contract to any appraiser employed by Buyer or by Buyer's lender(s); and (2) to release and disclose any buyer's closing disclosure, settlement statement and/or disbursement summary, or any information therein, to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

7. SELLER REPRESENTATIONS:

- (a) Ownership: Seller represents that Seller:
- ☒ has owned the Property for at least one year.
- ☐ has owned the Property for less than one year.

Buyer Initials _____ Seller Initials _____

☐ does not yet own the Property.

(b) **Lead-Based Paint** (*check if applicable*):

☐ The Property is residential and was built prior to 1978 (Attach Lead-Based Paint or Lead-Based Paint Hazards Disclosure Addendum { Standard Form 2A9-T }).

(c) **Assessments:** To the best of Seller's knowledge there are no Proposed Special Assessments except as follows (Insert "None" or the identification of such assessments, if any): _____

Seller warrants that there are no Confirmed Special Assessments except as follows (Insert "None" or the identification of such assessments, if any): _____

(d) **Owners' Association(s) and Dues:** Seller authorizes and directs any owners' association, any management company of the owners' association, any insurance company and any attorney who has previously represented the Seller to release to Buyer, Buyer's agents, representative, closing attorney or lender true and accurate copies of the following items affecting the Property, including any amendments:

- Seller's statement of account
- master insurance policy showing the coverage provided and the deductible amount
- Declaration and Restrictive Covenants
- Rules and Regulations
- Articles of Incorporation
- Bylaws of the owners' association
- current financial statement and budget of the owners' association
- parking restrictions and information
- architectural guidelines

The name, address and telephone number of the president of the owners' association or the association manager is: _____

Owners' association website address, if any: _____

The name, address and telephone number of the president of the owners' association or the association manager is: _____

Owners' association website address, if any: _____

8. SELLER OBLIGATIONS:

(a) **Evidence of Title and Payoff Statement(s):** Seller agrees to use best efforts to deliver to Buyer as soon as reasonably possible after the Effective Date, copies of all title information in possession of or available to Seller, including but not limited to: title insurance policies, attorney's opinions on title, surveys, covenants, deeds, notes and deeds of trust, leases, and easements relating to the Property. Seller shall provide to the closing attorney all information needed to obtain a written payoff statement from any lender(s) regarding any security interest in the Property as soon as reasonably possible after the Effective Date, and Seller designates the closing attorney as Seller's agent with express authority to request and obtain on Seller's behalf payoff statements and/or short-pay statements from any such lender(s).

(b) **Authorization to Disclose Information:** Seller authorizes: (1) any attorney presently or previously representing Seller to release and disclose any title insurance policy in such attorney's file to Buyer and both Buyer's and Seller's agents and attorneys; (2) the Property's title insurer or its agent to release and disclose all materials in the Property's title insurer's (or title insurer's agent's) file to Buyer and both Buyer's and Seller's agents and attorneys and (3) the closing attorney to release and disclose any seller's closing disclosure, settlement statement and/or disbursement summary, or any information therein, to the parties to this transaction, their real estate agent(s) and Buyer's lender(s).

(c) **Access to Property/Walk-Through Inspection:** Seller shall provide reasonable access to the Property (including working, existing utilities) through the earlier of Closing or possession by Buyer, including, but not limited to, allowing Buyer an opportunity to conduct a final walk-through inspection of the Property.

Buyer Initials _____ Seller Initials _____

(d) **Removal of Seller's Property:** Seller shall remove, by the date possession is made available to Buyer, all personal property which is not a part of the purchase and all garbage and debris from the Property.

(e) **Affidavit and Indemnification Agreement:** Seller shall furnish at Settlement an affidavit(s) and indemnification agreement(s) in form satisfactory to Buyer and Buyer's title insurer, if any, executed by Seller and any person or entity who has performed or furnished labor, services, materials or rental equipment to the Property within 120 days prior to the date of Settlement and who may be entitled to claim a lien against the Property as described in N.C.G.S. §44A-8 verifying that each such person or entity has been paid in full and agreeing to indemnify Buyer, Buyer's lender(s) and Buyer's title insurer against all loss from any cause or claim arising therefrom.

(f) **Designation of Lien Agent, Payment and Satisfaction of Liens:** If required by N.C.G.S. §44A-11.1, Seller shall have designated a Lien Agent, and Seller shall deliver to Buyer as soon as reasonably possible a copy of the appointment of Lien Agent. All deeds of trust, deferred ad valorem taxes, liens and other charges against the Property, not assumed by Buyer, must be paid and satisfied by Seller prior to or at Settlement such that cancellation may be promptly obtained following Closing. Seller shall remain obligated to obtain any such cancellations following Closing.

(g) **Good Title, Legal Access:** Seller shall execute and deliver a GENERAL WARRANTY DEED for the Property in recordable form no later than Settlement, which shall convey fee simple marketable and insurable title, without exception for mechanics' liens, and free of any other liens, encumbrances or defects, including those which would be revealed by a current and accurate survey of the Property, except: ad valorem taxes for the current year (prorated through the date of Settlement); utility easements and unviolated covenants, conditions or restrictions that do not materially affect the value of the Property; and such other liens, encumbrances or defects as may be assumed or specifically approved by Buyer in writing. The Property must have legal access to a public right of way.

(NOTE: Buyer's failure to terminate this Contract prior to the expiration of the Due Diligence Period as a result of any encumbrance or defect that is or would have been revealed by a title examination of the Property or a current and accurate survey shall not relieve Seller of any obligation under this subparagraph.)

(NOTE: If any sale of the Property may be a "short sale," consideration should be given to attaching a Short Sale Addendum (Standard Form 2A14-T) as an addendum to this Contract.)

(h) **Deed, Taxes and Fees:** Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under this Contract, and for state and county excise taxes, and any, deferred, discounted or rollback taxes, and local conveyance fees required by law. The deed is to be made to: City of Lincoln

(i) **Agreement to Pay Buyer Expenses:** Seller shall pay at Settlement \$ 0 toward any of Buyer's expenses associated with the purchase of the Property, including any FHA/VA lender and inspection costs that Buyer is not permitted to pay, less any portion disapproved by Buyer's lender.

NOTE: Examples of Buyer's expenses associated with the purchase of the Property include, but are not limited to, discount points, loan origination fees, appraisal fees, attorney's fees, inspection fees, and "pre-pays" (taxes, insurance, owners' association dues, etc.).

(j) **Owners' Association Fees/Charges:** Seller shall pay: (i) any fees required for confirming Seller's account payment information on owners' association dues or assessments for payment or proration; (ii) any transfer or similar fee imposed by the owners' association; and (iii) fees incurred by Seller in completing the Residential Property and Owners' Association Disclosure Statement.

(k) **Payment of Confirmed Special Assessments:** Seller shall pay all Confirmed Special Assessments, if any, provided that the amount thereof can be reasonably determined or estimated.

(l) **Late Listing Penalties:** All property tax late listing penalties, if any, shall be paid by Seller.

(m) **Negotiated Repairs/Improvements:** Negotiated repairs/improvements shall be made in a good and workmanlike manner and

Buyer Initials _____ Seller Initials _____

Buyer shall have the right to verify same prior to Settlement.

(n) **Seller's Failure to Comply or Breach:** If Seller fails to materially comply with any of Seller's obligations under this Paragraph 8 or Seller materially breaches this Contract, and Buyer elects to terminate this Contract as a result of such failure or breach, then the Earnest Money Deposit and the Due Diligence Fee shall be refunded to Buyer and Seller shall reimburse to Buyer the reasonable costs actually incurred by Buyer in connection with Buyer's Due Diligence without affecting any other remedies. If legal proceedings are brought by Buyer against Seller to recover the Earnest Money Deposit, the Due Diligence Fee and/or the reasonable costs actually incurred by Buyer in connection with Buyer's Due Diligence, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorney fees and court costs incurred in connection with the proceeding.

9. PRORATIONS AND ADJUSTMENTS: Unless otherwise provided, the following items shall be prorated through the date of Settlement and either adjusted between the parties or paid at Settlement:

- (a) **Taxes on Real Property:** Ad valorem taxes and recurring governmental service fees levied with such taxes on real property shall be prorated on a calendar year basis;
- (b) **Taxes on Personal Property:** Ad valorem taxes on personal property for the entire year shall be paid by Seller unless the personal property is conveyed to Buyer, in which case, the personal property taxes shall be prorated on a calendar year basis;
- (c) **Rents:** Rents, if any, for the Property;
- (d) **Dues:** Owners' association regular assessments (dues) and other like charges.

10. HOME WARRANTY: Select one of the following:

- ☐ No home warranty is to be provided by Seller.
- ☐ Buyer may obtain a one-year home warranty at a cost not to exceed \$ N/A and Seller agrees to pay for it at Settlement.
- ☐ Seller has obtained and will provide a one-year home warranty from N/A at a cost of \$ N/A and will pay for it at Settlement.

(NOTE: Home warranties typically have limitations on and conditions to coverage. Refer specific questions to the home warranty company.)

11. CONDITION OF PROPERTY AT CLOSING: Buyer's obligation to complete the transaction contemplated by this Contract shall be contingent upon the Property being in substantially the same or better condition at Closing as on the date of this offer, reasonable wear and tear excepted.

12. RISK OF LOSS: The risk of loss or damage by fire or other casualty prior to Closing shall be upon Seller. If the improvements on the Property are destroyed or materially damaged prior to Closing, Buyer may terminate this Contract by written notice delivered to Seller or Seller's agent and the Earnest Money Deposit and any Due Diligence Fee shall be refunded to Buyer. In the event Buyer does NOT elect to terminate this Contract, Buyer shall be entitled to receive, in addition to the Property, any of Seller's insurance proceeds payable on account of the damage or destruction applicable to the Property being purchased. Seller is advised not to cancel existing insurance on the Property until after confirming recordation of the deed.

13. DELAY IN SETTLEMENT/CLOSING: Absent agreement to the contrary in this Contract or any subsequent modification thereto, if a party is unable to complete Settlement by the Settlement Date but intends to complete the transaction and is acting in good faith and with reasonable diligence to proceed to Settlement ("Delaying Party"), and if the other party is ready, willing and able to complete Settlement on the Settlement Date ("Non-Delaying Party") then the Delaying Party shall give as much notice as possible to the Non-Delaying Party and closing attorney and shall be entitled to a delay in Settlement. If the parties fail to complete Settlement and Closing within fourteen (14) days of the Settlement Date (including any amended Settlement Date agreed to in writing by the parties) or to otherwise extend the Settlement Date by written agreement, then the Delaying Party shall be in breach and the Non-Delaying Party may terminate this Contract and shall be entitled to enforce any remedies available to such party under this Contract for the breach.

14. POSSESSION: Possession, including all means of access to the Property (keys, codes, garage door openers, etc.), shall be delivered upon Closing as defined in Paragraph 1(m) unless otherwise provided below:

- ☐ A Buyer Possession Before Closing Agreement is attached (Standard Form 2A7-T)
- ☒ A Seller Possession After Closing Agreement is attached (Standard Form 2A8-T)
- ☐ Possession is subject to rights of tenant(s) (NOTE: Consider attaching Additional Provisions Addendum (Form 2A-11-T) or

Buyer Initials _____ Seller Initials _____

15. **OTHER PROVISIONS AND CONDITIONS:** CHECK ALL STANDARD ADDENDA THAT MAY BE A PART OF THIS CONTRACT, IF ANY, AND ATTACH HERETO. ITEMIZE ALL OTHER ADDENDA TO THIS CONTRACT, IF ANY, AND ATTACH HERETO. NOTE: UNDER NORTH CAROLINA LAW, REAL ESTATE BROKERS ARE NOT PERMITTED TO DRAFT CONDITIONS OR CONTINGENCIES TO THIS CONTRACT.

☐ Additional Provisions Addendum (Form 2A11-T)

☒ Additional Signatures Addendum (Form 3-T)

☐ Back-Up Contract Addendum (Form 2A1-T)

☐ Contingent Sale Addendum (Form 2A2-T)

☐ FHA/VA Financing Addendum (Form 2A4-T)

☐ Lead-Based Paint Or Lead-Based Paint Hazard

Addendum (Form 2A9-T)

☐ OTHER: _____

☐ Loan Assumption Addendum (Form 2A6-T)

☐ New Construction Addendum (Form 2A3-T)

☐ Seller Financing Addendum (Form 2A5-T)

☐ Short Sale Addendum (Form 2A14-T)

☐ Vacation Rental Addendum (Form 2A13-T)

16. **ASSIGNMENTS:** This Contract may not be assigned without the written consent of all parties except in connection with a tax-deferred exchange, but if assigned by agreement, then this Contract shall be binding on the assignee and assignee's heirs and successors.

17. **TAX-DEFERRED EXCHANGE:** In the event Buyer or Seller desires to effect a tax-deferred exchange in connection with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange; provided, however, that the exchanging party shall be responsible for all additional costs associated with such exchange, and provided further, that a non-exchanging party shall not assume any additional liability with respect to such tax-deferred exchange. Buyer and Seller shall execute such additional documents, including assignment of this Contract in connection therewith, at no cost to the non-exchanging party, as shall be required to give effect to this provision.

18. **PARTIES:** This Contract shall be binding upon and shall inure to the benefit of Buyer and Seller and their respective heirs, successors and assigns. As used herein, words in the singular include the plural and the masculine includes the feminine and neuter genders, as appropriate.

19. **SURVIVAL:** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the Closing, it shall survive the Closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

20. **ENTIRE AGREEMENT:** This Contract contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed herein. All changes, additions or deletions hereto must be in writing and signed by all parties. Nothing contained herein shall alter any agreement between a REALTOR® or broker and Seller or Buyer as contained in any listing agreement, buyer agency agreement, or any other agency agreement between them.

21. **CONDUCT OF TRANSACTION:** The parties agree that any action between them relating to the transaction contemplated by this Contract may be conducted by electronic means, including the signing of this Contract by one or more of them and any notice or communication given in connection with this Contract. Any written notice or communication may be transmitted to any mailing address, e-mail address or fax number set forth in the "Notice Information" section below. Any notice or communication to be given to a party herein, and any fee, deposit or other payment to be delivered to a party herein, may be given to the party or to such party's agent. Seller and Buyer agree that the "Notice Information" and "Acknowledgment of Receipt of Monies" sections below shall not constitute a material part of this Contract, and that the addition or modification of any information therein shall not constitute a rejection of an offer or the creation of a counteroffer.

22. **EXECUTION:** This Contract may be signed in multiple originals or counterparts, all of which together constitute one and the same instrument.

23. **COMPUTATION OF DAYS/TIME OF DAY:** Unless otherwise provided, for purposes of this Contract, the term "days" shall

Buyer Initials _____ Seller Initials _____

mean consecutive calendar days, including Saturdays, Sundays, and holidays, whether federal, state, local or religious. For the purposes of calculating days, the count of "days" shall begin on the day following the day upon which any act or notice as provided in this Contract was required to be performed or made. Any reference to a date or time of day shall refer to the date and/or time of day in the State of North Carolina.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. AND THE NORTH CAROLINA BAR ASSOCIATION MAKE NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

This offer shall become a binding contract on the Effective Date. Unless specifically provided otherwise, Buyer's failure to timely deliver any fee, deposit or other payment provided for herein shall not prevent this offer from becoming a binding contract, provided that any such failure shall give Seller certain rights to terminate the contract as described herein or as otherwise permitted by law.

Date: _____

Date: _____

Buyer: _____

Seller: _____

Date: _____

Date: _____

Buyer: _____

Seller: _____

Entity Buyer:

City of Lincolnton, A NC Municipal
(Name of LLC/Corporation/Partnership/Trust/etc) Corporation

Entity Seller:

Excel Textile Supply Company, A NC
(Name of LLC/Corporation/Partnership/Tr Partnership

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Buyer Initials _____ Seller Initials _____

NOTICE INFORMATION

NOTE: INSERT THE ADDRESS AND/OR ELECTRONIC DELIVERY ADDRESS EACH PARTY AND AGENT APPROVES FOR THE RECEIPT OF ANY NOTICE CONTEMPLATED BY THIS CONTRACT. INSERT "N/A" FOR ANY WHICH ARE NOT APPROVED.

BUYER NOTICE ADDRESS:

Mailing Address: _____

Buyer Fax#: _____

Buyer E-mail: _____

SELLING AGENT NOTICE ADDRESS:

Firm Name: _____

Acting as ☒ Buyer's Agent ☐ Seller's (sub) Agent ☐ Dual Agent

Mailing Address: _____

Individual Selling Agent: _____

☐ Acting as a Designated Dual Agent (check only if applicable)

License #: _____

Selling Agent Phone#: _____

Selling Agent Fax#: _____

Selling Agent E-mail: _____

SELLER NOTICE ADDRESS:

Mailing Address: _____

Seller Fax#: _____

Seller E-mail: _____

LISTING AGENT NOTICE ADDRESS:

Firm Name: _____

Acting as ☒ Seller's Agent ☐ Dual Agent

Mailing Address: _____

Individual Listing Agent: _____

☐ Acting as a Designated Dual Agent (check only if applicable)

License #: _____

Listing Agent Phone#: _____

Listing Agent Fax#: _____

Listing Agent E-mail: _____

[THIS SPACE INTENTIONALLY LEFT BLANK]

Buyer Initials _____ Seller Initials _____

ACKNOWLEDGMENT OF RECEIPT OF MONIES

Seller: Excel Textile Supply Company, A NC Corporation ("Seller")

Buyer: City of Lincolnton, A NC Municipal Corporation ("Buyer")

Property Address: 500 Sigmon Road and adjoining tract ("Property")

☐ LISTING AGENT ACKNOWLEDGMENT OF RECEIPT OF DUE DILIGENCE FEE

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Seller of a Due Diligence Fee in the amount of \$_____, receipt of which Listing Agent hereby acknowledges.

Date _____

Firm: _____

By: _____
(Signature)

(Print name)

☐ SELLER ACKNOWLEDGMENT OF RECEIPT OF DUE DILIGENCE FEE

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Seller of a Due Diligence Fee in the amount of \$_____, receipt of which Seller hereby acknowledges.

Date _____

Seller: _____
(Signature)

Date _____

Seller: _____
(Signature)

☐ ESCROW AGENT ACKNOWLEDGMENT OF RECEIPT OF INITIAL EARNEST MONEY DEPOSIT

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Escrow Agent of an Initial Earnest Money Deposit in the amount of \$_____. Escrow Agent as identified in Paragraph 1(f) of the Offer to Purchase and Contract hereby acknowledges receipt of the Initial Earnest Money Deposit and agrees to hold and disburse the same in accordance with the terms of the Offer to Purchase and Contract.

Date _____

Firm: _____

By: _____
(Signature)

(Print name)

☐ ESCROW AGENT ACKNOWLEDGMENT OF RECEIPT OF (ADDITIONAL) EARNEST MONEY DEPOSIT

Paragraph 1(d) of the Offer to Purchase and Contract between Buyer and Seller for the sale of the Property provides for the payment to Escrow Agent of an (Additional) Earnest Money Deposit in the amount of \$_____. Escrow Agent as identified in Paragraph 1(f) of the Offer to Purchase and Contract hereby acknowledges receipt of the (Additional) Earnest Money Deposit and agrees to hold and disburse the same in accordance with the terms of the Offer to Purchase and Contract.

Date _____

Firm: _____

By: _____
(Signature)

(Print name)

Buyer Initials _____ Seller Initials _____

SELLER POSSESSION AFTER CLOSING AGREEMENT
THIS AGREEMENT IS AN ADDENDUM TO THE OFFER TO PURCHASE AND CONTRACT

WARNINGS TO BUYERS AND SELLERS:

- THIS FORM MAY ONLY BE USED FOR SHORT-TERM OCCUPANCY.
- THIS FORM DOES NOT ADDRESS IMPORTANT ISSUES TYPICALLY ADDRESSED IN A RESIDENTIAL LEASE SUCH AS A SECURITY DEPOSIT. CONSIDERATION SHOULD BE GIVEN TO USING THE RESIDENTIAL RENTAL CONTRACT (FORM 410-T) OR OTHER RESIDENTIAL LEASE.
- YOU ARE ADVISED TO CONFIRM WITH AN INSURANCE PROFESSIONAL THE TERMS OF COVERAGE UNDER YOUR PROPERTY AND CASUALTY INSURANCE POLICY BEFORE USING THIS ADDENDUM.

Property: 500 Sigmon Road and adjoining tract

Seller: Excel Textile Supply Company, A NC Partnership

Buyer: City of Lincolnton, A NC Municipal Corporation

This Agreement is attached to and made a part of the Offer to Purchase and Contract ("Contract") between Seller and Buyer for the Property. For valuable consideration, the receipt and legal sufficiency of which are acknowledged, Seller and Buyer agree:

1. **Term of Possession/Access by Buyer/Mean of Access.** Seller may remain in possession of the Property for a period of until 12/31/22 days after the Closing (insert a number of days) until 5 p.m. on the last day (the entire period including any extension agreed to by Buyer and Seller in writing is referred to as the "Term"). **TIME IS OF THE ESSENCE** with regard to the end of the Term.

Buyer shall not access the Property during the Term without Seller's written permission except in the case of an emergency. Seller shall provide Buyer with an entry key to the Property at Closing. Seller shall deliver all other means of access to the Property to Buyer at the conclusion of the Term.

2. **Seller Acknowledgment of Property Condition and Obligation to Maintain Property.** Seller acknowledges that all appliances, systems and equipment are in good working order except for the following (describe any appliances, systems and equipment that are not in working order at the time of this Agreement): N/A

Seller shall be responsible for the maintenance and repair of all appliances, systems and equipment on the Property other than any appliances, systems and equipment described above. Buyer shall not be obligated to maintain the Property after Closing while Seller remains in possession of the Property, subject to any obligation that may be imposed on Buyer by law.

Seller shall maintain the Property in its same condition as at Closing and shall make no changes in the Property, decorating or otherwise, without the written consent of Buyer. In the event that the Property is altered, modified, damaged or not maintained by Seller in its condition at Closing, Seller shall pay all costs necessary to correct any alterations, modifications or damage to the Property to restore the Property back to its condition at Closing; provided, the risk of loss or damage to the Property by fire or other casualty shall pass to Buyer at Closing without limiting Seller's obligation to indemnify and hold Buyer harmless as set forth below.

3. **Rent.** Seller shall credit Buyer at Closing a non-refundable lump sum of \$ 0 for the Term ("Rent").

4. **Termination of Possession.** Without a written extension signed by the Parties, Seller shall vacate the Property no later than the end of the Term. If Seller has not vacated the Property by that time, Seller shall continue to be bound by all of the terms and conditions of this Agreement, and Seller shall in addition pay Buyer a hold-over fee of \$ 100.00 per day for each day Seller remains in possession of the Property from the end of the Term until Seller vacates the Property or is evicted.

Page 1 of 3



This form jointly approved by:
North Carolina Bar Association's Real Property Section
North Carolina Association of REALTORS®, Inc.

REALTOR®

Buyer initials _____ Seller initials _____



STANDARD FORM 2A8-T
Revised 7/2022
© 7/2022

5. **Utilities.** Seller shall keep all utilities registered in Seller's name and shall pay the costs of all utilities (sewer, water, gas, electricity, etc.) during the Term.
6. **Lawn Maintenance; Trash.** Seller shall be responsible for lawn maintenance and trash removal during the Term.
7. **Insurance on Seller's Property.** Seller shall procure and maintain throughout the Term a renter's insurance policy, and shall promptly provide Buyer evidence of such insurance upon Buyer's request. In addition to coverage for damage or loss to Seller's personal property in such amount as Seller may determine, the policy shall include adequate coverage for bodily injury and property damage for which Seller may be liable.
8. **Insurance on Buyer's Property.** As of Closing, Buyer shall keep the Property, together with any improvements and any personal property owned by Buyer on or in the Property, insured for the benefit of Buyer in such amount and to such extent as Buyer determines desirable.
9. **Seller's Indemnification.** Seller shall indemnify and hold Buyer harmless from and against any and all liability, fines, suits, claims, demands, actions, costs and expenses of any kind or nature whatsoever caused by, or arising out of, or in any manner connected with any damage to the Property or any injury or death to a person or persons arising out of Seller's use and/or occupancy of the Property during the Term, including intentional or negligent acts by Seller, Seller's family, invitees, and/or agents and employees of Seller.
10. **Subletting; Assignment.** Seller shall not sublet the Property or assign this Agreement.
11. **Association Dues and Charges.** Buyer shall pay the owner's association dues and other like charges, if any, during the Term.
12. **Pets.** Check one: ☐ pets are allowed on the Property ☐ no pets are allowed on the Property.
13. **Eviction.** In the event of Seller's breach of this Agreement, Seller may be evicted from the Property pursuant to a summary ejectment proceeding brought before the magistrate in the county where the Property is located, as provided in Chapter 42 of the North Carolina General Statutes.
14. **Costs of Legal Proceedings.** The losing party in any legal proceeding brought by Buyer or Seller against the other party for breach of any provision of this Agreement (including an action for summary ejectment) shall be liable for the costs and expenses of the prevailing party, including reasonable attorneys' fees (at all tribunal levels).
- EXCEPT AS SPECIFICALLY MODIFIED HEREIN, ALL OF THE TERMS AND CONDITIONS OF THE CONTRACT SHALL REMAIN IN FULL FORCE AND EFFECT.
- IN THE EVENT OF A CONFLICT BETWEEN THIS AGREEMENT AND THE CONTRACT, THIS AGREEMENT SHALL CONTROL, EXCEPT THAT IN THE CASE OF SUCH A CONFLICT AS TO THE DESCRIPTION OF THE PROPERTY OR THE IDENTITY OF THE BUYER OR SELLER, THE CONTRACT SHALL CONTROL.

[THIS SPACE INTENTIONALLY LEFT BLANK]

Buyer initials _____ Seller initials _____

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. AND THE NORTH CAROLINA BAR ASSOCIATION MAKE NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

Date: _____

Buyer: _____

Date: _____

Buyer: _____

Date: _____

Seller: _____

Date: _____

Seller: _____

Entity Buyer:

City of Lincolnton, A NC Municipal
(Name of LLC/Corporation/Partnership/Trust/etc.) Corporation

By: _____

Name: _____

Title: _____

Date: _____

Entity Seller:

Excel Textile Supply Company, A NC Partnership
(Name of LLC/Corporation/Partnership/Trust/etc.)

By: _____

Name: _____

Title: _____

Date: _____

SELLER FINANCING ADDENDUM

WARNING: FINANCING REGULATIONS ARE IN PLACE THAT MIGHT IMPACT SELLER'S ABILITY TO SELLER FINANCE THIS TRANSACTION. SELLER AND BUYER ARE ADVISED TO SEEK LEGAL COUNSEL PRIOR TO SIGNING THIS ADDENDUM.

Property: 500 Sigmon Road and adjoining tract

Seller: Excel Textile Supply Company, A NC Partnership

Buyer: City of Lincolnton, A NC Municipal Corporation

This Addendum is attached to and made a part of the Offer to Purchase and Contract ("Contract") between Seller and Buyer for the Property.

Seller agrees to provide Buyer with Seller Financing in the amount set forth in the Contract on the following terms and conditions:

1. The Seller Financing shall be evidenced by a balance of purchase money promissory note ("Note") secured by a balance of purchase money deed of trust ("Deed of Trust") on the Property.
2. The Deed of Trust shall be a ☒ first ☐ second lien on the Property. If the Deed of Trust will be junior to another deed of trust, the principal amount of the senior lien(s) shall not exceed the amount of the Loan as represented in the Contract.
3. The Seller Financing shall bear interest prior to default at the rate of 0 % per annum and shall be payable as follows:
A single payment of \$650,000.00 on or before 01/10/2023

The Seller Financing shall bear interest after default at the rate of 0 % per annum.

4. Unless otherwise provided herein, the Note may be prepaid in whole or in part at any time without penalty. If there are any restrictions on this prepayment right, the restrictions are as follows: Not to be paid prior to 01/01/2023

NOTE: Prepayment fees or penalties may be prohibited on loans of one hundred fifty thousand dollars (\$150,000.00) or less that are secured by a first deed of trust. See N.C. Gen. Stat. §24-1-1A

5. The Seller Financing ☐ shall ☒ shall not become due and payable in accordance with the terms of the Deed of Trust upon Buyer's sale or other transfer of the Property.

6. Additional Seller Financing terms (if any): _____

7. Unless otherwise provided herein, the Note and Deed of Trust shall be in form of and contain the provisions of the currently approved North Carolina Bar Association Forms 4 and 5, completed in accordance with the terms provided above or contained in this Contract.

NOTE: In the event of Buyer's default of the Seller Financing, Seller's remedies will likely be limited to foreclosure of the Property. If a deed of trust given to secure Seller Financing is subordinate to, or is later subordinated to, senior financing, and such senior financing is subsequently foreclosed, the Seller will likely have no remedy to recover under the Note or Deed of Trust. The advice of an attorney is recommended prior to Seller agreeing to provide seller financing.

IN THE EVENT OF A CONFLICT BETWEEN THIS ADDENDUM AND THE CONTRACT, THIS ADDENDUM SHALL CONTROL, EXCEPT THAT IN THE CASE OF SUCH A CONFLICT AS TO THE DESCRIPTION OF THE PROPERTY OR THE IDENTITY OF THE BUYER OR SELLER, THE CONTRACT SHALL CONTROL.

Page 1 of 2



This form jointly approved by:
North Carolina Bar Association's Real Property Section
North Carolina Association of REALTORS®, Inc.



STANDARD FORM 2A5 - T
Revised 7/2022
© 7/2022

Buyer initials _____ Seller initials _____

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. AND THE NORTH CAROLINA BAR ASSOCIATION
MAKE NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THE FORM IN
ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE
FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU
SIGN IT.

Date: _____

Buyer: _____

Date: _____

Buyer: _____

Entity Buyer:
City of Lincolnton, A NC Municipal
(Name of LLC/Corporation/Partnership/Trust/etc.) Corporation

By: _____

Name: _____
Print Name

Title: _____

Date: _____

Date: _____

Seller: _____

Date: _____

Seller: _____

Entity Seller:
Excel Textile Supply Company, A NCPartnershi
(Name of LLC/Corporation/Partnership/Trust/etc.)

By: _____

Name: _____
Print Name

Title: _____

Date: _____

ITEM #

7

REGULAR AGENDA

ITEM #

7a

August 2, 2022

Mr. Nathan Eurey
Parks and Recreation Director
City of Lincolnton
114 W Sycamore Street
Lincolnton, North Carolina 28092

RE: Proposal for Professional Services
City Park Master Plan
Lincolnton, North Carolina

Dear Mr. Eurey:

McGill Associates is pleased to provide you with this proposal to provide professional planning services for the above referenced project. It is our understanding that the primary goal of the current project is the preparation of a Park Master Planning Document for redevelopment of City Park located along Aspen Street and north of downtown Lincolnton. The subject project site is composed of multiple parcels with a total of approximately 19.1 acres. The park currently provides a bathroom/concession facility, parking, baseball field, and trail access to the city greenway.

Program Development for the proposed park will primarily be based on input from City Staff, public participation, and past experiences of McGill Associates. The development of the Master Plan Document will include the items noted in the Site-Specific Master Plan for the Park of the North Carolina Parks and Recreation Trust Fund application.

We anticipate providing the following services for the project outlined above:

Scope of Services

McGill's Design Team will provide landscape architectural design and planning services to include:

1. Kick-Off Meeting:

The project will kick off with a meeting of the McGill and the City Staff to review and refine the proposed scope of services. At this time, we will confirm project goals and deliverables, and reach a consensus on a project schedule, including milestones and the structure of any required meetings.

2. Site Assessment:

This will include an analysis by the Design Team of the existing natural and man-made conditions within the project site and will require that the City to assemble and provide copies of all existing mapping, environmental inventories, and other baseline documents for an evaluation of opportunities and constraints within the project site as well as the adjacent roadways along the site and nearby parcels.

Specifically, this will include:

- a. Identification of soil types, site topography (if received by Owner), drainage patterns, flood plains, wetlands, and environmentally sensitive areas based on available mapping, no new delineations to be performed.
- b. Identification of possible engineering issues, such as existing buried water and sewer availability or overhead utilities, areas of potential flooding, potential right-of-way width increases, existing structures, and general observation of site drainage.
- c. Identify adjacent land uses, zoning information, and potential pedestrian/bicycle connections. Understanding this information will be helpful when considering future uses, improvements, and connectivity.
- d. A list of potential design elements and programming efficiency.
- e. Identify potential permits necessary for future site development.
- f. Make recommendations for extensions of services as appropriate.

3. Park Master Planning:

Prepare (2) alternative park master plans based on the opportunities and constraints identified in the site assessment phase, as well as the desired public park elements and site amenities identified during the kickoff meeting and public input. Public input obtained during the development of the system-wide recreation plan will be used as the basis for the development of the master plan design

4. Public Meeting

A public meeting will be conducted in which the two conceptual designs will be presented for comments and suggestions. At the conclusion of the meeting, one of the design options will be recommended by the public participants and City Staff, with the final decision resting with the City Council.

5. Final Master Plan:

The selected design option will be refined in order to develop the final Master Plan. The plan produced will be the City Park Master Plan and include all site amenities along with facility recommendations, phasing plan and a projection of project costs broken down by site elements. Each of these project elements will be provided in a format that is easily included in grant applications.

6. City Council Presentation

A meeting with City Council will be conducted to summarize the planning process including public input, concept designs, final master plan, and implementation plan for comments.

Additional Services

1. Please note that the above fee for the Master Plan does not include traffic planning services, , funding applications, bidding documents, design plans, or designs associated with engineering modifications.
2. Geotechnical engineering/testing/inspection. soils analysis (by soil scientist).
3. The above fee also does not include providing services of professional consultants for items of work other than those described above.

4. Changes to the Master Plan, which occur after McGill's approved preliminary design documents have been completed, will be considered additional services. McGill can coordinate these additional services should the services be needed in accordance with the attached Basic Fee Schedule.

Deliverables:

1. Summary report of key issues and priorities.
2. GIS data and maps utilized in the process.
3. Two (2) bound hard copies of the final City Park Master Plan Document
4. Color computer generated rendering of the proposed master plan in a PDF format.
5. Electronic version of the final City Park Master Plan Document in PDF format.

Owner's Responsibilities

1. The Owner shall provide full information regarding site-related requirements for the Project.
2. The Owner shall designate a representative (authorized to act on their behalf) with respect to the Project. The Owner or his representative shall examine documents submitted by McGill and shall render decisions pertaining thereto promptly, avoiding unreasonable delay in the progress of McGill's work.
3. The Owner will be responsible for the arrangement, notice, and any other costs associated with the meeting schedule, including facility rental cost, advertisement costs, etc.

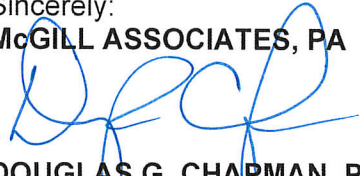
Basis for Compensation

Based on our understanding of the project, program development and current information available, McGill Associates proposes to provide these services on a **lump sum fee of \$25,650.00**. We will invoice in accordance with the attached rate schedule as work progresses.

We appreciate the opportunity to provide this proposal to the City of Lincolnton and are prepared to begin work immediately to meet the City's schedule. If this proposal is acceptable, please sign and return one (1) copy of this proposal and the attached Consulting Services Agreement to our office. As always, if you have any questions regarding this proposal, please do not hesitate to contact me. We look forward to working with the city on this important project.

Sincerely:

McGILL ASSOCIATES, PA


DOUGLAS G. CHAPMAN, PE
Hickory Office Manager

MICHAEL J. NORRIS, PLA
Project Manager

Attachments: Consulting Services Agreement
Standard Fee Schedule

ACCEPTANCE:

This proposal is accepted this, the _____ day of _____ 2022.

CITY OF LINCOLNTON

Ritchie Haynes, City Manager

"This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act."

Pamela McBryde, Finance Director Date

ITEM #

7b

ITEM #

8

OTHER BUSINESS

ITEM #

8a

ITEM #

8b



Executive Summary

June 2022 Year-to-Date (Unaudited)

Department		2021-2022	2021-2022 YTD	Variance %	2020-2021	2020-2021 YTD	Variance Favorable /
Fund: 10 - General Fund		Budget	Activity		Budget	Activity	(Unfavorable)
Revenue							
		\$12,351,669.04	\$13,609,951.48	110%	\$14,004,059.00	\$12,918,766.02	\$691,185.46
		\$12,351,669.04	\$13,609,951.48	110%	\$14,004,059.00	\$12,918,766.02	\$691,185.46
Total Revenue:							
Expense							
4110-City Manager/Clerk		\$170,960.00	\$193,119.85		\$239,520.00	\$222,207.28	\$29,087.43
4120-Human Resources		\$333,015.00	\$310,055.28		\$351,556.75	\$303,425.72	(\$6,629.56)
4130-Finance		\$69,097.33	\$151,447.38		\$223,640.00	\$186,313.75	\$34,866.37
4280-General Expense		\$2,208,126.92	\$776,018.97		\$1,736,756.49	\$1,348,389.11	\$572,370.14
4285-General Debt Service		\$293,924.00	\$278,475.96		\$334,757.00	\$302,779.96	\$24,304.00
4310-Police		\$3,488,872.85	\$3,488,872.85		\$3,977,949.47	\$3,852,871.65	\$363,998.80
4340-Fire		\$2,534,419.11	\$2,533,297.11		\$3,031,949.00	\$2,932,824.60	\$399,527.49
4510-Public Works Administration		\$44,080.00	\$66,274.23		\$86,300.00	\$72,943.50	\$6,669.27
4520-Street and Maintenance		\$778,105.00	\$802,849.22		\$882,269.21	\$728,443.01	(\$74,406.21)
4530-Equipment Services		\$295,199.11	\$243,650.12		\$268,789.04	\$239,935.07	(\$3,715.05)
4710-Solid Waste		\$521,595.00	\$476,928.34		\$692,375.00	\$641,936.97	\$165,008.63
4740-IT Services		\$109,407.34	\$100,467.21		\$0.00	\$0.00	(\$100,467.21)
4910-Planning and Zoning		\$322,004.38	\$287,110.07		\$500,239.00	\$367,207.38	\$80,097.31
4930-Business & Community Dev.		\$209,360.59	\$154,464.83		\$639,145.04	\$610,038.37	\$455,573.54
6100-Recreation		\$973,502.41	\$953,767.10		\$1,038,813.00	\$974,987.59	\$21,220.49
Total Expense:		\$12,351,669.04	\$10,816,798.52	88%	\$14,004,059.00	\$12,784,303.96	\$1,967,505.44
Fund 10 Surplus (Deficit):			\$2,793,152.96			\$134,462.06	\$2,658,690.90
Fund: 20 - Boger City Fire District							
Revenue							
		\$1,350,687.47	\$1,143,677.71	85%	\$1,373,152.00	\$998,362.77	\$145,314.94
		\$1,350,687.47	\$1,143,677.71	85%	\$1,373,152.00	\$998,362.77	\$145,314.94
Total Revenue:							
Expense							
4340-Fire		\$1,350,687.47	\$1,303,811.64		\$1,373,152.00	\$1,025,257.58	(\$278,554.06)
Total Expense:		\$1,350,687.47	\$1,303,811.64	97%	\$1,373,152.00	\$1,025,257.58	(\$278,554.06)
Fund 20 Surplus (Deficit):			(\$160,133.93)			(\$26,894.81)	(\$133,239.12)



Executive Summary

June 2022 Year-to-Date (Unaudited)

	2021-2022 Budget	2021-2022 YTD Activity	Variance %	2020-2021 Budget	2020-2021 YTD Activity	Variance Favorable / (Unfavorable)
Fund: 61 - Water and Sewer Fund						
Revenue						
	\$8,687,646.73	\$8,362,979.14	96%	\$11,577,450.00	\$7,686,680.15	\$676,298.99
Total Revenue:	\$8,687,646.73	\$8,362,979.14	96%	\$11,577,450.00	\$7,686,680.15	\$676,298.99
Expense						
7100-Water Treatment	\$1,801,588.72	\$1,696,709.15		\$1,945,700.00	\$1,374,335.27	(\$322,373.88)
7110-Distribution & Collection	\$2,049,350.78	\$1,699,205.08		\$2,032,900.00	\$1,385,805.79	(\$313,399.29)
7120-Wastewater Treatment	\$1,817,183.95	\$1,773,177.68		\$1,644,150.00	\$1,462,623.99	(\$310,553.69)
7130-Water/Sewer Intangibles	\$3,019,523.28	\$3,034,451.32		\$5,954,700.00	\$3,159,919.85	\$125,468.53
Total Expense:	\$8,687,646.73	\$8,203,543.23	94%	\$11,577,450.00	\$7,382,684.90	(\$820,858.33)
Fund 61 Surplus (Deficit):		\$159,435.91			\$303,995.25	(\$144,559.34)
Fund: 63 - Electric Fund						
Revenue						
	\$7,797,350.00	\$7,547,628.92	97%	\$8,596,830.00	\$8,926,924.29	(\$1,379,295.37)
Total Revenue:	\$7,797,350.00	\$7,547,628.92	97%	\$8,596,830.00	\$8,926,924.29	(\$1,379,295.37)
Expense						
7200-Electric	\$7,797,350.00	\$7,465,022.66		\$8,596,830.00	\$7,367,226.52	(\$97,796.14)
Total Expense:	\$7,797,350.00	\$7,465,022.66	96%	\$8,596,830.00	\$7,367,226.52	(\$97,796.14)
Fund 63 Surplus (Deficit):		\$82,606.26			\$1,559,697.77	(\$1,477,091.51)
Total Surplus (Deficit):		\$2,875,061.20			\$1,971,260.27	\$903,800.93



Overtime Report

June 2022 compared to June 2021 Year-to Date

Fund:	Description:	FY2122		FY2021		Variance Favorable / (Unfavorable)	
		OT Hours:	Pay Amount:	OT Hours:	Pay Amount:	OT Hours:	Pay Amount:
Fund 10 - General	4110-City Manager/Clerk	13.00	\$582.57	9.25	\$414.52	(3.75)	(\$168.05)
	4120-Human Resources	2.50	\$84.14	0.25	\$8.41	(2.25)	(\$75.73)
	4130-Finance	6.08	\$175.71	61.25	\$1,968.72	55.17	\$1,793.01
	4310-Police	2,292.00	\$74,418.96	1,962.50	\$58,175.48	(329.50)	(\$16,243.48)
	4340-Fire	11,901.20	\$269,857.81	10,420.20	\$218,886.64	(1,481.00)	(\$50,971.17)
	4510-Public Works Administration	10.00	\$303.46	10.00	\$289.35	0.00	(\$14.11)
	4520-Street and Maintenance	596.00	\$14,583.21	491.00	\$12,645.07	(105.00)	(\$1,938.14)
	4530-Equipment Services	91.00	\$3,145.90	117.00	\$4,459.73	26.00	\$1,313.83
	4710-Solid Waste	388.00	\$9,753.52	406.50	\$10,476.69	18.50	\$723.17
	4910-Planning and Zoning	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
	4930-Business & Community Dev.	0.00	\$0.00	0.00	\$0.00	0.00	\$0.00
	6100-Recreation	365.00	\$10,859.98	292.00	\$8,396.99	(73.00)	(\$2,462.99)
	10 - General Fund Total:	15,664.78	\$383,765.26	13,769.95	\$315,721.60	(1,894.83)	(\$68,043.66)
Fund 20 - Boger City Fire District	4340-Fire	6,829.80	\$143,090.19	4,810.60	\$99,475.64	(2,019.20)	(\$43,614.55)
	20 - Boger City Fire District Total:	6,829.80	\$143,090.19	4,810.60	\$99,475.64	(2,019.20)	(\$43,614.55)
Fund 61 - Water and Sewer	7100-Water Treatment	1,973.00	\$47,235.95	2,206.50	\$54,012.67	233.50	\$6,776.72
	7110-Distribution & Collection	1,299.00	\$37,375.98	1,944.50	\$54,950.03	645.50	\$17,574.05
	7120-Wastewater Treatment	2,175.15	\$57,804.65	2,743.32	\$80,726.87	568.17	\$22,922.22
	61 - Water and Sewer Fund Total:	5,447.15	\$142,416.58	6,894.32	\$189,689.57	1,447.17	\$47,272.99
Fund 63 - Electric	7200-Electric	486.05	\$16,290.32	483.50	\$16,196.82	(2.55)	(\$93.50)
	63 - Electric Fund Total:	486.05	\$16,290.32	483.50	\$16,196.82	(2.55)	(\$93.50)
	Total Overtime:	28,427.78	685,562.35	25,958.37	621,083.63	(2,469.41)	(64,478.72)

Special Events Hours and Costs:		FY2122		FY2021	
4310-Police		218.12	\$6,239.87	37.00	\$1,110.00

*** Special Event hours are not included in OT hours reported above.
*** The police department is the only department reporting any special event hours in the software.

ITEM #

8c

Local Market Update for July 2022

A RESEARCH TOOL PROVIDED BY THE CANOPY REALTOR® ASSOCIATION
FOR MORE INFORMATION, CONTACT A REALTOR®



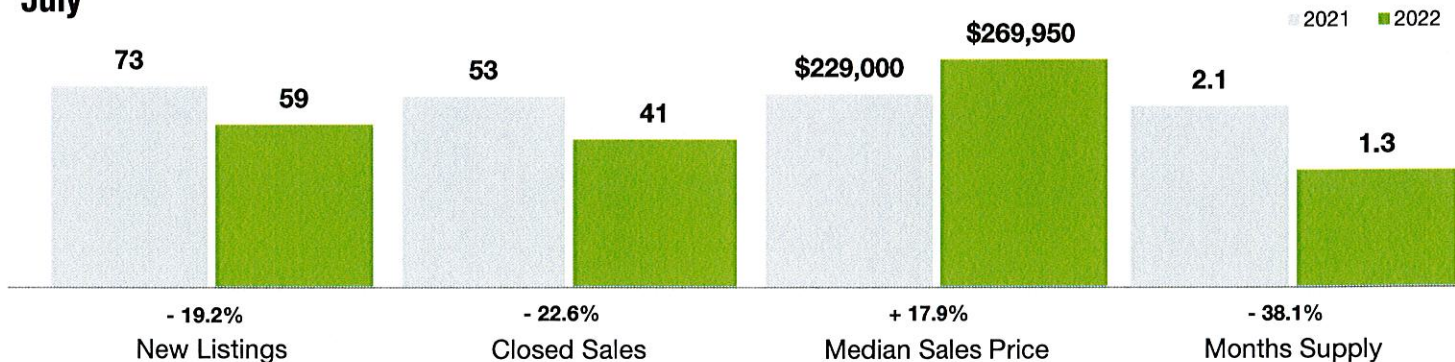
Lincolnton

North Carolina

Key Metrics	July			Year to Date		
	2021	2022	Percent Change	Thru 7-2021	Thru 7-2022	Percent Change
New Listings	73	59	- 19.2%	349	359	+ 2.9%
Pending Sales	44	52	+ 18.2%	306	324	+ 5.9%
Closed Sales	53	41	- 22.6%	274	271	- 1.1%
Median Sales Price*	\$229,000	\$269,950	+ 17.9%	\$225,750	\$277,750	+ 23.0%
Average Sales Price*	\$260,865	\$286,875	+ 10.0%	\$251,077	\$296,622	+ 18.1%
Percent of Original List Price Received*	100.9%	104.9%	+ 4.0%	99.6%	101.2%	+ 1.6%
List to Close	56	73	+ 30.4%	69	80	+ 15.9%
Days on Market Until Sale	8	34	+ 325.0%	19	33	+ 73.7%
Cumulative Days on Market Until Sale	8	25	+ 212.5%	21	37	+ 76.2%
Average List Price	\$303,310	\$290,203	- 4.3%	\$274,792	\$308,700	+ 12.3%
Inventory of Homes for Sale	84	64	- 23.8%	--	--	--
Months Supply of Inventory	2.1	1.3	- 38.1%	--	--	--

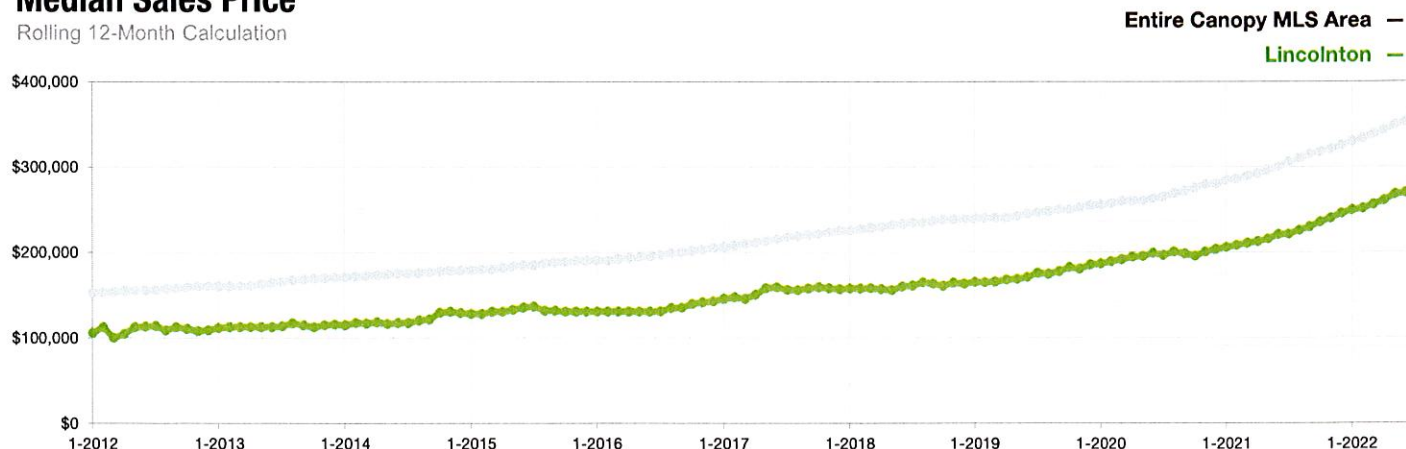
* Does not account for sale concessions and/or downpayment assistance. | Percent changes are calculated using rounded figures and can sometimes look extreme due to small sample size.

July



Median Sales Price

Rolling 12-Month Calculation



Local Market Update for July 2022

A RESEARCH TOOL PROVIDED BY THE CANOPY REALTOR® ASSOCIATION
FOR MORE INFORMATION, CONTACT A REALTOR®



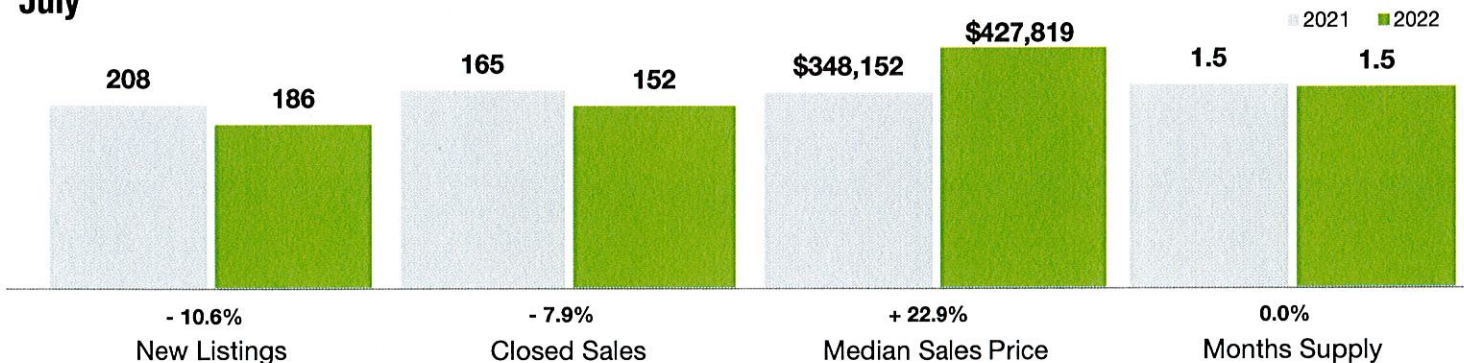
Lincoln County

North Carolina

Key Metrics	July			Year to Date		
	2021	2022	Percent Change	Thru 7-2021	Thru 7-2022	Percent Change
New Listings	208	186	- 10.6%	1,244	1,133	- 8.9%
Pending Sales	134	149	+ 11.2%	1,166	972	- 16.6%
Closed Sales	165	152	- 7.9%	1,048	930	- 11.3%
Median Sales Price*	\$348,152	\$427,819	+ 22.9%	\$331,537	\$421,250	+ 27.1%
Average Sales Price*	\$381,128	\$484,021	+ 27.0%	\$376,431	\$457,629	+ 21.6%
Percent of Original List Price Received*	100.7%	101.2%	+ 0.5%	100.2%	101.1%	+ 0.9%
List to Close	70	102	+ 45.7%	87	97	+ 11.5%
Days on Market Until Sale	13	26	+ 100.0%	30	26	- 13.3%
Cumulative Days on Market Until Sale	12	21	+ 75.0%	32	24	- 25.0%
Average List Price	\$404,464	\$474,791	+ 17.4%	\$402,202	\$474,838	+ 18.1%
Inventory of Homes for Sale	242	213	- 12.0%	--	--	--
Months Supply of Inventory	1.5	1.5	0.0%	--	--	--

* Does not account for sale concessions and/or downpayment assistance. | Percent changes are calculated using rounded figures and can sometimes look extreme due to small sample size.

July



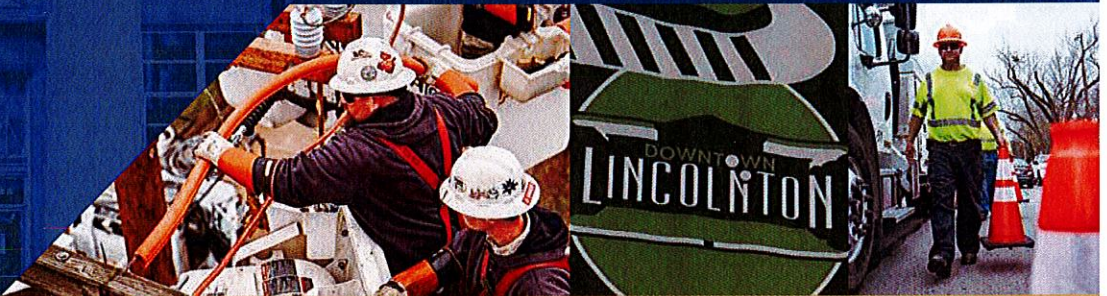
Median Sales Price

Rolling 12-Month Calculation





The energy behind public power



LINCOLNTON

The Benefits of a Municipal-Owned Utility



TABLE OF CONTENTS

Executive Summary 2

Introduction 3

Financial Benefits

- Financial Benefits Realized in the City’s Annual Budget 4
- Donated Labor and Supplies 5-6
- Benefits of Shared Resources 7

Additional Benefits

- Reliability 7
- Local Advantage 8
- Community Recognition 9
- Joint Action Agency Services 9

Conclusion 9

Appendix

- Calculations: Donated Labor & Supplies 10
- Calculations: Benefits of Shared Resources 10

EXECUTIVE SUMMARY

This report examines the benefits of Lincolnton's electric utility system. The primary focus is on the direct financial benefits associated with operating a municipal-owned utility — **a benefit estimated at \$741,600 a year to the City of Lincolnton.** These financial returns take many forms, including the Electric Distribution Division's contributions toward the City's administrative expenses; payments provided in lieu of taxes; donated labor and materials; and benefits derived from shared resources.

Together, these financial benefits equate to an **8.6 cent value on the tax rate.**

When evaluating the true value of the City's electric system, it is important to look beyond the direct financial benefits. Indeed, operating a municipal-owned utility provides local residents and businesses with many additional benefits that cannot be easily quantified in dollars and cents. Here are a few of them:

GREATER RELIABILITY: Public power communities across North Carolina consistently provide higher levels of reliability to their customers. The power is less likely to go out — and if it does, local crews restore power faster than co-ops and larger investor-owned utilities.

LOCAL CONTROL, LOCAL SERVICE: Among the many benefits of operating a locally-owned utility is that you make decisions about your electric system at the local level, employ local citizens to operate the system, and have local resources who answer questions and assist you with customer service issues in a timely manner. The Lincolnton Electric Division currently has eight employees, providing a financial boost to the local community.

ECONOMIC DEVELOPMENT: As a public power community, Lincolnton has access to economic development grants and resources aimed at helping the City leverage growth opportunities. In addition, maintaining local control over the City's electric system gives local officials more agility when negotiating with prospective businesses.

EMERGENCY ASSISTANCE: Lincolnton is part of a network of public power communities in North Carolina and across the country. If a major storm causes widespread power outages, these communities are standing by and ready to lend a hand. Lincolnton has agreements that enable the City to receive immediate support from other public power utilities during emergencies.

The public power community also provides Lincolnton with access to additional resources — from safety training for lineworkers to legislative support at the state and federal level — than the City would otherwise have on its own. With access to these resources, public power communities pride themselves on delivering exceptional reliability and superior service.

There is tremendous value in public power, and it's so much bigger than just energy. It's the lifeblood that enables growth within communities like Lincolnton, driving them towards progress, while helping them celebrate their rich histories.



HIGHER RELIABILITY



8 EMPLOYEES



LEVERAGED GROWTH



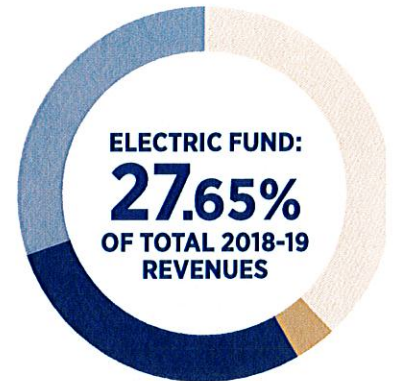
IMMEDIATE SUPPORT



\$5.4M
**ELECTRIC REVENUES
FROM SALES IN 2017**

2018-2019 PERCENT OF TOTAL REVENUES BY FUND CATEGORY FOR THE CITY OF LINCOLNTON¹

GENERAL FUND = 39.58%
POWELL BILL FUND = 3.64%
ELECTRIC FUND = 27.65%
WATER & SEWER FUND = 30.99%



INTRODUCTION

As a public power community, the City of Lincolnton operates its own non-profit electric utility with an emphasis on local control and customer service. Table 1 provides a data snapshot of Lincolnton and its electric system

TABLE 1: LINCOLNTON SNAPSHOT

Year Electric System Established	1900
Municipal Population (2010 Census)	10,578
Total No. Electric Customers ²	2,879
Total Sold (kWh) ²	48,791,000
Total Electric Revenues from Sales ²	\$5,458,000

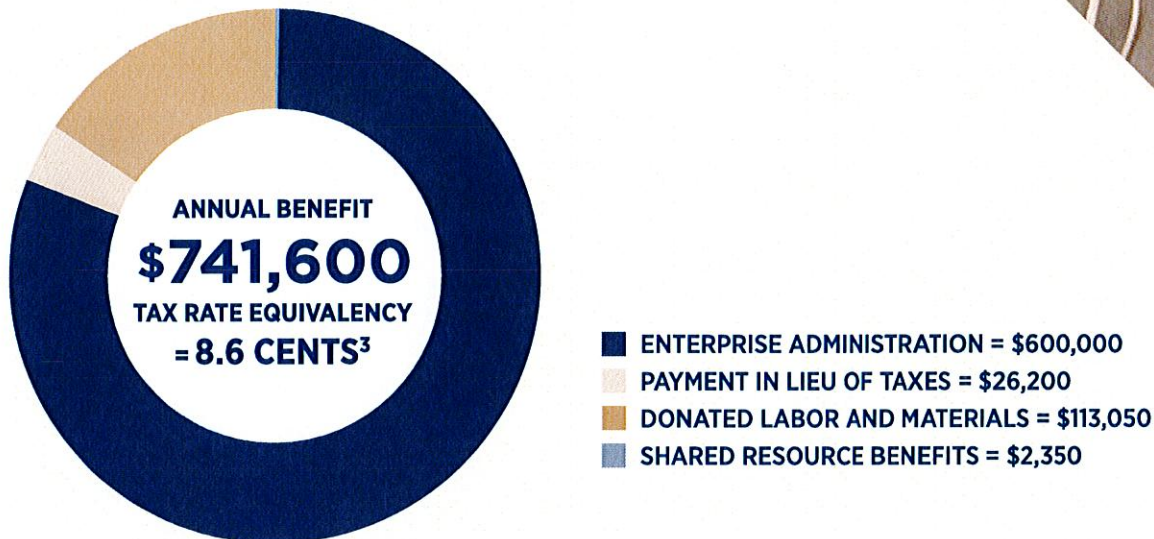
This report offers an overview of the quantitative and qualitative advantages afforded Lincolnton via its Electric Utility including:

- A. Financials realized in the Municipal Budget,
- B. Donated labor and supplies,
- C. Benefits of shared resources,
- D. Reliability,
- E. Local advantage,
- F. Community recognition, and
- G. Joint Action Agency services.

¹ Source: City of Lincolnton Municipal "Capital and Operating Budget FY 2018-2019", p 17.

² Source: US Department of Energy, Energy Information Administration 2017 Form EIA-861S.

CHART 1: ESTIMATED ANNUAL BENEFIT OF ELECTRIC UTILITY TO CITY OF LINCOLNTON



As shown in Chart 1, this report estimates the annual tangible value of items A through C (shown on the preceding page) at \$741,600 to the City. This equates to an 8.6 cent value on the tax rate using a basis of \$86,000 per penny.

Items D through G, although more difficult to quantify in terms of direct dollar benefit to the City, are featured within this report in terms of the substantive advantages they offer the Lincolnton community.

A. FINANCIALS REALIZED IN THE CITY'S MUNICIPAL BUDGET: \$626,200 ANNUAL BENEFIT⁴

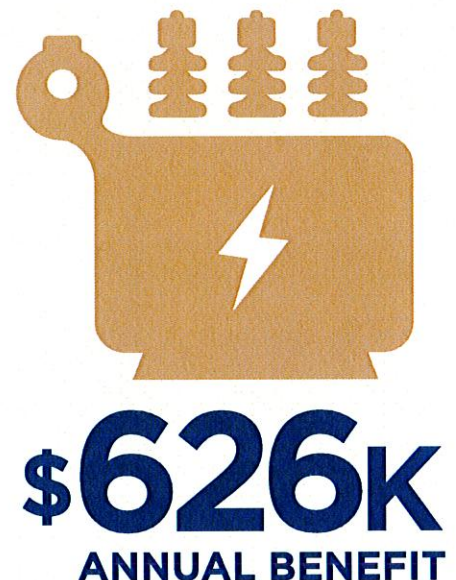
The Electric Distribution Division provides direct financial benefit to the City's General Fund via its payment in lieu of taxes (PILOT) of approximately \$26,200⁵. In addition, the Electric Division funds approximately \$600,000⁶ in the form of Enterprise Administration expense. This is Electric's annual contra-administration contribution for services from other City departments. It is worth noting that in the absence of the Electric Division as a client, the General Fund would have to spread its fixed charges over the remaining work groups or other enterprise funds, increasing water and sewer rates, tax rates, and/or other fees over the long run. The General Fund spends approximately \$11,000,000 per year. Therefore, the \$600,000 contra administration cost funded by Electric represents 5.45% of the total budget.

³ Basis of \$86,000 per penny. Source: City of Lincolnton Staff.

⁴ Source: City of Lincolnton "Municipal Capital and Operating Budget FY 2018-2019."

⁵ Lincolnton "Municipal Capital and Operating Budget FY2018-2019", p 19, General Fund Revenue Worksheet Report, Account No. 10-00-3332-300.

⁶ Lincolnton "Municipal Capital and Operating Budget FY2018-2019", p 76, Electric Dept Expense Worksheet.





WAL



LINCOLNTON COUNTY APPLE FESTIVAL



HOLIDAY LIGHTING & DECORATIONS



STREET LIGHTS

B. DONATED LABOR AND SUPPLIES: \$113,050 ESTIMATED ANNUAL BENEFIT⁷

Throughout the year, the Electric Division assists with various street fairs and celebrations, the largest being the Lincolnton County Apple Festival held each September attracting 80,000 visitors annually.⁸ Other annual festivities include the Lincolnton Food, Wine and BrewFest and the Fourth of July celebration. During these events, Electric provides the stationary service hook-ups, hand-truck connections and labor needed for setup and break-down. It would be reasonable to say that these services rendered at no charge by the Electric Division annually save the City approximately \$1,050 not including incidental vehicle and material expenses. The potential tax value generated by these festivals, as well as the community goodwill can be difficult to determine, but it is probable that downtown businesses benefit in the long run from the tourism and increased publicity these events offer.

Between November and early January, Electric Division employees contribute approximately 120 hours of labor, a \$3,000 value, in decorating and breaking down lights, garlands, and snowflakes to celebrate the holiday season. Over the years, Electric has purchased many of the holiday decorations including approximately \$20,000 in stringer lights for the downtown area. Most recently, Electric purchased the artificial pre-lit Christmas tree installed annually for the holidays at Courthouse Square. The purchase price of approximately \$30,000 includes storage, maintenance, setup, and breakdown. This indirect contribution to what would otherwise be a General Fund expenditure is estimated at \$5,000 annually. Note that this does not include vehicle and material costs.

The Electric Division has further contributed to Lincolnton's downtown beautification through the purchase of crepe myrtles and decorative street lighting along East Main Street. At this time, Electric has purchased for the City a total of 120 decorative street lights at an estimated cost of \$6,000 each not including the ongoing maintenance expenses also funded by Electric. This results in a total lighting project cost on the order of \$720,000. Amortized over thirty years this represents a \$24,000 annual benefit to the City.

⁷ Detailed calculations available in Appendix A

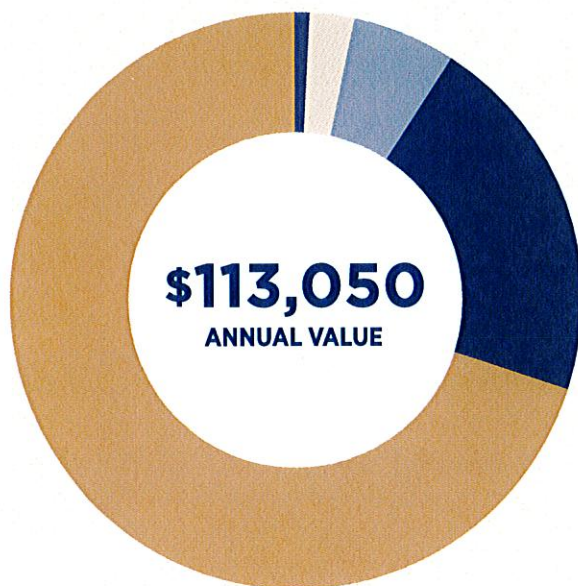
⁸ <http://www.lincolncountyapplefestival.com/about/>

With respect to city-maintained streets, the Electric Division provides the maintenance labor for ten traffic signals and also funds the replacement costs for those fixtures as necessary. The North Carolina Department of Transportation (NCDOT) is typically not willing to take over these signals from municipalities. Thus, in the absence of the Electric Division, Lincolnton's General Fund would bear the brunt of these costs, at an estimated \$8,000 per year per signal.⁹ Lincolnton's Electric Division maintains ten signals resulting in an \$80,000 annual value to the City budget.

During the construction of the Carolina Threads Trail through downtown Lincolnton, the Electric Division was instrumental in working with the North Carolina Department of Transportation (NCDOT) to preserve the Acorn features now installed on the bridge overlooking the Marcia H. Cloninger Rail Trail. Although not necessarily quantifiable, this advocacy by Electric on behalf of the City has provided a qualitative value in the preservation and beautification of downtown Lincolnton.

⁹ <https://wsdot.wa.gov/Operations/Traffic/signals.htm>

CHART 2: ESTIMATED ANNUAL VALUE OF DONATED LABOR & SUPPLIES BY ELECTRIC DIVISION TO CITY OF LINCOLNTON



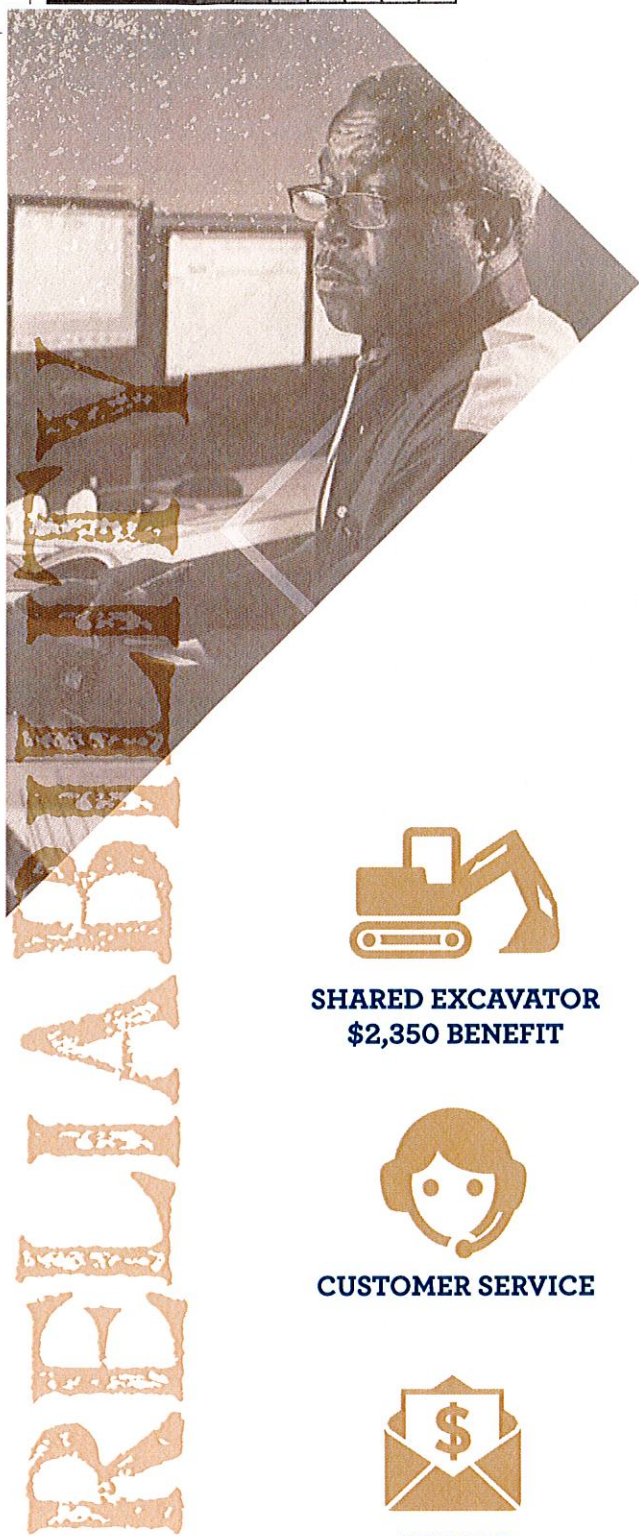
- FESTIVAL AND EVENT LABOR = \$1,050
- HOLIDAY DECORATING LABOR = \$3,000
- HOLIDAY DECORATIONS = \$5,000
- EAST MAIN STREET DECORATIVE LIGHTING = \$24,000
- TRAFFIC SIGNAL MAINTENANCE = \$80,000



**TRAFFIC LIGHTS
MAINTENANCE LABOR**



**PRESERVATION AND
BEAUTIFICATION**



SHARED EXCAVATOR \$2,350 BENEFIT

CUSTOMER SERVICE

BILLING

METER READING

C. BENEFITS OF SHARED RESOURCES: \$2,350 ESTIMATED ANNUAL BENEFIT¹⁰

As one enterprise of the City, the Electric Distribution Division works with the other City functions to share staff, facilities, and equipment as operationally appropriate. In general, resource sharing can lead to overall operational and cost efficiencies for the City. Specifically, Lincolnton's Electric Division shares Customer Service, Billing, and Meter Reading staff. In addition, Electric funds a support position with Lincoln County Government's I/T Department to provide assistance to the City as needed.

From an equipment standpoint, the Electric Division funds the purchase and maintenance of a small excavator which is utilized by other City divisions for approximately two weeks per year. A competitive regional rental company will lease a small excavator for \$4,700 per month. The interdepartmental sharing of the small excavator results in savings to other City funds of approximately \$2,350 annually.

D. RELIABILITY

Typically, municipal-owned electric systems perform better than investor owned utilities (IOUs) with regards to reliability. Power outages or feeder operations can cost manufacturing firms, businesses, and sometimes residential customers in terms of lost products, lost time, and lost data or unsaved work. Consider Table 2 below, which is relatively the same year after year: The table compares North Carolina electric utilities in terms of three commonly used reliability indicators. The indicators are as follows:

- **System Average Interruption Duration Index (SAIDI)** - the average outage duration for each customer served,
- **System Average Interruption Frequency Index (SAIFI)** - the average number of interruptions that a customer would experience, and
- **Customer Average Interruption Duration Index (CAIDI)** - the average restoration time.

TABLE 2: 2017 RELIABILITY DATA

UTILITY	SAIDI (MINUTES)	SAIFI (INTERRUPTIONS)	CAIDI (MINUTES)
NC Public Power	54	0.67	96
Co-ops (2016 average)	191	1.55	103
Duke Energy Carolinas	191	1.13	169
Duke Energy Progress	143	1.30	110

North Carolina Public Power utilities outperform the co-ops and the IOUs in all three categories. In terms of SAIDI, Public Power is about three times more reliable than the Electric Cooperatives or investor owned utilities.

E. LOCAL ADVANTAGE

Local Governance

Lincolnton's Electric Utility is a public system, owned by the people, who may realistically attend Council meetings, serve on City boards and commissions, and arrange meetings with the City Manager, Electric Director, Council members, etc. This is in contrast to an investor owned utility; due to its large size it is unlikely an individual customer's concern will be heard by top management. A recent example is the 2016 decision Duke Energy made to conduct its shareholder meetings in an online-only format.¹¹

Economic Development

Operating its own electric system affords the City extra agility in negotiations and communication with economic development prospects. The City is positioned to communicate directly with prospective businesses regarding whether certain load can be served and on what terms. This permits time-sensitive negotiations to be undertaken quickly and with high levels of discretion.

Customer Service and Reliability

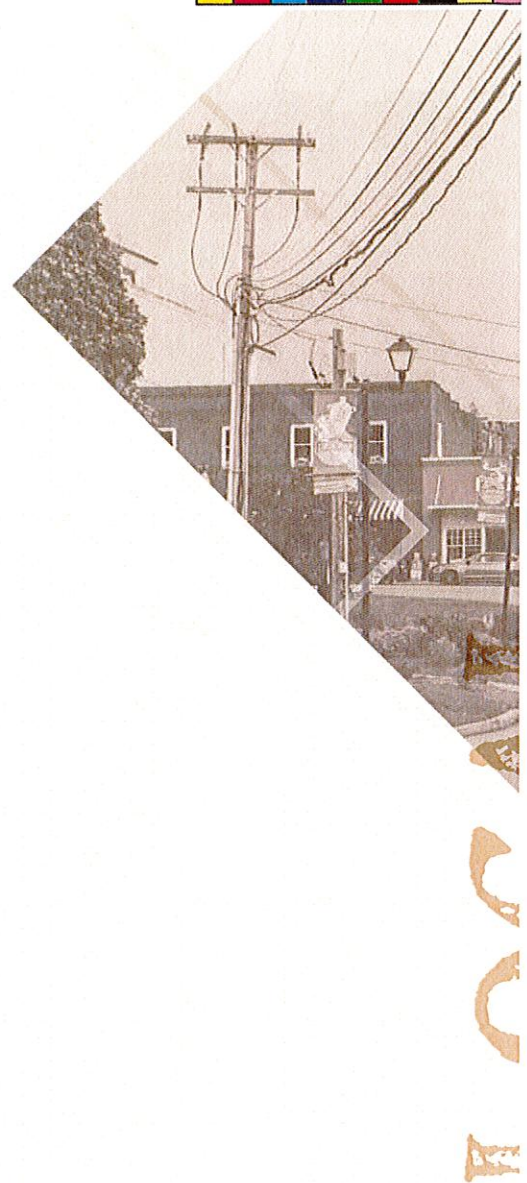
The Lincolnton community enjoys the availability of a local business office where electric customers can pay their bills, ask their questions, and express their concerns. This is in contrast to many investor owned utilities which have eliminated the option of local on-site customer service. Additionally, local operational personnel often reside in close proximity to the Lincolnton customer-base resulting in improved outage and storm response, decreased outage duration, and overall improved reliability.

Local Employment

The Electric Division currently funds eight employment positions with the City of Lincolnton. In addition to the positive impact of the salary dollars circulating through the local economy, these employees contribute to the local fabric of life whether it's participation in civic organizations, schools, church activities, or local sports teams.

¹¹ Source: <https://news.duke-energy.com/releases/duke-energy-shareholder-meeting-moves-to-live-video-webcast>

¹² Source: Great Blue Research, Customer Satisfaction Study, June 27, 2018.



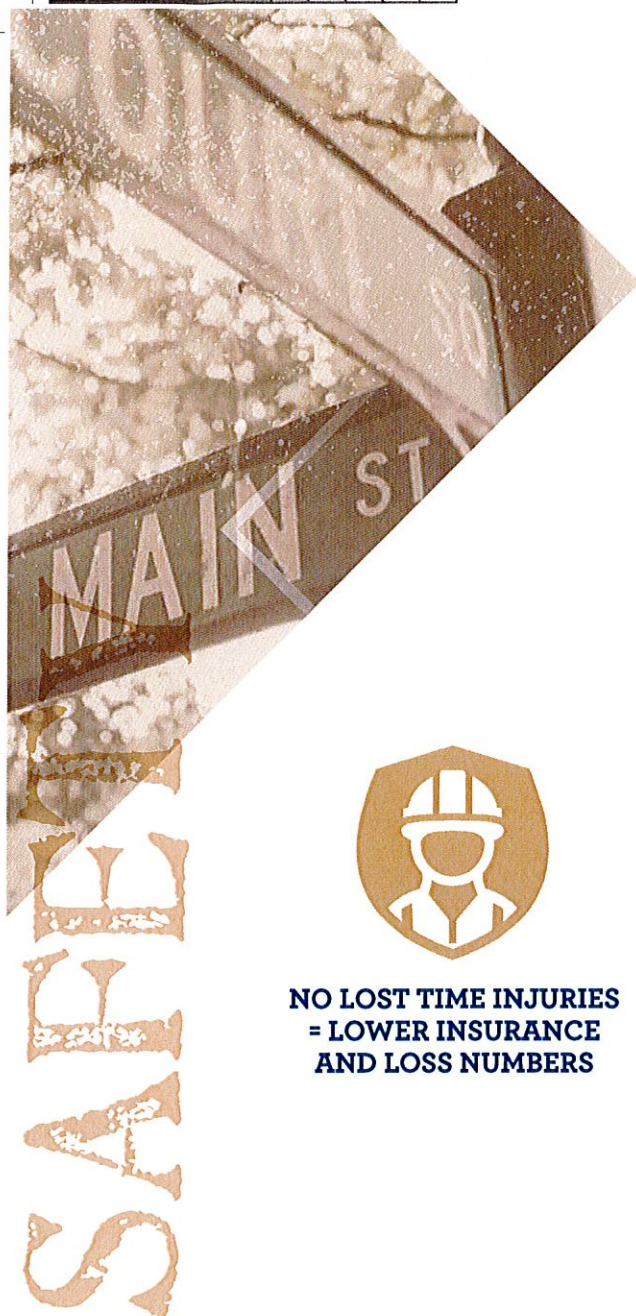
84.9% City of Lincolnton Residential

79.9% Competitor Residential

84.2% NC Public Power Residential

84.9%

**Very or Somewhat Satisfied with
City of Lincolnton Customer Service¹²**



**NO LOST TIME INJURIES
= LOWER INSURANCE
AND LOSS NUMBERS**

F. COMMUNITY RECOGNITION AND SAFETY

Lincolnton's Electric Distribution Division routinely receives the "ElectriCities Municipal Electric Safety Award" recognition for "no lost time injuries." It is important to note that the safe operation of a department with decades of superior performance reflects well upon the City, its values, and the skill of its leadership and workforce. Although difficult to quantify, safe work practices serve to lower the City's insurance and loss numbers. A safe workplace controls costs and more importantly, preserves employee well-being.

G. JOINT ACTION AGENCY SERVICES

Finally, the City benefits through the services offered to the Electric Division via its ElectriCities membership. Offered services include:

- **Emergency Assistance,**
- **Safety Training,**
- **Technical Training,**
- **Commercial and Industrial Services including Power Quality Audits, Key Accounts Seminars, and Customer Events,**
- **Residential Services including Energy Audits, Load Management, and Rebate Programs,**
- **Legislative and Regulatory Assistance,**
- **Economic Development Programs,**
- **Retail Rate Assistance, and**
- **Joint Purchasing and Mutual Aid Agreements.**

CONCLUSION

The City of Lincolnton's Electric Distribution Division provides numerous benefits to its community. On the tangible side, the City is afforded \$741,600 on an annual basis in terms of budgeted items such as PILOT and Enterprise Administration, shared departmental resources, and donated items and labor. This is the equivalent of 8.6 cents on the tax rate. From an intangible perspective, the City's Electric Utility customers experience the public power advantages of local governance, improved customer service, and improved reliability.

APPENDICES

Appendix A: Calculations for Section B – Donated Labor & Supplies, Estimated Annual Benefit \$113,050

I. Electric Division labor costs for City festivals:

Estimated wage rate	.....	\$25/hour
Apple Festival labor hours	.....	18 hours
Winefest labor hours	.....	4 hours
July 4 labor hours	.....	20 hours
Total Annual labor hours	.....	42 hours
TOTAL Annual labor cost	.....	42 hours * \$25/hour = \$1,050

II. Electric Division labor costs for holiday decorating:

Estimated wage rate	.....	\$25/hour
Labor hours	.....	2 wks * 30 hours/wk * 2 employees = 120 hours
TOTAL Annual Labor Cost for Holiday Decorating	.....	120 hours * \$25/hour = \$3,000

III. Electric Division holiday decorations cost estimate:

Stringer Lights	.....	\$20,000
Artificial Pre-lit Tree	.....	\$30,000
Total holiday decorations cost	.....	\$20,000+\$30,000 = \$50,000
Amortized over 10 years	.....	\$50,000/10 years = \$5,000

IV. Electric Division East Main Street decorative lighting cost estimate:

Total Number of lights	.....	120
Estimated cost per light	.....	\$6,000
Total project cost	.....	120 lights * \$6,000/light = \$720,000
Amortized over 30 years	.....	\$720,000/30 years = \$24,000

V. Electric Division city-owned traffic signal operation & maintenance (O&M) cost estimate:

Number of traffic signals	.....	10
Annual O&M cost	.....	\$8,000 per signal ¹³
TOTAL Annual Signal O&M Cost	.....	10 signals * \$8,000/signal = \$80,000

Appendix B: Calculations for Section C – Benefits of Shared Resources, Estimated Annual Benefit \$2,350

I. Electric Division estimated value of small excavator sharing with other City Departments

Small Excavator, market value rental fee	.....	\$4,700 per month ¹⁴
Estimated utilization by other City Depts	.....	2 weeks/year
TOTAL Annual estimated value of shared resource	.....	\$4,700/month * .5 month/year = \$2,350

¹³ <https://wsdot.wa.gov/Operations/Traffic/signals.htm>

¹⁴ <https://www.sunbeltrentals.com/equipment/detail/1006/0540110/30-34k-hydraulic-excavator/>



About ElectriCities of North Carolina

ElectriCities is the energy behind public power. For more than 50 years, ElectriCities has helped North Carolina public power communities provide safe, reliable, and affordable power to their customers. ElectriCities serves more than 1.2 million people in North Carolina public power communities, including 32 members of the NC Eastern Municipal Power Agency (NCEMPA) and 19 members of NC Municipal Power Agency #1 (NCMPA1). Learn more about the benefits of public power at www.electricities.com.



The energy behind public power